	<p>City of Albany Human Resources Policy Policy #: HR-BC-03-016 Title: Compensation and Classification System</p>	<p align="center">Benefits & Compensation</p>
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Purpose This policy is to provide all employees with an understanding of the compensation and classification systems at the City of Albany.

Policy The City shall establish an employee compensation system that takes into account internal equity, labor market considerations, complexity or difficulty of the work, total compensation and the City's economic condition. It is the goal of the City to attract and retain qualified employees and encourage high levels of performance. Additionally, the City will utilize a valid and consistent methodology for evaluating jobs. It is the City's policy that:

- direct and indirect compensation (wages, premiums, health benefits, pensions, etc.) are to be considered collectively in determining appropriate levels of compensation for employees;
- wage and benefits packages are considered "externally competitive" if they are plus or minus five percent (+ or - 5%) of the average of the total compensation offered in applicable labor markets for similar work;
- other factors such as compression between classes, recruitment and retention of qualified employees, the City's economic condition, and incentives linked to performance may also be considered in establishing wages and benefits;
- annual adjustments to the compensation plan may be made based upon a formula that considers the consumer price index. Annual adjustments may also result from a classification/compensation study.

The City recognizes the legitimate role of collective bargaining in determining compensation for represented employees.

The Council shall approve the salary ranges for all job classifications used by the City.

Job Descriptions

Each position must be described in a written job description which shall include:

- The title of the position, general description and purpose of the classification and position, distinguishing characteristics from other similar positions or classifications in a series, supervision received and exercised, essential functions and responsibilities, minimum qualifications, special requirements, requisite knowledge, skills and abilities, tools and equipment used, physical demands, work environment or conditions, effective date, Department, and FLSA Status.
- Job Descriptions are not meant to list every specific duty in a position nor are they meant to limit the authority of management staff in assigning work.



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Every regular employee must have a written job description for their position and it is the responsibility of the manager to ensure job descriptions are accurate and up-to-date. Job descriptions should be reviewed annually at the time of the employee's performance evaluation and revised accordingly.

Managers are to use the job description template provided by Human Resources and follow Human Resources procedures for filing a copy with HR.

Salary Ranges

Each job description shall be assigned a pay grade with a minimum and maximum salary range and identified steps in between the minimum and maximum rates.

Executive employees and employees in the classification of Police Lieutenant will have open pay ranges with only minimum and a maximum salaries listed. Salary increases for employees having an open range shall be at the discretion of the Department Head and City Manager, but shall generally not exceed five percent (5%) annually. Exceptions may be approved by the Human Resources Director and City Manager.

New employees will be hired in at the first step unless extenuating circumstances exist, such as prior experience and education exceeds the minimum requirements listed. In order to hire an employee above the minimum level, the Department Director must receive approval from the Human Resources Director. A temporary or seasonal worker hired on the City's payroll or through a temporary agency shall generally be paid at the minimum of the salary range unless the temporary/seasonal worker is returning to the same temporary/seasonal placement in which the employee previously worked.

Employees performance will be assessed annually, normally around the employee's salary advancement date, and the employee may receive a step and/or merit increase depending on the level of their performance during the preceding twelve months; and if the employee's rate of pay is below the maximum of the range. Exceptions may be approved by the Human Resources Director and the City Manager.

Occasionally due to unforeseen circumstances such as a demotion or the implementation of a compensation study, an employee may be paid at a rate higher than the maximum of the range. As a result, the employee's pay would be red-lined until the maximum of the range is equal to or exceeds the employee's rate of pay. Once the employee's rate of pay is equal to or below the maximum, he/she may receive a cost of living adjustments and/or step increases, if applicable.

Annually the City Council will establish the cost of living adjustment (COLA) for Non-Bargaining and Executive staff. The change in the Consumer Price Index (CPI-W) from January of the prior year to January of the current year will be a consideration in establishing the COLA. The Council may elect to adopt the exact amount or choose a higher or lower figure depending on the financial resources of



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the City or other pertinent factors. Salary ranges will be adjusted accordingly each year based on the Council's action.

In addition to salary range adjustments based on the COLA or upon the completion of a compensation study, the Human Resources Director may approve a salary range change for the following reasons:

- a substantial change in the duties and responsibilities of the classification; or
- an inordinate amount of turnover within the classification is attributed to an inadequate salary level; or
- difficulty in recruitment of qualified candidates for a classification is attributed to an inadequate salary level; or
- a new classification is needed at a time outside of the annual budgetary process.

