



# ***TOWN OF ST. JAMES NORTH CAROLINA***

## ***PERSONNEL POLICY***

# TOWN OF ST. JAMES PERSONNEL POLICY

## Table of Contents

TOWN OF ST. JAMES PERSONNEL POLICY.....	2
Article I. General Provisions .....	5
Section 1. Purpose of the Policy .....	5
Section 2. At Will Employment .....	5
Section 3. Merit Principle; Equal Employment Opportunity .....	5
Section 4. Application of Policies, Plan, Rules and Regulations .....	5
Section 5. Responsibilities: .....	6
Part I. Responsibility of the Town Council.....	6
Part II. Responsibility of the Personnel Administrator .....	6
Section 6. Definitions .....	7
Article II. RECRUITMENT AND EMPLOYMENT .....	8
Section 1. Recruitment and advertisements.....	8
Section 2. Application for Employment.....	8
Section 3. Probationary Period .....	9
ARTICLE III. CONDITIONS OF EMPLOYMENT .....	9
Section 1. Background Checks and Controlled Substance Examinations.....	9
Section 2. Work Schedule .....	10
Section 3. Attendance .....	10
Section 4. Political Activity .....	10
Section 5. Employment of Relatives .....	11
Section 6. Other employment .....	11
Section 7. Discrimination, Harassment, and Retaliation Prohibited .....	11
Section 8. Acceptance of Gifts and Favors .....	12
Section 9. Performance Evaluation .....	12
Section 10. Safety and Right to Search .....	13
Section 11. Use of Town Property and Equipment .....	13
Section 12. Substance Abuse Policy .....	13
Section 13. Whistle Blower Protection .....	14
Section 14. Appropriate Dress and Appearance at Work.....	14
ARTICLE IV. WAGE AND SALARY POLICY .....	14

**TOWN OF ST. JAMES PERSONNEL POLICY**

Section 1. Wage and Salary Schedule Explained .....	14
Section 2. Cost of Living Adjustments.....	15
Section 3. Performance Pay and Merit Increases .....	15
Section 4. Effective Date of Wage or Salary Changes .....	16
Section 5. Pay Period and Payroll Deductions.....	16
Section 6. Fair Labor Standards Act (“FLSA”) and Overtime Pay Provisions.....	16
Part 1. Non-Exempt Employees – Overtime Pay or Compensatory Time .....	16
Part 2. Exempt Employees.....	18
ARTICLE V. EMPLOYEE BENEFITS .....	18
Section 1. Eligibility .....	18
Section 2. Group Health, Dental and Vision Insurance .....	18
Section 3. Other Optional Group Insurance Plans .....	19
Section 4. Retirement Benefits under the NC Local Government Retirement System .....	19
Section 5. Supplemental Retirement Benefits.....	19
Section 6. Workers’ Compensation .....	19
Section 7. Unemployment Compensation .....	20
Section 8. Tuition Assistance Program .....	20
Section 9. Training and Education Incentives .....	20
ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE .....	20
Section 1. Policy on Leave Benefits .....	20
Section 2. Holidays and Holiday Pay .....	21
Section 3. Vacation Leave .....	22
Part 1. Vacation Leave: Accrual Rate .....	22
Part 2. Vacation Leave – Maximum Accumulation .....	23
Part 3. Vacation Leave: Manner of Taking .....	23
Part 4. Vacation Leave: Payment upon Separation .....	23
Part 5. Vacation Leave: Payment upon Death .....	24
Section 4. Sick Leave.....	24
Part 1. Sick Leave: Accrual Rate and Accumulation .....	25
Part 2. Sick Leave: Medical Certification.....	25
Section 5. Bereavement Leave .....	26
Section 6. Leave of Absence .....	26

**TOWN OF ST. JAMES PERSONNEL POLICY**

Section 7. Workers' Compensation Leave .....	27
Section 8. Military and other USERRA Leave .....	28
Part 1. USERRA Leave.....	28
Part 2. Additional Leave Benefit for Military .....	28
Part 3. Reinstatement Following Eligible Military/USERRA Leave .....	29
Section 9. Civil Leave.....	29
Section 10. Parental School Leave .....	30
Section 11. Adverse Weather/Emergency .....	30
Article VII. SEPARATION FROM EMPLOYMENT .....	31
Section 1. Types of Separations .....	31
Section 2. Resignation .....	31
Section 3. Voluntary Retirement .....	31
Section 4. Termination .....	32
Section 5. Pay and Deductions Upon Separation of Employment .....	32
ARTICLE VIII. DISCIPLINE .....	32
Section 1. Disciplinary Overview .....	32
Section 2. Unsatisfactory Conduct and Job Performance Defined.....	33
Section 3. Communication and Warning Procedures.....	33
Section 4. Suspension, Demotion, and Termination For Cause.....	34
Section 5. Pre-dismissal Conference .....	35
Section 6. Arrests, Criminal Charges, and/or Convictions.....	35
ARTICLE IX. EMPLOYEE RECORDS .....	35
Section 1. Personnel File and Public Information.....	35
Section 2. Access to Confidential Records .....	35
Section 3. Employee Objections to Material in File .....	36
Section 4. No Unlawful Access to Confidential Records .....	36
Article X. IMPLEMENTATION OF POLICIES .....	36
Section 1. Conflicting Policies Repealed.....	36
Section 2. Separability .....	36
Section 3. Amendments .....	36
Appendix A. ....	37
St. James Wage and Salary Schedules .....	37

## Article I. General Provisions

### Section 1. Purpose of the Policy

The purpose of this policy is to establish a uniform system of personnel administration for all employees of the Town of St James ("Town"). Provisions of this policy shall apply to the Town Manager unless a separate specific agreement between the Town Council and the Town Manager states otherwise. This Policy is established under authority of North Carolina General Statutes Chapter 160A, Article 7.

### Section 2. At Will Employment

Employment with the Town is "at will" meaning that an employee can be terminated at any time, for any or no reason, and with or without notice. Nothing in this policy creates an employment contract or specified term, condition, or benefit of employment between the Town and its employees, and any implication to the contrary is specifically denied. No person within the Town has the authority to grant any employee any contractual rights of employment.

### Section 3. Merit Principle; Equal Employment Opportunity

All appointments, promotions, and other personnel transactions shall be made based on merit and suitability. All positions requiring the performance of the same duties and fulfillment of the same responsibilities shall be assigned the same class and the same salary range. It is the Town's policy to recruit, hire, promote, and otherwise make employment decisions in a manner which does not discriminate against any individual because of any status protected by any federal, state, or local law that applies to the Town.

### Section 4. Application of Policies, Plan, Rules and Regulations

This Personnel Policy and all rules and regulations adopted pursuant thereto shall be binding on all Town employees. Members of the Town Council and advisory Boards and commissions will be exempted except in sections where specifically included. **Employees will be provided a copy of this Personnel Policy and must acknowledge in writing within three (3) business days both their receipt and understanding of the Policy.** All plans, policies, procedures and/or benefits in this Personnel Policy may be changed or discontinued at any time, and there is no express or implied guarantee of any condition of employment set forth herein. Further, this Personnel Policy is a summary of certain employee benefits, but to the extent any terms herein conflict with the comprehensive plan documents for any covered benefit and/or conflict with federal, state, or local laws, the terms of the comprehensive

**Article I.****General Provisions**

document and/or applicable law will apply. This Personnel Policy supersedes any prior conflicting Town policies or handbooks.

**Section 5. Responsibilities:****Part I. Responsibility of the Town Council**

The Town Council shall establish personnel policies and rules, including a classification and pay plan for each full-time and part-time position, and shall make and confirm appointments when required to do so by law.

**Part II. Responsibility of the Personnel Administrator**

The Mayor of the Town, with the advice and consent of the majority of the Town Council, will act as the Personnel Administrator for the Town Manager. The Town Manager shall act as the Personnel Administrator for all other employees.

The appropriate Personnel Administrator shall perform the following duties:

- a. Recommend rules and revisions to the Personnel Policy to the Town Council for consideration;
- b. Develop and administer such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- c. Coordinate training and educational programs for Town employees;
- d. Investigate periodically the operation and effect of the personnel provisions of this policy and at least annually report findings and recommendations to the Town Council;
- e. Perform such other duties as may be assigned by the Town Council not inconsistent with this policy;
- f. Delegate any/all of the above listed duties to a subordinate when it is appropriate to do so;
- g. When preparing the annual evaluation of the performance of the Town Manager, the Mayor shall consult with the other members of the Town Council. The completed evaluation may be discussed by the Town Council in closed session pursuant to N.C. Gen. Stat. §143-318.11(a)(6) and other applicable law;
- h. The Town Council and the Town Manager shall reevaluate the wage and salary schedules of the Town employees on an annual basis. The Town Council, acting with the advice of the Town Manager, shall take final action with respect to any changes that may be made. (See Appendix A for the appropriate wage and salary schedule.);
- i. Job Descriptions - All full-time and part-time positions shall have an approved job description which will be reviewed annually and agreed to by the employee and supervisor as current. Initial and revised or updated job descriptions shall be approved by a majority of the Town Council; and
- j. Such other and further tasks as may be requested by the Town Council or necessary to the position of Personnel Administrator.

