

TOWN OF DERRY, NEW HAMPSHIRE

NON-REPRESENTED EMPLOYEES
PERSONNEL POLICIES

July 1, 2016

Revised: 12/30/99
07/10/03
12/30/03
07/01/09
07/01/12
12/06/16
01/03/17

ABOUT THESE POLICIES

The policies contained herein are effective July 1, 2016, except as otherwise provided, and supersede all related policies predating this document.

These policies do not in any way constitute and should not be construed as a contract of employment between the Town of Derry and the affected employees.

The Town reserves the right to amend, modify, suspend or discontinue any or all of these policies or adopt new policies as they may apply to current and future employees. The provisions of these policies cannot be amended by oral statements. Instead, the policies can only be changed by written amendment issued by the Town.

Employment with the Town of Derry is for no definite period of time. After completing probation, employees may be terminated only for just cause except if separation from employment is due to a reduction in force, reorganization or job elimination.

These policies shall cease to be in effect on July 1, 2020 unless reapproved by the town council prior to that date.

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I. WAGE AND HOURS

1. The salary schedule for employees covered by this policy is attached to this document as Appendix A. The salary schedule shall be reviewed annually and may be increased effective July 1 of each year.
2. Longevity Pay - For employees on roll as of June 30, 2016, and who have served five years of regular appointed duty with the Town will be paid \$5.00 per week in addition to his/her regular salary. For each additional five years thereafter, an additional \$5.00 per week above the normal weekly wage will be paid for every five years served.
3. The Town Administrator shall designate the start rate for new hires or promoted employees within the established salary range for that position.
4. Non-exempt employees shall be paid at the rate of one-and-one-half times their base hourly rate for time worked in excess of forty hours per week. Non-exempt employees who are called in to work overtime shall receive compensation for a minimum of three hours pay at their overtime rate, but not if the call is contiguous with the start of the employee's shift. Vacation/Earned time off, bereavement, and holiday pay shall count as time worked.
5. Employees who are laid off shall be paid severance in the amount of one week of salary for every completed year of service with the Town.
6. The standard work week is forty hours.

II. SALARY & PERFORMANCE EVALUATION

Annual salary increases will range from zero (0) to three (3) percent based on each employee's annual performance evaluation. The Town Administrator shall develop a new performance evaluation process subject to review and approval by the Town Council. Evaluations will reflect performance from July first to June thirtieth of the current fiscal year and must be completed by June first. Prior to June thirtieth the Town Administrator will review with the Town Council the recommended salary increases for all non-represented employees. Any salary increase will be effective July first of the ensuing fiscal year. No salary increases or other form of compensation will be granted for job performance prior to July 1, 2016.

III. HOLIDAYS

The following holidays are those which shall be observed by the Town. The Town shall publish an annual schedule of the days/dates that holidays will be recognized no later than December 1st of the preceding year.

New Years Day	Veterans' Day
Martin Luther King Day	Thanksgiving
Presidents' Day	Day after Thanksgiving
Memorial Day	Day before Christmas
Independence Day	Christmas Day
Labor Day	One floating holiday

Employees shall be paid their regular rate of pay for each holiday.

IV. EARNED TIME

Earned Time provisions are applicable to Employees on roll with the Town as of June 30, 2016

1. Accrual Rates - Employees who are employed in a position regularly scheduled to work at least thirty hours per week are eligible for earned time. The accrual rates are as follows:

Years of Service	Days Accrued Per Month(approximate)	Annual Days
0 thru 5	2.08.....	25
6 thru 10	2.50.....	30
11 thru 19	3.00.....	36
20 years & after	3.42	41

For the purposes of this policy, years of service will be calculated from the date of continuous employment with the Town in an eligible position, except as otherwise provided herein. Employees accumulate earned time based on regularly scheduled hours worked or in pay status up to those hours budgeted for the position and on years of service to the Town.

2. Usage - Earned time may be used any time after being accrued, including during an employee's probationary period. All planned absences must be mutually agreed upon by the employee and his/her supervisor, prior to the date of absence. Earned time may be used for any reason, and may be used in half hour units.

3. Minimum Usage - There is a minimum usage of earned days required each year:

Years of Service..... Minimum Usage Per Year

0 thru 5 13 days

6 thru 10 15 days

11 years & after 18 days

Computation of minimum usage will occur as of December 31st of each year. Employees with less than six months of service are exempt from minimum usage requirements.

