



# MEDINA, WASHINGTON

## AGENDA BILL

Monday, December 13, 2021

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**Subject:** Approval of Medina Personnel Policies updates: Appendix C (Employee Insurance & Benefits) and Section 5.01 (Salary Plan)

**Category:** Consent

**Staff Contacts:** Julie Ketter, Finance & HR Director & Michael Sauerwein, City Manager

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### **Summary**

In 2015, Staff and the Personnel Committee drafted a Personnel Policy Manual, which was adopted by Council on 8/10/2015. Previously, there had been no consolidated policy that covered the unrepresented employees. The City Manager was granted the authority to authorize future updates as needed by law or clarity; Council retained the authority to approve all changes that would impact employee compensation or benefits.

The City has 26 total employees, of which nine are not represented by a collective bargaining agreement but instead are managed by the City Council adopted Personnel Policy Manual. A couple of recent events have occurred that relate to non-represented employees' compensation and benefit package but no clear guidance is given in the manual:

1. Standard Life Insurance, offered through AWC increased their maximum amount of Group Basic Life Insurance coverage from \$300K to \$500K. When the Personnel Guidelines were originally adopted, the intention was to offer the non-represented employees the maximum amount available. Non-represented staff had requested this instead of other offerings. The Personnel Guidelines tried to reflect the intention by specifying the 2015 maximum, not considering the possibility of an increase.
2. In order to stay competitive in the region's labor market, and as common practice in the public sector, the City adjusts its salary ranges annually. For non-represented employees this has been to match inflation, as measured by the Seattle, Tacoma, Bellevue CPI-W. Additionally, a single position's range may be adjusted if a market comparable analysis determines a City position's range is no longer being met with just inflationary adjustments. However, June's CPI-W was 6.3%, an amount not seen in decades and certainly not anticipated during the original Policy Manual's 2015 drafting.

Staff would like to make the following recommendations, as previously discussed with the Finance Committee during their October 25th meeting:

1. Amend Personnel Guidelines, Appendix C as reflected in attached proposed redline sections to allow for continuation of providing non-represent employees our provider's full offering amount of Basic Group Life Insurance, as originally intended. This benefit is one of the City's least expensive employee benefits and the cost increase is small since the change only applies to a small number of employees.

2. Amend Personnel Guidelines, section 5.01 as reflected in attached proposed redline section. This will serve as a reminder to future staff and Council to, as we did this year, have a conversation before automatically applying an “extreme” CPI-W to non-represented staff’s annual salary range adjustments during the budgeting season. Since CPI-W is just a snapshot measure at a point in time, sudden swings such as we saw June (1% to 6.3% in 1 year) need to be discussed in context of trend, future forecasts, represented employee increases and City resources.

**Attachment**

Proposed Amendments Redline Version

**Budget/Fiscal Impact:** \$3K

**Recommendation:** Approve

**City Manager Approval:** 

**Proposed Council Motion:** “I move to Approve the attached proposed Medina Personnel Guidelines Amendments as previously discussed with Finance Committee and recommended by staff.”

**Proposed Personnel Guidelines Amendments**

**Current Personnel Guidelines section**

**APPENDIX C  
EMPLOYEE INSURANCE AND BENEFITS**

**Basic Life Insurance with AD & D (Accidental Death & Dismemberment)**

Eligible Unrepresented Employees receive life insurance coverage through Standard Life Insurance in the amount of \$300,000 at no cost to them. Employees have the option to purchase additional group life insurance for themselves or their spouse through payroll deduction.

**Proposed revision**

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**Current Personnel Guidelines section**

**CHAPTER 5  
COMPENSATION**

**5.01 Salary Plan**

The City Manager or his/her designee is responsible for preparing a salary schedule that establishes pay ranges for each job classification. This salary schedule is in effect only with City Council approval and any subsequent changes in the salary schedule must be approved by the City Council.

It is the intent of the City to attract and to retain quality employees. Within budget limitations, the City endeavors to pay salaries competitive with those of other employees in the applicable

labor market. Salaries are reviewed on an annual basis and, resources permitting, an annual adjustment may be applied to salary ranges by the City Council.

**Proposed revision**

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