

Compensation 3.01

Pay for Performance			
<i>Scope:</i>	All permanent, non-bargaining employees.	<i>Effective Date:</i>	6/21/18

General Policy
It is the policy of the City of Marion to provide pay for performance for those eligible employees accomplishing pre-established performance criteria.

Provisions:
<p>1. Salary Schedule:</p> <ol style="list-style-type: none"> a. The salary schedule for non-bargaining employees is based comparing the salary ranges of comparable cities and peer cities to determine a salary range. Peer cities shall be determined by population, income level of population, education level of population, median home cost, and metro/standalone community status. The salary range shall be adjusted based on the difference between the relative cost of living between Marion and the peer average. b. The salary range for each position shall be based on the midpoint. Range minimum shall be 78% of the midpoint. This is considered the wage the city would expect to pay a candidate that meets, but does not exceed the minimum requirements for a position as established by the job description. Range maximum shall be 115% of the midpoint. <p>2. Pay for Performance:</p> <ol style="list-style-type: none"> a. All progression in pay will be based on Pay for Performance. This shall be determined by the completion of established annual goals and the annual performance evaluation by their supervisor. b. Pay for Performance shall be effective April 1st of each year. c. For those employee who have reached the Maximum of their range, pay-for-performance will be converted to a cash bonus paid monthly on the first paycheck of each month. d. Performance Criteria will be determined by the employee and their supervisor. <ol style="list-style-type: none"> i. Every six months, the employee and their supervisor will jointly identify major responsibilities and results expected for that employee during the upcoming 6 months. Statements of the principal responsibilities and anticipated results will be prepared. ii. Measurement criteria will be established. Individual goals may be established within each department for employees. Departmental goals may be linked to employee evaluations as determined by the department and shall support the annual city strategic plan. Changes in the criteria may be made throughout the year to reflect changes in conditions or priorities. e. Department & Division heads: <ol style="list-style-type: none"> i. Managers shall recommend pay for performance increases to the City Manager. All pay for performance increases for non-department heads must be approved by the City Manager. Recommendations shall be in writing and include <ol style="list-style-type: none"> 1) status of accomplishment of Performance Criteria; 2) copies of the employee's performance evaluation; and 3) statement of the proposed pay increase.

f. **City Manager:**

- i. The City Manager will recommend a percentage for maximum increases each year based on budgetary demands by March 31 for the following fiscal year. Wage increases shall be determined by the employee's overall score on their annual performance review.
- ii. The City Manager shall propose all pay for performance increases for department heads, except the Library Director. The Manager shall submit a written report to the City Council identifying the "Pay for Performance" adjustments proposed for Department Heads.

g. **Council & Mayor:**

- i. The Mayor shall recommend to the Council all pay for performance increases for the City Manager. The City Council must approve all pay for performance increases for the City Manager.
- ii. The Council may adjust, modify or disallow adjustments recommended by the City Manager for department heads across the board by majority vote within thirty (30) days of submission by the City Manager. If no such action is taken, the recommendation shall be deemed approved.
- iii. The City Council may establish across-the-board pay adjustments for each budget year. Adjustments will apply to the pay range schedule and the existing pay of employees. Any such adjustments will be established as part of the annual budget.
- iv. Approval of pay for performance increases shall be contingent upon funding being available in the city budget.

h. **Library Board:**

- i. Goals for the Library Director shall be determined by the Library Board. Changes in the criteria may be made throughout the year to reflect changes in conditions or priorities.
- ii. The Library Board shall approve all pay for performance increases for the Library Director. The Library Board President shall report all pay for performance increases to the City Council and City Manager.

i. **New Hires & Promotions:**

- i. Newly hired or promoted employees will be placed on the wage band according to applicable years of experience beyond the minimum required for the position. Additionally, the starting pay for personnel promoted to a position shall be at least 5% higher than their former wage. Flexibility may be allowed to ensure the city is competitive in recruiting and hiring qualified personnel. Departments with multiple personnel in the same position may adopt additional regulations to ensure equity with existing staff.
- ii. **New Hires** must be out of their probation period before they are eligible for pay for performance.
 - 1) New Hires hired during October, November and December will be eligible for pay for performance at the end of their 6 month probationary period and the following April.
 - 2) New Hires hired during the months of January, February, and March will be eligible for pay for performance in April of the following year.
- iii. **Promoted employees who were previously eligible** for pay for performance will continue to be eligible for pay for performance based on their established goals for the previous position.
- iv. **Promoted employees who were previously in a bargaining unit** will be treated as new hires based on their promotion date and 6 month probationary period.

