

### **SECTION XIII: COMPENSATION PLANNING**

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1. GENERAL POLICY. The Recorder or HR/Payroll Clerk, under the direction of the Mayor and City Manager, shall be responsible for preparing a Compensation and Classification Plan for Tremonton City Council's consideration and approval. The Compensation and Classification Plan shall consist of minimum and maximum pay ranges. Compensation shall be linked directly to the position classification and shall be determined with due regard to the following considerations:
  - A. Ranges of pay for other positions within Tremonton City.
  - B. Prevailing rates of pay for similar employment in comparable public organizations.
  - C. Cost of living factors.
  - D. Other benefits received by public employees.
  - E. The financial policy and economic conditions of Tremonton City.
  
2. COMPENSATION AND CLASSIFICATION PLAN DEVELOPMENT. The Recorder or HR/Payroll Clerk, under the direction of the City Manager, shall conduct a study of compensation levels of comparable positions in comparable public organizations at least every three years. The City Manager, City Recorder, and HR/Payroll Clerk shall take these findings and develop a Compensation and Classification Plan which shall be forwarded to the City Council for consideration and adoption. The Compensation and Classification Plan shall include assignment to each position, a pay range based upon the position's relationship to other positions within the City, and compensation of similar positions in other comparable public organizations. Implementation of the Compensation and Classification Plan and corresponding pay adjustments shall be subject to the availability of funds appropriated by the City Council through the budget process.
  - A. Tremonton City shall pay at least minimum wage and overtime to all employees except those who are specifically exempt from minimum wage and overtime under the Fair Labor Standards Act (FLSA) of 1938.
  - B. Tremonton City shall provide equal pay to all employees doing similar work, which requires substantially equal skill, effort, and responsibility and are performed under similar working conditions in accordance with the Fair Labor Standards Act (FLSA) of 1938 and the Equal Pay Act of 1963.
  - C. The City Manager shall recommend to the Mayor and City Council assignment of each new position into the Compensation and Classification Plan based upon the position's relationship to other positions within the City and compensation of similar positions in other comparable public organizations.

3. SELECTIVE WAGE OR SALARY ADJUSTMENT.
  - A. The Mayor or City Manager may approve a selective wage or salary adjustment in order to mitigate an existing inequity.
  - B. A selective adjustment is subject to the availability of funds appropriated by the City Council through the budget process.
4. MERIT INCREASE.
  - A. Each year the City Council considers granting a merit increase that adjusts the employee's rate of pay, which shall be effective the first full pay period in July of each calendar year, subject to funding in the approved budget.
  - B. Merit increases are to award an employee for the employee's past year performance. If a merit increase is to be granted, it shall be done prior to the end of July. There are no provisions for Department Heads to grant a merit increase for the past year pending improvement of an employee's performance after the first pay period in July. To be eligible for a merit increase, the employee shall have generally been employed for at least three months preceding the first full pay period in July.
  - C. Department Heads shall complete and submit to the City Manager an employee's performance evaluation (See Section XI: Performance Evaluations and Appendix 28) and other necessary paperwork associated with the merit increase by the end of July. Employee's performance that is rated less than successful for the past year (performance prior to first full pay period in July) shall not be eligible to receive a merit increase.
  - D. Full-time Employees, Part-time Employees, Part-Time Recreation Employees, and Temporary/Emergency Employees shall be eligible to receive merit increases, subject to the availability of funds appropriated by the City Council through the budget process.
5. COST OF LIVING ADJUSTMENTS. Each year the City Council considers granting a cost-of-living adjustment (COLA) that adjusts the minimum and maximum pay ranges for each position, the employee's rate of pay, on-call pay, and allowances by the same percentage, excepting cell phone allowances, which shall be effective the first full pay period in July of each calendar year, subject to funding in the approved budget.
6. LONGEVITY CONSIDERATION. Tremonton City recognizes the longevity of its employees as a valuable asset to the City. As such, these employees shall be eligible for COLA and merit increases if that employee exceeds the maximum pay of the City's Compensation and Classification Plan.

7. APPOINTMENT.

- A. Pay for newly hired employees shall normally be set at the minimum of the pay range assigned to the position's classification. However, the City Manager may, upon recommendation of the corresponding Department Head, approve new hires wage or salary up to the range of midpoint, as warranted by job qualifications and experience, subject to the availability of funds appropriated by the City Council.
- B. The Mayor may approve hiring above the midpoint of a pay range, upon recommendation of the City Manager, when warranted, based on education, experience, and other factors, subject to the availability of funds appropriated by the City Council.

