

CITY OF REDMOND
RESOLUTION NO. 1310

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF REDMOND, WASHINGTON, AMENDING THE MERIT
MATRIX FOR EMPLOYEES IN THE EXECUTIVE PAY
PLAN IN ORDER TO PROVIDE THE MAYOR WITH
DISCRETION TO DEVIATE FROM THE MATRIX FOR
FINANCIAL REASONS; PROVIDING FOR
SEVERABILITY AND ESTABLISHING AN EFFECTIVE
DATE

WHEREAS, due to the recent collapse of the housing market and the global economic downturn, the City has experienced a significant decline in revenues from development permits, real estate excise tax, retail sales tax and other sources; and

WHEREAS, the decline in revenues and the revenue projections for 2010 and beyond require the City to make some difficult financial and personnel choices in order to maintain its fiscal responsibility and integrity; and

WHEREAS, the Executive Merit Matrix, adopted by Resolution No. 1158, provides for performance-based pay increases for all employees subject to the Executive Pay Plan; and

WHEREAS, while it is appropriate to recognize the excellence of the City's executive employees, it is also appropriate to face the reality of the current economic climate and to authorize the Mayor to deviate from the Merit Matrix for reasons other than employee performance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO RESOLVE AS FOLLOWS:

Section 1. Amendment of Matrix. The Merit Matrix adopted by Resolution No. 1158 for employees in the Executive Pay Plan is hereby amended to add the following provision:

If the Mayor determines, in his or her discretion, that the financial circumstances of the City make it inadvisable to increase executive compensation to the levels otherwise provided in the Executive Merit Matrix, the Mayor is authorized to deny, in whole or in part, any salary increase and/or any lump payment that would otherwise be called for under the Matrix, regardless of the performance level achieved by any covered employee.

Section 2. Duties of the Mayor and the Human Resources Director. The Mayor and Human Resources Director are hereby authorized and directed to make any necessary changes to the City's Benefits plans and Personnel Manual to reflect the actions taken under the above section.

Section 3. Conflicts -- Severability. If any provision of this resolution conflicts with any provision of the City of Redmond Personnel Manual or any other resolution or policy of the City of Redmond, the provisions of this resolution shall govern. If any section, sentence, clause or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or

constitutionality of any other section, sentence, clause or phrase of this resolution.

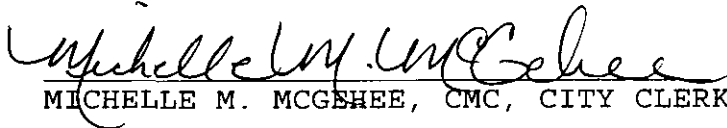
Section 4. Effective Date. This resolution shall take effect immediately upon passage.

ADOPTED by the Redmond City Council this 17th day of November, 2009.

CITY OF REDMOND


JOHN MARCHIONE, MAYOR

ATTEST:


MICHELLE M. MCGEHEE, CMC, CITY CLERK (SEAL)

FILED WITH THE CITY CLERK: November 10, 2009
PASSED BY THE CITY COUNCIL: November 17, 2009
EFFECTIVE DATE: November 17, 2009
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ADOPTED 6-0: Carson, Cole, Margeson, McCormick, Myers and Vache

City of Redmond Executive Compensation Program Proposed Performance Levels

There are four performance levels defined. The highest three performance levels are eligible for payout through the merit matrix:

1. Fails to meet expectations

Does not meet one or two major performance targets for reasons that were under her or his control.

2. Full performance

Fully meets all performance goals, targets, and expectations for her or his job.

3. Exceeds full performance

Performance significantly exceeds goals, targets, or expectations for one or two of the most significant aspects of her or his job.

4. Outstanding Performance

Performance significantly exceeds goals, targets, or expectations for all aspects of the job plus the incumbent has made additional important contributions to the City.

Executive Merit Matrix

- A market adjustment will be implemented annually and executive salary ranges adjusted accordingly; the individual pay of executive employees **will not be adjusted** as a result of the annual market adjustment.
- The separation between the amount of merit increase awarded as a lump sum payment and the amount awarded to base salary may be modified by the Mayor.
- If the Mayor determines, in his or her discretion, that the financial circumstances of the City make it inadvisable to increase executive compensation to the levels otherwise provided in the Executive Merit Matrix, the Mayor is authorized to deny, in whole or in part, any salary increase and/or any lump payment that would otherwise be called for under the Matrix, regardless of the performance level achieved by any covered employee.

Performance Level	Executive Merit Matrix		
	Lump sum award	Amount Accruing to base salary up to top of salary range	Additional lump sum award if topped out
Fails to meet expectations	-0-	-0-	-0-
Full performance to exceeds performance	4.5% – 5.5%	4.5% – 5.5%	4.5% – 5.5%
Outstanding performance	6.0% - 7.5%	6.0% - 7.5%	6.0% - 7.5%