

ATTACHMENT A

**THIS IS A DRAFT COPY ONLY AND IS NOT AN OFFICIAL COPY OF
THE FINAL, ADOPTED ORDINANCE**

ORDINANCE S-_____

AN ORDINANCE REPEALING EXISTING PAY
ORDINANCE S-45840 AND ADOPTING A NEW
ORDINANCE FOR NEW RATES AND
COMPENSATION; AND FURTHER AUTHORIZING
THE CITY CONTROLLER TO DISBURSE ALL
FUNDS FOR THE PURPOSES OF THIS
ORDINANCE.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as

follows:

SECTION 1. Ordinance No. S-45840 being an Ordinance which adopted a "Gross Pay Schedule" of all employees of the City of Phoenix, and all amendments thereto be, and the same are repealed as of the effective date of this Ordinance.

SECTION 2. On and after July 12, 2021, the effective date of this Ordinance, all compensation to be paid to employees of the City of Phoenix shall be computed from the Schedule II for each fiscal year attached hereto as an Exhibit A and by this reference incorporated herein. The Schedule II for each fiscal year, attached, includes those compensation changes set forth in Section 5 hereof.

SECTION 3. The City Manager is authorized to provide a benefits program for City employees as described by various administrative regulations and the benefits reference guides.

SECTION 4. On and after the effective date of this Ordinance, employees of the City of Phoenix shall be compensated on a biweekly schedule in accordance with the attached Schedule II for each fiscal year and in accordance with those certain Memoranda of Understanding, to wit:

Memorandum of Understanding 2021-2023 by and between the City of Phoenix and the Laborers International Union of North America, Local 777, AFLCIO, covering Field Unit 1.

Memorandum of Understanding 2021-2023 by and between the City of Phoenix and the American Federation of State, County and Municipal Employees, Local 2384, AFL-CIO, covering Field Unit 2.

Memorandum of Understanding 2021-2023 by and between the City of Phoenix and the American Federation of State, County and Municipal Employees, Local 2960, AFL-CIO, covering Office and Clerical Unit 3.

Memorandum of Understanding 2021-2023 between the City of Phoenix and Phoenix Law Enforcement Association, covering Police Officers Unit 4.

Memorandum of Understanding 2021-2023 by and between the City of Phoenix and Phoenix Firefighters Association, Local 493, IAFF, covering Unit 5.

and shall work a schedule of hours in accordance with applicable administrative regulations and ordinances and consistent with the determination of work hours by the City, based on the needs of the City.

SECTION 5. Compensation

The compensation schedules set forth in the Schedule II for each fiscal year shall be effective and/or modified in accordance with the following:

- (a) Effective July 12, 2021, a 2.34% base wage increase will be applied to all Unit 1 pay steps. In addition, a non-continuous payment of \$2,191 for each full-time employee and \$200 for each part-time employee, to be paid out on the first full pay period in August 2021.
- (b) Effective July 11, 2022, a 1.77% base wage increase will be applied to all Unit 1 pay steps. In addition, a non-continuous payment of \$1,860 for each full-time employee and \$200 for each part-time employee in year two, to be paid out on the first full pay period in August 2022.
- (c) Effective July 12, 2021, a 2.38% base wage increase will be applied to all Unit 2 pay steps. In addition, a non-continuous payment of \$2,235 for each full-time employee, to be paid out on the first full pay period in August 2021.
- (d) Effective July 11, 2022, a 1.78% base wage increase will be applied to all Unit 2 pay steps. In addition, a non-continuous payment of \$2,279 for each full-time employee, to be paid out on the first full pay period in August 2022.
- (e) Effective July 12, 2021, a 1.6% base wage increase will be applied to all Unit 3 pay steps. In addition, there will be a non-continuous payment of \$2,055 made to all full-time employees and a non-continuous payment of \$822 made to all part-time employees in Unit 3 to be paid on the first full pay period in August 2021.
- (f) Effective July 11, 2022, a 1.73% base wage increase will be applied to all Unit 3 pay steps. In addition, there will be a non-continuous payment of \$2,097 made to all full-time employees and a non-continuous payment of \$839 made to all part-time employees in Unit 3 to be paid out on the first full pay period in August 2022.
- (g) Effective July 12, 2021, a 2.40% base wage increase will be applied to all Unit 4 pay steps and to each assignment step. In addition, there will be a non-continuous payment of 6.38% of annual base wage to all Unit employees to be paid out on the first paycheck in December 2021.
- (h) Effective July 11, 2022, a 1.81% base wage increase will be applied to all Unit 4 pay steps and to each assignment step. In addition, there will be a non-continuous payment of 5.33% of annual base wage to all Unit employees to be paid out on the first paycheck in December 2022.
- (i) Effective July 12, 2021, a 1.77% base wage increase will be applied to all Unit 5 pay steps to include assignment steps. In addition, there will be a

non-continuous payment of \$5,217 for each Unit member/employee to be paid out on the first full pay period in August 2021.

- (j) Effective July 11, 2022, a 1.65% base wage increase will be applied to all Unit 5 pay steps to include assignment steps. In addition, there will be a non-continuous payment of \$4,433 for each Unit member/employee to be paid out on the first full pay period in August 2022.
- (k) Effective July 12, 2021, a 1.60% base wage increase will be applied to all Unit 6 pay grades. In addition, there will be a non-continuous payment of 5.97% of annual base wage to all Unit employees to be distributed to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 6 on the first full pay period in December 2021.
- (l) Effective July 11, 2022, a 1.69% base wage increase will be applied to all Unit 6 pay grades. In addition, there will be a non-continuous payment of 5.06% of annual base wage to all Unit employees to be distributed to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 6 on the first full pay period in December 2022.
- (m) Effective July 12, 2021, a 2.03% base wage increase will be applied to all Unit 7 pay steps. In addition, there will be a non-continuous payment of 3.85% of annual base wage to all full-time employees to be paid out on the first full pay period in August 2021 as well as a non-continuous payment of 0.78% of annual base wage to all full-time employees for agreeing to the City's transparency and accountability proposals to be paid out on the first full pay period in August 2021. There will be a non-continuous payment of \$1,000 made to all part-time employees in Unit 7 paid out on the first full pay period in August 2021.
- (n) Effective July 11, 2022, a 1.69% base wage increase will be applied to all Unit 7 pay steps. In addition, there will be a non-continuous payment of 3.87% of annual base wage to all Unit members and a non-continuous payment of \$1,000 made to all part-time employees in Unit 7 to be paid out on the first full pay period in August 2022.
- (o) Effective July 12, 2021, a 1.68% base wage increase will be applied to all Unit 8 pay steps. In addition, there will be a non-continuous payment of \$2,250 for each full-time Unit 8 employee and a non-continuous payment of \$900 for each part-time Unit 8 employee to be paid out on the first full pay period in August 2021.
- (p) Effective July 11, 2022, a 1.74% base wage increase will be applied to all Unit 8 pay steps. In addition, there will be a non-continuous payment of

\$1,912 for each full-time Unit 8 employee and a non-continuous payment of \$765 for each part-time Unit 8 employee to be paid out on the first full pay period in August 2022.

