

THE CITY OF FREDERICK
MAYOR AND BOARD OF ALDERMEN
RESOLUTION NO: 16-20

A RESOLUTION concerning

Revisions to the Policies and Procedures Handbook for Employees of The City of Frederick. Section:
Compensation/Employee Compensation

WHEREAS, on June 2, 2011, the Board of Aldermen adopted Resolution No. 11-14, adopting a new Policies and Procedures Handbook for Employees of The City of Frederick ("Handbook"); and

WHEREAS, on November 3, 2011, the Board of Aldermen adopted Resolution No. 11-20, amending the Handbook to clarify the City's shift differential policy and to eliminate the sick leave bank policy; and

WHEREAS, on January 19, 2012, the Board of Aldermen adopted Resolution No. 12-03, amending the Handbook to adopt a compassionate leave donation policy; and

WHEREAS, on October 18, 2012, the Board of Aldermen adopted Resolution No. 12-35, amending the Handbook to provide the Manager of Human Resources with certain authority regarding the starting salaries of new employees; and

WHEREAS, on May 2, 2013, the Board of Aldermen adopted Resolution No. 13-17, amending the Handbook to revise the policy regarding employment of family members; and

WHEREAS, on August 15, 2013, the Board of Aldermen adopted Resolution No. 13-28, amending the Handbook to revise certain provisions regarding retirement and post-employment benefits; and

WHEREAS, on October 3, 2013, the Board of Aldermen adopted Resolution No. 13-31, amending the Handbook to clarify that certain provisions regarding retirement and post-employment benefits are subject to future revisions by the Board of Aldermen; and

WHEREAS, on October 3, 2013, the Board of Aldermen adopted Resolution No. 13-34, amending the Handbook to include certain information concerning an employee's rights to reasonable accommodations and leave for a disability caused or contributed to by pregnancy; and

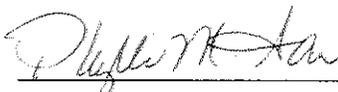
WHEREAS, on November 20, 2014, the Board of Aldermen adopted Resolution No. 14-24, amending the Handbook to prohibit discrimination in employment based on gender identity.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF FREDERICK that the Policies and Procedures Handbook for Employees of The City of Frederick be amended by revising the Employee Compensation Section regarding promotions, as shown on Exhibit A, attached hereto and incorporated herein by this reference.

AND BE IT FURTHER RESOLVED that except as amended by this Resolution, the Policies and Procedures Handbook for Employees of The City of Frederick remains as adopted on June 2, 2011 and subsequently amended by the Board of Aldermen.

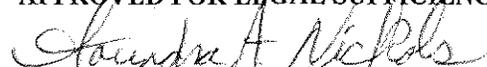
ADOPTED AND APPROVED THIS 1ST DAY OF December, 2016.

WITNESS




_____ Randy McClement, Mayor

APPROVED FOR LEGAL SUFFICIENCY:


_____ Sandra A. Nichols
City Attorney

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NEW HIRE COMPENSATION—FULL-TIME AND PART-TIME GRADED POSITIONS

Generally, as a newly hired employee with the City, your starting salary or wage will be the minimum salary for the position and grade for which you have been hired. Exceptions may be approved if: (1) The department has funds budgeted, and (2) the prospective employee has more experience, skills and/or education than the minimum qualifications stated in the job announcement, and (3) those skills would be advantageous to the goals of the City and the department. In order to request an exception to offer the newly hired applicant a salary above the minimum salary for the grade, the hiring supervisor must submit written justification to the Director of Human Resources explaining the rationale for requesting a higher salary. With the approval of the Director of Human Resources, additional salary may be granted up to 10% above the grade's minimum salary. Starting salaries greater than 10% of the minimum salary must be approved in advance by the Board of Aldermen.

MERIT INCREASES

The City embraces a high performance culture for employees—one that is focused on providing excellent customer service to our residents and the public. If you are a full-time or regular part-time employee, you may be eligible for an annual merit increase on the anniversary of your service to the City depending upon economic conditions and the City's approved budget. Merit increases will generally be paid on a sliding scale with high performers receiving a higher percent merit increase, and average performers receiving a lower percent increase within the parameters of the budget. Since your merit increase is tied to your performance evaluation rating, you should understand that it is not automatic. Employees with sub-par performance rating for the year will not be eligible to receive a merit pay increase. Non-graded part-time employees are not eligible for merit pay increases.

COST OF LIVING ADJUSTMENT (COLA)

The Mayor and Board of Aldermen will determine whether full- and regular part-time employees of the City will receive an annual Cost of Living Adjustment (COLA) as part of the annual budgetary process. If approved, COLAs are generally paid to eligible employees at the start of the fiscal year. Non-graded part-time employees are not eligible for COLAs.

NON-GRADED PART-TIME PAY RATES

The budget for non-graded part-time employees will be reviewed and set as part of the annual budget process by the Mayor and Board of Aldermen. The hourly rates will not fall below the federal minimum wage as set forth by the U.S. Fair Labor Standards Act (FLSA). Each director has the authority to set actual wages for these part-time / non-graded employees based on the approved budget while ensuring pay equity with other employees with similar job duties, skills, education and experience. Human Resources will review these pay rates for internal and external equity.

PAY INCREASE—PROMOTION

When you are promoted to a position in a higher grade within the classified pay scale, an appropriate salary within the new pay grade will be determined based on your skill, knowledge, experience, and performance. With the approval of the Director of Human Resources, you may receive a pay increase of up to 10% above your current rate of pay, up to 10% above the grade's minimum salary, or be placed at the starting salary of the new grade. A greater starting salary will require advance approval by the Board of Aldermen.