4. Buy Back - The Town shall buy back, on demand by the employee (employee option), at a rate of one day's pay for one earned day, any earned time days accrued in excess of the employee's annual accrual. (Example: An employee earning thirty-six earned days per year must maintain a balance of at least thirty-six days before cashing in any earned days.) Such buy backs shall be exclusive of the minimum usage requirement.

The maximum accrual as of December 31st of each year shall be ninety-five days. The Town shall automatically buy back from each employee unused earned time days accrued in excess of the maximum accrual level of ninety-five days at the rate of one for one. Such buy backs shall be paid no later than the third pay period in January of each year based on the prior year's activity and shall be exclusive of the minimum usage requirement.

5. Termination and Restoration of Service Credit - An employee who ceases employment for less than one year will have his/her service bridged for purposes of computing an earned time accrual rate. For cessation of employment by the Town of Derry of more than one year, an individual will earn one year of credit for each year of employment after return, until the total past credits are accrued. After nine years of employment following return to work, credit for all previous service will be given.

6. Termination - All unused earned time days will be paid at the time of termination (for any reason). Employees may leave earned time balance intact for up to one year, pending recall, if the nature of their absence from employment is layoff. In the event of the death of an employee, all unused earned time shall be paid to his/her designated survivor or, if no survivor has

been designated, to his/her estate. Earned time is paid at the base pay rate at time of termination.

V. VACATION/SICK LEAVE

1. For employees hired after June 30, 2016, the term “Earned Time” is hereby retired and replaced with Vacation and Sick Leave.
2. Employees shall accrue vacation leave as shown on the following table:

YEARS OF SERVICE	DAYS / MONTH	DAYS / YEAR
At Hire	0.83	10
At 5 years	1.25	15
At 10 years	1.46	17.5
At 15 years	1.67	20
At 20 years	1.83	22

3. Employee shall be allowed to accrued vacation time to a maximum of 2x the employee’s annual accrual.
4. Employees shall be allowed to buy back five (5) days per each calendar year.
5. Employees shall be compensated for all unused vacation time below their maximum accumulation upon separation from town employment.
6. Employees shall accrue eight (8) days of sick leave per year at the monthly accrual rate of 0.66; maximum accrual shall be twenty-four (24) days.
7. Employees shall not be compensated for any unused, accumulated sick leave upon separation from town employment.

VI. PERSONAL DAYS

In addition to earned time, each employee on roll as of June 30, 2016 is entitled to three paid personal days per calendar year, that cannot be carried over from year to year. Each day must be scheduled with the Town Administrator or appropriate Department Head.

VII. BEREAVEMENT LEAVE

1. Bereavement - Immediate Family - Bereavement leave of up to five (5) working days with pay shall be granted an employee in the event of the death of his/her:

Spouse	Sister
Father	Brother
Mother	Child
Step-parent	Step-child
Father-In-Law	Mother-In- Law
Son-In-Law	Daughter-In-Law

Or a relative domiciled in the employee's household

2. Bereavement - Non-immediate Family - Bereavement leave of up to three (3) working days with pay shall be granted an employee in the event of the death of his/her:

Grandchild	Sister-In-Law
Grandmother	Brother-In-Law
Grandfather	Niece
Aunt	Nephew
Uncle	Spouse's Grandparent

3. Under extenuating circumstances, two (2) additional days with pay may be granted, with written approval of Town Administrator.
4. Bereavement leave must be utilized within thirty (30) days of the death, except as approved by the Town Administrator or designee upon a showing of good cause.

VIII. WORKERS' COMPENSATION

Employees who sustain a compensable Workers' Compensation (W/C) injury or illness while in the employ of the Town of Derry are eligible for supplemental benefits as follows:

1. During the first six months, the Town will pay an employee the greater of his/her regular pay or the W/C benefit rate and the employee will assign his/her W/C check to the Town.
2. If an employee is denied W/C benefits, he/she must repay the Town for all compensation received by virtue of payments provided under this section.

Repayment will be accomplished by charging personal or earned time off accumulations, both current and future, until the overpayment has been rectified, provided, however, that repayment of sums due from personal or earned time off will not reduce an employee's balance such that he/she cannot take at least one week of personal or earned time off each year.

