

TOWN OF CAROLINA SHORES
Human Resources Committee
Special Called
Meeting Minutes
October 27, 2017
2:30 p.m.

At 2:34 p.m., Mayor Dunn called the Special Called Meeting of the Human Resources Committee to order.

Present:

Mayor Joyce Dunn
Commissioner Bill Brennan
Commissioner Greg Davis

Also, Present: Jon Mendenhall, Town Administrator; Julie Munday, Finance Director and Nicole Hewett, Town Clerk

Absent: None

Approval of Meeting Minutes:

COMMISSIONER BRENNAN MADE A MOTION TO APPROVE THE SPECIAL CALLED HUMAN RESOURCES COMMITTEE MEETING MINUTES OF SEPTEMBER 26, 2017 AND CLOSED SESSION MINUTES OF SEPTEMBER 26, 2017. COMMISSIONER DAVIS SECONDED THE MOTION. MAYOR DUNN CALLED FOR A VOTE AND MOTION CARRIED BY UNANIMOUS VOTE.

Discussion on Personnel Policy Manual:

The Human Resources Committee reviewed the hand-out. Mayor Dunn said the topic on the table is whether to change the leave accrual rate or table for employees in the Maintenance Department who work four ten hour days and therefore a forty hour work week and they believe their leave should be accrued in that manner so when they take a day off, they get paid for ten hours, not seven hours because they work ten hour days. Mayor Dunn said their position is that if they take a day off, it is a ten hour day. Mayor Dunn said we as a committee discussed that and we agreed that the accrual is based on years of employment and they gain days, not hours. Commissioner Davis said that is what we came up with. Mayor Dunn said it appears the error we made is that after that HR Committee meeting, it never went to the Board of Commissioners for a vote. Mayor Dunn said maybe it doesn't need a vote because they are not changing the Personnel Policy Manual; we are just reaffirming what it says. Mr. Mendenhall said what happened was Finance was briefed on all these things and Finance doesn't do the time accrual in days; it can't be done because of the pay periods being twenty-six pays. Mr. Mendenhall said so it is fractional and can't be done in days and that is why it is back on your agenda to talk about. Mr. Mendenhall said you have information to review. Mr. Mendenhall said basically they want to take a day off for vacation, they work ten hour days and they have to account for their ten hours, so they put down ten hours of vacation but they don't earn the same amount of vacation as Town Hall employees. Mr. Mendenhall said so they just want to take a day and get paid. Mayor Dunn said did anybody explain to them that the Town Leave Policy is based on years of employment and is standard for everybody.

Mr. Mendenhall said they are aware of that. Mr. Mendenhall said they are saying with one year of service, they are actually getting short changed for having to put down ten hours of vacation. Mayor Dunn said she asked Julie several weeks ago to do the math to make it equal for all employees. Mayor Dunn said under this system, the answer was no it would not be equal for people that work a seven hour and ten hour day. Mayor Dunn said assuming they work a full year with no time off and they both quit at the end of the year, the person who is accruing based on a forty hour week will walk away will considerably more time. Commissioner Brennan said he see's some type of mathematical impossibility there in terms of if it's okay for one year, what happens after two years and Mayor Dunn said it gets worse, the longer you stay. Mayor Dunn said then it sits there as cash until it gets used. Commissioner Brennan said the point is he's working more hours. Mayor Dunn said then that means we would have to re-write our policy for the two types of people and then it wouldn't matter how long you worked here because you are going to get more hours on a forty hour week. Commissioner Brennan said no because it's a ten hour day, it's a forty hour week. Mayor Dunn said that is not actually in writing anywhere and that was never a policy that they work a forty hour week. Mayor Dunn said it was something the Board said was optional for management to determine that if needed we pay them. Commissioner Brennan said had we not decided that is a much more effective economic unit of time. Mayor Dunn said there is no policy for a forty hour week. Commissioner Davis said there is not a policy that says we have a forty hour employee. Mayor Dunn said then you get into another issue that we have our Building Inspectors would could probably work fifty hours routinely and of they are consistently working forty hours a week, they are accruing leave at a thirty-five hour week. Mayor Dunn said and Niki who frequently works on weekends is only accruing a thirty-five hour week regardless of how many times she works forty hours. Mr. Mendenhall said he doesn't think the Building Inspectors are working a regular forty hour week, nor does he think Mrs. Hewett is. Mayor Dunn said then how do handle people that do work a forty hour week. Commissioner Davis said because their work days are longer, they get short changed the number of days they get to take off. Mr. Mendenhall said that is what started this, what cause their concern because Maintenance has to put down ten hours. Commissioner Davis said and we said fix it by calling them days. Mayor Dunn said but the problem is they want to get paid for ten hours. Mr. Mendenhall said they are required to be there ten hours a day. Mayor Dunn said well if one of them said to you I don't want to work forty hours, ten hour days are you going to fire them and Mr. Mendenhall said that would be the recommendation; they function as a unit, a team. Mayor Dunn said we don't have a policy that says a forty hours week. Mr. Mendenhall said we do on page 14 of the Personnel Policy Manual under Work Schedule and Commissioner Davis said yes, that is the only thing it does say. Commissioner Davis said it does say it can be established. Mayor Dunn said we haven't done that. Commissioner Davis said we gave Chris the option to change it and he did that. Commissioner Davis said once we did that, we gave permission to do it. Commissioner Davis said we now own the forty hour week. Mayor Dunn said then we should've re-written our Policy Manual to say people in one building work thirty-five hours and people in the other building work forty. Commissioner Davis said we didn't have to. Commissioner Davis said it said in the manual we can give them the option and we granted them that option. Commissioner Davis said you don't have to change the manual. Mayor Dunn said and you don't have to change their vacation, they are getting paid for it. Mayor Dunn said if Niki works forty hours this week, she is going to get paid for the same number of hours as what Chris is and he obviously works forty hours, so nobody is getting short changed. Commissioner Davis said it is only when Maintenance takes time off. Mayor Dunn said if Maintenance doesn't take a day off the whole year, they have more money. Commissioner Davis said he understands that part but then again, if they do take days off, they don't get as many days. Commissioner Davis said it can't be both ways, we have to fix this. Commissioner Brennan said every day in