## Section 6. Definitions

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

Regular Full-time Employee – An employee who is hired to work more than thirty (30) hours per workweek and regularly works more than thirty (30) hours per workweek. Full-time employee shall have the same meaning as regular full-time employee in this Policy, unless otherwise noted.

Regular Part-time Employee – An employee who is hired to work thirty (30) hours or less per workweek and regularly works thirty (30) hours or less per workweek. Typically, employees in this class work an average of twenty (20) or more hours each workweek. Employees in this class who regularly work twenty (20) or more hours per workweek are eligible for vacation leave, sick leave, and holiday pay on a pro-rata basis as described herein. Part-time employee shall have the same meaning as regular part-time employee in this Policy, unless otherwise noted.

Irregular Part-time Employee. An employee whose work is subject to variation of the number of hours worked and typically works on an as-needed basis for an average less than twenty (20) hours per workweek. Employees in this class are not eligible for benefits (including but not limited to paid holidays or paid leave of any type, retirement, health insurance, and/or tuition and training incentives).

Probationary Employee – Any employee who has not yet successfully completed the designated probationary period.

Regular Employee – An employee in a full-time or regular part-time position who has successfully completed the designated probationary period.

Temporary Employee - A full-time or part-time employee who has been hired for either a specified or unspecified period of time for the purpose of performing a special task with the understanding that when the task is completed employment will terminate. Temporary employees are only paid for time actually worked and are not eligible for benefits (including but not limited to paid holidays or paid leave of any type, retirement, health insurance, and/or tuition and training incentives).

Exempt or Non-Exempt Employee – All employees are designated as either Exempt or Non-Exempt from the overtime pay provisions of the Fair Labor Standards Act ("FLSA") according to the following definitions:

Exempt – salaried positions typically of managerial, administrative, or professional nature to whom no overtime compensation is due but whose salary represents payment for all hours they may be required to work in any given workweek.

Non-exempt – hourly positions not qualifying as exempt and to whom overtime compensation or Compensatory Time at the rate of time and one-half (1 ½) will be paid for hours worked beyond forty (40) hours in a workweek.

**Article II. Recruitment and Employment**

Any employee with questions about the classification of their position as exempt or non-exempt should contact the Town Manager.

Personnel Administrator - The Town Manager is the Personnel Administrator for all other Town employees; and the Mayor of the Town will act as Personnel Administrator for the Town Manager.

Probationary period – The initial six months after an employee is assigned to any new position during which the employee is required to demonstrate fitness for the position by actual performance. The employee's supervisor shall conduct a 6 month written evaluation of the employee's work performance.

Supervisor – Any individual having authority on behalf of the Town to assign, direct, or discipline other employees.

Workweek- The Town's workweek will begin at 12:01 AM on Wednesday and terminate at 11:59 PM on Tuesday.

## Article II. RECRUITMENT AND EMPLOYMENT

### Section 1. Recruitment and advertisements

When position vacancies occur, the Town shall typically 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. Individuals shall be recruited from a geographic area as wide as necessary and for a period of time sufficient to ensure that well-qualified applicants are obtained for the Town. In specific situations requiring faster action, the Town may hire or promote without advertising jobs upon approval of the Town Council.

Jobs will be advertised in local area newspapers, professional publications, and other relevant publications, as needed, in order to establish a diverse and qualified applicant pool.

### Section 2. 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 being recruited. The Town accepts applications and resumes only for vacant advertised positions. In no event will a position be filled without the completion of a signed employment application.

Before any commitment is made to an applicant, the Town will conduct reference checks regarding the employee's qualifications and work performance. In addition, physical examinations, controlled substance examination (see Article III, Section 12), and criminal



## ARTICLE III. CONDITIONS OF EMPLOYMENT

background investigations may be performed. Applicants will be required to provide their signed consent to such examinations, screening, and investigations.

### Section 3. Probationary Period

An employee hired, appointed, or promoted to a regular full-time or part-time position shall serve a six-month probationary period in the new position. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress.

An important purpose of the probationary period is to provide an opportunity for the appointee to adjust to the new job and receive a supervisor's feedback on a more frequent basis. Likewise, it serves as a trial period during which the employee demonstrates his or her ability to perform the work, to demonstrate good work habits and to work well with the public and coworkers. At any time before the end of the probationary period, the supervisor shall conduct a performance evaluation conference with the employee and discuss accomplishments, strengths, and/or needed improvements. A summary of this discussion shall be documented in the employee's personnel file. The supervisor shall recommend in writing whether the probationary period should be completed, extended, and/or the employee transferred, demoted, or dismissed. With approval of the Town Manager, probationary periods may be extended for a maximum of six additional months. If extended, necessary performance improvements will be identified, and improvement must be demonstrated.

Disciplinary action, including but not limited to demotion and dismissal, may be taken at any time during the probationary period. Probationary status and/or successful completion of probationary period does not in any way alter the *at-will* nature of employee's employment with the Town. A new-hire probationary employee who separates from Town employment, either voluntarily or involuntarily, during the probationary period is not eligible for payment of any accrued leave upon separation, with the exception of any unused Compensatory Time which will be paid according to Article IV, Section 6, Part 1.

## ARTICLE III. CONDITIONS OF EMPLOYMENT

### Section 1. Background Checks and Controlled Substance Examinations

Applicants for a position with the Town of St. James will be subject to a potential background check (which may include, without limitation, a review of driving records and criminal background check), reference checks, and a controlled substance examination (See Article III, Section 12) as a condition of employment.

**ARTICLE III. CONDITIONS OF EMPLOYMENT****Section 2. Work Schedule**

Work schedules will be established with the approval of the Personnel Administrator to meet the operational needs of the Town in the most cost-effective manner possible. The normal work schedule for employees in the Town Office is 9:00 am to 5:00 pm, including a ½ hour paid lunch period. The lunch period shall be considered as time worked for the purposes of calculating overtime. Due to the nature of the operations at the Community Center, the work schedule for Town employees working there will fluctuate as needed and/or directed by the Personnel Administrator.

**Section 3. Attendance**

Employee attendance is extremely important to the success of the Town's services. Employees are expected to strive for perfect attendance and arrive for work on time and be ready and able to perform all duties required of their position. Employees who, for any reason other than a pre-approved absence, cannot report to work as scheduled must notify their immediate supervisor as soon as possible, but no later than thirty (30) minutes after the employee's regularly scheduled start time. Unexcused absences or tardiness may lead to disciplinary action up to and including immediate termination of employment.

Non-exempt employees are required to be present at the Town and performing their job duties during normal business hours unless otherwise directed by a supervisor or the Town Manager.

Exempt employees are also required to be present at the Town and performing their job duties during normal business hours, and they should notify a supervisor or the Town Manager if they will be leaving the workplace during normal business hours.

**Section 4. Political Activity**

Each employee has a civic responsibility to support good government by every available means and in every appropriate manner. Employees may join or affiliate with civic organizations of a partisan 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 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 a condition for employment or promotion 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 purposes; or
- f) Be a candidate for nomination or election to an elected or appointed office under the Town Charter.

**ARTICLE III. CONDITIONS OF EMPLOYMENT**

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

**Section 5. Employment of Relatives**

Two members of the same immediate family shall not be employed by the Town at the same time unless failure to do so would create a hardship in personnel recruitment. No member of the immediate family of an elected Town official shall be employed as a regular or probationary Town employee.

**Section 6. Other employment**

Employees shall notify the Personnel Administrator in writing prior to engaging in any regular employment outside of their employment with the Town. "Regular employment" in this context is intended to mean either part-time or full-time employment. This requirement to provide notice of outside employment applies to all categories of Town employees. Unreported outside employment is grounds for disciplinary action up to and including immediate termination of employment. Documentation of the approval of outside employment will be placed in the employee's personnel file.

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 compensation from the Town's workers' compensation policy for the same injury.

**Section 7. Discrimination, Harassment, and Retaliation Prohibited**

The Town will not tolerate any discrimination, harassment, or retaliation in violation of any applicable federal, state, or local law. All employees are expected to treat fellow employees, supervisors, and the public with dignity, courtesy, and respect, and bullying will not be tolerated.

