

CHAPTER 5

Classification and Compensation

A. Purpose of the Classification Plan

The City's job classification system provides a structured, consistent method and quantitative techniques for arriving at objective compensation and classification decision. Some of the criteria used for determining job classifications include job duties, education and training, decision-making authority, supervisory responsibility, contacts with others as required by the job, working conditions, and other qualifications.

1. Classification Plan

A position classification plan based upon and graded according to assigned work duties and responsibilities will be developed and maintained by the Human Resources Department to provide standardization and classification of all positions in the City service. Before the implementation of said plan it will be approved by the City Manager. With the approval of the City Manager, new classifications may be established, combined, or abolished. The position classification plan will include:

- a. Outline of classes of positions in the classified service arranged in appropriate occupational group.
- b. Class specifications.

2. Administration of Classification Plan

The City Manager will instruct the Human Resources Director to conduct position classification studies at such times as he/she deems it necessary or whenever the duties and responsibilities of existing positions have undergone significant change. In addition, a classification study will be made when new positions are to be established, or may be requested by a department manager. If the Human Resources Director finds that a substantial change in organization, creation of change of position or other pertinent conditions warrant the amendment of the existing class, he/she may amend the classification plans subject to review and approval by the City Manager.

B. Compensation Plan

1. Philosophy

The philosophy of the City of Avondale is to provide an equitable compensation program for all employees. The basic concept of the pay system is that job responsibility and job performance as well as market influence will be the key determinants of an employee's salary. The City is dedicated to providing an atmosphere that demonstrates a commitment to service excellence and customer satisfaction.

2. Purpose

The purpose of the City's pay system is to attract, retain, and motivate employees through the payment of financial compensation that is commensurate with the individual's ability, responsibility and contribution toward the City's goals. This program is designed to recognize and reward performance, and achieve internally equitable and externally competitive market compensation.

3. Objectives

The objectives of the City's compensation program are:

- To clearly define the essential functions of each position through written job descriptions;
- To provide compensation that is competitive with jobs outside the City;
- To provide recognition for superior performance;
- To comply with federal, state and local regulations;
- To establish a system that is fiscally sound and cost effective;
- To provide a program that is understood by employees;
- To provide a pay system that can easily be administered and maintained; and
- To establish a salary range for each job that is based on a systemic blending of the job's internal worth to the City and the job's external value in the market.

4. Compensation Policy

The compensation program for the City is based on the following compensation policy.

- a. The City will provide total compensation opportunities of direct pay, specialty pays, indirect pay (e.g. benefits), career opportunities, etc., that are a blend of the total compensation opportunities offered by its competitors and the objectives of the City's compensation program.
- b. Each job classification in the City will have a salary range defined by minimum, mid, and maximum dollar limits. The ranges define the pay

opportunities for the job. Pay for each employee shall be within the assigned range.

- c. Each job classification in the City will have a written job description. Job descriptions will be reviewed annually or as scheduled by the Human Resources Department. Employee will be provided with a copy of their respective job descriptions.

5. Maintenance of Compensation Plans

- a. Compensation plans shall be reviewed by the Human Resources Department at least every two (2) years or as directed by the City Manager. The Human Resources Department will utilize current salary data obtained from relevant competitive employment markets and other pertinent factors as a basis for maintaining the compensation plans.
- b. Periodic salary surveys will be used as a means to monitor the movement of salaries within the market. Adjustments will be made to the compensation plans subject to the City's overall financial state as determined by the City Council and City Manager.

6. Pay Computation

For hourly employees not exempt from the overtime requirements of the Fair Labor Standards Act ("non-exempt"), gross pay is computed by the hours worked times the rate of pay. Human Resources will determine whether an employee is eligible to receive overtime pay. Net pay for all employees, both hourly and salaried, will be computed by subtracting applicable deductions, e.g., federal and state income tax withholdings, applicable Retirement System contributions, Social Security, etc., from gross pay.

7. On-Call Policy

Certain departments may make non-exempt positions eligible for on-call compensation when the employee is required to be on-call. The employee must be accessible and available for work upon being contacted via telephone, cell phone, or pager (beeper). The employee must be available to report to work within a reasonable time (one hour) after being contacted by the City, if needed. The employee must also be in a physical condition that allows him/her to resume duty.

- a. Definitions

"On-call" means when an off-duty employee must remain available to be called back to work on short notice if the need arises. An employee is considered to be on-call only when assigned by the City.

“On-call pay” means the additional compensation awarded to employees who are required to remain on-call during off-duty hours.

“On-call status” means the state of an off-duty employee required to remain on-call. An employee is considered to be in on-call status only when assigned by the City. Hours spent in on-call status will not be considered hours worked for the purposes of calculating overtime compensation.