- (q) Effective July 12, 2021, a 1.59% base wage increase will be applied to Unit 9 and 10 pay grades and employees. In addition, all Unit 9 and 10 employees will receive a non-continuous payment of 4.89% annual base wage to be paid on the first full pay period in August 2021, after completing requirements set forth by the City Manager relative to their performance evaluations. The provisions of this paragraph do not apply to Municipal Court Judges or Hearing Officers [Chief Presiding Judge (NC), City Judge (NC), Presiding Court Hearing Officer (NC), Municipal Court Hearing Officer (NC)].
- (r) Effective July 11, 2022, a 1.64% base wage increase will be applied to Unit 9 and 10 pay grades and employees. In addition, all Unit 9 and 10 employees will receive a non-continuous payment of 4.10% annual base wage to be paid out on the first full pay period in August 2022, after completing requirements set forth by the City Manager relative to their performance evaluations. The provisions of this paragraph do not apply to Municipal Court Judges or Hearing Officers [Chief Presiding Judge (NC), City Judge (NC), Presiding Court Hearing Officer (NC), Municipal Court Hearing Officer (NC)].
- (s) Effective July 12, 2021, a 1.59% base wage increase will be applied to Unit 17 and 19 pay grades and employees. In addition, all Unit 17 and 19 employees will receive a non-continuous payment of 4.89% annual base wage to be paid on the first full pay period in August 2021, after completing requirements set forth by the City Manager relative to their performance evaluations.
- (t) Effective July 11, 2022, a 1.64% base wage increase will be applied to Unit 17 and 19 pay grades and employees. In addition, all Unit 17 and 19 employees will receive a non-continuous payment of 4.10% annual base wage to be paid out on the first full pay period in August 2022, after completing requirements set forth by the City Manager relative to their performance evaluations.
- (u) Effective July 12, 2021, a 1.59% base wage increase will be applied to Unit 16 and 18 pay grades and employees. In addition, all Unit 16 and 18 employees will receive a non-continuous payment of 4.89% annual base wage to be paid on the first full pay period in August 2021, after completing requirements set forth by the City Manager relative to their performance evaluations.

- (v) Effective July 11, 2022, a 1.64% base wage increase will be applied to Unit 16 and 18 pay grades and employees. In addition, all Unit 16 and 18 employees will receive a non-continuous payment of 4.10% annual base wage to be paid out on the first full pay period in August 2022, after completing requirements set forth by the City Manager relative to their performance evaluations.
- (w) Effective July 12, 2021, a 2.03% base wage increase will be applied to all pay ranges of Council Office Staff Salary Plan 023. In addition, all employees in Council Office Staff Salary Plan 023 will receive a non-continuous payment of 4.63% of annual base wage paid out on the first full pay period in August 2021.
- (x) Effective July 11, 2022, a 1.69% base wage increase will be applied to all pay ranges of Council Office Staff Salary Plan 023. In addition, there will be a non-continuous payment of 3.87% of annual base wage to all employees in Council Office Staff Salary Plan 023 to be paid out on the first full pay period in August 2022.
- (y) Effective July 12, 2021, a 1.6% base wage increase will be applied to all Lifeguard pay steps. In addition, any Lifeguard that remains active on payroll through August 8, 2021 of the 2021 season shall receive a non-continuous payment of \$150 paid out on the first paycheck of August 2021. Any Lifeguard that remains active on payroll through September 6, 2021 of the 2021 season shall receive a non-continuous payment of \$200 paid out on the second paycheck of September 2021.
- (z) Effective July 11, 2022, a 1.73% base wage increase will be applied to all Lifeguard pay steps. In addition, any Lifeguard that remains active on payroll through August 7, 2022 of the 2022 season shall receive a non-continuous payment of \$150 paid out on the first paycheck of August 2022. Any Lifeguard that remains active on payroll through September 5, 2022 of the 2022 season shall receive a non-continuous payment of \$200 paid out on the second paycheck of September 2022.

SECTION 6. On and after the effective date of this Ordinance, the pay rates for employees of the City of Phoenix shall be that shown in the Schedule II for each fiscal year, except that employees designated as Council Office Staff, Executive, or Middle Management shall have a salary set by the City Manager which shall be at or between the minimum and maximum rates assigned to that classification as shown in the Schedule II for each fiscal year.

SECTION 7. On and after the effective date of this Ordinance, no overtime work shall be authorized, unless it shall have first been approved as provided by administrative regulation.

SECTION 8. New Hire Salary

New employees shall be hired at the beginning rate of the established grade for each classification. Full-time, part-time, and non-seasonal employees will be hired at a rate no lower than the City’s established minimum entry rate of \$15.00 per hour. A department head may authorize a beginning rate up to the median step of the pay grade after conducting an analysis with Human Resources. The City Manager and Human Resources Director may authorize a beginning rate above the median step of the pay grade in the event of labor market requirements or due to the unusual qualifications of a candidate. In cases where a pay grade has an even number of steps, the larger value shall be used as the median. If existing steps are not available to be used (e.g., the rate is less than \$15/hour) they shall not be included in the determination of the median step.

- (a) Police Recruit employees may be entered at Step 5 of the Police Recruit pay grade to attract qualified applicants and to remain competitive with other law enforcement agencies.
- (b) Certified Police Officer candidates from other jurisdictions may be brought in at a higher step based upon the number of years of experience they have after receiving certification as a law enforcement officer as follows:

Prior Years of Experience (After obtaining certification)	At Time of Hire		
	Classification	Salary Grade	Step
1 up to 1.49	Police Officer	428	4
1.5 up to 2.49	Police Officer	428	5
2.5 up to 3.49	Police Officer	428	6
3.5 up to 4.49	Police Officer	428	7
4.5 or more	Police Officer	428	8

- (c) Certified Police Officer candidates who have not completed the Phoenix Regional Police Academy will be hired at Step 5 of the Police Recruit pay grade. Upon completion of the Phoenix Regional Police Academy, they will be moved to the step noted in the chart above that corresponds to the number of years of experience they have after receiving certification as a law enforcement officer.

