

## **RULE II**

### **COMPENSATION**

#### **SECTION 1. PREPARATION**

After consultation with department heads, the Appointing Authority/City Manager, will prepare and recommend to the Mayor and Council a compensation plan for all classes of positions under the merit system. The plan shall provide a salary schedule establishing the pay grades and steps within each grade for the various classes.

The Human Resources Director shall assign each class of positions to an appropriate pay grade consistent with the duties and responsibilities of the class.

The salary schedule shall include minimum, intermediate, and maximum pay steps for each pay grade.

In allocating a class of positions, the relative levels of duties and responsibilities of the various classes of positions, or rates of pay grades, the Human Resources Director shall give consideration to the relative levels of duties and responsibilities of the class of positions, the compensation (including benefits) offered for comparable positions elsewhere in the relevant labor market area, the City's financial resources, and other relevant factors.

The purpose of the pay plan is to provide a systematic way of establishing pay levels for each classification of employees. Responsibility for the implementation of the plan's classification and salary changes and maintenance belongs to the Human Resources Director.

The proposed pay plan can establish internal equity among city employees and can place the city in a more competitive position with other local governments and employers within the labor market area. To remain market competitive after implementation of the plan, it is necessary to conduct a survey every two years.

#### **SECTION 2. ADMINISTRATION**

Upon adoption by the Mayor and Council, the compensation plan shall be the official salary schedule for all positions. The following sections of this rule provide uniform regulations for the administration of the plan. The Appointing Authority/City Manager has the authority to make an exception to any of the rules outlined in the policy as written.

#### **SECTION 3. ENTRANCE SALARY**

- a. Initial Appointments: Initial appointments shall normally be made at the entry or minimum step of the pay grade assigned for the class. The Department Head may recommend a rate which is higher than entry level in cases where applicants are deemed to have qualifications sufficiently higher than are required for the minimum range for the position; or when candidates who possess minimum qualifications are not available at entry salary; or rate below entrance level if an applicant fails to meet the minimum qualifications and there are no other candidates available who possess the minimum qualifications.
  
- b. Exceptions: Exceptions to the above rule are as follows:
  - (1) Uncertified Police Officers: Uncertified police officers (trainees) shall be appointed a salary 10% (2 grades) below the minimum salary assigned to the class for certified police officers (Senior Police Officer). They shall advance to the minimum step assigned to the class for certified police officers upon successful completion of the basic Peace Officer Standards and Training Council (P.O.S.T.) certification program.
  - (2) Uncertified Fire Personnel: Uncertified, entry fire personnel shall be appointed at a salary 10% (2 grades) below the minimum salary assigned to certified fire personnel. They may be advance to the minimum step assigned, upon completing the certification by the State of Georgia.

#### **SECTION 4. SALARY ADJUSTMENTS**

- a. Change in Ranges: Whenever a different range of salaries is assigned to a class position, the employees in that class on the effective date of the adjustment may be adjusted as follows:
  - (1) Employees in classes moved upward and who are in the first step of their range may move to the first step of the new range.
  - (2) Employees in classes moved downward and whose present salary does not exceed the maximum of the new range may be moved to the step of the new range which represents the same salary.
  - (3) Employees in classes moved downward and whose present salary exceeds the maximum of the new range may retain that salary but shall not be eligible for future increases or other salary adjustments until their salary falls within the designated salary range of their classification.
  
- b. Promotions between Grades: If an employee is promoted one (1) grade, the increase will be to the minimum step in the new salary range, or up to 5%, than the previous salary. If promotion is to a position which is two (2) or more grades higher, the employee shall receive the minimum salary of the new salary range, or up to 10%, of the employee's

previous salary. The salary increase shall not exceed the maximum step of the range of the class to which the employee is promoted.

- c. **Salary on Demotions:** An employee who is demoted shall have their salary reduced to a step in the lower class that is at least a difference of two steps (5%) in the former class. An employee who is demoted through no fault of the employee, as a result of the reallocation of this position to a lower class, and their current salary is above the maximum of the lower class, shall retain their current salary. As long as they remain in the lower class they shall not receive salary advancements or cost of living increases as long as their salary is above the maximum of the range for that class.
- d. **Minimum Salary Level:** Employees shall not have their salaries reduced to a point below the minimum of the salary range assigned to the class of positions occupied.
- e. **Reduction of Funding:** Any reduction or shortage of city funds requiring a general reduction in pay or benefits shall apply to all employees.
- f. **Transfers:** An employee who is transferred to the same class of positions or to another class of positions having the same pay range shall be paid the same salary that they received prior to transfer.
- g. **Reclassifications:** Employees whose positions are reclassified and allocated to a higher pay range shall have their salaries raised to the minimum step of the new salary range which will provide an increase over the salary received prior to reclassification. An employee whose position is reclassified and allocated to a lower pay range shall retain their current salary. If their current salary is above the maximum range of that class, they shall not receive any increases in pay as long as their salary is above the maximum of the range of the lower class.
- h. **Temporary Increases for Additional Duties:** An employee who is asked to assume additional work duties, for example, due to staff shortage, may be entitled to a temporary pay increase if such additional duties are performed for more than 30 days. All temporary pay increases must be approved, in writing, by the Department Director and the City Manager. If approved, the employee will receive a 10% increase in pay beginning on the 31<sup>st</sup> day following the employee's continued performance of the additional duties and retroactive to the first day the employee assumed the additional duties. Temporary increases are approved at the discretion of the Department Director and City Manager and will be based, in part, on the amount and type of additional duties assumed. Temporary pay increases will cease when the employee no longer performs the additional duties, and the employee will receive his or her regular salary as in effect prior to the assumption of additional duties.