8. PROBATIONARY INCREASES.

- A. The City Manager or Department Head may grant a probationary increase to employees up to a maximum of three (3) percent upon the successful completion of their probationary period.
- B. Probationary increases are subject to the availability of funds appropriated by the City Council through the budget process.

9. ACHIEVEMENT INCREASES.

- A. The City Manager or Department Head may grant an achievement increase to employees, up to a maximum of three (3) percent, for accreditation and scholastic achievements, such as graduation from a trade school, college, university, and other extraordinary accomplishments.
- B. Achievement Increases are subject to the availability of funds appropriated by the City Council through the budget process.

10. PROMOTION INCREASES.

- A. Public Works Employees and Police Officers are eligible for promotion to a position in a higher pay level upon meeting the requirements associated with the position as listed in the job description. All other employees may be considered for a promotion only if there is a job opening available (see Section III: Employee Hiring).
- B. At the discretion of the Mayor or City Manager, a minimum of three (3) percent and a maximum of ten (10) percent wage or salary increase shall be granted to an employee receiving a promotion. But in no case shall the new wage or salary be below the minimum of the new range.

- C. At the discretion of the Mayor or City Manager, in coordination with the Department Head, an increase up to the midpoint of the new range may be approved when a promotion results from a competitive recruitment to a new position level. Such an adjustment shall be based on exceptional qualifications.
- D. Promotion increases are subject to the availability of funds appropriated by the City Council through the budget process.

11. EMPLOYEE RECOGNITION AWARDS.

- A. Letters of Commendation. It is the policy of Tremonton City to encourage and then recognize the exceptional efforts of its employees. When Department Heads identify that the efforts of an employee merits recognition, the Department Head may write a letter, memo, or email of commendation to the employee. Letters, memos, or emails of commendation shall be specific in identifying how the employee's efforts and actions were exceptional, meriting recognition.
- B. Recognition Awards. Subject to the availability of funds appropriated by the City Council through the budget process, a Department Head may request that the employee receives an award of up to \$50.00. Department Heads shall submit the letter, memo, or email of commendation to the HR/Payroll Clerk who shall prepare a separate paycheck and place the copy of the letter and check into an envelope and return it to the Department Head for delivery to the employee. The HR/Payroll Clerk shall also place a copy of the letter, memo, or email of commendation in the employee's personnel file.

12. ORDER OF WAGE OR SALARY CALCULATION. Multiple categories of pay increases awarded simultaneously shall be calculated in the following order:

- A. Promotions, selective adjustments, or increases associated with the increase with federal minimum wage requirements.
- B. Cost of living adjustment.
- C. Merit Increase.

13. REASSIGNMENT. An employee who is reassigned to an equivalent job, as determined by the Mayor or City Manager, shall be paid the same wage or salary received prior to the assignment.

14. RECLASSIFICATION.

- A. If a position is reclassified to a higher level, the incumbent's wage or salary shall be adjusted to at least the minimum of the new range and the Mayor or City Manager, in coordination with the Department Head, may give a zero (0) to three (3) percent wage or salary increase, based upon increased responsibility. A

reclassification increase is subject to the availability of funds appropriated by the City Council through the budget process.

- B. If a position is reclassified to a lower level, the incumbent's wage or salary shall remain the same.
- C. If an employee is involuntarily transferred to a position with less remuneration due to the employee's misconduct, the employee's wage or salary may be lowered to that of the new position (see Section VII: Disciplinary Action).

15. CONSOLIDATION OF RATES OF PAY.

- A. The City may consolidate rates of pay for employees that receive multiple rates of pay for work performed in accordance with the following:
  - (1) The City shall create a single job description for all the work performed by the position.
  - (2) The City Manager and Mayor shall recommend to the City Council assignment of the position's pay into the Compensation and Classification Plan based upon the position's relationship to other positions within the City and compensation of similar positions in other comparable public organizations.
  - (3) The City shall lower the incumbent's wage or salary as necessary to be within the pay range of the consolidated rate of pay contained in the adopted Compensation and Classification Plan.

16. BENEFITS FOR SUSPENDED EMPLOYEES AND EMPLOYEES ON LEAVE.

- A. Unless specifically stated in this manual to the contrary, an employee suspended for disciplinary reasons or employees on leave shall continue to receive Tremonton City contributions to retirement, health, dental, disability, and life insurance programs.
- B. Unless specifically stated in this manual to the contrary, an employee suspended for disciplinary reasons or employees on leave shall pay the employee portion of insurance premiums to continue coverage through the period of suspension or leave.

