

**RESOLUTION #18-06:**

**A RESOLUTION AMENDING THE POLICY ON ADMINISTRATION OF THE POSITION CLASSIFICATION AND PAY PLAN FOR THE VILLAGE OF PINEHURST.**

**THAT WHEREAS**, the Village Council of Pinehurst, North Carolina, adopted the Policy on Administration of the Position Classification and Pay Plan on November 17, 2009; and

**WHEREAS**, the Village Council of Pinehurst, North Carolina, amended the Policy on Administration of the Position Classification and Pay Plan on August 8, 2017; and

**WHEREAS**, changes in the organization infrastructure and guiding policies and procedures must be made as personnel needs of the Village change;

**NOW, THEREFORE, BE IT RESOLVED** by the Village Council of the Village of Pinehurst, North Carolina in a regular meeting assembled this 23<sup>rd</sup> day of January, 2018 as follows:

**SECTION 1.** That the Policy on the Administration of the Position Classification and Pay Plan is hereby amended effective January 23, 2018; said policy attached hereto as Attachment A and made a part hereof; the same as if included verbatim.

**SECTION 2.** That the Position Classification and Pay Plan for the Village of Pinehurst is hereby amended to include the Performance Management Director position; said Pay Plan attached hereto as part of Attachment A and made a part hereof; the same as if included verbatim.

**THIS RESOLUTION** passed and adopted this 23<sup>rd</sup> day of January, 2018.

(Municipal Seal)



VILLAGE OF PINEHURST  
VILLAGE COUNCIL

By: Nancy Roy Fiorillo  
Nancy Roy Fiorillo, Mayor


Attest:

Lauren M. Craig  
Lauren M. Craig, Village Clerk

Approved as to Form:

Michael J. Newman  
Michael J. Newman, Village Attorney

## ATTACHMENT A

	<b>VILLAGE OF PINEHURST</b> <b>STANDARD POLICY</b>	
SUBJECT:	<b>Policy on Administration of the Position Classification and Pay Plan</b>	Effective Date: 11/17/2009
Department:	Human Resources	Policy No.: HR-416
Prepared by:	Human Resources	Revised: 1/23/2018
Approved by:	Jeffrey Sanborn and The Village Council	# of Pages: 5

### **PURPOSE OF THE POSITION CLASSIFICATION AND PAY PLAN:**

The Position Classification and Pay Plan (attached as Exhibit A) is aimed at providing a complete inventory of all authorized positions in the Village service and an accurate description and specification for each class of employment. The Plan standardizes job titles, each of which is indicative of a range of duties and responsibilities.

The Plan also includes the basic salary ranges for each regular full-time and part-time position approved by Council. These ranges are market-based pay grades consisting of minimum, mid-point and maximum pay rates.

### **GENERAL PROVISIONS OF THE PLAN:**

#### Administration and Maintenance

The Village Manager, assisted by the Human Resources Director, is responsible for the administration and maintenance of the Plan. The Human Resources Director should periodically review portions of the Plan and recommend appropriate changes to the Village Manager. All employees covered by the Plan should be paid at a rate listed within the salary range established for the respective position.

The Plan is intended to provide equitable compensation for all employees, reflecting differences in the duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the impacts of inflation, the financial conditions of the Village, and other factors. From time to time the Human Resources Director will be responsible for making comparative studies of all factors affecting the level of salary ranges and for recommending changes to the Village Manager. Any changes increasing or decreasing the assigned salary grade for a position must be approved by Village Council. Any changes modifying the salary ranges in the Plan must also be approved by Village Council.

### Starting Salaries

As a general rule, applicants who are in positions approved in the Plan shall be employed within the salary range for that particular position classification.

### Introductory Period

Employees hired, promoted, or transferred into a new position shall receive a performance evaluation upon successful completion of the introductory period. New hires may be eligible for a salary adjustment at the end of the introductory period, but promoted or transferred employees will not be eligible for salary adjustment. Salary adjustments will be made in accordance with performance management guidelines.

### Merit Pay

Employees will receive a performance review after the first six months in a new position and then on an annual basis thereafter. Upward movement within the established salary range for an employee is not automatic, but rather based upon specific performance-related reasons and other factors. All performance reviews are based on an employee's demonstration of the Village's core values, customer service skills, and the behavioral and technical criteria listed in their position description. Employees will be evaluated based on how well they perform their job according to established criteria for technical and interpersonal skills. All considerations for merit increases are measured against a satisfactory or higher performance review. Guidelines for determining performance levels and performance pay increases or other performance-related movement within the range may be established in procedures approved by the Village Manager.

