

## COMPENSATION

### ADMINISTRATION AND MAINTENANCE

The Town Manager, assisted by the Human Resources Director, shall be responsible for the administration and the maintenance of the pay plan. All employees covered by the pay shall be paid at a rate within the salary range established for the respective position classification, with the exception of employees in trainee status or employees whose existing salaries are above the maximum rate established for their respective classes when transitioning to a new salary plan. Those employees shall have their salaries maintained at that salary level with no increases until such time as the employees' salary range (in the new salary plan) is increased above the employees' current salary.

The pay plan is intended to provide equitable compensation for all positions, reflecting differences in the duties and responsibilities, the comparable rates of pay for positions in the public sector, changes in cost of living, and the financial conditions of the Town along with other factors. Periodically, at the direction of the Town Manager, the Human Resources Director will contract with an outside source to conduct comparative compensation studies of all factors affecting the level of salary ranges and make minor adjustments in the positions to salary grades as deemed necessary. When major adjustments affect a number of positions or a general adjustment is needed to re-align the salary structure, the Town Manager shall recommend such changes to the Town Council for consideration.

### STARTING SALARIES

Persons hired for a position approved in the position classification plan, shall be compensated at up to the midpoint of the salary range based on their experience within the respective classification in which they are employed; however on the recommendation of the Department Head and the Human Resources Director and the written approval of the Town Manager, exceptionally well qualified applicants may be employed above the midpoint of the established minimum salary.

### TRAINEE/APPRENTICE DESIGNATION

An applicant or current employee will be classified as "TRAINEE/APPRENTICE" status if the applicant shows promise of success in a position, but does not meet all of the requirements for the position under consideration; or Town employees, who do not meet all of the requirements for a position. A training plan must be established for employees in trainee/apprentice status by their Department Head to ensure they successfully meet all the requirements of the position in a reasonable period of time. An employee in trainee/apprentice status shall be regarded as an introductory employee and compensation shall not be more than ten percent below the minimum salary established for the position for which the employee is being trained.

If the trainee/apprentice does not successfully complete the requirements by the determined date they may be transferred, demoted, or dismissed. If the trainee has successfully completed all the requirements, the employee shall be paid at least the minimum rate established for the position following the trainee period.

### PROMOTION EFFECTS ON SALARY RATE

**Promotions:** Employees shall receive a pay increase to recognize and compensate the employee for their knowledge, skills and ability and their increased responsibility and duties. With the exception of Sworn Officers and Firefighters, when there is opportunity for promotion, the pay increase is a minimum of 5% or the minimum of that pay grade, whichever is greater. The increase should be between five(5) and 10% for most promotions, based on a 5% increase per pay grade increase, and consistent with internal equity. All increases must be approved by Human Resources and Town Manager.

Promoted employees will complete a promotion introductory period of 6 months, but no pay increase is due at this time. They will be included in the next annual review date. For Sworn Officers, the employee's new anniversary date will be one year from the date of promotion. For Sworn Officers and Firefighters, the incumbent will move to the step in the new grade that aligns with the promotion. From Police Officer to Corporal is one step lower on the new grade. For Officer to Sergeant two steps lower on the new grade. Other moves follow a similar pattern dependent on how many grades they are moving up. If the increase is less than the minimum salary for the new position, the incumbent will move to Step 1 of the new grade. In no event, however, shall the new salary exceed the maximum rate of the new salary range.

Police Officer to Detective and Detective to Police Officer considered Lateral move. Move to same Step on new Grade.

**Demotions:** Demotion is the movement of an employee from one position to a position in a class assigned to a lower salary range. An employee being demoted, must show promise of performing satisfactorily in another position. When an employee is demoted to a position for which they are qualified for other than for disciplinary or performance-based reasons, the employee will be placed at a pay-rate within the new pay grade based on knowledge, skills and ability as related to the new position and equitable to others within the same classification. If the current salary is within the new range, the employee's salary may be retained at the previous rate if appropriate. If the demotion is the result of discipline or the demotion is from a position with supervisory or leadership responsibilities, the salary shall be decreased at minimum 5% or to the midpoint of the new range and no merit increase will be granted for twelve months. In no event, however, shall the new salary exceed the maximum rate of the new salary range.

**Transfers:** The salary of an employee reassigned to a position in the same class or to a position in a different class within the same salary range shall not be changed as a result of the transfer.

**Reclassification:** The Town Manager may reclassify an employee's position to a higher salary range if there is a significant change in the knowledge, skills, abilities, and responsibilities required. The employee may be eligible for a salary increase commensurate with the reclassification if recommended by the Department Head and the Human Resources Director and approved by the Town Manager.

If the Town Manager determines the position shall be reclassified to a lower salary range, the employee's salary shall remain the same. The only exception where an employee's actual salary will be affected as a result of a lower classification is if the employee's salary is above the maximum salary for the new range, the employee shall have their salary adjusted to the maximum salary of the new salary range.