Employees who experience or witnesses conduct violating any applicable law should immediately report the incident to their supervisor or the Personnel Administrator. If the complaint relates to the Personnel Administrator, employees may submit their complaint to the Mayor or Mayor Pro Tem. (If the Mayor is the Personnel Administrator, then the complaint shall go to the Mayor Pro Tem.).

All claims of violation of applicable law will be thoroughly investigated. Employees are expected to report claims in good faith based on information believed to the best of their knowledge to be truthful. Employees have a duty to cooperate in the investigation of any incidents. The Town prohibits retaliation for reporting a violation of applicable law or for assisting in investigation of the same. However, if the Town after investigation determines the complaint was frivolous and not made in good faith or that an employee has provided false information regarding the complaint, disciplinary action up to and including immediate termination of employment may be taken against the individual filing the complaint and/or

**ARTICLE III. CONDITIONS OF EMPLOYMENT**

giving the false information. The Town will endeavor to keep complaints, investigations, and resolutions confidential to the extent possible, but the Town cannot compromise its obligation to investigate complaints.

Employees who are found to have engaged in conduct violating an applicable law and/or this policy are subject to disciplinary action up to and including immediate termination of employment.

**Section 8. Acceptance of Gifts and Favors**

No official or employee of the Town shall accept any gift, favor, or item of value from any contractor, member of the public, business, vendor, or the like which is related in any way to and/or appears to be related in any way to the official's or employee's position with the Town.

Exceptions to this policy include receipt of a gift or honorarium for participation in meetings, receipt of advertising items or souvenirs of nominal value, or receipt of meals furnished at conferences and banquets. Full participation by officials or employees of the Town in activities of professional organizations in which they are a member is permitted even though the organization may receive donations from a contractor, subcontractor, or supplier. Exceptions to this policy also include food/lodging/travel/events attended in an employee's official capacity, or gifts from family members, friends, or co-workers where it is clear that it is that relationship which is the motivating factor for the gift.

Gifts of food that may arrive during the holidays, and at other times of the year when gift giving is traditional, belong to the entire staff even if addressed to a single employee. Food gifts must be shared with and distributed to all staff during work hours, in central, worksite locations. Gifts of plants or flowers shall be displayed in the lobby or at another central location where all employees may enjoy their presence.

If an employee receives a gift not permitted as set forth above, then, if feasible, the employee should return the gift to the vendor. If not feasible to return the gift, the gift will be donated to charity.

**Section 9. Performance Evaluation**

Supervisors shall conduct Performance Evaluation conferences with each employee upon completion of their probationary period and at least once a year thereafter. Performance evaluations shall be documented in writing and placed in the employee's personnel file with a copy provided to the employee. Written evaluations are typically completed on or near the employee's anniversary date. Supervisors will also provide verbal or other written feedback and evaluations as necessary throughout the year.

**ARTICLE III. CONDITIONS OF EMPLOYMENT****Section 10. Safety and Right to Search**

Safety is the responsibility of both the Town and its employees. It is the policy of the Town to establish a safe work environment for employees. When appropriate, the Town shall establish a safety program, including policies and procedures regarding safety practices and precautions, and provide training in safety methods. Supervisors are responsible for ensuring the safe work procedures of all employees and providing safety training programs when necessary. 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 immediate dismissal. Employees who observe unsafe working conditions must report their observations immediately to the Town Manager.

Employees have no right or expectation of privacy in the workplace. An employee's workspace or desk are subject to being searched at any time with or without cause.

**Section 11. Use of Town Property and Equipment**

Town property and equipment shall not be made available for personal use and is not to be removed from Town property except in the conduct of official Town business.

Employees expressly understand that they have no expectation of privacy in connection with their use of Town equipment and systems, including the transmission, receipt, and storage of information. The Town has the right to review and search all internet history, computers, and other electronic data and metadata, read all emails, review all text messages, and listen to all voicemail messages on Town-issued equipment, email addresses, and phone numbers. Further, employees are reminded that it is possible that messages sent and received while conducting Town business and/or on Town-issued equipment or email addresses may be considered public records and subject to disclosure to the public. Employees shall use Town-issued equipment, systems, email addresses, and phone numbers for Town-related purposes only.

All Town property, including all keys and electronics issued to the employee must be returned to the Town upon termination of employment, *or the employee will be responsible for the full cost of any unreturned property.*

**Section 12. Substance Abuse Policy**

The Town is committed to maintaining a drug-free workplace to ensure a safe and healthy working environment for employees and a productive, effective work force for the Town's citizens in compliance with all applicable federal and state laws and regulations. The Town will not tolerate employees reporting to work with their ability to perform their job effectively and safely affected and/or impaired by the use of alcohol, illegal drugs, prescription drugs for which employee has no prescription, prescription or over-the-counter drugs used in an unprescribed or excessive manner, and/or any other chemical or substance. Further, the Town prohibits the unlawful manufacture, distribution, possession, or use of controlled or

**ARTICLE IV. Wage and Salary Policy**

unlawful substances in the workplace. Any violation of the Town's Substance Abuse Policy will subject the employee to discipline up to and including immediate termination of employment.

Applicants for employment with the Town will be required to submit to a pre-employment controlled substance test as a condition of employment in accordance with this policy and applicable law.

Additionally, if the Town has reasonable suspicion that an employee has reported to work in an impaired status, the Town may require the employee to submit to an immediate controlled substance test. Failure to submit for testing will subject the employee to discipline up to and including immediate termination.

The Town follows the North Carolina Controlled Substance Examination Regulation Act found in N.C. Gen. Stat. §95-230 and the corresponding administrative rules found in N.C. Administrative Code Title 13 Chapter 20. Applicants and employees will be notified of their rights under that law and regulations at the time they are required to submit to testing.

Any questions regarding the Town's Substance Abuse Policy should be brought to the Personnel Administrator.

**Section 13. Whistle Blower Protection**

The Town prohibits discrimination or retaliatory action against an employee because the employee, in good faith, files or threatens to file with any regulatory agency or entity a claim or complaint, initiate an investigation, testify or provide information to any person with respect to any matter protected by an applicable federal, state, or local law.

**Section 14. Appropriate Dress and Appearance at Work**

Employees are expected to maintain a neat, clean, well-groomed, and professional appearance at all times. Employees' clothing should likewise be well-maintained, clean, and appropriate for a professional workplace. Clothing should not contain written messages, statements, advertisements, or slogans unless it is Town-issued apparel.

**ARTICLE IV. WAGE AND SALARY POLICY****Section 1. Wage and Salary Schedule Explained**

It is the policy of the Town to pay its employees competitive wages for similar work in Southeastern North Carolina. Wage adjustments may occur as a result of an overall review of the Town's compensation package.

**ARTICLE IV. Wage and Salary Policy**

The basic wage and salary schedule and the “Allocation of Classes to Grades” is adopted by the Town Council and is updated annually to reflect changes due to inflation or the overall labor market.

All employees covered by the schedule shall be paid at a rate listed within the salary range established for the respective position classification, except for employees whose existing salaries are above the established maximum rate following transition to a new pay plan.

The Town has established a wage scale for each position classification. The scale identifies minimum, mid-point, and maximum pay levels for each position. Newly hired employees will be placed on the scale based on their specific knowledge, skills, and experience in the functions of the position. These pay classifications may be reviewed by staff, the Town Manager, or the Town Council. The Town Council has the sole authority to make changes to the pay classifications and wage scale. The Town Council may also authorize cost of living adjustments to the pay scale.

Any salary, hourly rate, or annual wage figure provided to employees in an offer of employment, performance evaluation, or otherwise does not create an employment contract for any specific period of time. Wages are earned and accrued over the course of employment with the Town and will cease when the employment ends.

Special Note for Non-Exempt Employees:

While a non-exempt employee’s position may have a “salary” assigned to the position, non-exempt employees are paid on an hourly basis for time actually worked, and this salary is provided as a guide to show what a non-exempt employee who works 40 hours a week for 52 weeks in the year (which is 2080 hours/year) can make in this position. Thus, to determine a non-exempt employee’s hourly rate of pay, the “salary” amount is divided by 2080 hours to obtain the pay per hour.

## **Section 2. Cost of Living Adjustments**

The Town Council considers annually whether to provide cost of living adjustments (“COLA”) to the Town’s employees. COLA are generally based on the Consumer Price Index (“CPI”) in the Southeast Region, which includes Wilmington for the 12-month period ending the previous calendar year (December 31, of the year prior to the wage adjustment). The Town Council may choose to adjust the COLA at any time in the event of unusual circumstances, such as spikes in inflation or labor shortages. However, whether or when to give COLA rests in the sole discretion of the Town Council.

## **Section 3. Performance Pay and Merit Increases**

Upward movement within the established salary range for an employee is not automatic, but rather is based upon specific performance-related criteria and available funds. During the annual review process, employees may be considered for a merit pay increase to occur on their anniversary date. If an increase is due to exemplary service, such increase may not



**ARTICLE IV. Wage and Salary Policy**

exceed 10 percent of the employee's rate of pay. Employees may not be given an award for exemplary service more frequently than once every three years.