corporate America where he worked, people had different numbers of hours in their work week and some places had thirty, thirty-five and forty hours a week and somehow or other everybody ended up getting two weeks of vacation or whatever, all of corporate America is doing it. Commissioner Davis said then Maintenance just puts down seven hours off if they take a day because then it's equal. Mr. Mendenhall said the policy says accrual is based on years of service. Mayor Dunn said they want their paycheck to say ten hours, not seven. Commissioner Davis said the problem is the Policy is set up in days and hours; it needs to be one or the other. Mayor Dunn said another issue is the software uses fractions to break it down. Mr. Mendenhall said the Policy doesn't need to change it is all back office math a day here is seven; a day in Maintenance is ten. Commissioner Davis said that is what we said originally; a day is a day. Mayor Dunn said but at the end of the year, they better not have more money if they cash out than the thirty-five hour person and mathematically they would. Mr. Mendenhall said they certainly would. Mayor Dunn said if we are saying they have to put in ten but if you say our organization is a thirty-five hour per week organization with exceptions made as needed, so your leave is thirty-five hours, everybody puts in thirty-five hours. Mayor Dunn said and if you're working extra hours, you are going to get paid for those extra hours. Mayor Dunn said if Niki works 5 more hours, she gets paid for five more hours. Commissioner Davis said okay, she works those five extra hours, doesn't that go into accrue time too. Mayor Dunn said no. Mrs. Hewett said no sir, it does not. Commissioner Davis said so anything over thirty-five hours does not add to your accrue time and Mrs. Hewett said no sir, it does not and as an employee, she's fine with that. Commissioner Davis said its straight time under forty and Mr. Mendenhall said that is correct. Commissioner Davis said then why didn't we do that with them and Mr. Mendenhall said it was never brought up. Commissioner Davis said why don't we leave them as a thirty-five hour a week employee and then the extra five hours a week, we pay them straight time and then everybody is on the same page. Mayor Dunn said in winter time we don't have the same needs, maybe we don't want them to work forty hours a week; maybe you call it flex time. Commissioner Davis asked and Chris doesn't want to go back to five days a week and Mayor Dunn said she talked with Chris and he said they were all told it was a forty hour week when they were hired; that's an issue because they are all newer and they were all told forty hours per week. Commissioner Davis said then we can't go back to thirty-five hours and Mayor Dunn said no. Mr. Mendenhall said we set the work schedule, Commissioner Davis said it doesn't matter if they were told they were a forty hour a week employee then they have to be a forty hour a week employee. Commissioner Davis said if we tell them thirty-five a week with the extra five hours, then they will say they don't want to work the extra and then discipline action, firings. Mayor Dunn said nobody has ever told them what to do about leave because they all put in different numbers. Commissioner Davis asked what the Policy says and Mr. Mendenhall read it aloud. Mr. Mendenhall said this goes back to the last meeting equal and equivalent, a day is a day seven here, ten there. Mr. Mendenhall said they just want to take Monday off and put down ten hours; just like if someone wants to put down a day here; they put down seven hours. Commissioner Davis said the Maintenance people do work ten hours. Commissioner Davis said if they are over there ten hours on the 50th Monday and they take the 51st Monday off, they deserve a day's pay. Mayor Dunn asked if they were told when they were hired that they would all work compressed days and they would all have Friday off. Mr. Mendenhall said four ten's and then overtime on Friday. Commissioner Davis said if they take Monday off, they're right they deserve ten hours of pay. Mayor Dunn said that is a complaint for sure and Commissioner Davis said he understands their complaint. Commissioner Davis said if Niki takes Monday off, she get seven hours of pay, that's what she would normally work. Commissioner Davis said its common sense folks. Commissioner Brennan said its not rocket surgery and Commissioner Davis said no, it isn't. Mayor Dunn asked for Mrs. Hewett to go get Ms. Munday and have her join the meeting. Mayor Dunn said if you work four ten's and don't use any accrual, you will

