

RESOLUTION NO. 1706

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY
TO AMEND THE EMPLOYEE HANDBOOK**

WHEREAS, the City of Salisbury Employee Handbook was last revised in October, 2007; and

WHEREAS, it is in the best interest of the City to review its policies and procedures from time to time and to make revisions as appropriate and to publish those changes so the employees are made aware of new policies and procedures; and

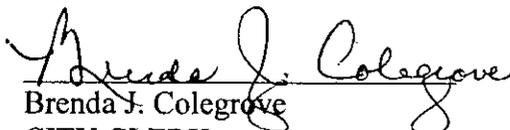
WHEREAS, the Human Resources Division of the Internal Services Department has reviewed the Employee Handbook and has recommended making certain changes to meet the needs of the City and its employees; and

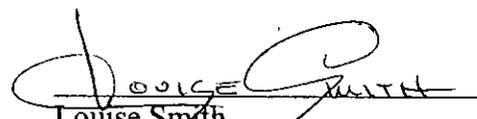
WHEREAS, the recommended changes have been discussed with the Mayor, each of the Department Directors and the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland to amend the Employee Handbook as shown on Attachments A through G with deletions struck through and additions underlined and italicized.

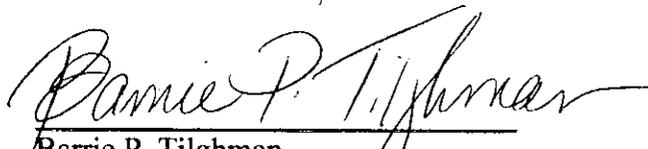
THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting of the Council of the City of Salisbury held on this 13th day of October, 2008, and is to become effective immediately upon adoption.

ATTEST:


Brenda J. Colegrove
CITY CLERK


Louise Smith
CITY COUNCIL PRESIDENT

APPROVED by me this 14th
day of OCTOBER, 2008.


Barrie P. Tilghman
MAYOR, City of Salisbury

0402 Health Insurance

The City of Salisbury currently provides group health insurance coverage for Regular Full-time City employees. This insurance coverage is purchased through a private health insurance carrier and includes Medical, Dental, Vision, and Prescription Drugs. The details of the plan and coverage are readily available in the Human Resources Department.

Regular Full-time City employees are eligible to participate in the plan on the first day of the month following the completion of at least 30 days of employment. It is the responsibility of the employee to complete all necessary forms for the enrollment process and to keep all personal information current. The City pays 100% of the premium for the individual employee and 75% for qualified dependents.

A. Pre-Tax Deduction

As an additional benefit to City employees, the deduction for Health Insurance coverage is paid through the City's flexible benefit plan. The plan allows City employees to pay for coverage through pre-tax dollars.

B. Termination Coverage (COBRA Rights)

Upon termination of employment, employees may be eligible to continue their insurance coverage under the Federal law known as COBRA (Consolidated Omnibus Budget Reconciliation Act of 1995). Under COBRA, under certain circumstances, an employee and the employee's dependents may continue coverage for a particular period of time until alternative coverage is available. Any terminated employee seeking to continue insurance coverage should immediately contact the Human Resources Department.

C. Health Insurance Upon Retirement

1. For employees retiring after July 1, 2007, to be eligible to participate in the City's health insurance program following retirement, the employee must have worked for the City for a minimum of 10 years. For employees retiring through accidental disability after July 1, 2008, no minimum number of years of service is required. The employee's retirement must meet the State Retirement Agency's criteria for accidental disability and must have been awarded accidental disability retirement from the State Retirement Agency to be eligible for the waiver of years of service.
2. The City will pay 50% of the retiree's health insurance premium until the retiree becomes eligible for Medicare coverage.
3. The City will pay 50% of the premium attributable to dependent health insurance, provided that the retiree had enrolled in the level of dependent coverage requested for at least three years prior to retirement.
4. The City will pay 50% of the premium for Medicare supplemental insurance.

0404 State of Maryland Retirement Plan

All regular full-time and *regular* part-time City employees must participate in the State of Maryland Retirement System. The plan in which you participate depends upon your job classification. Eligibility and qualification for participation are fully controlled by the Maryland Retirement System documents.

To participate, you must obtain an enrollment form from the Human Resources Department and fully complete the form. It is the employee's responsibility to assure that the application is properly completed. A full description of the State of Maryland Retirement System programs, including all eligibility and participation requirements, is contained in documents which may be obtained from the Maryland State Retirement Agency or the Human Resources Department.

