

**REGULAR MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
THURSDAY, FEBRUARY 6, 2014
7:00 p.m.**

This being the time and place for a regular meeting of the Asheboro City Council, a meeting was held with the following officials and staff members present:

David H. Smith) – Mayor Presiding

Talmadge S. Baker)
Clark R. Bell)
Edward J. Burks)
Linda H. Carter) – Council Members Present
Michael W. Hunter)
Walker B. Moffitt)
Charles A. Swiers)

John N. Ogburn, III, City Manager
Edsel L. Brown, Code Enforcement Officer
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Max S. Hooker, Deputy Fire Chief
T. Myers Johnson, Human Resources Director
Michael L. Leonard, P.E., City Engineer
Mark T. Lineberry, Police Captain
Trevor L. Nuttall, Community Development Director
Randy C. Purvis, Chief Building Inspector
Deborah P. Reaves, Finance Director
Jonathon M. Sermon, Recreation Services Superintendent
Jeffrey C. Sugg, City Attorney

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Silent prayer and pledge of allegiance.

After a moment of silence was observed in order to allow for prayer or meditation, Mayor Smith asked everyone to stand and repeat the pledge of allegiance.

3. Appearance and recognition of guests and citizens.

Mayor Smith welcomed everyone in attendance and recognized a boy scout from Troop 527 who was in attendance as a requirement for his community/citizenship badge.

4. Recognition of Mr. Keith M. Seabolt, Fire Department Captain (Retired), for his years of dedicated service to the City of Asheboro.

Deputy Chief Max Hooker presented retired Captain Keith M. Seabolt with a plaque in appreciation for his 30 years of service to the City of Asheboro. On behalf of the City of Asheboro, Mayor Smith congratulated Captain Seabolt on his retirement and expressed appreciation for his service.

5. Presentation of the city's fiscal year-end audit report by Mr. Steve Hackett, CPA, of Maxton McDowell, CPA.

The City Council received from Mr. Steve Hackett, CPA the audit report for the fiscal year that ended June 30, 2013. During his presentation, Mr. Hackett reported that the city received what is commonly referred to as a "clean audit" (currently also referred to as an "unmodified audit") that reflects an unqualified acceptance of the City's financial statements. A copy of the written report submitted by Mr. Hackett is on file in the City Clerk's office along with a copy of the City's comprehensive Annual Financial Report.

6. The annual report from Ms. Bonnie Renfro, President of the Randolph County Economic Development Corporation.

Ms. Bonnie Renfro, President of the Randolph County Economic Development Corporation (RCEDC) presented the corporation's annual report for 2013. Throughout the year, approximately 343 new jobs were created with a new capital investment of approximately \$46,000,000.00. A copy of the annual report presented by Ms. Renfro is on file in the City Clerk's office.

Additionally, the Council received a written "Community Profile" and a "2013 Existing Business Report – Asheboro" along with comments from Mr. Kevin Franklin, Existing Business and Industry Coordinator. Dr. Bob Shackelford, President of Randolph Community College and RCEDC Chairperson, thanked the Council for its leadership and support for economic development.

7. Consent agenda:

Upon motion by Mr. Bell and seconded by Mr. Burks, Council voted unanimously to approve the following consent agenda items.

- (a) The minutes of the City Council's regular meeting on January 9, 2014.**
- (b) Acknowledgement of the receipt of the semi-annual report of the disposal of surplus city-owned personal property valued under the \$5,000.00 threshold.**
- (c) Acknowledgement of the receipt of the Asheboro ABC Board's minutes of its meeting on December 2, 2013.**

8. Appearance of Mr. Deneal McNair with East Side Improvement Association.

Mr. Deneal McNair, who advised the Council that he is the President of East Side Improvement Association, reported to the Council that the property that houses the Central Gymnasium and Asheboro Daycare serves as collateral for a loan that is in default and on the verge of foreclosure. According to Mr. McNair, the association is attempting to raise money in order to save the property from foreclosure, and he asked the city council for assistance.

