



## **Salary Administration**

### **Administrative Policy #18**

Effective, July 8, 2023

#### **I. Policy**

The City of Portsmouth is an equal opportunity employer and maintains fair and equitable salary administration practices for both internal and external salary actions based on an individual's proven qualifications for a position, overall job performance, and the degree to which an employee's performance and job conduct meets or exceeds expectations.

The following guidelines are therefore established to assist in providing for the consistent administration of salary actions. It should be noted these guidelines do not establish a set formula or percentage for determining salary offers or the number of adjustments. Salary offers and salary adjustments will be based on overall consideration of relevant circumstances of the individual case. In all situations, employee salaries may not exceed the maximum salary of the established grade associated with the position.

The City Manager retains the authority to make administrative salary adjustments, to create additional classifications, reclassifications, appointments, and positions. Recommendations approved by the City Manager shall become effective on the date determined by the City Manager and after funds have been included in the budget.

At the discretion of the City Manager or designee, a general wage increase may be granted to those employees whose salary is at the maximum of the pay grade for the employee's job classification.

#### **A. New Employees**

A new employee shall be paid, at least, the minimum salary of the salary range for the position in which they are hired. In cases where the new employee significantly exceeds the minimum qualifications of the position, the employee may be paid a starting salary above the minimum of the established salary range with the approval of the City Manager.

The Department Head must provide written detailed justification to support any recommendation to hire an employee above the minimum of the salary range. The recommendations will be thoroughly reviewed by the Director of Human Resource Management and will include consideration of the individual's overall qualifications, internal equity and other related factors. The Director of Human Resource Management will make recommendations to the City Manager for approval.

All full-time employees shall receive a competitive wage rate which shall be determined by the City Manager. This rate shall be reviewed periodically by the Director of Human Resource Management and any appropriate change may be made based on the federal poverty guidelines, federal minimum wage rate, and other relevant information. This pay philosophy does not impact the pay grade assigned to the position.

All newly hired employees will be considered probationary for one full year from the employee's continuous service date (i.e., an employee hired on July 1<sup>st</sup> is probationary through July 1<sup>st</sup> of the following year).

**B. Promotional Increases - General Employees**

An employee selected and approved for promotion to a higher-level position through a competitive process will be eligible for a corresponding salary increase. Standard promotional salary increases are generally authorized at 10% above the employee's current salary or the minimum salary of the new grade, whichever is higher; however, salary increases may be authorized up to 15% above the employee's current salary with all relevant factors considered and balanced in determining the appropriate amount of the promotional increase. These factors do not constitute a set formula for determining the amount of adjustment, but may include without being limited to the following:

- The employee's qualifications related to the new position;
- The increase in scope of supervision and management associated with the new position;
- Whether the employee will transition from an overtime non-exempt position where they regularly worked significant overtime to an overtime exempt position; and
- Internal equity considerations

Employees who were disciplined (Level 2 or above) within twelve months of the promotional opportunity are not eligible for consideration for promotional advancement.

**C. Promotional Increases - Public Safety Sworn Employees**

Sworn employees selected and approved for promotion to a higher rank through the sworn promotional process will be eligible for a corresponding salary increase of 10% or the minimum salary of the new grade, whichever is higher.

**D. Lateral Position Transfer**

An employee who transfers to another closely related position in the same or equivalent salary range may transfer at the employee's same salary. Transfers may occur within or between departments, by selection from the employment process, and approval from designated Department Heads. At the discretion of the City Manager, transfers in and of themselves may not result in an increase in the employee's compensation.

**E. Demotions**

Any employee involuntarily or voluntarily demoted to a lower grade shall receive compensation according to the grade into which the employee is placed. The Director of Human Resource Management will designate the salary with final approval of the City Manager or designee. An employee will not be compensated at a rate less than the minimum salary for the grade to which demoted, nor may the maximum compensation for the position exceed the grade maximum.

**F. Position Reclassifications**

A reclassification is a change to the established job title, or the grade assigned to the position due to significant changes in the essential functions of a position. Reclassifications will be reviewed on an individual basis to determine the appropriate grade for the positions. Typically, reclassifications are conducted during the annual budget process, however, Department Heads may make requests for classifications outside of the budget process based on the needs of their department. When an employee's position is reclassified, the employee's salary shall generally remain at the same rate of pay within the new range as before the reclassification. All employees will be paid at least the minimum range for the classification. Examples include restructuring of job hierarchy, title changes and/or grade adjustment that more closely aligns the current essential functions with the appropriate grade to reflect appropriate labor market salaries for the city's market.

When a position or job is reclassified to a higher salary range based on significantly increased job responsibilities, the incumbent employee may be eligible for a salary adjustment. When the reclassification is based on major changes in responsibilities such as taking on supervisory responsibilities, or additional significantly higher level technical or professional responsibilities, the employee may qualify for a reclassification adjustment corresponding to the city's promotional salary increases at the time the reclassification is effective.

When an employee's position is reclassified to a lower pay grade and the present salary is above the maximum of the lower grade, the employee's salary will remain the same for the first budget year of the reclassification. Future adjustments will be determined each budget year to bring the salary within the range.