have gained 120.12 hours. Mayor Dunn said if you do that in five days, you will have accrued 96.20 hours, which is what all the thirty-five hour per week people would be getting. Mayor Dunn said so at the end of the year, one has that many more hours if they are not taking them. Mayor Dunn said but if you are taking them, you are taking them at a higher rate. Commissioner Davis said he still thinks if they take a day off its ten hours. Commissioner Davis said it's what they worked, it's what they are scheduled. Ms. Munday said Joyce and Jon have these numbers and Commissioner Davis said we have them. Ms. Munday said she just did it and Commissioner Davis said he has it and Commissioner Brennan said we have them in front of us and Ms. Munday said okay. Commissioner Davis said our problem is this, if Niki takes a day off from work, its seven hours off and Ms. Munday said correct. Commissioner Davis said if Maintenance takes a day off, its ten hours off. Ms. Munday said it's actually seven and they take three extra hours if they want the extra money. Mayor Dunn said Julie it comes down to when they were hired. Mayor Dunn said they were hired at four ten hour days. Mayor Dunn said they were all hired being told that it was a ten hour day. Mayor Dunn said she understands why they want a ten hour day when they take one off. Commissioner Davis said that is the problem. Mayor Dunn said mathematically if they take days off, it becomes very uneven. Ms. Munday said according to the software company, if you read what she put down; they base everything on a forty hour, five day week, eight hours, no matter what shifts are worked because that is the only way it can come out fair. Ms. Munday said everybody is still getting their five days a year, it is just different. Ms. Munday said she was under the assumption...police and fire departments can run their own payroll with different accruals. Ms. Munday said whether you have a thirty-six or forty hour a week. Mr. Mendenhall said he is sorry to interrupt but are you saying right now the one year employee that should be in this building accruing two thirty-five weeks which is seventy hours for two weeks of vacation are actually getting eighty, is that over accrue because it's based on an eight hour five day week, we don't work eight hours, we work seven and is that over accrual right now. Ms. Munday said no, right here it's five seven's. Ms. Munday said if you take 1.35 and multiply that by the five days and divide it by the twenty-six pay periods, we're accruing five days. Mr. Mendenhall said then the table is not an eight hour five day table. Ms. Munday said no, she gave you the table for eight hour day. Mayor Dunn said that would be a new table and Ms. Munday said right. Commissioner Davis said right now we are running five seven's and Ms. Munday said that is correct. Commissioner Davis said the employees that are working and scheduled for forty hours a week at a promise that it was four tens, are accruing at the five, seven rate. Ms. Munday said yes they are because that is the table that is approved. Ms. Munday said they are still getting the same amount of days as everybody else; they are just not accruing the same because that table that is approved has the accrual rate on it. Commissioner Davis asked who is approving this table. Ms. Munday said that is what is in the Personnel Policy Manual. Commissioner Brennan said so that is something within our control and Ms. Munday said yes. Commissioner Davis said then we can change the accrual table for those people. Mr. Mendenhall said the accrual table is based on days and Commissioner Davis said yes, that is the problem. Commissioner Davis said so we approved an accrual table based on days. Commissioner Davis said the software company or whatever you are using bases it on hours. Ms. Munday said it is on days but there is no way you can do the calculation without the hours, you have to have the hours. Commissioner Davis said okay so why can't we plug in for those employees forty hour weeks, Mayor Dunn said we could. Ms. Munday said we can, she said that. Ms. Munday said we can put in a forty hour week table and we can put in a thirty-five hour a week table. Mayor Dunn said we could put in three or four if we wanted to and Ms. Munday said three. Commissioner Davis asked if they will accrue at an equal rate and Ms. Munday said no because they work more hours. Commissioner Davis said he understands that. Commissioner Davis said they work more hours which means they should accrue more because they work more hours. Ms. Munday said right but if you