Mayor Smith and the Council Members asked questions about the situation and also received some information from Ms. Michele Hammond, who stated that she is the new Vice President for the East Side Improvement Association. After the exchange of some information by means of questions posed by the elected officials, the collective opinion emerged from the Mayor and Council Members that no action could be taken with public funds until a business plan, including a sustainability plan, was submitted for review and analysis.

No such plan is currently available. Consequently, the Council took no formal action on this request.

9. Public comment period.

Mayor Smith opened the floor for comments from the public.

There being no comments from the public, Mayor Smith closed the public comment period.

10. Revision of the City of Asheboro Personnel Policies and Procedures Manual:

(a) Presentation of proposed amendments by Human Resources Director Myers Johnson.

Mr. Johnson presented to the Council Members the proposed amendments to the City of Asheboro Personnel Policies and Procedures Manual.

(b) Consideration of a resolution concurring with the proposed amendments.

After discussion, Mr. Johnson presented and recommended adoption by reference of a resolution concurring with the proposed amendments to the City of Asheboro Personnel Policies and Procedures Manual.

Upon motion by Mr. Bell and seconded by Mr. Baker, Council voted unanimously to adopt the following resolution by reference.

ASHEBORO CITY COUNCIL RESOLUTION

A Resolution Expressing the City Council's Concurrence with the Revision of the City of Asheboro Personnel Policies and Procedures Manual

WHEREAS, the City of Asheboro Personnel Policies and Procedures Manual (hereinafter referred to as the "Manual") was originally promulgated by the city manager and approved by resolution of the Asheboro City Council on March 4, 2004; and

WHEREAS, the city manager periodically receives recommendations from the human resources director and/or the personnel committee as to improvements that can be made to the city's uniform system of personnel administration; and

WHEREAS, since the date of the most recent revision of the Manual that went into effect on March 15, 2013, the human resources director and the personnel committee have recommended to the city manager that certain improvements be made to the following Articles within the Manual: Article I (Unified Personnel System), Article II (Position Classification Plan), Article III (Recruitment and Employment), Article IV (Payroll Administration), Article VI (Benefits), Article X (Disciplinary Actions), and Article XI (Grievance Procedure); and

WHEREAS, the city manager has agreed with these recommendations and has, with the assistance of the human resources director, promulgated corresponding revisions of the Manual; and

WHEREAS, the proposed amendments/revisions that are attached to this Resolution as EXHIBITS 1, 2, 3, 4, 5, 6, and 7 are hereby incorporated into this Resolution by reference as if copied fully herein; and

WHEREAS, the City Council has concluded that the city manager's decision to revise the Manual is consistent with the City Council's adopted mission statement "to provide the citizens of Asheboro with excellence in leadership, fiscal management, and municipal services and to create meaningful and appropriate opportunities for citizen participation to improve the quality of life for all;"

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro that it concurs with the city manager's most recent revision of the City of Asheboro Personnel Policies and Procedures Manual to reflect the policy changes specified in the attached exhibits; and

BE IT FURTHER RESOLVED that the effective date for the revisions found in EXHIBITS 1, 2, 3, 4, 6, and 7 shall be March 1, 2014, and the effective date for EXHIBIT 5 shall be April 15, 2014.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting held on the 6th day of February, 2014.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

EXHIBIT 1

[ARTICLE I. UNIFIED PERSONNEL SYSTEM]

Section 6. Equal Employment Opportunity

It is the policy of the city to foster, maintain, and promote equal employment opportunity. The city shall select employees on the basis of the applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, including upgrading and promotion, without regard to age, sex, race, color, religion, non job-related disability, genetic information, national origin, or political affiliation. Discrimination because of past, present, or future military service will not be tolerated and is expressly prohibited in the areas of initial employment, retention in employment, promotion, or the benefits of employment.

