

AMENDMENTS TO PERSONNEL MANUAL

(The following provisions supersede and take the place of any terms of the Personnel Manual that conflict with them.)

CHAPTER 6. Wages and Hours

601. Wages and Increases

- a. The City's pay system and work schedules must fit the fiscal and service requirements, as determined by the City's budget. City taxpayers expect responsible fiscal management, including our pay system. As a City employee, you share this commitment and responsibility to our tax-paying citizens.
- b. Time sheets should be completed to reflect actual hours worked.
- c. All wage determinations are contingent upon budgetary approval.
- d. For the Police Department Only:
 - i. Shift differential pay applies to all hours worked between 7:00 pm and 7:00 am, regardless of whether the hours are part of a regularly scheduled shift or overtime.

602. Paid Lunch/Breaks.

- a. Regular Full-Time Employees are entitled to a paid 60-minute lunch break. For the Street, Water, and Parks and Recreation Departments, breaks may be taken at the discretion of the Supervisor, provided Employees are entitled to a total of 60 minutes of break time for every 8 hours worked (i.e., 2 15-minute breaks + 30-minute lunch, or 60-minute lunch).

603. Daylight Savings Time.

- a. In the spring, when DST goes into effect, the employees working a shift at 2 am will receive pay for their normal 12 hour shift. In the fall, when DST ends, the Employees working a shift at 2 am will receive pay for the actual hours worked (1 hour more than normal).

604. Overtime and Compensatory Time for non-exempt Employees

- a. Policy statement. Non-exempt employees are provided compensation in the form of overtime pay or compensatory time, for work in excess of their normal work week.

- b. Overtime and compensatory time must be authorized by the employee's supervisor before it is worked. Employees reporting unauthorized overtime may be subject to disciplinary action,
- c. Overtime pay and comp time are accrued at 1.5 times an employee's regular hourly rate for hours worked in excess of 40 in a workweek (Monday through Sunday), in excess of 80 hours in a 14-day work period [Police Department only], or outside of a regularly scheduled shift. Overtime pay and comp time shall be predicated upon hours actually worked.
- d. When an employee is called out by their supervisor requiring work outside of normal work hours, the employee shall earn a minimum of 2 hours overtime pay or comp time.
- e. Overtime will be the default compensation for hours worked in excess of 40 hours in a workweek (Monday through Sunday) or in excess of 80 hours in a 14-day work period [Police Department only]. Employees must indicate their compensation preference (overtime pay or compensatory time) in the payroll system or to their supervisor.
- f. Employees are encouraged to use their comp time within 60 days of the date it is earned.
- g. Employees are encouraged to use comp time before using annual leave.
- h. Comp time is capped at 160 hours. Employees are not eligible to accrue additional comp time beyond this limit and will be paid overtime for any hours worked in excess of the cap.
- i. The City reserves the right at any time to pay overtime in lieu of granting comp time.
- j. Comp Time must be paid out upon cessation of employment or retirement at the employee's rate of pay at that time.
- k. Comp time shall be paid out when an employee moves from a non-exempt job to an exempt job at the rate last paid to the employee while in the non-exempt position.
- l. Employees with more than 160 hours of comp time on the effective date will retain their comp time balance. They are encouraged to use comp time to reduce balance to 160 hours by June 30, 2025, as practicable. Employees with more than 160 hours of comp time are not eligible to earn additional comp time and therefore will only be compensated with overtime pay.

605. Exempt Employees

- a. Policy Statement. The City of Frostburg wishes to recognize that in some situations, employees who are exempt from the overtime provisions of the Fair Labor Standards Act and equivalent Maryland law (collectively referred to herein as "Exempt") may be

required to work in excess of 40 hours per week. This policy is designed to treat such situations equitably and to recognize the work commitment and dedication of exempt employees who work extended hours. The policy applies to all employees designated as exempt and is the only compensatory time policy applicable to them.

