



## STAFF REPORT ON PROPOSED LEGISLATION

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To: Mayor Gavin Buckley

From: Michael Mallinoff, City Manager

Date: November 6, 2024

Subject: CA-2-24: FY 2025 City of Annapolis Departmental Reorganization  
O-34-24: FY 2025 Changes in Exempt Service Job Classifications  
R-53-24: FY 2025 Update to the City of Annapolis Pay Plan

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### **Purpose of legislation**

The purpose of CA-2-24 is to recreate the Department of Human Resources; create the Department of Integrated Technology Solutions; reassign certain duties; and all matters generally related to such departmental reorganization.

The purpose of O-34-24 is to specify the duties of the Department of Integrated Technology Solutions, update references to the Director of Human Resources, update the classification grades for City employees in exempt service positions; and generally related to City employee salaries for exempt service positions.

The purpose of R-53-24 is to update the Fiscal Year 2025 annual pay plan; and specify an effective date.

### **Impact of legislation on operations**

Taken together, these three pieces of legislation accomplish the following goals. Given the length and complexity of the ordinance, a summary of which sections address which goal is included at the end of this staff report.

- Creating the Department of Integrated Technology Solutions, recreating the Department of Human Resources, and updating some language pertaining to the Office of Law;

- Updating references from “Human Resources Manager” to “Director of Human Resources”
- Introducing an executive pay scale and making associated adjustments to the exempt list; and
- Updating some pay rule language to accommodate forthcoming personnel regulations that flow from the recommendations of the classification and compensation study.

### ***Creating the two departments***

Functionally, Human Resources and Integrated Technology Solutions have both been operating as independent departments already. Both are included in general communication to “department directors” and both attend director-level staff meetings. Both are considered independently during the budget development process in putting together the Mayor’s recommended budget and by Council during its deliberations.

The charter amendment formalizes both as independent departments, and proposed chapters 2.21 and 2.22 within the ordinance delineate their duties. The changes to section 3.08.010 include removing the explicit references to the Human Resources Manager and the Office of Integrated Technology Solutions Manager from the list of exempt positions since both would now be covered by the second bullet: “all department directors”. These changes will not materially impact operations, since this is essentially how the City functions now.

### ***Updating references to the Human Resources Manager***

Most of the language of the ordinance is dedicated to updating references from “Human Resources Manager” to “Director of Human Resources”. This is a by-product of recreating the Department of Human Resources. There are no changes to the duties or responsibilities of the position; this is an updated reference to the title only.

### ***Introducing an executive pay scale and adjusting the exempt list***

Resolution R-x-24 contains the proposed executive scale, and section 3.08.030 of the ordinance shows how those grades are assigned within the exempt list. The executive scale has four levels: E03, E04, E05, and E06:

- E03: Chief of Staff
- E04: Deputy City Manager for Resilience and Sustainability and Assistant City Manager
- E05: All department directors
- E06: City Manager

In addition to new assignments to the executive pay scale, the changes to sections 3.08.010 and 3.08.030 include several title changes and one deletion. There were two classifications with the Community Services Specialist job title, one on the exempt list and one within the civil service list. The title of the position on the exempt list is being changed here to differentiate the two classes, and the grade is being changed per the recommendation by PRM. The title of the Assistant City Manager was recommended by PRM in the classification and compensation study to be altered to include “of Operations” at the end. Given the scope of the current occupant, the City is recommending adding “of Administration” instead. Finally, the

Recruitment/Employee Relations Administrator position is being incorporated into the professional human resources classification series within the civil service and so is being removed here.

***Updating pay rule language***

The classification and compensation report recommended that the City update and expand its options for compensation and pay adjustments. Most of those changes will be captured within proposed rules and regulations that will be submitted to the Rules and City Government Committee for review, but there is some Code language that needs to be revised. In particular, the current City Code stipulates that staff can only receive one in-grade adjustment per year tied to their performance evaluation. This ordinance keeps the one adjustment per year associated with performance but adds an allowance for in-grade adjustments for pay equity or retention reasons.

**Crosswalk of Code changes to goals**

Section	Create HR/ITS	Update HR references	E scale & update exempt	Adjust pay rules
2.21	X			
2.22	X			
2.08 - all sections in ordinance		X		
3.04 - all sections in ordinance		X		
3.08.010	X		X	
3.08.030		X	X	
3.08.070		X		
3.10.010		X		
3.12.020		X		
3.12.030		X		
3.12.060		X		
3.12.070		X		X
3.16 - all sections in ordinance		X		
3.20 - all sections in ordinance		X		
3.28		X		

*Prepared by Victoria Buckland, Assistant City Manager*