SECTION 9. Anniversary Dates

For the purpose of this ordinance, anniversary date refers to the salary review date.

- (a) All employees appointed or entered at the beginning step of the pay grade of a classification for each fiscal year, upon successful completion of six (6) months of full-time employment, may be advanced to the next step in the pay grade for their respective classifications, and this shall become the anniversary date for subsequent pay increases. The provisions of this paragraph do not apply to Executive and Middle Management employees.
- (b) The anniversary date of employees hired at a step above the beginning step shall be the date on which they were hired.
- (c) The effective date for merit increases for employees covered under (a) and (b) shall be on the anniversary date.
- (d) An employee on a continuous leave of absence of thirty (30) working days or longer, whether such leave is paid or unpaid, shall have the anniversary date adjusted to account for the period of absence from the thirtieth day until the employee's return to work. This provision does not apply when the leave involved is military leave unless the employee is probationary and has been on probation for less than nine months.
- (e) Anniversary dates for incumbents of positions which are reclassified and/or regraded shall be handled in accordance with Section 20(d) of this Ordinance.

SECTION 10. Merit Increases

In recognition of continued meritorious service, full-time employees become eligible to be considered for a merit pay increase on each anniversary date until they have advanced to the maximum step in their pay grade. Employees eligible for merit increases shall

be advanced one step in the pay grade in accordance with this section only upon approval of the department head or the City Manager, except that:

- (a) Employees designated as Executive and Middle Management and assigned to executive and middle management compensation grades may be advanced within their assigned pay grade by the City Manager based upon periodic review of the individual employee's work performance.
- (b) Employees designated as Council Office Staff and assigned to council office staff compensation grades may be advanced within their assigned pay grade by the Executive Assistant to City Council based upon periodic review of the individual employee's work performance.
- (c) All Police Officers who enter that rank at Step 4 or above may be eligible for a merit increase at twelve (12) months from the date of hire or date of promotion to Police Officer and this shall become the anniversary date for subsequent pay increases.
- (d) Sworn employees in the classifications of Police Sergeant and Police Lieutenant, who meet performance expectations and have not already reached the top step of the pay range, will receive a one-step merit increase when they have completed twenty (20) years of continuous service with the Phoenix Police Department. The effective date of the one-step merit pay increase shall become the anniversary date for future merit pay increases.
- (e) Sworn employees in the classification of Firefighter paid at Step 1 upon graduation from the academy shall be considered for a merit pay increase six months after graduation from the academy; and this shall become the anniversary date for subsequent pay increases.
- (f) Firefighters on assignment to Paramedic will be paid at a step between Steps 21 and 25 of the Firefighter pay grade.
- (g) Firefighters assigned to Special Operations and the ARFF program shall be paid at a step between Steps 31 and 39 of the Firefighter pay grade.
- (h) Firefighters assigned to both Paramedic and Special Operations will be paid at a step between Steps 51 and 55 of the Firefighter pay grade.
- (i) Firefighters assigned to both the Hazardous Materials (HMT) and the Technical Rescue (TRT) programs shall be paid at a step between Steps 61 and 69 of the Firefighter pay grade.

- (j) Firefighters assigned to Paramedic, Hazardous Materials (HMT), and Technical Rescue (TRT) will be paid at a step between Steps 81 and 85 of the Firefighter pay grade.
- (k) Fire Engineers may enter the classification at Step 1 of the grade. A Fire Engineer entering the pay grade at Step 1 will be considered for a merit pay increase six months after promotion and then at one and one-half years after promotion. Fire Engineers entering the pay grade above Step 1 will be considered for a merit pay increase on their anniversary date until they have advanced to Step 3.
- (l) Fire Engineers assigned as Paramedics will be paid at Steps 21 and 22 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 22.
- (m) Fire Engineers assigned as Special Operations will be paid at Steps 31 and 32 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 32.
- (n) Fire Engineers assigned to both Special Operations and Paramedic will be paid at Steps 51 and 52 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 52.
- (o) Fire Engineers assigned to both the Hazardous Materials (HMT) and the Technical Rescue (TRT) programs shall be paid at Steps 61 and 62 of the Fire Engineer pay grade and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 62.
- (p) Fire Engineers assigned to Paramedic, Hazardous Materials (HMT), and Technical Rescue (TRT) will be paid at Steps 81 and 82 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 82.
- (q) Fire Captains will enter the classification at Step 8 of the grade and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 10.
- (r) Fire Captains assigned as Paramedics will be paid at a step between Steps 21 and 23 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 23 of the pay grade.
- (s) Fire Captains assigned as Special Operations will be paid at a step between Steps 31 and 33 and will be considered for a merit pay increase on each anniversary date until they have advanced to Step 33 of the pay grade.

- (t) Fire Captains assigned to both Special Operations and Paramedic will be paid at a step between Steps 51 and 53 and will be considered for a merit pay increase on each anniversary date until they have advanced to Step 53 of the pay grade.
- (u) Fire Captains assigned to both the Hazardous Materials (HMT) and the Technical Rescue (TRT) programs shall be paid at a step between Steps 61 and 63 of the Fire Captain pay grade and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 63.
- (v) Fire Captains assigned to Paramedic, Hazardous Materials (HMT), and Technical Rescue (TRT) will be paid at a step between Steps 81 and 83 and will be considered for a merit pay increase on their anniversary date until they have advanced to Step 83.
- (w) Part-time employees, excluding seasonal employees, may be considered for advancement from pay Step 1 to pay Step 2 after completing one thousand forty (1,040) hours of work at pay Step 1. Advancement from pay Step 2 to pay Step 3 and each subsequent step in a grade may be considered after working two thousand eighty (2,080) hours at each step. If a part-time employee is hired at a rate above Step 1 (in accordance with the provisions of Section 8 of this Ordinance), advancement to the next step and each subsequent step in a grade may be considered after working two thousand eighty (2,080) hours at each step. Part-time employees, upon returning from military leave, will be given credit for working the average number of hours they would normally have worked during the time of leave.
- (x) It is further provided that a special merit pay increase for superior performance or a step adjustment for unusual circumstances may be granted at lesser intervals for any employee, upon recommendation of the employee's department head and approval by the Human Resources Director.

