

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, AUGUST 8, 2011
7:00 PM

Mayor Randolph Voller called the meeting to order and gave invocation.

ATTENDANCE

Present: Mayor Randolph Voller, Commissioner Gene T. Brooks, Clinton E. Bryan, III, Pamela Baldwin, Hugh Harrington and Michael Fiocco.

Staff present: Manager Bill Terry, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., Planner Stuart Bass and Assistant Planner Paul Horne.

AGENDA

Motion made by Commissioner Brooks seconded by Commissioner Fiocco to approve the Agenda as submitted.

Vote Aye-5 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

1. Approve minutes of the July 25, 2011 regular meeting.
2. Schedule a public hearing on August 22, 2011 for a Special Use Permit – School (academic) private, Haw River Christian Academy, 50 West Salisbury Street.

End of consent agenda.

Commissioner Fiocco stated there was a correction to the July 25, 2011 regular meeting on page 5, fifth paragraph should read “Commissioner Fiocco” instead of Commissioner Harrington.

Motion made by Commissioner Brooks seconded by Commissioner Fiocco to approve the consent agenda with the corrections to the July 25, 2011 minutes.

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Citizens Matters

Jorgie Brown – 51 Westfield Street, was speaking on behalf of the Pittsboro Skate Park Community, they wanted to come and thank the Board, and they had a great turn out yesterday at First Sunday. They gave away tee shirts to the skaters. Again, they wanted to thank the Board.

OLD BUSINESS

1. Report on the Personnel Market Study and Revisions to the Town of Pittsboro Personnel Policy Manual (Pat Thomas, The MAPS Group).

Ms. Pat Thomas with The Maps Group submitted the following information for presentation and discussion:



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and POLICY REVIEW RECOMMENDATIONS

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STUDY METHODOLOGY

This study recommends a classification and pay plan for the Town of Pittsboro as well as making recommendations concerning personnel policies.

Process: For this study we conducted an orientation session with most employees in the spring of 2011 to explain the study process. Each employee filled out a position description questionnaire. Then in early May interviews were conducted with most employees to clarify duties and responsibilities. Class specifications have been written for each classification and a market survey was conducted with area local government employers to identify appropriate and recommended pay rates.

Recommendations: Later in this report we provide a recommended title, salary grade and salary range for each different distinct type and level of work we found in the Town. These recommendations are based on two key elements:

- the internal relationship between positions based on a variety of job elements or factors, and
- the relationship of that classification to similar positions in the area labor market.

As part of this study, recommendations are being made for a salary schedule (as explained later in this report), position classification plan, and costs for implementing the salary plan.

Recommendations on each position are based on two elements:

(1) Classification. The study assigns positions to classifications based on their degree of similarity and difference in the following factors:

- difficulty of work (complexity and variety);
- judgment and responsibility;
- education and experience required;
- nature and extent of public contact;
- physical effort and hazards; and
- supervision given and received.

(2) Salary competitiveness. We conducted a salary survey from 10 area governmental organizations. We selected jobs which specialize in tasks performed by the positions in the Town, as well as some positions with different duties but similar levels of knowledge required. Thus for some of the Town positions, several different job titles reflecting different roles of Pittsboro employees were surveyed.

Salary data was compiled from information provided by the organizations and from their pay plans. The labor market was selected to provide the following information:

- the prevailing rates of pay in the immediate geographic area;
- comparison jobs similar to those in the Town; and
- prevailing rates of pay with employers who directly compete with the Town for the same or similar pool of workers with specific job skills.

The prevailing rate of pay in the immediate geographic area is important because these wage rates reflect the cost of living in the area and the employment rate. Employers in the same geographic area who hire for similar jobs are also those employers with whom the Town competes most directly for skilled

workers. We believe that it is important that the Town pay competitive wages in order to attract and retain experienced workers.

On the salary survey spreadsheet we also included information from two other data sources:

the 2009-10 NC League of Municipalities for cities and towns with population up to 2500 , and also for towns with populations 2500 to 5000 as a second measure for the Town's salary competitiveness. (Statewide averages offer an idea especially of the market for department head and top level positions.

2010 data from the NC Employment Security Commission for Chatham County's Economic Development Region. This provides area data for the private sector.

Salary grade recommendations reflected in this report are based on both an analysis of the responsibilities of the position and an analysis of the labor market as to which comparison positions are stronger, weaker, and the closest match. Where they conflict, internal relationships – comparing positions to others with similar levels of responsibilities and knowledge within the Town – are considered to be more important than market data.

See the information later in this report for details on the salary survey and on recommendations for salary ranges for Town positions.

Personnel Policies Recommendations.

We reviewed the Town's current personnel policy and have offered a variety of suggestions for amendments to reflect revised law, current human resources practices or to clarify existing language.

SALARY SURVEY: Data on Selected Classes from the Public Sector

We collected and compiled salary data from 14 area organizations:

Municipalities:
Apex (32,269)
Asheboro (25,321)
Carrboro (19,891)
Chapel Hill (56,778)
Fuquay Varina (16,961)
Graham (7,825)
Sanford (28,249)
Siler City (8713)

Other:
OWASA
Chatham County

The labor market was selected to provide the following information:

- the prevailing rates of pay in the immediate geographic area;
- comparison jobs similar to those in the Town; and
- prevailing rates of pay with employers who directly compete with the Town for the same or similar pool of workers with specific job skills.

The prevailing rate of pay in the immediate geographic area is important because these wage rates reflect the cost of living in the area and the employment rate. Employers in the same geographic area who hire for similar jobs are also those employers with whom the Town competes most directly for skilled workers. We believe that it is important that the Town pay competitive wages in order to attract and retain experienced workers.

On the salary survey form we also included information from the 2010-11 NC League of Municipalities for cities and towns with populations 2500 to 5000, and from the NC Employment Security Commission 2010 as additional measures for the Town's salary competitiveness.

In collecting the salary data to establish salary ranges for Pittsboro positions, we attempted to consider the comparability of the positions in other organizations. A caution in using salary data: as with most salary surveys, exact matches among positions are rare. Especially in small towns, employees wear several hats, so we collected data on several of the "hats" that Pittsboro employees wear. Based on information obtained from these employers, the best possible matches of positions were made.

Some positions were identical while others are related but not identical. On these we noted the differences in titles in other organizations. Where the duties were close enough to serve as a guide for competitive hiring rates, those jobs were listed. If there was significant difference in the level of responsibilities or duties for another organization, those titles were excluded from the survey.

How data was collected and analyzed

For the survey we collected data on hiring rates, which are the usual salary for beginning or entry employees, reflecting the official hiring rates for these organizations. Most employers use their official hiring rates for fully qualified applicants, but may hire above the minimum to attract particular candidates with higher levels of skills and experience.

We believe the Town should be able to use the recommended hiring rates to hire reasonably qualified employees, but we but urge that the Town hire exceptionally well qualified candidates higher in the range when needed.

We applied data in different ways depending upon the nature of the position, but generally recommended salaries close to the average and the median of the salaries in the survey.

- for working level (non-supervisory) positions such as Police Officer, Customer Service Representative Operator and Equipment Operator, the jobs in Pittsboro are very similar to those in other towns and counties, despite the difference in size. Although the average and median of the surveyed data is made up of salaries from organizations significantly larger than Pittsboro, we believe these are an accurate reflection of the labor market for those jobs.
- for technical but non-supervisory positions such as Planner and Town Clerk we collected data for technical positions from other organizations, sometimes using data from several different classifications based on the combination of roles in Pittsboro.
- for supervisory positions such as Police Chief and Public Works Director we show data from other organizations but recommend salary grades lower than the average, since many of the surveyed positions have significantly greater scope of supervisory scope.

RECOMMENDED SALARY SCHEDULE

The classification and pay plan includes a schedule of annual pay rates called a "salary schedule". This schedule, which has the same hiring rates and structure as the one currently in use by the Town, has the following features:

Rates: The schedule has a hiring rate, probationary rate (suggested for your consideration), midpoint or journey rate, and maximum for each grade.

Grades are approximately 5% apart (5.06%)

The Minimum, or probationary rate, is 5% over the hiring rate

The range is 50% from hiring rate to maximum (currently the range is 44%; we recommend 50% as more typical of the range width for municipalities; counties are often 60% in width)

Grades: The schedule is arranged with grade 15 being the lowest grade. Based on market data and on the current assignments to Town employees, grade 15 the lowest grade we have recommended for as a hiring rate for full-time positions (Maintenance Worker and Public Services Worker.)

Grades are 5.06% apart so that each time a job moves up the schedule the range is approximately 5% higher. Jobs in higher grades have more responsibility or complexity, and are paid higher in the area market than are jobs in lower grades.

Salary range: The salary ranges in the recommended pay table are approximately 44 % from hiring rate to maximum salary. Most municipalities and counties have a spread of 45%- 55%.

A salary range should provide room for salary growth based on experience, merit, certification and other factors. Potential for growth in salary is one of the key factors in retaining good solid performing employees.

Use of the salary schedule: Many organizations using a salary schedule use the schedule in several ways:

- *Hiring rate:* Organizations usually attempt to hire employees at the entry salary of the salary schedule. If the hiring rates have been increased each year or every other year to reflect the cost of living and market changes, the established hiring rates are likely to remain competitive with the area market.

The hiring rate assigned to each salary grade is keyed to the minimum education and experience requirements described on each class specifications. Employees who substantially exceed those requirements may be hired above the hiring rate.

Employees who do not meet these minimums should be hired as trainees. It is recommended that the Manager review each hiring and salary recommendation to ensure consistent application and report any needed revisions to the Board.

- *Probationary rate:* Your current policy provides for a salary increase upon completion of the probation period. The step on the schedule shows the rates that accompany this 5% increase.

- *Mid-point and maximum:* Employees who have been with the organization for a period of time are usually paid at higher rates in the range than new employees, reflecting their growth in the job from entry level to journey and skilled level. We recommend that the midpoint of this salary range be the point that a journey-level employee should be expected to reach after 5 to 7 years successful performance on the job. The top rate, the maximum an employee would make in a particular classification, would be the salary an employee with excellent performance could make after, for example, 10 to 12 years.

It is important that the Town develop a method of employee salary movement across the salary range. This can be based on merit pay (the most frequently used method), longevity, improved skills, attainment of certifications or other specific achievements, or some combination of these. No matter what method is chosen, it is important that the method be carefully described in writing, communicated to employees thoroughly, and followed consistently.

Some examples of salary movement include the following:

Merit increases: Often in other organizations when an employee is granted a merit increase, the merit raise may be 2.5% if performance meets standards, 5% if performance exceeds standards, and 7.5% if performance has been exemplary.

Probation: In other organizations often when an employee completes probation, the employee's salary is increased 2.5 to 5%. Your policy calls for a 5% increase and this is shown on the schedule.

Promotion: In other organizations often when an employee receives a promotion, the employee's salary is increased at least 5% , or to the hiring rate of the new range.

Certification increases: Especially in law enforcement agencies but also in public utilities departments, employers often grant increases based on the attainment of specific job-related certifications, licenses and other criteria which increase employee knowledge and effectiveness. These increases may range from 1% to 10% or more depending on the difficulty of the attainment and on the market. We support these programs for several reasons: retention and competitiveness, recognition of employee service and encouragement for employees to increase skills.

For the future: We recognize that, due to current economic conditions, salaries for the next year or two may be static. However, over the long term markets are not static and in more stable economic times recently hiring rates may have moved about 2 to 3% while employee average pay moved 4% or more. So the recommended structure would need to be updated to reflect changes in market conditions.

During the budget process many organizations consider cost of living or market adjustments, and often implement these changes with the beginning of their fiscal year. If the Town is to keep up with the market, it will be important to consider an adjustment with the upcoming budget and in subsequent budget years. If the schedule is not adjusted, hiring rates in the schedule will not accurately reflect the market conditions that currently underlie the recommended salary grades and ranges established in this classification and pay review.

Utilizing the Consumer Price Index (CPI) is one accepted practice to keep up with inflation. The entire pay table could be moved up by the amount of the CPI the Council approves each year, thus maintaining competitive recruitment and retention rates. Employees' salaries would

be increased by the approved COLA percentage and the ranges in the salary schedule would be moved up.

However, it is also important that current employee pay move up within the range, over and above the amount of the market increase or COLA. Employee retention is enhanced when employees see that their salaries not only keep pace with inflation but have a chance of growing beyond the inflation rate.

Summary of Positions and Recommendations

The following describes the key duties and responsibilities of each of the classifications at the time of the study – interviews conducted in May, 2011 – and provide the recommended title and salary grade and other factors important in the administration of the class. More detailed information about the position duties, knowledge, skills and abilities, and education and experience requirements are found in the class specifications included in this report.

Administration

5 positions make up the Administrative function for the Town; the Finance Officer and the Town Clerk report to the Town Manager.

<u>Current title:</u>	Finance Officer	28
<u>Recommended title and grade:</u>	Finance Director	29
<p><i>Key duties.</i> The employee supervises 3 other staff members involved in utility billing and collections, customer service, accounts payable, and grants reporting. The Director plans and directs the disbursement and accounting of revenues and expenditures for the Town and monitors accounting systems for compliance with internal control policies and accounting principles. Work involves supervision of the accounts payable, purchasing, utility billing and collections, general revenue collections, budget preparation and tracking, grants management and reporting, development and application of financial and salary administration policies, and payroll operations.</p> <p>We recommend retitling the position to Director to reflect the level of assignment and responsibility, and a one grade increase due to market data.</p>		

<u>Current title:</u>	Town Clerk	27
<u>Recommended title and grade:</u>	Town Clerk / Human Resources Officer	27
<p>This position serves in a dual role: maintenance and safekeeping of official public records and for the human resources function of the Town. Therefore we've recommended a title reflecting both roles.</p> <p><i>Key duties.</i> Town Clerk role involves the responsibility for keeping the minutes of the Board meetings and for the notification, publication, indexing, filing and safekeeping of all Board proceedings in accordance with general statutes and local ordinances, and assuring appropriate notification for meetings. Work as HR Officer involves performing tasks such as employee benefits sign-up and administration, recruitment, maintaining personnel files, setting up employees in the computer and entering salary and benefits changes; filing workers compensation claims, and personnel policy communication and communicating safety regulations. Work also includes managing property liability issues and filing claims, and serving in a back-up capacity for the Finance Director, especially in processing payroll.</p> <p>Market data for Town Clerk and for HR Officer positions indicates the current grade is appropriate.</p>		

<u>Current title:</u>	Administrative Support Specialist	19
<u>Recommended title and grade:</u>	Accounting Technician	20

Two positions are recommended for allocation to this class: one an existing position (vacant at the time of the study) expected to assist the Finance Director in accounting and grant recordkeeping functions, as well as supporting utilities collections; and an existing position responsible for utility billing and accounts payable functions.

Key duties. Employees specialize in particular areas and have assignments such as assuring timely and accurate utilities billing; setting up meter reading cycles and providing assignments to meter readers in re-reads, cut-off and reconnections; setting up new accounts in computer system ; reviewing readings frequently throughout the billing cycle to detect problems in readings or bills; checking and double-checking information for billing prior to generating bills; generating a variety of reports about the billing; performing accounts payable functions including keeping records of purchase orders, matching invoices, setting up vendors and generating checks; compiling information for grants accounting and for special reports; compiling financial information for Finance Director, and related tasks requiring accounting and bookkeeping knowledge.

Market data for area Accounting Technician positions suggests the current grade is slightly low; a one grade increase is recommended.

<u>Current title:</u>	Customer Service Specialist	17
<u>Recommended title and grade:</u>	Customer Service and Administrative Specialist	17

Key duties. This employee serves as the receptionist at Town Hall, opening mail, answering phone calls and directing callers to the proper department, taking information for work orders, and assisting visitors. A major part of the work involves responsibilities for processing water bill payments and other revenues such as rentals, parking tickets and privilege licenses; opening the mail and taking payments in person and through night deposit; keying collections into the system; answering customer inquiries and complaints relating to utility billings and providing information on how to resolve issues; and maintaining water customer files. Work also includes a variety of administrative support functions, especially providing support to the Police Department with tasks such as entering accident reports, compiling statistics, typing correspondence, and validating information submitted in the DCI system.

We recommend a broader title for the position since it provides not only customer service work for utilities functions but also administrative support for the Police Department.

Market data for Customer Service and for Administrative Support positions indicates the current grade is competitive.

Planning

This is a two person department; the Director works on a variety of planning projects, assisting the public with development issues and enforcement of codes, and also oversees the development of planning codes and ordinances. The Assistant Planner has a specialized role focusing on project management, grant administration and construction administration for park construction projects and on programming within the parks, and has limited work enforcing Town codes and ordinances.

<u>Current title:</u>	Planning Director	28
<u>Recommended title and grade:</u>	Planning Director	30

Key duties. The Director plans, organizes and coordinates the Town's overall planning program which includes current and long range planning, ordinance development and review, review and consultation of development plans, and participating in and overseeing code enforcement. Work involves providing guidance for the orderly long range growth and current development of the Town; consultation on updating of the development ordinance and plans; providing support to the Manager, Board of Commissioners and Planning Board as well as working with other boards, commissions and community groups on planning issues; providing consultation to developers with respect to land development standards; proactively addressing planning related issues via updates and revisions to development ordinances; collecting data on community and development issues; conducting pre-application meetings with development applicants and assisting developers with the development process; and representing the Town on local economic, land use issues and regional planning groups. Work involves extensive public contact explaining potential and allowable land uses, and requires coordination with other departments, boards, commissions, and the public.

Market data suggests the current grade is low, and a 2 grade increase is recommended.

<u>Current title:</u>	Assistant Planner	25
<u>Recommended title and grade:</u>	Parks Planner/Code Enforcement Officer	27

Key duties. The employee works as a professional planner focusing on tasks supporting the development and construction of park projects in the Town, including preparing and managing the Parks and Recreation Department operations and capital budgets; applying for and reporting on grants for parks projects; overseeing the development of new parks including construction inspection, design guidance and project management; overseeing the renovation of existing park facilities and pedestrian plan; maintaining the Parks and Recreation and Planning Department websites; working through contractors to assure maintenance of parks facilities; providing staff support to the P&R Advisory Board; and event planning and coordinating of parks events. Work also includes tasks supporting Planning Department work such as working on specialized plans such as Transportation plan; providing GIS services to display planning and development concepts; and enforcing Town zoning and nuisance codes following complaints.

This is such a specialized position that exact matches were not available; we have used salary data for Planners and Senior Planners as approximately the same level of duties, responsibilities and skills required.

If and when the position becomes vacant and/or the construction and developments of parks projects is completed, the nature of the position and the assignments will likely change; at that time we recommend a restudy of the position to determine the appropriate grade and title.

Police Department

The Police Department currently has 13 full-time employees and also has a number of reserve officers who fill in for regular officers on vacation, sick leave or training, or to gain experience for themselves and/or retain certifications.

<u>Current title:</u>	Police Chief	29
<u>Recommended title and grade:</u>	Police Chief	30

Key duties. The Chief plans and directs the law enforcement programs of the City with shifts of employees working 24/7. Work involves responsibility for the protection of life and property through a varied program of patrol, enforcement, detection and prevention of crime and accidents, and planning and directing emergency response activities. Work involves a full managerial and supervisory role including the establishment of departmental mission and vision, policy, evaluation, planning for and implementing special enforcement activities, preparing special state, federal and local reports, analyzing crime and accident trends, cooperating with other law enforcement agencies, budget preparation and management and supervision of all department personnel.

Market data (adjusted for the size of organizations) suggests that a one grade increase is appropriate.

<u>Current title:</u>	Lt. Patrol / Domestic Violence	26
<u>Recommended title and grade:</u>	Police Lieutenant	28

Key duties. The Lieutenant directs and supervises the activities of patrol, investigations and training within the department and assists the Chief with the operation of the department in areas such as operations review and planning, internal affairs and disciplinary action, policy development, evidence custody, equipment and budgeting, grants reporting; work includes close contact with domestic and family violence and rape issues and cases, including education and serving as liaison with community agencies. Work includes assuming the responsibility for departmental operations in the absence of the Police Chief. The employee serves as counsel to supervisors and provides technical advice and input on coaching and training of departmental personnel, and tracks and schedules departmental training. The employee also supervises and participates in departmental personnel functions including hiring, discipline, and performance evaluation, and conducts internal investigations when needed.

We recommend a two grade increase based on market data for Division Commander positions.

<u>Current title:</u>	Police Sergeant	24
<u>Recommended title and grade:</u>	Police Sergeant	25

Key duties. Four employees currently carry the rank of Sergeant, a level achieved through promotion (although one employee was hired into the role). The employees supervise the employees and activities of a patrol shift or a program within the Police Department such as investigations or traffic enforcement. When needed, employees also perform similar duties as officer.

Supervisory or work oversight task include observing staff on the shift or unit; reviewing reports; and handling complaints from citizens occurring on the assigned shift; or leading activities such as investigations of crimes committed or of traffic enforcement and overseeing assignments of employees assigned for to assist in the work tasks. Work requires the employee to plan work activities, organize and assign work functions in an effective and efficient manner, and ensure work is completed while adhering to the policies and procedures.

Although we do not believe detective work or heading the traffic unit necessarily requires the rank of sergeant, the rank would be appropriate where employees have supervisory or coordinative responsibilities such as is the case of the traffic and investigations sergeant.

Based on market data and internal relationships we recommend a one grade increase.

<u>Current title:</u>	Police Corporal	23
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<u>Recommended title and grade:</u>	Police Assistant Shift Supervisor	24
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Key duties. Two employees were promoted to the rank of Corporal. Most of the duties are the same as Police Officers: to work a 12 hour shift and patrol the Town, preventing, detecting and investigating disturbances and crime; performing traffic control work; apprehending suspects; and executing related assignments. In addition, the Corporal assists the Supervisor in directing the activities of the shift. Supervisory work includes working the opposite time frame during the 24 hour shift as the Sergeant and directing the work of another officer or officer; assigning work; answering questions and providing training; providing backup to the officer; and reviewing reports of the assigned officer.

We recommend a new title designating the role of Assistant Shift Supervisor; the department may continue to use the rank of Corporal if so desired, but the classification at this grade should be limited to those with the assistant shift supervision role.

<u>Current title:</u>	Police Officer	22
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<u>Recommended title and grade:</u>	Police Officer	22
	Senior Police Officer	23

The employees perform general duty law enforcement work; Senior Officers are defined as those who perform specialized tasks requiring additional training and responsibilities.

Key duties. Employees a full range of general law enforcement duties designed to partner with the public to prevent and detect crime, enforce laws and ordinances including traffic, criminal, alcohol, drug and Town ordinances; address traffic safety issues, and respond to the needs of citizens. Work includes patrolling the Town during an assigned rotating shift in a police vehicle or on foot; preventing, detecting and investigating disturbances and crime; performing traffic control work; apprehending suspects; and executing related assignments. Work also involves frequent public contact which requires exercising collaboration, conflict management, situation control, and decisiveness.

Current employees who we recommend assignment to the Senior Officer level include the employees serving as K-9 Officer, the Domestic Violence Officer and the Community Relations Officer. Other officers who complete at least two years of service as a sworn officer and who complete specialized training in the future designed to provide additional skills in enforcement or investigation may also be allocated to the Senior Officer.

Department: Utilities and Public Works

The utilities function is composed of wastewater treatment, water treatment, and public works includes trash collection, distribution and collection, grounds maintenance, and public works building cleaning. Staffing includes superintendents over water and wastewater treatment plants and a crew leader over daily supervision of the public works services. Total staffing including the Director is twenty two.

The Public Works division consists of a Crew Leader, one Maintenance Worker, two with Utility Worker I title, one Utility Service Specialist, one Utility Worker II, and one Meter Reader.

<u>Current Title:</u>	Utility Director	28
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<u>Recommended Title & Grade:</u>	Public Services Director	30
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Key Duties: Director performs managerial responsibilities in directing and supervising the public works and utilities department. Responsibilities include services and budget planning and development as well as personnel management of a medium sized department. Road construction and large installation projects for collection and distribution lines are planned and contracted. Work includes assisting the Town Manager in developing specification and bid documents for varied public works and utility related designs, construction and maintenance projects, and reviews and approves contractor's performance. Employee also reviews plans and monitors developments related to department matters and evaluates impact on the Town.