**Section 4. Effective Date of Wage or Salary Changes**

All wage and salary adjustments, including adjustments for vacation accruals, will be effective at the beginning of the employee's next pay period or as otherwise specified by the Personnel Administrator.

**Section 5. Pay Period and Payroll Deductions**

Employees are paid every two weeks, 26 times annually, on alternating Fridays. Pay is for the two workweeks (see definition of "workweek" in Article I, Section 6) preceding the payday, including any overtime pay which was earned during those preceding two workweeks. This is the "Pay Period."

Employees are ordinarily paid by direct deposit, and it is the employee's responsibility to notify the Personnel Administrator in person as soon as any changes occur that may affect the ability to transfer funds electronically. Email notification will not be accepted to make such changes.

Deductions shall be made from each employee's pay as required by law and as authorized by the employee in accordance with applicable law, including optional deductions to cover employee's portion of the cost of any benefit plan offered by the Town for which the employee is eligible. Employees must notify the Personnel Administrator immediately of any changes in personal information including but not limited to change in address, claimed deductions, or other contact information.

Employees who detect an error in their actual or direct deposited paychecks shall immediately report the error to the Personnel Administrator. If it is determined that an error was made, the employee will be reimbursed, if appropriate, the next pay period following the determination. If an employee knowingly cashes or deposits a paycheck that is in excess of their appropriate compensation for a workweek, the employee is responsible for repaying the Town any excess funds that were received.

**Section 6. Fair Labor Standards Act ("FLSA") and Overtime Pay Provisions**

Every position is designated as either exempt or nonexempt, as defined in Article I, Section 6.

**Part 1. Non-Exempt Employees – Overtime Pay or Compensatory Time**

Non-exempt employees are expected to work during all assigned periods, excluding breaks or mealtimes. Non-exempt employees are not to perform work at any time that they are not scheduled to work, unless they receive prior, written approval from their department director or supervisor, except in cases of emergency.



**ARTICLE IV. Wage and Salary Policy**

Non-exempt employees are required to keep accurate records of their working hours, including overtime hours, where applicable. They are responsible along with the Town Manager for ensuring that any overtime hours worked are pre-authorized, recorded, and properly documented for Compensatory Time off or overtime pay in accordance with the established record keeping forms and instructions. Falsifying a time record may result in disciplinary action up to and including immediate termination of employment.

Non-exempt employees who work more than 40 hours in a workweek will be compensated in either **Compensatory Time** (of 1.5 hours for each 1 hour of overtime worked) or **Overtime Pay** (of 1.5 their regular rate of pay for each 1 hour of overtime worked). Non-exempt employees who have worked more than 40 hours in a workweek when reporting their timesheets for that period must request Overtime Pay, otherwise they will automatically receive Compensatory Time.

Any unused, accrued Compensatory Time balance will be paid to employees at termination of employment. Likewise, if an employee moves from non-exempt to exempt FLSA status, the employee will be paid for unused, accrued Compensatory Time at the time of the transition.

In determining eligibility for overtime in a workweek based upon working more than 40 hours, only hours actually worked shall be considered, meaning that hours paid for vacation, sick leave, or holidays in a workweek will not be included in the computation of hours worked.

Supervisors or the Town Manager may direct non-exempt employees to alter their normal schedule and/or take a day off in a workweek if they reach 40 hours worked before the end of the workweek and no overtime work is required by the Town. Non-exempt employees are required to follow any such directions.

Compensatory time may be taken in 15-minute increments, not to exceed regularly-scheduled work hours per day. Compensatory time is available for use once it has been earned. Employees may choose at any time to be paid for Compensatory Time (have Compensatory Time “cashed out”) by notifying the payroll administrator in writing when submitting the employee’s current pay period timesheet.

A non-exempt employee may not accrue more than 240 hours of Compensatory Time at any time. Any overtime hours worked after such maximum balance of Compensatory Time has been reached must be compensated in overtime pay. The Town Manager will be notified whenever an employee has accrued more than 100 hours of Compensatory Time.

**All Compensatory Time must be used by the end of the calendar year in which it was earned, or it will be “cashed out” and paid to employee in the last payroll for the calendar year.**

In emergency conditions, when long and continuous work is required over multiple days, the Town Manager may approve special overtime compensation.

## ARTICLE V. EMPLOYEE BENEFITS

### Part 2. Exempt Employees

Exempt employees are not entitled to additional compensation for hours worked in excess of 40 hours in a workweek, as their salary compensates them for all hours they work in a workweek.

The Town Manager has the discretion to give exempt employees paid time off in recognition of extraordinary workweeks or emergency situations that have required significantly extended hours, but the Town neither promises nor is obligated to give exempt employees any additional compensation or time off when an exempt employee works more than 40 hours in a workweek. Exempt employees are competitively paid to account for *all* hours that they are expected to work in a workweek.

## ARTICLE V. EMPLOYEE BENEFITS

### Section 1. Eligibility

Regular employees of the Town are eligible for employee benefits as provided for in this policy. These benefits are subject to change at the Town's discretion and annual budget appropriations. Temporary employees are eligible only for legally mandated benefits such as worker's compensation and federal payroll tax (FICA).

### Section 2. Group Health, Dental and Vision Insurance

The Town presently provides group health, dental, and vision insurance programs for all regular full-time employees (regardless of probationary status). Information concerning cost and benefits shall be available to all employees from the Personnel Administrator.

Health Insurance coverage is provided to employees through the NC State Health plan. Under that plan, local governments are obligated to follow certain rules and procedures when offering benefits to their employees. Dental, vision, and accidental death insurance coverage is provided to employees through the NC League of Municipalities and is serviced by Medcost.

The Town presently pays for 100% of the premium for the employee's health insurance coverage. Employees are responsible for paying any increased premium costs associated with insuring the employee's family members. Further, employees are responsible for paying any costs associated with their receipt of services under the insurance plan, including any required co-pays.

The Town presently pays for 100% of the premium for dental, vision, and accidental death insurance coverage for both the employee and their dependents, as that term is defined by each policy.

**ARTICLE V. EMPLOYEE BENEFITS**

The exact terms of these plans and eligibility for participation are governed by the plan documents.

**Section 3. Other Optional Group Insurance Plans**

The Town may make other group insurance plans available to employees, other than temporary employees, upon authorization of the Town Council.

**Section 4. Retirement Benefits under the NC Local Government Retirement System**

Employees, other than temporary employees, who are expected to work at least 1,000 hours per year shall join the **North Carolina Local Government Employees Retirement System** (“**NC Retirement System**”) as a condition of employment and contribute the amount determined by the system. Retirement contributions for both the employee and the Town will be made according to the policies established by the NC Retirement System.

**Section 5. Supplemental Retirement Benefits**

The Town may provide supplemental 401(k) retirement benefits for its regular full-time employees. Eligible employees may make voluntary contributions to the 401(k) plan up to the limits established by law and the plan’s terms. Subject to availability of funds and at the sole discretion of the Town Council, the Town may contribute each applicable year a percentage of an employee’s compensation to the employee’s 401(k). Any such Town contribution is specifically conditioned upon the employee participating in and contributing to the 401(k) in that year. Further, as of the date of this policy, any such Town contribution will match the employee’s contribution up to but not exceeding 5% of the employee’s salary. That amount is subject to change.

**Section 6. Workers’ Compensation**

All employees of the Town (full-time, regular and irregular part-time, probationary, 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 for the Town to their immediate supervisors at the time of the injury in order that appropriate action may be taken.

Employees are solely responsible for filing a claim and seeking compensation under the Workers’ Compensation Act for any injury incurred while on duty for the Town. Such claims must be filed by the employee with the North Carolina Industrial Commission within two years from the date of injury. Upon the employee’s request, the Town Manager will assist the employee in filing the claim.

Employees may be required to submit to a controlled substance test after an accident, and the employee’s refusal to submit may result in discipline up to and including immediate dismissal. The procedure for testing will be explained by your supervisor or the Personnel Administrator. See Article III, Section 12.

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE****Section 7. Unemployment Compensation**

In accordance with applicable federal and state law, the Town is covered by unemployment insurance. Town employees whose employment is terminated may apply for benefits through the local Employment Security Commission office, where a determination of eligibility will be made.

**Section 8. Tuition Assistance Program**

Full-time employees who have completed their probationary period 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. Tuition, registration, fees, laboratory fees, and student fees are eligible expenses. Employees may be reimbursed eligible expenses with prior approval up to a total of two career related classes per year. Proof of satisfactory completion (a grade of C or better) of the courses will be required for reimbursement. Requests for tuition assistance shall be submitted to the Personnel Administrator prior to course registration and are subject to the review and approval of the Personnel Administrator, subject to availability of funds to a maximum annual amount of \$1,300 per eligible employee.