0408 ~~Christmas Club~~

~~The City of Salisbury maintains a Christmas Club Program whereby employees may have regular deductions from their pay saved until the holiday season. The Club is run in conjunction with a savings institution. For more information, contact the Department of Finance.~~

04098 Parking

The City of Salisbury provides free parking in assigned lots for full-time employees during duty hours. Employees are expected to park in the appropriate lots. Please be mindful not to damage the vehicles of coworkers. City employees are not permitted to use, and are subject to disciplinary measures for use of, the metered spaces in Lot No.9 for their personal vehicles during working hours. This lot is intended for citizens doing business with government offices.

0503 Annual Leave

- A. All *regular* full-time employees accrue annual leave at the following rate, commencing with the first full month of service after the month of employment:

<u>Years Months of Completed Service</u>	<u>Leave Credited On The First Day Of The Following Month</u>
Up to <u>12 (up to 1 year)</u>	.833 days per month
1-5 <u>13-60 (years 1-5)</u>	1 day per month
6-9 <u>61-120 (years 6-10)</u>	1 ¼ days per month
10-15 <u>121-180 (years 11-15)</u>	1 ½ days per month
16-19 <u>181-240 (years 16-20)</u>	1 ¾ days per month
20+ <u>241+ (over 20 years)</u>	2 days per month

- B. Annual leave may be taken at any time during the fiscal year (July 1 - June 30); however, in no event may more than 30 days be carried over between fiscal years, *except in extreme circumstances, caused by the employer. If an extension is desired due to extreme circumstances, a written explanation must be submitted by the requesting employee to the department head. The request must include a timeframe within which the annual leave carried forward will be used. Upon approval by the department head, the request will be forwarded to the Mayor for review and approval. Leave time in excess of 30 days that is carried forward past the end of the fiscal year in accordance with this policy must be used within 90 days.* Any request for leave must be approved at least 5 days in advance by the department and must not conflict with the operation of the department.
- C. As an exception to the accrual formula described above, no additional leave will be credited on the first day of the month if the employee has not reported to work during the preceding month due to any cause other than vacation or on-the-job injury. In the case of absence due to on-the-job injury, annual leave will accrue for the first six months of the absence. No annual leave will accrue beginning on the seventh month of the absence.
- D. When an employee resigns from employment with the City, the employee will receive payment, in lieu of accumulated leave, in an amount equal to the number of days of such leave multiplied by the employee's current daily rate of pay. An employee, who dies while in service, and who was eligible for retirement through length of service or age, is also entitled to payment, in lieu of accumulated leave, and their beneficiary shall receive such compensation under the formula given in the preceding sentence.

0504 Sick Leave

- A. Regular full-time City employees are credited with one sick leave day per month worked following the first full month of service after the month of employment. Sick leave is credited on the first day of the month. No sick leave will be credited on the first day of any month if the employee has not reported to work during the preceding month due to any cause other than vacation or on-the-job injury. At no time will sick leave be paid out in cash in lieu of time off, except upon Retirement as explained herein. In the case of absence due to on-the-job injury, sick leave will accrue for the first six months of the absence. No sick leave will accrue beginning on the seventh month of the absence.
- ~~B. City employees are sternly admonished that sick leave is only to be used for actual sickness by the employee, or if the employee is needed to care for a Serious Health Condition of an immediate family member, as provided in Section 0505 of this Handbook.~~
- B. City employees may use sick leave for illness or disability of the employee or for a medical appointment of the employee or a member of their immediate family subject to approval by the employee's supervisor. A doctor's note is required to document all appointments and must be submitted with the sick leave request upon returning to work. Sick leave may also be used for family necessity, which is explained in paragraph C, or if the employee is needed to care for a Serious Health Condition of an immediate family member, as provided in Section 0505 of this handbook.
- C. Sick Leave may be used for a family necessity, such as the unexpected illness of a child, subject to approval by the employee's supervisor. The use of Sick Leave for a family necessity is limited to five (5) days in a twelve month period.
- D. In the event that sick leave exceeds three consecutive calendar days, or five days in a fiscal year, a certified doctor's explanation may be required to receive sick leave pay. A doctor's note is **required** if a sick leave day is taken on the day immediately preceding or immediately following a holiday.
- E. **Although providing a sick leave benefit for bonafide illnesses, the City retains a right to discipline employees, transfer employees or terminate employees whose resultant pattern of absences prevents the employee from effectively performing the essential functions of the job.** The City further reserves the right to request that an employee undergo a physician's examination by a physician selected by the City, at the expense of the City, to verify that an employee can continue to perform the essential functions of the job without danger of injury to the employee or coworkers. The City also reserves the right to require that employees remain accountable during all periods of absence, including the requirement that employees report to their department upon request to discuss their status in person with their supervisor.
- F. Any City employee that does not use any sick leave days during a fiscal year will receive one additional paid Recognition Day (see Section 0507) to be used in the following fiscal year. Upon Retirement, as defined by the applicable Maryland Retirement Plan, an employee shall be paid up to 25% of all accrued sick days up to a maximum of thirty days. Payment will be based upon the rate of pay immediately preceding retirement. An employee, who dies while in service, and who was eligible for retirement through length of service or age, is also entitled to payment of up to 25% of all accrued sick days up to a maximum of thirty days, and their beneficiary shall receive such compensation under the formula given in the preceding sentence.
- G. Advanced Sick Leave
- An employee may be advanced sick leave not in excess of 96 hours in a twelve-month period in cases of serious disability or ailments and when the exigencies of the situations so require. This advanced sick leave may be in addition to the accumulated sick leave to the credit of the employee. The following