“On-call time” means the periods of time when an employee is off-duty but is required to remain on, or close to, the City premises or to respond to a call or page within a specified period of time, resulting in the employee being unable to effectively use such time to attend to his or her own personal activities. On-call time will not be considered hours worked for the purposes of calculating overtime compensation.

“Callback” means when an employee has left the work site and is requested to respond on short notice (either by returning to work or via telephone/computer) to a work situation to:

- (1) Avoid significant service disruption.
- (2) Avoid placing employees or the public in unsafe situations.
- (3) Protect and/or provide emergency services to people, property and/or equipment.
- (4) Respond to emergencies.

b. On-call/Callback Compensation

(1) On-call Pay Rate

An employee assigned to on-call status will be compensated at the rate of two dollars per hour (\$2.00/hr) as on-call pay of on-call time. On-call hours begin after the completion of the on-call employee’s scheduled workday and continue until resuming work the following workday.

(2) Callback Pay Rate

When an on-call employee is called back to work after completing the regular work schedule and leaving the premises, the employee shall be paid for time actually worked upon return or a minimum of two (2) hours at their regular hourly or base rate, whichever is greater. Sworn police employees covered under the Police Association shall refer to the MOU for call back rate calculations.

(4) On-call Status Hours Not Included in Overtime Compensation Calculation

On-call time will not be considered hours worked for the purposes of calculating overtime compensation. Only hours actually worked (over forty (40) hours in a workweek) will be included in the computation of overtime unless otherwise specified in these policies.

(5) On-call Pay Exclusions

Employees will not receive on-call pay when they are:

- On vacation leave
- On sick leave
- On administrative leave
- Receiving short-term disability benefits
- Receiving worker's compensation benefits
- On bereavement leave
- On an approved leave of absence
- Not available to work
- Restricted to light duty
- Restricted from performing work activities

c. On-Call Duty Requirements

- (1) Employees serving on-call status must adhere to all of the following requirements:
 - (a) Thoroughly check the working status of the cell phone before on-call status begins and maintain it in operational mode at all times.
 - (b) When notified, respond and arrive at work within one (1) hour or less.
 - (c) Arrive fully capable of performing the function of the job.
- (2) If an employee does not meet the criteria as defined above, he/she will forfeit the on-call pay from the time of the first attempt to contact him/her to the end of the "on-call" time period.
- (3) Each employee will be responsible for documenting each time he/she is on-call and forward to his/her supervisor to approve the on-call time.
- (4) An employee who is assigned to on-call status and cannot be reached or does not report within one (1) hour of being contacted may face disciplinary action.

8. Incomplete Pay Period

A nonexempt hourly employee who does not work his/her regularly scheduled work week will be paid only for the number of hours actually worked in the pay period at his/her regular hourly rate of pay, unless such absence is authorized by his/her department director.

9. Overtime

a. Policy

It is the policy of the City of Avondale to discourage overtime work for non-exempt hourly employees, except when required to safeguard public health, safety or property. However, overtime may be assigned by the department director or City Manager as may be necessary to meet operating needs. Non-exempt employees have the right to be paid for overtime worked. Exempt employees are not eligible for overtime compensation. The Human Resources Director determines the exempt and non-exempt status according to the classification of the position, and in compliance with the Fair Labor Standards Act ("FLSA").

b. Overtime Authorization

An employee is expected to seek advance approval for overtime work and to report overtime worked at the time of reporting other hours worked in a work-reporting period. Overtime by non-exempt employees must be approved in advance, but if worked it must be compensated, whether approved or not. An employee that has worked unauthorized overtime may face disciplinary action up to and including termination.

c. Overtime Compensation

(1) Overtime Pay Rate

When overtime work is performed and authorized, a non-exempt hourly employee will be compensated at the rate of one and one-half (1.5) the amount of his/her hourly rate for hours worked in excess of forty (40) hours within the designated workweek, as provided by law or as otherwise provided for in these policies.

(2) Compensatory Time Off

(a) In lieu of monetary payment at the overtime pay rate set forth in these policies, non-exempt employees may elect to take compensatory time off ("comp time") for overtime hours worked, with approval of the supervisor. Upon approval, overtime shall be

compensated at the rate of one and one-half (1.5) hours of comp time for every one (1) hour of overtime worked by the employee.