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Overtime Compensation

<i>Scope:</i>	All city employees.	<i>Effective Date:</i>	12/15/11
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General Policy

It is the policy of the City of Marion that certain city employees will receive overtime compensation for hours worked in excess of forty (40) hours per week.

Provisions:

- 1) The rules and requirements of the Fair Labor Standards Act (FLSA) shall be followed with respect to all employees eligible under FLSA. Bargaining unit employees shall also be covered by their employment agreement with respect to overtime compensation.
- 2) Job descriptions for all positions shall indicate whether the position is exempt or non-exempt from the provisions of the FLSA.
- 3) Working hours for department heads and other FLSA exempt personnel are flexible to accommodate the requirements and practices of the professional position but should generally be governed by the working hours of the department of that individual. No compensation will be paid for overtime for department heads and other FLSA exempt personnel. However, compensatory time off will be recognized as consistent with the nature of the position, subject to advance review and approval by the City Manager and subject to a maximum accumulation of 480 hours.
- 4) Non-covered and exempt employees, other than department heads, working over 40 hours per week are entitled to either regular hourly pay or compensatory time at the rate of one hour off for every hour of overtime worked, at the discretion of the department head, unless otherwise agreed by the employee and the department head.
- 5) All covered, non-covered and exempt employees, other than department heads, must be authorized in advance by their supervisors before working over forty (40) hours per week.
- 6) It is the city's policy to comply with applicable wage and hour laws and regulations. Accordingly, the city intends that deductions be made from employee pay only in circumstances permitted by the Fair Labor Standards Act and the U.S. Department of Labor's rules governing the salary basis for pay for exempt employees. The improper pay deductions specified in Title 29 of the Code of Federal Regulations §541.602(a) may not be made from the pay of employees who are subject to the salary basis test.
- 7) If an employee has any questions or concerns about their salaried status or believe that any deduction has been made from pay that is inconsistent with their salaried status, the employee should immediately raise the matter with their immediate supervisor. If the matter is raised with the supervisor and not resolved within ten (10) business days, or if, for any reason, the employee is uncomfortable discussing the matter with their supervisor, the employee must submit their question, concern or complaint to the Human Resources Coordinator at city hall.

To ensure that the city understands the employee's concern or complaint (hereinafter, both referred to as "complaint") and is able to conduct a proper investigation, the city requires that any complaint that seeks the payment of money or requests a change in policy be submitted in writing. No particular form is required, but each such complaint must include the employee's name, department and a brief description of the issue. The employee must also identify the pay period(s) to which the complaint relates. If the employee is unable for any reason to submit the complaint in writing, the employer

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representative named in the previous paragraph (or his/her representative) will take a statement from the employee. The employee will then be asked to review and sign the statement to ensure it accurately reflects the complaint.

The city is committed to investigating and resolving all complaints as promptly, but also as accurately, as possible. Consistent with the U.S. Department of Labor's policy, any complaint will be resolved within a reasonable time given all the facts and circumstances. If an investigation reveals that an employee was subjected to an improper deduction from pay, the employee will be reimbursed and the city will take whatever action it deems necessary to ensure compliance with the salary basis test in the future.

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Longevity

Scope:

All permanent full-time non-bargaining employees

Effective Date:

11/20/08

General Policy

It is the policy of the City of Marion to reward employees for years of continuous service to the city.

Provisions:

- 1) Longevity pay shall be payable during the second pay period in November. Longevity pay is based upon the number of years of continuous service completed within the calendar year. Payment will be based on the following non-cumulative schedule:

Over five years	\$ 400.00
Over ten years	\$ 600.00
Over fifteen years	\$ 700.00
Over twenty years	\$ 900.00
Over twenty-five years	\$1,200.00