Section 9. Implementation of Policies

All personnel, supervisory and line personnel alike, are hereby charged with the responsibility of continually reviewing the personnel policies found in this manual and ensuring that conduct and practices in the workplace conform with the city's policies. Workplace practices or customs are to be constantly reviewed in order to make sure that a divergence does not develop between the workplace practices and

the city's written policies. Without limiting the importance of other policies, specific attention is to be given to ensuring that safety policies and guidelines are properly observed, workplace violence is prevented, and equal employment opportunity based on reasonable job-related job requirements is actively advocated and practiced to the end that no employee or applicant for employment shall suffer discrimination because of age, sex, race, color, religion, non-job related disability, genetic information, national origin, or political affiliation, or military service.

EXHIBIT 2

[ARTICLE II. POSITION CLASSIFICATION PLAN]

Section 3. "Part-Time Employees" Defined

"Part-time employees" are those who are in positions for which an average work week consists of less than 40 hours and the employee receives no benefits. If a part-time employee should occasionally work over 40 hours in a single week they would be paid according to Fair Labor Standard Act (FLSA) requirements. Notwithstanding any provision found within Article II of this Manual, the definitions found in Article VI, Section 3 of this Manual pertaining to part-time employees shall be controlling for the limited purpose of interpreting and implementing the group health and hospitalization insurance benefits described in the said Article VI, Section 3.

Section 4. "Seasonal Recreational Employees" Defined

"Seasonal Recreational employees" are those who are employed in a recreational establishment in an interim position for less than six (6) full months in any one calendar year. As a matter of standard practice, the city will not maintain an employee in a position of employment that is classified as seasonal recreational for a period of time in excess of four (4) consecutive calendar months during a calendar year. Seasonal employees are exempt from Fair Labor Standards Act overtime requirements and this policy's Article V Section 3, Employment of Relatives requirement. Notwithstanding any provision found within Article II of this Manual, the definitions found in Article VI, Section 3 of this Manual pertaining to seasonal employees shall be controlling for the limited purpose of interpreting and implementing the group health and hospitalization insurance benefits described in the said Article VI, Section 3.

EXHIBIT 3

[ARTICLE III. RECRUITMENT AND EMPLOYMENT]

Section 1. Recruitment and Employment Application Procedures

At the time of an employment vacancy, members of the human resources department, in consultation with the department head, will determine to what extent, if any, the vacancy should be advertised. All vacancy announcements distributed throughout the community will specify qualifying requirements and the pay range of the positions to be filled. Employment advertisement shall contain assurances of Equal Employment Opportunity and shall comply with Federal and State Statutes regarding discrimination in employment matters.

Upon inquiry, each individual interested in employment with the city shall be informed of all current job openings. In order to be considered for employment with the city, an individual must submit a written application on the form prescribed by the human resources department. Any such form shall provide notice that North Carolina law, subject to certain exceptions for individuals who are seeking or hold any certifications issued by the North Carolina Criminal Justice Education and Training Standards Commission, allows applicants to not refer to any arrest, charge, or conviction that has been expunged. An applicant need not, in answer to any question concerning any arrest or criminal charge that has not resulted in a conviction, include a reference to or information concerning charges or convictions that have been expunged. An application shall not be denied solely because of the applicant's refusal or failure to disclose information concerning any arrest, criminal charge, or criminal conviction of the applicant that has been expunged.

In order to ensure that an accurate background check can be completed in the event a conditional offer of employment is extended to an individual, applicants for employment with the city shall, upon request, provide information that can be used to confirm the identity of the applicant along with written consent to conduct a background check, including without limitation a check of the applicant's criminal history record information. The requested information may include, but is not limited to, the applicant's full name, documents such as a birth certificate or driver's license, and/or a completed applicant fingerprint card.

Properly submitted applications shall be kept in an active file for six (6) months.

Qualified persons currently employed by the city shall receive first consideration for filling those vacancies that represent promotional opportunities.

