

COMPENSATION
Revised: January 2005

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A. DEFINITIONS

1. Demotion -
 - a. Involuntary - Involuntary reassignment of an employee to a new position which is classified at a lower salary grade than their present position.
 - b. Voluntary - Voluntary relinquishment of an employee's current position for the purpose of accepting a new position at a lower salary grade.
2. Downgrade - Re-classification of a position that results in the position being assigned to a lower salary grade.
3. Green Circled Employee - An employee whose current rate of pay is below the minimum step of their assigned position's salary grade. Employees who are green-circled may be eligible for larger or more frequent pay increases as determined by the department head with approval from the Mayor until their pay penetrates step one (1) of their position's salary grade. Examples of when employees may be green circled include, but are not limited to, under fills, budget constraints, and disciplinary actions.
4. Lateral Transfer - A move from one position at a salary grade to another position at the same salary grade regardless of whether the lateral transfer is within or between departments. A lateral transfer may be voluntary or involuntary.
5. Promotion - An employee will be deemed promoted when they are assigned to a new position that is a higher salary grade than their present position.
6. Red Circled Employees - An employee whose rate of pay is in excess of the maximum step of their assigned position's salary grade. An employee who is red-circled will be ineligible for further pay increases of any kind until the maximum for the assigned salary grade is equal to the employee's current individual rate of pay.
7. Salary Schedule - Tooele City's defined compensation plan which is comprised of salary grades and respective steps within each salary grade (Form # 3).
8. Salary Review Date - Scheduled date to review an employee's pay.

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9. Transfer - A move from one department to another. Transfers may be lateral transfers, demotions, or promotions (see above for definitions of each). Transfers may be voluntary or involuntary.
10. Under fill - Assignment of an employee to a lower salary grade than their position's classification while the employee obtains necessary training and/or experience to meet the minimum qualifications for the position with the goal of being fully assigned to the position.
11. Upgrade - Re-classification of a job that results in the job being assigned to a higher salary grade.

B. INITIAL STEP ASSIGNMENT

1. Regular Employees - Newly hired regular employees will be assigned to step zero (0) of the salary grade for their assigned position, except that the Mayor may approve assignment to a higher step if:
 - a. A suitable and qualified employee can not be recruited at step zero (0); or
 - b. The qualifications of the person selected for the position exceed the minimum requirements and the person can be expected to perform at a level equal to that of other employees being paid at the same higher step.
2. Temporary and Seasonal Employees - Temporary and seasonal employees will not be placed on the salary schedule. Pay rates will be determined by the hiring department head at the time of hire and will be reasonable in light of the duties to be performed, availability of applicants to fill the position, and departmental budget constraints.

C. STEP INCREASES

1. Regular Employees - Regular employees will be eligible to receive a step increase in pay up to the maximum step for their position's assigned salary grade. The following are the most common forms of step increases:
 - a. Completion of Orientation Period (formerly referred to as probationary period). Employees completing the required orientation period (See Section 4: Employment Status & Benefit Eligibility for Orientation Periods) will receive a one step increase in pay and their salary review date will be re-set to one year after the effective date of the step increase unless future changes re-set such date.

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- b. Merit Increase - Employees who have been employed in a particular step for one year and have received a minimum of 60% on their most recent performance evaluation, may receive a one step increase in pay and their salary review date will be reset to one year after the effective date of the merit increase unless future changes re-set such date. Department heads will maintain the option to delay a scheduled merit increase if an employee receives a 1 or 2 on any performance factor. Such delays will not exceed six months and will be accompanied by a Specific Performance Objective (SPO). Delayed merit increases will become effective upon successful completion of the SPO. However, the salary review date will be reset to one year after the pre-delayed salary review date.

D. TENURED SERVICE PERFORMANCE BONUS (TSP Bonus)

1. Tenured Service Performance Bonus(es) (TSP Bonus) will be considered for regular employees who have reached the maximum step of their position's salary grade and have received a minimum of 60% on their most recent performance evaluation. TSP bonus will be \$500 each.
2. TS Bonuses will begin with the FY2002 budget.
3. Employees whose salary is above the range (AR) and are red-circled will be ineligible for consideration for a TS performance bonus until their pay is equal to the maximum step of their position's salary grade.

E. APPOINTED EMPLOYEES' COMPENSATION

Compensation for appointed employees is generally consistent with the provisions offered to regular employees. However, the Mayor with approval of the City Council, reserves the right to deviate from established standards or to make adjustments at any time as seen fit.

