Exhibit 1 to Ordinance 1854 Clarifying Language for Implementation of Amendment #1 to the 2022 Salary Ordinance

Positions listed on Exhibit A: Pay Ranges for Classified Employees, Grades 4 and 12 through 18 will be paid at least the minimum amount listed on the matrix and no more than the maximum amount listed.

The following applies to all positions listed on Exhibit A: Pay Ranges for Classified Employees, Grades 6 through 11 and Exhibit B: Pay Step and Grade for Sworn Police Officers.

- 1. Movement from one step to the next is based on years of service *in the position*.
- 2. New employees who are not sworn officers may begin at step 1, 2, or 3 of their grade. Employees do not move beyond step 3 until the start of their 6th year.
- 3. Probationary, 2nd Class, and 1st Class Police Officers are each considered a different position, and an employee can be hired in at whichever he or she qualifies for based on State of Indiana and Departmental regulations.
- 4. If a cost-of-living increase is given, all employees will receive it at the same time regardless of time in position. *Exhibit A: Pay Ranges for Classified Employees* will be adjusted accordingly.
- 5. Pay rates must be at one of the defined steps of the pay matrix with exception of Items 6 and 7.
- 6. As the new steps are implemented, some employees will not be eligible for a wage increase and the wages of some of these employees will be at or above their step of the current pay grade for their position. Employees in this situation will not suffer reductions in pay. However, they shall not be eligible for an increase in their current base wage until subsequent adjustments to the pay scale or their years of service cause their salary or hourly wages to fall within the range for their job grade. At times in the past, employees in this situation were eligible for an annual percentage lump-sum payment based on any approved cost-of-living adjustment. Cost-of-living adjustments were made in January 2022 for all employees. There will be no lump-sum payments made as part of Ordinance 1854.
- 7. One of the primary goals of the new Step and Longevity system is to create equity within the individual grades and between the various grades. It is known that there are instances where the new system does not correct an inequitable situation. Others could be discovered during the implementation period of the new system. In these cases, a "true-up" will be made to correct the inequity. Any true-up amount will be determined jointly between the Town Manager and the Clerk-Treasurer. No true-up amount will exceed \$4,000.00 annually. (The annual amount will be calculated by multiplying the hourly amount of the true-up by 2,080 hours. For example, if an employee is due 50¢ to move onto the correct step but also receives \$1.00 as a true-up, the annual amount is \$2,080 for purposes of this calculation.) Employees receiving a true-up increase may be paid a wage not on a defined step. True-up amounts increase the base wage and will be effective the pay period beginning February 20, 2022. Employees in this situation will be subject to Item 6 for any wage increases after the initial true-up.