Persons dismissed by the city for unsatisfactory performance of duties or improper personal conduct may not be rehired.

Section 3. Conditional Offer of Employment

When a department head notifies the human resources department of the selection of an applicant as the candidate initially identified as best suited for an open position of employment, the human resources department will contact the selected applicant and extend a written conditional offer of employment. This written conditional offer of employment will advise the selected candidate that the granting of employment with the city is contingent upon the successful completion of a pre-employment drug screen, physical, and background check that includes a criminal history record check, verification of information contained within the individual's application materials, and, if the position sought by the applicant requires the ability to operate a motor vehicle, a review of the applicant's driving history. In addition to the items listed in the immediately preceding sentence, this offer of employment may also be conditioned on the completion, to the satisfaction of the city, of any other examinations, tests, or reviews that are mandated by the applicable federal, state, and local laws, ordinances, and administrative regulations for the occupation/job sought by the applicant.

When an inquiry of criminal history record information indicates that an individual has one or more pending criminal charges and/or has been convicted of or accepted responsibility for one or more felonious or misdemeanor criminal offenses, such information will not serve as an automatic disqualifier that mandates the withdrawal of a conditional offer of employment. Any pending criminal charge(s) and/or past criminal conduct will be subjected to an individualized review of the entirety of the available information before a decision is made as to whether to withdraw a conditional offer of employment. At a minimum, this review will take into account the type of crime(s) of which the individual has been charged or was convicted/accepted responsibility, the frequency of violations and/or any pattern of offenses, the time that has elapsed since the date(s) of any conviction(s)/disposition(s), the applicant's age at the time of any conviction(s)/disposition(s), and the impact, if any, of the past criminal conduct or pending charges of criminal conduct on the ability of the applicant to perform the essential job functions of the position for which he or she has applied in a manner consistent with the maintenance of the public trust and confidence that is essential to the city's effective delivery of municipal services.

With regard to the pre-employment drug screen and the physical examination, a health care provider performing a medical examination shall be instructed to not report family medical history. The relevant inquiry in this employment-related medical exam is not what the candidate's health may be in the future, but rather what the candidate's present ability is to perform the essential functions of the job. If the selected candidate tests positive for drugs and/or is found to be unable to perform an essential function of the job for which the individual has been selected, the conditional offer of employment will be withdrawn.

Applicants for employment who refuse to comply with or are unable to fully satisfy the conditions attached to a conditional offer of employment, including without limitation fully cooperating with and completing the mandated physical exam and drug screening, are automatically disqualified from final appointment to the position for which they have applied.

Tests required or administered by the city shall be those measuring the skills actually required to perform the essential functions of the job for which an individual has applied.

EXHIBIT 4

[ARTICLE IV. PAYROLL ADMINISTRATION]

Section 9. Overtime and Special Duty Assignment

- (A) The city abides by all applicable sections of the Fair Labor Standards Act, the Fair Labor Standards Amendments of 1986, and all subsequent amendments. On the basis of time sheets or time cards submitted by the employees, the city will properly record all applicable overtime accrued for each covered employee.
- (B) With the exception of subsection (J), this overtime and special duty assignment policy is applicable only to employees of the City of Asheboro who are non-exempt under the Fair Labor Standards Act.
- (C) Employees are expected to work during all assigned periods exclusive of breaks or mealtimes. Employees are not to perform work during any time that they are not scheduled to work unless they receive approval from their immediate supervisor, except in cases of emergency. An emergency exists if a condition arises that could reasonably result in injury or harm to a person, damage to property, or that requires the immediate attention of the employee. Employees who work excess hours because of an emergency shall advise their immediate supervisor of the unscheduled work as soon as practical following completion of the work.
- (D) It is the policy of the city, in agreement with its employees, that employees receive compensatory time-off at a rate of one-and-one-half (1-½) hours for each hour of overtime worked. Except for

law enforcement officers and firefighters, non-exempt employees receive compensatory time-off at the rate of one-and-one-half (1-½) hours for every hour worked over forty (40) hours in a seven-day workweek. Non-exempt law enforcement officers are entitled to this overtime rate only for hours worked in excess of one hundred seventy-one (171) hours in a twenty-eight-day cycle, and firefighters are entitled to this overtime rate only for hours worked in excess of two hundred four (204) hours in a twenty-seven-day cycle.