**Section 9. Training and Education Incentives**

The Town recognizes the need to encourage its employees to acquire job-related training and to further their education through accredited programs and institutions. Therefore, with the prior knowledge and recommendation of the Personnel Administrator, the Town will provide reimbursement for expenses incurred in completing pre-approved job-related training sessions, seminars, or workshops which relate directly to the employee's duties and responsibilities with the Town.

Reimbursement for expenses will be limited to registration fees, use of employee's private vehicle at the United States Internal Revenue Service allowable rate, lodging expenses, and reasonable meal costs, all which must also be documented by receipts. Claims for reimbursement of expenses must be approved by the Personnel Administrator before submission to the finance officer for reimbursement.

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE****Section 1. Policy on Leave Benefits**

The policy of the Town is to provide paid leave benefits to all regular full-time and regular part-time employees according to the provisions set forth herein.

## ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE

Any new-hire probationary employee whose employment ends before they complete their probationary period forfeits any accrued vacation leave and/or sick leave attributed to them.

No paid leave which is accrued over time may be used before it has been earned and accrued.

As described below herein, when applicable and pre-approved by the Personnel Administrator, eligible employees may be placed on unpaid leave *only after* they have used and exhausted all available, accrued paid leave benefits in the following order: compensatory time, vacation leave, and sick leave (if applicable to the purpose for the leave), and in each case the provisions of the respective leave shall apply. Further, employees do not accrue holiday, vacation, or sick leave benefits while on unpaid leave.

### Section 2. Holidays and Holiday Pay

The Town will follow the holiday schedule as published by the State of North Carolina for state employees. All regular full-time and probationary full-time employees are eligible for paid time off when a recognized holiday falls on a regularly scheduled workday. Regular part-time employees who are covered by the NC Retirement System (those employees regularly employed for 20 or more hours per week), are entitled to 50% of a paid holiday. For instance, if a one-day holiday is equal to 8 hours, an eligible part-time employee who is covered by the NC Retirement System will be entitled to 4 hours of holiday pay.

When a holiday falls on a regularly scheduled workday while an employee who is eligible to receive paid time off for the holiday is on compensatory time, vacation leave, sick leave, or other form of approved paid leave under this Policy, the employee will receive paid time off for the holiday under this section without such day being subtracted from the other form of paid leave being used by the employee.

Non-exempt employees who are eligible under this Section for holiday pay, and who are required to perform work on a recognized holiday, will be paid for hours actually worked on the holiday in addition to receiving their respective holiday pay as provided under this Section. If the hours actually worked on a holiday by a non-exempt employee qualifies as overtime in that workweek, the employee will be compensated in accordance with Compensatory Time and Overtime Pay in addition to receiving any holiday pay for which they are eligible.

The holidays currently recognized for North Carolina state employees is as follows (and is subject to change):

- New Year's Day
- Martin Luther King, Jr. Birthday
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving (the Thursday and Friday)

## ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE

- Christmas (3 days – dates vary)

### Section 3. Vacation Leave

Vacation leave is a privilege granted to eligible employees by the Town, and it must be used in accordance with this Policy. It may be used for any purpose and may be taken in 0.5 hour increments. Regular full-time and regular part-time employees, including those in probationary status in regular full-time and part-time positions, are eligible to earn vacation leave based on the following rates of accrual.

#### Part 1. Vacation Leave: Accrual Rate

Each eligible full-time employee of the Town shall earn vacation leave based on the following schedule:

Years of Service	<u>Hours</u> of Vacation Leave that can be Accrued Per Year
0-2	80
3-4	96
5-9	120
10-14	144
15+	160

Eligible part-time employees who are covered by the NC Retirement System earn vacation leave based on 50% of the amount that would be available if they were full-time employees.

Vacation leave is accrued in pro rata increments each pay period and credited to the employee at the end of each pay period worked. If an employee resigns prior to the end of the pay period, the employee does not earn any vacation leave for that period.

Employees who have given the Town notice of their resignation from their position may **not** use their accrued vacation to extend their final date of separation from employment. See Article VII, Section 2.

Increases in the rate of accruing vacation leave shall commence on the employee's anniversary date, i.e., the first day beginning an employee's 3<sup>rd</sup> year of employment the vacation will accrue based upon a total of 96 hours of vacation leave per year, and beginning the first day of an employee's 5<sup>th</sup> year of employment the vacation will accrue based upon a total of 120 hours of vacation leave per year, and so on. If the employee's anniversary date falls during the middle of a pay period, the new accrual rate begins at the beginning of the next pay period.

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE**

New employees may be placed on the vacation accrual schedule based on their overall levels of job-related experience at the discretion of the Town at the time of their hiring. As an employee reaches the next step in years of service, their rate of accrual will increase accordingly (i.e., an employee would normally see an increase after 2 years of service, so an employee hired at step 2 of the vacation accrual schedule {96 hours} would see an increase after 2 years to the next step {120 hours}).

**Part 2. Vacation Leave – Maximum Accumulation**

Vacation leave is subject to the following maximum accumulations. During the pay period containing December 31, any employee with a balance of earned and accrued vacation leave exceeding 240 hours shall have the amount above 240 hours transferred to sick leave so that only a balance of 240 hours is carried forward to January 1 of the following year.

Further, at the request of the employee before December 31 each year and to the extent permitted by the NC Retirement System, additional amounts of unused earned and accrued vacation leave may be converted to sick leave for the purpose of credit towards retirement.

**Part 3. Vacation Leave: Manner of Taking**

Employees desiring to use earned and accrued vacation leave must make a written request to the Personnel Administrator in advance of the requested leave and obtain prior-approval, which approval will be based, in part, on sufficient staffing and ensuring that approved vacation leave does not hinder the effectiveness of the Town's operations of services.

Requests for vacation leave of up to 3 days of leave should be submitted at least 24 hours in advance of the start of requested leave. Requests for vacation leave of more than 3 days of leave should be submitted two weeks in advance of the start of requested leave. Failure to request and obtain prior approval before being absent from work may result in disciplinary action, up to and including immediate dismissal.

In the event of extraordinary situations where advance notice is not feasible, employees should give notice as soon as their need for leave is reasonably known to allow for adequate staffing and coverage of their job duties. The Personnel Administrator has the discretion to waive the notice requirements set forth in this section as the situation requires.

**Part 4. Vacation Leave: Payment upon Separation**

An employee who has successfully completed the established probationary period for his/her position will normally be paid for accumulated vacation leave not to exceed 240 hours upon termination of employment without cause. Employees who are terminated for cause forfeit any accrued, unused vacation leave and will not be paid for the same upon termination. See Article VII, Section 4 Separation from Employment: Termination, for description of termination for cause.

Employees who give at least two (2) weeks of advance notice of their intent to voluntarily resign from their position (see Article VII, Section 2) will normally be paid for any unused,



**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE**

earned vacation leave not to exceed 240 hours of vacation leave. Any employee failing to give advance notice of resignation as required by Article VII, Section 2 shall forfeit any unused, earned vacation leave and not receive any payment for the same.

Employees who are eligible under this Policy to be paid for vacation leave on separation of employment from the Town, shall receive a lump sum payment for the same on the normal pay day following last day of employment, subject to any deductions permitted by law.

New-hire probationary employees who separate from Town employment, either voluntarily or involuntarily, during their probationary period are not eligible for payment of any accrued vacation leave upon termination of employment.

**Part 5. Vacation Leave: Payment upon Death**

The estate of an employee who dies while employed by the Town will be paid for the employee's accumulated vacation leave not to exceed 240 hours.

**Section 4. Sick Leave**

Paid sick leave is a privilege granted to eligible employees by the Town, and it may be used only for the purposes and in the manner described in this Policy. **Sick leave is not to be used for vacation.** Abuse of sick leave privileges will subject the employee to disciplinary action up to and including immediate termination of employment.

Employees with planned health care procedures, appointments, and/or recoveries from the same shall submit their written request to use sick leave to their supervisors at least 24 hours in advance of the intended absence unless the absence is expected to span more than 3 days, in which case the written request shall be submitted at least 1 week in advance.

Employees experiencing an unplanned, emergency need to take sick leave (whether due to illness or injury or other covered use of sick leave) shall notify their supervisors as soon as possible to ensure adequate coverage of their duties and at least within 24 hours of missing work. Notification may be by telephone or email.

Eligible employees may use sick leave for any of the following reasons: their own sickness; to care for an ill member of the employee's immediate family; birth or adoption of a child; non job-related injury; medical, dental or eye examinations or treatment; or after exposure to a contagious disease when continuing work might jeopardize the health of others. Employees may use their paid sick leave in 0.5 hour increments.