F. ELECTED OFFICIALS' COMPENSATION & VEHICLE ALLOWANCE

1. The Mayor's salary is established by ordinance of the City Council. In addition, the Mayor may receive a vehicle allowance in an amount established by the City Council. The vehicle allowance is considered part of the regular compensation. The vehicle allowance is established to cover the costs of wear and tear, maintenance, and fuel incurred by the Mayor, who often uses his/her personal vehicle for City-related business. The vehicle allowance will also cover the cost of vehicle rental for City-related business. The vehicle allowance applies to all in-state travel and in-state vehicle rental.
2. City Council members' salaries are established by ordinance of the City Council.

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G. COST OF LIVING

Cost of living increases will be considered in the annual budget proposal to the City Council each fiscal year. All regular employees whose salaries are not red-circled are eligible for an approved cost of living increase. The salary schedule is adjusted to reflect cost of living adjustments. Cost of living adjustments do not affect an employee's salary review date.

H. PROMOTION

Promoted employees receive a minimum of a 5% pay raise and will be placed at a minimum of step one (1) or the step next closest to the calculated adjustment. Promoted employees will have their salary review date re-set to one year after the effective date of the promotion unless future changes re-set such date. The Mayor may approve assignment to a higher step if the qualifications of the employee selected for the position exceed the minimum requirements, and the employee can be expected to perform at a level equal to that of other employees being paid at the same or higher step.

I. TEMPORARY PROMOTION

With approval of the Mayor, department heads may grant temporary promotions when specific department needs require. Regular employees who are temporarily promoted for one month (160 hours) or longer receive an adjustment in their pay to reflect the temporary promotion. However, such adjustment is reversed to the employee's pre-promotion salary when the temporary promotion ends. Temporary promotions do not affect an employee's regularly scheduled review date. An employee may not grieve the conclusion of a temporary promotion. The conclusion of a temporary promotion is not considered a demotion.

J. DEMOTION

1. Involuntary - Employees who are involuntarily demoted will be assigned at the new position's regular salary grade at the step below but closest to their current salary. If, however, their salary exceeds the maximum step for the grade, the employee's salary is maintained and is red-circled. The employee will retain their current review date.
2. Voluntary (Requested) - Employees who are voluntarily demoted will have their pay adjusted as follows:
 - a. As a minimum, the employee's pay will be reduced by 5% per grade demoted; and
 - b. The employee's pay may not exceed the combined average step (rounded up) of all current full-time regular employees in the same salary grade of the new position; and

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- c. The employee's pay may not exceed the maximum step of salary grade of the new position; and
- d. The employee will retain their current salary review date.

OR

- e. If the voluntary demotion is to move back to the exact position that the employee previously occupied and there has been less than a three year period since the employee occupied that position, the employee's pay will revert back to the pre-promotion grade and step, and will be adjusted to account for step increases and COLA adjustments received during the three year period. The employee will retain their current salary review date.
3. Disciplinary Demotions - An employee who is demoted due to disciplinary reasons will be deemed demoted as a result of disciplinary action. An affected employee will have their pay adjusted as determined appropriate by their department head but will include a minimum of a 5% reduction or assignment at step zero of the grade, whichever is less. The pay may not exceed the maximum step for the grade. The salary review date will be reset to one year after the effective date of the demotion.
4. Medical Related Demotions - An employee who is demoted due to a medical condition covered by the American's with Disabilities Act will be assigned at the new position's regular salary grade at the step closest to their current salary. If their salary exceeds the maximum step for the grade, the employee's salary will be reduced to the maximum step of the grade. The employee will retain their current review date.

K. RECLASSIFICATION

- 1. Up-grade - When a position is up-graded, the employee(s) in the position will receive a minimum of a 5% pay raise and will be assigned to the step closest to the calculated adjustment. Employee's salary review dates will be reset to one year following the effective date of the position's upgrade. The only exception will be for employees whose positions are upgraded while the employee is still completing their orientation period. In such cases, they will maintain their original six-month orientation salary review date and will then be eligible for a step increase one year from that date. If the departmental budget cannot be adjusted to encumber the pay change, the employee's pay will be green-circled and a plan will be developed to bring the affected employee(s') pay in line by the next budget year.
- 2. Downgrade - When a position is downgraded, the employee(s) in the position will be assigned to the new appropriate salary grade at the step closest to their current salary with no decrease in current pay. If their salary exceeds the maximum step

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for the grade, the employee's salary will be red-circled. The employee will retain their current salary review date. An employee may not grieve a downgrade.

L. LATERAL TRANSFER

No change in pay will be granted for lateral transfers. Employees will maintain their regular review date.