The current class title most typically recognizes utilities as consisting of collection and distribution line systems and water and wastewater treatment, whereas public works recognizes services such as streets, trash collection (yard, household and sanitation) road sign maintenance and fleet maintenance and repair. Since the Director has responsibility for services in both areas we recommend the revised title to reflect both areas of responsibility.

A review of the market data supports a two grade increase.

<u>Current Title:</u>	Crew Leader	18
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<u>Recommended Title & Grade:</u>	Public Services Crew Leader	20
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Key Duties: Crew Leader duties of position include making daily work assignments, checking on work at varied locations and stages, providing on the job training, monitoring, coaching and handling performance needs with employees initially, checking streets regularly for potholes, monitoring work of contractors, tracking inventory, ensuring rock supply maintained, and making final inspections on water meters.

Employee is the primary one to operate the backhoe in digging for pipes, lifting and lowering pipes, and making proper slope and grade involving operating equipment around other utility lines, traffic, etc., and performs varied duties of worker in maintenance and repair of water and sewer lines. Work also includes operating varied trucks (motor grader, dump trucks, etc., the jet rodder machine, tamper and other line repair and maintenance tools. The majority of time is spent in water and sewer line maintenance with a small percent of time involved in performing duties in trash and yard debris work.

Review of both the crew leader and heavy equipment operator market data supports a two grade increase in grade assignment.

<u>Current Title:</u>	Utility Worker (Wright)	17
	Utility Worker I (Johnson)	17
<u>Recommended Title & Grade:</u>	Public Services Specialist	18

Key Duties: There are two positions with the above different titles at the same salary grade. One position is delegated responsibility of maintenance of the lift stations and assisting the mechanic in repairing pumps and other utility line equipment, and working on water sewer line maintenance. Employee serves in a lead capacity on the ground in varied functions involving water and sewer line maintenance. Employee also performs routine maintenance on equipment and trucks. The other part of the time is spent in driving and picking up yard debris and household goods with limited backup in pothole repair tasks.

The second position spends approximately half time in yard debris and household good collection and work in water and sewer. This employee is the 2nd one in addition to the crew leader to operate the backhoe and performs the varied duties in water and sewer line maintenance and repair including serving in a lead capacity as needed. Work also involves replacing street signs, cleaning curbs and patching potholes a small percent of time. This employee has higher level skills in reading GIS maps and operating backhoe in the water sewer work. Other equipment operation includes riding mower, jet rodder, dump truck, etc.

Both employees function with higher level skills than other worker positions and given more responsibility on a regular basis while also performing the range of duties in the varied department functions. The class title change reflects mix of public service functions. A one grade increase is recommended based on internal comparison of the class series.

<u>Current Title:</u>	Utility Worker I	15
	Utility Services Worker	
<u>Recommended Title & Grade:</u>	Public Services Worker	15

There are three other Utility Worker positions with two different titles.

Key Duties: There are three other Utility Worker positions with two different titles.

One employee is assigned the majority of time to flushing and maintaining hydrants and taking samples at varied locations. A small percent of time is spent assisting in line breaks. The employee can be assigned to assist in other department functions as workload demands but the primary focus of the duties is on hydrant work. (Blackburn) Variety of work is limited as is the Maintenance Worker described in the following paragraph although actual duties are different. Both employees work mostly alone on a daily basis and therefore with a fair degree of independence, employees know what to do and go do the work unless assigned to assist on a project or emergency line break, but once work is completed each employee returns to primary responsibility. The nature of work varies but the level of complexity and variety is similar and the same salary grade assignment is still appropriate based on internal comparison.

A second position has the primary assignment of driving and picking up yard waste and household goods, and also assisting in water and sewer line maintenance approximately a quarter of the time. A small percent of time is spent performing routine maintenance on vehicles and grounds. (Brownie)

The third position is staffed with a new employee and duties involve a mix of manual labor in assisting and learning the varied mix of duties in streets, water and sewer line and grounds maintenance. We recommend assignment to the same class and grade. (Thomas)

<u>Current Title:</u>	Maintenance Worker	15
<u>Recommended Title & Grade:</u>	Maintenance Worker	15
<p><i>Key Duties:</i> Duties of this position involve almost 100% mowing using a tractor with bush hog to cut utility outfall lines and a riding and push mower for other cutting around town. Work involves driving a pick- up truck to haul mowers and riding the tractor on the road. Duties also include sharpening blades and performing basic maintenance on the mowers and pickup truck. Every week employee is also responsible to mop and wax the floor in the public service building conference room. With the nature of work primarily in grounds work we recommend retaining the current title.</p> <p>Operation of the tractor and bush hog is typically recognized in the II level maintenance worker statewide since it requires more skill than the manual labor in the I level. The average for a II level maintenance Worker leads to recommending the class is at the correct level.</p>		

<u>Current Title:</u>	Meter Reader	15
<u>Recommended Title & Grade:</u>	Meter Technician / Backflow ORC	16
<p><i>Key Duties:</i> Primary duties of this position include reading, installing, cleaning and repairing meters, ordering parts needed for the repairs and cutting meters on and off according to work orders. This takes approximately 85% of the time. Additional duties include assisting in repair of water leaks and collecting yard waste. The employee serves as the backflow ORC. Work involves a lot of contact with customers regarding bills and amount of water usage, and coordinating concerns with billing.</p> <p>The mix of duties and legal accountability for backflow leads to the recommended change in title. Market data average supports increasing this class by one grade.</p>		

<u>Current Title:</u>	Utility Systems Mechanic	21
<u>Recommended Title & Grade:</u>	Utility Systems Mechanic	21
<p><i>Key Duties:</i> Employee is primary one with responsibility for repair of equipment in both the water and wastewater plants. This includes rebuilding a magnetic starter, installing heat units, replacing gear motors, blower motors and pump motors, automatic control floats and relays in pump stations and pulling motors, etc. which takes a little less than half the time. Other duties include working on water line repairs, rodding sewer lines, mounting manhole covers and repair or replacement of mud valves, ball valves and air release valves. A small percent of time work involves cutting grass, picking up yard waste, operating rubber tier backhoe, etc.</p> <p>This is the designated mechanic position and can be full time as need dictates. The level of mechanic work requires at least journey level mechanical and related electrical knowledge and skills. The title and current grade are appropriate based on duties and market data.</p>		

Division: Wastewater Treatment Plant

The wastewater plant is a biological activated sludge process, Grade III plant. Staffing for the wastewater treatment plant includes a Superintendent, Senior Treatment Operator, Treatment Operator and a Laboratory Analyst that works in the lab part time. Currently an Operator III is on loan to the plant from the public works division. The system operates twenty four hours, seven days a week. Staff works Monday through Friday during daytime hours and the one on call for the week covers the weekends. The Superintendent is the Operator in Responsible Charge and the Senior Operator is the backup ORC.

<u>Current Title:</u>	Wastewater Treatment Plant Superintendent	26
<u>Recommended Title:</u>	Wastewater Plant Superintendent	28

Key Duties: The primary duties serving as the Operator in Responsible Charge, ORC, with accountability for plant operation, state documentation and reporting. Employee is responsible for budget planning on annual basis with input on capital needs, planning work, troubleshooting and optimizing operations, and performing varied personnel management duties. Management duties involve ensuring proper preventative plant maintenance on daily and larger projects, communicating with vendors, ordering parts, equipment, supplies, etc. The employee has been also assisting the Director in managing a large plant building project, reviewing plans and change orders, etc. Changing the title to remove treatment makes the class titles consistent with the water plant titles. Being Superintendent of the plant implies treatment.

The OWASA market data reflects a larger plant with greater staffing and complexity than Pittsboro's plant, and the hiring rate inflates the average for the wastewater superintendent. The average is about the same as the one for the water superintendent when this rate is not considered. Overall the survey data supports increasing the class by two grades.

<u>Current Title:</u>	Laboratory Analyst	20
<u>Recommended Title & Grade:</u>	Laboratory Analyst	20

Key Duties: The Laboratory Analyst works in both plants on about a 50% basis each, answering to each of the Superintendents for work performed in the respective plants. In the wastewater plant employee performs varied standardized chemical, physical and bacteriological analyses, ensures proficiency testing requirements are met, prepares media, sample reagents and bottle, cleans and washes glassware, and assists with budget planning for lab supplies and ordering supplies.

In the water plant collects wastewater samples and performs testing on ultra low C12, turbidity and TSS; collects five bacteriological tests, TTHM, HAA, TOC and other compliance and non-compliance samples and sends to contract lab; plans for, coordinates and collects lead and copper samples; performs basic maintenance and troubleshoots problems on TOC analyzer.

Work in both labs also involves automated instrumentation analysis and reviewing all lab data to ensure correct calculations.

The market data is limited but the League average shows salary is only slightly below average. The duties of an analyst are more independent and accountable than a Technician, but are not comparable to a lab supervisor in breadth of responsibility. Consideration of these classification factors could support a grade increase but the current hiring rate is so close to the League average which includes a broader group of municipalities which leads to recommending maintaining the current grade.

Current Title: Senior Wastewater Treatment Plant Operator 21

Recommended Title: Senior Wastewater Plant Operator 21

Key Duties: The duties of the Senior level operator are essentially the same in the operation of the plant as the operator level. In addition the employee is the backup ORC and fills in when the ORC is away from the plant. Duties include running solids and volatile tests, determine whether increase or decrease wasting and provides data on numbers to the superintendent. Employee participates in equipment maintenance, ground and building maintenance.

Internal comparison with the operator level and survey data we recommend retaining the class at the current grade.

Current Title: Wastewater Treatment Plant Operator 19

Recommended Title & Grade: Wastewater Plant Operator 19

Key Duties: Operators primary duties include making rounds of the plant, checking for proper operation of pumps and equipment, recording readings; collecting regular samples from different plant locations, processing control samples and obtaining values for pH, turbidity and other metered tests. Work includes cleaning equipment such as bar screens, clarifiers, t-valve screens, etc.; and assisting with maintenance and repair of pumps, building and grounds maintenance work.

Data supports parity in grade assignment between water and wastewater plant operators. Market data average incorporates all levels of certifications, I, II, III, in wastewater and B and C in water; therefore it is a little inflated. Pittsboro is paying slightly above and slightly below some of the agencies surveyed of those with the I or C level. The current grade is also above the League average. We recommend maintaining the current grade assignment.

Division: Water Treatment Plant

The Water Treatment Plant is a conventional treatment process plant. Staffing includes a Superintendent, two Senior Water Treatment Plant Operators and four Water Treatment Plant Operators. The Laboratory Analyst is part time in this plant also.

Current Title: Water Plant Superintendent 26

Recommended Title: Water Plant Superintendent 28

Key Duties: The Superintendent is responsible for providing leadership, management and supervision of the Town's water treatment operations, and will serve as the ORC once fully certified at the A level. Planning duties include short term planning for daily, weekly, monthly and annual plant operations including scheduling staff, maintenance and repair projects, facilities and equipment maintenance, repair, emergencies, etc., and for long term plant improvements. Employee develops annual and capital budget projects with justifications and recommends to the department director, and monitors and expends funds within approved budget. Duties include full range of personnel management from selection, ensuring proper training and certifications, coaching, motivating, taking disciplinary actions and recommending dismissal to the Director. As ORC the employee handles all state reporting for the plant including the lab.

Survey average for both water and wastewater plant superintendents is higher than the current grade. We recommend increasing the class two grades.

<u>Current Title:</u>	Senior Water Plant Operator	21
<u>Recommended Title:</u>	Senior Water Plant Operator	21

Key Duties: According to the List of Employees there is currently one Senior Operator, however the Superintendent confirmed that a second position has been designated as a senior level also. The classified Senior Operator currently serves as the ORC, but once the new Superintendent is fully certified at the A level the employee will be the backup ORC. The Superintendent confirmed there was a need for two so that a senior level covers the day and evening shift to serve as the lead and train all the new operators. Operators once certified can operate the plant independently, but the senior operators oversee, provide guidance and assistance in troubleshooting mechanical and processing problems as needed. The Senior Operators perform the same process operation monitoring, testing, equipment maintenance and repair, etc. as the operators.

We recommend maintaining the current grade assigned based on internal comparison with the Operator level and the data for higher level certification levels and senior level market data.

Management Note: Since on e employee has been functioning for sometime as the ORC and will be until the new Superintendent is certified at the A level we recommend that this employee be paid at least 5% to 10% more within range than the new Senior Operator. Also, once the duties of this employee revert to being the backup ORC we further recommend that the employee continue to be paid at a higher rate in-range since this employee must have the B certification and will continue to have some added accountability. From our understanding there can only be one backup

<u>Current Title:</u>	Water Plant Operator	19
<u>Recommended Title & Grade:</u>	Water Plant Operator	19

Key Duties: The four Water Plant Operators are responsible for operating the plant using the SCADA computer system and walking tours of the plant to monitor the plant's processes, equipment operation and reservoir tanks; pull samples and conduct tests varied tests such as Ph, alkalinity, hardness, color, CL2, iron, phosphate, manganese and temperature, following state standards to maintain lab quality control and testing processes, and enter data daily on readings and test results, adjust chemical feeds and flow based on data throughout the shift as determined required. Work includes checking pump house screens, pump operation, chemicals etc. Additional duties include custodial maintenance of the building and landscape grounds maintenance such as mowing, weed eating, spraying and cleaning up limbs and trash.

One operator serves in an on-call capacity for the distribution and collection system

Data supports parity in grade assignment between water and wastewater plant operators. Market data average incorporates all levels of certifications, I, II, III, in wastewater and B and C in water; therefore it is a little inflated. Pittsboro is paying slightly above and slightly below some of the agencies surveyed of those with the C or I level. The current grade is also above the League average. We recommend maintaining the current grade assignment.

COST OPTIONS FOR IMPLEMENTATION OF PAY PLAN RECOMMENDATIONS

We have three different options for consideration by the Town. These costs are the annualized cost, assuming implementation on the first day of the fiscal year and based on salaries paid in mid March and are for salaries only – no benefits costs are included.

Other options for implementation, including implementing the recommendations in two phases, can be calculated if the Board desires

OPTION 1

This option shows the cost of moving the salary of any employee who has completed probation or will have completed probation as of July 1, 2011, up to the probationary rate, which is 5% over the hiring rate. If the salary is higher than that point, the salary remains the same. 14 of the 41 employees (mostly in the Police Department) would receive an increase under this option.

We recommend this as the minimum option needed to demonstrate that each employee's pay is competitive with the local market are paid by the Town. However, a problem with this option is that it mainly benefits newer employees.

If the salary is higher than that point, the salary remains the same.

Annualized salary cost to implement Option I	\$ 41,586
Cost as percentage of annual payroll	2.54 %

OPTION 2

This option shows the range position that would be attained if each employee's pay reflected an additional 1% of pay per year of Town service after completion of probation. For example, with probation completed at one year, the employee's salary would be 5% over hiring (as in option 1); with 2 years their salary would be 6% over hiring; with 3 years' salary would be 7% over hiring, etc. This salary reflects a reasonably competitive pay rate for someone not with just basic qualifications, but also experience in the Town's specific position. 20 of the 41 positions would receive increases in this option.

Annualized salary cost to implement Option II	\$ 66,137
Cost as percentage of annual payroll	4.04 %

OPTION 3

This option builds on Option 2: it provides the salary increases based on service as shown in Option 2, but provides at least a 3% salary increase for all employees. All employees would benefit at least 3% from this option.

Annualized salary cost to implement Option II	\$ 92,745
Cost as percentage of annual payroll	5.67 %

GENERAL MANAGEMENT AND POLICY RECOMMENDATIONS

General Management Recommendations The following recommendations are made to improve the efficiency and effectiveness of the Town's personnel program, and to protect against unnecessary liability for the Town.

1. *Supervisory training:* Directing employees in the current environment of high expectations of productivity coupled with multiple potential legal liabilities (ADA, FMLA, EEOC, FLSA, etc.) requires trained and skilled supervisors and managers. Supervisors should have skills including motivation, effective non-defensive communications, conflict resolution, knowledge of potential legal liabilities, effective hiring practices, effective use of disciplinary procedures, etc. We recommend that the town's supervisors receive a minimum of 24 hours of supervisory training over the next two to three years.

In addition, the new personnel policy has several changes which should impact the decisions supervisors make and the way they deal with employees. A thorough review of these changes, the reasons behind them, and how to apply them should be undertaken with both supervisors and employees.

2. *Salary ranges and hiring:* It is important to note that the hiring rate for each job is tied to the minimum requirements on the class specification (job description). If a candidate has significantly greater training, education and/or experience than required, it is reasonable to offer a salary above the hiring rate. If a candidate does not meet the minimum requirements, that employee should be hired as a trainee.
3. *Salary advancement:* The discussion of the salary schedule earlier in this report presents several suggested areas for salary administration for decision-making by the Board. It is very important that the Board continue to utilize a method of employee salary movement across the salary range. This can be based on merit pay (the most frequently used method), longevity, improved skills, attainment of certifications or other specific achievements, or some combination of these. No matter what method is chosen, it is important that the method be carefully described in writing, communicated to employees thoroughly, and followed consistently.
4. *Communicating the study and policy:* When new employees are hired, it is important to insure that each employee receives a copy of the personnel policy and other relevant policies (cell phone, use of Town vehicles, substance abuse, electronic communications, etc.) and signs a statement saying that he/she has received them and is responsible for abiding by them. In addition, employees should receive a copy of the list of classes by salary grade with minimum and maximums of the ranges so employees can see potential promotional opportunities and be encouraged to prepare for them.

It is also important that, once the classification plan is adopted, that employees receive a copy of their new class specification and salary range assignment.

Some of classification titles, as well as salary grades are recommended to change with this study. Whatever is adopted, for consistency purposes it will be important to make sure that the new titles are used throughout the personnel system including changes in employee data base, personnel files, web site titles, etc.

Also, it is important that the payroll system be updated so it reflects the current and most applicable title.

New Personnel Policy Overview: We have recommended a number of revisions and amendments to your current personnel policy. The policy document will be given to the Town electronically so it can be amended in the future. A summary of some of the recommended changes follows on the next page.

Some highlights of recommended changes in the policy:

Marginal notes in the recommended personnel policy point to instances where we recommend major or minor changes or additions to your current policy and/or practice. These are a few major areas of recommended changes to the current policy:

- *Family and Medical Leave Act:* Your current policy has sections on parental leave and leave without pay but does not have a comprehensive section on areas covered by FMLA.

The federal law applies to employees with more than 50 employees (50 full-time equivalent, so part-time and hourly workers count toward that 50 employee threshold.) The Town does not currently have 50 employees so the provisions of the law do not have to apply but we recommend you adopt its more general provisions. The recommended language in the policy provides similar coverage as under the federal Family and Medical Leave Act, but is less restrictive and extensive.

The policy language also includes newly adopted provisions for military exigency leave and military caregiver leave. Leave under this policy is unpaid, but employees may use accrued leave balances if available

- *Fair Labor Standards Act* The policy rewrite has a significantly expanded section on FLSA, the law which governs overtime compensation. The section includes recently adopted amendments concerning smallpox, also expands information on treatment of suspensions for exempt employees and provides additional information on the law itself.

This section also includes new language on rest periods and breaks.

- The wording “subject to availability of funds” is inserted in several sections discussing pay and benefits.
- A new section recommended on Implementation of the policy, including conflicting policies repealed and separability
- For your information, the policy includes information on the privacy or open nature of personnel records, noting both

A 2007 clarification to the laws on personnel records privacy and public information that “For the purposes of this subsection, the term ‘salary’ includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the Town.”

and

The addition of new items added to the law in 2010, items which are now considered public information.

- Each suggested change or addition has a marginal note to facilitate your review, but we highlight a few of the suggestions for inclusion of new provisions here. The rewrite includes sections on:

- Responsibilities of supervisors and employees
- Addition of statements on the importance of good attendance
- Payment of travel expenses
- Certification salary increases
- Payment of training expenses
- Provisions for salary increases for interim assignments in a higher classification
- Information on use of town property and equipment (such as computer, e-mail, social networking, vehicles)
- Information on policies for work in adverse weather conditions
- A Weapons policy
- A substance abuse policy

- Expanded section on ethical conduct expectations (revised from “acceptance of gifts and favors”
- Expanded information on conflicts of interest in outside employment
- A rewrite of the section on the types of disciplinary actions and pre-disciplinary conferences to clarify steps in the disciplinary process
- A new section recommended on Implementation of the policy, including conflicting policies repealed and separability
- The insertion of your separate current policy of shared leave into the personnel policy document

Class Specifications

A sample specification is attached – all others available from the Manager

Class Specifications Guidelines: In the class specifications, the following definitions are used for experience requirements.

Some experience:	Six months to one year
Experience:	One to three years
Considerable Experience:	Three to five years
Extensive Experience:	More than five years, usually six to eight years

The class specifications are provided for information. These should remain administrative rather than being formally adopted by the Board so that management can make minor changes to update them as needed.

Sample Class Specification

POLICE CHIEF

General Statement of Duties

Performs complex managerial and administrative, and specialized law enforcement work in directing the activities of the Police Department.

Distinguishing Features of the Class

An employee in this class plans and directs the law enforcement programs of the Town with shifts of employees working 24/7. Work involves responsibility for the protection of life and property through a varied program of patrol, enforcement, detection and prevention of crime and accidents, and planning and directing emergency response activities. Work involves a full managerial and supervisory role including the establishment of departmental mission and vision, policy, evaluation, planning for and implementing special enforcement activities, preparing special state, federal and local reports, analyzing crime and accident trends, cooperating with other law enforcement agencies, budget preparation and management and supervision of all department personnel.

Work is performed in accordance with departmental policy and state and federal law. Work requires the application of advanced law enforcement knowledge and skill, extensive application of independent judgment and initiative, and ability to exercise sound judgment in emergency and unusual situations. The employee may be subject to hazards in law enforcement work including working in both inside and outside environments, in extreme hot and cold weather, and exposure to various hazards such as dangerous persons, extreme weather and other environmental aspects shown on Police Officer

specification. Work in the law enforcement duties is also subject to standards of OSHA on bloodborne pathogens. Work is performed under the general supervision of the City Manager and is evaluated through review of reports and conference for effectiveness of programs and acceptance of the community.

Duties and Responsibilities

Essential Duties and Tasks

Supervises patrol, emergency response, criminal investigations, community policing, domestic violence response, traffic enforcement and administrative support programs through subordinate supervisors within the department.

Recruits, selects and oversees the training of civilian and sworn personnel for the department; advises, directs, and consults with subordinate officers on matters of training, work assignments and scheduling, work performance, promotions, and discipline.

Meets with supervisory staff on a regular basis to clarify mission and objectives, build a sense of team within the department, insure that all are informed, and obtain input on decisions and issues.

Prepares and recommends annual budget in consultation with the Manager; supervises and participates in the application for grants.

Receives and investigates inquiries or complaints from the public concerning police activities and services.

Supervises all departmental personnel through subordinate supervisors; establishes policy; sets priorities; evaluates the department and its personnel.

Supervises the preparation of periodic reports of crime and accident activity and police department activities in relationship to this information; analyses data for trends.

Works with the public on difficult or unusual crime situations; cooperates with other law enforcement agencies in crime prevention, detection, and investigative activities.

Promotes the department's work and goals to the general public through individual contact and addresses to civic groups, school groups, and other organizations.

Develops emergency response plans and oversees their implementation during emergency situations.

Additional Job Duties

Performs other related duties as required.

Recruitment and Selection Guidelines

Knowledge, Skills and Abilities

Thorough knowledge of law enforcement principles, practices, methods and equipment.

Thorough knowledge of NC and federal laws, local ordinances and policies of the police department.

Thorough knowledge of the physical, economic, and social characteristics of the Town.

Skill in organizing and prioritizing work, and in use of computer software applications

Proficiency with firearms and other police equipment and in the application of self-defense tactics.

Ability to effectively and efficiently manage a department including all related administrative and supervisory functions (including personnel and budget administration).

Ability to provide vision and clarify mission and to lead and inspire confidence among subordinate officers; skill in team building, counseling, coaching, motivation, communication, and performance evaluation with subordinates.

Ability to act with sound judgment in routine and emergency situations.

Ability to plan and direct special programs and events related to law enforcement.

Ability to prepare clear and concise activity reports.