Sick leave may also be used to supplement Worker's Compensation Disability Leave in the following ways: providing paid leave during the waiting period before Worker's Compensation benefits begin, and supplementing a disability compensation award to achieve the employee's normal pay. See Article VI, Section 7 Worker's Compensation Leave. In no event may an employee use sick leave in conjunction with any disability compensation to exceed the employee's regular pay.



## ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE

### Part 1. Sick Leave: Accrual Rate and Accumulation

Regular full-time and regular part-time (including probationary employees in these positions) are eligible to earn, accrue, and use sick leave as follows:

- Full-time employees are eligible to accrue 96 hours of paid sick leave per year, and the sick leave will be accrued in pro rata increments each pay period.
- Part-time employees covered under the NC Retirement System are eligible to accrue 48 hours of paid sick leave per year, and the sick leave will be accrued in pro rata increments each pay period.
- Employees do not earn and accrue sick leave during periods of unpaid leave.

Employees may accrue and roll over sick leave without limitation. However, **when employees' employment with the Town ends, regardless of how or why it ends, employees are not entitled to any compensation for any accrued, unused sick leave.**

The only exception is for employees in good standing who are eligible to retire and do retire from employment pursuant to the terms of the NC Retirement System, which official retirement ends their employment with the Town. Only those eligible and retiring employees may convert accrued, unused sick leave into service credit consistent with the provisions of the NC Retirement System.

The Town may accept an employee's sick leave balance documented by the employee's previous employer who was also covered by the NC Retirement System, as long as the employee was not paid by the prior employer for any such sick leave balance upon leaving employment with the prior employer. The employee's sick leave balance must be certified by the previous employer to the satisfaction of the Personnel Administrator, and it is the employee's responsibility to provide any and all documentation that may be requested from the previous employer. Employees must notify the Personnel Administrator in writing within 90 days of hire with the Town that they would like to request credit for their eligible sick leave balance. Any approved, transferred sick leave balances will be credited to the employee upon successful completion of six months of employment with the Town.

### Part 2. Sick Leave: Medical Certification

Employees using more than two (2) days of consecutive sick leave may be required to provide a physician's note confirming the need for leave and/or the employees' fitness to return to work. The Personnel Administrator shall be responsible for the application of this provision to ensure that:

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

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

## ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE

### Section 5. Bereavement Leave

Regular full-time and probationary full-time employees are eligible for paid bereavement leave as set forth below.

In the case of death of an immediate family member defined as a spouse, child, parent, sibling, grandparent, grandchild, and/or individuals living within the employee's household who share a relationship comparable to immediate family members, regular full-time employees will be allowed up to five days of paid bereavement leave.

In the case of death of other family members that are defined as including aunts, uncles, in-laws, and/or step and/or half relations, regular full-time employees will be allowed up to three days of paid bereavement leave.

Regular part-time employees covered under the NC Retirement System are eligible for 50% of the paid bereavement leave allowed for full-time employees as set forth above.

If additional time is needed and/or for leave to attend to the funerals of other persons, employees may use accrued compensatory time or vacation leave (in that order) or take leave without pay, and in each case the provisions of the respective leave will apply.

### Section 6. Leave of Absence

Regular full-time and regular part-time employees may be eligible to request an additional leave of absence, not to exceed a total of three (3) months in a rolling twelve month period, dependent upon the staffing needs of the Town and for the following purposes:

- birth or adoption of a child,
- due to the serious health condition of the employee or an employee's immediate family member who requires care,
- continuation of employee's education,
- a continuing personal disability (after paid leave including workers' comp, sick leave, vacation leave, and compensatory time have been exhausted), and/or
- as otherwise approved at the sole discretion of the Personnel Administrator.

Employees must request this leave in writing to the Personnel Administrator as soon as the need is known and preferably at least 2 weeks prior to the requested start of any leave. The Personnel Administrator has the sole discretion to consider, among other things, the staffing needs of the Town, the employee's length of service to the Town, and the employee's performance and good standing with the Town, in determining whether the leave is approved. The Personnel Administrator will inform the requesting employee if a leave of absence is available.

Employees who are approved to take a leave of absence must use and exhaust their available paid leave in the following order before being placed on leave without pay status: compensatory leave, vacation leave, and sick leave (if the reason for the leave falls under

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE**

acceptable uses of sick leave, see Article VI, Section 4). During the period of paid leave, any required or voluntary deductions from employees' pay will continue as during periods of active work, but during periods of unpaid leave, employees will need to ensure that their portion of any voluntary benefit is paid in accordance with the applicable plan, if the plan so permits. Questions as to the continuation of benefits during a leave of absence may be directed to the Personnel Administrator and/or the plan administrator for the benefit.

The Town will endeavor to hold open the employee's position during the employee's leave of absence, but upon the expiration of the leave of absence, the employee may be returned to a different position of as similar a classification, seniority, and pay as possible, if the Town was unable to hold open the employee's position. Should the employee not return to work at the expiration of a leave of absence, the employee's employment will be terminated.

Employees do not accrue holiday, vacation, or sick leave benefits while on unpaid leave.

**Section 7. Workers' Compensation Leave**

The Town provides workers' compensation benefits and leave to its employees who incur an injury arising out of and in the course of employment for the Town. This Section and the leave provisions therein relate solely to an employee who was injured while working for the Town and who has made a claim and received leave benefits through the Town's workers' compensation coverage. See Article V, Section 6.

An employee absent from duty because of sickness or disability covered by the North Carolina Workers' Compensation Act may elect to use any available compensatory time, vacation leave, or sick leave (in that order) during the first unpaid waiting period of seven days.

Once Workers' Compensation benefits begin, the employee may supplement the two-thirds' payments from workers' compensation with one-third of a day of any accrued compensatory time, vacation leave, or sick leave (in that order), except that the employee may not exceed the employee's regular pay using this provision. See also Article VI, Section 4.

An employee on workers' compensation leave may continue to be eligible for benefits under the Town's group insurance plans for a period of up to three (3) months in the same manner as during periods of active employment. Thereafter, the employee may continue to be eligible for benefits under the Town's group insurance plans at the employee's expense subject to the terms of the applicable plan and regulations of the plan administrator.

Upon reinstatement, an employee's salary will be computed on the basis of the last salary earned plus any incremental salary increase from COLA (see Article IV, Section 2 Cost of Living Adjustment) to which the employee would have been entitled during the disability covered by workers' compensation.

An employee on workers' compensation leave may return to work on light or restricted duty after obtaining a physician's statement stating the employee's ability to do so and dependent upon the staffing needs of the Town. The decision whether to allow an employee to return on light duty and/or to determine the location of any such position rests in the sole discretion of the Personnel Administrator.

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE****Section 8. Military and other USERRA Leave**

The Town will grant leave to employees engaged in recognized branches of the United States uniformed services as set forth in the 1994 Uniformed Services Employment and Reemployment Rights Act (USERRA) and related regulations. Temporary employees are generally not eligible for leave under USERRA.

**Part 1. USERRA Leave.**

Employees who are members of a recognized uniformed service covered by USERRA and are called to duty which is covered by USERRA shall be eligible to use accumulated compensatory time or vacation leave (in that order) or be placed in a leave without pay status, and in each case the provisions of the respective leave shall apply. Employees do not accrue holiday, vacation, or sick leave benefits while on unpaid leave.

During the period of any paid leave, any required or voluntary deductions from employees' pay will continue as during periods of active work, but during periods of unpaid leave, employees will need to ensure that their portion of any voluntary benefit is paid in accordance with the applicable plan, if the plan so permits, in accordance with the following provisions. Employees performing USERRA duty of more than 30 days may elect to continue the Town's health care for up to 24 months but will be responsible for paying the insurance premiums up to 102% of the premium costs. Employees whose USERRA duty is 30 days or less will pay the normal employee share of any premium as if they were at work with the Town. Questions as to the continuation of benefits during a leave of absence may be directed to the Personnel Administrator and/or the plan administrator for the benefit.

Employees must provide the Personnel Administrator with advance written or verbal notice as far in advance as possible when the need for military leave arises, unless such advance notice is impossible, unreasonable, or precluded by military necessity (as defined in USERRA).

**Part 2. Additional Leave Benefit for Military**

Regular full-time and regular part-time employees who are members of a recognized uniformed service covered by USERRA shall be granted fifteen (15) workdays of paid leave per year for documented military training and/or deployment according to the following provisions.

Employees will be paid their regular Town pay for the days of paid military leave. If the covered training or duty is required beyond the fifteen (15) workdays, the employee shall then be eligible to take accrued compensatory time or vacation leave (in that order) or be placed in a leave without pay status, and in each case the provisions of the respective leave shall apply. Employees do not accrue holiday, vacation, or sick leave benefits while on unpaid leave.