- b. Purpose of Compensatory Time. Full-time exempt employees are generally expected to work 40 hours per week, and depending on their schedule, as many hours as are necessary to complete their jobs. Exempt employees are required to work more than 40 hours per week when circumstances require that they work a greater number of hours. Such circumstances include, but are not limited to:
 - i. Temporary high priority project assignments with mandatory deadlines,
 - ii. Overload work performed while vacancies in department are being filled,
 - iii. High volume of service calls,
 - iv. Meeting required work deadlines related to the administrative cycle, or
 - v. Meetings outside of working hours.
- c. How Earned. Comp Time is granted on an hour-for-hour basis. Exempt employees are ineligible for overtime pay. Comp time will be earned and used in 15-minute increments.
- d. How used. Employees are encouraged to use comp time before using annual leave. Exempt employees may not exceed 80 hours of comp time. Employees are encouraged to use comp time within 60 days of the date it is earned.

606. Acting Pay

- a. At times, when an employee is required to assume the duties of a higher pay grade employee who is absent from work on an extended basis, an employee may be assigned to perform the tasks of the higher pay grade employee. Examples of such absences include, but are not limited to, vacancies resulting from resignation or retirement or temporary absences. If an employee is assigned duties of a higher pay grade position for more than two pay periods, that employee shall be entitled to an increase in salary equal to the entry level salary for the position being filled or a 5% increase in pay, whichever is greater.
- b. The employee's supervisor or the head of the department in which the employee works is responsible for obtaining the City Administrator's approval before assigning an employee to an acting position. If the City Administrator recommends the assignment of an employee to an acting position, he/she shall review the change with the appropriate Commissioner and the Mayor. The Commissioner and the Mayor must approve of the assignment before the employee is assigned to an acting position.

- c. From time to time, an employee may be required to perform tasks that other employees typically perform. In such circumstances, the employee will not be entitled to acting pay. Acting pay is only appropriate when an employee assumes most, if not all, of the duties of the position he/she is filling,
- d. Upon returning to the duties and responsibilities of the employee's original position, the additional compensation shall cease.

CHAPTER 8. Employee Leave

801. Holidays:

- a. The following holidays (13) are observed as paid holidays for full-time City Employees:

- New Year's Day
- Martin Luther King Day
- Presidents Day
- Good Friday
- Memorial Day
- Juneteenth
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

All references to "holidays" in this Chapter shall mean the holidays listed above and no others.

- b. When any of the above holidays fall on Saturday, the immediately preceding Friday shall be granted as the day off. When any of the above holidays fall on a Sunday, the immediately following Monday shall be granted as the day off.
- c. For staff that are required to work on a holiday, the holiday is observed as the actual day, not the observed day. (If Christmas falls on a Sunday, the holiday pay is earned on December 25 not December 26).

d. For essential workers, holiday pay is as follows:

- i. Regularly Scheduled Days Off (24/7- Police Only). If a holiday occurs on the employee's regular day off, the employee shall be paid for 8 hours of holiday pay at the Employee's regular rate of pay. If an employee was scheduled to work a holiday and requested and took the day off, the employee shall receive 8 hours of holiday pay, regardless of the length of the shift taken off.]
- ii. Working 8-Hour Day on Holiday (all employees). An employee who works an 8-hour shift on a holiday shall be paid for 8 hours at his/her regular rate as holiday pay and 8 hours of overtime pay.
- iii. Working 12-Hour Day on Holiday (all employees). An employee who works a 12-hour shift on a holiday shall be paid for 12 hours at his/her regular rate as holiday pay and 12 hours of overtime pay.
- iv. Hourly Rate for Holiday Pay. Holiday pay is paid at the employee's regular hourly rate of pay.

802. Annual Leave

- a. About Paid Time Off. Employees enjoy a generous leave time program. All employees are expected to provide the maximum notice possible in requesting any leave time. Employees must obtain their supervisors' approval before taking annual leave so as to ensure that there is coverage for the fulfillment of the Employee's responsibilities during the leave. Supervisors may not deny requests to take annual leave unless there is good cause for doing so. Annual leave is intended to be used for vacation and/or general time off. Note: With the adoption of this new handbook, "Admin Days" or "Personal Days" have been eliminated. Those days and vacation days have been combined to determine the allotted annual leave accruals.
- b. Commencing January 1, 2025, all regular full-time employees accrue annual leave at the following rates:

Months of completed service	Hours of annual leave earned per 2-week pay	Total 8-hour days per year
1 to 11 (up to 1 year)	2.15	7
12 to 60 (1-5 years)	4.00	13
61 to 120 (6-10 years)	5.54	18
121 to 180 (11-15 years)	6.77	22
181 to 240 (16-20 years)	8.00	26
241+ (over 20 years)	8.92	29

It is important to note that with the adoption of this version of the Personnel Manual, there are no longer separate categories of leave classified as “administrative” or “personal” days. Rather, additional days have been added to the “annual leave”.

