

SECTION 6 CLASSIFICATION AND COMPENSATION

6.1 General

Employees of the City shall be compensated according to the schedule established by the City Council. Any wage, salary, or other monetary benefit so established is the total remuneration for employment which may be allowed for the conduct of official business, but shall not be considered as reimbursement for official travel or other expenses. Unless approved by the City Council, no employee shall receive pay from the city in addition to the salary authorized for the position or positions to which the employee has been appointed, or for hours beyond the normal work week without prior approval by the Administrator or designee.

Non-exempt employees who work for a period less than the regularly scheduled work-week will earn wages based on the actual number of hours worked. Regular part-time employees are eligible to earn vacation and sick leave in proportion to that earned by regular full-time employees based on the number of hours worked. Holidays are earned in proportion to those earned by regular full-time employees and are based on work hours budgeted on January 1. Vacation and sick leave, and holidays count toward total budgeted work hours for the year. Temporary employees are not eligible for vacation or sick leave, holiday pay, or health or life insurance.

This employee is eligible to earn vacation and sick leave in proportion to that earned by regular full-time employees based on the number of hours worked. Holidays are earned in proportion to those earned by regular full-time employees and are based on work hours budgeted on January 1. Vacation and sick leave, and holidays count toward total budgeted work hours for the year.

Employees shall be paid biweekly. When a pay day falls on a holiday, employees shall receive their pay the preceding work day.

No employee shall be permitted to receive from any third party payment for services and labor performed while such employee is working regular hours or while working additional overtime hours.

6.2 Classification Plan

The City will establish and maintain a position classification plan for all positions in accordance with federal and state laws. This plan will be reviewed periodically to ensure that responsibility levels and wages are commensurate with the work performed. Position descriptions shall not be used to limit the scope of work, but shall serve as a guide in identifying core functions and qualifications.

Each position description shall contain:

- a. Essential duties and responsibilities of the position.
- b. Examples of work which are illustrative of the duties of the position.

- c. Descriptions of the level of knowledge, skills and abilities necessary to perform the essential duties and responsibilities.
- d. Minimum requirements of the position which will include the desired level of education, experience, education and training for recruitment into the position.
- e. Working conditions and physical demands of the position.

Purpose

The purpose of the classification plan is to:

- a. Establish reasonable compensation relationships between job classifications.
- b. Establish qualification standards for recruitment and testing purposes.
- c. Provide the appointing authority with means for analyzing work distribution, areas of responsibility, lines of authority, and other relationships between positions.
- d. Assist the appointing authority in determining budget requirements.
- e. Provide the basis for developing standards of work performance.
- f. Indicate training needs
- g. Provide uniform titles to positions.

Class

A class shall be comprised of one or more positions that are substantially similar with respect to the type, difficulty, and responsibility of work performed.

Position Specification

The Human Resources Manager, under the direction of the City Administrator, and in conjunction with Department Heads, shall be responsible for establishing and maintaining current position descriptions. The position description shall state the essential duties, responsibilities and qualification requirements which distinguish a given position from other positions. The position description shall describe the typical types of work which may be assigned to a particular position but shall not be construed to restrict the assignment of other duties related to the position.

Administration of the Classification Plan

The classification plan shall be established and maintained through recommendation of the department head and the Human Resources Manager to the City Administrator. The City Administrator may establish a new class, create a new position within a class or reclassify a position upon approval by the City Council.

When a new position is proposed by a department head and the Human Resources Manager, a request for the position along with a description of the duties and responsibilities of the position shall be submitted to the City Administrator. The position shall be analyzed and evaluated based on the duties and responsibilities without regard to the personal characteristics, abilities or

qualifications of the incumbent. The final approval of the classification shall be by the City Council.

Reclassification

When the duties and responsibilities of a position change logically, gradually and significantly, the department head may initiate a request for a change in classification. This request must be submitted in writing to the Human Resources Manager accompanied by an updated position description prepared by the department head. The Human Resources Manager shall submit the request to the City Administrator for review and approval or denial. If the City Administrator denies a request for reclassification, no similar request may be submitted for one year.

Factors that should be considered that could lead to conducting an analysis of existing positions are as follows:

- a. Change in the existing organizational or reporting relationship.
- b. Significant additions, reductions or changes in the essential functions for which the position is accountable which affect the level of skill, knowledge, responsibility or working conditions of the position.
- c. Change in the supervisory functions assigned to the position.
- d. Change in the qualifications required of the position.

6.3 Compensation Plan

The City Administrator shall be responsible for presenting to the City Council a pay plan for all classes of positions included in the classification plan. From time to time the position and pay classification plan may be amended by City Council resolution upon receipt of a recommendation from the City Administrator. In making such recommendations, the City Administrator shall give appropriate consideration to the following factors:

- a. Maintenance of equitable relationship between classes, based on their relative duties and responsibilities.
- b. Indicators, from the appropriate labor market, for comparable work under similar conditions.
- c. Current recruitment and retention experience.
- d. Comparable worth for all positions within the organization.
- e. Ability of the City of Ramsey to fund the position.