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE**

While on military leave, seniority-based benefits such as leave accrual rates shall continue to accrue as if the employee was actively at work. Employees on extended military leave will remain eligible for health benefits on a voluntary basis, at the employee's expense for a period of 24 months.

**Part 3. Reinstatement Following Eligible Military/USERRA Leave**

An eligible employee who returns to work from protected service under USERRA will generally be returned to the same or like position the employee occupied prior to the absence with full seniority, status, and pay as if there had been no break in employment, subject to the provisions of USERRA and provided that there has been no change in employer's circumstances so as to make reemployment impossible or unreasonable.

Likewise, eligible employees who return to work will begin accruing leave at a rate as if there had been no break in employment. A military discharge form "DD214" with an honorable discharge must be submitted with the notification of intent to return to work.

An eligible employee returning from protected service under USERRA must apply for reemployment or report back to work after military service in accordance with USERRA as follows:

- a) less than 31 days absence - employee must report to work by the next business day after release from service accounting for safe travel home and an 8-hour rest period;
- b) 31 days-180 days absence - notification to the supervisor must be submitted within 14 days of release from service; and
- c) more than 180 days absence - notification to the supervisor must be submitted within 90 days of release from service.

The foregoing reporting deadlines may be extended for up to two years from release from service if the employee is injured during USERRA service.

The Town will not discriminate or retaliate against any eligible employee exercising their rights under USERRA to take protected leave.

For further details, information, and any questions, please refer to USERRA and speak with the Personnel Administrator.

**Section 9. Civil Leave**

Regular full-time or regular part-time employees who are called for jury duty or subpoenaed as a witness in their individual capacity within the federal or state court system, shall be granted fifteen (15) workdays of paid leave per year to serve their civic duty as a juror or witness. Employees must provide the Personnel Administrator with advance written notice as

**ARTICLE VI. HOLIDAYS, AND TYPES OF PAID AND UNPAID LEAVE**

far in advance as possible when the need for civil leave arises and shall provide documentation of their required duty as a juror or subpoenaed witness. This civil leave does not cover an employee's absence from work to attend court in any other capacity.

Employees will be paid their regular Town pay for the days of paid civil leave. If the employee's attendance as a juror or witness is required beyond the fifteen (15) workdays, the employee shall then be eligible to use accrued compensatory time or vacation leave (in that order) or be placed in a leave without pay status, and in each case the provisions of the respective leave shall apply. Employees do not accrue holiday, vacation, or sick leave benefits while on unpaid leave.

Employees subpoenaed as a witness in their capacity as a Town employee shall report for such duty as part of their job responsibilities for the Town, will be paid according to their normal hourly or salaried pay, and must turn over to the Town any witness fees or travel allowance awarded by that court for their court appearance in connection with their official duties.

While on paid civil leave, benefits and leave shall accrue as though on regular duty.

**Section 10. Parental School Leave**

Regular full-time employees who are parents, guardians, or persons standing in loco parentis (in place of the parent) may take up to four (4) hours of paid leave annually to be involved in school activities for their children. This leave is subject to the three following conditions:

- a) The leave must be taken at a time mutually agreed upon by the employee and the Town;
- b) 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
- c) The Town may require written verification from the child's school that the employee was involved at the school during the leave time.

**Section 11. Adverse Weather/Emergency**

During periods of inclement weather or other emergency, the Town Manager may make the decision either to delay opening or to close Town offices for normal operation. When Town offices open late, close early, or are closed for an entire workday, it is the Town's intent that any employee (full or part-time) scheduled to work during the closure receive their regular pay for their regularly scheduled hours subject to the terms of this Section. In the event of a prolonged closure, part-time employees will be compensated based on their schedule for up to 3 days; and full-time employees will be compensated based on their schedule for up to 10 days unless an extension of this paid benefit is approved by the Town Council. After paid adverse weather or other emergency leave expires, employees may use any accrued compensatory time or vacation leave (in that order) or be placed on leave without pay status.

Non-exempt employees should record all hours actually worked during the affected pay period and record as Administrative Leave any hours for which they were scheduled but did not work due to the closure of Town offices. In keeping with the Fair Labor Standards Act, exempt



## Article VII. SEPARATION FROM EMPLOYMENT

employees will be paid their full weekly salary for any workweek in which they work at least part of the week.

If, due to inclement weather conditions, a non-exempt employee is unable to arrive at work by the scheduled time of the delayed opening, the employee must use any accrued compensatory time or vacation leave (in that order). In the event the employee has no accrued paid leave, the employee's delayed arrival will be unpaid.

Employees must use their own discretion in deciding whether and when to travel during adverse weather. Unless a decision has been made to close the Town office, an employee's decision not to report to work will be charged to any accrued compensatory time or vacation leave (in that order), or if no paid leave is available, the absence will be unpaid.

Information regarding the delayed opening or closing of Town offices will be provided to employees via email or telephone as soon as possible after the decision is made.

## Article VII. SEPARATION FROM EMPLOYMENT

### 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: resignation, voluntary retirement, or termination.

### Section 2. Resignation

An employee may resign by providing written notice to the employee's immediate supervisor identifying the intended last date of employment and providing as much advance notice as possible. See Article VI, Section 3, Part 4 – Vacation Leave: Payment Upon Separation, for restrictions and limitations in receiving payment for vacation leave upon resignation.

Employees who have given the Town notice of their resignation from their position may **not** use their accrued vacation to extend their final date of separation from employment.

An employee who is absent from work for three (3) consecutive workdays without prior approval or without contacting the employee's immediate supervisor (an unexcused absence) will be considered to have resigned employment effective immediately at the end of the third missed workday.

### Section 3. Voluntary Retirement

An employee in good standing who meets the conditions set forth under the provisions of the North Carolina Local Government Employees' Retirement System may elect to retire and receive benefits earned under the retirement plan.

**ARTICLE VIII. DISCIPLINE****Section 4. Termination**

Employees are employed at-will and may be terminated with or without cause or prior notice.

However, some terminations of employment may specifically be designated as a “termination for cause” based on the conduct, incident, or situation which has led to the specific employee’s termination of employment. Employees who are terminated for cause will not be eligible to receive payment for accrued, unused vacation leave upon termination. See Article VI, Section 3, Part 4 – Vacation Leave: Payment Upon Separation.

As set forth in this Policy, terminations for cause may include, but are not limited to, the following:

- Failure to provide notice of outside employment (Article III, Section 6)
- Making a frivolous, false, and/or bad faith report of unlawful action (Article III, Section 7)
- Violating the policy on substance abuse which includes, but is not limited to, refusing to take a controlled substance test when required (Article III, Section 12)
- Falsifying time record (Article IV, Section 6, Part 1)
- Abusing sick leave (Article VI, Section 4)
- Unsatisfactory conduct and/or job performance (Article VIII, Section 2)
- All those examples of conduct set forth in Article VIII, Section 4
- Failure to notify of criminal conviction, charging, or arrest (Article VIII, Section 6)
- Not returning to work after a leave of absence
- Being absent from work for three (3) consecutive workdays without notice
- Misuse or abuse of any form of paid or unpaid leave
- Other conduct, actions, or violations of this Policy which in the sole discretion of the Personnel administrator constitute “cause”

Terminations without cause may include, but are not limited to, termination of employment because of an employee’s death, disability, reduction in force, or the elimination of a position.

**Section 5. Pay and Deductions Upon Separation of Employment**

Upon separation from employment, the Town will deduct and withhold from the employee’s final paycheck any usual amount paid by the employee such as for taxes, benefits, or other group insurance premiums. Employees upon separation must return to the Personnel Administrator all property of the Town including, computers, telephones, keys, key fobs, or other equipment, or they may be held responsible for the full cost of any unreturned property.

**ARTICLE VIII. DISCIPLINE****Section 1. Disciplinary Overview**

The Town may use, but is not obligated to use, progressive discipline methods to ensure optimal conduct and job performance from its employees. The progressive discipline methods



**ARTICLE VIII. DISCIPLINE**

set forth herein do not in any way limit or alter the employees' at-will status or the Town's ability to immediately terminate the employment of any individual for any or no reason, with or without prior notice.

Examples of progressive discipline methods that may be implemented include warnings, suspension, demotion, and/or termination of employment. Although referred to as progressive discipline, there is no obligation for the Town to follow any progression of discipline methods in any particular order, and steps may be skipped at any time. The Town has complete discretion to discipline and/or terminate employees as necessary.

All disciplinary suspensions, demotions, or dismissals must be approved by the Personnel Administrator prior to giving final notice to the employee.