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DEMOTION

If you request a demotion to a lower grade in the pay scale (or your supervisor determines that a demotion is necessary because you do not have the skills to fulfill the essential functions of your job), the final determination regarding demotion will be made by your supervisor in partnership with your department head and the Director of Human Resources. A vacant position must exist in the current budget or be approved by the Mayor and Board of Aldermen in order for a demotion to occur.

OVERTIME PAY

Except in emergency situations, overtime requires the advance authorization of your supervisor or department head. The supervisor or department head may authorize overtime work under the following conditions:

- For emergency situations defined as any condition which endangers the safety, life, and property or threatens to interrupt the vital services to the public.
- To perform duties that can only be accomplished outside the regularly scheduled work week.
- To accomplish essential work within a prescribed time when a deadline cannot be altered.
- To maintain essential operations.

Time-and-one-half will be paid, provided the nonexempt employee has earned forty (40) hours for that work week. The earned forty (40) hours includes paid time off for vacation, compensatory leave, holidays, and light/restricted duty. These overtime provisions do not apply to exempt and seasonal recreational employees as provided in the FLSA.

STANDBY PAY

Scheduled standby time will be paid to nonexempt employees at the rate of one (1) hour of regular pay for every eight (8) hours covered. Only employees who are specifically scheduled for standby time by their supervisor are eligible for standby pay. While on standby, it is understood that you are available and able to report to work if needed. Compensatory leave is available in lieu of monetary payment for standby time scheduled. If you voluntarily agree to accept compensatory leave in lieu of monetary pay for standby time, you will need to sign an agreement in advance which will be placed in your official Human Resources and Payroll files.

Please note that if you are scheduled for standby time and call in sick or are otherwise unable to report for duty, you will not be eligible for standby pay or compensatory time.

Your responsibilities as an employee while on standby time:

- You must be able to be contacted and will provide updated phone and contact numbers, including cell phones and pagers, to your immediate supervisor and City Communications staff.
- You must adhere to all applicable City policies and procedures during that period, including the City's Alcohol and Drug policy.
- You must notify the City when a home emergency arises or any other event that may affect your ability to report to work if called to do so.

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SHIFT DIFFERENTIAL PAY

If you are scheduled to work a night shift schedule in which at least 50 percent of your work hours fall within 4:00 p.m. (16:00) and 7:00 a.m. (07:00) and which has been designated "night shift" by your department head, you are eligible to receive shift differential pay calculated at three percent (3%) of your base hourly rate. Shift differential will be added to your hourly rate of pay (regular and overtime pay) when working the above described night shifts. Severe weather-related or other general emergency conditions are exempted from shift differential pay.

Shift differential is not included in the calculation of pay for other types of compensation, including, but not limited to: bereavement leave, floating holiday, holiday, jury duty, military leave, 'on-call' pay, sick and vacation leave.

COMPENSATORY TIME – NONEXEMPT EMPLOYEES

Nonexempt employees may voluntarily elect to receive compensatory leave in lieu of monetary payment for overtime worked. You must sign a voluntary agreement if you are a nonexempt employee and wish to elect to receive compensatory leave in lieu of monetary payment for overtime worked. The voluntary agreement will remain in effect until and unless you revoke your request in writing and submit your revocation request to your supervisor who will in turn notify payroll. Your request to revoke compensatory time and receive monetary pay will generally take effect the following pay period depending on whether payroll receives notice in sufficient time to affect the change.

The maximum accumulation of compensatory leave you may receive is limited to 240 hours at any one time. Nonexempt employees who reach the maximum limit of 240 hours must receive monetary payment for overtime worked above 240. You must receive advance supervisory approval prior to accruing and/or using your earned compensatory leave.

If you are a nonexempt (hourly) employee who later transfers to an exempt position, you will be paid at the current pre-transfer rate of pay for all accumulated (earned) compensatory leave effective with the date of your classification change.

COMPENSATORY TIME – EXEMPT EMPLOYEES

Exempt employees are employees who, because of their positional duties and responsibilities and level of decision making authority, are exempt from the overtime provisions of the FLSA. Exempt employees are expected to work whatever hours are necessary to accomplish the goals and deliverables of their exempt position. However, the City recognizes that there may be extraordinary circumstances during which exempt employees are required to work extensive hours. Examples of such situations include: being called back for non-scheduled work; responding to emergencies; working an extraordinary amount of hours outside the normal work schedule, etc. Regardless of whether compensatory time is provided, exempt personnel are expected to work the hours necessary to complete their responsibilities as salaried staff.

Exempt employees may receive compensatory time in accordance with the following provisions:

- The employee's immediate supervisor has given prior approval for work beyond the normal workday or prior approval for work performed by the employee on an unscheduled workday.
- Compensatory time will be calculated at straight time (one hour of compensatory time for each hour worked over eighty [80] in a given standard pay period).

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- Compensatory leave should generally be used within the next consecutive pay period. If the supervisor cannot reasonably approve use of the time within the next consecutive pay period, a balance accumulation may be accrued.
- The maximum accumulation of compensatory leave is limited to 120 hours.
- An employee must obtain supervisory approval before using compensatory leave.
- Compensatory leave not used by the end of the fiscal year will be forfeited.

Exempt employees cannot use compensatory leave on the date of separation and/or within the notice period prior to separating from the City's employment. Exempt employees will not receive payment for any compensatory leave that is unused as of the date of separation.

OUT-OF-TITLE PAY

If you are assigned to perform all of the duties and responsibilities of a higher ranked employee for a continuous period in excess of ninety (90) days, you will be entitled to receive out-of-title pay. Out-of-title pay shall be paid for all hours worked after ninety (90) days, and shall continue until you cease the assumption of such duties and responsibilities.