**SECTION 5. SALARY INCREASES**

All salary increases shall be based upon merit factors including the employee's quality and quantity of work, as documented by an annual performance appraisal and other relevant ratings which are recorded in employee's file. Salary adjustments shall correspond to the approved salary range for the employee's class of positions. All salary increase considerations shall occur at fixed times during the term of employment as specified below:

- a. Merit Increase Review - An employee shall be considered for a salary adjustment of zero percent (0%) - five percent (5%) annually. Annual salary increases will be based on a favorable performance evaluation report, (i.e., an overall average rating of at least 3) pursuant to the criteria set forth in Rule VIII as contained herein. Merit Increases are not automatically awarded each year. Employees who receive an overall average rating of at least 3 on their annual performance evaluation may be eligible for a salary increase not to exceed five percent (5%). An increase may be denied for unsatisfactory performance.
- b. Merit Increases - Merit Increases will be considered annually by the Mayor and City Council.
- c. Effective Date of Merit Increases: Increases will be effective the first payroll period following the passage of one (1) year.
- d. Maximum Increases: No employee's salary shall be increased to a point above the maximum rate of pay applicable to the class of the employee's position. Effective as of the date these rules and regulations are adopted, any employee whose rate of pay exceeds the maximum set for their class shall be frozen and considered ineligible for any salary adjustment or advancement.

**SECTION 6. HOLIDAY PAY**

- a. Full-time Employees: All full-time employees shall be paid at an equivalent rate of 1/5 of their weekly hours scheduled for work, without overtime considerations, for each legal holiday established by the Mayor and Council.
- b. Part-time Employees: All part-time employees shall be paid a pro-rated amount based on the number of workday hours normally worked.
- c. Temporary Employees: Temporary employees, whether part time or full time, are not eligible for holiday pay.

- d. Disqualification from Holiday Pay: Any employee absent on their normally scheduled working day before or after a holiday shall not be paid for the holiday unless such absence is approved by the department head.
- e. Holiday Pay When Holiday is Worked: Employees required to work on a holiday shall be paid for the actual hours worked on the holiday plus the regular day's pay.
- f. Fire Personnel — (24-hour shift employee) receives 10.6 hours Holiday Pay per holiday.
- g. Police Personnel — (12-hour shift employee) receives 8.5 hours Holiday Pay per holiday.

## **SECTION 7. BUDGET**

Each year, as part of the budget process, department heads shall include in their budget an amount which they project will be needed to pay for the current year's merit pay increases. The Appointing Authority shall set a maximum effect on payroll percentage that each department may use in determining the amount needed for merit increases. The department heads shall be limited only by the following in granting merit pay increases:

- a. The guidelines described in Rule II, Section 5;
- b. The total salary line appropriation for the budget year;
- c. The effect of the increase upon the maximum payroll level establishes set by the Appointing Authority; and
- d. Availability of funds as defined by the approved City Budget.

## **SECTION 8. MAINTENANCE OF COMPENSATION PLAN**

The Personnel Director shall cause the Pay Plan to be examined annually for the purpose of revision, and on the basis of conclusions reached through this examination, make recommendations for amendments of the Pay Plan to the Appointing Authority. All revisions to the existing Pay Plan must be approved by the Mayor and Council.

## **SECTION 9. WORKERS COMPENSATION - SUPPLEMENTAL SALARY/BENEFITS**

The following regulations govern the payment of supplemental salary and selected benefits to employees eligible for State Workers' Compensation Insurance payments:

- a. Less Than Three Years: Working Test Employees and Career Service Employees who have less than three (3) years' service with the City shall not receive supplemental salary benefits.

They shall be entitled only to Workers Compensation Insurance Benefits as required by law. During any leave due to a disability for which the employee for which the employee is receiving Workers Compensation Insurance Benefits from the City or its Insurance Carrier, the City will continue to pay the employee's Group Health/Life Insurance premiums (for the employee only) for a period which will not exceed sixty (60) days. After sixty (60) days the City will make only such payments as are required under the federal Family and Medical Leave Act.