- (b) The maximum number of comp time hours that any employee will be permitted to accrue shall be sixty (60) hours (forty (40) hours of actual overtime worked). The use of comp time by the employee shall be scheduled in accordance with departmental guidelines and procedures. An employee shall be permitted to use accrued comp time within a reasonable period after it is requested if, in the judgment of the supervisor, it does not unduly disrupt the operation of City services. Sworn police employees covered under the Police Association shall refer to the MOU for comp time accrual maximums.
- (c) The City reserves the right to pay out compensatory time balances to the employee at any time.
- (d) All compensatory time that is not used that remains on the books at the close of the fiscal year will be paid out to the employee.
- (e) Upon separation from City employment, employees with a compensatory time balance will be paid at their current regular rate of pay. An employee who is promoted or reclassified to an exempt position will be paid for any comp time balance at their regular rate of pay prior to the personnel action.

10. Transfers

- a. Employees may be voluntarily or involuntarily transferred from one position to another within the same classification or salary range. The transfer must be in the best interest of the City of Avondale and/or for the development of the employee, as determined by the City Manager.
- b. Employees desiring a voluntary transfer must submit a transfer request and an application to the Human Resources Department. The transfer request and application will be valid until December 31 of each year. Employees wishing to remain on a transfer eligibility list must submit a new transfer request.
- c. When an employee is transferred, the department director of the department to which the employee is transferred may request an increase not to exceed five percent (5%) if the employee possesses special qualifications of benefit in meeting the needs of the new department. Justification for an increase must be provided in writing to, and approved by, the Human Resources Department prior to the effective date of the transfer. Otherwise, no increase shall be granted.

- d. Transferred employees retain their review date for performance evaluations and rate of pay. All leave accruals will remain the same.

11. Promotion

- a. Employees promoted to a higher classification shall be placed in the new classification salary range and shall receive an increase in their base pay in commensurate with their experience, education, and current market conditions. Justification needs to be submitted in writing to the Human Resources Director and must be approved by Human Resources. Anything over midpoint of the new classification range will also require approval of the City Manager. Promotional increases shall not exceed the maximum of the new salary range. Promoted employees will serve the appropriate promotional probationary period applicable to the new position.
- b. Promotional pay increases shall become effective at the beginning of the next pay period.

12. Reclassification

- a. A position may be reclassified on the basis of changes in the duties and responsibilities or qualifications for the position. A reclassification or job title changes requires approval of the Human Resources Director and the City Manager.
- b. If a reclassification results in an employee being assigned to a higher pay range the employee will be placed in the new pay range with a five percent (5%) increase unless more is required to reach the minimum of the new range. A reclassification shall not cause an employee to exceed the maximum of the new pay range.
- c. If an employee is assigned to a lower pay range the employee will be placed in the new pay range without any decrease in pay. If the employee's rate of pay exceeds the maximum of the new range then the employee will be ineligible for any base pay increases. When the range increases to exceed the employee's base rate then the employee will again be eligible for base rate increases.

13. Involuntary Demotion

- a. Employees, who are involuntarily demoted as a result of disciplinary action, shall be placed in the new classification and their rate of pay shall be reduced by at least five percent (5%) from their present rate of pay. The new rate of pay shall not exceed the maximum of the lower salary range. The review date for performance evaluations shall remain the same.
- a. Reduction in pay as a result of involuntary demotion will be effective at the beginning of a pay period.

14. Voluntarily Demotion (requested downgrade)

Employees may be voluntarily demoted from one position to another. Employees who voluntarily demote from one position to another will have their rate reduced by at least five percent (5%) from their present rate of pay. If the new rate of pay exceeds the maximum of the range then the employee's rate of pay will be frozen until such time as the maximum of the pay ranges increases to include the employee's rate of pay. Employees will be required to satisfy selection requirements for the new position to which the employee is voluntarily demoted. The City reserves the exclusive right to consent to or deny a request for voluntary demotion, depending on available positions, qualifications, departmental workload, employee skill level, and the City's need to hire and retain the most qualified applicants.

15. Appointments

a. Temporary Employees

Pay for temporary employees will be consistent with duties and responsibilities of the temporary position as outlined in the compensation plan. Pay for regular part-time hourly employees will be based on the number of hours worked. Such pay will normally be proportionate to the regular full-time pay rate for the position.

b. New Hires

A department director may request to hire an applicant up to the midpoint of the pay range for the position based upon an assessment of an applicant's relevant experience, training, education and a review of the current incumbents' salaries that are performing the same job. A summary of the findings shall be submitted to the Human Resources Director for approval. Any request to hire an applicant above the midpoint will require the prior approval of the Human Resources Director and the City Manager.

c. Former Employee

Former employees must apply for open positions in the same manner as other applicants for the position.

16. Wages In Advance

It is the policy of the City of Avondale that no advance of wages be made.

17. Termination Pay

- a. An employee who voluntarily resigns will receive his/her final paycheck on the first regularly scheduled payday following termination/separation of his/her

employment. An employee who is eligible for vacation time will be paid for all unused vacation time and other leave as allowed in this policy upon termination.

