

	<b>PERSONNEL POLICIES AND PROCEDURES</b>		<b>SUBJECT:</b>  PAY PLAN
	<b>NUMBER:</b>  EMP 12.0	<b>REVISIONS:</b>  <u>1</u>	<b>EFFECTIVE DATE:</b>  <u>February 17, 2020</u>
	<b>SUPERCEDES:</b>  <u>10/03/2011</u>	<b>APPROVED AND ADOPTED BY MAYOR AND COUNCIL:</b>	
	<u>A. Max Bacon</u> Administrator		<u>Derek Norton</u> , Mayor Date City

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**PURPOSE:** To provide a systematic way of establishing pay levels for each classification of City jobs and to establish fair, equitable, and uniform policies and procedures for administering the pay program for classified City employees.

#### STATEMENT OF POLICY

The Human Resources Director shall be responsible for the ongoing maintenance and day-to-day administration of the City's Compensation Plan and pay grade schedule.

Annually, a survey of prevailing market rates of pay for similar benchmark classifications in comparable local jurisdictions will be conducted by or through the Human Resources Department. Additional, specific classification reviews may also occur when authorized by Mayor, Council and City Administrator.

On the basis of an analysis of the survey data, new or revised job evaluation results, the financial condition of the City, and any other relevant factors, the Human Resources Director may prepare recommendations to the City Administrator regarding any proposed changes or adjustments to the City's *Employee Classification and Pay Schedule* which are required to keep the schedule current and up-to-date.

After consideration of all available information, the City Administrator will present recommendations to the Mayor and Council regarding any proposed amendments to the City pay schedule for the upcoming fiscal year as well as any proposed changes to annual performance based increases, bonus plans, etc. of eligible employees.

Proposed pay schedules may be accepted, modified, or rejected by City Council. Any changes to the Compensation Plan and/or pay schedule must be approved and adopted by Mayor and Council before implementation. All pay schedule amendments adopted will be effective for the upcoming fiscal year, unless otherwise stated.

Note: While providing the possibility of future earning potential for classified employees, such adjustments will not result in an immediate increase in pay for any City employee whose current rate of pay falls within the newly amended pay ranges.

#### PAY GUIDELINES

**New Hires** - Newly hired employees will normally be paid at the entry (minimum) rate of the appropriate pay grade for their respective classification.

In cases where the candidate is documented to have qualifications sufficiently higher than the entry level (i.e., additional years of documented relevant, **verified** experience and/or higher related education than required in the job description) *or* when it can be demonstrated that candidates who possess minimum qualifications for the job classification are not available at the entry rate, the Human Resources Director, with written justification on the appropriate HR form from the respective department head and with the written concurrence of the City Administrator, may approve a rate which is higher than the entry level. Such a rate, however, shall not exceed the *midpoint* of the appropriate pay range. (Any rate greater than the midpoint must be presented by the City Administrator with appropriate justification to the Mayor and Council for approval before being granted.)

**Promotions** - A promotion takes place when a City employee formally applies for an announced, vacant position and is selected competitively for a bona fide *promotion* to a job classification in a higher pay grade.

Once a candidate is selected, the respective department head and the Human Resources Director must jointly

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agree to a starting rate of pay before an offer of employment is extended to the candidate. Unless the employee is starting at the entry rate of pay for the particular job classification, department heads should never unilaterally commit to a starting rate of pay, since the Human Resources Director is responsible for ensuring consistency and equity in the administration of the City's wage and salary program.

In cases where the candidate is documented to have qualifications sufficiently higher than the entry level (i.e., additional years of documented relevant, **verified** experience and/or higher related education than required in the job description), the Human Resources Director, with written justification from the respective department head, may approve a rate which is higher than the entry level. Such a rate, however, shall not exceed the *midpoint* of the appropriate pay range. (Any rate greater than the midpoint must be presented by the City Administrator with appropriate justification to the Mayor and Council for approval before being granted.)

The promoted employee's rate of pay will increase either (1) to the minimum (entry) of the new pay grade or (2) by five percent (5%), whichever amount is greater. (Exception:—No employee's pay will be increased above the maximum of the appropriate pay range.)