accrue on the four days, ten hours this is where it comes up not being fair because there are some sixty some days that they are working less than the people that are working five days but accruing less. Commissioner Davis said what days are those and Ms. Munday the Fridays they work. Commissioner Davis said he understands that but even though you base it on days in the table, when you do the software it's still based on hours whether or not they work thirty-five or forty, it's still a forty hour week for them. Ms. Munday said all they are saying and she called around to other one's to see what they do; they base theirs on eight hours, forty hours a week, no matter how many hours that they work in a week. Commissioner Davis said even their thirty-five hour a week employees. Ms. Munday said that is what she said on the information sheet; even the County said they have some that work thirty-six hours a week, they work twelve three's and they have some that work four ten's. Commissioner Davis said so when those guys take a day off, they would lose eight hours of accrue time based on a forty hour week. Ms. Munday said how would they lose and Commissioner Davis said if they take one day it would be eight hours. Commissioner Davis said if you even it out for a five day week at forty hours, they lose eight hours. Commissioner Davis said so Niki takes a day off, she would lose eight which would be one more hour than she earned. Ms. Munday said now everybody is earning the same because they are on the same table. Mayor Dunn said if there are two types of employees, there is no way to make them equal in their own mind. Mayor Dunn said if we say we are going to create a forty hour category and then let them accrue at that rate, then you are doing some damage to the people that are only accruing a seven hour day. Mayor Dunn said if she's been here 3 months at thirty-five hours a week, she may have not accrued enough to take a day off but if that is a forty hour a week person and accruing that way then she already has accrued at that rate. Commissioner Davis said if they take a day off at seven hours, they are being shorted three hours. Mayor Dunn said to look at the time on the sheets, look at the math, they will have more time. Commissioner Davis said we need to come up with a solution. Commissioner Brennan said we basically need different tables at the appropriate accrual rate and they should come out equal. Commissioner Davis said that is what we wanted from the beginning. Ms. Munday said if you are doing the four ten's, is there any reason you can't do the five eight's because they come in Friday to do their overtime anyway. Commissioner Davis said but there may be a time during the year we don't bring them in on Fridays. Commissioner Davis said we are not going to need the overtime once we get into the winter months when we are not cutting grass or roadside stuff. Ms. Munday said she's just looking at the liability to the Town on the chart with the four ten's versus the five eight's. Ms. Munday said it comes out to be a bigger liability to the Town on the vacation hours. Mr. Mendenhall said an employee at Town Hall wants to take a Monday, they don't have to come in on Saturday because they only had five hours, if they were given five hours and they had time; you would be making the Town garage employees take Monday and give them eight hours and they would have to make up two hours to come in before they could even get overtime. Commissioner Davis said then we would be punishing them because they couldn't get their overtime. Mayor Dunn said why they have to get overtime that is a different matter entirely. Commissioner Davis said but you have to look at that scenario. Mayor Dunn said you can't make this work for everybody. Mayor Dunn said if they accrue at ten and don't take any time off, it becomes more and more money. Commissioner Brennan said he takes exception to saying it can't work because there are people all over the world that work in the same facility and everything else. Mr. Mendenhall said his recommendation is to amend the leave accrual table to compensate for the work day differences. Ms. Munday said we go by the table in the Personnel Policy Manual until the Board approves to amend it. Commissioner Davis said regarding days per year and hours per week you can't do both, it doesn't work. Commissioner Davis said if one takes a week of vacation it should be equal whether it's thirty-five or forty hours per week. Ms. Munday said then you have to either put everybody on thirty-five or forty hours and Commissioner Davis said no, it's a week of