3. While on W/C leave, employees will remain eligible for full benefits for up to a maximum of six months, during which time they are responsible for paying all applicable premium shares. After six months, if still employed, employees must pay the full premium cost of their benefits. (Note: NH Retirement System does not recognize W/C benefits as eligible earnings; neither the Town nor the employee shall contribute to NHRS based upon that portion of their pay, until or unless the RSA is amended.)

IX. JURY DUTY PAY

An employee called to serve as a juror shall be paid the difference between his/her pay for such service and the amount of base pay earnings lost by reason of such service, for a maximum period of six months in any calendar year.

X. MILITARY DUTY PAY

1. An employee called to service or to an annual tour of duty with the National Guard or an Armed Forces Reserves Unit shall be paid the difference between his/her pay for such government service and the amount of base pay earnings lost by reason of such service, for a maximum period of six months in any calendar year.
2. The Town agrees to continue healthcare coverage for up to one year for any activated member (and covered dependents) with the applicable premium cost share paid by the employee.

XI. INSURANCES & BENEFITS

Newly hired regular probationary personnel shall be eligible to receive health, dental, disability, and life insurance coverage beginning on the first of the month following one calendar month of employment.

1. Health and Hospitalization - Effective January 1, 2017, the Town shall provide employees with the choice to enroll in either the Lumenos plan or the AB15IPDED-RX 10/20/45 plan provided by HealthTrust for single, two person, or family coverages. Employees will provide to the Town, through equal weekly payroll deductions, an insurance premium cost sharing of the following amounts of the total monthly premium for that employee's level of coverage: 12.5% for the Lumenos plan and 12.5% for the AB15IPDED plan.
 - a) Employees who opt to enroll in the Lumenos plan are eligible to open a health savings account ("HSA"), except as stipulated below. The Town shall contribute

\$2,500 for employees enrolled in family or two person coverage, and \$1,250 for employees enrolled in single coverage. The Town's contributions shall be made in equal installments on a semiannual basis.

Employees enrolled in the Lumenos plan may contribute to their HSA through payroll deduction, but not in excess of the amount that would cause the health insurance plan to be subject to the Cadillac Tax after consideration of the total premium cost for the Lumenos plan and the amount of the Town's contribution to the HSA, as stipulated above. Upon the effective date of the Cadillac Tax, the Town shall annually notify employees enrolled in the Lumenos plan of the employees HSA contribution limit pursuant to this provision.

If, in any year of the contract, the combination of the total premium cost for the Lumenos plan and the HSA contribution as stipulated above will cause the health insurance plan to be subject to the Cadillac Tax, the Town's HSA contribution will be reduced by the amount necessary to prevent the plan from becoming subject to the Cadillac Tax. In the event such a reduction is necessary, the Town will provide affected employees with a wage stipend in an amount equal to the reduction amount.

b) Employees enrolled in the AB15IPDED plan are not eligible to open an HSA account. Such employees are eligible, however, to participate in a medical expense reimbursement account, "Flexible Spending Account" (FSA), which provides for reimbursement of qualifying medical expenses per the provisions of the Internal Revenue Code and the Affordable Care Act.

c) Employee contributions for premium costs of both medical and dental insurance shall be on a Section 125 pre-tax basis.

d) Insurance Buy-out – Employees who are enrolled in the buy-out as of June 30, 2016 may receive a buy-out (in lieu of health insurance) in the amount of \$633.03 monthly for 2-person and \$854.59 monthly for family. As of June 30, 2016, current employees who were not previously enrolled in the buy-out and all future eligible employees may receive an annualized buy-out of \$2,500 family and \$2,500 two-person. This is available for employees who, upon proof of alternative employer-sponsored coverage, opt out of the Town's plan. Buy-out shall be at the coverage level for which the employee is eligible with payments made monthly.

e) Discussions will be held prior to any change of health insurance carrier. The Town reserves the sole and exclusive right to change carriers as long as such a change does not diminish the employee benefits.

f) The Health and Hospitalization Insurance referred to above will be extended for a period of up to thirty-nine (39) weeks for covered employees during a period of layoff at the cost of the employee. Payments must be received by the Town by

the first of each month. This benefit does not extend an employee's COBRA eligibility period which is effective upon the date of separation.