Ability to build and maintain cooperative and effective public relations with the citizens.

Ability to inspire confidence and calm control in emergency conditions.

Physical Requirements

Must be able to physically perform the basic life operational functions of standing, reaching, walking, pushing, pulling, lifting, fingering, grasping, talking, hearing and repetitive motions.

Must be able to perform medium work exerting up to 50 pounds of force occasionally; 10 -20 pounds frequently and/or a negligible amount of force constantly.

Must possess the visual acuity to prepare and analyze data, details and differences when observing people, places, or things, operate a computer terminal, and perform extensive reading.

Desirable Education and Experience

Completion of a four year degree in Criminal Justice or related field supplemented by basic and advanced coursework in police science and administration, and considerable experience in a variety of managerial law enforcement roles; or an equivalent combination of education and experience.

Special Requirement

Possession of valid North Carolina driver's license; Possession of North Carolina general law enforcement certification or ability to obtain within specified time frame.

Pittsboro
2011

Manager Terry stated as the board may recall last fall the Board approved retaining The Maps Group a sub consultant with the League of Municipalities to do a market study on our personnel structure and to review our personnel policy manual also. This same group so happened did this study for us about ten or eleven years ago. He is not sure whether Ms. Thomas was involved in that but it is the same company. He feels common best practices in human resources would suggest that this is something that should be done every three to five years. Since it has been ten years for us we are well over due for this. We knew when we retained them it would probably not be done by the time to be included in this year's budget, but that is fine, he feels if the Board sees fit after a mid-year budget report the Board can take some of the actions then if they choose or it can just be held until the next budget cycle.

Manager Terry stated Ms. Thomas would start with the reclassification report first and then go to the revisions to the personnel regulations which are basically incorporating all the changes of the law around FLSA and other things that have changed.

Ms. Thomas stated she has been working with The Maps Group for about twenty years although the first ten years of that she was the Human Resources Director for the Town of Chapel Hill. She retired and thought she would never do HR work again but she missed it and has been back consulting with local governments. She has primarily been working on pay plans and writing personnel policies.

Ms. Thomas stated The Maps Group have over 200 NC local governments, public agencies and non-profits from Manteo/Nags Head/Dare County to Maggie Valley/Waynesville/Transylvania County. Classification and pay studies and/or policy work in this area include: on-going projects for Harnett County and Apex (1/3 of positions reviewed each year), Clinton, Holly Springs and Orange County.

Ms. Thomas stated Mr. Terry had said the presentation would take two hours, usually the classification and pay recommendations depending on questions may take anywhere from thirty minutes to an hour and the personnel policy may take fifteen minutes or two hours. It depends on whether you want to go page by page or if you have specific questions.

Ms. Thomas stated the Board is not expected to vote on this tonight. It is an informational presentation for your review and if you want her to come back to the Board or if you get the questions you have for her in writing she can come back with those.

Ms. Thomas stated first of all there was a one page handout that briefly state who they are, she said they had been contracted to review the classification and pay plan and make recommendations and to review the personnel policies and benefits and development of a new document if needed – or to suggest revisions/additions. The purpose is to assure that the policy is legally defensible and current with laws and regulations FLSA (overtime), OSHA, Americans with Disabilities Act, Family and Medical Leave Act, others, and for clarity and in line with prevailing human resources practices.

Ms. Thomas stated why should the Town have a Classification and Pay Plan.

- Labor market review – to look at competitive pay with a goal to recruit and retain employees. The Town does not want to be a “training ground” for other employers.
- Internal equity concerns/equal pay for equal levels of work. If you have two secretaries in the department that have the same responsibilities they should be paid in the same range, one might be closer to the hiring rate because they are a new employee or because their performance has not be as good but they still have the same hiring range. Making the decision about which jobs belong together are the kind of things she will do for you.
- A structure for performance evaluations. The structure has a lot to do with the hiring and also becomes the basis for the performance evaluation.
- Maximize budget expenditures. They do not recommend cutting anyone’s salary. If they find an employee that is above the maximum they will have the employee stay there until the range is caught up to. There are good reasons as to why an employee may be above the maximum (i.e. years of service).

Ms. Thomas stated the following steps were undertaken to complete the Classification and Pay study and policy review:

- Identify need and approve study – Board. The Board agreed and signed a contract with The Maps Group, that’s why she is here.
- Review personnel policy and make recommendations for updating the policy with many recommended additions and revisions. She has made marginal notes to the current policy, that reflect laws that have changed and things the Town has added that had not been incorporated into the document. There are some human resource practices that they would also recommend that we incorporate in the policy.
- Employees complete position description questionnaires. When doing this she advised the employees that it was a study of the job and not the person. The employees completed the form provided, the supervisors reviewed it and gave job requirements, etc.

- Interviews with employees on job responsibilities; analysis of the responsibilities, certification requirements, difficulty, supervision, etc. In May, The Maps Group came in and talked with employees and asked questions to get more details of their duties. They didn't talk with every police officer but they talked with 80-95 percent of employees.
- Salary Survey – area market (public sector data – private usually unavailable)
- Complete analysis and draft report – develop class specifications for each distinct type of work, including implementation costs and alternatives.
- Present to the Board – It's the Board's decision to accept or reject.
- Assurance made to employees: no one's pay will be cut as a result of this study.

Ms. Thomas asked if there were questions she could answer about the process. She presented the board with the notebook that contains the classifications and asked that they not move ahead of her. The first few pages describe the methodology which she pretty much told the Board about.

- Classification. The study assigns positions to classifications based on their degree of similarity and difference such as difficulty of work and supervisory responsibility.
- Salary competitiveness. The study selected the prevailing rates of pay in the immediate geographic area; comparison jobs similar to those in the Town; and prevailing rates of pay with employers who directly compete with the Town for the same or similar pool of workers with specific job skills.

Mayor Voller stated when looking at the number of full time employees that would throw you into a category to apply with federal law. Does this Board – they are not 1099'd they are given a W-2 – would they count as far as that goes. Ms. Thomas stated that was a good question, she did not know the answer but she would ask.

Ms. Thomas stated getting over to the salary survey they collected and compiled salary data from 14 area organizations:

Municipalities:

Apex (32,269)
 Asheboro (25,321)
 Carrboro (19,891)
 Chapel Hill (56,778)
 Fuquay Varina (16,961)
 Graham (7,825)
 Sanford (28,249)
 Siler City (8,713)

Other:

OWASA
 Chatham County

Ms. Thomas reported the labor market was selected to provide the following information:

- the prevailing rates of pay in the immediate geographic area;
- comparison jobs similar to those in the Town; and
- prevailing rates of pay with employers who directly compete with the Town for the same or similar pool of workers with specific job skills.

Ms. Thomas stated the prevailing rate of pay in the immediate geographic area is important because these wage rates reflect the cost of living in the area and the employment rate. Employers in the same geographic area who hire for similar jobs are also those employers with whom the Town competes most directly for skilled workers. They believe that it is important that the Town pay competitive wages in order to attract and retain experienced workers. The organizations are within the travel distance that employees would travel to get here.

Commissioner Harrington stated he did notice that we are much smaller than the organizations you picked. We are at least half the size of the smallest municipality that was picked. He said he was curious as to why you did not survey Ramseur or Liberty. Ms. Thomas said she think they were so small that they did not have the supervisory structure. You will notice in the data that often when you have the entry level, like police officers and laborers those they recommended pretty close to market average.

Ms. Thomas stated on the salary survey form they also included information from the 2010-11 NC League of Municipalities Salary Survey for cities and towns with populations 2,500 to 5000, and from the NC Employment Security Commission 2010 as additional measures for the Town's salary competitiveness.

Ms. Thomas reported that in collecting the salary data to establish salary ranges for Pittsboro positions, they attempted to consider the comparability of the positions in other organizations. A caution in using salary data: as with most salary surveys, exact matches among positions are rare. Especially in small towns, employees wear several hats, so they collected data on several of the "hats" that Pittsboro employees wear. Based on information obtained from these employers, the best possible matches of positions were made.

She said for the survey they collected data on hiring rates, which are the usual salary for beginning or entry employees, reflecting the official hiring rates for these organizations. Most employers use their official hiring rates for fully qualified applicants, but may hire above the minimum to attract particular candidates with higher levels of skills and experience.

They believe the Town should be able to use the recommended hiring rates to hire reasonably qualified employees, but they urge that the Town hire exceptionally well qualified candidates higher in the range when needed.

They applied data in different ways depending upon the nature of the position, but generally recommended salaries close to the average and the median of the salaries in the survey.

- for working level (non-supervisory) positions such as Police Officer, Customer Service Representative, Operator and Equipment Operator, the jobs in Pittsboro are very similar to those in other towns and counties, despite the difference in size. Although the average and median of the surveyed data is made up of salaries from organization significantly larger than Pittsboro, they believe these are an accurate reflections of the labor market for those jobs.
- for technical but non-supervisory positions such as Planner and Town Clerk they collected data for technical positions from other organizations, sometimes using data from several different classifications based on the combination of roles in Pittsboro.

- for supervisory positions such as Police Chief and Public Works Director they show data from other organizations but recommend salary grades lower than the average, since many of the surveyed positions have significantly greater supervisory scope.

Ms. Thomas explained the components of the charts for discussion. She stated in the case of police officers they were able to get data from the League of Municipalities survey to show what the average actual pay is for that job. They didn't do that for every job. For the police officers that is particularly important, not just the hiring rate – but what people are actually paid.

Mayor Voller stated one question he has about the municipalities is we are the county seat and are particularly special, our population is three to four times higher than it is at night is there a reason why you didn't pick up Carthage? Go over to Harnett County, Lillington and Hillsborough which would be closer in size than Sanford. You picked up Asheboro and Sanford obviously comparing to Wake or Durham is ridiculous. But, Hillsborough is a pretty good comparison because we are in the same judicial district and we work pretty close with them.

Ms. Thomas explained and said she felt comfortable with their cross section.

Commissioner Brooks stated he could assure you that Carthage salaries are lower than anything on this page. Ms. Thomas stated they are also not in the Research Triangle Area. Commissioner Brooks stated we don't have that type per capita income either.

Commissioner Brooks said it would help him if he knew what we are paying now. Ms. Thomas said it was at the bottom of the page under "Recommendations".

Mayor Voller said he understood why you made your selection. But if you were to look at Triangle J Council of Government area Moore County is in there, Harnett is actually with the Fayetteville area, Randolph is over in the Triad. So, actually they are trying to pull Moore County into the Triangle, for future reference.

Ms. Thomas stated if there was one the board felt pretty strongly about particularly Hillsborough which is the county seat, they can go back and try to get that comparison, but generally you try to get ten comparisons.

Mayor Voller stated he felt strongly that we should look at Hillsborough and Carrboro, because they are both within our region. Mayor Voller said Commissioner Brooks has brought up Carthage and he would like to know how we stood up side by side.

Commissioner Brooks stated he felt that someone in our line of population would be a better comparison maybe Robbins or Rolesville, Asheboro has a lot of different things. Ms. Thomas stated she had already adjusted for that.

Commissioner Brooks stated one of the reasons he mentioned Carthage is because Carthage is smaller than Pittsboro but it has two of the same problems we do; it's industry is gone and it also has a sufficient amount of property that is non-taxable because it belongs to the County.

Ms. Thomas stated the salary survey started on page six and ended on page eleven.

Commissioner Fiocco asked if he was missing Engineering because he did not see it. Ms. Thomas said she did not research it. Commissioner Fiocco asked if she could. Manager Terry stated we did not have a position to compare it with but we could get some data from the League of Municipalities. Ms. Thomas said she would have to be told what the job was (utility, civil). Commissioner Fiocco said civil. Manager Terry stated we have written a position description and he would get it to Ms. Thomas.

Mayor Voller said on the data you supplied, the recommendations at the bottom is that applicable to the grade level now or is this just a recommended starting rate. Ms. Thomas said that is the recommended starting rate. Mayor Voller stated so it is not telling us what one person's grade is. Ms. Thomas said correct it goes with the job not the person.

Mayor Voller asked was this just the salary and not the other costs to the Town (benefits). Ms. Thomas said that was correct. Mayor Voller said it would be interesting to know what the salary would be with the benefit package.

Ms. Thomas stated she would get the information the board requested.

Ms. Thomas stated the salary schedule (page 12) is the one we currently use; we start with Grade 15. The Town currently has a 44% higher maximum and she advised Manager Terry that most people they work with has a 50% maximum range, so he asked her to include that.

Commissioner Harrington asked why is the hiring rate lower than the minimum. Ms. Thomas stated normally if you would hire somebody when they don't meet the qualifications. If you were to hire someone higher in the range if they had more experience. The minimum is also used when someone meets their probationary period it could be recommended that they be moved.

Ms. Thomas stated grades are approximately 5% apart. Starting on page 16 is the summary of positions and recommendations it shows the current title and the recommendation title and grade.

Commissioner Harrington asked if we had a page 13, 14, and 15. Ms. Thomas said she normally has a section on the salary schedule (it describes how you use the salary schedule she will get that information to staff for distribution to the Board).

Ms. Thomas stated page 16 shows a summary of the positions and the key duties that job has and other information about that position they wanted to communicate. She referenced page 33 "Sample Class Specification" The Class Specifications include; distinguishing features of the class, essential duties and tasks, knowledge, skills and abilities, physical requirements, desirable education and experience and special requirements. A Class Specification is prepared for each job.

Mayor Voller asked if the Town Clerk was a statutory position, is there that state statute that says it is a position we must have. Attorney Messick said yes it is. Mayor Voller asked if the Clerk was the Clerk to the Board or the Manager. Attorney Messick said he would have to check on that it depends on what the Town's charter says. Ms. Thomas stated in many organizations the clerk will obviously do work at the board's direction, but many organizations have town

managers and that person reports to them for the day to day responsibilities and any statutory responsibilities as well. Attorney Messick stated he felt that was true here as well.

Manager Terry stated he thinks in smaller towns where there is no town manager sometimes the clerk is the manager and reports to the board in those circumstances.

Mayor Voller stated when you look at Finance Officer your recommendation is to change the title to Finance Director. He stated it talks about supervising utility billing and collections, would you consider that the same if we were to outsource that and she would be supervising the contractor. Ms. Thomas said yes having people in house is one way and supervising externally is another way. Mayor Voller said it would be good if they could capture some of that money back in for these grant requirements.

Ms. Thomas stated page 27 becomes the recommendation if the Board adopts the recommendations for the changes to be made to the title and the grade. It shows the rankings of the positions from the lowest job to the highest.

Mayor Voller asked what the wishes of the board were. He asked what do you do when you have positions in a grade lower and they appear to be at the maximum, how do you incentivize that employee. Ms. Thomas said hopefully you will incentive them by pay, some organizations that have merit pay will pay the employee once a year the amount of the merit in one lump sum and it will not be added to their base salary. That is in the recommended policy.

Commissioner Harrington asked if she looked at our vacation amounts and all that when doing the study. Ms. Thomas stated as she was reviewing the policy nothing stuck out to her being either high or low except 401(k) and you took care of that. Commissioner Harrington asked about vacation hours again. Ms. Thomas stated it may be a little lower than some but they look reasonable.

Commissioner Brooks asked reasonable to other municipalities or private enterprise. Ms. Thomas stated municipalities. Commissioner Brooks stated teachers get none, he noticed we give up the 21 days per year and he thought that was pretty good.

Commissioner Bryan asked if all of her recommendations were based on the comparisons in this book and no others, right? Ms. Thomas said that is right. Commissioner Bryan stated he saw some increases but not decreases. Ms. Thomas said and some stayed the same. Ms. Thomas said it is not unusual when you come in to do a study if you haven't had a study done in ten years, they may not have been keeping up with the market.

Ms. Thomas referenced page 28.

Ms. Thomas stated even though we had many jobs change grades (1, 2, or 3 grades) they prepared an implementation cost. They ran three options, they can do others if the Board is interested. The amounts included in each option will be what it will cost to implement for a full year. This is just the annualized salary so if you did it January 1st it would be a different amount.

- Option 1

This option shows the cost of moving the salary of any employee who has completed probation or will have completed probation as of July 1, 2011, up to the probationary rate, which is 5% over the hiring rate. If the salary is higher than that point, the salary remains the same. 14 of the 41 employees (mostly in the Police Department) would receive an increase under this option.

They recommend this as the minimum option needed to demonstrate that each employee's pay is competitive with the local market. However, a problem with this option is that it mainly benefits newer employees.

If the salary is higher than that point, the salary remains the same.

Annualized salary cost to implement Option 1	\$41,586
Cost as percentage to annual payroll	2.54%

Commissioner Brooks said when you look at the current national economic picture and the state economic picture with the state laying off and downgrading certain jobs. You have had years of experience in this. He asked if any of the municipalities around the state are downsizing. Ms. Thomas stated there are some that are having to layoff – counties are probably in worse shape than towns. Commissioners Brooks asked if any of that was factored into this. Ms. Thomas stated that was something the Board would have to decide. She said that is a policy decision of the Board. Commissioner Brooks stated he realized that, last winter or the winter before he read a story call “The Other North Carolina” which was about the various municipalities across the state and rural communities (counties) as well as municipalities that were not in the Research Triangle or the Triad and the economic situations they were in and he just wondered what impact that was having on these places. He gave an example: last week or the week before when Siler City announced that Townsend was closing stated they brought \$100,000 or more per month of water from them. That is going to have to impact what they spend on government. He stated there is a lot of that going on throughout the state.

Commissioner Brooks asked Ms. Thomas if she could give them some insight as to what municipalities are doing across the state. Ms. Thomas stated it depends on the area but some have not been giving cost of living but they had kept some merit but not the merit they previously gave, some that are in pretty good shape are giving that, some are laying off, doing furloughs and everything in between.

Commissioner Brooks asked about the perks. Ms. Thomas stated some have kept their benefits, others the employees have had to pay more for their insurance, 401K has been frozen there is a wide variety of economic conditions that determines what is going on in the Town or County. Commissioner Brooks asked had she heard of employees reducing hours to the extent that employees might not be able to qualify for medical insurance. Ms. Thomas said there were more things like furloughing generally she is not hearing that. What she has been seeing in this area is mostly not filling positions but not making cuts.

Ms. Thomas stated another way to look at it is that Option 1 would only benefit the very new employees, Option 2 takes into consideration the years worked for the town and Option 3 would be a 3% increase for all employees that have not reached the maximum that is three ways

looking at how your current salaries relate to the recommended pay plan. She stated the town was in pretty good shape, there have been organizations where Option 1 might have been 15%. They were that far behind in the market. Pittsboro's Option 1 was 2.54%. She said you have a three year plan you want to get people up to in the range so that you don't have to do it all at one time. You can have a plan to work to that pay plan. You may even want to look at how you may potentially use this in next year's budget if you don't adopt it now. Hopefully, this data supplies you with the information to help you make that decision.

Mayor Voller asked Mr. Terry what he thought of this. Manager Terry stated he has read through this and there is nothing in there that surprises him for the most part the changes seemed reasonable to him.

- Option 2

This option shows the range position that would be attained if each employee's pay reflected an additional 1% of pay per year of Town service after completion of probation. For example, with probation completed at one year, the employee's salary would be 5% over hiring with 2 years their salary would be 6% over hiring; with 3 years their salary would be 7% over hiring, etc. This salary reflects a reasonably competitive pay rate for someone not with just basic qualifications, but also experience in the Town's specific position. 20 of the 41 positions would receive increases in this option.

- Option 3

This option builds on Option 2: it provides the salary increases based on service as shown in Option 2, but provides at least a 3% salary increase for all employees. All employees would benefits at least 3% from this option.

Annualized salary cost to implement Option 3	\$92,745
Cost as percentage of annual payroll	5.67%

Manager Terry stated on Page 27 she mentioned adopting that as the pay plan. When he came to work here in our budget we don't typically have a Personnel Ordinance as a part of the budget we have a budget ordinance, but he thinks some towns have personnel ordinances. We adopt the budget and then the CIP, but we never adopted a personnel ordinance so the numbers that we used on past policies, he doesn't know if it has been adopted in pay and classification ordinance fashion and he thinks that is important to do because it gives the board an annual check off where you can review what is in there and make sure you are comfortable with it. That is something they may want to consider for next year's budget adding that feature. It could be rolled in the budget ordinance in a section or it could be a stand-alone document.

Mayor Voller asked how many employees do we have. Manager Terry said at last count it was 44, that doesn't count reserve police officers. Ms. Thomas stated you are getting close to that 50, but you are not there yet.

Personnel Policy

The Personnel Policy is attached at the end of these minutes.

Ms. Thomas stated she could either go page by page or answer questions. But, first she went over the cover sheet which highlights the things that are different.

- Family and Medical Leave Act: The Town's current policy has sections on parental leave and leave without pay but does not have a comprehensive section on areas covered by FMLA.

The federal law applies to employees with more than 50 employees (50 full-time equivalent so part-time and hourly workers count toward that 50 employee threshold). The Town does not currently have 50 employees so the provisions of the law do not have to apply but they recommend the Board adopt its more general provisions. The recommended language in the policy provides similar coverage as under the federal Family and Medical Leave Act, but is less restrictive and extensive.

The policy language also includes newly adopted provisions for military exigency leave and military caregiver leave. Leave under this policy is unpaid, but employees may use accrued leave balances if available.

- Fair Labor Standards Act: The policy rewrite has a significantly expanded section on FLSA, the law which governs overtime compensation. The section includes recently adopted amendments concerning smallpox, also expands information on treatment of suspensions for exempt employees and provides additional information on the law itself.

This section also includes new language on rest periods and breaks.

- The wording "subject to the availability of funds" is inserted in several sections discussing pay and benefits.
- A new section is recommended on Implementation of the Policy, including conflicting policies repealed and separability.
- For your information, the policy includes information on the privacy or open nature of personnel records, noting both

A 2007 clarification to the laws on personnel records privacy and public information that "For the purposes of the subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the Town." And the addition of new items added to the law in 2010, items which are not considered public information.

- Each suggested change or addition has a marginal note to facilitate your review, but they highlighted a few of the suggestions for inclusion of new provisions. The rewrite includes sections on:

- Responsibilities of supervisors and employees
- Addition of statements on the importance of good attendance
- Payment of travel expenses
- Certification salary increases
- Payment of training expenses
- Provisions for salary increases for interim assignments in a higher classification
- Information on use of town property and equipment (such as computer, e-mail, social networking, vehicles)
- Information on policies for work in adverse weather conditions
- A weapons policy
- A substance abuse policy
- Expanded section on ethical conduct expectations (revised from “acceptance of gifts and favors”)
- Expanded information on conflicts of interest in outside employment
- A rewrite of the section on the types of disciplinary actions and pre-disciplinary conferences to clarify steps in the disciplinary process
- A new section recommended on Implementation of the policy, including conflicting policies repealed and separability
- The insertion of the current policy of shared leave into the personnel policy document

Ms. Thomas said they could go page by page or if they had a particular page they had questions about we could do that. They highlighted the changes to the current document so that the Board could see every change that was made. Once the board adopts the policy she can go through and take out the marginal notes.

Commissioner Harrington said there were a couple of notes he made going through. On Page 37 it mentions “Engaging in political activity prohibited by this chapter”, he can’t find it, maybe he just overlooked it. Ms. Thomas stated that was covered in Article V on Page 17 or 18. One thing getting back to the vacation question, he knows we have the segregation between sick leave and vacation. Where he works if you are sick you call in and it’s just a day off, do you see many municipalities do that. Ms. Thomas stated she has seen that when she was doing a study for a hospital and they did have it consolidated where you got this block of time and you could carry over a little bit of it to the next year. She could not recall ever seeing that in a municipality and she thinks the reason is the retirement system because sick leave can add to your retirement credits. So they would need some way to be able to separate it when someone retires. Commissioner Harrington stated he likes the other way better because honest people are at a disadvantage because they won’t call in sick to have a day off. That’s why he likes the PTO concept.

Commissioner Harrington asked Ms. Thomas if she could get her hands on the leave days received per year by others. Ms. Thomas asked was he talking about the organizations she had done the comparison with. Manager Terry asked was he referring to holidays or accrued vacation time. Commissioner Harrington stated vacation time. Ms. Thomas stated she could do that. Commissioner Fiocco asked was he talking about the policy or just the numbers. Commissioner Harrington said mainly numbers he wanted to see where we line up as far as accrual arrangement per year. Ms. Thomas stated she has found that working with all counties and towns that the vacation accrual hours/day varies a lot but sick leave is 12 days per year.