### Lump Sum Payment

Employees who are at the maximum of the salary range for their position classification may be eligible for a lump sum payment at their regular performance evaluation time. Lump sum payments should be awarded based upon the performance of the employee as described in the performance evaluation and should be the same percentage of annual salary as employees within the salary range with the same performance level. Lump sum payments do not become part of base pay.

### Salary Effect of Promotions, Demotions, Transfers, and Reclassifications

Promotions – when an employee is promoted the employee's salary may be increased. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility. The amount of the pay increase depends on performance, degree of increased responsibility, time since the last salary adjustment, budget and other factors.

Demotions – when an employee is demoted, the salary normally should be set at the rate in the lower pay range which provides a minimal decrease in pay if action is not the result of disciplinary action. If the current salary is within the new range, the employee's salary may be retained at the previous rate. If the demotion is the result of disciplinary action, the salary may be decreased.

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 should not be changed by the reassignment. However, employees transferred to a position in a lower salary grade may receive a decrease in pay.

Reclassifications – an employee whose position is reclassified to a position having a higher salary range may receive a pay increase if the employee’s current pay rate is less than the minimum of the new salary range.

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

#### Salary Effect of Salary Range Revisions

When a class of positions is assigned to a higher salary range, employees in that class may receive a pay increase if the employees’ current pay rates are less than the minimum of the new salary range. When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum established for the new class, the salary of that employee should be maintained at least at that level until such time as the employee’s salary range is increased above the employee’s current salary.

#### Transition to a New Salary Grade

The following principles are guidelines for the transition to a new salary grade:

- 1) No employee should receive a salary reduction as the result of the transition to a new salary grade.
- 2) All employees being paid at a rate lower than the minimum rate established for their respective classes may have their salaries increased.
- 3) All employees being paid at a rate above the maximum rate established for their respective classes should be at that maintained salary level until such time as the salary range is increased above the employee’s current salary.

#### Effective Date of Salary Changes

Salary changes approved after the first working day of a pay period shall become effective at the beginning of that pay period or at such specific date as may be established pursuant to procedures approved by the Village Manager.

### Payroll Deduction

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

### Composition of the Plan

The Plan should consist of:

- a) a grouping of positions in classes which are approximately equal in difficulty and responsibility which call for the same general qualifications, and which can be equitably compensated within the range of pay under similar working conditions;
- b) class titles descriptive of the work of the class; and
- c) the appropriate pay grade associated with the position.

### Use of the Plan

Class specifications should be descriptive of the type and scope of work performed. The Plan is to be used:

- a) as a guide in recruiting and examining applicants for employment;
- b) in determining lines of promotion and developing employee training programs; and
- c) in determining salary to be paid for various types of work;

### Authorization of the Plan

The Plan shall be approved by the Village Council and should be maintained on file with the Human Resources Director. Copies will be available to all Village employees for review upon request. New positions shall be established upon recommendation of the Village Manager and approval of the Village Council, after which the Human Resources Director is responsible for either allocating the new position into the appropriate existing class, or revising the Plan to establish a new class to which the position may be allocated. The Village Manager may approve changes to existing positions that do not require a change in pay grade.

### Request for Reclassification

Department Heads may request that a position be reclassified into a different class or pay grade. Upon receipt of such request, the Human Resources Director shall study the request, determine the merit of reclassification and if merited, recommend a reclassification and a new pay grade to the Village Manager. Modified positions also should be evaluated for proper position classification. To assist the Village on this review process, Department Heads are expected to:

- a) be familiar with the Position Classification and Pay Plan;
- b) make sure they are informed about the job duties performed by each employee under their supervision;
- c) advise the Human Resources Director of any permanent changes in job duties;
- d) make recommendations for changes in position classifications. These recommendations should be based on significant changes in the duties associated with a position and/or in the structure of a department that will continue to exist on a long-term basis.

The Village Manager is responsible for approving any classification study and/or reclassification. The Village may contact outside consultants and other sources to assist in any reclassification decision.

Department Heads are responsible for reviewing positions annually as part of the budget process. Such review shall be to determine the most accurate classifications and the most equitable, effective, and efficient use of human resources.

Approved by:

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Jeffrey Sanborn, Village Manager

1/23/2018  
Date

#18-06  
Village Council, Resolution

1/23/2018  
Date