M. HOLIDAY PAY

1. Paid holiday hours off will be equal to an employee's base rate multiplied by the number of hours regularly scheduled to work per day.
2. Paid holiday hours off are counted in the calculation for over-time purposes.
3. Hours worked on a holiday are not included in calculation of hours worked for over-time purposes because they are automatically paid at an over-time rate. Such hours may be recorded as comp-time off in lieu of monetary compensation pursuant to comp-time policy.
4. Examples:
 - (i) If an employee's number of hours regularly scheduled to work per day is 8 hours and the employee works 10 hours on a recognized holiday, they will accrue comp-time or be paid for 10 hours at 1 2. They will record eight (8) holiday hours off and 10 holiday hours worked. The **eight (8) holiday hours off** are included in calculating hours worked for over-time purposes.
 - (ii) If an employee's number of hours regularly scheduled to work per day is 8 hours and the employee works 2 hours on a recognized holiday, they will accrue comp-time or be paid for 2 hours at 1 2. They will record eight (8) holiday hours off and 2 holiday hours worked. The **eight (8) holiday hours off** are included in calculating hours worked for over-time purposes.

N. OVERTIME PAY

1. An employee who is nonexempt under the Fair Labor Standards Act may be paid 1 2 times their regular rate of pay for each hour worked in excess of 40 hours per week (see Compensatory Time below). Time worked includes hours paid for jury duty and holiday pay. It does not include any other time not worked including sick leave, annual leave, comp-time, or insurance payments.

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2. When deemed necessary to meet unique work requirements, the Mayor may authorize that work hours be paid at an overtime premium rate, 1 ½ times their regular rate of pay, regardless of the number of hours worked during the workweek. These hours may also be authorized as comp-time (See Compensatory Time below).
3. Sworn Law Enforcement Officers - Overtime pay for sworn law enforcement officers will be based on 84 hours worked in a 14 day period, pursuant to section 207(k) of the Fair Labor Standards Act. Each employee may be paid 1 ½ times the employee's regular rate of pay for each hour worked in excess of 84 hours within the established 14 day pay period. *(Effective February 6, 2005)* Time worked includes hours paid for jury duty and holiday pay. It does not include any other time not worked including sick leave, annual leave, comp time, or insurance payments. Regardless of hours worked, sworn police officers may be offered overtime pay at 1 1/2 times the employee's regular rate of pay for actual hours worked on special security assignments when wage are reimbursed to Tooele City.

O. EXEMPT EMPLOYEES

1. Exempt employees will be paid on a salary basis. Exempt employees are expected to work an agreed upon schedule (generally consisting of at least five, eight-hour days within the workweek) which may be modified as necessary.
2. Sick or annual leave banks will be appropriately reduced in full day increments for full day absences. Partial day salary reductions are not permitted, except:
 - a. If paid leave is exhausted, the employee's salary may be reduced in full day increments;
 - b. If the employee is found to have engaged in inappropriate or illegal conduct including, but not limited to, safety violations, sexual harassment, violence, drug or alcohol use, or violations of other laws or other generally applied written Tooele City policy, the wages may be docked in increments of a full day as a form of discipline. A two and a half day suspension, for example, is not permitted but three full days is.
 - c. If the employee hires or separates employment mid week, the salary will be appropriately prorated;
 - d. If the employee is absent due to an illness or disability covered by the Family and Medical Leave Act or a City Approved Leave of Absence, including work-related accident or illness, the employee's sick or annual leave bank will be appropriately reduced in less than full day increments as

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necessary to provide that the employee receives 100% of their salary through a combination of paid leave, wages, and insurance payments. When leave benefits, insurance payments, or a combination thereof are exhausted, the salary may be reduced in less than full day increments.

3. Exempt employees may be paid overtime pay or additional compensation for actual hours worked on special assignments, such as special security assignments, when the wages are reimbursed to Tooele City by another organization or individual.
4. Safe Harbor Rule – Improper pay deductions are prohibited. If an exempt employee believes that their pay has been improperly reduced, they must file a written complaint with the human resource office. The human resource office will review the complaint and issue a finding. If the employee’s pay was found to have been improperly reduced, Tooele City will correct the error and will make a good-faith commitment to prevent such error from reoccurring.

P. COMPENSATORY TIME

1. Each department will have the discretion to approve accrual of compensatory time (comp-time) off in lieu of monetary overtime compensation. Acceptance of comp time off in lieu of overtime is a condition of employment due to the fact that departments may not be allocated overtime budgets or the budget allocated may not be sufficient to meet business needs.
2. Supervisor may offer any combination of compensatory time off and overtime payment as long as the principle for “time and one-half” is maintained. Employees should assume that comp-time would be provided for overtime hours unless told otherwise.
3. Comp-time will accrue at a rate of one and one-half hours of compensatory time for each hour of overtime worked. Employees may accumulate up to 120 hours of comp-time. All additional hours will automatically be paid as monetary overtime compensation.
4. Comp-time must be exhausted prior to using any sick leave, annual leave, or leave with reduced or no pay. Requests to use comp-time will follow the same procedures in place for requesting leave. Employees who request to use leave will be permitted to use the time off within a “reasonable period” after making the request if it does not “unduly disrupt” the workforce. Supervisors will have the right to schedule comp-time off if the employee has not scheduled to utilize their

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comp-time hours. For purposes of the Family and Medical Leave Act, comp-time is not considered leave. Hours absent from work while utilizing comp time cannot count towards an eligible employee's annual FMLA entitlement.