Additional Incentives

1. Upon request from a Department Director, the Human Resources Director or designee may approve one of the following forms of incentives for a non-bargaining employee. The granting of these incentives shall be based on sustained exemplary performance over a significant period of time or to recognize exemplary performance on a discrete project or assignment of significant scope. The Department Director must document the performance in writing and confirm that there are sufficient funds in the department's budget to cover the incentive. Employees shall not have an expectation of receiving an incentive in any given year.

- a. Increased vacation leave accrual above the accrual rate due based on the employee's months of service. An employee receiving an ILOVA adjustment (see Policy # HR-BC-15-001) is not eligible for this type of incentive.
- b. Up to forty (40) hours of additional administrative leave for the current fiscal year. If less than sixty (60) days remain in the fiscal year, the additional administrative leave may be applied to the following fiscal year. This additional administrative leave must be taken as leave in the fiscal year or be forfeited. The additional leave may not be cashed out.
- c. A lump-sum, non-recurring merit adjustment not to exceed three and one-half percent (3.5%) of the employee's annual base pay.
- d. Other indirect monetary award.

An employee is not eligible for these additional incentives during the year in which the employee is eligible for a longevity step.

Safe Harbor Regulation Exempt Employees- Fair Labor Standards Act (FLSA)

It is the City's policy to comply with the salary basis requirements of the FLSA. Therefore, all management staff are prohibited from making improper deductions from the salaries of exempt employees. *If An Improper Deduction Occurs:* the



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employee should immediately report this information to his/ her direct supervisor or to the Human Resources Department. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made.

Deductions from pay are permissible when an exempt employee: is absent from work for one or more full days for personal reasons other than sickness or disability; for absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness; to offset amounts employees receive as jury or witness fees, or for military pay; or for unpaid disciplinary suspensions (approved by the Human Resources Director) of one or more full days imposed in good faith for workplace conduct rule infractions. Also, an employer is not required to pay the full salary in the initial or terminal week of employment; for penalties imposed in good faith for infractions of safety rules of major significance, or for weeks in which an exempt employee takes unpaid leave under the Family and Medical Leave Act. In these circumstances, either partial day or full day deductions may be made.

Shift Differentials

Shift differentials will be paid in accordance with Collective Bargaining Agreements.

Longevity Award

Non-bargaining employees who have ten (10) years of continuous regular status employment and have received a satisfactory performance evaluation on their most recent evaluation shall receive an additional three (3%) percent longevity increase.

Employees who have twenty-two (22) years of continuous regular status employment shall be granted a one-time award of forty (40) hours of administrative leave. This leave must be used within a twelve (12) month calendar period from the time of the grant. If these administrative leave hours are not used within the following 12 month period, they will be cashed out. The employee may request to cash out the leave at any time during the 12 month period.

Employees with twenty-seven (27) years of continuous regular status employment shall be granted a one-time two percent (2%) longevity step.

Represented Police personnel who promote to a non-bargaining position, shall become eligible to receive their longevity step either according to the APA collective bargaining agreement or this policy, whichever eligibility occurs first.

Working out of Class

Employees working out of class/acting in capacity, the employee will receive 5% (five percent) of their base pay or the minimum rate of pay in the higher position, whichever is greater, for the duration of the out-of-class assignment. Generally,



work-out-of-class assignments will last no longer than six months. A department may request an extension of the work-out-of-class assignment if extenuating circumstances exist.

Employees do not receive work-out-of-class pay when on any form of paid leave (vacation, sick, holiday, comp time, etc.).

In order to receive working out of class pay, the Human Resources Department must be notified by the Department in writing prior to the assignment commencing.

Incentive/Certification Pay

1. Employees who are Chief Officers in the Fire Department, as defined below, who possess an Oregon EMT-P Certification and have current standing orders from the Department’s medical director, or possess certifications as noted in Appendix A of this Policy, shall receive incentive pay above their base pay as provided for in Appendix A. Employees may receive no more than one incentive pay per category up to a combined total of seven percent (7%) Employees must maintain the certification to continue receiving the differential.