SECTION 11. Assignment Pay, Differential, Standby and Other

Additional Compensation

- (a) Rules for designated holidays and premium pay shall be established by administrative regulations, applicable Memoranda of Understanding and applicable Memoranda of Agreement.
- (b) Employees shall receive the assignment pay provided for certain classifications for each fiscal year only during the period they are working on these assignments. Employees shall receive an immediate increase

upon entering an assignment which corresponds to the next step in the employee's present pay grade except that if no such rate exists, the employee shall be placed in the closest step which is not less than that amount, regardless of the number of steps in the differential above the base classification. An employee in an assignment will be eligible to receive productivity enhancement pay at the time the employee would have received productivity enhancement pay had the employee stayed in the base classification, even though the employee may not yet be at top step in the assignment.

- (c) In cases of assignments in Public Safety Middle Management or Executive category classifications, employees shall receive a pay rate that is a minimum of 5% higher than their current rate, but not higher than the maximum pay rate of the new pay grade, using a formula established by the Human Resources Director.
- (d) Sworn employees at the rank of Police Officer who are Field Training Officers or who the department selects to conduct department-approved officer field training will receive an additional 5% of their regular pay rate for each day they are assigned to an officially authorized field training position. Employees assigned to train an officer-in-training in traffic/DUI enforcement will receive 5% training pay for each day the employee actually trains. Employees assigned as Canine Unit Training Officers will receive 5% training pay for each day they are assigned to an officially authorized Canine Unit Trainer position. Employees assigned as Team Leaders on SAU squads will receive an additional 5% base hourly rate of pay while assigned to this position. Detectives whom the department selects to conduct department-approved new Detective training will receive an additional 5% of their base rate of pay for every day the Detective is training.
- (e) Sworn employees at the rank of Police Sergeant who supervise officers in training will receive an additional 5% of their regular pay rate while the officer in training is assigned to their squad. Sergeants who supervise a Master Field Training Officer squad will receive an additional 10% of their regular pay rate.
- (f) Employees working in positions which, because of unusual hours, should receive extra compensation may receive a shift differential as provided by administrative regulation.
- (g) Certain Unit 2 employees required by the City to maintain a Commercial Driver License (CDL) as a secondary part of their regular position duties shall receive an additional twenty cents (\$0.20) per hour.

- (h) Unit 3 and Confidential Office and Clerical employees who are authorized, certified, and required by management to use a language other than English to conduct official City business may receive bilingual pay as provided by administrative regulation.
- (i) Phoenix Firefighters Association Unit 5 employees who speak Spanish to conduct official City business may receive bilingual pay as provided by administrative regulation.
- (j) Municipal Court employees performing legal, verbatim, and formal translation duties may receive bilingual pay as provided by administrative regulation.
- (k) Qualified sworn personnel in the Police Department who are requested to perform verbal interpretation or written translation in a language other than English, or signing activities, while conducting police-related investigations may receive bilingual pay of ten dollars (\$10.00) per hour as provided by the Unit 4 Memorandum of Understanding.
- (l) Certified/registered Unit 1 employees who are assigned to continuous, non-incident application of herbicides or pesticides may receive premium pay of one dollar (\$1.00) per hour as provided in the Unit 1 Memorandum of Understanding.
- (m) Certified/registered Unit 2 employees who are assigned to continuous, non-incident application of herbicides or pesticides may receive premium pay of fifty cents (\$0.50) per hour as provided in the Unit 2 Memorandum of Understanding.
- (n) Any Aviation Dispatcher or Police Communications Operator assigned Radio/911 who is selected by their Department to conduct department approved field training will be paid a one-step differential or a minimum of three percent (3%) of base wages, whichever is higher, for those hours actually spent training other staff members.
- (o) Trained and certified employees in the classifications of User Technology Specialist, Senior User Technology Specialist, and Lead User Technology Specialist may receive a per diem of fifty dollars (\$50.00) when required to climb wireless communication towers in the performance of their assigned duties.
- (p) Fire Management Command Officers who are assigned to and work in the Constant Staffing Program may receive a monthly premium pay as provided by administrative regulation.

- (q) Upon recommendation of the employee's department head and approval of the Human Resources Director, a premium payment of up to two hundred fifty dollars (\$250.00) per week may be authorized to be paid to exempt employees for taking on substantial special projects, projects or events requiring significant extended hours or weekends, or considerable additional duties due to staffing shortages, as provided by administrative regulation.
- (r) Exempt personnel may receive additional pay, as provided by administrative regulation, for performance of their usual City duties in catastrophic field conditions in extreme and protracted emergency events involving a state or federal non-military deployment in which circumstances do not permit normal work and rest cycles. For an employee to be eligible for the additional payment, the deployment must be approved by the department head and City Manager. The deployment must exceed forty (40) continuous hours and the payment amount will be determined based on a formula determined by the Human Resources Director and shall be consistent for all personnel deployed. Such payment may be approved only if it meets all reimbursement guidelines specified by the state or federal agency.
- (s) Specific employees recruited or trained in specific advanced information technology fields, as such employees and job fields are approved by the Chief Information Officer, Human Resources Director, and City Manager, may receive specialty skills premium pay not to exceed 10% of base salary as provided by administrative regulation.
- (t) Compensation for employees who are assigned to standby duty shall be calculated at a rate which, over a twenty-four (24) hour period, shall not exceed the prevailing federal or state minimum hourly wage, whichever is higher.
- (u) Sworn Police Officers below the rank of Sergeant and Unit 3 employees assigned to court standby shall receive the following:
1. Sworn Police Officers below the rank of Sergeant, may receive two (2) hours of pay at one and one-half (1-1/2) times the base hourly rate for court dockets scheduled before 12:00 p.m. (noon), and an additional two (2) hours of pay at one and one-half (1-1/2) times the base hourly rate for court dockets scheduled after 12:00 p.m. (noon). If an employee is required to remain on standby after 12:00 p.m. (noon), the employee may receive an additional one (1) hour of pay at one and one-half (1-1/2) times the base hourly rate of pay. For each day a court proceeding continues in session and the officer remains subject to call, the employee may be entitled to court standby

compensation as provided in this paragraph and in the Unit 4 Memorandum of Understanding.

2. Unit 3 employees as provided in the Unit 3 Memorandum of Understanding shall be compensated the greater of either \$100 per day or in accordance with the current provisions of the Fair Labor Standards Act.
- (v) Sworn Police Supervisory and Professional employees assigned to court standby may receive two (2) hours of pay at one and one half (1^{1/2}) times the base hourly rate per day for court standby. An additional hour of pay at one and one half (1^{1/2}) times the base pay rate shall be paid if the employee is required to remain on standby after noon.
 - (w) The City Manager is authorized to provide call-out pay to hourly employees, as provided by administrative regulation. Where appropriate, these payments shall be made in accordance with the applicable Memoranda of Understanding or applicable Memoranda of Agreement.
 - (x) The City Manager is authorized to provide out of class pay differential to employees, as provided by administrative regulation.
 - (y) The City Manager is authorized to award additional vacation leave to an employee whose annual vacation accrual rate is twelve (12) days or less, when it is in the best interest of the City as determined by the City Manager.