In the event a newly promoted employee does not possess all the required certifications or mandated training for the position, the employee's rate of pay will increase at the time of promotion by 2.5%. The employee will receive the remaining increase upon successful completion of the working test period.

**Transfers** - A transfer takes place when a City employee moves from one City classification at a given pay grade to another City classification at the same pay grade. There are several circumstances under which a City employee may either voluntarily transfer OR be transferred. The most common are:

1. As a result of having formally applied for and being selected as the best qualified candidate for a bona fide competitive, announced City job opening for a vacant job classification at the same pay grade as the employee's current position.
2. As a result of a departmental and/or divisional reorganization or other instance where management, with the approval of the City Administrator, concurrence of the respective department head(s), and the concurrence of the Human Resources Director, assigns an employee in one job classification to another job classification at the same pay grade as the employee's former position.

In either instance, when a City employee is transferred to a different position or job classification within the same pay grade, the employee's previous years of service with the City shall transfer with the employee and the employee's rate of pay shall remain the same.

**Progressions** - A progression takes place when a City employee fully meets all required criteria to progress to the next highest level in a bona fide, established Career Path Professional Series (as certified by the respective department head and the Human Resources Director). An employee's rate of pay will increase to the minimum of the new pay grade or by five percent (5%), whichever is greater. Such career paths include, but may not be limited to:

- Uncertified Police Officer to Certified Police Officer
- Certified Officer to Master Police Officer
- Uncertified Firefighter to Certified Firefighter I
- Firefighter I to Firefighter II

**Supplemental Pay** – Supplemental pay occurs when the employee receives a certification and performs specialized duties as required by the job description. Such pay will be paid as a salary increase. Failure to maintain required certification shall result in demotion and a minimum five percent (5%) reduction in pay.

**Demotions** - A demotion takes place when a City employee is demoted (voluntarily or otherwise) to a lower job classification and a lower pay grade. A demoted employee shall be paid at a rate which is within the approved range for the lower level position (i.e., the employee must receive at least the minimum but cannot exceed the maximum of the lower pay grade).

The specific rate of pay will be set by the City Administrator in consultation with the Human Resources Director, taking into consideration the circumstances surrounding the demotion and the employee's previous years and record of service as compared with other employees in the same job classification.

In cases of demotions attributed to performance problems or disciplinary demotions wherein the affected employee's

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rate of pay exceeds the maximum of the lower pay range, the employee's rate of pay will decrease to the maximum of the lower pay grade.

**Maximum Salary** - No employee's salary shall exceed the maximum salary for their position. In the event an employee's salary exceeds the maximum range, he may not receive annual increases until market research warrants increases in grade and/or range or, unless authorized by the City Administrator, Mayor and Council.

**Working Test**

**New Hires and Promotions** - Upon successful completion of a new hire or promoted employee's ~~12-month~~ working test period (~~i.e., working test required of a new hire or promoted employee~~), the employee's performance will be appraised and he or she may receive a performance based increase in pay if he or she successfully passes working test. Such increases will be based upon the individual employee's performance during the working test period (as documented by the immediate supervisor and department head in the written performance appraisal) and are not automatic.

**Transfers and Demotions** - Upon successful completion of a transferred or demoted employee's working test period, the employee's performance will be appraised, but he or she will not be eligible to receive a performance based increase in pay.

During this period, however, transferred employees who were not on working test immediately **prior to their transfer** will still be eligible to receive the annual ~~July 1~~ performance based increase described in the next section. (Note: In such cases, every immediate supervisor under whom the employee has worked during the respective July 1 - June 30 review period must have input into the employee's appraisal and must sign the completed appraisal.)

After satisfactory completion of a new hire or promoted employee's working test period, an employee ~~may~~will be eligible for a performance based increase, depending on date of working test end, on the following July 1 and annually thereafter depending upon the availability of funds. At this time (and every July 1 thereafter as long as the employee continues employment with the City in the same job classification), the employee's performance will be formally appraised. Unless the employee has reached the maximum of the range for his or her respective pay grade, the employee will then be eligible for a performance based increase depending upon the availability of funds.

**Disciplinary** – Employees placed on working test due to disciplinary issues, may be eligible for a performance based increase depending on the date of working test period.

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