Commissioner Harrington stated he noticed the policy says you have to use vacation in one hour increments. He said the way the policy reads if he was to get up and his/his wife's car doesn't start one morning and he is an hour late for work that we would have to use vacation, he hopes we don't do that. Ms. Thomas stated she thinks that is why you would encourage employees to have leave balances for that type of situation. Ms. Thomas said governmental organizations have fiscal responsibilities to track hours. Commissioner Harrington stated he has to remember that too because it is public dollars. Commissioner Harrington wanted to know if she ever saw it in policies where a situation like that would be up to the Managers discretion. Ms. Thomas said it is usually more practice where they might say perhaps the Planning Director was in the same meeting until 10 o'clock and so when he has a dental appointment they may not charge that time, but then that can lead to problems with other staff saying he didn't have to take a hour leave then why should they have to take a hour of my leave. You can see both sides. Commissioner Harrington said that is true but you haven't seen a policy around for discretion. Ms. Thomas said because governmental agencies have that greater accountability you don't find that type thing.

Commissioner Brooks stated he should know it but he does not know what Pittsboro does as far as days where everyone has off, like Christmas or Martin Luther King Day. Ms. Thomas said it is probably two different situations because you have the people who work and the people who don't work. The people who don't work get paid eight hours for that day. Ms. Thomas asked Manager Terry if they work do they get time and a half or straight time. Commissioner Bryan said the policy said time and a half. Manager Terry said they can end up getting double time and a half because if it is Christmas Day on your time card it is coded as 8H (8 holiday hours) but if you come into work and you work an hour then you are going to get paid for that hour at double time; within that week if you have worked over 40 hours – when you get to the 41 hours it is paid at time and a half. So if you come in on Christmas Day and you work an hour and you worked 45 hours that week then that particular hour you get your 8 hours holiday pay and you get your time and a half for the time you actually worked. Ms. Thomas said if they worked 8 hours on Christmas do they get 8 hours pay or 12 hours pay. Manager Terry said if they come in on holiday like Martin Luther King Day or Veterans day and they work the whole 8 hour workday they would get double time that day. Ms. Thomas said so you are paying straight time for working the holiday, you get credit later for straight time. Manager Terry said yes. Ms. Thomas stated some organizations do time and a half, if you worked 8 hours you would get paid for 12 hours.

Commissioner Brooks asked if he came in on Christmas Day and he works 8 hours would he get to chose whether he would get 16 hours pay or 8 hours off some time. Manager Terry stated the way he has managed it is if someone works he thinks they ought to get paid if they chose to take a day off is sort of self adjusting they can use a vacation day but they are still going to get paid for the 16 hours if they worked 8 hours on Veteran's Day. Manager Terry said if they want to take the next day off they can use 8 hours vacation. Ms. Thomas said this is on page 25 it says a person required to work Christmas Day will be paid at 1.5 times the hourly rate in addition to normal time off received for the holiday. Ms. Thomas stated that she understood it was to be for all holidays that is why she showed a changed there.

Mayor Voller asked Ms. Thomas based on her HR experience and consulting doing this what do you want to see as a result of a really good well put together policy. Ms. Thomas said she has two different answers one on the personnel policy that they are talking about now you have a

document to reflect the areas where you have a choice on how many holidays and vacation days you grant it sets structure for you. You would adopt this because your current one is out of date so from that standpoint she would recommend that you keep this a living document there are changes constantly and that you keep it up to date so that the Board can see and employees can see what decisions you have made to comply with various personnel laws.

Commissioner Brooks said he is not quite sure that we have a policy, but do towns as a rule have a policy. Let's say that a town employee has to have special training, education, certification whatever who allows them to "moonlight" and help a private company needing something is that any of our business or should we have any control over that. Ms. Thomas said if you look at page 17 there is several areas that you have interest in one is to make sure your job is primary so if someone is not working a second job and coming to work tired, you would want to make sure someone's outside employment doesn't create conflicting interest. There may be law enforcement officers who's moonlighting as a law enforcement officer may create some liabilities for the Town. So you have some say so as to where you want your officers wearing your gun and badge. Also, someone that receives off the job injuries may be receiving sick leave. Commissioner Brooks asked if we had any liability if someone were trained say for example if a private development had wells or a water system that had to be tested and one of our employees tested it and made a mistake or whatever, are we totally protected from that is that just their outside thing and we don't have any concern over that. Ms. Thomas said if they were working for you and they went and did a the test in Moncure she would think they would totally not be related to you, but if they were doing something within the Town of Pittsboro he wouldn't think you would want them doing that moonlighting because that is conflicting interest.

Commissioner Brooks asked should we have a policy about that. Ms. Thomas stated this policy says that.

Mayor Voller said but one conflicting interest that Commissioner Brooks was leading to is if you have a utility company that is privately held they could actually run systems in our ETJ and Town as well as across the state, so theoretically someone with certain licenses could be working for them as well as with us and although we may only sell them water there could be a potential conflict. Mayor Voller said that someone may say the town guy said this was allowed. Ms. Thomas stated you wouldn't want to allow that in your current policy you can prohibit that but she added something to make it stronger (employment with organizations or in capacities that negatively impact the employee's perceived integrity, neutrality, or reputation related to performance of the employee's Town duties such as working for a company where significant Town purchases are ordered by the employee).

Mayor Voller said ultimately this document is trying to reconcile certain rules and procedures, keep it up to date, respond to federal law that is constantly changing. What he is more concerned about is what the outcome of it is. Is going toward these type policies going to help us have better morale, these are the things he was asking her based on her experience, are you going to have better retention, where do we get more bang for our buck for our citizens and business community. A thing has come up in the past on the board is how do you work with incentivizing employees if someone is doing a really good job and you have a pay grade and you have other various things here – how do you work with people who are going above and beyond against someone that just might want to be your average employee but they are not really going to want to achieve. How do you incentivize the ones that might be more interested in taking on more

duties or trying to save you money by running a better operation at the waste water treatment plant for instances or working to cut cost/waste. Ms. Thomas stated pay is important but it is not the only thing, opportunities for training and advancement. Some people don't provide merit increases unless you exceed expectation. You can do a lot of things by providing variety of work, training recognizing they may go somewhere else, advancement opportunities, etc.

Mayor Voller asked in government work has she ever used game sharing techniques where an employee can share in the gain, for instances they figure out a way that you can fix a machine and not have to make a capital investment - instead of spending \$30,000 you spend \$10,000 can they share in some of that or they run the plant better and we save \$100,000 because our electricity bill goes down and we are not wasting chemicals. Ms. Thomas said people that have that type program it has to be coming from outside the normal area if you are a supervisor when you figure out how to fix something rather than replacing it, that is your job. Some of the places that have it have found that there are problems with it, it can create conflict between employees with competition when you want team work. She has seen it where the board would have \$2,000 to recognize someone when you see special type program have been initiated. You can recognize the person who came up with the initiative.

Commissioner Harrington said on page 24 under the Tuition Assistance Policy shouldn't we say maybe a "B" average for reimbursement. Ms. Thomas said you could. You could add a sentence for a grade of satisfactory completion of a B or better.

Mayor Voller said the main question is what particular policies they might want to eliminate or adjust. Ms. Thomas said that was correct this gives you the opportunity to say I didn't realize we were doing that I think we need to do more or less. The policy we currently have is pretty standard too.

Mayor Voller said the three basic things he looked at were dealt with are: corruption, competence and capability we have got stuff in here if people are corrupt you can get rid of them, and you are dealing with competency and training so if we don't have them to level they need to be we train them and capability is whether they can do the job are they sick all the times or have other issues.

Commissioner Fiocco asked Attorney Messick if he had an opinion of the document.

Attorney Messick said he hasn't read it exhaustingly but he thinks in general it is a good idea.

Attorney Messick said it is your Manager that should have assurance.

Commissioner Fiocco said he was thinking of all the edits to the document to update changes to laws and he thinks they would be relying on him for that review. Attorney Messick said okay.

Manager Terry said to ducktail on Mr. Messick's comment he has read it cover to cover and provided extensive comments during the process and he thinks it is a thorough review. Some of the highlights they have added some things that are additional benefits to the employees, she has already touched on those. The birthday off feature that Commissioner Brooks suggested, and historically we have given time and a half on Christmas only but now it will be on all town holidays and changed tuition assistance from \$500 to \$1000 per year (that is not a great expense

to the Town because not many people take advantage of it) this puts an incentive out there for some of your best employees that are looking for career development.

Ms. Thomas said she will be sending you the updated salary data including Hillsborough and Carthage, providing information about a civil engineer, send you the pages that were missing in your book tonight, and to get an answer to the question about how the governing body counts regarding FMLA.

Commissioner Fiocco stated obviously we are competing with other municipalities and salaries are just one component, he asked how difficult it would be to review the other towns that you listed as far as what benefits they are providing. Ms. Thomas said that she can do that, but know that everyone's contribution to retirement is not the same, as far as vacation, sick leave everyone gives 12 days, holidays, 401K, do they provide insurance (like do they pay 100% or do the individuals have to pay a portion) those are the high cost items. Commissioner Fiocco said that would be great he feels that will be valuable for the Board to see.

Manager Terry stated he felt they could bring back the policy manual at a subsequent meeting for adoption most of the information relates to pay and classification so if the board is comfortable then Ms. Thomas can take out all the marginal comments and strikeouts and highlighting and bring back a clean document for adoption at our next meeting if you would like.

Commissioner Baldwin said she felt they needed to hear a little more about what has been brought up and that they receive information on the questions that were asked such as vacation and sick leave.

Commissioner Fiocco said he would personally like to devote more time to it than he had been able to before adoption.

Commissioner Harrington stated he would like to compare some of the vacations too.

Ms. Thomas stated she could hopefully get the information to the board by next week.

Manager Terry said that we would probably want to avoid having it on the next agenda because there is a chance that the CTP may come back to the board at the next meeting. Manager Terry suggested that it be brought back to the first meeting in September.

Manager Terry said there is two things we have to deal with first is the policy manual and secondly we would deal with the pay and classification plan.

Commissioner Harrington asked how sick leave could be taken, was it by the hour. Manager Terry said no you could use it in fifteen minutes intervals.

NEW BUSINESS

1. None.

CAPITAL PROJECTS REPORT

Manager's Update on Capital Projects.

Credle Street Basin Rehabilitation Project (Phase III and IV)

Manager Terry stated the contractor has completed their work and the project is over. We have received a favorable reply from the Rural Center regarding the use of surplus grant funds to refurbish the WWTP Bar Screen. We have already sent out a request for informal bids on that asking that they get back to us on August 19, 2011.

Southern Community Park

Manager Terry reported they expected the paving of the entry way to be done last week, but because of the rain it was delayed he hopes it will get done this week. They are close enough to being complete out there. The preliminary punch list inspection of the project will begin this week. But, related to this and the petition we received Ms. Lloyd, Mr. Horne and himself have been working to fulfill a public records request from one of the citizens that signed the petition who is requesting a sufficient amount of records around this park, we are working with her right now to get her what she asks for.

Mayor Voller said he thinks it would be wise to give that citizen or direct them to get a copy of the county's plan which was done and adopted in 1999, it has been amended a number of times.

Manager Terry said it was actually in one of the emails she has requested.

Mayor Voller said there were a number of people who participated in the review, public input and surveys going all the way back to when Hobbs and Upchurch was involved. Do we still have that information? He stated it was a large number of people that participated some of which lived in the area.

Manager Terry said just as a matter of clarification there is a 15 cent per page charge for making copies. We don't get paid for the staff time but we do get reimbursed for costs to produce the copy. Commissioner Brooks asked Manager Terry to repeat the price per page. Manager Terry said 15 cents and if they want copies of the meeting tapes they will bring them to Ms. Lloyd and she will copy it. Commissioner Brooks asked how did we arrive at that price. Manager Terry stated it is in the budget ordinance, it is one of the miscellaneous fees in the budget ordinance, if you go down to the Register of Deeds and ask for a copy of your deed you will have to pay 25 cents per page.

Commissioner Fiocco said there was discussion about having a meeting with the neighbors. Manager Terry stated they had made the offer but had not had any phone calls back.

Mayor Voller asked is there a sense for what the community wants other than the fence, is there something on the table that would make the people happy. For instance we have on our website (he believes) where Mr. Horne had put this data that properties next to parks normally go up in value by about 15% according to a nationwide study. What do we need to do to work with them

that is reasonable or is it just that people don't like the park. Commissioner Harrington said they don't want a park.

Manager Terry stated you asked what we could do to make them happy. He doesn't think we can make them happy but we can respond as courteous as we can to their questions. He said he agrees with Commissioner Harrington they don't want the park there and there is nothing he can do about that, it was a plan that has been in the works going on seven years now. Removing the park is not an option.

Commissioner Baldwin said she feels if we could make it more secure that may help them somewhat. The gate at the entrance of the park is locked but you can drive anything into it (to the left of the gate). Manager Terry said that it is not finished yet. There will be bollards or natural field boulders. Commissioner Baldwin asked what we could do in the meantime. Commissioner Brooks said couldn't we put a cable up until that happens. Manager Terry said he thinks the work will be finished fairly quickly. Commissioner Baldwin asked when – next week or tomorrow. Manager Terry said he can't say exactly when but if it is going to drag out for much more than that we can ask them to put temporary measures in place. He thinks the project will be 100% complete within the next two weeks. Commissioner Baldwin said you can drive a truck around it and feels we need to be more proactive. She don't know how the police is going to patrol because they can't drive their vehicles there and even the SUV maybe we can have bike patrol. Commissioner Brooks said they have a four wheeler, the golf car and a bicycle.

Manager Terry said the Chief, Mr. Horne and himself, have discussed what security will be done there and again this is probably not going to be satisfactory to the citizens. They will get the same security as any other park in town which is periodic police patrol the police will be locking it at night and opening it in the morning.

Commissioner Brooks said he was planning on doing it under Commissioner Concerns but he is going to make it as a motion and you can vote it up or down at the next meeting to build a simple farm fence along the area between the park and the domiciles (or homes). He has started some research. He went to the old Southern States (County Farm and Home) and priced some wire and looked at some different types of wire. He has treated poles which he said he would sell at a discount. There is a man that lives less than two miles from the site of the park that has been in the cedar pole business all his life. He had in mind some form of welded wire or hog wire. There is a whole lot of things that could be done. He thought about the fact that Mr. Ron White who works for us was one of the largest farmers in this county at one time. He may very well have a post hole digger that fits on a tractor. He does not think it would be a huge expense. Of course, someone can climb the fence or a dog could jump over but it would be a good faith effort on our part and he plans to make a motion and the only reason he was not making it tonight was because of time and he wanted to talk to some other people to find out how much wire and other things would be needed (types, etc).

Mayor Voller said you can plant very fast growing materials that would screen the fence and everyone would be happy. Commissioner Brooks and Commissioner Baldwin agreed.

Commissioner Bryan said they won't be happy.

3.22 MGD Wastewater Treatment Plant Construction

Manager Terry stated that responses from Board members and staff suggest that Saturday, August 20, 2011 from 9 a.m. to 11:00 a.m. would be a good time for a Board Work Session on the subject of plan of action and milestones for construction of the new 3.2 MGD WWTP. He will send out an email tomorrow.

Manager Terry said that he and Mandy Cartrette took a field trip to Statesville where they met with a former Pittsboro Town Manager Rob Hites. They spent a couple of hours with them talking about financing various projects. It was helpful to them to understand what our options are.

Commissioner Harrington asked if we could have the Manager contact the City of Sanford and see what they might be interested in offering or at least start the dialogue with them. Manager Terry said he can ask them to send a letter as to what they would offer.

Mayor Voller said this is the most important topic tonight. They are talking about a 50 million dollar project. These options are really a big deal for the future of Pittsboro and Chatham County.

Commissioner Harrington said maybe we will have another meeting.

Manager Terry said hopefully he can produce a letter between now and August 22, 2011. He may have some limitations as to what he can commit to without talking to his board (Sanford Manager).

Commissioner Fiocco said it would be helpful to have some of their engineering information.

Hillsboro Street Transmission Line Replacement Project

Manager Terry stated we are about to wrap up the work with our consultant The Wooten Company to get everything we need to get to the Commerce Department for the release of the grant funds. Hopefully, we will be hearing back very shortly. He said two weeks ago he got permission to put up the water tank as collateral to secure the REDLG loan, he thought we had put that issue to rest but in negotiating with the attorney for the Electric Cooperative, they called back and said they want the land under it and the tank. He doesn't think it is a big deal. We are not going to default on the loan anyway. If that is what it takes to get them to loan us the \$240,000 he feels we ought to go ahead and do it. The board agreed. Mayor Voller said he just don't understand why they won't put a CD in the bank for the time. Commissioner Harrington said we can get a surety bond – we have cash we can back this up with.

Mayor Voller asked Attorney Messick his opinion. Attorney Messick said it is no problem to go forward.

Mayor Voller said when we get going on this Hillsboro Street Project we really need to make sure we inform all the owners of what's going on. This has to be very up front informing property owners and lease holders. Manager Terry said the first step was they have already had their meeting with the Downtown Merchants Association. Commissioner Fiocco said their

biggest concern is they don't want to get their holiday sales impacted by this. The holiday season will give them such a substantial amount of their yearly income. Manager Terry said it is already August and they are still negotiating so he doesn't think it will be during the Christmas Holiday. Commissioner Fiocco lets make sure we don't.

Mayor Updates

Mayor Voller said hopefully this group will buy the old Chevy dealership and we will have some jobs moving in there. A company called USAT they do wireless installs, computers, etc., they are going to buy the building and lease some of it out. EDC has some potential tenants.

- RPO meet the 18th in Pittsboro the Board is invited.
- Solid Waste
- Fairground Association
- PMA/Downtown – 1st Sunday yesterday was very nice.
- Main street – have to get the committees going. He doesn't know if this Board just wants to authorize Commissioner Fiocco to start selecting a group. Commissioner Fiocco said they are putting out the information trying to get volunteers. One of the groups that the Main Street Program wants to interview is the elected officials so they are trying to set a date so they can have this meeting. They are in the process of interviewing the five different groups with five or six people representing those groups getting lots of input from those groups and then one evening presenting their organizational ideas for how we should move forward. Creating committees and working groups. He is asking that they all attend that meeting and he will let you know when that date is selected.

Commissioner Concerns

Commissioner Brooks said he had several. He don't know if it is our responsibility or what but several of our citizens are concerned that services that are offered at the Old Chatham Mills maybe discontinued due to their financial situation especially some of the folks that are on dialysis and so forth. If Mr. Roberts or someone could issue some type of statement of reassurance that those things are going to continue that would be good.

Mayor Voller asked Mr. Messick if someone is in bankruptcy and that is UNC leasing that space for dialysis what could or could not happen. Attorney Messick said it is a Chapter 11 which means he is trying to reorganize his debt. Attorney Messick said perhaps they should ask UNC about that.

Mayor Voller said does this affect us on our tax collections and water and sewer. Attorney Messick said yes.

Commissioner Brooks said he happened to run into Roscoe Farrell at the service station one day and he would like to come back, and we need him and he will pay for his own salary if we would just bring him back. Based on something he got from the head of the sewer department this week it sounded to him like he could use him right now. He said he knew we had replaced him but if we could find something for him. He is one of those people that are so multi-talented in water and sewer and so forth. You already know he has saved us a lot of money.

Commissioner Brooks said at the last meeting they requested that a letter be written to Ms. Smith, and to the Credle Street contractors and he didn't find one in his agenda packet. Has that been done? Manager Terry said he has spoken with Becky and she has provided him with the addresses but it has not been done. They are going to wait until they make final payment it has been his experience that problems in the contract don't show up until negotiations around paying the final payment. Commissioner Brooks said he wanted to thank them especially for that day of the funeral. Manager Terry said they are going to definitely get that done, but they wanted to wait until final inspection was done.

Commissioner Brooks said Commissioner Baldwin mentioned something about using a front end loader putting up a cable or something to keep people from going around the gate at Southern Park that would be helpful. He will try to have some cost figures from several places for the next meeting.

Commissioner Brooks said we are in the beginning of hurricane season. The real critical date is around September 10th and it occurred to him – he know we have done a plan in the past but he wondered if they should set aside a little money for overtime, gas, generators or maybe bringing in a tree cutting service. A little contingency or emergency fund we ought to think about that in case we need it this fall. Mayor Voller said it seems wise. Commissioner Brooks said we could be prepared so that we would not have to have an emergency board meeting – we would already have a plan ready to go. Commissioner Harrington said were you talking about just to take it out of fund balance, so Mr. Terry could not just go and act right now without us approving that. Commissioner Brooks said we have a plan but he can't remember the details. But we might want to be a little bit proactive ourselves. Commissioner Harrington asked if there was a provision for spending money in cases like that in case of emergencies. Commissioner Bryan said you have a limit anyhow. Manager Terry said his experience suggest that doing hurricanes and whatnot sometime you will overspend your budget but usually that can be handled with a post emergency budget amendment. You can usually come in a few weeks after the event to reconstitute those accounts.

Commissioner Brooks asked if the emergency generators at the water plant were ready to go. Mayor Voller said that is actually a good idea to look at things like that. Commissioner Brooks asked if all our heavy equipment was ready to go. Commissioner Fiocco said he would imagine that our generators are self testing periodically. Manager Terry said the ones that are at our lift stations and waste water treatment plant do that and the one here at Town Hall does that. He stated there are no emergency generators at the water treatment plant.

Commissioner Brooks said he doesn't know what is needed but Mr. Terry probably needs to sit down with department heads and ask what are their needs in the event of an emergency. He thinks we had to bring in some companies to help clear up the streets during one storm.

Manager Terry said he would sit down with Mandy and John and figure out they can do it. He will come back with a recommendation.

Commissioner Brooks said we have town employees that would be playing critical roles that do not live in town we just have to have a plan. We may even want to look at something they use to do in education if there was a bad storm or something. You had a team person you were suppose

to call and let them know there was a problem and they would let someone else know so that the word went out. We have so many elderly citizens we also have numerous facilities that serve the elderly here so we have some special needs there. We would be able to get to people and move people and so he wants us to be proactive by looking at what we need to do.

Commissioner Fiocco just wanted to remind us of a few things we are working on. This one we can even talk about at our work session on the 20th is the outline of our sewer allocation; October will be here before you know it and he don't want to lose sight of that. He is still expecting we will do the research on the White property that we talked about.

Commissioner Baldwin said the signs look great the Boy Scouts put up coming into Pittsboro she would like to commend them on that even though they are not here. She said she hated to go back to the Southern Park issue again but there was a concern about fire safety, did Mr. Horne speak to Mr. Bender about the fire hazards and stuff like that when he was working on the plan.

Manager Terry said he do not think we sought Mr. Bender out in this case. He will tell you that some of the correspondence he saw today was raising that issue but those are things we have thought about. The board may or may not recall when they were going over the program for this park to see what was going to be included in the scope and what was not going to be. We were disappointed to find out the no PARTF money could be used for improving the road. The PARTF folks took the position that the road was an existing road to the water tank. It is a one lane road what he directed Mr. Horne to do was if we can't get a second lane for a paved road at least put periodic turn out so that people can egress and ingress at the same time. So there is turn outs built in there. In a fire emergency people may have to leave the area on foot. There is an alternate road that goes straight out 1 5-501 pass the water tank but he is not sure you could make that transition but it is very wide so people could find safety egress that way. He shares those concerns.

Mayor Voller asked Attorney Messick if that was a town road.

Attorney Messick said no. Mayor Voller asked what does qualify us. Attorney Messick said it is not a road it is a driveway to the water tank. Mayor Voller asked if we could make it eligible for Powell Bill. Both Manager Terry and Attorney Messick said no not ever. Attorney Messick said it is not a public road it is a private driveway access to a water tank. It has nothing to do with public access. Manager Terry said even if it were paved it would not qualify.

Commissioner Baldwin suggested that we talk with Mr. Bender to see what he thinks about the situation.

