

AN ORDINANCE TO AMEND CHAPTER 40 OF THE CITY CODE REGARDING SALARY STEPS, PAY ADJUSTMENTS FOR PROMOTIONS, VOLUNTARY DEMOTION, STARTING SALARIES, COMBINED LEAVE PAYOUT, AND ELIGIBILITY FOR CITY-SPONSORED BENEFITS

#0458

Sponsor:

Council
Member
Harlee

WHEREAS, the City's Department of Human Resources (the "Human Resources Department") would like to formally codify two informal policies that have been established at various times over the past few years regarding (i) increasing of the number of salary steps in the classified service from seven (7) to eleven (11) to align the steps with the updated salary structures as recommended in the April 2023 classification and compensation study and (ii) making members of the non-uniformed classified service eligible to receive City-sponsored benefits upon the date of hire commensurate with the treatment currently received by uniformed classified service employees, appointed employees, and elected officials; and

WHEREAS, the Human Resources Department would like to make the following adjustments to certain salary provisions to ensure its ability to provide a meaningful salary increase upon promotion and also define other salary administration guidelines: (i) entitling any non-bargaining unit classified service employee who is promoted to a position in a class with a higher pay grade to the lowest step in the higher range which exceeds such employee's prior rate of pay by a minimum of two thousand dollars (\$2,000.00) annually; (ii) setting the salary for any non-bargaining unit classified service employee who is voluntarily demoted to the highest step in the class to which the employee was demoted that will provide a pay decrease; and (iii) adjusting the range of starting salaries for E/M program employees to between the minimum and the first third of the applicable salary range; and

WHEREAS, in order to account for inflationary increases and update City policy to more closely align with the practices of other state and local governmental entities, the Human Resources Department would like to increase the combined leave pay-out for all

eligible employees who have accumulated between (i) thirty (30) or sixty (60) (depending upon employment classification) and one hundred (100) days of combined leave to forty dollars (\$40.00) per day and (ii) one hundred one (101) and two hundred forty (240) days of combined leave to fifty dollars (\$50.00) per day; and

WHEREAS, in light of the foregoing, City Council deems it necessary and appropriate to amend Chapter 40 of the City Code as described above and as set forth below.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 40 of the City Code is hereby amended by amending Section 40-202 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 40-202. - Classified service - Administration of salary plan; salary adjustments.

(a) *Initial pay rates.* New employees in the classified service shall be compensated at the first step of the pay grade to which their positions are assigned, except as follows:

(2) In the case of non-bargaining unit positions, upon the recommendation of the commissioner or the department head, the director of ~~personnel~~ human resources may authorize initial employment at any step in the range of the pay grade for the position if the candidate's qualifications, including job-related education, previous training and/or experience, significantly exceed the minimum qualifications for the position exists, so that a beginning salary in excess of such minimum compensation is justified. The commissioner or department head shall submit a recommendation in such form and together with such information as the director of ~~personnel~~ human resources may require.

(c) *Salary anniversary dates, annual pay adjustments.* Generally, non-bargaining unit classified service employees will be eligible for pay adjustments as set forth below:

(1) The numbers “one”, “two”, “three”, “four”, “five”, “six”, and “seven”, “eight”, “nine”, “ten”, and “eleven” denote the progressive steps in any pay range.

(9) Salary step eight shall be paid upon completion of one year of employment in salary step seven, provided the employee has demonstrated satisfactory job progress.

(10) Salary step nine shall be paid upon completion of one year of employment in salary step eight, provided the employee has demonstrated satisfactory job progress.

(11) Salary step ten shall be paid upon completion of one year of employment in salary step nine, provided the employee has demonstrated satisfactory job progress.

(12) Salary step eleven shall be paid upon completion of one year of employment in salary step ten, provided the employee has demonstrated satisfactory job progress.