2. Chief Officers in the Fire Department who respond off-duty for participation in state conflagrations and state-sponsored emergency response teams shall receive compensation at a rate of one and one-half times their hourly rate for overtime associated with these activities, if such time is reimbursed by the State.

3. Provisions for Non-bargaining Police Department Employees

a) **DPSST Certification**

APD non-bargaining employees will be eligible for DPSST certification pay, at the rates stated below, provided the employee has a current certification for their respective job classification as follows:

<u>Job Classification</u>	<u>DPSST Certification</u>
<ul style="list-style-type: none"> • Police Records and Systems Supervisor 	Supervisory Certificate – 3% Management Certificate – 2%
<ul style="list-style-type: none"> • Police Communications Supervisor 	Supervisory Certificate – 3% Management Certificate – 2%
<ul style="list-style-type: none"> • Police Lieutenant 	Supervisory Certificate – 3% Management Certificate – 2%



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• Police Captain	Management Certificate – 3%
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It is the employee’s responsibility to keep his/her certifications current.

b) Education Incentive

Employees at the rank of Lieutenant, Police Records and Systems Supervisor, or Police Communications Supervisor, who possess an Associates Degree shall receive a monthly differential of three percent (3.0%) of their monthly base wage.

Employees at the rank of Lieutenant, Police Records and Systems Supervisor, or Police Communications Supervisor, who possess a Bachelors Degree, shall receive a monthly differential of six percent (6.0%) of their monthly base wage.

The maximum combined DPSST Certification pay and Education Incentive pay that an employee may receive is ten percent (10%).

c) Special Unit Pay

Employees at the rank of Lieutenant shall receive a monthly differential of five percent (5.0%) of their monthly base wage when assigned as Community Resources Lieutenant, Detective Lieutenant, or Administrative Lieutenant.

d) Bilingual Incentive

APD non-bargaining employees who meet the qualifications set by the Department as bilingual in Spanish will receive a monthly pay incentive of three percent (3%) over their base salary.

e) ORPAT Incentive

Employees at the rank of Lieutenant and Captain shall be eligible for an additional two percent (2.0%) incentive pay for passing the ORPAT with a score of five (5) minutes and thirty (30) seconds or less, twice annually.

Lateral Transfer

Lateral Transfer – is the reassignment of an employee to a position with similar pay scale for which the employee meets the minimum and special qualifications. Transfers may be inter- or intra- departmental. In order to be eligible for a voluntary transfer, an employee must have completed his/her probationary or training period and be in good standing in his/her current position. The City may involuntarily transfer an employee if the City deems it is in its best interests.

Lateral transfers will be made effective on the first day of a calendar month. An employee will continue to be paid at the same rate of pay.

Promotion

Promotion-is the movement of an employee, through a recruitment process, to a position with a higher paying salary range.

Upon promotion, an employee will be placed no higher than the step in the new



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range that provides for a pay increase. Promotions will be made effective on the first day of a calendar month. Exceptions may be approved by the Human Resources Director and the City Manager.

The employee shall receive a one-step increase in pay upon promotion. Thereafter, the first of that month shall become the employee's new salary advancement date.

Demotion

Demotion-is the movement of an employee, through a recruitment process, to a position with a lower paying salary range. However, the city may involuntarily demote an employee without a recruitment process for disciplinary reasons.

If the demotion is for cause, the salary will be set by the Human Resources Director at an appropriate level in the lower range that is less than the existing salary.

If the demotion is not for cause, the Department Director will determine the appropriate salary with the approval of the Human Resources Director and the City Manager. Demotions will be made effective on the first day of a calendar month. Exceptions may be approved by the Human Resources Director and the City Manager.

Reclassification

Reclassification-is a change in a position's classification, without a recruitment process, due to a substantial change in duties, responsibilities and/or authority; but the requisite knowledge skills and abilities (KSAs) to perform the new duties are similar to the KSAs of the former classification. An employee must meet the minimum and special qualifications of the new position. Reclassifications are not approved due to solely an increased workload. A reclassification is implemented through a position review by the Human Resources Department. Additionally, approval of the City Council is required for reclassifications upward.

If the duties of an existing position change permanently and sufficiently so the current job description is no longer appropriate, a request for a position review must be submitted to the Human Resources Director or designee.