requirements must be observed if sick leave is advanced:

1. The period of absence from duty on account of illness must be for a period of at least five or more consecutive work days, except that a lesser amount of sick leave may be advanced to supplement accumulated leave to cover a continuous period of absence of five or more work days. Every case of advanced sick leave will be supported by a certificate of a practicing physician stating the nature of the illness and necessity for advanced sick leave.
2. The total amount of sick leave advanced shall not at any time or for any one case exceed the 96 hours in excess of the accumulated sick leave to the credit of the employee. Sick leave advances shall be reviewed by the employee's supervisor who shall consider both mitigating and aggravating circumstances and forward his recommendation to the department director. The director shall approve or disapprove the request. Any sick leave that is extended under this condition must be paid back at the same rate that is accumulated.
3. Any sick leave, which is advanced and not paid back, by subsequently accumulated sick leave must be repaid to the City at the time the employee ceases employment with the City. The amount to be repaid will be that number of advanced hours still outstanding times the hourly rate of the employee at the time such advanced leave was taken. Such amount may be offset against any amounts otherwise due to the employee, and/or the City may recover any such amounts from the employee, which the employee shall pay within 30 days after his cessation of employment.
4. Before advanced sick leave can be approved, an employee must have utilized all available earned paid leave.
5. Any advanced sick leave must be reported in writing to the Finance Department for purpose of payroll.

H. Sick Pool

The City of Salisbury has developed a Sick Pool for regular full-time employees. The purpose of a Sick Pool is to allow regular full-time City employees to "pool" sick leave together to be used by participating employees that have depleted all of their accrued leave time and are out of work due to a Family Medical Leave qualifying condition.

The Sick Pool is a voluntary program. Any employee who enrolls in the program will be charged with a sick day, but the day will be noted as a pool donation, therefore the employee will still be eligible for the up to 8 hours of Recognition Day time if no other sick time is used within the fiscal year.

1. Regular Full Time Employees

The City Sick Leave Pool will be developed through the voluntary contribution of one workday's sick leave hours by eligible employees electing to do so during a stated open enrollment period, with the pool to take effect on January 1 of each year.

- a. The City Sick Leave Pool may be used by eligible employees who have contributed to it and:
 1. Have a qualifying medical condition as determined by the Family Medical Leave Act;
 2. Have exhausted their normal sick leave, annual leave, holiday leave, personal leave, compensatory time and any other leave time available to him or her;
 3. Have submitted the completed Request for Sick Pool Form to the Human Resources Department; and
 4. Have had the request reviewed by the HR Department with the ultimate approval

by the Director of Internal Services.

- b. During the open enrollment period of each year those eligible employees who have used no more than five non-physician documented working days of sick leave during the preceding twelve months depending on hire date may:
 - 1. Accumulate their sick leave in a normal manner, or
 - 2. Contribute one workday's hours of sick time (not to exceed 8 hours) to the City Sick Leave Pool and accumulate the rest in a normal manner.
- c. A maximum of 120 hours per 12 month period may be requested by an employee from the City Sick Leave Pool.
- d. Employees that did not elect to participate during the open enrollment period may elect to participate provided they have a qualifying event as defined by the Regulations issued by the Department of Treasury for Section 125 Plans (birth or adoption of a child, marriage, divorce, etc.)

2. Newly Hired Regular Full-Time Employees

All newly hired regular full-time employees will be eligible to join the Sick Pool after the completion of their probationary period. A new employee will have 30 days from the end of their probation to enroll in the Sick Pool.