At the discretion of the Department Head, he/she may allow an employee to utilize unavailable sick leave to cover the first week on Workers Compensation. This time will be subtracted when the employee receives time on the book.

b. Three Years or More: Career Service Employees who have over three (3) years' service shall be entitled to receive supplemental salary payments and to the continuation of selected benefits as provided below and in accordance with their length of service with the City.

(1) Career employees with 3 to 7 years' service

(a) Fully Salary paid by the City for the first seven (7) days of absence due to on-the-job injury.

(b) Supplemental pay at a rate to insure 100% of salary for a period not to exceed six (6) weeks.

(c) Group Health/Life Insurance premiums will be paid by the City (employee only) for a period of five (5) months.

(d) Employees in this category shall be eligible for Worker's Compensation payments only for the period of absence which exceeds the provisions set forth above.

(2) Career employees with more than 7 years' service

(a) Fully Salary paid by the City for the first seven (7) days of absence due to the on-the-job injury.

(b) Supplemental pay after the seventh day at a rate which will insure 100% of salary for a period not to exceed eight (8) weeks.

(c) Group Health/Life Insurance premiums will be paid by the City (employee only) for a period of six (6) months.

(d) Employees in this category shall be eligible for Worker's Compensation payments only for any period of absence which exceeds the provisions set forth in b.(2)(b) above.

c. Other Provisions – Any employee who has accrued sick leave or annual leave may use such leave following the exhaustion of any supplemental salary provisions set forth herein. In those cases where sick or annual leave time is taken in weekly amounts equal to the normal full-time work week of the employee, all benefits for which the employee may be eligible will continue.

All benefits in all cases shall cease upon termination of the Worker's Compensation supplemental payments, including Police and Fire Retirement, unless the employee utilizes accrued sick or vacation leave as provide for herein or unless the employee directly pays for the benefit costs for continuation of such benefits.

## **SECTION 10. OVERTIME COMPENSATION**

Overtime is work beyond the normal hours of any scheduled work week as authorized by the department head, subject to the approval of the Appointing Authority/City Manager. Compensation for overtime will be in accordance with the provisions of the Fair Labor Standards Act (FLSA). Overtime may be required as a condition of employment.

a. Definitions:

(1) Non-Exempt Associates (Hourly) – Are eligible for overtime pay under the FLSA when they work more than 40 hours in a workweek.

(2) Exempt Associates (Salaried) – Are typically managers, professional, administrative or technical staff members who are exempt from the overtime provisions of the FLSA. Exempt employees hold jobs in which the duties meet the criteria established by the Wage and Hour Division of the U.S. Department of Labor and any applicable state laws.

b. Authorization: Non-exempt employees may not perform overtime work without the prior knowledge and authorization of their respective Department Heads. While employees will be paid all overtime compensation to which they are entitled under the FLSA, an employee's breach of this policy by working unauthorized overtime may result in employee discipline.

c. Time Reporting: Non-exempt employees must accurately report all hours they actually work. Under no circumstances may a non-exempt employee "donate" work time to the City by failing to report their actual working time or working "off-the-clock." Falsifying time records by claiming time as worked that has not been worked, or by failing to report all hours actually worked will be considered a serious offense that may result in

termination. Exempt employees will receive their normal salary for any work period, regardless of the number of hours worked.

- d. **Rate of Pay:** Overtime payment for non-exempt employees shall be calculated based upon the employee's regular rate of pay. The "regular rate" of pay shall include any incentive bonuses or shift premiums which the employee receives. The overtime rate shall be 150% of the employee's regular rate of pay.
- e. **Non-working Time:** Employees shall not be compensated for time they do not work except for holidays, vacations, or paid leaves, without the approval of the Appointing Authority/City Manager. If, because of circumstances beyond the employee's control, such as an act of God, blizzard, flood, hurricane, or tornado, general area-wide power failure, City-equipment breakdown, an employee is required to be absent from duty, the employee may be paid, but only with the approval of the Appointing Authority/City Manager. However, when an employee's position requires the employee to remain at a facility, this time shall be fully compensable. None of the above shall prohibit a career status employee from using accumulated leave instead of being excused without pay.
- f. **Recalled Employees:** Employees who are recalled to work in an emergency situation on a holiday shall be paid their regular rate of pay for all hours that they work, plus an additional eight (8) hours pay for the observed holiday. If the employee customarily works more than eight (8) hours per day, the additional holiday pay shall equal the number of hours the employee is customarily scheduled to work times the employee's regular rate of pay.
- g. **On-Call Employees:** Employees who remain on-call and are subject to recall duty during their non-working hours shall be compensated on the basis of 150% of their base rate of pay for every hour of actual work they performed as result of an official call-out.