**Section 2. Unsatisfactory Conduct and Job Performance Defined**

Unsatisfactory job performance includes any aspect of the employee's job which is not performed as expected or required to meet the standards set by the supervisor and the Town. Examples of unsatisfactory job performance include, but are not limited to, the following:

- a) Demonstrated failure in the performance of required job duties;
- b) Careless, negligent, or otherwise improper use of the Town's property or equipment;
- c) Discourteous or unlawful treatment of the public, other employees, supervisors, or other Town personnel and/or officials;
- d) Absence from work without approved leave;
- e) Improper use of leave privileges;
- f) Failure to report to work at the assigned time and place;
- g) Failure to complete work within time frames established in work plan or work standards; and/or
- h) Failure to meet work standards over a period of time.

**Section 3. Communication and Warning Procedures**

An early progressive method of discipline that may be used by the Town involves a discussion with an employee's supervisor and a written warning to the employee. This method may be used when an employee's conduct or job performance is deemed unsatisfactory and/or when an incident occurs that warrants such action.

If this method of discipline is used, it should typically follow the following procedures. The supervisor should meet with the employee as soon as possible to discuss the specific conduct, incident, and/or performance problems. The supervisor should prepare a brief, written summary of that meeting stating the date or dates of the discussions with the employee, the conduct or performance deficiencies discussed, the corrective actions required, and the time limits set for the employee to demonstrate improvement. The employee will be asked to sign that document to affirm the employee was notified and given a copy of the document. The

**ARTICLE VIII. DISCIPLINE**

employee may submit a written response, if desired. The original document signed by the employee must be kept in the employee's file.

While communication of deficiencies and written warnings usually precede termination, the Town's employees are at-will and their employment may be terminated at any time, for any or no reason, with or without notice. No progressive discipline steps are required before termination of employment.

**Section 4. Suspension, Demotion, and Termination For Cause**

Additional progressive discipline methods that may be used are disciplinary suspension (with or without pay), demotion, or termination for cause. Any of these methods may be used when an employee's conduct or job performance is not corrected after communication and warning and/or at any time in the sole discretion of the Personnel Administrator to immediately address conduct determined to be detrimental to Town service and/or as otherwise necessary to protect the safety of persons or property. There is no requirement that any of these methods be used or that they be used in any particular order. Employees are at-will and may be terminated with or without prior notice.

Examples of employee conduct which may lead to suspension, demotion, and/or termination for cause may include, but are not limited to, the following:

- a) Refusal and/or inability to improve employee's conduct or job performance after written warning;
- b) Dishonesty, fraud, or theft;
- c) Conviction of a felony or the entry of a plea of nolo contendere thereto which relates to the dependability, honesty, integrity, and/or ability of the employee to perform the job duties;
- d) Falsification of records for personal profit, to grant special privileges, or to obtain employment;
- e) Willful misuse or gross negligence in the handling of Town funds;
- f) Willful or wanton damage or destruction to Town property;
- g) Willful or wanton acts that endanger the lives and property of others;
- h) Possession of firearms or other lethal weapons on the job;
- i) Reporting to work under the influence of any alcohol, illegal drugs or other substances, legal drugs in quantities or manners other than as prescribed to the employee, and/or partaking of any of the foregoing while at work;
- j) Requesting or accepting gifts in exchange for favors or influence;
- k) Engaging in political activity prohibited by this policy;
- l) Harassing, threatening, and/or obscene behavior toward another employee, Town representative or official, or member of the public;
- m) Refusal to perform assigned duties or flagrant violation of work rules and regulations; and/or

**ARTICLE IX. EMPLOYEE RECORDS**

- n) Any other conduct that in the sole discretion of the Personnel Administrator is detrimental to Town services and/or as otherwise necessary to protect the safety of persons or property.

**Section 5. Pre-dismissal Conference**

Before an employee's termination of employment, the Personnel Administrator will usually conduct a pre-dismissal conference, if feasible and consistent with maintaining a safe workplace. At this conference, the Personnel Administrator will provide the employee with written notice of the employee's termination.

If the termination is for cause, the Personnel Administrator's written notice will set forth the basis of the termination for cause. The employee may offer any response to the written notice, which the Personnel Administrator will consider. The employee will be notified in writing either at that conference or shortly thereafter whether the employee's employment is terminated.

**Section 6. Arrests, Criminal Charges, and/or Convictions**

If at any time during an employee's employment with the Town an employee is arrested, charged with, and/or convicted of any criminal conduct, the employee is required notify the Personnel Administrator as soon as possible and no later than 24 hours after the arrest, charge, or conviction. Failure to provide required notification may result in disciplinary action up to and including immediate termination.

**ARTICLE IX. EMPLOYEE RECORDS****Section 1. Personnel File and Public Information**

The Town will comply with North Carolina General Statutes that govern what material is part of an employee's personnel file and what information with respect to each Town employee is a matter of public record. See N.C. Gen. Stat. § 160A-168.

**Section 2. Access to Confidential Records**

Likewise, the Town will comply with all applicable North Carolina General Statutes with respect to who may review and access Town employee records and other information. See N.C. Gen. Stat. § 160A-168.

Individuals requesting access to confidential information will be required to submit a satisfactory proof of identity, title, and/or relationship to employee.

## Article X. IMPLEMENTATION OF POLICIES

### Section 3. Employee Objections to Material in File

An employee who objects to material in his/her personnel file may place a statement in the file relating to the material considered to be inaccurate or misleading.

### Section 4. No Unlawful Access to Confidential Records

No public official or employee shall knowingly and willfully permit any person to have access to any confidential information contained in an employee personnel file in violation of the applicable statutes.

## Article X. IMPLEMENTATION OF POLICIES

### 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 portion of these provisions when applied to any person or circumstance is held invalid, the remainder of these policies and the application of such to persons or circumstances other than those held invalid will not be affected thereby.

### Section 3. Amendments

This Personnel Policy and any provision, section, benefit, or policy set forth therein may be amended at any time by action of the Town Council. Any revisions or amendments adopted in conformance with this procedure shall become effective as of the date such amending ordinance is enacted.

It is expected that this Policy will be reviewed annually. Employees have no expectation of any continued benefit or condition of employment based upon the provisions set forth herein, and nothing set forth herein alters the at-will status of employees' employment with the Town.

Notice of any amendment to this Policy or any portion thereof, shall be provided to employees. Employees are required to acknowledge their receipt and understanding of any such amendment in writing within 7 workdays.

Appendix A.

Appendix A.  
St. James Wage and Salary Schedules

(See attached wage scale on following pages)

## Appendix A.

2022-  
2023

GRADE	MINIMUM	MID POINT	MAXIMUM	GRADE
5	25,174	29,970	35,964	5
6	26,432	31,468	37,761	6
7	27,754	33,041	39,649	7
8	29,141	34,693	41,630	8
9	30,599	36,427	43,713	9
10	32,129	38,249	45,899	10
11	33,735	40,161	48,194	11
12	35,421	42,169	50,602	12
13	37,192	44,277	53,132	13
14	39,052	46,490	55,789	14
15	41,005	48,816	58,578	15
16	43,055	51,256	61,507	16
17	45,208	53,819	64,582	17
18	47,468	56,510	67,811	18
19	49,842	59,336	71,203	19
20	52,334	62,303	74,763	20
21	54,951	65,418	78,501	21
22	57,699	68,689	82,426	22
23	60,583	72,123	86,548	23
24	63,613	75,729	90,875	24
25	66,794	79,516	95,419	25
26	70,133	83,492	100,191	26
27	73,640	87,667	105,200	27
28	77,321	92,050	110,459	28
29	81,187	96,652	115,983	29
30	85,247	101,484	121,781	30
31	89,510	106,559	127,870	31
32	93,986	111,888	134,265	32
33	98,685	117,483	140,979	33
34	103,619	123,357	148,028	34
35	108,800	129,524	155,428	35
36	114,240	136,000	163,200	36
37	119,951	142,800	171,359	37

Current position grades:

Finance Officer:	Grade 27
Community Center Manager:	Grade 24
Town Clerk/ Zoning Administrator:	Grade 19
Media Technology Specialist	Grade 17

**Appendix A.**

## Policy History

This policy adopted by Town Resolution # 2004-05, the 7<sup>th</sup> day of September 2004. Revisions adopted the 17<sup>th</sup> day of February, 2011

Revision adopted the 20<sup>th</sup> day of June, 2013

Revision adopted the 5<sup>th</sup> day of August, 2014

Revision adopted the 15<sup>th</sup> day of June, 2015

Revision adopted the 7<sup>th</sup> day of June, 2016

Revision adopted the 3<sup>rd</sup> day of October,

2017 Revision adopted the 3<sup>rd</sup> day of  
December, 2019 Revision adopted the 1<sup>st</sup> day  
of September, 2020