Commissioner Brooks said we have a forest service here, he don't know who is in charge of it now, but one of the neighbors whose property abuts the park, worked his entire working life with the NC Forestry Service and his job was driving heavy equipment and fighting major forest fires all over the state that's Mr. Sidney Dean. His home is the last one you come to as you go down the Old Sanford Road before you come to the Charlie Brooks Road. Mr. Dean is retired now and he might have some practical suggestions of things that could be done.

Commissioner Harrington stated he was reminded of some housekeeping we might need to do. We had started a committee that has kinda gone idle about a year. He asked if that committee

to call and let them know there was a problem and they would let someone else know so that the word went out. We have so many elderly citizens we also have numerous facilities that serve the elderly here so we have some special needs there. We would be able to get to people and move people and so he wants us to be proactive by looking at what we need to do.

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Commissioner Harrington stated he was reminded of some housekeeping we might need to do. We had started a committee that has kinda gone idle about a year. He asked if that committee

needed to be dissolved. Commissioner Fiocco said there has actually been some activity and they are trying to get it restarted. Commissioner Harrington said as far as he knows they have not had a meeting in a year and a half. Manager Terry said he would have to go back and look at the resolution but he thinks there was a sunset date in the resolution. Mayor Voller asked that it be brought back to the next meeting to be addressed.

Commissioner Brooks said a citizen asked him this afternoon – he was on that advisory committee that was advising the planning board about the land use plan – could we make the old land use plans available in the lobby so that citizens can view them.

Commissioner Bryan said he noticed Chris Walker’s resignation from the ABC Board.

Mayor Voller asked Commissioner Harrington if he would be willing to serve. Commissioner Bryan said that was his thought also.

Commissioner Harrington said he would think about it. Commissioner Fiocco said if Commissioner Harrington accepts he would be willing to the liaison from the Board.

FYI -

1. Pittsboro Town Manager’s letter of August 2, 2011; RE: Pittsboro 05-D-2087
CDBG Program Release of Conditions.

Motion made by Commissioner Brooks seconded by Commissioner Bryan to adjourn at 9:52 p.m. Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk

**TOWN OF PITTSBORO
PERSONNEL POLICY**

BE IT RESOLVED by the Town Board of Commissioners of the Town of Pittsboro that the following policies apply to the appointment, classification, benefits, salary, promotion, demotion, dismissal, and conditions of employment of the employees of the Town of Pittsboro.

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Comment [MSOffice1]: Throughout this document, major areas which would be new significant new policies, especially if some cost would be associated with the recommendation, are highlighted in these marginal notes, with text shaded to make clear what the changes are. Although we ask you to review the entire policy closely, these notes will highlight some particular areas for review.

Upon adoption the shading should be removed and crossed out language deleted.

Comment [MSOffice2]: Page numbers and headings will be corrected when the review process is completed.

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Comment [MSOffice3]: Recommended new Article

ARTICLE I. GENERAL PROVISIONS

Section 1. Purpose of the Chapter

It is the purpose of this policy and the rules and regulations set forth to establish a fair and uniform system of personnel administration for all employees of the Town under the supervision of the Town Manager. This policy is established under authority of Chapter 160A, Article 7, of the General Statutes of North Carolina.

Section 2. At Will Employment

The Town of Pittsboro is an "at will" employer. Nothing in this policy creates an employment contract or term between the Town and its employees. No person has the authority to grant any employee any contractual rights of employment.

All Town positions are subject to budget review and approval each year, and salary advancement is subject to annual funding and approval by the Board.

Section 3. Merit Principle

All appointments and promotions shall be made solely on the basis of merit. All positions requiring the performance of the same duties and fulfillment of the same responsibilities shall be assigned to the same class and the same salary range. No applicant for employment or employee shall be deprived on employment opportunities or otherwise adversely affected as an employee because of such individual's race, color, religion, sex national origin, political affiliation, non-disqualifying disability, or age.

Section 4. Responsibilities in the Administration of the Human Resources Program

Section 4—Responsibilities of the Town Board of Commissioners

The Town Board of Commissioners shall be responsible for establishing and approving personnel policies, the position classification and pay plan, and may change the policies and benefits as necessary. They also shall make and confirm appointments when so specified by the general statutes.

Section 5. Responsibilities of the Town Manager

The Town Manager shall be responsible to the Town Board of Commissioners for the administration and technical direction of the personnel / human resources program. The Town Manager shall appoint, suspend, and remove all Town employees except those whose appointment is otherwise provided for by law. The Town Manager shall make appointments, dismissals and suspensions in accordance with the Town charter and other policies and procedures spelled out in other Articles in this Policy.

The Town Manager shall supervise or participate in:

- a) recommending rules and revisions to the personnel system to the Town Board of Commissioners for consideration;
- b) making changes as necessary to maintain an up to date and accurate position classification plan;
- c) preparing and recommend necessary revisions to the pay plan;
- d) determining which employees shall be subject to the overtime provisions of FLSA;
- e) establishing and maintaining a roster of all persons and authorized positions in the municipal service, setting forth each position and employee, class title of position, salary, any changes in

Comment [MSOffice4]: Page numbers will be corrected when the review process is completed.

Also, in several cases recommended new language is shown as underlined. Once adopted the underlining should be removed.

Comment [MSOffice5]: Suggested addition

Comment [MSOffice6]: Recommended different heading, and inclusion of Board, Manager and a new section on supervisors and employees recommended to be added. Headings in the Table of Contents reflect this new content and numbering.

class title and status, and such data as may be desirable or useful;

- f) developing and administering such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- g) developing and coordinating training and educational programs for Town employees;
- h) investigating periodically the operation and effect of the personnel provisions of this chapter; and
- l) performing such other duties as may be assigned by the Town Board of Commissioners not inconsistent with this Chapter.

Responsibilities of Supervisors:

Comment [pwt7]: This and the section in employees is not in your current policy.

A supervisor shall meet his/her responsibilities as directed by the Board, being guided by this policy and Town ordinances. The Town will require all supervisors to meet their responsibilities by:

- a) dealing with all employees in a fair and equitable manner and upholding the principles of equal employment opportunities;
- b) developing and motivating employees to reach their fullest potential through continued education and training;
- c) making objective evaluations of individual work performance and discussing these evaluations with each employee so as to bring about needed improvements;
- d) keeping employees informed of their role in accomplishing the work of their unit and of conditions or changes affecting their work;
- e) making every effort to resolve employee problems and grievances and advising employees of their rights and privileges;
- f) cooperating and coordinating with other staff members in work flow and distributing information;
- g) making proper documentation and maintaining current files.

Responsibilities of the Employee:

An employee of the Town of Pittsboro shall be expected to:

- a) report to work on time and remain on the job until the end of the tour of duty;
- b) perform duties to the best of his/her ability and contribute a full day's work for a full day's pay;
- c) work well with citizens and with other employees and accept additional assignments during peak workloads and emergency situations;
- d) request prior approval for leaves of absence or before leaving the worksite;
- e) refrain from spreading rumors or engaging in other activities which have a disruptive influence on morale or work progress.

Section 6. 5 Application of Policies, Plan, Rules, and Regulations

The personnel policy and all rules and regulations adopted pursuant thereto shall be binding on all Town employees. The Town Manager, Town Attorney, members of the Town Board of Commissioners and advisory boards and commissions will be exempted except in sections where specifically included. An employee violating any of the provisions of this policy shall be subject to appropriate disciplinary action, as well as prosecution under any civil or criminal laws which have been violated.

Comment [MSOffice8]: This and the other numbers in the rest of the article reflect the changes in the above sections.

Section 6. Departmental Rules and Regulations

Because of the particular personnel and operational requirements of the various departments of the Town, each department is authorized to establish supplemental written rules and regulations applicable only to the personnel of that department. All such rules and regulations shall be subject to the approval of the Town Manager, and shall not in any way conflict with the provisions of this Policy, but shall be considered as a supplement to this Chapter.

Section 7. Definitions

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Full-time employee. An employee who is in a position for which an average work week equals at least 35 hours, and continuous employment of at least 12 months, are required by the Town.

Part-time employee. An employee who is in a position for which an average work week of at least 20 hours and less than 40 hours and continuous employment of at least 12 months are required by the Town.

Regular employee. An employee appointed to a full or part-time position who has successfully completed the designated probationary period.

Probationary employee. An employee appointed to a full or part-time position who has not yet successfully completed the designated probationary period.

Temporary employee. An employee appointed to a position for which either the average work week required by the Town over the course of a year is less than 20 hours, or continuous employment required by the Town is less than 12 months.

Trainee. An employee status when an applicant is hired (or employee promoted) who does not meet all of the requirements for the position. During the duration of a trainee appointment, the employee is on probationary status.

ARTICLE II. POSITION CLASSIFICATION PLAN

Section 1. Purpose.

The position classification plan provides a complete inventory of all authorized and permanent positions in the Town service, and an accurate description and specification for each class of employment. The plan standardizes job titles, each of which is indicative of a definite range of duties and responsibilities.

Section 2. Composition of the Position Classification Plan

The classification plan shall consist of:

- a) a grouping of positions in classes which are approximately equal in difficulty and responsibility which call for the same general qualifications, and which can be equitably compensated within the same range of pay under similar working conditions;
- b) class titles descriptive of the work of the class;
- c) written specifications for each class of positions; and
- d) an allocation list showing the class title of each position in the classified service.

Section 3. Use of the Position Classification Plan

The classification plan is to be used:

- a) as a guide in recruiting and examining applicants for employment;
- b) in determining lines of promotion and in developing employee training programs;
- c) in determining salary to be paid for various types of work;
- d) in determining personnel service items in departmental budgets; and
- e) in providing uniform job terminology.

Section 4. Administration of the Position Classification Plan

The Town Manager shall allocate each position covered by the classification plan to its appropriate class, and shall be responsible for the administration of the position classification plan. The Town Manager shall periodically review portions of the classification plan and recommend appropriate changes to the Town Board of Commissioners.

Section 5. Adoption of the Position Classification Plan

The position classification plan shall be adopted by the Town Board of Commissioners and shall be on file with the Town Clerk. Copies will be available to all Town employees for review upon request. New positions shall be established upon recommendation of the Town Manager and approval of the Town Board of Commissioners after which the Town Manager shall either allocate the new position into the appropriate existing class, or revise the position classification plan to establish a new class to which the new position may be allocated.

Section 6. Request for Reclassification

Any employee who considers the position in which classified to be improper shall submit a request in writing for reclassification to such employee's immediate supervisor, who shall immediately transmit the request through

the department head to the Town Manager. Upon receipt of such request, the Town Manager shall study the request, determine the merit of the reclassification, and make a decision to revise the classification and pay plan where necessary.

ARTICLE III. THE PAY PLAN

Section 1. Definition

The pay plan includes the basic salary schedule and the "Assignment of Classes to Grades and Ranges" adopted by the Board of Commissioners. The salary schedule consists of steps rates of pay for minimum or beginning, maximum, and may include intervening rates of pay for all classes of positions, and a designation of the standard hours in the work week for each position.

Comment [MSOffice9]: the words "may include" were added, so that your schedule may be an open range rather one with designated steps. This gives you more flexibility in pay administration.

Section 2. Administration and Maintenance

The Town Manager shall be responsible for the administration and maintenance of the pay plan. All employees covered by the pay plan shall be paid at a rate listed within the salary range established for the respective position classification, except for employees in trainee status or employees whose existing salaries are above the established maximum rate following transition to a new pay plan.

The pay plan is intended to provide equitable compensation for all positions, reflecting differences in the duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the cost of living, the financial conditions of the Town, and other factors. To this end, each budget year the Town Manager shall make comparative studies of all factors affecting the level of salary ranges including the consumer price index, anticipated changes in surrounding employer plans, and other relevant factors, and will recommend to the Town Board of Commissioners such changes in salary ranges as appear to be pertinent. Such changes shall be made in the salary ranges such that the hiring rate, all intervening rates and the maximum change according to the market.

Periodically, the Town Manager shall recommend that individual salary ranges be studied and adjusted as necessary to maintain market competitiveness. Such adjustments will be made by increasing or decreasing the assigned salary grade for the class and adjusting the rate of pay for employees in the class when the action is approved by the Town Board of Commissioners.

Section 3. Starting Salaries

All persons employed in positions approved in the position classification plan, including temporary employees (such as Reserve Police Officers) employed to perform the same duties as full and part-time regular positions, shall be employed at the minimum salary for the classification in which they are employed; however, exceptionally well qualified applicants may be employed above the minimum of the established salary range upon approval of the Town Manager.

Comment [MSOffice10]: Recommended addition

Section 4. Trainee Designation and Provisions

Applicants being considered for employment or Town employees who do not meet all of the requirements for the position for which they are being considered may be hired, promoted, demoted, or transferred by the Town Manager to a "trainee" status. In such cases, a plan for training, including a time schedule, must be prepared by the department head. "Trainee" salaries may be no more than two grades below the hiring rate salary established for the position for which the person is being trained. A new employee designated as "trainee" shall be regarded as a probationary employee.

If the training is not successfully completed to the satisfaction of the Town Manager, the trainee shall be transferred, demoted, or dismissed. If the training is successfully completed, the employee shall be paid at least at the hiring rate established for the position for which the employee was trained.

Section 5. Probationary Pay Increases

Subject to the availability of funds, employees hired, promoted, or reclassified into the minimum rate of the pay range shall receive a salary increase within the pay range of 5% upon successful completion of the probationary period, or upon completion of six months of satisfactory service if the employee is not on probation.

Employees serving a twelve month probationary period may be considered for this increase after six months of employment. Employees hired or promoted above step-3 more than 15% above the hiring rate of the pay table are not eligible for a probationary increase.

Comment [MSOffice11]: Do you want to continue this practice? Shaded text is recommended to be added to replace the crossed out language. Also shaded text in the first line recommended to be added.

Section 6. Pay Range Movement/ Merit Pay

Subject to availability of funds, employees in steps 1 through 8 of the pay plan may move one step per year with salaries below the midpoint may be granted a salary increase on their anniversary date based upon a level of performance that meets performance requirements for their respective jobs. Once an employee reaches step-9 the midpoint of the pay plan, salary movement to additional steps requires that the employee's performance exceed performance requirements for his or her job. Upward movement within the established salary range for an employee is not automatic, but rather based upon specific performance-related criteria and is called Merit Pay. Procedures for determining performance levels shall be established in procedures approved by the Town Manager.

Comment [MSOffice12]: Recommended change in wording to reflect an open pay plan (without steps) – a plan which has more flexibility than one with steps. A

Section 7. Merit Pay Bonus

Subject to availability of funds employees who are at the top step rate of the salary range for their position classification are eligible to be considered for a Merit Bonus at their regular performance evaluation time. Merit bonuses shall be awarded based upon the performance of the employee as described in the performance evaluation and in the same amounts as employees who are within the salary range. Merit bonuses shall be awarded in lump sum payments and do not become part of base pay.

Section 8. Salary Effect of Promotions, Demotions, Transfers, and Reclassifications

Promotions. When an employee is promoted, the employee's salary shall normally be advanced to the minimum level (step-1) of the new position, or to a salary which provides an increase of at least 5% over the employee's salary before the promotion, provided, however, that the new salary may not exceed the maximum rate of the new salary range. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility.

Comment [MSOffice13]: We recommend an open salary range the word approximately may be eliminated in this section and others where it appears. We have crossed out references to steps and eliminated the word "approximately".

Demotions. When an employee is demoted to a position for which qualified, the salary shall be set at the rate in the lower pay range which provides a salary commensurate with the employees' qualifications to perform the job when the demotion is not the result of discipline. If the current salary is within the new range, the employee's salary may be retained at the previous rate if appropriate. If the demotion is the result of discipline, the salary shall be decreased at least 5%, and may be no greater than the maximum of the new range.

Transfers. The salary of an employee reassigned to a position in the same class or to a position in a different class within the same salary range shall not be changed by the reassignment.

Reclassifications. An employee whose position is reclassified to a class having a higher salary range shall receive a pay increase of 5% or an increase to the minimum (step-1) of the new pay range, whichever is higher. If the employee has completed probation, the employee's salary shall be advanced to at least the probation completion amount in the new range.

If the position is reclassified to a lower pay range, the employee's salary shall remain the same. If the employee's salary is above the maximum established for the new range, the salary of that employee shall be maintained at the current level until the range is increased above the employee's salary.

Section 9. Salary Effect of Salary Range Revisions

When a class of positions is assigned to a higher salary range, employees in that class shall receive a pay increase of at least 5%, or to the minimum step (step-1) of the new range, whichever is higher. If the employee has passed probation, the employee's salary shall be advanced at least to the probation completion amount in the new range. When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum step established for the new class, the salary of that employee shall be maintained at that level until such time as the employee's salary range is increased above the employee's current salary.

Section 10. Transition to a New Salary Plan

The following principles shall govern the transition to a new salary plan:

- 1) No employee shall receive a salary reduction as a result of the transition to a new salary plan.
- 2) All employees being paid at a rate lower than the minimum rate (step-1) established for their respective classes shall have their salaries raised to the new minimum for their classes.
- 3) ~~All employees being paid at a rate below the maximum rate established for their respective classes shall be paid at a rate listed in the salary schedule; all employees not at a listed rate shall have their salaries raised to a listed rate.~~
- 3) All employees being paid at a rate above the maximum rate established for their respective classes shall be maintained at that salary level until such time as the employees' salary range is increased above the employees' current salary.

Comment [MSOffice14]: The recommended policy leaves out this provision in your current one: a requirement that employee salaries be put on a step. Since the recommended pay plan would only have a minimum and maximum rate and intervening rates of pay, placement on a step would not be necessary. (The lack of steps gives you more flexibility in your pay system.)

Section 11. Effective Date of Salary Changes

Salary changes approved after the first working day of a pay period shall become effective at the beginning of the next pay period, or at such specific date as may be provided by procedures approved by the Town Manager.

Section 12. Overtime Pay Provisions

~~Employees of the Town can be requested and may be required to work in excess of their regularly-scheduled hours as necessitated by the needs of the Town and determined by the Department Head. To the extent that local government jurisdictions are so required, the Town will comply with the Fair Labor Standards Act (FLSA). The Town Manager shall determine which jobs are "non-exempt" and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions.~~

~~Non-exempt employees will be paid at a straight-time rate for hours up to the FLSA-established limit for their position (usually 40 hours in a 7-day period; 171 hours for police personnel in a 28-day cycle). Hours worked beyond the FLSA established limit will be compensated in either time or pay at the appropriate overtime rate. In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will vacation, sick leave, or holidays be included in the computation of hours worked for FLSA purposes. However, when employees are called back to perform unscheduled work when on vacation or on a holiday, a premium for those hours will be paid at one and one-half time instead of straight time. Compensatory leave requires approval by the Town Manager when creating a balance that exceeds 100 hours.~~

~~Whenever practicable, departments will schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be paid in accordance with the FLSA.~~

~~Employees in positions determined to be "exempt" from the FLSA (as Executive, Administrative, or Professional staff) will not receive pay for hours worked in excess of their normal work periods. These employees may be granted compensatory leave by their supervisor on an hour-for-hour basis where the convenience of the department allows and in accordance with procedures established by the Town Manager. Such compensatory time is not guaranteed to be taken and ends without compensation upon separation from the organization.~~

Comment [MSOffice15]: See replacement language below

Section 12. Fair Labor Standards Act and Overtime Compensation

Comment [MSOffice16]: This section is recommended to replace the one previously titled "Overtime Compensation". It incorporates new provisions in FLSA, separates out discussion of non exempt vs. exempt employees, and writes language to be flexible in payment of OT but also for compensatory time.

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the Manager.

The Town will comply with the Fair Labor Standards Act (FLSA). The Town Manager shall determine which jobs are "non-exempt" and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions.

Employees are expected to work during all assigned periods exclusive of breaks or mealtimes. Employees are not to perform work at any time that they are not scheduled to work, unless they receive approval from their immediate supervisor, except in cases of emergency.

Non-exempt employees: Non-exempt employees will be compensated at a straight time rate for hours up to the FLSA established limit for their position. For most positions the limit is 40 hours in a 7 day period. Police and Fire employees have longer pay cycles for determining eligibility of overtime.

Hours worked beyond the FLSA established limit will be compensated in either time off or pay at the appropriate overtime rate. Compensatory leave requires approval by the Manager when creating a balance that exceeds 100 hours.

In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will vacation, sick leave, or holidays be included in the computation of hours worked for FLSA purposes. Nonexempt employees separating from employment shall be paid for their compensatory time balances.

Whenever practicable, departments will schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be compensated -- pay or time off at a time and a half rate -- in accordance with the FLSA.

When employees are required to work long and continuous hours, the Board may approve compensation at time and a half or double time for those hours worked and/or grant time off with pay for rest and recuperation to ensure safe working conditions.

Exempt employees: Employees in positions determined to be "exempt" from the FLSA (as Executive, Administrative, or Professional staff) are paid on a salary basis and will not receive pay for hours worked in excess of their normal work periods. These employees may be granted compensatory leave by their supervisor on an hour for hour basis where the convenience of the Town allows and as approved the Board. Such compensatory time is not guaranteed to be taken and ends without compensation upon separation from the organization.

The Town intends to make deductions from the pay of exempt employees for authorized reasons and prohibits improper pay deductions. Exempt employees who wish to question deductions they believe to be improper may use the Town's Grievance procedure, as explained in this policy. If the deduction is found to be improper the Town will reimburse the employee for lost pay.

In declared disaster or emergency situations requiring long and continuous hours of work, exempt employees may be compensated at a rate of up to double time and/or be granted time off with pay for rest and recuperation to ensure safe working conditions for the duration of the emergency period, at the approval of the Board.

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the Department Head. In any emergency situation, salaried employees may be switched from salary to hourly wages for the duration of the emergency period if their predominant duties are of a non-exempt nature.

Comment [pwt17]: This provision is so that the Town does not incur large liability for overtime. Although FLSA allows 240 for regular and 480 for law enforcement and fire staff, we recommend a lower cap so the Town doesn't incur a large OT liability.

Comment [pwt18]: This provision would facilitate FEMA reimbursement if utilized in time of emergency.

Comment [pwt19]: Recommended provision (not required by FLSA but would facilitate FEMA reimbursement if utilized in time of emergency)

Rest Periods and Breaks

Comment [MSOffice20]: This is a recommended new provision.

Due to the variation in work schedules and needs among departments, the Town makes no attempt to define a uniform policy for rest periods or breaks. Department supervisors may establish appropriate rest period practices which best serve the Town's interest within the work units under their supervision. Such practices shall be subject to review of the Manager, and shall be limited to one rest period or break in the morning and in the afternoon no longer than 15 minutes each. Each employee's regular work day schedule will include a meal break (normally mandatory) of at least 30 minutes, but not more than one hour, near the middle of their shift. The meal breaks are unpaid time and the two 15 minute rest periods are paid time. If an employee must miss a meal break due to an emergency situation, the supervisor will make a reasonable effort to accommodate a meal break later in the shift.

Section 13. Call-back and Stand-by Pay

The Town provides a continuous twenty-four hour a day, seven day a week service to its customers. Therefore, it is necessary for certain employees to respond to any reasonable request for duty at any hour of the day or night. One of the conditions of employment with the Town is the acceptance of a share of the responsibility for continuous service, in accordance with the nature of each job position. If an employee fails to respond to reasonable calls for emergency service, either special or routine, the employee shall be subject to disciplinary actions up to and including dismissal by the Town Manager.

Call-back. Non-exempt employees will be guaranteed a minimum payment of two hour's wages for being called back to work outside of normal working hours. "Call-back" provisions do not apply to previously scheduled overtime work.

Stand-by. Non-exempt employees required to be on "stand-by" duty will be paid for five hours of work for each week (approximately 128 hours, excluding work time) of stand-by time they serve. Stand-by compensation for less than one full week shall be determined by the ratio of .04 hours of pay per one hour of stand-by time. Hours actually worked while on stand-by are calculated beginning when the employee reports to the work site and are added to the regular total of hours worked for the week. Stand-by time is defined as that time when an employee must remain near an established telephone or otherwise substantially restrict personal activities in order to be ready to respond when called.

Section 14. Payroll Deduction

Deductions shall be made from each employee's salary, as required by law. Additional deductions may be made upon the request of the employee on determination by the Town Manager as to capability of payroll equipment and appropriateness of the deduction.