- (E) In situations where a non-exempt employee performs work that fails to qualify as overtime work because the employee will not actually work over forty (40) hours during the seven-day workweek, or for law enforcement officers and firefighters the threshold amount set for overtime work during the prescribed twenty-eight-day or twenty-seven-day cycle will not be satisfied, such an employee may accrue, as a bonus, one-and-one-half (1-½) hours of compensatory time-off for every hour worked in furtherance of the assigned task if the work is designated and explained as a special duty assignment by the employee's division director or department head on the employee's time sheet or time card. Alternatively, a non-exempt employee may receive, as a bonus, a monetary payment rather than compensatory time-off for work on an assigned task if such work, along with the request for the payment of a bonus, is designated and explained as a special duty assignment by the employee's division director or department head on the employee's time sheet or time card. Such a bonus monetary payment shall be one-and-one-half (1-½) times the employee's regular rate of pay for each hour worked as a special duty assignment.
- (F) When a non-exempt employee is called back to work outside regularly scheduled working hours, the employee's division director or department head is to evaluate the totality of the circumstances and make a determination as to which of the following options will be utilized:
 - (a) The call-back event can be designated as a special duty assignment, including using the rate for calculating bonus compensation described above in subsection (E), with a guarantee that the employee will receive, under this option, credit for no less than two (2) hours of special duty assignment work, or
 - (b) The call-back event can be integrated into flexible, alternative scheduling of the employee's work time during the workweek or the twenty-eight-day/twenty-seven-day cycle in which the call-back event occurred.
- (G) Non-exempt law enforcement officers, firefighters, and employees engaged in seasonal activities may accrue not more than four hundred eighty (480) hours of compensatory time-off. All other non-exempt employees may accrue not more than two hundred forty (240) hours of compensatory time-off. When the thresholds specified in this subsection are reached, the non-exempt employee will receive a monetary payment of one-and-one-half (1-½) times the employee's regular rate of pay for each hour in excess of the limits specified in this subsection.
- (H) Employees wishing to use accrued compensatory time-off must make a written request to their immediate supervisor. Use of such time will be allowed within a reasonable period following the request as long as the use does not unduly disrupt the operations of the city. Additionally, in order to reduce the amount of accrued compensatory time-off, an employee who has not asked to use accrued compensatory time-off may, nonetheless, be required by his or her supervisor to use that accrued time at the convenience of the city.
- (I) Accrued compensatory time-off will be paid upon termination of employment and shall be calculated at the average regular rate of pay for the final three (3) years of employment, or the final regular rate received by the employee, whichever is higher.
- (J) Subject to the conditions specified in this subsection, an exempt employee may be granted bonus compensatory time-off or pay to the same extent that such a bonus would be granted to a non-exempt employee for work designated and approved as special duty assignment work by the management official with approval authority for the exempt employee's time sheet or time card. The receipt of bonus compensatory time-off or pay by an exempt employee is subject to the following conditions:
 - (a) The amount of compensatory time-off or pay shall be calculated on an hour-for-hour basis, not at the rate used for non-exempt employees of one-and-one-half (1-½) hour for each hour of special duty assignment.
 - (b) As with non-exempt employees, exempt employees wishing to use accrued compensatory time-off must make a written request to their immediate supervisor. Use of such time will be allowed within a reasonable period following the request as long as the use does not unduly disrupt the operations of the city. Additionally, in order to reduce the amount of accrued compensatory time-off, an employee who has not asked to use accrued compensatory time-off may, nonetheless, be required by his or her supervisor to use that accrued time at the convenience of the city.

