

Agenda Item No: CA-f
Meeting Date: March 13, 2023

Subject: RESOLUTION 23-20 APPROVING AN AMENDMENT TO THE DAONO PERSONNEL POLICIES RELATED TO PERFORMANCE EVALUATIONS

Presenter(s): Kelly Stroh, Director of Finance

Background: The following amendment updates the personnel policy handbook to align with recently updated changes to the scheduling of performance evaluations, modifying due dates and merit pay implementation. Specifically:

- Instead of all performance evaluations being done concurrently in the calendar year, each employee's performance evaluation will be due on their respective anniversary date of employment with the City.
- The employee's yearly merit increase will be dependent on the rate set by Council for the budget year, and the employee receiving a qualifying appraisal.
- The increase will be effective the pay period following the anniversary date until the next evaluation is performed.
- Approved merit pay originating from performance evaluations will be in addition to any market adjustments made to compensation as set by budget resolution.

The resolution details the specific section of the personnel manual that will be updated and the new wording of that section.

Recommendation: Staff recommends approval of Resolution 23-20 approving an amendment to the Dacono Personnel Policies related to performance evaluations.

RESOLUTION NO. 23-20

A RESOLUTION ADOPTING AN AMENDMENT TO THE CITY'S PERSONNEL POLICIES CONCERNING PERFORMANCE EVALUATIONS

WHEREAS, City Council previously adopted the City of Dacono Personnel Policies, which may be amended from time to time; and

WHEREAS, City Council desires to amend certain sections of the Personnel Policies concerning performance evaluations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DACONO, COLORADO:

Section 1. Section III.J (PERFORMANCE APPRAISAL) of the City's Personnel Policies is hereby amended to read as follows (words to be added underlined; words to be deleted ~~stricken through~~):

J. PERFORMANCE ~~APPRAISALS~~ EVALUATIONS

1. The purposes of a performance ~~appraisal~~ evaluation are (1) to improve employee's performance where needed; (2) to provide information on which to base pay for performance decisions; and (3) to help employee develop his or her potential. It shall be the responsibility of the Department Director or City Manager to ensure that employees under his or her direction receive evaluations at the appropriate intervals, covering the appropriate time periods, generally considered annually on the anniversary date of the employee's date of hire.

2. Each employee will receive a performance ~~appraisal~~ evaluation by their supervisor and will also be required to submit a self-~~appraisal~~ evaluation. Factors used to evaluate performance are selected by the Department Director and will be consistent between job titles. The evaluation is to be based on observation of the employee on the job and of the results of the employee's efforts. The ratings are to be based on a careful, objective, fair and impartial analysis.

3. When in its sole discretion the City determines individual job performance or employee conduct problems should be addressed or corrective measures taken, the Department Director or City Manager may give an employee an opportunity to attempt corrective action or immediately discharge the employee, as determined by the City.

4. Appraisals Employees receiving performance evaluations that meet a score of "valued contributor" or "high contributor" expectations may receive a merit pay increase for the following calendar year at a rate set by Council for that corresponding budget year. The increase will become effective the

pay period following the anniversary date of the employee. ~~Employees with less than one year of service may receive a partial-year performance appraisal and a pay increase prorated for the initial appraisal period as follows:~~

- ~~• Employed three months or less during the appraisal period— No increase (probationary period).~~
- ~~• Employed 4 to 6 months during the appraisal period— 25% of determined pay increase.~~
- ~~• Employed 7 to 9 months during the appraisal period— 50% of determined pay increase.~~
- ~~• Employed 10 to 12 months during the appraisal period— 75% of determined pay increase.~~

Section 2. City staff is instructed to make the foregoing changes to the Dacono Personnel Policies and to distribute such changes to all City employees.

INTRODUCED, READ, and ADOPTED this 13th day of March, 2023.

CITY OF DACONO, COLORADO

Adam Morehead, Mayor

ATTEST:

Valerie Taylor, City Clerk