I. Employee to Employee Donation Program

Effective November 1, 2008, regular full-time employees may donate annual, personal and/or sick leave to other regular full-time employees who have a serious and prolonged medical condition and who have exhausted all of their leave. A serious and prolonged medical condition is defined as determined by the Family Medical Leave Act. The only rule for eligibility of employee to employee donated time is the FMLA condition.

The Human Resources Department will solicit donations, not the employee. The appropriate forms must be completed and submitted to the HR Department for review and final approval from the Director of Internal Services.

Any unused donated leave time will automatically be forfeited to the City Sick Leave Pool – not returned to any employee.

A maximum of 240 hours per 12 month period may be requested by an employee from the employee to employee donation program.

Regular Full-Time Employees may utilize both the Sick Leave Pool and the Employee to Employee Donation Program for a maximum donation of 360 hours per 12 month period.

0508 Military Leave for Active Duty

In the event that a regular full-time employee is either inducted into the Armed Forces of the United States or is called up to active duty as a member of the U.S. Armed Forces Reserves or the National Guard, the following policy will govern the employee's pay and benefits while on such active duty status:

- A. Upon presentation of orders and the establishment of an effective date for the leave of absence, an employee is placed in Leave Without Pay status.
- B. The employee's status is frozen relative to all benefits, with the exception of Health Care and Life insurance premiums which shall continue under the same terms and conditions as if the employee remained an active employee. If the employee is now paying a percentage of the premium, the employee must make arrangements to continue to pay the percentage of the premium.
- C. Any accumulations of leave or compensatory time will remain in place, or the employee may choose to receive pay for any accrued annual or personal leave. The leave of absence will not be considered time worked for purposes of determining benefits that accrue on the basis of employment, such as Sick Leave and Annual Leave.
- D. The employee is given job retention rights after active duty, subject to physical and psychological ability to perform, to the employee's former position or one of comparable status. To exercise reinstatement the employee must report within 90 days of release from active duty.
- E. The employee shall be granted all across-the-board increases realized during absence.
- F. If the employee's military pay is less than the pay as an active city government employee, the employee shall be entitled to the difference in pay between military pay and the city pay. The employee must document this difference by the presentation of military pay stub to the City's payroll clerk.

1108 Needs Improvement or Unsatisfactory Performance

- A. First Appraisal. Employees who receive an overall rating of less than satisfactory shall not be eligible to receive a *performance based* salary increase *for the 12 month rating period following the less than satisfactory evaluation.* ~~until their performance is certified as satisfactory.~~ The supervisor shall counsel the employee, state and document the specific reasons for less than satisfactory rating, advise them of the consequences, and inform them that a second appraisal will take place within 90 days.
- B. Second Appraisal.
- ~~1. Satisfactory. If the second appraisal is satisfactory, the employee shall receive the salary increase as of the date the supervisor certifies that the individual's performance is satisfactory.~~
 - ~~2. Less than Satisfactory. If the second appraisal is less than satisfactory, the supervisor may initiate removal proceedings.~~
 1. *If the second appraisal is satisfactory, the employee will be eligible for a performance based salary increase after the next full twelve (12) month rating period and a satisfactory performance appraisal at that time.*
 2. *If the second appraisal is less than satisfactory, the supervisor may initiate discharge proceedings.*

Memo

To: John R. Pick, City Administrator
From: Pamela B. Oland, Director of Internal Services *PBO*
Date: October 6, 2008
Re: Employee Handbook Updates/Changes

Attached please find a resolution that updates and/or changes portions of the employee handbook. These changes were discussed at a Council work session on September 2, 2008. The issues (summarized briefly) are as follows:

1. Christmas Club – Removing language related to a benefit we no longer offer.
2. *Regular Full-Time City Employee* – Ensuring that we have the term “regular” in the appropriate sections of the employee handbook.
3. Change to Second Performance Appraisal – Updating language related to the second appraisal after receiving a needs improvement or unsatisfactory performance appraisal.
4. Annual Leave – Clarifying language related to when an employee becomes eligible for an increase to their accrual rate for annual leave. Additionally, allowing an employee to carry over leave above 30 days under a specific set of circumstances and with approval from the department head and the Mayor.
5. Retiree Health Insurance – Adding language to allow those retiring because of accidental disability (a disability while on the job), may elect to maintain their health insurance even if they did not have 10 years of service with the City.
6. Sick Leave – This change will clarify what sick leave may be used for.
7. Creation of a Sick Pool and Employee to Employee Donation – These documents would develop a sick leave pool for those employees who may have a significant illness but do not have sufficient time accumulated to continue to receive a paycheck while out on sick leave. Also, we would create standard rules related to employee to employee sick leave donation.

If you have any questions regarding these items, please let me know.