Section 15. Hourly Rate of Pay

Employees working in a part-time or temporary capacity with the same duties as full-time employees will work at a rate in the same salary range as the full-time employees. The hourly rate for employees working other than 40 hours per week, such as police officers working an average 42 hours per week, will be determined by dividing the average number of hours worked scheduled per year into the annual salary for the position.

Section 16. Longevity Pay

Subject to availability of funds, full-time and part-time employees of the town are compensated for years of service by payment of a longevity supplement based on the following table:

Comment [MSOffice21]: Recommended addition of shaded language.

<u>Years of Service</u>	<u>Longevity Amount</u>
2 - 4	\$100
5 - 9	\$300
10-19	\$500

20 plus

\$700

Years of service are calculated on a calendar year basis as of June 30 of each year.

Longevity pay will be issued on the last regular pay period in November or on a date in November designated by the Town Manager.

Section 17: Payment of Travel Expenses

Expenses incurred as a part of the job for the Town will be reimbursed at the rate set by the IRS, and meals and lodging reimbursed at actual reasonable costs, or an established per diem. When anticipated that the per diem will be exceeded, the Board may elect to increase the rate before the travel is incurred. To receive a cash advance the appropriate travel authorization form must be completed by the employee and submitted to the Manager no later than 5 working days prior to the date upon which travel will commence.

All travel claims must be supported by detailed documentation, usually in the form of receipts or similar vouchers.

The Manager may deny reimbursement of any questionable, unsupported or excessive expense claim submitted by the employee.

Each trip to a destination outside the state must be authorized by the Manager.

Section 18: Certification Salary Increases

Subject to availability of funds, employees who achieve certifications above those required by their classifications or which are directly related to higher skills or different potential tasks may be rewarded with a pay increase in an amount recommended by the Town Manager. The bonus may be either in the form of a salary increase within the range, or a one-time payment not a part of base pay. Employees are eligible for these increases for achieving certifications directly related to their work as such as code enforcement, utility plant operations, utility collection and distribution system operations, inspections, and for advanced or specialized law enforcement training.

Section 19: Reimbursement of Training Expenses

An employee who enters a voluntary but job-related training program or educational course, with the prior approval of the Manager, may be reimbursed for expenses such as tuition and books upon successful completion of the program. The Board may set annual limits for the amount of reimbursement. If the employee leaves employment with the Town within twenty-four months thereafter, the employee shall reimburse the Town for such expenses.

Section 20. Pay for "Interim" assignment in a Higher Level Classification

An employee who is formally designated for a period of at least one month to perform the duties of a job that is assigned to a higher salary grade than that of the employee's regular classification shall receive an increase for the duration of the "acting" assignment. The employee shall receive a salary adjustment to the entry level of the job in which the employee is acting or an increase of 10%. Criteria involved in determining the amount of compensation shall include

- a) the difference between the existing job and that being filled on a temporary basis, and
- b) the degree to which the employee is expected to fulfill all the duties of the temporary assignment.

The salary increase shall be temporary and the employee shall go back to the salary he or she would have had if not assigned to the "acting" role upon completion of the assignment.

Comment [MSOffice22]: New provision recommended for your consideration.

Comment [MSOffice23]: Recommended new provision.

Comment [pwt24]: New provision recommended for your consideration.

Comment [MSOffice25]: New provision recommended for your consideration.

ARTICLE IV. RECRUITMENT AND EMPLOYMENT

Section 1. Equal Employment Opportunity Policy

It is the policy of the Town to foster, maintain and promote equal employment opportunity. The Town shall select employees on the basis of the applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, including upgrading and promotion, without regard to age, sex, race, color, religion, national origin, disability, pregnancy, political affiliation, or marital status. Applicants with physical disabilities shall be given equal consideration with other applicants for positions in which their disabilities do not represent an unreasonable barrier to satisfactory performance of duties with or without reasonable accommodation.

Section 2. Implementation of Equal Employment Opportunity Policy

All personnel responsible for recruitment and employment will continue to review regularly the implementation of this personnel policy and relevant practices to assure that equal employment opportunity based on reasonable, job-related requirements is being actively observed to the end that no employee or applicant for employment shall suffer discrimination because of age, sex, race, color, religion, disability, national origin, political affiliation, or marital status. Notices with regard to equal employment matters shall be posted in conspicuous places on Town premises in places where notices are customarily posted.

Section 3. Recruitment, Selection and Appointment

Recruitment Sources. When position vacancies occur, Department Heads shall publicize these opportunities for employment, including applicable salary information and employment qualifications. Information on job openings and hiring practices will be provided to recruitment sources, including organizations and news media available to minority applicants. In addition, notice of vacancies shall be posted at designated conspicuous sites within departments. Individuals shall be recruited from a geographic area as wide as necessary to ensure that well-qualified applicants are obtained for Town service. The North Carolina Employment Security Commission shall normally be used as a recruitment source.

Job Advertisements. Jobs will be advertised in local newspapers, professional publications, and other relevant publications in order to establish a diverse and qualified applicant pool. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

Application for Employment. All persons expressing interest in employment with the Town shall be given the opportunity to file an application for employment for positions which are vacant.

Applicant Interest Card. Persons interested in employment with the Town may complete an applicant interest card concerning all of the positions for which they wish to apply. These cards will be maintained for a period of six months. When a vacancy occurs in positions of interest, the card will be sent, notifying the person and requesting that the person complete an application before the designated deadline.

Application Reserve File. Applications shall be kept in an inactive reserve file for a period of two years, in accordance with Equal Employment Opportunity Commission guidelines.

Selection. Department heads shall make such investigations and conduct such examinations as necessary to assess accurately the knowledge, skills, and experience qualifications required for the position, including criminal history where job-related using the DCI when needed. All selection devices administered by the Town shall be valid measures of job performance.

Appointment. Before any commitment is made to an applicant either internal or external, the Department Head shall make recommendations to the Town Manager with a recommendation of the position to be filled, the salary

to be paid, and the reasons for selecting the candidate over other candidates. The Town Manager shall approve appointments and the starting salary for all applicants.

Section 4. Probationary Period

An employee appointed or promoted to a permanent position shall serve a probationary period. Employees shall serve a six month probationary period, except that emergency personnel such as sworn police personnel, and department heads shall serve a twelve month probationary period. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress. Employees serving a twelve-month probation shall have a probationary review at the end of six months as well as before the end of twelve months.

An important purpose of the probationary period is to provide an opportunity for the appointee to adjust to the new job. Likewise it serves as a trial period during which the employee demonstrates his or her ability to perform the work, to accept additional responsibility, to demonstrate good work habits and to work well with the public and fellow employees. Before the end of the probationary period, the supervisor shall conduct a performance evaluation conference with the employee and discuss accomplishments, strengths, and needed improvements. A summary of this discussion should be documented in the employee's personnel file. The supervisor shall recommend in writing whether the probationary period should be completed, extended, or the employee transferred, demoted, or dismissed. Probationary periods may be extended for a maximum of six additional months.

Comment [MSOffice26]: The first 2 sentences are not in your current policy but are recommended

Disciplinary action, including demotion and dismissal, may be taken at any time during the probationary period of a new hire without following the steps outlined in this policy. A promoted employee who does not successfully complete the probationary period may be transferred or demoted to a position in which the employee shows promise of success. If no such position is available, the employee shall be dismissed. Promoted and demoted employees who are on probation retain all other rights and benefits such as the right to use of the grievance procedures.

Upon successful completion of the probationary period, the employee is eligible to be considered for a probationary pay increase as outlined in Article III, and to use annual leave as outlined in Article VII.

Comment [MSOffice27]: Recommended additional language based on current policy.

Section 5. Promotion

Promotion is the movement of an employee from one position to a vacant position in a class assigned to a higher salary range. It is the Town's policy to create career opportunities for its employees whenever possible. Therefore, when a current employee applying for a vacant position is best suited of all applicants, that applicant shall be appointed to that position. The Town will balance three goals in the employment process:

- 1) the benefits to employees and the organization of promotion from within;
- 2) providing equal employment opportunity and a diversified workforce to the community; and
- 3) obtaining the best possible employee who will provide the most productivity in that position.

Therefore, except in rare situations where previous Town experience is essential or exceptional qualifications of an internal candidate so indicate, the Town will consider external and internal candidates for selection rather than automatically promote from within. Candidates for promotion shall be chosen on the basis of their qualifications and their work records. Internal candidates shall apply for promotions using the same application process as external candidates.

Section 6. Demotion

Demotion is the movement of an employee from one position to a position in a class assigned to a lower salary

range. Demotion may be voluntary or involuntary. An employee whose work or conduct in the current position is unsatisfactory may be demoted provided that the employee shows promise of becoming a satisfactory employee in the lower position. Such disciplinary demotion shall follow the disciplinary procedures outlined in this chapter.

An employee who wishes to accept a position with less complex duties and reduced responsibilities may request a voluntary demotion. A voluntary demotion is not a disciplinary action and is made without using the above-referenced disciplinary procedures.

Section 7. Transfer

Transfer is the movement of an employee from one position to a position in a class in the same salary range. If a vacancy occurs and an employee in another department is eligible for a transfer, the employee shall apply for the transfer using the usual application process. The Department Head wishing to transfer an employee to a different department or classification shall make a recommendation to the Town Manager with the consent of the receiving department head. Any employee transferred without requesting the action may appeal the action in accordance with the grievance procedure outlined in this chapter. An employee who has successfully completed a probationary period may be transferred into the same classification without serving another probationary period.

ARTICLE V. CONDITIONS OF EMPLOYMENT

Section 1. Work Schedule and Employee Attendance

Department heads shall establish work schedules, with the approval of the Town Manager, which meet the operational needs of the department in the most cost effective manner possible.

Because Town services are essential and continuous, an employee shall avoid unnecessary absences and tardiness. Attendance and punctuality are important responsibilities of the employee which may influence his/her future eligibility for a merit pay increase for promotion.

Comment [MSOffice2B]: These 3 paragraphs and the title on Attendance are recommended.

The employee shall be required to call his supervisor in advance to advise him/her when illness prevents reporting to work, or when the employee expects to be late for work because of unusual and unavoidable circumstances.

If an employee is away from the job for 3 consecutive work days without notice, it may be presumed that the employee has resigned and forfeited any claim to terminal pay for accumulated vacation.

Section 2. Political Activity

Each employee has a civic responsibility to support good government by every available means and in every appropriate manner. Each employee may join or affiliate with civic organizations of a partisan or political nature, may attend political meetings, may advocate and support the principles or policies of civic or political organizations in accordance with the Constitution and laws of the State of North Carolina and in accordance with the Constitution and laws of the United States. However, no employee shall:

- a) Engage in any political or partisan activity while on duty;
- b) Use official authority or influence for the purpose of interfering with or affecting the result of a nomination or an election for office;
- c) Be required as a duty of employment or as condition for employment, promotion or tenure of office to contribute funds for political or partisan purposes;
- d) Coerce or compel contributions from another employee of the Town for political or partisan purposes;
- e) Use any supplies or equipment of the Town for political or partisan purposes; or
- f) Be a candidate for nomination or election to office under the Town Charter;

Any violation of this section shall subject the employee to disciplinary action including dismissal.

Section 3. Outside Employment

The work of the Town shall have precedence over other occupational interests of employees. All outside employment for salaries, wages, or commissions and all self-employment must be reported in advance to the employee's supervisor, who in turn will report it to the Department Head. The Department Head will review such employment for possible conflict of interest and then submit a record of the employment and review to the personnel file. Conflicting or unreported outside employment are grounds for disciplinary action up to and including dismissal. Documentation of the approval of outside employment will be placed in the employee's personnel file.

Examples of conflicts of interest in outside employment *include but are not limited to:*

- a) employment with organizations or in capacities that are regulated by the employee or employee's department; or
- b) employment with organizations or in capacities that negatively impact the employee's perceived integrity, neutrality, or reputation related to performance of the employee's Town duties. (such as working for a company where significant Town purchases are ordered by the employee).

Comment [MSOffice29]: Recommended additions

The Town may require that employees report outside employment including salaries, wages, or commissions and all self-employment in advance to the employee's supervisor. The supervisor would review such employment for possible conflict of interest and then submit a record of the employment and review to the personnel file. Documentation of the approval of outside employment would be placed in the employee's personnel file.

This section does not apply to volunteers performing work for the Town, nor to volunteer activities of employees.

Off the job injuries: An employee who sustains an injury or illness in connection with outside employment and is receiving Workers' Compensation from that employer shall not be entitled to receive Town Workers Compensation benefits or accrued Town sick leave.

In cases where that off the Town job employment-related injury or illness results in temporary disability, an employee must either

- a) request and obtain a leave of absence without pay;
- b) request and use accrued vacation leave; or
- c) be subject to termination by the Town due to lack of availability for work, following a three month absence

Section 4. Dual Employment

A full or part-time employee of the Town may simultaneously hold another position with the Town if the temporary position is in a different department and clearly different program area from that of the full or part-time position. The work of the temporary position must also be performed on an occasional or sporadic basis and identified in Fair Labor Standards Act regulations. However, the work of the full or part-time position shall take precedence over the temporary position, and such work will not count toward the calculation of overtime for pay or time off.

Section 5. Employment of Relatives

The Town prohibits the hiring and employment of immediate family in permanent positions within the same work unit. "Immediate Family" is defined in Article VII, Section 12. The Town also prohibits the employment of any person into a permanent position who is an immediate family member of individuals holding the following positions: Mayor, Mayor Pro Temp, Town Board of Commissioners Member, Town Manager, Town Clerk, or Town Attorney. Otherwise, the Town will consider employing family members or related persons in the service of the Town, provided that such employment does not:

- 1) result in a relative supervising relatives;
- 2) result in a relative auditing the work of a relative;
- 3) create a conflict of interest with either relative and the Town; or
- 4) create the potential or perception of favoritism.

This provision shall not apply retroactively to anyone employed when the provision is adopted by the Town.

Section 6. Harassment Prohibited

The Town prohibits harassment in any form that is based on sex, race, color, religion, national origin, age, and/or disability. Harassment is defined as conduct that culminates in tangible employment action or is sufficiently severe or pervasive to create a hostile work environment.

A particular form of harassment, sexual harassment, is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when

- 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment includes repeated offensive sexual remarks, continual or repeated comments about an individual's body and offensive sexual language.

Any employee who believes that he or she may have a complaint of harassment may follow the Grievance Procedure described in this Policy or may file the complaint directly with the Human Resources Officer or Department Head who will immediately notify the Town Manager. The employee may file the complaint directly with the Town Manager if it involves a Department Head. The Human Resources Officer will insure that an investigation is conducted into any allegation of harassment and advise the employee and appropriate management officials of the outcome of the investigation.

Employees who are found to be engaged in harassment are subject to disciplinary action up to and including dismissal. Employees making complaints of harassment are protected against retaliation from alleged harassers or other employees.

Section 7. Solicitation and Acceptance of Gifts and Favors

No official or employee of the Town shall solicit or accept any gift, favor, or thing of value that may tend to influence such employee in the discharge of the employee's duties, or grant in the discharge of duty an improper favor, service, or thing of value.

Section 7. Expectation of Ethical Conduct

The proper operation of Town government requires that public officials and employees be independent, impartial, and responsible to the people; that governmental decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government.

As stewards of public resources and holders of the public trust, Town employees are expected to uphold the highest standards of ethical conduct while fulfilling their job duties and responsibilities.

Employees shall not accept gifts, loans or thing of value (more than \$25) from organizations, business firms, or individuals with whom they have official relationships because of Town business. These limitations do not prohibit the acceptance of articles of negligible value which are distributed generally, nor prohibit employees from accepting social courtesies that promote good public relations, nor prohibit employees from obtaining loans from public lending institutions. It is particularly important that inspectors, contracting officers, and enforcement officers guard against relationships that might be construed as evidence of favoritism, coercion, unfair advantage, or collusion.

Comment [MSOffice30]: This is recommended to replace your current section 7, to put the emphasis on expectations.

Comment [pwt31]: This is a provision for your consideration. Some organizations set a small limit that allow sanitation collectors to accept cash left on the can, or Town Hall staff to accept Christmas cookies. Other organizations do not want employees accepting anything. Your choice to decide what is right for you.

Section 8. Performance Evaluation

Supervisors and/or Department Heads shall conduct Performance Evaluation conferences with each employee at least once a year. These performance evaluations shall be documented in writing and placed in the employee's personnel file. Procedures for the performance evaluation program shall be published by the Town Manager.

Section 9. Safety

Safety is the responsibility of both the Town and employees. It is the policy of the Town to establish a safe work environment for employees. The Town shall establish a safety program including policies and procedures regarding safety practices and precautions and training in safety methods. Department Heads and supervisors are responsible for insuring the safe work procedures of all employees and providing necessary safety training programs. Employees shall follow the safety policies and procedures and attend safety training programs as a condition of employment. Employees who violate such policies and procedures shall be subject to disciplinary action up to and including dismissal.

Section 10. Substance Abuse Policy

The Town may establish policies and procedures related to employee substance abuse in order to insure the safety and well-being of citizens and employees, and to comply with any state, federal, or other laws and regulations.

The Town:

- a) prohibits employees from being under the influence of legal or illegal substances while on duty,
- b) is authorized to conduct pre-employment drug tests for safety sensitive positions,
- c) is authorized to conduct drug and alcohol tests based on a reasonable suspicion that the employee in any Town position is under the influence of substances on the job, and
- d) where authorized by federal law, is authorized to conduct random and post accident drug tests for any employees subject to federal Department of Transportation drug-testing regulations.

Section 11. Use of Town Property and Equipment:

Town equipment, materials, tools and supplies shall not be available for personal use and are not to be removed from Town property except in the conduct of official Town business. No employee shall purchase for personal use any equipment or supplies through Town purchase accounts.

Vehicles: An employee shall care for vehicles and equipment owned by the Town in the same responsible manner in which he/she should care for his/her own. Vehicles are to be used for official Town business, and personal use of Town vehicles and use of Town gasoline in privately owned vehicles is strictly prohibited. Under extraordinary circumstances such as weather related emergencies (snow storms, hurricanes or flooding events) the Town Manager may temporarily authorized the use of Town vehicles for commuting to and from work or for shuttle runs to pick up employees whose personal vehicles are not suited for use in such conditions. Police Officers are authorized to take their vehicles home. The details of the Police Vehicle Take-home Policy are covered in a separate written policy document.

Telephones, e-mail and Internet: Usage of Town telephones and computers for personal communications and Internet connections or e-mail for personal reasons should be brief. Employees should not access pornographic sites or personal networking sites through Town equipment, or use Town phones for personal

Comment [MSOffice32]: If you have a separate policy that administrative procedure may be sufficient. The language below is provided in case you do not have such a policy

Comment [MSOffice33]: This final section applies to CDL employees; for non CDL people we recommend that the testing called "post accident" come under reasonable suspicion testing where the circumstances suggest a problem. (The ability to do random testing for non CDL and non-safety sensitive employees is limited – the School of Government doesn't recommend it.)

Comment [MSOffice34]: recommended new provisions

long-distance calls.

Town employees who are required to carry a cellular phone as part of their duties may elect to decline a Town owned phone and use their personal cellular phone for work purposes. Employees who elect to use their personal cellular phones for Town business will be paid an allowance of approximately 50% of the cost of their phone bill; however, the allowance will not exceed \$45.00 per month for those required to have e-mail capable cellular phone or \$25.00 per month for those required to have only voice communication capable cellular phones. By separate memorandum, the Town Manager will publish a list of those positions required to have cellular phones as part of their regular duties indicating which positions require e-mail capability and which require only voice communications.

Comment [MSOffice35]: Note: This is a provision added by the Town Manager to cover relevant cellphone coverage. (we concur with the addition)

Also, employees are warned that although they may have personal social networking sites, they are cautioned not show themselves in a Town uniform, make disparaging comments about coworkers or citizens encountered on the job, or purport to represent the Town on their personal networking sites.

Under North Carolina law e-mail sent or received by the Town is considered a public record and is subject to inspection upon request.

Surrender of property: An employee who is terminated shall be required to return all items of equipment, including uniforms, owned by the Town. Return of such equipment in good condition may precede the issuance of an employee's final paycheck.

Section 12: Adverse Weather and Emergency Conditions

The Town has responsibility for providing emergency services. Adequate staff are required to operate these critical services seven days per week and 24 hours per day in all weather. Supervisors should designate which staff are in critical positions required to report to work regardless of weather or other hazardous conditions. In emergency situations, designated supervisors or employees may be required to report to work.

Comment [MSOffice36]: This is a new provision in the policy and reflects language sometimes adopted by others. Please review carefully to assure that this coincides with your current practice or your desired policy

The adverse weather/hazardous conditions policy is established to be as fair as possible to all employees applying the following principles:

- a) maintain adequate staffing at all times of emergency services;
- b) provide for as much safety as possible for all employees in traveling to and from work in hazardous conditions; and
- c) not pay regular salaries to some employees for *not working* when others are required to be at work.

Town offices and departments shall remain open for the full scheduled working day unless authorization for closing or other deviation is received from the Town Manager. The Manager will consider the hazard of driving conditions and other relevant factors in determining whether to close Town offices to non-essential staff. All departments and offices will be given sufficient advance notice of any authorized closing of non-critical Town functions in major media. Upon authorizing a closing, non-critical staff who do not work do not get paid but may use vacation, earned compensatory time, or time without pay for the unworked hours. Employees who leave work before an official early closing time, as well as employees who report for work late or do not report for work because of hazardous conditions may also use earned vacation or compensatory leave for days or hours not worked.

Critical staff are required to report in emergency situations and should make preparations for care of family and personal needs to allow them to report for duty when required. Any employee in a position designated as critical who does not report to work or remain at work as directed by the Board shall be subject to disciplinary action.

The Manager may be called to determine if the offices will be open or closed. An employee unable to work due to inclement weather may use vacation or compensatory time.

Section 13. Immigration Law Requirements

All employees are required to furnish proof of citizenship or other required documents indicating a legal right to work in the United States. Copies of the completed I-9 form shall be a permanent part of their personnel file.

Section 14. Credentials and Certifications

Some duties assigned to positions in local government service may be performed only by persons who are duly licensed, registered or certified as required by the relevant law, rule or regulation. Employees in such classifications are responsible for maintaining current, valid credentials as required by law, rule or regulation, and must inform their supervisor immediately of any change in certification or license. Failure to obtain or maintain the required credentials is a basis for immediate dismissal without prior warning.

The Town will periodically check the driving records of employees to assure that appropriate licenses are still valid. Employees with marginal records (points or violations) may be removed from operation of vehicles at the discretion of the Manager, and may be terminated if a non-driving position is not available.

An employee who is dismissed shall be given a written statement of the reason for the action and his/her appeal rights.

Section 15. Weapons Policy

No person employed by the Town, either paid or volunteer, is permitted to possess any firearm or other dangerous weapon while performing duties, including while on Town property or any Town-owned vehicle or in any personal vehicle used by the employee to perform duties. (Law enforcement officers are exempt from this policy while performing their law enforcement tasks.)

Violation of this policy will result in mandatory disciplinary action, up to and including dismissal for the first offence.

Comment [MSOffice37]:
The second paragraph is at the suggestion of the League of Municipalities' Risk Management division.

ARTICLE VI. EMPLOYEE BENEFITS

Section 1. Eligibility

All full-time and part-time employees of the Town are eligible for employee benefits as provided for in this Article which are subject to change at the Town's discretion. Temporary employees are eligible only for workers' compensation and FICA.

Section 2. Group Health and Hospitalization Insurance

The Town provides group health and hospitalization insurance programs for full-time employees and their families, and part-time employees.

Employees who are scheduled to work 20 hours or more per week on a continuous year-round basis may, if they so desire, purchase available group health through the Town for themselves or for themselves and qualified dependents. A pro-rated amount of the cost of coverage paid for a full-time employee shall be paid by the Town with the remainder of the cost being paid by the employee. This pro-rated amount shall be based on regularly scheduled hours.

Employees who retire under the Local Government Employees' Retirement System before the age of 65 may continue the group health insurance coverage until they reach age 65 based upon the following schedule:

<u>Service to the Town</u>	<u>Health Insurance Paid by the Town</u>
0 - 14 years	0%
15 - 19	50%
20 - 24	75%
25 plus	100%

Coverage will be available only to those eligible dependents of the member covered on the day immediately preceding the date of retirement. Dependent coverage must be paid by the retiree. Dependent coverage will remain available until the retiree ceases to be eligible and in accordance with plan provisions (i. e. children who reach the maximum age limit cannot continue to be covered.)