(d) *Exceptional pay adjustments; salary anniversary date.* In the case of any non-bargaining unit classified service employee who exhibits or demonstrates remarkable excellence in his/her performance, or when job market conditions exist such that a valued employee might or would leave city service, the director of ~~personnel~~ human resources, upon recommendation of the commissioner or department head, in such form and together with any such information as deemed necessary by the director of ~~personnel~~ human resources, may authorize the accelerated advancement of the employee to a higher step within the employee’s pay grade. In such case, the employee’s salary anniversary date shall be adjusted to coincide with the effective date of the advancement.

(e) *Promotion; pay adjustments and salary anniversary date.* Any non-bargaining unit classified service employee who is promoted to a position in a class with a higher pay grade shall be entitled to the lowest step in the higher range which exceeds his/her prior rate of pay by a minimum of ~~\$500.00~~ \$2,000.00 annually, and a new salary anniversary date shall be established as of the effective date of promotion. Any such employee who, within six months of his/her next salary anniversary date, is promoted to a position in a higher pay grade, shall first receive any within-range increase to which s/he is entitled and then the higher step as provided in this section.

- (f) *Voluntary Demotion, pay adjustments, and salary anniversary date.* Any non-bargaining unit classified service employee who is demoted either voluntarily or involuntarily to a position in a lower pay grade shall have his or her salary reduced to the salary for the highest step in the class and step to which s/he is demoted that will provide a pay decrease. A new salary anniversary date shall be established as of the effective date of demotion. Involuntary demotion is governed by city code section 40-257.

- (k) *Additional pay for an employee assigned in charge.* In case an employee is assigned in charge of one or more persons of the same salary grade for a period exceeding 30 calendar days, subject to the approval of the director of ~~personnel~~ human resources, such employee shall be paid at the corresponding step rate in the next higher pay range.

SECTION 2. Chapter 40 of the City Code is hereby amended by amending Section 40-221 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 40-221. - Same - Salary administration.

- (a) *New hires.* Generally, starting salaries for new E/M program employees shall be between the minimum and ~~midpoint~~ first third of the applicable salary range. The mayor or his/her designee must approve all starting salaries for E/M program employees. If a candidate's qualifications and experience exceed those usually required of new hires, a starting salary above the midpoint for the applicable range may be approved by the mayor or designee.
- (b) *Extraordinary salary action.* Economic, labor market, and other external and internal factors have produced and presumably will continue to produce conditions requiring exceptions to the rule or extraordinary actions relative to salary administration policy and practice. General salary structure increases, increases for employees at the maximum of the salary range, and critical position differentials or incentives are examples of possible extraordinary salary administration actions. Actions of this nature require the approval of the department head, the director of ~~personnel~~ human resources, final approval by the mayor or designee.

(d) *Demotion.*

- (1) The salary of an E/M program employee who is demoted to a lower salary level and ~~whose~~ whose pre-demotion salary was outside the new (lower) salary range will be adjusted downward to the maximum of the new salary range.
- (2) The salary of a demoted employee whose pre-demotion salary was within the new salary range generally will not be adjusted. However, adjustments may be made as deemed appropriate by the department head if approved by the director of ~~personnel~~ human resources and the mayor or designee.

(e) *Transfer.*

- (1) With the approval of the director of ~~personnel~~ human resources, the commissioner or department head may transfer an employee from one position to another position in the same salary level at the same salary. If such transfer involves a change in department assignment, both commissioners or department heads must consent thereto before the action shall be considered effective.

SECTION 3. Chapter 40 of the City Code is hereby amended by amending Section 40-301 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 40-301. – Same - Combined leave payout.

- (b) Eligible members of the elected or appointed service, or the estates of employees who die while employed by the city, and who have accumulated between 30 and 100 days of combined leave will receive ~~\$25.00~~ \$40.00 per day for each day of accumulated combined leave. Employees who have accumulated between 101 and 240 days of combined leave will receive ~~\$30.00~~ \$50.00 per day for each day of accumulated combined leave.

SECTION 4. Chapter 40 of the City Code is hereby amended by amending Section 40-334 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 40-334. - Combined leave.