Content of Pay Plan

The pay plan presented to the City Council for its approval shall consist of the minimum and maximum rate of pay for each position in the organization. Each position shall be assigned to a pay class and all positions in the pay class shall be compensated according to the established pay range. A pay range will be assigned to each class according to the responsibilities of the position, the duties and pay for other positions, prevailing rates of pay for comparable positions in public

and private employment in the area, fringe benefits received by employees, the financial policy of the City, federal and state statutes and other pertinent economic factors.

Pay Plan Administration

The City Administrator shall be responsible for administering the Pay Plan according to this section.

Beginning Salary Rate – The beginning rate for a new employee will be the minimum rate in the established class for his or her position classification. In unusual situations, the Employer, at its sole discretion, may approve a pay rate above the minimum rate to:

- a. mitigate recruiting obstacles
- b. hire a person with superior qualifications
- c. correct salary inequities
- d. give credit for prior service

Method of Progression - After appointment or promotion and pending satisfactory performance, an employee shall be eligible for advancement through his/her respective salary range as specified in the collective bargaining agreement or as authorized by the City Council.

Market Adjustment Pay – Occasionally positions within the City may fall behind in pay with regard to the market value. When this becomes apparent, the Human Resources Manager will make a recommendation for the appropriate salary adjustment to the City Administrator. Upon approval by the City Council, the employee in said position will receive a salary range adjustment. The employee will retain her/his original anniversary date for the purposes of step increases and performance evaluations.

Annual Review, Amendments and Modification

At least once each year prior to the beginning of the following fiscal year, the City Council shall review the pay plan, make desired changes and approve all pay ranges for the following year. However, the City Council may modify any or all of the pay ranges or grades as set forth in their plan at any time. The City Council may also set an effective date(s) for the pay plan. All pay ranges and grades, including longevity and or performance increases, shall be construed as policy declarations and not binding permanent contractual obligations between the City and its employees. Any amendment to the pay plan shall be based on changes in the responsibility or the duties of the position, recruiting experience, rates of pay and benefits in the public and private sector, the City's financial status, general economic conditions, federal or state law, including the Minnesota Pay Equity law, or other pertinent factors warranting such action.

Personnel Policies and Union Contracts

An employee included in a collective bargaining agreement entered into according to the Public Employment Labor Relations Act, as per state law, is exempt from any provision of this policy that is inconsistent with such agreement.

6.4 Payroll Deductions

Certain deductions from your earnings, such as federal and state income taxes and social security taxes, are required by law. These deductions will be identified on your check stub. The amount of these required deductions may change since they are affected by changes in the amount earned, and in the case of income tax, they are affected by changes in your number of dependents. Monies earned during a two (2) week pay period, cannot be divided into two payroll checks. The tax law states that all monies earned or paid during any given week must be taxed accordingly.

6.5 Lunch Periods and Breaks

When working under conditions where a break period is practicable, all hourly employees are entitled to two (2) 15 minute breaks with pay per eight (8) hour shift at times designated by the supervisor. Most employees also receive a thirty (30) minute lunch period during each eight hour work day. With the exception of patrol officers, employees are not compensated during the lunch period.

6.6 Overtime/Compensatory Time Off

Overtime for non-exempt, non-union employees

Non-exempt, non-union employees will be paid overtime compensation for all hours worked in excess of forty (40) hours per work week at a rate of one and one-half times the regular rate of pay. Paid holidays, vacation leave, and sick leave are considered time worked for the purposes of calculating overtime hours.

Overtime pay will not be paid for time not worked. Exempt employees, as defined by the Fair Labor Standards Act, are not entitled to overtime pay.

Compensatory time off for non-exempt, non-union employees

Non-exempt, non-union employees will be allowed to take compensatory time off in lieu of receiving over time compensation. Compensatory time off is computed at a rate of one and one-half times the hours worked in excess of the forty (40) hour work week. Accrued compensatory time off shall not exceed 40 hours at any time. Once an employee has accrued 40 hours of compensatory time off, compensation for additional hours worked must be paid in cash. (Beginning December 31, 2003, the City will cash out compensatory time off balances in excess of 40 hours. Employees who have not reached forty hours of banked compensatory time off must remain at or below forty hours.)

Accrued compensatory time off may be used with prior approval from the employee's Department Head. Upon an employee's separation from the City, there will be a pay-out of accrued and unused compensatory time off at the then current hourly rate of pay.

Exempt employees, as defined by the Fair Labor Standards Act, are not entitled to compensatory time off.

6.7 Severance Pay

Employees shall receive a lump sum payment upon termination of employment with the City of Ramsey based on thirty-three (33) percent of employee's unused, accumulated sick leave after five (5) years of continuous employment. After fifteen (15) years of continuous employment, the employee will receive thirty-five (35) percent of said employee's unused, accumulated sick leave. After twenty (20) years of continuous employment, the employee will receive thirty-seven (37) percent of unused accumulated sick leave. After twenty-five (25) years of continuous employment, the employee will receive forty (40) percent of said employee's unused, accumulated sick leave.

Severance pay shall not be available in any sum to an employee if that employee is discharged for just cause, if an employee voluntarily terminates his or her employment prior to five (5) years of continuous employment service or if the employee voluntarily terminates his or her employment without giving the City of Ramsey fourteen (14) days written notice.

Receipt of severance pay terminates all seniority rights and ends all City of Ramsey's liability with regard to other benefits.