17. EMPLOYEE SERVICE AWARDS.

- A. Years of Service Award. It is the policy of Tremonton City to recognize the longevity of its employees. Years of Service Awards shall be presented to Full-time and Part-time employees based upon years of service according to the schedule below, subject to the availability of funds appropriated by the City

Council through the budget process. Years of Service Awards shall be processed through the City's payroll system and shall be subject to employment tax. Amounts shown in the schedule below shall be the amounts received by the employee after employment tax has been withheld.

(1)	5 Years	\$100.00
(2)	10 Years	\$200.00
(3)	15 Years	\$300.00
(4)	20 Years	\$400.00
(5)	25 Years	\$500.00
(6)	30 & 35 Years	\$600.00

B. Retirement Service Award. An employee who retires from Tremonton City and is eligible to immediately receive URS retirement payments upon their resignation from the City may receive a Retirement Service Award of \$500.00, subject to the availability of funds appropriated by the City Council through the budget process. Retirement Service awards shall be processed through the City's payroll system and shall be subject to employment tax. The Retirement Service Award of \$500.00 shall be the amount received by the employee after employment tax has been withheld.

C. The HR/Payroll Clerk shall track years of service and provide an annual report to the City Manger for purposes of proposing to the City Council that the Employee Service Awards be budgeted.

18. GIFT CERTIFICATES AND CASH EQUIVALENTS. It is the policy of Tremonton City to recognize certain holidays and birthdays for City officials, employees, and volunteers through giving gift certificates or cash equivalents. The giving of gift certificates or cash equivalents are subject to the availability of funds appropriated by the City Council through the budget process and shall not exceed \$30.00 for holidays and \$10.00 for birthdays. Gift certificates and cash equivalents shall be processed through the City's payroll system and shall be subject to employment tax and the aforementioned amounts shall be the amounts received by the employee after employment tax has been withheld.

19. CELL PHONE ALLOWANCE. Employees whose job duties include the frequent need for a cell phone may, in lieu of having a City issued cell phone, receive extra compensation, in the form of a cell phone allowance, to cover business-related costs on their personal cell phone. Since the employee owns the cell phone personally, and the allowance provided is taxable income, the employee may use the phone for both business and personal purposes, as needed. Cell phone allowances shall be in accordance with the following:

- A. Eligibility. Employees eligible for a cell phone allowance generally include Department Heads, Supervisors, and Full-Time Employees whose job duties regularly require emergency call back, irregular work hours or other job related factors that require the employee to routinely utilize a cell phone to enhance their ability to perform their job duties. Department Heads shall recommend which employees within their departments qualify for a cell phone allowance. The City Manager or Mayor shall give final approval on all cell phone allowances.
- B. Allowance Amount. The standard monthly cell phone allowance amount shall be the amount that the City would pay under its current cell phone contract for basic cell phone service. When recommended by a Department Head, and with approval of the City Manager or Mayor, an employee whose necessary City business use of a cell phone justifies the need for a greater number of plan minutes, data, or text, shall receive a monthly allowance of the amount that the City would pay under its current cell phone contract for the necessary minutes, data or text. No further reimbursement for cell phone costs is available to employees who receive an allowance.
- C. Allowance Payments. The approved cell phone allowance shall be paid bi-monthly as part of the employee's paycheck and shall be subject to all applicable payroll taxes.
- D. Employee's Responsibilities. The employee shall retain an active cell phone contract as long as a cell phone allowance is in place. The employee shall provide their Department Head their current cell phone number and immediately notify the Department Head if the number is changed. Employees receiving a cell phone allowance are expected to carry the cell phone on their person both on and off duty and respond when called for City business.

Employees may choose the cellular service provider and plan design of their choice. If available from the City's contracted cellular service provider, employees may be able to take advantage of discounts for their personal service plans if they utilize the same provider as the City. If, prior to the end of the cell phone contract, a personal decision by the employee, or employee misconduct, or misuse of the phone, results in the cell phone allowance being discontinued or the need to end or change the cell phone contract, the employee shall bear the cost of any fees associated with that change or cancellation. For example, if an employee resigns, and no longer wants to retain the current cell phone contract for personal purposes, any cancellation charges shall be the employee's responsibility.

Notes: