

MEMORANDUM

July 5, 2018

TO: Public Safety Committee

FROM: Amanda Mihill, Legislative Attorney *A. Mihill*

SUBJECT: Executive Regulation 6-18AM, Creation of a Police Leadership Service Compensation Plan

PURPOSE: Worksession – Committee to make recommendations on Resolution

Executive Regulation 6-18, was submitted for Method (1) Council review on June 14, 2018. Executive Regulation 6-18 implements Bill 40-17, Personnel – Merit System – Salary and Wage Plans – Police Leadership Service which allowed for a uniform salary plan for sworn police managers to include a salary schedule for a Police Leadership Service (PLS) like the Management Leadership Service (MLS). Under the proposed regulation, the PLS would be aligned with the existing MLS salary schedule, including the practice of tying salary increases to performance.

Under Method (1), the regulation is not adopted until the Council approves it. If the Council approves the regulation, the regulation takes effect upon adoption of the resolution approving it or on a later date specified in the regulation. Executive Regulation 6-18 was advertised from May 1, 2018 through May 31, 2018 in the Montgomery County Register and no comments were received.

The Council has not received any comments on the regulation. Council staff suggested several amendments, mostly technical, that Executive staff incorporated into the regulation and resubmitted as Executive Regulation 6-18AM. Council staff does not have significant issues to raise regarding the amended regulation. Substantively, Executive Regulation 6-18AM seems to be consistent with Expedited Bill 40-17, signed into law on April 5, 2018. **Council staff recommends approval of Executive Regulation 6-18AM.** A draft resolution to approve this regulation is on ©26.

This packet contains:

	<u>Circle #</u>
Executive Regulation 6-18AM	1
Executive transmittal memorandum 6-18AM	21
Executive transmittal memorandum 6-18	22
Fiscal Impact Statement	23
Draft resolution	26



MONTGOMERY COUNTY EXECUTIVE REGULATION

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject Sworn Police Managers	Number 6-18AM
Originating Department Office of Human Resources	Effective Date

Montgomery County Regulation on:
Creation of a Police Leadership Service
Compensation Plan

Issued by: County Executive

Regulation No. 6-18AM

COMCOR No. 33.07.01

Supersedes: Executive Regulation 12-00AM, in part,

Executive Regulation 26-07, in part,

and Executive Regulation 16-13, in part

Authority: Montgomery County Code (2004) §33-11(b)

Council Review: Method (1)

Montgomery County Register Volume 35, Issue 5

Comment Deadline: May 31, 2018

Effective date: _____

Sunset Date: None

Summary: This regulation amends Sections 33-1, 33-10, 33-11, 33-12, 33-13, 33-15, and 33-16 of COMAR to create a new Police Leadership Services (PLS) salary schedule to include in the sworn police managers' schedule, including the practice of aligning salary increases with performance.

Staff contact: Lori O'Brien, Office of Human Resources, 240-777-5032
Address: Office of Human Resources, 101 Monroe Street, 12th Floor, Rockville, MD 20850

Please use the key below when reading this regulation:

Boldface

Underlining

[Single boldface brackets]

Double Underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing regulation by proposed regulation.

Deleted from existing regulation by proposed regulation.

Added by amendment.

Deleted from existing or proposed regulation by amendment.

Existing language unchanged by executive regulation.

SECTION 1. DEFINITIONS

* * *

1-54. Police Leadership Service (PLS): [[Police Leadership Service (PLS):]] A program for merit system employees in [[high level positions]] Police Lieutenant and Captain ranks who have responsibility for managing



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County [[public safety]] Police Department programs and services or developing and promoting public policy for major programs and management functions, or both, that includes a broadband classification system, performance-based pay, [[public safety]] Police Department pay, and professional development opportunities.

[[1-54.]] 1-55, Position:

* * *

[[1-55.]] 1-56, Position description:

* * *

[[1-56.]] 1-57, Priority consideration:

* * *

[[1-57.]] 1-58, Priority eligible list:

* * *

[[1-58.]] 1-59, Probationary employee:

* * *

[[1-59.]] 1-60, Probationary period:

* * *

[[1-60.]] 1-61, Professional improvement leave or PIL:

* * *

[[1-61.]] 1-62, Project SEARCH Interns:

* * *

[[1-62.]] 1-63, Promotion:

* * *

[[1-63.]] 1-64, Promotional probationary period:



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* * *

[[1-64.]] 1-65. Quest (Quality, Understanding, Excellence, Success, and Training) Interns:

* * *

[[1-65.]] 1-66. Rating categories:

* * *

[[1-66.]] 1-67. Reduction-in-force or RIF:

* * *

[[1-67.]] 1-68. Regular hourly salary:

* * *

[[1-68.]] 1-69. Relative:

* * *

[[1-69.]] 1-70. Review period:

* * *

[[1-70.]] 1-71. Salary schedule:

* * *

[[1-71.]] 1-72. Seasonal position:

* * *

[[1-72.]] 1-73. Social Worker Interns at HHS:

* * *

[[1-73.]] 1-74. Step salary schedule:

* * *

[[1-74.]] 1-75. Supervisor:



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[[1-75.]] 1-76. Temporary employee:

* * *

* * *

[[1-76.]] 1-77. Temporary position:

* * *

[[1-77.]] 1-78. Temporary promotion:

* * *

[[1-78.]] 1-79. Term employee:

* * *

[[1-79.]] 1-80. Term position:

* * *

[[1-80.]] 1-81. Transfer:

* * *

[[1-81.]] 1-82. Uniformed fire/rescue employee:

* * *

[[1-82.]] 1-83. Unrepresented employee:

* * *

[[1-83.]] 1-84. USERRA:

* * *

[[1-84.]] 1-85. Volunteer Firefighter or Rescuer:

* * *

[[1-85.]] 1-86. Workday:

* * *



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[[1-86.]] 1-87. Working days:

* * *

[[1-87.]] 1-88. Workweek or work period.

* * *

SECTION 10. EMPLOYEE COMPENSATION

* * *

10-1. Definitions.

* * *

- (c) **Control point:** A point established at 90 percent of the salary range that is used to control an employee's progression through the pay range associated with an MLS class or a PLS rank. An employee's base salary may advance within the salary range beyond the control point only if the employee's performance is ranked as "Highly Successful Performance" or "Exceptional Performance". The control point is calculated by using the following formula:

Salary range maximum – Salary range minimum = Salary range dollars

Salary range dollars multiplied by 0.9 + Salary range minimum = Control point.

* * *

10-3. Uniform salary plan.

* * *



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- (a) The uniform salary plan consists of salary schedules authorized in Code Section 33-11(b) for:

* * *

- (3) sworn police managers in the Police Leadership Service (PLS):

* * *

10-5. Salary-setting policies.

* * *

- (c) *Salary on promotion.*

* * *

- (2) *Compensation for a temporary promotion.*

* * *

- (C) A non-MLS or PLS employee who is temporarily promoted to an MLS or a PLS position:

- (i) is not eligible for performance-based pay under MLS or PLS guidelines; and

* * *

- (d) *Salary on demotion.*

* * *

- (4) *Demotion resulting from reduction-in-force or disability.*

* * *



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- (A) If a General salary schedule (GSS), MLS, or a PLS [or an MLS]
employee is demoted as a result of reduction-in-force to a class that is
non-bargaining unit, the department director must allow the employee to
retain the salary received at the time of the demotion. If the demoted
employee's salary exceeds the maximum for the new pay grade or pay
band, the department director must allow the employee to retain the salary
for 2 years after the demotion.

* * *

10-10. Performance-based pay.

- (a) Performance-based pay for MLS and PLS employees. An MLS or PLS employee is not
eligible to receive service increments, but may receive performance-based pay as
described in this subsection.

(1) Eligibility for general wage adjustment.

- (A) Career employee. An MLS or PLS employee with merit system status
who receives a performance rating of Below Expectations, Successful
Performance, Highly Successful Performance, or Exceptional
Performance for the prior review period receives the general wage
adjustment awarded to other unrepresented County employees during the
current fiscal year. An employee with a rating of Does Not Meet
Expectations for the prior review period does not receive the general wage
adjustment for the current fiscal year.



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(B) **Probationary employee.** A probationary MLS or PLS employee is eligible for the general wage adjustment provided to permanent employees.

(2) **Eligibility for performance-based pay.**

(A) **Career employee.** An MLS or PLS employee with merit system status is eligible to receive performance-based pay. In order to receive a compensation adjustment, an employee must have a performance evaluation on record for the previous fiscal year.

(B) **Probationary employee.** A probationary employee with less than 6 months of service is not eligible for performance-based pay.

(C) **Eligibility based on performance rating.**

(i) An employee with a performance rating of *Successful Performance*, *Highly Successful Performance*, or *Exceptional Performance* is eligible to receive performance-based pay as indicated in the table below. However, the salary of an employee who receives an addition to base salary award must not exceed the maximum of the assigned pay band.



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Eligibility for Performance-Based Pay for MLS and PLS Employees*

<u>Overall performance rating:</u>	<u>If employee's salary is below 90 percent of pay band</u>	<u>If employee's salary is at or above 90 percent of pay band</u>	<u>If employee's salary is at top of pay band</u>
<u>Exceptional Performance</u>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 6 percent of base salary.	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 4 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 4 percent of base salary.
<u>Highly Successful Performance</u>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 4 percent of base salary.	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 3.5 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 3.5 percent of base salary.
<u>Successful Performance</u>	Employee is eligible for an addition to base salary and lump-sum award. The total of the addition to base salary and lump-sum award must not exceed 3.5 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 2 percent of base salary.	Employee is eligible for a lump-sum award not to exceed 2 percent of base salary.
<u>Below Expectations</u>	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.
<u>Does Not Meet Expectations</u>	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.	Employee is not eligible for performance-based pay.

* An MLS or PLS employee receives the general wage adjustment granted to other non-bargaining unit employees unless the employee's overall performance rating was Does Not Meet Expectations.



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- (ii) An MLS or PLS employee does not automatically receive a performance-based pay award of any particular type or amount.

* * *

(c) Administration of performance-based pay.

(1) Role of department director.

(A) For MLS and PLS Employees.

- (i) A department director must recommend the individual award amount for an MLS or PLS employee in the department and must recommend individual award amounts that are consistent with, and do not exceed, the award amounts in the table in Section 10-10(a)(2)(C)(i).
- (ii) A department director must notify OHR prior to the first pay period of the fiscal year if a General wage adjustment will be denied to an MLS or PLS employee, based on the pending overall performance rating given the employee. The department director must give the employee written notice of the denial and include in the notice information about the employee's right to appeal the denial to the MSPB and the time limit for filing an appeal.



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* * *

(C) For *MLS, PLS, and general salary schedule employees*. A department director must not supplement the amount of a performance-based pay award with funds from the department budget.

(2) Approval of performance-based pay awards.

(A) For Executive branch *MLS* and *PLS* positions, the CAO must review each recommendation for an award and determine the amount of each performance-based pay award. The CAO has final discretionary authority to approve performance-based pay awards for *MLS* and *PLS* employees in the executive branch.

* * *

(3) Role of Office of Management and Budget (OMB) and Office of Human Resources (OHR).

* * *

(C) Performance-based pay must be allocated based on performance, not department size or other non-performance criteria. Funds dedicated to this purpose must be identified in the recommended operating budget in a non-departmental account for performance-based pay. OMB must not move the funds appropriated by the County Council for *MLS* and *PLS* performance-based pay out of the non-departmental account unless the



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spending conditions in the appropriation resolution for each fiscal year
expressly authorize moving the funds to the individual departments after
that department's performance evaluations and pay awards decisions are
completed.

* * *

(E) OHR must provide:

- (i) performance evaluation procedures for MLS and PLS employees
and employees in positions on the general salary schedule;
- (ii) training and technical support to departments implementing the
MLS and PLS performance evaluation process and the
performance evaluation process in Section 11 of these
Regulations for employees in positions on the general salary
schedule; and
- (iii) technical guidance and support to implement performance-based
pay.

(F) For MLS and PLS employees, OHR must report to the CAO and County
Council annually the distribution by EEO categories of performance
ratings and pay changes.

(4) Effective date of compensation awards.



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- (A) Performance-based pay for MLS and PLS employees must be awarded on a fiscal year basis and a compensation increase awarded to an MLS or PLS employee under the performance-based pay system must be effective at the beginning of the first full pay period after July 1st of each year.

* * *

(5) Appeals of performance-based pay decisions.

- (A) An MLS or PLS employee may not grieve or appeal a recommendation by a department director or a decision by the CAO or director of a legislative branch office to grant or not grant a performance-based pay award, the type of award granted, or the amount of award granted.

- (B) An MLS or PLS employee who is denied a general wage adjustment may file a grievance under Section 34 of these Regulations.

* * *

10-11. Stand-by pay.

* * *

- (e) An MLS or PLS employee is not eligible to receive stand-by pay.

* * *

SECTION 11. PERFORMANCE PLANNING AND EVALUATION

* * *



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11-3. Responsibility for performance planning and evaluation.

(a) The CAO must:

(1) establish mandatory performance objectives for the MLS and PLS; and

* * *

11-5. The performance plan.

* * *

(b) Annual review period

* * *

(3) The annual review period for an MLS or PLS employee begins July 1 and ends
June 30.

* * *

SECTION 12. SERVICE INCREMENTS

* * *

12-5. Policy on service increments.

* * *

(d) An MLS or PLS employee is not eligible to receive a service increment, but is eligible to
receive a performance-based pay increase if recommended by an Executive Branch
department director and the CAO approves a performance-based pay increase for an
eligible MLS or PLS Executive Branch employee and if a Legislative Branch department



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director approves a performance-based pay increase for an eligible MLS Legislative
Branch employee.

* * *

12-6. Reassignment of a service increment date.

* * *

(g) The OHR Director must assign a new service increment date to an employee in an MLS or
PLS position who is promoted, demoted, or reassigned to a non-MLS or non-PLS position.

(1) If the County employee was in a non-MLS or non-PLS position and had a
service increment date before taking the MLS or PLS position, the OHR
Director must assign as the new service increment date the last service
increment date that the employee had before becoming an MLS or PLS
employee.

(2) If the employee was not in a non-MLS or non-PLS position before taking the MLS
or PLS position, the OHR Director must assign a new service increment date as
the date when the employee was first employed in a County merit system position.

* * *

12-8. Twenty-year longevity increment for [police,] fire, sheriff or correction management.

(a) A department director must award a twenty-year longevity increment to an employee who
has:

(1) completed twenty years of active service (excluding temporary service); and



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- (2) is in a position on the [police,] fire, sheriff, and correction management salary schedules.[]; and]

* * *

SECTION 13. PERFORMANCE AWARDS

* * *

13-1. Policy on employee performance awards.

* * *

- (d) An MLS or PLS employee is not eligible for a monetary award under this section except with approval of the CAO or as outlined in Section 13-2(d).

* * *

13-2. Monetary awards.

* * *

- (d) **Paid Time Off or Annual Leave Award for MLS or PLS Employees.**

- (1) **Award type.** The Paid Time Off Award is an amount of paid time off for MLS employees who are members of the Retirement Savings Plan or Guaranteed Retirement Income Plan. The Annual Leave Award is an amount of annual leave for MLS and PLS employees who are members of a defined benefit pension plan and who earn annual leave and sick leave instead of Paid Time Off.
- (2) **Eligibility.** MLS and PLS employees are eligible.
- (3) **Award criteria.** A Paid Time Off or Annual Leave Award for an MLS or PLS employee is neither ordinary nor usual but may be appropriate to recognize:



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- (A) exceptional performance for an extended period of time;
 - (B) completion of a major special project requiring unusual skill and effort and working a substantial number of uncompensated hours; or
 - (C) working a substantial number of uncompensated hours during an emergency (i.e. general emergency, local emergency, and liberal leave periods).
- (4) ***Limitations.*** A department director may grant up to a maximum of 40 hours of paid time off or annual leave per employee in a fiscal year.
- (5) ***Nomination and approval procedure.*** A department director must make a written recommendation to the CAO documenting the reason for the award. The CAO must determine whether to approve a Paid Time Off Award or an Annual Leave Award to an MLS or PLS employee.