- (b) Paid combined leave shall be earned by all regular employees from the commencement of regular employment, but may not be used or paid until an employee has completed three months of continuous regular employment. Upon the recommendation of the commissioner or the department head and with the approval of the director of ~~personnel~~ human resources, combined leave may be credited for time worked as a limited service employee up to a maximum of 90 calendar days, if followed immediately by employment in the classified service.

- (g) Approved sick leave and/or family leave shall be documented by the responsible commissioner or the department head upon forms prescribed by the director of ~~personnel~~ human resources, which shall be forwarded to the ~~personnel~~ human resources department for the employee's personnel file or confidential medical file, as appropriate. The commissioner or department head shall maintain complete and accurate leave records. Records of combined leave accumulated and taken shall be available to the employee.

- (i) If the employee exhausts his/her accrued sick and vacation time (with the exception of one week, as provided above) and remains absent from work because of illness, the director of ~~personnel~~ human resources may grant additional combined leave upon the employee's request with good cause and the recommendation of the department head/commissioner. Any single extension shall be limited to two work weeks at one-half pay.
- (j) Except as otherwise provided in this chapter, an eligible employee who leaves employment with the city, or the estate of an employee who dies while employed by the city, and who has accumulated between 60 and 100 days of combined leave, will be eligible to receive ~~\$25.00~~ \$40.00 per day for each day of accumulated combined leave. Eligible employees who have accumulated between 101 and 240 days of combined leave will be eligible to receive

~~\$30.00~~ \$50.00 per day for each day of accumulated combined leave. For the purpose of this subsection, no employee who has been terminated from employment for gross misconduct shall be eligible or have a claim for accumulated combined leave.

SECTION 5. Chapter 40 of the City Code is hereby amended by amending Section 40-351 thereof by deleting the stricken language and adding the underlined language to read as follows:

Sec. 40-351. - Eligibility.

- (a) Members of the classified service, including members of the city uniformed services, shall be eligible for city-sponsored benefits, as set forth herein, ~~after completing 90 days of~~ upon employment; ~~provided, however, that members of the city uniformed services shall be eligible for such benefits upon employment.~~

SECTION 6. This Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading.....July 3, 2024
Second Reading.....July 3, 2024
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2024.

Mayor

SYNOPSIS: This Ordinance amends various sections of Chapter 40 of the City Code to: (i) increase of the number of salary steps in the classified service from seven (7) to eleven (11) to align the steps with the updated salary structures as recommended in the April 2023 classification and compensation study; (ii) entitle any non-bargaining unit classified service employee who is promoted to a position in a class with a higher pay grade to the lowest step in the higher range which exceeds such employee's prior rate of pay by a minimum of two thousand dollars (\$2,000.00) annually; (iii) set the salary for any non-bargaining unit classified service employee who is voluntarily demoted to the highest step in the class to which the employee was demoted that will provide a pay decrease; (iv) adjust the range of starting salaries for E/M program employees to between the minimum and the first third of the applicable salary range; (v) increase the combined leave pay-out for all eligible employees who have accumulated between (a) thirty (30) or sixty (60) (depending upon employment classification) and one hundred (100) days of combined leave to forty dollars (\$40.00) per day and (b) one hundred one (101) and two hundred forty (240) days of combined leave to fifty dollars (\$50.00) per day; and (vi) make members of the non-uniformed classified service eligible to receive City-sponsored benefits upon the date of hire commensurate with the treatment currently received by uniformed classified service employees, appointed employees, and elected officials. Finally, as a housekeeping matter, this Ordinance replaces the terms "personnel director" and "personnel department" with "director of human resources" and "human resources department" in sections that are otherwise being amended by this Ordinance.

FISCAL IMPACT STATEMENT: The fiscal impact of this Ordinance will be approximately Seventy Thousand Dollars (\$70,000.00) annually. For Fiscal Year 2025, the adopted annual operating budget is sufficient to support this de minimus amount.