- b. An employee terminated by the City shall receive payment for his/her wages within three (3) working days of his/her termination from employment.

18. Pay During National Guard and Reserve Training

- a. All regular employees who serve as active members of the National Guard, the Army Reserves, the Navy Reserves, the Air Force Reserves, Marine Reserves, the Coast guard or other reserve military organizations, will be entitled to leave of absence with pay from their respective duties on all duty days on which they are actively engaged in training. However, such leave with pay will not exceed thirty (30) days in any two (2) year period, or as otherwise required by law.
- b. All regular employees who serve as active members of the National Guard, the Army Reserves, the Navy Reserves, the Air Force Reserves, Marine Reserves, the Coast Guard, or other reserve military organizations will be entitled to compensation if called to active military duty in times of war or national crisis as declared by the President of the United States. In accordance with Arizona law, such employees shall receive military leave with pay for up to thirty (30) days in any two (2) consecutive years.

19. Temporary Reassignment Pay

Regular status employees may be temporarily assigned to a classification in a higher grade upon recommendation of the supervisor and with approval of the department director. Eligible employees will receive a minimum of five percent (5%) above their regular salary for the duration of the temporary detail or more, if necessary, to reach the entry level rate of pay in the higher grade. The Human Resources Director may authorize the placement of the employee at greater than five percent (5%) based upon the scope and degree of the duties performed and the anticipated duration of the assignment.

- a. The employee must fully perform the duties and responsibilities of the higher classification for the duration of a minimum of twenty-one (21) consecutive calendar days to receive temporary reassignment pay. Compensation shall be retroactive to day one of the assignment.
- b. If the temporary reassignment pay is for a period of six (6) months or less, the reassignment may be made non-competitively. If the reassignment is for more than six (6) months, then the reassignment shall be made competitively in accordance with these policies and procedures or as approved by the Human Resources Director. An extension may be requested in writing to the Human Resources Director. No temporary reassignment shall extend beyond one (1) year.

- c. Employees on temporary reassignment shall have the right to return to their previous regular position at the conclusion of the assignment.
- d. Increases in pay for the temporary reassignment will be immediately discontinued when the employee returns to their regular position.

20. Shift Differential

- a. A shift differential shall be paid for regularly scheduled work shifts scheduled to begin or end between the hours of 9:00 p.m. and 4:00 a.m. Shift differential is not paid for hours worked over the regular shift when work is a continuation of the regular shift. Employees who are called back or who are covering another shift for another employee and perform work outside their regularly assigned shifts do not receive shift pay. Shift differential is not paid to employees on paid or unpaid leave.
- b. An employee shall be paid a shift differential set by administrative policy when working a shift that ends between the hours of 9:00 p.m. and 12:00 midnight, or when working a shift that includes work between the hours of 12:01 a.m. and 4:00 a.m.
- c. Only regular, non-exempt employees and sworn police employees below the grade of lieutenant are eligible for shift differential. Temporary employees and employees of the Fire Department are not eligible for shift differential.

21. Public Safety Dispatcher Pay

Public safety dispatchers, assigned by the Police Chief to fulfill the duties of public safety training dispatcher, shall receive public safety training dispatcher pay at an amount determined by administrative policy for the term of the assignment. Public safety training dispatcher pay begins as soon as they begin performing in the position. A public safety training dispatcher on administrative leave and/or on medical leave in excess of eighty (80) hours shall not receive the public safety training dispatcher pay until they are approved to return to full-duty status.

22. Battalion Chief Coverage Pay

Battalion chiefs regularly assigned to work the fifty-six (56) hour shifts may be eligible to receive coverage pay at an amount determined by administrative policy.

23. Bilingual Pay

City employees may be eligible for bilingual pay for Spanish language skills. Guidelines regarding eligibility and compensation are set forth in Administrative Policy 36.

24. Cost of Living Adjustment

Each budget year the City Council determines the amount, if any, of an across-the-board salary increase for employees. This increase is subject to the overall financial state of the City, as determined by the City Council and City Manager. If provided, the increase will be applied at the beginning of the fiscal year or at an alternate time period as specified by the City Council and City Manager.

25. Merit Pay

Each budget year the City Council determines the amount, if any, of a merit pay increase for employees. Regular status employee chosen to receive a merit increase will receive the increase at the beginning of the fiscal year, or as specified by the City Council and City Manager. Employees who are on their original/promotional probation will receive their merit increase upon successful completion of their probationary period. Merit pay increases will be subject to the overall financial state of the City, as determined by the City Council and City Manager.

26. Uniform Allowance

Regular employees who perform work that requires an employee to wear a uniform and/or safety shoes may be provided with a uniform and/or safety shoes or an allowance as established by administrative policy for each participating department.