Retiree coverage will continue until:

- 1) The retiree ceases to be eligible as a retired employee under the North Carolina Local Government Employees' Retirement System;
- 2) Retiree fails to pay any applicable fees on or before the date due;
- 3) Retiree becomes eligible for benefits under Medicare.

Retiree insurance provisions are subject to change.

Information concerning cost and benefits shall be available to all employees.

Section 3. Group Life Insurance

The Town may elect to provide group life insurance for each employee subject to the stipulations of the insurance contract. Employees may elect to purchase additional coverage and/or to insure other family members under this plan at their expense subject to the stipulations of the insurance contract.

Section 4. Other Optional Group Insurance Plans

The Town may make other group insurance plans available to employees upon authorization of the Town

Manager or Town Board of Commissioners.

Section 5. Retirement

Each employee who is expected to work for the Town more than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System when eligible as a condition of employment. New hires who are current members of the NC local or State Government Employees' Retirement Systems shall be covered under the retirement system by the Town on their first day of employment.

Comment [MSOffice38]: For our information: Are employee deductions made pre-tax? If so, this saves the Town and the employee money.

Section 6. Supplemental Retirement Benefits

The Town may provide supplemental retirement benefits for its full and part-time employees. Each law enforcement officer shall receive 401-K benefits as prescribed by North Carolina State Law. Each general employee may receive supplemental benefits as approved by the Town Board of Commissioners.

Comment [MSOffice39]: We understand that you have recently increased this to 5% for all employees – which was what we were going to recommend! FYI, in your area: Apex 5% / Asheboro 0 / Carrboro 3% / Chapel Hill 5% / Fuquay Varina 5% / Graham 5% / Sanford 5% / Siler City 2.5% / Chatham County 4.5%

The language is left vague so that it could be changed if need be in the future, without need to amend the personnel policy document.

Section 7. Social Security

The Town, to the extent of its lawful authority and power, has extended Social Security benefits for its eligible employees and eligible groups and classes of such employees.

Section 8. Workers' Compensation

All employees of the Town (full-time, part-time, and temporary) are covered by the North Carolina Workers' Compensation Act and are required to report all injuries arising out of and in the course of employment to their immediate supervisors at the time of the injury in order that appropriate action may be taken at once.

Responsibility for claiming compensation under the Workers' Compensation Act is on the injured employee, and such claims must be filed by the employee with the North Carolina Industrial Commission within two years from date of injury. The department head will assist the employee in filing the claim.

This provision also applies to reactions to small pox vaccinations administered to Town employees under Section 304 of the Homeland Security Act. Such reactions shall be treated the same as any other workers' compensation claim as regards leave and salary continuation.

Comment [MSOffice40]: New provision added by law.

Section 9. Unemployment Compensation

In accordance with Public Law 94-566 and subsequent amendments, local governments are covered by unemployment insurance. Town employees who are terminated due to a reduction in force or released from Town service may apply for benefits through the local Employment Security Commission office, where a determination of eligibility will be made.

Section 10. Tuition Assistance Program

Full-time employees who have completed initial probation may apply for tuition reimbursement for courses taken on their own time, which will improve their skills for their current job or prepare them for promotional opportunities within the Town service. Tuition, registration, fees, laboratory fees, and student fees are eligible expenses. Employees may be reimbursed eligible expenses up to a total of five-hundred-dollars one thousand dollars (\$1,000) per fiscal year. Satisfactory completion of the courses will be required for reimbursement. Requests for tuition assistance shall be submitted to the Department Head prior to course registration and are subject to the review and approval of Town Manager, subject to availability of funds.

Comment [MSOffice41]: This provision is in your current policy. However, the Town Manager suggested that the amount, not updated since 1999, be increased from \$500 to \$1000 annually, so that recommended change is shown here.

ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

Section 1. Policy

The policy of the Town is to provide annual leave, sick leave, and holiday leave to all full-time and part-time employees, and to provide proportionately equivalent amounts to employees having average work weeks of different lengths. Employees shall accrue leave proportionately with each payroll.

Section 2. Holidays

The Town will follow the holiday schedule as approved by the State of North Carolina for its employees. The holiday schedule will be posted by July 1 of each year for the coming fiscal year. Additionally, all full-time employees will be given one holiday on their birthday. If the employee's birthday falls on a weekend or other regular holiday, they will be allowed to choose a Monday or Friday nearest to their birthday as a day off for their birthday.

Comment [MSOffice42]: Shaded sentence reflects recent change by the Board.

Section 3. Holidays: Effect on Other Types of Leave

Regular holidays which occur during a vacation, sick or other leave period of any employee shall not be considered as vacation, sick, or other leave.

Section 4. Holidays: Compensations When Work is Required or Regularly Scheduled Off for Shift Personnel

Employees required to perform work on regularly scheduled holidays may be granted compensatory time off or be paid at their hourly rate for hours actually worked in addition to any holiday pay to which they are entitled. Compensatory time shall be granted whenever feasible. If a holiday falls on a regularly scheduled off-duty day for shift personnel, the employee shall receive the hours for paid holiday leave.

An employee required to work on Christmas Day any designated holiday will be paid at 1.5 times the hourly rate in addition to normal time off received for the holiday.

Comment [MSOffice43]: We understand this is your current policy

Section 5. Vacation Leave

Vacation leave is intended to be used for rest and relaxation, and may be used for medical appointments.

Vacation leave may also be used by employees who wish to observe religious holidays other than those granted by the Town. Employees who wish to use leave for religious observances must request leave from their respective department heads. The department head will attempt to arrange the work schedule so that an employee may be granted vacation leave for the religious observance. Annual leave for religious observance may be denied only when granting the leave would create an undue hardship for the Town.

Section 6. Vacation Leave: Use by Probationary Employees

Employees serving a probationary period following initial employment may accumulate vacation leave but shall not be permitted to take vacation leave during the probationary period. Employees shall be allowed to take accumulated vacation leave after six months of service. This provision may be waived by the Town Manager for special circumstances such as a death in the family or other family emergency. Employees who have preplanned family vacations, family weddings, etc., at the time of employment will be allowed to use leave without pay for such events.

Comment [MSOffice44]: The last 2 sentences are recommended addition to current policy.

Section 7. Vacation Leave: Accrual Rate

Each full and part-time employee of the Town shall earn annual leave at the following schedule, prorated by the average number of hours in the workweek:

Years of Service	Days Accrued Per Year
0 - 3	12
3 - 6	13.5
6 - 14	15
14 - 19	18
20 plus	21

Section 8. Vacation Leave: Maximum Accumulation

Vacation leave may be accumulated without any applicable maximum until December 31 of each year. However, if the employee departs from service, payment for accumulated vacation leave shall not exceed 30 days. Effective the last payroll in the calendar year, any employee with more than 30 days of accumulated leave shall have the excess accumulation removed so that only 30 days are carried forward to January 1 of the next calendar year. Employees are not eligible to receive pay for vacation time not taken.

Employees may have the excess vacation leave (over 30 days) converted to sick leave.

Employees are cautioned not to retain excess accumulated vacation leave until late in the year. Because of the necessity to keep all functions in operation, large numbers of employees cannot be granted vacation leave at any one time. If an employee has excess leave accumulation during the latter part of the year and is unable to take such leave because of staffing demands, the employee shall receive no special consideration either in having vacation leave scheduled or in receiving any exception to the maximum accumulation.

Section 9. Vacation Leave: Manner of Taking

Employees shall be granted the use of earned vacation leave upon request in advance at those times designated by the Department Head which will least obstruct normal operations of the Town. Department heads are responsible for insuring that approved vacation leave does not hinder the effectiveness of service delivery. Vacation may be taken in one hour (1 hour) increments.

Section 10. Vacation Leave: Payment upon Separation

An employee who has successfully completed six months of the probationary period will normally be paid for accumulated vacation leave upon separation not to exceed 30 days, provided notice is given to the supervisor at least two weeks in advance of the effective date of resignation. Any employee failing to give the notice required by this section shall forfeit payment for accumulated leave. The notice requirement may be waived by the Town Manager when deemed to be in the best interest of the Town. Employees who are involuntarily separated shall receive payment for accumulated annual leave subject to the 30 day maximum.

Section 11. Vacation Leave: Payment upon Death

The estate of an employee who dies while employed by the Town shall be entitled to payment of all the accumulated vacation leave credited to the employee's account not to exceed the maximums established in Section 8 of this Article.

Section 12. Sick Leave

Sick leave may be granted to a probationary or regular employee absent from work for any of the following reasons: sickness, bodily injury, required physical or dental examinations or treatment, or exposure to a contagious disease, when continuing work might jeopardize the health of others.

Sick leave may be used when an employee must care for a member of his or her immediate family who is ill but may not be used to care for healthy children when the regular caregiver is sick.

Comment [MSOffice45]: Recommended clarification

Sick leave may also be used for death in the employee's immediate family, but may not exceed three days for any single occurrence. Additional leave time required for such occurrence may be charged to vacation or other approved leave when approved by the department head and/or Town Manager.

Sick leave may also be used to supplement Workers' Compensation Disability Leave both during the waiting period before Workers' compensation benefits begin, and afterward to supplement the remaining one-third of salary, except that employee may not exceed the regular salary amount using this provision.

"Immediate family" shall be defined as spouse, child, parent or step-parent, brother, sister, grandparent, grandchild, son-in-law or daughter-in-law, aunt, or uncle of the employee or spouse of the employee, or guardian.

Notification of the desire to take sick leave should be submitted to the employee's supervisor prior to the leave or according to departmental procedures.

Section 13. Sick Leave: Accrual Rate and Accumulation

Sick leave shall accrue at a rate of one day per month of service or twelve days per year. Sick leave for full-time and part-time employees working other than the basic work schedule shall be pro-rated as described in this Article. Sick leave will be cumulative for an indefinite period of time and may be converted upon retirement for service credit consistent with the provisions of the North Carolina Local Government Employees' Retirement System.

All sick leave accumulated by an employee shall end and terminate without compensation when the employee resigns or is separated from the Town, except as stated for employees retiring or terminated due to reduction in force.

However, employees who resign in good standing or are dismissed from employment because of reduction in force and are reinstated within 3 years shall be credited with their previously accumulated sick leave. Employees who are dismissed from employment for reasons other than reduction in force or who are not reinstated within 3 years shall lose all sick leave credits.

Comment [MSOffice46]: Recommended addition

Section 14. Transfer of Sick Leave from Previous Employer

The Town will accept the transfer of sick leave for employees from other employers who are participants of the Local or State Employees Retirement System. The sick leave will be treated as though it were earned with the Town of Pittsboro. The sick leave amount must be certified by the previous employer.

Section 15. Sick Leave: Medical Certification

The employee's supervisor or Department Head may require a physician's certificate stating the nature of the employee's or family member's illness and the employee's capacity to resume duties, for each occasion on which an employee uses sick leave or whenever the supervisor observes a "pattern of absenteeism." The employee may be required to submit to such medical examination or inquiry as the Department Head deems desirable. The Department Head shall be responsible for the application of this provision to the end that:

- 1) Employees shall not be on duty when they might endanger their health or the health of other employees; and
- 2) There will be no abuse of leave privileges.

Claiming sick leave under false pretense to obtain a day off with pay shall subject the employee to disciplinary action up to and including dismissal.

Section 16. Leave Pro-rated

Holiday, annual, and sick leave earned by full-time and part-time employees with fewer or more hours than the basic work week shall be determined by the following formula:

- 1) The number of hours worked by such employees shall be divided by the number of hours in the basic work week (usually 40 hours).
- 2) The proportion obtained in step 1 shall be multiplied by the number of hours of leave earned annually by employees working the basic work week.
- 3) The number of hours in step 2 divided by 12 shall be the number of hours of leave earned monthly by the employees concerned.

Section 17. Short-term Disability and Family and Medical Leave (FMLA)

The Town will grant up to 12 weeks of family and medical leave per twelve (12) months to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). The leave may be paid (coordinated with the Town's vacation, compensatory time and sick leave policies), unpaid, or a combination of paid and unpaid. As in the sick leave policy, sick leave is available only upon documented disability of an employee or when an employee must care for a covered family member who is disabled. Sick leave may not be used to care for a healthy new born or healthy children. Unpaid leave will be granted only when the employee has exhausted all appropriate types of paid leave. Additional time away from the job beyond the 12 week period may be approved in accordance with the Town's Leave without Pay policy.

Eligibility: To qualify for FMLA coverage, the employee must have worked for the employer 12 months or 52 weeks; these do not have to be consecutive. However, the employee must have worked 1,250 hours during the twelve month period immediately before the date when the FMLA time begins.

An employee who takes leave under this policy will return to the same job or a job with equivalent status, pay, benefits, and other employment terms. The position will be the same or one which entails substantially equivalent skill, effort, responsibility, and authority.

Family and medical leave can be used for the following reasons:

- a) the birth of a child and in order to care for that child;
- b) the placement of a child for adoption or foster care;
- c) to care for a spouse, child, or parent with a serious health condition; or
- d) the serious health condition of the employee;
- e) a military exigency

If a husband and wife both work for the Town and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (not parent in-law) with a serious health condition, the husband and wife together may only take a total of 12 weeks leave under FMLA.

An employee taking leave for the birth of a child may use paid sick leave for the period of actual disability, based on medical certification. The employee shall then use all paid vacation or leave without pay for the remainder of the 12 week FMLA period.

The request for the use of leave must be made in writing by the employee and approved by the department head or Town Manager.

Comment [MSOffice47]: The Town previously had general language in the policy (shown as deleted below) and an amendment apparently adopted later which showed the Town's compliance with FMLA due to having 50 employees or more. The language here updates the FMLA for some new requirements on military exigency leave and reorganizes the presentation for clarity.

During a single 12 month period, the employee is entitled to a combined total of 26 weeks of all types of FMLA.

Military Caregiver Leave: An employee whose spouse, son, daughter, parent or next of kin is a current service member who is undergoing treatment, therapy, recuperation or outpatient treatment or has temporary disability retirement for injury or illness sustained in the line of duty, is eligible for 26 weeks of leave in a single 12 month period. During a single 12 month period, the employee is eligible for a total of 26 weeks of all types of FMLA leave. The request for the use of leave must be made in writing by the employee and approved by the Department Head or Town Manager.

Some definitions:

A "serious health condition" is defined as a condition which requires inpatient care at a hospital, hospice, or residential medical care facility, or a condition which requires continuing care by a licensed health care provider. This policy covers illness of a serious and long-term nature resulting in recurring or lengthy absences. Generally, a chronic or long term health condition which results in a period of incapacity or more than three days would be considered a serious health condition.

"Military Exigency" is a specific qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a military service member (reserve or national guard) under a call or order to federal active duty in support of a contingency operation. Qualifying events are:

1. deployment of service member with seven or fewer days notice;
2. military ceremonies and events such as family-assistance or informational programs related to the family member's active duty or call to active duty;
3. urgent, immediate childcare or arranging for alternative childcare for the children of service members;
4. attending school or daycare meetings relating to the child of service member;
5. making financial or legal arrangements related to a family member's active duty status or call to active duty; or
6. post-deployment activities for a period of ninety days after the termination of the service member's active duty status;

Medical and Family Leave Certification

In order to qualify for leave under this law, the Town requires medical certification. This statement from the employee's or the family member's physician should include the date when the condition began, its expected duration, prognosis, and brief statement of treatment. For the employee's own health condition, it should state that the employee is unable to perform the essential functions of his/her position. For a seriously ill family member, the certification must include a statement that the patient requires assistance and the employee's presence would be beneficial or desirable.

This certification should be furnished at least 30 days prior to the needed leave unless the employee's or family member's condition is a sudden one. The certification should be furnished as soon as possible (no longer than 15 days from the date of the employee's request). The certification and request must be made to the department head and filed with the Town Manager.

The employee is expected to return to work at the end of the time frame stated in the medical certification, unless he/she has requested additional time in writing under the Town's Leave Without Pay policy.

Retention and Continuation of Benefits

When an employee is on leave under FMLA (maximum of 12 weeks in a year/ 26 if military caregiver leave), the Town will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work. If an employee chooses not to return to work for reasons other than a continued serious health condition, the Town will require the reimbursement of the amount paid for the employee's health insurance premium during the FMLA leave period.

Other insurance and payroll deductions are the responsibility of the employee and the employee must make those payments for continued coverage of that benefit.

An employee shall retain all unused vacation and sick leave while on Leave Without Pay. An employee ceases to earn leave credits on the date leave without pay begins. The employee may continue to be eligible for benefits under the Town's group insurance plans at his or her own expense, subject to any regulation adopted by the Town Board and the regulations of the insurance carrier.

Section 17. Family and Medical Leave

The Town will grant up to 12 weeks of family and medical leave per calendar year to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). The leave may be paid (coordinated with the Town's Vacation and Sick Leave policies), unpaid, or a combination of paid and unpaid. Unpaid leave will be granted only when the employee has exhausted all appropriate types of paid leave. Additional time away from the job beyond the 12-week period may be approved in accordance with the Town's Leave without Pay policy.

To qualify for FMLA coverage, the employee must have worked for the employer 12 months or 52 weeks; these do not have to be consecutive. However, the employee must have worked 1,250 hours during the twelve month period immediately before the date when the FMLA time begins.

Family and medical leave can be used for the following reasons:

1. the birth of a child and in order to care for that child;
2. the placement of a child for adoption or foster care;
3. to care for a spouse, child, or parent with a serious health condition; or
4. the serious health condition of the employee.

A serious health condition is defined as a condition which requires inpatient care at a hospital, hospice, or residential medical care facility, or a condition which requires continuing care by a licensed health care provider. This policy covers illness of a serious and long-term nature resulting in recurring or lengthy absences. Generally, a chronic or long term health condition which results in a period of incapacity of more than three days would be considered a serious health condition.

If a husband and wife both work for the Town and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (not parent in-law) with a serious health condition, the husband and wife together may only take a total of 12 weeks leave under FMLA.

An employee taking leave for the birth of a child may use paid sick leave for the period of actual disability, based on medical certification. The employee shall then use all paid vacation for the remainder of the 12-week period. The request for the use of leave must be made in writing by the employee and approved by the department head or Town Manager.

An employee who takes leave under this policy will return to the same job or a job with equivalent status, pay, benefits, and other employment terms. The position will be the same or one which entails substantially equivalent skill, effort, responsibility, and authority.

Section 18. Medical and Family Leave – Certification

In order to qualify for leave under this law, the Town requires medical certification. This statement from the employee's or the family member's physician should include the date when the condition began, its expected duration, diagnosis, and brief statement of treatment. For the employee's own health condition, it should state that the employee is unable to perform the essential functions of his/her position. For a seriously ill family member, the certification must include a statement that the patient requires assistance and the employee's presence would be beneficial or desirable.

This certification should be furnished at least 30 days prior to the needed leave unless the employee's or family member's condition is a sudden one. The certification should be furnished as soon as possible (no longer than 15 days from the date of the employee's request). The certification and request must be made to the department head and filed with the Human Resources Officer.

The employee is expected to return to work at the end of the time frame stated in the medical certification, unless he/she has requested

Comment [MSOffice48]: Previous language deleted

additional time in writing under the Town's Leave Without Pay policy.

Section 18. Leave Without Pay

A full or part-time employee may be granted a leave of absence without pay for a period of up to twelve months by the Town Manager. The leave shall be used for reasons of personal disability illness or injury after both sick leave and vacation have been exhausted, sickness or disability of immediate family members, continuation of education, special work that will permit the Town to benefit by the experience gained or the work performed, or for other reasons deemed justified by the Town Manager.

Comment [MSOffice49]: Recommend using the word "illness or injury" to differentiate this from the special provisions of family and medical leave above

The employee shall apply in writing to the supervisor for leave. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Town Manager. Upon returning to duty after being on leave without pay, the employee shall be entitled to return to the same position held at the time leave was granted or to one of like classification, seniority, and pay. If the employee decides not to return to work, the supervisor shall be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested, shall be considered a resignation.

Section 20. Family-Medical-Leave and Leave Without Pay: Retention and Continuation of Benefits

When an employee is on leave under FMLA (maximum of 12 weeks in a year), the Town will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work. If an employee chooses not to return to work for reasons other than a continued serious health condition, the Town will require the reimbursement of the amount paid for the employee's health insurance premium during the FMLA leave period, without pay for health reasons (but not qualifying for FMLA) the Town will continue payment of health insurance for the remainder of the month of the leave without pay; for all other situations the employee is expected to pay the premium while on leave without pay status. (See Section 17 above for health insurance benefits under FMLA).

Comment [MSOffice50]: Since the info on FMLA discusses continuation of benefits under that circumstance, this is a more general discussion of benefits on a NON-FMLA case

Other insurance and payroll deductions are the responsibility of the employee and the employee must make those payments for continued coverage of that benefit.

Comment [MSOffice51]: Suggested policy

An employee shall retain all unused vacation and sick leave while on Leave Without Pay. An employee ceases to earn leave credits on the date leave without pay begins. The employee may continue to be eligible for benefits under the Town's group insurance plans at his or her own expense, subject to any regulation adopted by the Town Board of Commissioners and the regulations of the insurance carrier.

Section 21. Workers' Compensation Leave

An employee absent from duty because of sickness or disability covered by the North Carolina Workers' Compensation Act may elect to use accrued sick leave or vacation during the first waiting period. The employee may also elect to supplement workers' compensation payments after they begin with sick leave, vacation, or compensatory time, provided that the combination of leave supplement and workers' compensation payments does not exceed normal compensation. An employee on workers' compensation leave may be permitted to continue to be eligible for benefits under the Town's group insurance plans.

When worker's compensation leave extends long enough for the waiting period to be reimbursed, the employee shall return the reimbursement check to the Town and have leave hours reinstated for all time covered by paid leave. In such cases, the Town will pay the employee for any unpaid time that is owed the employee.

Section 22. Parental Leave

Parental leave may be granted to an employee for a period of up to three months for pregnancy, miscarriage, abortion, childbirth, recovery, or adoption regardless of whether the employee qualifies for FMLA. Employees may be granted an extension by the Town Manager when medically necessary. Parental Leave is leave without pay unless the employee uses sick or vacation leave as provided by this policy. A parental leave request,

Comment [MSOffice52]: Recommended addition for clarification

including the tentative duration of the leave requested, must be submitted to the Department Head in advance of the leave, preferably 30 days ahead of the leave unless the need is a sudden one.

Sick leave may be taken during the period of actual disability as certified by the attending physician of the mother, and when care of the disabled mother is required by an immediate family member. Vacation, compensatory time, or leave without pay may be used for other periods of the parental leave, consistent with the leave provisions of this policy.

Section 23. Military Leave

Permanent Regular employees who are members of an Armed Forces Reserve organization or National Guard shall be granted ten workdays per year for military leave without pay. On rare occasions due to annual training being scheduled on a federal fiscal year basis, an employee may be required to attend two periods of training in one calendar year. For this purpose only, an employee shall be granted an additional ten days of military leave during the same calendar year. If such duty is required beyond this ten workdays, the employee shall be eligible to take accumulated vacation leave or be placed in a leave without pay status, and the provisions of that leave shall apply. While taking military leave, the employee's leave credits and other benefits shall continue to accrue as if the employee physically remained with the Town during this period. Employees who are eligible for military leave have all job rights specified by the Vietnam Veterans Readjustment Act.

Employees may use annual leave in hourly increments to supplement the military pay, but may be required to provide documentation of military pay, so that compensation from the Town and military sources does not exceed the amount normally paid by the Town.

Comment [MSOffice53]: Recommended new provision

Section 24. Reinstatement Following Military Service.

An employee called to extended active duty with the United States military forces, who does not volunteer for service beyond the period for which called, shall be reinstated with full benefits provided the employee:

- 1) Applies for reinstatement within ninety days after the release from military service; and
- 2) Is able to perform the duties of the former position or similar position; or
- 3) Is unable to perform the duties of the former position or a similar position due to disability sustained as a result of the military service, but is able to perform the duties of another position in the service of the Town. In this case the employee shall be employed in such other position as will provide the nearest approximation of the seniority, status, and pay which the employee otherwise would have been provided, if available.