SECTION 12. Awards Programs

- (a) An employee suggestion program shall be established by administrative regulation. Employees may be eligible for a cash award or for other awards for making suggestions which qualify under the program. The cash award to employees, per suggestion, shall not exceed sixteen thousand six hundred sixty-seven dollars (\$16,667.00).
- (b) An employee safety awards program may be established by administrative regulation. Employees may be eligible for a one-time cash award or other awards as part of the City safety program. Any single cash award shall not exceed one hundred dollars (\$100.00).
- (c) A program to recognize employee excellence may be established by administrative regulation. The total allocation per department shall not exceed one dollar (\$1.00) per full-time equivalent employee or three hundred dollars (\$300.00) per year or one shift (not to exceed 10 hours) of performance recognition leave per recognition award.

- (d) The City Manager is authorized to establish a performance based cash award program for employees.
- (e) The City Manager is authorized to implement incentive programs to reward employees for exceptional performance and/or substantial savings to the City.
- (f) The City Manager is authorized to establish a hiring incentive cash award not to exceed seven thousand five hundred dollars (\$7,500.00) for employees hired into critical positions, positions that are hard to fill, or positions that require a rare skill set, when it is in the best interest of the City as determined by the Human Resources Director and the City Manager. This award is not applicable to rehires within 3 years. The provisions of this paragraph do not apply to retirees.
- (g) The City Manager is authorized to establish a cash award program for employees who refer successful candidates for City employment, when it is in the best interest of the City. The cash award to employees, per successful candidate, shall not exceed two thousand five hundred dollars (\$2500.00).

SECTION 13. Allowances and Reimbursements

- (a) The City Manager is authorized to provide for a transportation allowance for employees designated as Executive and Middle Managers and certain professional staff in the Offices of the Mayor and City Council who are not assigned a City vehicle on a regular basis.
- (b) Elected City officials shall receive the benefits package of their choice as provided for in the Charter.
- (c) The City Manager is authorized to provide to elected officials either (1) a transportation allowance as provided in the chosen benefits package, or (2) a mileage expense reimbursement when using a personal vehicle for travel in carrying out official duties. Such reimbursement shall include mileage expenses of elected officials traveling from their places of residence to their City offices or City functions/events. These expenses are determined to be necessary expenses in the conduct of an elected official's office. Reimbursement will be provided at the prevailing mileage rate set by the Finance Department for all City employees.
- (d) The City Manager is authorized to establish a program to provide payment of moving expenses, relocation expenses, and housing allowance. The reimbursement amount per employee shall not exceed \$20,000.

- (e) The City Manager is authorized to establish a program for payment of a communications allowance paid on a monthly basis for eligible Middle Managers, Executives, and certain professional staff in the Offices of the Mayor and City Council. In order to be eligible for the communication allowance, employees are required to provide a cellular phone and be responsible for all related expenses.
- (f) Clothing allowances shall be established by administrative regulation and in accordance with applicable Memoranda of Understanding or applicable Memoranda of Agreement.
- (g) The City Manager is authorized to establish a program for distributing public safety uniform allowance funds for sworn public safety employees.
- (h) Employees covered by the Unit 2 Memorandum of Understanding who are required to provide their own tools for work shall receive up to six hundred dollars (\$600.00) per year to replace and repair such tools, as provided in the Unit 2 Memorandum of Understanding and as specified in administrative regulation.
- (i) The City Manager is authorized to provide reimbursement to employees for actual and necessary expenses incurred while engaged in City business. The requirements for such reimbursement shall be set forth in administrative regulation.
- (j) The City Manager is authorized to provide a stipend for volunteers in the Police Department for certain expenses incurred as a result of their volunteer duties. This may include expenses incurred as a result of court appearances and for maintaining a uniform and equipment.
- (k) The City Manager is authorized to provide reimbursement to employees or make payments in advance for tuition-related expenses incurred for training in employment-related courses, memberships, and seminars only for employment-related courses that have been approved in advance and are consistent with administrative regulations, applicable Memoranda of Understanding, and Memoranda of Agreement.
- (l) Employees who have received advanced tuition reimbursement for tuition related expenses shall agree in writing to repay the City for any failure to meet the criteria set forth in the administrative regulations concerning reimbursement. Any unpaid balances may be deducted from the employee's pay.
- (m) The City Manager is authorized to provide:

1. At the City Manager's discretion, reimbursement of individual development expenses up to an annual maximum equal to two thousand six dollars (\$2,006.00) for Executives and Middle Managers. Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds available for the individual employee, pursuant to Section 13(k).
2. Reimbursement for professional memberships and seminars of up to one thousand dollars (\$1,000.00) for employees designated as Supervisory or Professional. Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.
3. Reimbursement for Police Officers at the ranks of Sergeant and Lieutenant for professional memberships and seminars of up to eight hundred dollars (\$800.00). Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.
4. Reimbursement for Police Officers below the rank of Sergeant for professional memberships and seminars of up to five hundred dollars (\$500.00). Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.
5. Reimbursement for Confidential Office and Clerical employees for professional memberships and seminars of up to four hundred fifty dollars (\$450.00). Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.
6. Reimbursement for Office and Clerical employees in classifications at pay ranges 324 and above of up to one hundred fifty dollars (\$150.00) to attend one-day, in-state, City-related seminars/training, and professional memberships. Any reimbursement to an employee under the provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.
7. Reimbursement for all Unit 1 employees up to one hundred fifty dollars (\$150.00) to attend one-day, in-state, City-related seminars/training. Any reimbursement to an employee under the

provisions of this paragraph shall be deducted from the total amount of tuition funds, pursuant to Section 13(k), available for the individual employee.