13-3. Procedures for monetary awards.

- (a) A department director must:

* * *

- (2) recommend to the CAO an MLS or PLS employee who deserves to receive a Paid Time Off Award or an Annual Leave Award and document the reason for the award;

* * *



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- (c) The CAO must determine whether to approve an Outstanding Performance Increment to an employee or to approve a Paid Time Off Award or an Annual Leave Award to an MLS or PLS employee.

* * *

SECTION 15. WORK SCHEDULES, ATTENDANCE, HOURS OF WORK

* * *

15-3. Workday and workweek.

* * *

(d) Workweek for MLS and PLS employees.

- (1) An employee assigned to an MLS or PLS position is expected to work the hours required to complete assigned work, but not less than 80 hours per pay period for a full-time employee, or the regularly scheduled number of hours in a part-time employee's pay period.
- (2) If an employee in an MLS or PLS position works more than half of the employee's regularly scheduled workday, the employee's supervisor may grant administrative leave to the employee for the remainder of the work day.
- (3) The department director may grant administrative leave for more than half of a regularly scheduled work day to an MLS or PLS employee who has worked an unusually large number of hours in the same or any previous pay period.

* * *

15-4. Alternate work schedules.



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- (a) *Alternate work schedules for religious observance.*

* * *

- (3) *Requirements for an alternate work schedule for religious observance.*

* * *

- (C) *For an MLS or PLS employee. An MLS or PLS employee may request an alternate work schedule during the same pay period to equal the amount of time taken off for religious observances.*

* * *



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SECTION 16. ANNUAL LEAVE

* * *

16-7. Maximum annual leave accumulation. The table below shows the maximum annual leave hours that an employee may carry over to the next leave year. These limits do not apply to accumulated annual leave balances during the leave year. A uniformed fire/rescue employee may carry over a prorated amount of annual leave.

**Maximum Amount of Annual Leave that May Be Carried
Over to the Next Leave Year**

Type of position	Initial employment date	Carryover limit
Full- or part- time position	before January 1, 1957	560
Full- or part- time position	January 1, 1957 through June 30, 1972	320
Full- or part- time position	After June 30, 1972	240
MLS or PLS position	any initial employment date	320
Full- or part-time position occupied by former State/County employee	any initial employment date	400

* * *

Approved:

Timothy L. Finestine
Isiah Leggett, County Executive

6/28/18

Date

Approved as to form and legality:

[Signature]
Office of the County Attorney

6/26/2018
Date



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

June 29, 2018

TO: Hans Riemer, President, Montgomery County Council

FROM: Isiah Leggett, County Executive *Timothy L. Finamore (for)*

SUBJECT: Executive Regulation 6-18AM, Creation of a Police Leadership Service Compensation Plan

I am attaching for Council review Executive Regulation 6-18AM, Creation of a Police Leadership Service Compensation Plan. These proposed revisions to the MCPR allow for changes to the Police Management Salary Schedule and implementation of the new Police Leadership Service (PLS) schedule (attached). The PLS schedule is aligned with the existing Management Leadership Service (MLS) salary schedule, including the practice of tying salary increases to performance, and will improve the Police Departments' ability to attract, retain, and motivate qualified applicants to move through the ranks to management. To that end, and consistent with Expedited Bill 40-17, signed into law on April 5, 2018 (Council packet attached), and the requirements of Montgomery County Code (MCC), Section 33-11(b), the Chief Administrative Officer recommends the attached changes to Montgomery County Personnel Regulations, COMAR Sections 33-1, 33-10, 33-11, 33-12, 33-13, 33-15, and 33-16.