Note: Employees may select a single, two (2) person or family plan.

g) The Town will provide Medi-Comp M coverage to employees who, upon reaching sixty-five (65) years of age and qualifying for retirement under the rules and regulations of the New Hampshire Retirement System, retire from employment with the Town, provided that such employees have worked for the Town a minimum of ten (10) years; except that all employees hired after July 1, 2016, reaching age 65 and qualifying for retirement under the rules and regulations of the New Hampshire Retirement System will receive this benefit provided that such employees have worked for the Town a minimum of twenty (20) years. The amount of the subsidy for employees hired after contract signing shall be limited to the amount of the July 1, 2016 Medi-Comp premium.

2. Dental Insurance - The Town agrees to make Delta Dental, Dental Plan Option 1, provided by HealthTrust, available to employees. (Option I – Coverage A – 100%; Coverage B – 80%; Coverage C – 50%; Coverage D – 50% with \$25/\$75 deductible and \$1,000 max per person). The Town shall pay 100% of the single membership and shall make available two-person and family coverage at the employee's expense. Employee contributions shall be made on a Section 125 pre-tax basis and shall be payroll deducted from any such employee's pay.

Employees who show proof of alternative coverage may "buy out" of the dental plan at the value of 50% of the single premium. Payment shall be made monthly.

3. Life Insurance - The Town agrees to provide each member of the unit life insurance coverage in the amount of one (1) year's annual base salary, rounded to the next highest thousand dollars and an additional one (1) year's salary for accidental death and dismemberment.

4. Short Term Disability Wage Continuation / Insurance –

a) For employees on roll as of June 30, 2016, the Town shall provide full base pay salary continuation for up to twenty-six weeks. In order to receive the salary continuation benefit above, employees must apply and be approved for benefits under this Plan. Employees shall assign their Short Term Disability benefits to the Town.

b) For employees hired by the Town after June 30, 2016, the Town shall provide an accident and sickness wage continuation benefit of 100% of base pay for twenty-six (26) weeks. The Town shall purchase Short Term Disability insurance for all employees. Employees shall assign Short Term Disability benefits to the Town.

If any employee is determined by the insurance carrier to be ineligible for Short Term Disability benefits he/she must repay the Town for all compensation received by virtue of payments provided under this Section. Repayment will be accomplished by charging Vacation/Sick/Earned Time Off accumulations, both current and future, until the overpayment has been rectified. For employees who return to work, any repayment of sums made from accrued Personal/Earned Time Off will leave an adequate accrual balance so that the employee can take at least one week of Personal Time Off per year.

5. Long Term Disability - Employees shall be provided industry standard, commercially available Long Term Disability insurance coverage designed to provide a wage continuation benefit equal to 60% of basic monthly earnings to a maximum of \$5,000; less other income benefits, up to age sixty-five (65). Coverage will begin after six (6) months of disability.

Additionally, for employees receiving long term disability benefits, the Town will continue health and hospitalization coverage at its own expense for up to a maximum of five (5) years for employees on roll as of June 30, 2016, and four (4) years for employees hired after June 30, 2016, or until other insurance benefits become available to the employee.

6. Deferred Compensation - The Town shall make a 457 Savings Plan available to employees of this unit. Employees opting to participate may make payroll deducted contributions to the Plan by designation of personal time off (exclusive of minimum usage provisions) and/or wage up to the allowable maximum. The Town will make no contribution to the Plan.
7. Pension - The Town participates in the New Hampshire Retirement System. Full-time employees regularly scheduled to work thirty-five or more hours per week are covered members and are obliged to contribute to the Retirement System.

XII. CLOTHING ALLOWANCE

1. All protective clothing and/or uniforms required of employees in the performance of their duties shall be furnished by the Town without cost to the employee.
2. Employees shall return all articles and accessories to the Town upon termination from the Town. Any items not returned shall be paid for at a reasonable fraction of original cost not to exceed 80% of that cost. Such payment may be deducted from the final paycheck, provided written authorization was previously completed by the employee.
3. A clothing and cleaning allowance, identical to that provided to the Police Supervisors, shall be provided to the Police Chief.