8. Certain employees specified in the Unit 3 Memorandum of Understanding shall be reimbursed on a one-time basis only for expenses incurred as a result of passing a required certification test as provided in the Unit 3 Memorandum of Understanding and as specified by administrative regulation.
 9. Reimbursement for certain Unit 2 employees for CDL endorsements as provided in the Unit 2 Memorandum of Understanding and as specified by administrative regulation.
 10. Certain employees specified in the Unit 1 Memorandum of Understanding, Unit 2 Memorandum of Understanding, and the Unit 7 Memorandum of Agreement shall be reimbursed for expenses incurred as a result of renewing commercial driver licenses and endorsements, including HazMat background screening fees, as provided in aforementioned memoranda, and as specified by administrative regulation.
- (n) Employees who are called to military service with presidential call-up orders may receive “gap pay” as defined in the applicable administrative regulations. They must first exhaust their paid military leave benefit.

SECTION 14. The City Manager is authorized to establish a Career Enhancement Program for Police Officers below the rank of Sergeant, providing for a bi-weekly payment as follows: Level 1 pay to be seventy-three dollars and twenty cents (\$73.20), Level 2 pay to be one hundred forty-six dollars and forty cents (\$146.40), Level 3 pay to be two hundred nineteen dollars and sixty cents (\$219.60), and Level 4 pay to be two hundred ninety-two dollars and eighty cents (\$292.80).

SECTION 15. Vacation/Compensatory Time Sell-Back

- (a) At the City Manager’s discretion, employees designated as either General Executive or General Middle Management, for each fiscal year, may be paid for up to a maximum of eighty (80) hours of accumulated vacation time payable in November. The payment is contingent upon the use of two (2) regular weeks of vacation time during the same calendar year.

- (b) At the City Manager's discretion, employees designated as either Police Executive or Police Middle Management, for each fiscal year, may be paid for up to a maximum of eighty (80) hours of accumulated vacation time payable in November. The payment is contingent upon the use of two (2) regular weeks of vacation time during the same calendar year.
- (c) At the City Manager's discretion, employees designated as either Fire Executive or Fire Middle Management, who work a 40-hour shift, for each fiscal year, may be paid for up to a maximum of eighty (80) hours of accumulated vacation time payable in November. Employees who work a 56-hour shift, may be paid for up to a maximum of one hundred and twelve (112) hours of accumulated vacation time payable in November. The payments are contingent upon the use of two (2) regular weeks of vacation time during the same calendar year.
- (d) Employees designated as Unit 1 for each fiscal year may be paid up to a maximum of forty (40) hours of accumulated vacation hours, twice per year, for an annual maximum of eighty (80) hours, after accumulating a minimum of one hundred seventy-five (175) hours of vacation leave, contingent upon the use of forty (40) hours of vacation/compensatory time during the same calendar year.
- (e) Employees designated as Unit 2 for each fiscal year may be paid up to a maximum of forty (40) hours of accumulated vacation time twice per calendar year, after accumulating a minimum of one hundred twenty (120) hours of vacation leave, contingent upon the use of forty (40) hours of vacation/compensatory time during the same calendar year.
- (f) Employees designated as Unit 3 for each fiscal year may be paid up to a maximum of forty (40) hours of accumulated vacation time twice per calendar year, after accumulating a minimum of one hundred twenty (120) hours of vacation leave, contingent upon the use of forty (40) hours of vacation/compensatory time during the same calendar year.
- (g) Employees designated as Confidential Office/Clerical for each fiscal year may be paid up to a maximum of one hundred twenty (120) hours of accumulated compensatory time as specified by administrative regulation. Payments of up to sixty (60) hours each will be made effective the last pay day in August and the first pay day in December.
- (h) Employees designated as Confidential Office/Clerical for each fiscal year may be paid up to a maximum of forty (40) hours of accumulated vacation time, one time per calendar year, contingent upon the use of forty (40) hours of vacation/compensatory time during the same calendar year.

- (i) Employees designated as Unit 4 and Unit 5 for each fiscal year may be paid for accumulated compensatory time as specified by the applicable Memorandum of Understanding.
- (j) Police Sergeant and Police Lieutenant employees may be paid for up to a maximum of forty (40) hours of accumulated vacation time contingent upon their use of forty (40) hours of vacation/compensatory time during the same calendar year. The requirement to use time may be waived in the calendar year prior to retirement provided the employee submits a written notice of intent to retire on a specific date of the following year. Payment shall be made effective the first pay day in December.
- (k) Eligible sworn Public Safety personnel may receive a lump sum payment for accrued vacation time.
- (l) Employees designated as Supervisory/Professional for each fiscal year may be paid twice per year up to a combined maximum of eighty (80) hours of accumulated vacation time each year contingent upon their use of eighty (80) hours of vacation time during the same calendar year.
- (m) Hourly (non-exempt) employees designated as Supervisory and Professional for each fiscal year may be paid for accumulated compensatory time as specified by administrative regulation.

SECTION 16. Productivity Enhancement/Performance-Based Cash

Award Program

- (a) The City Manager is authorized to establish a productivity enhancement program, as specified by administrative regulation, to pay qualifying employees up to two hundred fifty dollars (\$250.00) per year of service up to a maximum of six thousand one hundred twelve dollars (\$6112.00).
- (b) The City Manager is authorized to establish a performance-based cash award program for those Middle Managers and Executives who are at the equivalent of the top step of their salary ranges. Individual awards cannot exceed the maximum individual payout available under the productivity enhancement/performance program in Section 16(a) above.

SECTION 17. Deferred Compensation Program and Post Employment

Retirement Accounts

- (a) The City will contribute 0.45% of base annual salary to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 1 for each

fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.

- (b) The City will contribute 3.62% of base wages to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 2 for each fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (c) Effective July 1, 2021, the City will contribute 2.36% of monthly base wages to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 3. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (d) The City will contribute 2.56% of monthly gross wages to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 4 for each fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.

- (e) The City will contribute 4.42% of each employee's biweekly gross pay to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as represented by Unit 5 for each fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (f) The City will contribute 0.05% of base annual salary to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as sworn Police Supervisory and Professional for each fiscal year. In addition, a non-continuous payment equal to 5.97% of annual base wage will be paid into each member's deferred compensation account on the first full pay period in December 2021. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (g) The City will contribute 1.92% of base annual salary to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as Confidential Office/Clerical for each fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (h) The City will contribute 6.5% of base annual salary to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for those employees designated as Supervisory/Professional for each fiscal year. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program. If the full

amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.