- (c) Exempt employees who have been allowed to accumulate compensatory time-off, rather than receiving contemporaneous payment for special duty assignment work, will not be paid for any portion of the accumulated compensatory time-off until the exempt employee terminates his or her employment with the city. The cap on the amount of approved compensatory time-off that may be accrued by an employee is wholly inapplicable to an exempt employee.
- (d) In the event an exempt employee separating from employment with the city is to receive a payment for some or all of the accumulated compensatory time-off, such terminal pay is to be calculated at the employee's final regular rate of pay on the basis of the maximum amount of compensatory time-off that the employee would have been allowed to accumulate if he or she had been a non-exempt employee. The terminal pay cannot include, and exempt employees are expressly prohibited from receiving, any payment that is based on compensatory time-off hours accumulated in excess of the number of hours that could have been accumulated by a non-exempt employee. The maximum number of hours that can be accumulated by the typical forty-hour exempt employee is two hundred forty (240) hours. An exempt employee in the police department or the fire department who qualifies for the Section 7k exemption can accumulate up to four hundred eighty (480) hours. When an exempt employee terminates his or her employment with the city, the balance of any accumulated compensatory time-off that has not been used by the employee prior to the separation from employment or included in the employee's terminal pay in strict accordance with the limits set within this subsection shall be deemed to be forfeited by the employee.

EXHIBIT 5

[ARTICLE VI. BENEFITS]

Section 3. Group Health and Hospitalization Insurance

- (A) For the limited and sole purpose of interpreting and implementing the group health and hospitalization insurance benefits described in this section of Article VI, the following definitions and rules of interpretation shall be applicable exclusively to Article VI, Section 3 of the City of Asheboro Personnel Policies and Procedures Manual (hereinafter referred to as the "Manual"):
- (1) The term "Part-Time Employee (Extended Hours)" means an employee who is reasonably expected by the city to average working twenty-six (26) or more hours per week.
 - (2) The term "Part-Time Employee (Variable/Seasonal Hours)" means an employee who is reasonably expected by the city to average working less than twenty-six (26) or more hours per week during the designated measurement period. This term includes an employee for whom, based on the facts and circumstances known at the time of the employee's hire date, the relevant division/department head has made the determination that, even though the employee is expected to average working more than twenty-six (26) or more hours per week for a limited duration of time, it cannot be determined that the employee is reasonably expected to work, on average, at least twenty-six (26) or more hours per week over the course of the designated measurement period.
 - (3) Aside from elected officials, when evaluating an employee's eligibility for group health and hospitalization insurance benefits, all employees shall be categorized as either a full-time, part-time (extended hours), or part-time (variable/seasonal hours) employee.
 - (4) The term "Part-Time Employee (Variable/Seasonal Hours)" shall include the "Seasonal Recreational Employees" described in Article II, Section 4 of the Manual.
 - (5) In contrast to the above-stated definitions, the term "Full-Time Employee" shall have the same meaning as stated for the term in Article II, Section 2 of the Manual.
 - (6) The term "Ongoing Employee" shall mean any city employee, exclusive of elected officials, who has been employed by the city for at least one (1) complete Standard Measurement Period.
 - (7) The term "Standard Measurement Period" means the 12-month period of time extending from April the 15th of a calendar year to April the 14th of the following calendar year.
 - (8) The term "Administrative Period for an Ongoing Employee" means the 76-day period of time extending from April the 15th of a calendar year to June the 30th of the same calendar year.
 - (9) The term "Stability Period for an Ongoing Employee" means a 12-month period of time extending from July the 1st of a calendar year to June the 30th of the following calendar year.

year. This Stability Period for an Ongoing Employee matches the city's fiscal year and the plan year for the city's group health and hospitalization insurance.