Please note that this regulation was previously sent over to Council and ER 8-16AM addresses questions raised by Council staff. It corrects formatting issues and is revised from the original version in the following ways:

- In the definition of the new Police Leadership Service (Section 1-54, pages 1 and 2 of the regulation) we have replaced "high level positions" with "Police Lieutenant and Captain" and have replaced "public safety" with "Police Department." We also removed a repeated phrase.
- We have renumbered the definitions following the new 1-54.

If you have any questions concerning this correspondence, please contact Lori O'Brien, Lead Compensation Analyst, in the Office of Human Resources at 240.777.5032 or by email at lori.obrien@montgomerycountymd.gov.

Attachments



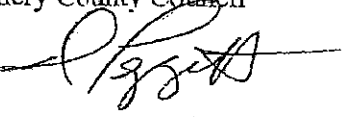
OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

June 14, 2018

TO: Hans Riemer, President, Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Executive Regulation 6-18, Creation of a Police Leadership Service Compensation Plan

I am attaching for Council review Executive Regulation 6-18, Creation of a Police Leadership Service Compensation Plan. These proposed revisions to the MCPR allow for changes to the Police Management Salary Schedule and implementation of the new Police Leadership Service (PLS) schedule (attached). The PLS schedule is aligned with the existing Management Leadership Service (MLS) salary schedule, including the practice of tying salary increases to performance, and will improve the Police Departments' ability to attract, retain, and motivate qualified applicants to move through the ranks to management. To that end, and consistent with Expedited Bill 40-17, signed into law on April 5, 2018 (Council packet attached), and the requirements of Montgomery County Code (MCC), Section 33-11(b), the Chief Administrative Officer recommends the attached changes to Montgomery County Personnel Regulations, COMAR Sections 33-1, 33-10, 33-11, 33-12, 33-13, 33-15, and 33-16.

These proposed changes were posted in the Montgomery County Register from May 1, 2018, through May 31, 2018, and no public comments were received. If you have any questions concerning this correspondence, please contact Lori O'Brien, Lead Compensation Analyst, in the Office of Human Resources at 240.777.5032 or by email at lori.obrien@montgomerycountymd.gov.

Attachments

Fiscal Impact Statement
Executive Regulation 6-18
Creation of a Police Leadership Service Compensation Plan

1. Executive Regulation Summary.

Executive Regulation 6-18 would update the MCPR to allow changes to the Police Management Salary Schedule and implementation of the Police Leadership Service (PLS) Schedule. In order to improve the Police Department's ability to attract, retain, and motivate qualified applicants to move into its management ranks¹, the County Executive has recommended that the Police Management Salary Schedule align with the existing Management Leadership Service (MLS) Salary Schedule, including the practice of aligning salary increases with performance. The level of police management responsibility tracks MLS and adopting those salaries and structure would appropriately reflect the salaries paid management ranks in comparable jurisdictions.

Similar to the MLS pay for performance program, the parameters of the performance awards for Police Management would be determined annually by the Chief Administrative Officer in the context of current fiscal conditions. These awards have not been a given to MLS employees in every year; due to fiscal conditions from FY 2010 to FY2013, no MLS pay for performance awards were provided.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

In the event the CAO approves pay for performance awards under the new PLS schedule, this could result in increased cost to the County. These costs could include an element of ongoing cost, for the portion of the awards added to the base salaries of officers affected. Again, the range of these annual awards would be determined by the CAO in the context of current fiscal conditions. Affected police managers would then not be eligible for service increments.

This change could affect 58 police managers, making them eligible for pay for performance awards when funded. If every eligible manager received a 1% award, the total estimated annual cost is \$94,220, with a total estimated cost of each 1% being \$565,317 over the next six fiscal years. The maximum impact, if the full 6% was awarded to all affected police managers, is estimated to be \$565,317 annually, with a maximum impact over six fiscal years of an estimated \$3.4 million. Some of this cost would be ongoing, but there is an unknown amount that may be one-time, as some police managers would be at the maximum salary for their rank in a new schedule at some point in the next six fiscal years and would thus receive their performance award as a bonus rather

¹ The department has had difficulty improving the rate at which Sergeants take the Lieutenant assessment. Testing most recently occurred in 2009, 2012, 2014, and 2016, and the number of officers taking the exam were 35, 31, 30, and 22, respectively. There are currently 151 active Sergeants. This issue endures despite extensive outreach and training.

than increase to their salary. Any portion of an award that is provided as a bonus, rather than an increase to base pay, would not incur retirement costs.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

See #2.