- (i) The City will contribute 9.0% of gross annual salary to the 401(a) Defined Contribution Plan under the Phoenix Employees' Deferred Compensation Program for anyone authorized to have an Executive or Middle Manager benefit package. If the 9.0% of gross annual salary does not equal at least \$9,500.00, the City will contribute the remaining amount not to exceed a combined maximum of \$9,500.00. If contributions from all sources exceed the federal maximum allowed for 401(a) defined contribution plans, excess City contributions will be contributed to the 457(b) Deferred Compensation Plan under the Phoenix Employees' Deferred Compensation Program up to the annual Internal Revenue Service defined maximum. If the full amount of the excess City contributions cannot be contributed to the 457(b) Deferred Compensation Plan due to federal 457(b) deferred compensation plan contribution limits including catch-up provisions, the balance of the City contributions converts to ordinary wages.
- (j) The City will contribute one hundred fifty dollars (\$150.00) per month to a post-employment health plan (PEHP) for eligible employees. The eligibility of employees will be determined by the City Manager, or his designee. The City will contribute one hundred fifty dollars (\$150.00) each month the employee is eligible.

SECTION 18. Retirement, Pensions, Termination, Death Benefits

- (a) Sworn Public Safety personnel may receive a cash lump sum payment for accrued sick leave as provided by administrative regulation.
- (b) The City Manager is authorized to establish guidelines to have a portion of accumulated sick leave hours at retirement converted to service credit under the City of Phoenix Employees' Retirement Plan or converted to an employer contribution to the 401(a) Defined Contribution Plan.
- (c) The City Manager is authorized to provide a retirement incentive for retirement eligible employees who occupy positions affected by a City Council approved reduction in force and who meet the requirements of a City Council approved incentive plan, as established in administrative regulation.
- (d) The City Manager is authorized to provide for the payment of severance pay to certain employees as established in administrative regulation.

- (e) The City Manager is authorized to grant a partial benefit package to employees who occupy full-time regular positions at the time their positions are reduced by the City to less than full-time because of funding limitations.
- (f) The City Manager is authorized to pay all or a portion of accrued sick leave to an Executive or Middle Manager employee when it is in the best interest of the City for the involuntary separation of the employee from City employment.
- (g) The City Manager is authorized to grant the following:
 - 1. Police Officers, upon approval of the Police Chief, may purchase, at the time of retirement or medical retirement, their breast badge mounted on a plaque, their retired flat badge and holder, and a specified duty weapon for one dollar (\$1.00); and
 - 2. Within thirty (30) days of death, the spouse or adult survivor of a Police Officer who has died in the line of duty may elect to receive the deceased officer's breast badge mounted on a plaque, and the department issued service weapon for one dollar (\$1.00).
- (h) The City Manager is authorized to grant the continuation of health insurance coverage for eligible surviving dependents of a City employee who has died in the line of duty with the City as specified by administrative regulation and in accordance with applicable Memoranda of Understanding or applicable Memoranda of Agreement.
- (i) The City Manager is authorized to provide that, upon the in-line-of-duty death or death resulting from an in-line-of-duty injury of any City employee, the City will pay the full cash value of the accrued sick leave existing at the time of the employee's death.
- (j) The City Manager is authorized to provide that, upon the death of a Unit 2 employee while on active work status or on an approved leave status, the City will pay the full cash value of the accrued sick leave existing at the time of the employee's death. Paid leave status, as the term is used in this paragraph, excludes retired employees, employees on suspension, and employees on long-term disability or unpaid leave.
- (k) The City Manager is authorized to provide that, upon the death of a Unit 3 employee while on active work status or on an approved leave status, the City will pay the full cash value of the accrued sick leave existing at the time of the employee's death. Paid leave status, as the term is used in this paragraph, excludes retired employees, employees on suspension, and employees on long-term disability or unpaid leave.

- (l) The City Manager is authorized to provide that, upon the death of a sworn Police employee while on active work status or on an approved leave status, the City will pay the full cash value of the accrued sick leave existing at the time of the employee's death. Paid leave status, as the term is used in this paragraph, excludes retired employees, employees on suspension, and employees on long-term disability or unpaid leave.

SECTION 19. Promotion

The following rules concerning promotions shall apply to employees:

- (a) Upon promotion to another classification as a result of competitive appointment, an employee shall receive a rate of pay that corresponds to the next step in the employee's present pay grade except that if no such rate exists, the employee shall be placed in the closest step which is not less than that amount.
- (b) A department head may authorize a promotional increase up to the median step of the pay grade after conducting an analysis with Human Resources. The City Manager and Human Resources Director may authorize a promotional increase above the median step of the pay grade in the event of labor market requirements or due to the unusual qualifications of a candidate. In cases where a pay grade has an even number of steps, the larger value shall be used as the median. The provisions of this paragraph shall not apply to individuals entering the classifications of Police Recruit and Firefighter, Assign: Recruit.
- (c) Upon promotion, employees who are receiving productivity enhancement pay shall be moved to at least that step of the new grade which corresponds the closest to their combined base pay and previous productivity enhancement amount. In no event will it result in a decrease from that combined amount. Placement in the new grade will be limited to the maximum step in the grade.
- (d) If the classification to which the employee is promoting is only one grade higher than the classification they are currently in and the employee is at the top step of the current grade, the employee will be moved to the top step in the new grade. Eligibility for productivity enhancement pay or credit toward qualifying for productivity enhancement pay will not be affected. Where the promoted position is designated as supervisory, any entitlement to supervisory differential shall be governed by Section 19(i).
- (e) Employees eligible to be considered for a merit pay increase within one hundred eighty (180) calendar days of the effective date of a promotion shall be entitled to receive the promotional increase based upon the amount they

would have received at the next merit increase pursuant to paragraph (a) of this section.

- (f) In cases of promotions into Middle Management or Executive category classifications, employees shall receive a pay rate which is a minimum of 5% higher than their current rate, but not higher than the maximum pay rate of the new pay grade.
- (g) In cases of promotions into Public Safety Middle Management or Executive category classifications, employees shall receive a pay rate which is a minimum of 5% higher than their current rate, but not higher than the maximum pay rate of the new pay grade, using a formula established by the Human Resources Director.
- (h) Part-time or job share employees who have worked at least one thousand forty (1,040) hours since their last merit increase and are promoted into a full-time position shall be entitled to receive the promotional increase based upon the amount they would have received at the next merit increase pursuant to paragraph (a) of this section.
- (i) An employee hired or promoted into a position responsible for regularly supervising employees shall receive one additional step increase above the hiring rate or normal promotional increase if he/she regularly supervises a higher paid subordinate. The additional step increase shall not apply in the following cases: the supervisor laterally transfers into a situation where a subordinate is higher paid; a higher paid subordinate rotates to the supervisor's work group; a higher paid subordinate is hired after the supervisor is hired or promoted; the subordinate is being paid higher than the salary range [Y-rated pursuant to the provisions of Section 20(c)]; the subordinate is higher paid due to receiving special assignment pay; the subordinate is higher paid due to specialized technical skills as determined by the Human Resources Director. The applicability of this provision shall be determined by the Human Resources Director. This section does not apply to Middle Management or Executive employees.
- (j) Employees entitled to receive an additional step increase above their promotional pay because they supervised a higher paid subordinate in accordance with Section 19(i) shall be entitled to retroactive pay if an administrative error occurred or processing the additional step increase was omitted. The adjustment to the employee's pay step and retroactive payment shall be made as soon as reasonable after notification to the Human Resources Department, pursuant to the provisions of Section 24.
- (k) In Public Safety promotions, employees promoted to a supervisory position shall receive a rate of pay that is at least one step higher than the maximum base rate of pay of the highest paid sworn rank they may supervise,

excluding any special assignment pay in the lower rank and excluding any employees paid higher than the salary range [Y-rated pursuant to the provisions of Section 20(c)].