Reclassifications based on job studies or compensation plan revisions may have separate policies governing salary adjustments. The Director of Human Resource Management shall review all position reclassifications and make recommendations for approval to the City Manager.

#### **G. Special Pay Adjustments**

The City Manager may authorize special pay adjustments on an individual basis in the interest of compensation equity, to recognize significant additional responsibilities that do not affect the classification of the employee's position, or based on accomplishments that impact the employee's performance and support a higher salary placement. Such adjustments are usually granted in the most compelling of circumstances. Special pay adjustments are normally limited to 5% but may be granted up to 15%. Recommendations for special pay adjustments should be submitted by the Department Head to the Director of Human Resource Management. The Director of Human Resource Management will conduct a full analysis and recommend appropriate action to the City Manager. An employee shall not be eligible to receive more than one special pay adjustment within a three-year period.

#### **H. Bonuses**

Bonuses may be awarded to employees for exceptionally meritorious service or a special act that is considerably above and beyond the normal scope of assigned duties and responsibilities. Regular full-time employees may be awarded a one-time bonus in any amount up to \$1,500.00 in a fiscal year. Recommendations for bonuses should be submitted by the Department Head to the Director of Human Resource Management. The Director of Human Resource Management will conduct a full analysis and recommend appropriate action to the City Manager.

#### **I. Acting Status**

When an employee is assuming the full duties, responsibilities and accountabilities of the higher position, departments may submit a request to the Director of Human Resource Management for a temporary adjustment of up to 10%. When the employee is assuming significantly higher-level job responsibilities (three or more pay grades), the department may request a temporary adjustment of up to 15%. The City Manager may authorize additional temporary adjustments for employees who are placed in Acting Status for a Department Head or similar level position. While serving in Acting Status, the employee will continue to accrue benefits and be eligible for salary increases on their base level position and salary.

#### **J. Temporary Salary Adjustments for Additional Duties**

If the employee is assuming significantly higher level of work but with less than the full duties, responsibilities and accountabilities of the higher-level position, the employee is not formally placed in acting status but may be granted a temporary salary adjustment for

the period of assigned duties, usually limited to no more than 10% upon approval by the Director of Human Resource Management and the City Manager.

**K. Effective Date of Pay Adjustments**

All pay changes or adjustments shall become effective on the first day of the pay period that follows the approval of the City Manager or designee, unless otherwise specified. If the approval date and the first day of the respective pay period coincide, the adjustment shall become effective on that date.

**L. Market Driven Increases**

When the City Manager determines that market conditions are such that recruitment and retention is severely hampered in a job classification or series of classifications, the City Manager may authorize salary increases to employees in those classifications. These payments may be either lump sum payments or increases to base pay. However, an employee's base salary shall not exceed the employee's pay range.

**M. Salary Adjustment – External Factors**

In the event that the federal or state minimum wage rate is higher than the minimum of the pay grade, all employees will be paid at least the federal or state minimum wage rate, whichever is greater.

**N. Corrections**

When reported errors or mistakes in the application of the compensation plan are verified by the Director of Human Resource Management, the City Manager or designee will determine the appropriate corrective action. Pending the City Manager's approval, the Director of Human Resource Management will take immediate action to prevent continued overpayment or underpayment of any salary.

**O. Career Progression**

Employees in identified classification series are eligible for advancement without competition upon satisfying established criteria which is indicated in the next level of the series job description and/or established career progression criteria. Employee advancement within the classification series can occur throughout the year based on certification by the Department Head that all criteria have been met by the employee, departmental funding is available to support the position, and final approval by the Director of Human Resource Management. Career Progression advancements will follow the same rules as promotions in respect to pay increases. A list of eligible positions/job series are below:

- 911 Call Taker to 911 Dispatcher
- 911 Dispatcher to 911 Dispatcher, Senior
- Animal Control Officer I to Animal Control Officer II
- Assistant City Attorney I to Assistant City Attorney II to Assistant City Attorney III
- Benefit Programs Specialist I to Benefit Programs Specialist II
- Code Enforcement Specialist to Code Enforcement Inspector I to Code Enforcement Inspector II
- EMS Paramedic I to EMS Paramedic II to EMS Paramedic III
- Equipment Operator Assistant to Equipment Operator I to Equipment Operator II to Equipment Operator III
- Family Services Specialist I to Family Services Specialist II

- Firefighter Trainee to Firefighter I to Firefighter II to Firefighter III
- Firefighter Paramedic Trainee to Firefighter Paramedic
- Grounds Maintenance Worker I to Grounds Maintenance Worker II
- Mechanic I to Mechanic II
- Police Officer Trainee to Police Officer I to Police Officer II to Police Officer III
- Water Treatment Plant Operator 4<sup>th</sup> Class to Water Treatment Plant Operator 3<sup>rd</sup> Class to Water Treatment Plant Operator 2<sup>nd</sup> Class to Water Treatment Plant Operator 1<sup>st</sup> Class

Approved As To Form and Content:

  
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May 8, 2023  
Date

Approved:

  
Mimi C. Terry, Interim City Manager

5-12-2023  
Date