Section 25. Civil Leave

A Town employee called for jury duty or as a court witness for the federal or state governments, or a subdivision thereof, shall receive leave with pay for such duty during the required absence without charge to accumulated leave. The employee may keep fees and travel allowances received for jury or witness duty in addition to regular compensation; except, that employees must turn over to the Town any witness fees or travel allowance awarded by that court for court appearances in connection with official duties. While on civil leave, benefits and leave shall accrue as though on regular duty.

Employees in court for their own case or appearing voluntarily as a witness in another person's case must use annual leave or leave without pay for their time in court.

Comment [MSOffice54]: Recommended addition

Section 26. Parental School Leave

A Town employee who is a parent, guardian, or person standing in loco parentis (in place of the parent) may take up to four hours of unpaid leave annually to involve him or herself in school activities of his or her

child(ren). This leave is subject to the three following conditions:

- 1) The leave must be taken at a time mutually agreed upon by the employee and the Town;
- 2) The Town may require the employee to request the leave in writing at least 48 hours prior to the time of the desired leave; and
- 3) The Town may require written verification from the child's school that the employee was involved at the school during the leave time.

Paid leave (vacation time) taken by an employee to attend to school activities of his or her child shall count toward the fulfillment of this provision by the Town.

Section 27. Shared Leave

An employee may donate vacation leave to another employee who meets the criteria to participate in the Town's shared leave program. An employee is eligible to receive shared leave when that employee:

- 1) has been a full-time employee of the Town for one year
- 2) has a serious medical condition that requires the employee to miss 20 consecutive workdays, or experience excessive intermittent absences
- 3) has exhausted all sick, vacation and compensatory leave time
- 4) produces medical documentation to support the need for leave beyond the available accumulated leave

Employees out of work on workers' compensation leave or employees receiving short-term disability benefits are not eligible for shared leave.

All applications or nominations for shared leave should be made to the Town Clerk who will administer the shared leave policy. Leave may be made available for use on a current basis and is not retroactive beyond the current pay period. All leave donations are strictly voluntary and are kept confidential. Leave donations must be a minimum of 4 hours and are credited to the sick leave account of the shared leave recipient. Any unused donations shall be returned to the donor(s) on a prorated basis and credited to the leave account from which it was donated.

Comment [MSOffice55]: This is your current policy which was approved 8/8/05 and is inserted into the policy (previously this was considered a part of Section 15 but we recommend a separate provision.)

Comment [MSOffice56]: For your consideration: do you wish to consider allowing an employee dealing with a serious illness of a family member (ex., child with cancer) to receive shared leave as well? If so this language would need to be amended.

ARTICLE VIII. SEPARATION AND REINSTATEMENT

Section 1. Types of Separations

All separations of employees from positions in the service of the Town shall be designated as one of the following types and shall be accomplished in the manner indicated: Resignation, reduction in force, disability, voluntary retirement, dismissal, or death.

Section 2. Resignation

An employee may resign by submitting the reasons for resignation and the effective date in writing to the immediate supervisor as far in advance as possible. In all instances, the minimum notice requirement is two weeks. Failure to provide minimum notice shall result in forfeiture of payment for accumulated annual leave unless the notice is waived upon recommendation of the Department Head and approval by the Town Manager.

Three consecutive days of absence without contacting the immediate supervisor or Department Head may be considered to be a voluntary resignation. Sick leave will only be approved during the final two weeks of a notice with a physician's certification or comparable documentation.

Section 3. Reduction in Force.

In the event that a reduction in force becomes necessary, consideration shall be given to the quality of each employee's performance, organizational needs, and seniority in determining those employees to be retained. Employees who are separated because of a reduction in force shall be given at least two weeks notice of the anticipated action. No permanent employee shall be separated because of a reduction in force while there are temporary or probationary employees serving in the same class in the department, unless the permanent employee is not willing to transfer to the position held by the temporary or probationary employee.

Section 4. Disability

An employee who cannot perform the essential duties of a position because of a physical or mental impairment may be separated for disability. Action may be initiated by the employee or the Town. In cases initiated by the employee, such action must be accompanied by medical evidence acceptable to the Town Manager. The Town may require an examination, at the Town's expense, performed by a physician of the Town's choice.

Section 5. Voluntary Retirement

An employee who meets the conditions set forth under the provision of the North Carolina Local Government Employee's Retirement System may elect to retire and receive all benefits earned under the retirement plan.

Section 6. Death

Separation shall be effective as of the date of death. All compensation due shall be paid to the estate of the employee.

Section 7. Dismissal

An employee may be dismissed in accordance with the provisions and procedures of Article IX.

Section 8. Reinstatement

An employee who is separated because of reduction in force may be reinstated within one year of the date of separation, upon recommendation of the Department Head, and upon approval of the Town Manager. An employee who is reinstated in this manner shall be re-credited with his or her previously accrued sick leave.

Section 9. Rehiring

An employee who resigns while in good standing may be rehired with the approval of the Town Manager, and may be regarded as a new employee, subject to all of the provisions of rules and regulations of this Chapter. An employee in good standing who is separated due to a reduction in force shall be given the first opportunity to be rehired in the same or a similar position.

ARTICLE IX. UNSATISFACTORY JOB PERFORMANCE AND DETRIMENTAL PERSONAL CONDUCT

Section 1. Disciplinary Action for Unsatisfactory Job Performance

A permanent employee may be placed on disciplinary suspension, demoted, or dismissed for unsatisfactory job performance, if after following the procedure outlined below, the employee's job performance is still deemed to be unsatisfactory. All cases of disciplinary suspension, demotion, or dismissal must be approved by the Town Manager prior to giving final notice to the employee.

Section 2. Unsatisfactory Job Performance Defined

Unsatisfactory job performance includes any aspects of the employee's job which are not performed as required to meet the standards set by the Department Head or Town Manager. *Examples of unsatisfactory job performance include, but are not limited to, the following:*

- 1) Demonstrated inefficiency, negligence, or incompetence in the performance of duties;
- 2) Careless, negligent or improper use of Town property or equipment;
- 3) Physical or mental incapacity to perform duties;
- 4) Discourteous treatment of the public or other employees;
- 5) Absence without approved leave;
- 6) Improper use of leave privileges;
- 7) Failure to report for duty at the assigned time and place;
- 8) Failure to complete work within time frames established in work plan or work standards;
- 9) Failure to meet work standards over a period of time;
- 10) Failure to follow the chain of command to address work-related issues.
- 11) ~~Failure to maintain certifications required by the job.~~

Comment [MSOffice57]: Recommended addition

Section 3. Communication and Warning Procedures Preceding Disciplinary Action for Unsatisfactory Job Performance

When an employee's job performance is unsatisfactory, or when incidents or inappropriate actions warrant, the supervisor shall meet with the employee as soon as possible in one or more counseling sessions to discuss specific performance problems. A brief summary of these counseling sessions shall be noted in the employee's file by the supervisor.

An employee whose job performance is unsatisfactory over a period of time should normally receive at least two warnings from the supervisor before disciplinary action resulting in dismissal is taken by the Town Manager. In each case, the supervisor should record the dates of discussions with the employee, the performance deficiencies discussed, the corrective actions recommended, and the time limits set. If the employee's performance continues to be unsatisfactory, then the supervisor should use the following steps:

- 1) A final written warning from the supervisor serving notice upon the employee that corrected performance must take place immediately in order to avoid suspension, demotion, or dismissal.
- 2) If performance does not improve, a written recommendation should be sent to the Town Manager for disciplinary action such as suspension, demotion, or dismissal. Disciplinary suspensions are for the purpose of communicating the seriousness of the performance deficiency; not for the purpose of punishment and should not generally exceed three days (24 hours) for nonexempt employees. Suspensions for exempt employees shall generally not exceed one full work week (in accordance with FLSA requirements to retain exempt status.) However, a suspension of up to one month without pay may be implemented by the Town Manager in the case of employees with previous good work records who have an instance of significant unsatisfactory job performance or failure in conduct.

Demotions are appropriate when an employee has demonstrated inability to perform successfully in the current job, but shows promise and commitment to performing successfully in a lower level job. If no other options are available, dismissal is appropriate.

If after suspension or demotion, the employee's performance does not reach an acceptable level, the employee may be dismissed.

Section 4. Disciplinary Action for Detrimental Personal Conduct

With the approval of the Town Manager, an employee may be placed on disciplinary suspension, demoted, or dismissed without prior warning for causes relating to personal conduct detrimental to Town service in order to 1) avoid undue disruption of work; 2) to protect the safety of persons or property; or 3) for other serious reasons.

Section 5. Detrimental Personal Conduct Defined

Detrimental personal conduct includes behavior of such a serious detrimental nature that the functioning of the Town may be or has been impaired; the safety of persons or property may be or have been threatened; or the laws of any government may be or have been violated. *Examples of detrimental personal conduct include, but are not limited to, the following:*

- 1) Fraud or theft;
- 2) Conviction of a felony or the entry of a plea of nolo contendere thereto;
- 3) Falsification of records for personal profit, to grant special privileges, or to obtain employment;
- 4) Willful misuse or gross negligence in the handling of Town funds;
- 5) Willful or wanton damage or destruction to property;
- 6) Willful or wanton acts that endanger the lives and property of others;
- 7) Possession of unauthorized firearms or other lethal weapons on the job;
- 8) Brutality in the performance of duties;
- 9) Reporting to work under the influence of alcohol or drugs or partaking of such while on duty.

Prescribed medication may be taken within the limits set by a physician as long as medically necessary;

- 10) Engaging in incompatible employment or serving a conflicting interest;
- 11) Request or acceptance of gifts in exchange for favors or influence;
- 12) Engaging in political activity prohibited by this chapter;
- 13) Harassment of an employee(s) and/or the public on the basis of sex or any other protected class status; or
- 14) Stated refusal to perform assigned duties or flagrant violation of work rules and regulations.

Section 6. Pre-disciplinary Conference.

Before suspension, demotion, or dismissal action is taken, whether for failure in personal conduct or failure in performance of duties, the Town Manager or a Department head will conduct a pre-disciplinary conference. At this conference, the employee may present any response to the proposed disciplinary action to the Town Manager or Department Head. The Town Manager or Department Head will consider the employee's response, if any, to the proposed disciplinary action, and will, within three working days following the pre-disciplinary conference, notify the employee in writing of the final decision to take disciplinary action. The notice of the final disciplinary action shall contain a statement of the reasons for the action and the employee's appeal rights.

Section 6. Types of Disciplinary Actions and Pre-disciplinary Conference.

Employees may be disciplined for unsatisfactory job performance or detrimental personal conduct at the recommendation of the department head or designee. The decision on the recommended appropriate discipline is made by the Manager.

Suspension: Disciplinary suspensions are for the purpose of communicating the seriousness of the performance deficiency, not for the purpose of punishment, and shall be without pay.

Non-exempt employees: May be for short periods and should not generally exceed three days (24 hours) for nonexempt employees.

Exempt employees: In accordance with FLSA requirements to maintain exempt status, suspensions for exempt employees shall normally be for one full work week, especially if the suspension is for unsatisfactory job performance issues. Under FLSA suspensions of less than a week are authorized for major safety violations or infractions of workplace conduct rules (detrimental personal conduct).

Demotions: Demotions are appropriate when an employee has demonstrated inability to perform successfully in the current job, but shows promise and commitment to performing successfully in a lower level job.

Dismissal: Terminations are appropriate when the employee has shown he/she is unwilling or unable to perform work in a manner that meets the work and conduct standards of the Town.

Pre-disciplinary Conference: Before suspensions, demotion, or dismissal action is taken, whether for failure in personal conduct or failure in performance of duties, the supervisor may conduct a pre-disciplinary conference. At this conference, the employee may present any response to the proposed disciplinary action.

The supervisor will consider the employee's response, if any, to the proposed disciplinary action, and will, within three working days following the pre-disciplinary conference, discuss proposed disciplinary action with the Manager. If the Manager approves, the supervisor will notify the employee in writing of the final decision to take disciplinary action. The notice of the final disciplinary action shall contain a statement of the reasons for the action and the employee's appeal rights.

If the employee was suspended without pay and the suspension is not upheld in the appeal process, the Town Manager may authorize back pay for the time of suspension.

Comment [MSOffice58]: This section provides more information on disciplinary actions than the current policy, as a guide for decisions. Also, it adds in recently added legal provisions related to Fair labor Standards Act

Comment [pwt59]: NOTE: as an at-will employee you are not required to provide a pre-disciplinary conference prior to taking disciplinary action. However we recommend it as a reasonable practice to follow.

Section 7. Non-Disciplinary Suspension

During the investigation, hearing, or trial of an employee on any criminal charge, or during an investigation related to alleged detrimental personal conduct, or during the course of any civil action involving an employee, when suspension would, in the opinion of the Department Head or Town Manager, be in the best interest of the Town, the Department Head or Town Manager may suspend the employee for part or all of the proceedings as a non-disciplinary action. In such cases, the Town Manager may:

- 1) Temporarily relieve the employee of all duties and responsibilities and place the employee on paid or unpaid leave for the duration of the suspension, or
- 2) Assign the employee new duties and responsibilities and allow the employee to receive such compensation as is in keeping with the new duties and responsibilities.

If the employee is reinstated following the suspension such employee shall not lose any benefits to which otherwise the employee would have been entitled had the suspension not occurred. If the employee is terminated following suspension, the employee shall not be eligible for any pay from the date of suspension; provided, however, all other benefits with the exception of accrued annual leave and sick leave shall be maintained during the period of suspension.

ARTICLE X. GRIEVANCE PROCEDURE AND ADVERSE ACTION APPEAL

Section 1. Policy

It is the policy of the Town to provide a just procedure for the presentation, consideration, and disposition of employee grievances. The purpose of this article is to outline the procedure and to assure all employees that a response to their complaints and grievances will be prompt and fair.

Employees utilizing the grievance procedures shall not be subjected to retaliation or any form of harassment from supervisors or employees for exercising their rights under this policy. Supervisors or other employees who violate this policy shall be subject to disciplinary action up to and including dismissal from Town service.

Section 2. Grievance Defined

A grievance is a claim or complaint by a current or a former employee based upon an event or condition, which affects the circumstances under which an employee works, allegedly caused by misinterpretation, unfair application, or lack of established policy pertaining to employment conditions.

Section 3. Purposes of the Grievance Procedure

The purposes of the grievance procedure include, but are not limited to:

- 1) Providing employees with a procedure by which their complaints can be considered promptly, fairly, and without reprisal;
- 2) Encouraging employees to express themselves about the conditions of work which affect them as employees;
- 3) Promoting better understanding of policies, practices, and procedures which affect employees;
- 4) Increasing employees' confidence that personnel actions taken are in accordance with established, fair, and uniform policies and procedures; and
- 5) Increasing the sense of responsibility exercised by supervisors in dealing with their employees.
- 6) Encouraging conflicts to be resolved between employees and supervisors who must maintain an effective future working relationship, and therefore, encouraging conflicts to be resolved at the lowest level possible in the chain of command; and
- 7) Creating a work environment free of continuing conflicts, disagreements, and negative feelings about the Town or its leaders, thus freeing up employee motivation, productivity, and creativity.

Section 4. Procedure

When an employee has a grievance, the following successive steps are to be taken unless otherwise provided. The number of calendar days indicated for each step should be considered the maximum, unless otherwise provided, and every effort should be made to expedite the process. However, the time limits set forth may be extended by mutual consent. The last step initiated by an employee shall be considered to be the step at which the grievance is resolved. A decision to rescind a disciplinary suspension, demotion or dismissal must be approved by the Town Manager before the decision becomes effective.

Representation: An employee may be accompanied and assisted by a representative of his or her choosing in attempting to resolve the grievance.

Comment [MSOffice60]: Added provision

Informal Resolution. Prior to the submission of a formal grievance, the employee and supervisor should meet

to discuss the problem and seek to resolve it informally. Either the employee or the supervisor may involve the respective Department Head as a resource to help resolve the grievance. In addition, the employee or supervisor may request mediation from local mediation services or other qualified parties to resolve the conflict. Mediation may be used at any step in the process when mutually agreed upon by the employee and relevant Town supervisor or Manager. Mediation is the process where a neutral party assists the parties in conflict with identifying mutually agreeable solutions or understandings.

Step 1. If no resolution to the grievance is reached informally, the employee who wishes to pursue a grievance shall present the grievance to the appropriate supervisor in writing. The grievance must be presented within fifteen calendar days of the event or within fifteen calendar days of learning of the event or condition. The supervisor shall respond to the grievance within ten calendar days after receipt of the grievance. The supervisor should, and is encouraged to, consult with any employee of the Town in order to reach a correct, impartial, fair and equitable determination or decision concerning the grievance. Any employee consulted by the supervisor is required to cooperate to the fullest extent possible.

The response from the supervisor for each step in the formal grievance process shall be in writing and signed by the supervisor. In addition, the employee shall sign a copy to acknowledge receipt thereof. The responder at each step shall send copies of the grievance and response to the Town Manager.

Step 2. If the grievance is not resolved to the satisfaction of the employee by the supervisor, the employee may appeal, in writing, to the appropriate Department Head within ten calendar days after receipt of the response from Step 1. The Department Head shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal.

Step 3. If the grievance is not resolved to the satisfaction of the employee at the end of Step 2, the employee may appeal, in writing, to the Town Manager within ten calendar days after receipt of the response from Step 3. The Town Manager shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal. The Town Manager's decision shall be the final decision. The Town Manager would notify the Town Board of Commissioners of any impending legal action.

Department Heads. In the case of department heads or other employees where the Town Manager has been significantly involved in determining disciplinary action, including dismissal, the Town may wish to obtain a neutral outside party to either:

- 1) provide mediation between the grieving department head and the Town Manager (see definition of mediation in "informal resolution" above); or
- 2) consider an appeal and make recommendations back to the Town Manager concerning the appeal. Such parties might consist of human resource professionals, attorneys, mediators, or other parties appropriate to the situation.

The Town Manager's decision shall be the final decision. The Town Manager would notify the Town Board of Commissioners of any impending legal action.

Section 5. Grievance and Adverse Action Appeal Procedure for Discrimination

When an employee, former employee, or applicant, believes that any employment action discriminates illegally (ie. is based on age, sex, race, color, national origin, religion, creed, political affiliation, or non-job related handicap), he or she has the right to appeal such action using the grievance procedure outlined in this Article (Section 4 above). While such persons are encouraged to use the grievance procedure, they shall also have the right to appeal directly to the Town Manager. Employment actions subject to appeal because of discrimination include promotion, training, classification, pay, disciplinary action, transfer, layoff, failure to hire, or termination of employment. An employee or applicant should appeal an alleged act of discrimination within thirty calendar days of the alleged discriminatory action, but may appeal for up to six months following the action.

ARTICLE XI. RECORDS AND REPORTS

Section 1. Public Information

In compliance with GS 160A-168, the following information with respect to each Town employee is a matter of public record: name; age; date of original employment or appointment to the service; current position title; current salary; date and amount of the most recent increase or decrease in salary; date of the most recent promotion, demotion, transfer, suspension, separation, or other change in position classification; and the office to which the employee is currently assigned. personnel records are protected from release except for the following, which is public record:

- name of the employee
- age of employee
- date of original employment
- terms of any contract
- current position and title
- current salary
- the office to which the employee is currently assigned
- date and amount of each increase or decrease in salary with the Town
- date and type of each promotion, demotion, transfer, suspension, separation or other change in position classification with the Town
- the date and general description of the reasons for each promotion with the Town
- the date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the Town
- for dismissals due to disciplinary reasons, a copy of the written notice of the final decision of the Town setting forth the specific acts or omissions that are the basis of the dismissal

Comment [MSOffice61]: These shaded items were added in 2010

Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the Town may adopt.

For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the Town.

Comment [MSOffice62]: This is a new provision of the law passed in 2007.

Section 2. Access to Confidential Records

All information contained in a Town employee's personnel file, other than the information mentioned above is confidential and shall be open to inspection only in the following instances:

- 1) The employee or his/her duly authorized agent may examine all portions of his/her personnel file except letters of reference solicited prior to employment, and information concerning a medical disability, mental or physical, that a prudent physician would not divulge to the patient.
- 2) A licensed physician designated in writing by the employee may examine the employee's medical record.
- 3) A Town employee having supervisory authority over the employee may examine all material in the employee's personnel file.
- 4) By order of a court of competent jurisdiction, any person may examine all material in the employee's personnel file.
- 5) An official of an agency of the State or Federal Government, or any political subdivision of the State, may inspect any portion of a personnel file when such inspection is deemed by the Town Manager to be

necessary and essential to the pursuit of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution of the employee, or for the purpose of assisting in an investigation of the employee's tax liability. However, the official having custody of the personnel records may release the name, address, and telephone number from a personnel file for the purpose of assisting in a criminal investigation.

- 6) An employee may sign a written release to be placed in his/her personnel file that permits the record custodian to provide, either in person, by telephone, or by mail, information specified in the release to prospective employers, educational institutions, or other persons specified in the release.
- 7) The Town Manager, with the concurrence of the Town Board of Commissioners, may inform any person of the employment, non-employment, promotion, demotion, suspension or other disciplinary action, reinstatement, transfer, or termination of a Town employee, and the reasons for that action. Before releasing that information, the Town Manager shall determine in writing that the release is essential to maintaining the level and quality of Town services. The written determination shall be retained in the Town Manager's office, is a record for public inspection, and shall become a part of the employee's personnel file.

The Town Board of Commissioners shall establish procedures for all personnel files containing information other than the public information mentioned above whereby an employee who objects to material may seek to have the material removed from the file or may place in the file a statement relating to the material.

Section 3. Personnel Actions

The Town Manager will prescribe necessary forms and reports for all personnel actions and will retain records necessary for the proper administration of the personnel system. There shall be one set of official personnel files, centrally located as designated by the Town Manager. Any document not located there is not an official part of that employee's personnel record.

Section 4. Records of Former Employees

The provisions for access to records apply to former employees as they apply to present employees.

Section 5. Remedies of Employees Objecting to Material in File

An employee who objects to material in his/her file may place a statement in the file relating to the material considered to be inaccurate or misleading. The employee may seek removal of such material in accordance with established grievance procedures.

Section 6. Penalties for Permitting Access to Confidential Records

Section 160A-168 of the General Statutes provides that any public official or employee who knowingly and willfully permits any person to have access to any confidential information contained in an employee personnel file, except as expressly authorized by the designated custodian, is guilty of a misdemeanor and upon conviction shall be fined in an amount consistent with the General Statutes.

Section 7. Examining and/or Copying Confidential Material without Authorization

Section 160A-168 of the General Statutes of North Carolina provides that any person, not specifically authorized to have access to a personnel file designated as confidential, who shall knowingly and willfully examine in its official filing place, remove or copy any portion of a confidential personnel file shall be guilty of a misdemeanor and upon conviction shall be fined consistent with the General Statutes.

Section 8. Destruction of Records Regulated

No public official may destroy, sell, loan, or otherwise dispose of any public record, except in accordance with GS 121.5, without the consent of the State Department of Cultural Resources. Whoever unlawfully removes a public record from the office where it is usually kept, or whoever, alters, defaces, mutilates or destroys it will be guilty of a misdemeanor and upon conviction will be fined in an amount provided in Chapter 132.3 of the General Statutes.

ARTICLE XII. IMPLEMENTATION OF POLICIES

Comment [MSOffice63]: Recommended new section

Section 1. Conflicting Policies Repealed

All policies, ordinances, or resolutions that conflict with the provisions of these policies are hereby repealed.

Section 2. Separability

If any provision of these policies or any rule, regulation, or order thereunder of the application of such provision to any person or circumstances is held invalid, the remainder of these policies and the application of such remaining provisions of these policies of such rules, regulations, or orders to persons or circumstances other than those held invalid will not be affected thereby.

Section 3. Amendments

This policy may be amended by action of the Board of Commissioners and by resolution appropriately approved. Notice of any suggested amendment to the policy, or any portion thereof, shall be provided to employees and opportunities for employee comment and reaction shall be made available prior to the amendments going to the Board for action. Proposed amendments should be posted on bulletin boards in all employee work locations and/or in employee newsletters. Any revisions or amendments adopted in conformance with this procedure shall become effective as of the date of such adoption.

Adopted this day _____, 2011