- (l) In cases of promotion from Police Officer to Police Sergeant, employees who have been receiving Career Enhancement Pay and/or Productivity Enhancement Pay shall have those amounts factored along with their base pay when calculating the promotional rate.
- (m) In cases of promotions from Police Sergeant to Police Lieutenant, employees receiving a pay increase of less than 3% shall have their merit increase date set six (6) months from the date of promotion.
- (n) In cases of promotions into the sworn classifications of Police Sergeant and Police Lieutenant, employees who at the time of promotion have already completed a minimum of twenty (20) years of continuous service with the Phoenix Police Department shall receive one additional pay step above regular promotional calculations, but not higher than the maximum pay rate of the new pay grade.
- (o) Employees who receive a promotion to a higher classification and receive a pay increase of less than 3% shall have their merit increase date set six (6) months from the date of promotion.

SECTION 20. Reclassification or Grade Change

The following rules concerning reclassifications or grade changes shall apply to employees in impacted positions:

- (a) When a position is reclassified to a different classification at a higher grade, or when the current pay grade of a classification is assigned to a higher pay grade, the affected employee shall be assigned to that step of the new grade which corresponds to the employee's present pay rate except that if no such rate exists, the employee shall be placed in the closest step which does not result in a pay decrease.
 - 1. Placement in the new grade will be limited to the maximum step in that grade.
 - 2. When an affected employee is at the maximum step of the previous pay grade and not receiving productivity enhancement pay, they shall be placed one step above the step of the new grade which corresponds to or is closest to but not lower than the employee's present pay rate.

3. Affected employees who are receiving productivity enhancement pay shall be moved to that step of the new grade which corresponds the closest to their combined current base pay and previous productivity enhancement amount, and which does not result in a decrease from that combined amount.
 4. If the reclassification or pay grade change is only a one-grade increase, and the affected employee is receiving productivity enhancement pay, he/she will be moved to the top step of the new grade and continue to be eligible for productivity enhancement pay.
 5. Where the reclassified position is changed from non-supervisory to supervisory, and the incumbent will be responsible for supervising higher paid subordinates, the employee shall be moved up one additional step in the new grade. The additional step shall not be granted in the following cases: the supervisor laterally transfers into a situation where a subordinate is higher paid; a higher paid subordinate rotates to the supervisor's work group; a higher paid subordinate is hired after the supervisor is hired or promoted; the subordinate is being paid higher than the salary range [Y-rated pursuant to the provisions of Section 20(c)]; the subordinate is higher paid due to receiving special assignment pay; the subordinate is higher paid due to specialized technical skills as determined by the Human Resources Director. The applicability of this provision shall be determined by the Human Resources Director. This section does not apply to Middle Management or Executive employees.
- (b) Under certain circumstances, employees whose positions are reclassified to a lower paid classification may be retained at their present rates of pay with the approval of the City Manager, if their rate of pay is within the pay grade of the new classification in which they are placed.
- (c) In unusual circumstances, the City Manager may permit a reclassified employee to remain at a pay rate which is above the maximum rate of the lower classification for a period not to exceed two (2) years for each pay grade the classification is reduced. (This practice is known as "Y rating.") This procedure may also be followed in determining pay rates of employees in a classification for which the pay grade has been reduced. Employees paid above the maximum step rate for their classification will be moved to the maximum step of the appropriate grade, with the salary difference required to maintain the present rate to be entered as a payroll adjustment for a period not to exceed two (2) years for each pay grade the classification is reduced.
- (d) Anniversary dates will not be affected as a result of a reclassification action if there is no change to the employee's pay rate. However, if it is necessary

to adjust the pay step of any employee to satisfy the provisions concerning promotion, reclassification and transfer, demotion and re-employment, the Human Resources Director is authorized to adjust the anniversary date for future merit increases.

SECTION 21. Demotion

Employees who are demoted shall have their pay reduced, unless otherwise provided for in this section.

- (a) Under certain circumstances, employees who voluntarily demote to a lower paid classification may be retained at their present rates of pay with the approval of the City Manager, if their rate of pay is within the pay grade of the new classification in which they are placed.
- (b) Employees, who are involuntarily demoted for the purpose of discipline or failure to meet the requirements of their classification of work, shall have their pay reduced at a rate determined by the Human Resources Director, but which shall not exceed the maximum rate of the lower classification.

SECTION 22. Re-employment

Employees reemployed or recalled to a full-time position in the same classification or a related classification within five (5) years of separation from city service shall be placed at a pay rate that is not less than the rate of pay the employee was receiving at the time of layoff, demotion, or separation, except where concessions remain in effect thereby reducing the previous rate of pay by a percentage respective to the employee Unit. Under no circumstances will an employee be placed above the maximum rate of the grade into which they are being re-employed or recalled. The applicability of this provision shall be determined by the Human Resources Director. The provisions of this paragraph do not apply to promotions after reemployment.

SECTION 23. Transfer

If an employee transfers within the same classification, but in a different meet and confer unit, the Human Resources Director is authorized to designate the pay step to which the employee shall be assigned.

SECTION 24. Retroactive Payment

Retroactive payments will not exceed three (3) years from the date the employee notifies the Human Resources Department in writing of a payment dispute. The Human Resources Director shall have exclusive authority to determine the appropriate time limit and amount of retroactive pay for any retroactive pay awarded.

SECTION 25. The City Controller is authorized to disburse the necessary funds for the purposes of this ordinance. That unless otherwise specified, the provisions of this Ordinance shall be effective as of the 12th day of July, 2021.

PASSED by the Council of the City of Phoenix this 16th day of June, 2021.

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

City Manager