vacation. Commissioner Davis said Town Hall it is thirty-five hours of vacation and Maintenance is a forty hour vacation because that is what they work, it's still five days each. Mayor Dunn and Commissioner Davis said the problem is they were told and we included forty hours when we hired them, they were getting four tens with a Friday overtime day. Commissioner Brennan said we never realized that was going to cause a problem and Commissioner Davis said that is correct. Commissioner Brennan said that's one of those unknown consequences. Mayor Dunn said so change the leave table to two tables and leave it that way forever or do we change the table and new employees that get hired continue the forty hour week forever. Commissioner Brennan said when we hire new people, they are going to fit in two categories; either office or garage. Commissioner Davis said he thinks the solution of two tables will work. Mr. Mendenhall said that is not even a policy change, it is an implementation. Commissioner Davis said all we are doing is making sure we equal out the days. Mrs. Hewett said we have a Personnel Policy Manual that is provided and given to everyone and that policy dictates how things are managed on a personnel basis. Mrs. Hewett said to Ms. Munday, correct me if I'm wrong but in order to change your program we have to change our policy and it would have to go in front of the full Board of Commissioners for approval. The Committee members said they understand that. Mrs. Hewett said then to solve the problem, take out any of the verbiage, because the minutes you just approved from your last meeting does that, where it could be a thirty-five or forty hour week. Mrs. Hewett said at the last meeting it was agreed to remove some of the wording in the Policy such as on Page 19 under Vacation Leave: Accrual Rate – stop the sentence at “schedule.” Remove: “prorated by the average number of hours in the work week:”. Ms. Munday said there were recommend changes by the committee on pages 18, 19 and 20. Commissioner Davis said the problem is they were never approved by the Board of Commissioners. Mr. Mendenhall said the current interpretation is nothing needs to be done, we just need to go in the back office and change the table that is in the software to a day is a day. Mayor Dunn said if we are going to have employees that are forty hour employees, that needs to be in the Personnel Policy Manual. Ms. Munday said she suggests the Board does two leave tables; one for a thirty-five hour week and one for a forty hour week and you have to put both tables in the Personnel Policy Manual and you have to make these changes. Mayor Dunn said and we need to create the forty hour employee so we actually have that. Commissioner Davis said just change the manual so we have two types of employee's thirty-five hour building and forty hour Maintenance. Mayor Dunn said in order to get their leave, they have to work their ten hour days, they can't do 9 or 8 hours, they have to do ten hours. Commissioner Davis said correct and if they work Friday, they are directly in overtime. Commissioner Davis said Jon; you can make these changes and bring them before the Board of Commissioners for the November meeting and the committee members agreed. Ms. Munday said they probably can't get everything set up with the holidays and everything until January 1, 2018. Mayor Dunn asked about pro-rating it back to when they were hired and Commissioner Davis said no, we changed the policy. Commissioner Davis said because we changed the policy, there is no pro-rating it. Commissioner Davis said if we do it without changing policy and voting on it, they would have a right to say that. Commissioner Davis said we are changing the policy to fit everyone. Commissioner Davis said we can't fix the past but we can fix what was written. Commissioner Davis said they may want that but they should be happy that we fixed this and if they are not, so be it. Ms. Munday said Sara, Cindy and Sandy wouldn't mind working forty hours and getting the five hours extra pay but she knows her and Niki don't want to. Mayor Dunn said we do categories of pay according to our needs and Commissioner Davis said he doesn't think we are at that point yet. Commissioner Davis said this building runs under a thirty-five hour per week, correct and Mr. Mendenhall said correct and Commissioner Davis said good; let's leave it that way unless we find we need to do something different. Mrs. Hewett said to clarify, when she has to work overtime its usually because something happens like a hurricane,

computer issues or two weeks with the storm, we lost that time. Mrs. Hewett said she doesn't want to be here on weekends but if she needs to be to get work done, then that's what she does; its special circumstances. Mr. Mendenhall said all staff is very good about putting in time to get the job done. Commissioner Davis said what we are trying to solve is a miscommunication problem and that's basically it and Mr. Mendenhall said that is correct. Commissioner Davis said it is a miscommunication problem because we don't have forty hour tables and we hired people under a forty hour week. Commissioner Davis said we didn't do that when that Policy book was written, we didn't have a forty hour a week employee. Commissioner Davis said so we are fixing a problem. Commissioner Davis said Jon, you write them up and we will recommend them to the Board of Commissioners. Mr. Mendenhall said sounds good, we will do it. Mr. Mendenhall said he wanted to talk to the committee about the Personnel Policy Manual re-write and he had spoke to Jim and as soon as we get through the Closed Session we have scheduled on the 6th, we will give an update with all these tasks.

Adjourn:

COMMISSIONER BRENNAN MADE A MOTION TO ADJOURN THE HUMAN RESOURCES COMMITTEE SPECIAL CALLED MEETING OF OCTOBER 27, 2017. COMMISSIONER DAVIS SECONDED THE MOTION. MAYOR DUNN CALLED FOR A VOTE AND MOTION CARRIED BY UNANIMOUS VOTE.

Mayor

Submitted by:
Nicole L. Hewett, Town Clerk