XIII. TRAINING & TUITION REIMBURSEMENT

1. All job related training and/or educational costs shall be paid by the Town when employees are required or approved to attend.
2. Attendance at seminars, conferences, programs, etc. must be approved in advance by the Town Administrator or appropriate Department Head in compliance with the Town's Expense Reimbursement policy. Payment may be made directly to the organization or school. Expenses such as room and board may be paid in advance or reimbursed. Mileage will be reimbursed to the employee.
3. Continuing Education Benefit - Employees shall be reimbursed for out-of-pocket expenses (books, tuition, fees, etc.) for costs associated with successfully completing (C average or better) an approved accredited college course. Prior approval of each course shall be by the Town Administrator. Courses should be directly related to an employee's current or projected future job, or should be matriculated into a program that is directly related to an employee's current or projected future job. The amount of the benefit is subject to the availability of approved funds within the Town's annual budget.

XIV. PROBATION & DISCIPLINE

1. An employee on probation (one year for newly hired employees and six months for promoted employees) may be terminated at any time at the sole discretion of the Town Administrator. An employee who has successfully completed probation may be disciplined by his/her supervisor or terminated by the Town Administrator if there is found to be just cause for such action. Just cause shall include but not be limited to the following; a) medically diagnosed incapacity to perform assigned duties; b) incompetence; c) behavior incompatible with effective conduct of work; d) behavior detrimental to the Town; e) excessive absenteeism; f) excessive tardiness; or g) insubordination.
2. All disciplinary actions, including references to oral reprimands, shall be written and shall be placed in the employee's personnel file at the time they are given. Such actions shall narrowly and specifically identify the alleged action or non-action for which the discipline is being given. The employee shall receive a copy of any such action(s) by the Town.
3. The Town shall:
 - a) Act to impose discipline within a reasonable time of the offense;
 - b) Apply discipline with a view toward uniformity and consistency;
 - c) Utilize a procedure of progressive discipline including the following actions:
 1. Oral warning
 2. Written warning
 3. Suspension with or without pay
 4. Dismissal

There may be appropriate cases that will warrant the Town by-passing some progressive discipline steps.

XV. GRIEVANCE PROCEDURE

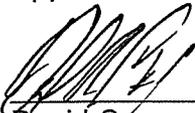
Definitions:

- A grievance under this article is defined as an alleged wrong considered by an employee as grounds for a complaint.
- An employee who has a "complaint" may take up the complaint with his/her immediate supervisor verbally within five (5) working days of the incident or the date the employee could reasonably have first been made aware of the incident, before processing the complaint as a formal grievance. The immediate supervisor shall give his/her answer within five (5) working days. It is anticipated that nearly all complaints can be resolved informally without grievance.

Each grievance submitted by the employee must be in writing and must contain a statement of facts surrounding the grievance, and the provision(s) of this agreement allegedly violated; the relief requested, and the extent to which the grievant has sought an informal adjustment of the grievance.

Written grievances must be submitted to the Town Administrator within ten (10) working days of the incident or the date the employee could reasonably first been made aware of the incident or, in the event a complaint has been filed within ten (10) working days of denial of the complaint by the immediate supervisor. The Town Administrator will meet with the employee within ten (10) working days after receipt of the written grievance, and will give a written reply to the employee within five (5) working days thereafter. The Town Administrator's decision shall be final.

Approved:



David Caron 11/3/17
Town Administrator Date

APPENDIX A
 POSITION CLASSIFICATION PLAN & SALARY SCHEDULE
 NON REPRESENTED EMPLOYEES

Title	Grade	Annualized Range	Hourly Range
Chief of Police Director of Public Works	I	\$ 99,371.38 – 129,185.06	N/A
Fire Chief Chief Financial Officer HR Director	H	\$ 94,655.60 – 123,018.27	N/A
Vacant	G	\$ 88,942.26 – 117,690.35	N/A
Accounting Manager	F	\$ 77,515.57 – 100,845.06	N/A
Vacant	E	\$ 69,172.27 – 89,758.45	\$ 33.36 – 43.15
Vacant	D	\$ 57,972.30 – 75,497.76	\$ 27.87 – 36.30
Executive Secretary to TA HR Coordinator	C	\$ 51,284.06 – 66,678.35	\$ 24.66 – 32.06
Vacant	B	\$ 48,336.70 – 62,869.46	\$ 23.24 – 30.23

Implementation:

***FY17 – 4% adjustment to base salary
 FY18-FY20 – Progression through the salary range pursuant to Article II,
 Salary and Performance Evaluation.***