4. An actuarial analysis through the entire amortization period for each regulation that would affect retiree pension or group insurance costs.

The maximum estimated cost in #2 includes retirement contributions of up to approximately \$71,450 annually and 6-year retirement contribution costs of up to approximately \$428,700. The actual amount of retirement contributions is dependent on the portion of awards that are increases to base pay as opposed to bonuses, as retirement contributions are required for increases to base pay only. By the end of the next six years, it is expected that many of the affected police managers would be at the top of any new salary schedule, and any awards would be primarily bonuses. In this case, the actual retirement contributions would be expected to be lower than the estimated amount above. As mentioned in #2, this estimated increase in cost would be contingent on availability of funding for pay for performance awards. Life insurance coverage costs may be affected, but the impact would be minimal.

5. Later actions that may affect future revenue and expenditures if the regulation authorizes future spending.

All of the costs presented in #2 are representative of potential future executive action.

6. An estimate of the staff time needed to implement the regulation.

If implemented, there would be slightly more staff time involved in administering pay for performance in the initial years of implementation.

7. An explanation of how the addition of new staff responsibilities would affect other duties.

If implemented, the Police Department, OHR, ERP, and MCtime would utilize existing staff to absorb any additional workload. The additional responsibility to implement and administer the new salary schedule and the pay for performance program may minimally impact the existing workload of each department, primarily in the initial years of implementation.

8. An estimate of costs when an additional appropriation is needed.

See #2.

9. A description of any variable that could affect revenue and cost estimates.

The actual performance ratings received and the availability of pay for performance funding may impact the amount and form (base salary increase or lump sum payment) of performance awards.

10. Ranges of revenue or expenditures that are uncertain or difficult to project.

See #9.

11. If a regulation is likely to have no fiscal impact, why that is the case.

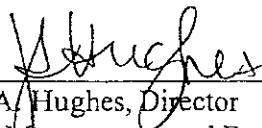
Not applicable.

12. Other fiscal impacts or comments.

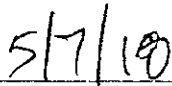
Not applicable.

13. The following contributed to and concurred with this analysis.

Kameron Coefield, Office of Human Resources
Lori O'Brien, Office of Human Resources
Jelani Newton, Office of Management and Budget
Corey Orlosky, Office of Management and Budget



Jennifer A. Hughes, Director
Office of Management and Budget



Date

Resolution No. _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY MARYLAND**

Lead Sponsor: Council President on behalf of the County Executive

SUBJECT: Approval of Executive Regulation 6-18AM, Creation of a Police Leadership Service Compensation Plan

Background

1. On June 14, 2018, the County Council received Executive Regulation 6-18, Creation of a Police Leadership Service Compensation Plan. The proposed regulation would implement Bill 40-17, Personnel – Merit System – Salary and Wage Plans – Police Leadership Service, which would permit the uniform salary plan for sworn police managers to include a salary schedule for a Police Leadership Service (PLS) like the Management Leadership Service.
2. The Council reviewed the regulation under Method (1). Under Method (1), a regulation proposed under this method is not adopted until the County Council approves it.
3. On June 29, 2018, the Council received Executive Regulation 6-18AM.
4. On July 9, 2018, the Public Safety Committee reviewed the proposed regulation and recommended [approval/approval with amendments/disapproval].

Action

The County Council for Montgomery County Maryland approves the following resolution:

Executive Regulation 6-18AM, Creation of a Police Leadership Service Compensation Plan is [approved/approved with amendments/disapproved].

This is a correct copy of Council action.

Megan Davey Limarzi, Esq., Clerk of the Council