- c. Employees will not get a lump sum of annual leave on January 1 as was the past practice. Instead, Employees are able to take annual leave not yet earned until December 31, 2025, so long as leave taken does not exceed the maximum annual leave an employee is eligible to earn. If an Employee resigns during calendar year 2025 with a negative annual leave balance, the employee shall be liable for amounts paid in excess of annual leave earned.
- d. Annual leave may be taken at any time during the calendar year; however, in no event may more than 280 hours be accrued at any given time, except in extreme circumstances caused by the employer. Employees who are not eligible for comp time shall be paid for their overtime. If an extension is desired due to extreme circumstances, a written explanation must be submitted by the employee to the City Administrator. The request must include a timeframe in which the annual leave carried forward will be used. Upon the approval of the City Administrator, the employee must use the leave in excess of 280 hours within 120 days except as provided in subsections (i) – (iii) below.
 - i. Employees that have earned annual leave in excess of 280 hours as of January 1, 2025 may keep those hours, but may not carry over more than 280 hours into future years and may not exceed 280 hours of accrued leave at any time after December 31, 2025.
 - ii. For employees with 20 or more years of service as of January 1, 2025, the following maximum leave cap will be phased in:
 - 2025: 420 hours
 - 2026: 380 hours
 - 2027: 340 hours
 - 2028: 300 hours

The phasing in applies to annual leave carryover from year to year and the maximum number of hours of overtime an employee can accrue at any one time.

- iii. Employees that retire from the City and are vested in the Maryland State Retirement System in the next 3 years will receive a prorated payout for annual leave at retirement, so they are not unduly affected by the change in policy.

- 2025: Employees who retire in calendar year 2025 will be entitled to 100% of the vacation hours that they would be eligible to accrue for pay dates from January 1, 2025 through December 31, 2025. The unposted accrual from their retirement date through December 31, 2025 will be added to their available vacation hours and paid out at retirement.
 - 2026: Employees who retire in calendar year 2026 will be entitled to not less than 60% of the vacation hours that they would be eligible to accrue for pay dates from January 1, 2026 through December 31, 2026. The unposted accrual to reach 60% of the annual accrual will be added to their available vacation hours and paid out at retirement.
 - 2027: Employees who retire in calendar year 2027 will be entitled to not less than 30% of the vacation hours that they would be eligible to accrue for pay dates from January 1, 2027 through December 31, 2027. The unposted accrual to reach 30% of the annual accrual will be added to their available vacation hours and paid out at retirement.
- iv. Annual leave is given to employees as a benefit, as it is recognized that, within limits, paid time off is beneficial to the employee's well-being and sense of self. Beginning January 1, 2025, there is no option to convert annual leave to sick leave, nor is there an option to "sell back" time as annual leave is provided with the intent that it be used as time off rather than for other reasons. Other than the provisions made in subsection d. above, the annual leave is a "use it or lose it" policy.
- e. As an exception to the accrual formula described above, no additional leave will be credited on the first pay following a 30-day absence due to any cause other than scheduled vacation, maternity/paternity leave, or an on-the-job injury. In the case of absence due to a scheduled vacation, maternity/paternity leave, or an on-the-job injury, annual leave will accrue for the first 13 pay periods of the absence. No annual leave will accrue beginning on the 14th pay of the absence.
- f. When an employee resigns from employment with the City, the employee will receive payment for no more than 280 hours of accrued annual leave. The estate of an employee who dies while employed by the City is eligible for payment of the employee's accrued annual leave. Accrued annual leave not paid out within 3 years of an employee's separation from employment will be forfeited.