A request for a position review should be sent to the Human Resources Director outlining the reason for the request including all supporting documentation in order to assist Human Resources in making a decision.

A request for a position review may be made by the City Council, Department Directors, Managers/Supervisors, or by an incumbent in a position. A request for review may only be submitted once in a twelve month period. The Human Resources Director may initiate a position review at anytime.

The Human Resources Director or designee shall act upon the request for review without undue delay and shall give notice to management and the affected employee.



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The effective date for a reclassification will be the first of the month following the date on which the paperwork and all required documentation was filed with the Director of Human Resources unless another date is requested by the Department Director and is approved by the Human Resources Director and the City Manager. However, reclassifications will not be effective retroactively.

Upon reclassification upward (to a classification at a salary range higher than the employee’s current classification), an employee will be placed in the new range at the next higher salary rate that provides for a pay increase. Thereafter, the first of that month shall become the employee’s new salary advancement date.

Upon reclassification downward (to a classification at a salary range lower than the employee’s current classification):

- a. The employee will maintain his/her current rate of pay if the current rate of pay is a step within the new salary range;
- b. If the current rate of pay is within the new range, but not on a step, the employee will be moved to the closest step;
- c. If the employee’s current rate of pay is above the maximum rate of the new salary range, the employee will be placed at the top step of the new range.

Reclassifications will be made effective on the first day of a calendar month. Exceptions may be approved by the Human Resources Director and the City Manager.

Definitions

Chief Officers in the Fire Department include: Assistant Chief, EMS Chief, Training Chief, Battalion Chief and Fire Marshal.

References

Refer to specific Collective Bargaining Agreements.

Review and Authorization

Supersedes: HR-BC-03-016; 07/01/2019	Created/Amended by/date: DJ; 03/30/2019	Effective Date: 07/01/2019
HR Director:		City Manager:



1. Form or worksheet revision related to this document? No Yes

If yes, attach a copy of the revised form or worksheet.

2. Training required? No Yes

Appendix A

Incentive Pay Options for Fire Department Chief Officers

Fire Department Chief Officers and Administrative Supervisors may receive only one incentive pay per category up to a total combined maximum of 7%.

The following incentive pay options are available in lieu of any Department Special Team incentives to Division Chief, Battalion Chief, and Administrative Supervisors:

Emergency Medical Technician Category: (Battalion Chief Officers only)

- | | |
|--|------|
| 1. Oregon State Paramedic Certification | 5.0% |
| 2. Oregon State EMT Intermediate Certification | 2.5% |

Educational Category:

- | | |
|----------------------|------|
| 1. Associates Degree | 2.5% |
| 2. Bachelors Degree | 5.0% |

Fire Officer Category:

- | | |
|---|------|
| 1. NFPA 1021 Fire Officer I Certification | 1.5% |
| 2. NFPA 1021 Fire Officer II Certification | 2.0% |
| 3. NFPA 1021 Fire Officer III Certification | 2.5% |
| 4. NFPA 1021 Fire Officer IV Certification | 3.0% |

Fire Investigator/Inspector Category:


- | | |
|---|------|
| 1. NFPA 1033 Fire Investigator Certification | 2.0% |
| 2. NFPA 1031 Fire Inspector III Certification | 2.0% |

Fire Instructor Category

- | | |
|--|------|
| 1. NFPA Fire Instructor II Certification | 2.0% |
|--|------|

Team Branch Manager Category:

- | | |
|---|------|
| 1. Department Special Team Branch Manager | 2.0% |
| 2. Department Special Team Branch Manager with Certification
NFPA 1006 Rescue Technician, or | 4.0% |

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NFPA 472 Hazardous Material Technician

Oregon Fire Service Office Administrators Certification:

- | | |
|--------------|------|
| 1. Level I | 1.0% |
| 2. Level II | 2.0% |
| 3. Level III | 3.0% |

The following incentive pay options are available to the Assistant Fire Chief:

- | | |
|---|------|
| 1. National Fire Academy Executive Fire Officer Certification | 4.0% |
|---|------|

Fire Officer Category:

- | | |
|---|------|
| 2. NFPA 1021 Fire Officer II Certification | 2.0% |
| 3. NFPA 1021 Fire Officer III Certification | 2.5% |
| 4. NFPA 1021 Fire Officer IV Certification | 3.0% |