5. Accumulated comp-time hours must be used by March 31 of each year. Unused hours will be paid out to the employee and the account balance will be reset. Department heads may establish earlier required use dates within their departments.
6. Upon separation from employment, comp-time is paid out at the employee's current rate of pay.

Q. CALL-OUT PAY

1. If an employee is required by the employee's supervisor to return to work and less than 24 hours advance notice has been given, the employee will be credited with a minimum of two (2) hours worked. Call-outs while formally on-call (see on-call provision below) are not considered to be advanced notice and two (2) hours credit is still given.
2. Regardless of other hours worked, call-out hours are accrued as comp-time or are paid at an over-time rate.
3. If an employee is on scheduled paid leave (i.e. comp-time, annual leave, or sick leave) and is called out to work, he/she is only paid only for call-out hours worked. There is no duplication of paid leave and hours worked.

R. ON-CALL PAY

Employees who are required by their supervisor, with concurrence from their department head, to carry a telephone for timely response to emergency situations, to remain within a specified response area (as established by the department head to meet the needs of the specific work activity), and respond to calls outside of their scheduled work hours, will be eligible for on-call pay. On-call restrictions are generally to be rotated among employees and while on-call, employees are required to keep themselves in a condition that they are able to respond. Employees are able to use their time in pursuit of personal activities subject to these minor restrictions. Employees will receive a payment that will be established each year with the fiscal budget. The payment will specify an amount paid per day for each weekday while on-call and per day for each weekend day while on-call. An additional amount will be added for those days when the employee is on-call on a day Tooele City recognizes a holiday. Such compensation will be in addition to call-out pay as defined above. On-call pay will be included in the employee's base pay for calculating overtime. Each department head, with approval from the Mayor, will

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determine specific needs and may continue or discontinue on-call requirements as necessary to adjust for work and seasonal requirements.

S. PAY ADVANCEMENTS

An employee may not receive unearned pay advancement.

T. SEVERANCE PAY

1. Regular Employees - A regular employee who is separated from employment due to a reduction of force through no fault of the employee will be paid two (2) weeks severance pay if such a separation requires immediate action and thereby does not permit a two-week notice. Separation following two (2) weeks notice does not give rise to severance pay.
2. Appointed Employees - An appointed employee who is dismissed other than for good cause or asked to resign or retire will receive severance compensation that is equal to (90) ninety-working days pay.

U. PAY DAY

Employees will be paid every two weeks, on or before the Friday following the end of the pay period.

V. APPROVING PAY CHANGES

Any change in pay will be made by the use of a Personnel Action Report (Form #5). Any action will be considered invalid until the Personnel Action Report is completed and all signatures are obtained indicating approval of the change.

W. TIME REPORT (TIME CARD)

1. Each employee will complete a Time Report (Form #6) on a daily basis. Exempt employees will mark an X in each day that they worked and will record hours taken as paid leave under the respective classification. All other employees will fill out their Time Report by recording actual hours worked for each day, leave taken, and other appropriate classification of hours. The appropriate personnel, prior to payroll recording the time and making the payment, will approve time reports. Approved time reports must be received by payroll by 12:00 p.m., Monday, following the end of the pay period. Reports received after that time may be processed the following pay period.
2. The following requirements will be followed or time cards will be returned for correction:
 - a. Fill time reports out on a daily basis;

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- b. All time for employees must be recorded in the *Regular* row on the time report until 40 hours are recorded for that particular week (84 hours for sworn officers over a pay period; *(Effective February 6, 2005)*). After the original 40 (or 84) are recorded, the time worked becomes overtime;
 - c. If no hours are worked by an employee and they are not on any type of leave or seasonal hours reduction, a time report will be submitted with *No hours worked* written on it and signed by the employee;
 - d. White-out is not to be used for corrections on the time report;
 - e. When time reports are returned to the employee for corrections, the amended time report must be returned to payroll before the employee may receive his/her next paycheck;
 - f. Employees must complete and sign their own time report. Both the employee and supervisor must initial any changes.
3. Time clocks or other tracking methods may be used to verify accuracy of time cards.