- (10) The term "Initial Measurement Period for a New Employee" means a 12-month period of time that is measured from the new employee's hire date.
- (11) The term "Administrative Period for a New Employee" means the period of time utilized by the city to perform the calculations and administrative tasks needed to determine if a new employee is eligible, on the basis of the hours worked during the above-referenced initial measurement period, for coverage under the city's group health and hospitalization insurance. This time period shall extend from the end of the Initial Measurement Period for a New Employee to the end of the first full calendar month immediately following the end of the said initial measurement period.
- (12) The term "Corresponding Stability Period" means the 12-month period of time that immediately follows the Administrative Period for a New Employee.
- (B) ~~All full-time employees and elected officials~~ Any Full-Time Employee, Part-Time Employee (Extended Hours), and elected official will be provided group health and hospitalization and life insurance at no cost. This group insurance shall be made available to employees' dependents on a participating basis. Eligibility for group health and hospitalization insurance will be effective the first day of the month following one full month of employment or the taking of office.
- (C) Part-Time Employee (Variable/Seasonal Hours) will not be eligible for any group health and hospitalization insurance benefits unless, after utilizing the following evaluation periods and methodologies, the employee is found to have worked an average of twenty-six (26) or more hours per week during the relevant measurement period. If a Part-Time Employee (Variable/Seasonal Hours) is found to have worked an average of twenty-six (26) or more hours per week during the relevant measurement period, such an employee will be eligible, during the entire duration of the stability period that follows the relevant measurement period, for the same group health and hospitalization insurance benefits provided to a Full-Time Employee or a Part-Time Employee (Extended Hours). The on-going evaluations of a Part-Time Employee (Variable/Seasonal Hours) in terms of eligibility for group health and hospitalization insurance benefits will be conducted as follows:
- (1) In the case of an Ongoing Employee who is not already eligible for the group health and hospitalization insurance benefit as a Full-Time Employee or a Part-Time Employee (Extended Hours), the city shall use the above-defined Standard Measurement Period as a look-back period prior to the beginning of the city's next plan year and associated open enrollment period in order to determine if any employee not currently eligible for the group health and hospitalization insurance benefit is now eligible for the benefit because of working an average of twenty-six (26) or more hours per week during the Standard Measurement Period. During the Administrative Period for Ongoing Employees, which runs from April the 15th to June the 30th of each year and overlaps with the open enrollment period for insurance, each Part-Time Employee (Variable/Seasonal Hours) will be evaluated in order to determine if the employee worked an average of twenty-six (26) or more hours per week over the course of the immediately preceding Standard Measurement Period. If the employee did average working twenty-six (26) or more hours per week during this look-back period, the unreduced group health and hospitalization insurance benefit will be offered to the employee for the entirety of the ensuing plan year (July 1 to June 30) that matches the 12-month Stability Period for an Ongoing Employee. The group health and hospitalization insurance benefit will not be offered to employees who did not average working twenty-six (26) or more hours per week during the prior measurement or look-back period.
- (2) A supplemental measurement or look-back period will be utilized for a newly hired Part-Time Employee (Variable/Seasonal Hours) in order to ensure that an otherwise eligible employee does not go too long without coverage if he or she is otherwise eligible for the group health and hospitalization insurance benefit and has not been evaluated under the Standard Measurement Period after twelve (12) months of beginning work because of the date on which the employee was hired. When such an employee is initially hired, he or she will not be eligible for the group health and hospitalization insurance benefit. The city will apply, on the employee's hire date, a 12-month Initial Measurement Period for a New Employee as a look-back period for a new employee whose status is unclear in terms of the number of hours that will be worked per week over the course of the adopted measurement period. At the conclusion of the initial 12-month measurement period, the city will utilize the Administrative Period for a New Employee in order to evaluate whether an average of twenty-six (26) or more hours per week were worked by the new employee over the course of the immediately preceding Initial Measurement Period for a New Employee. If the employee did average working twenty-six (26) or more hours per week during this initial look-back period, the unreduced group health and hospitalization insurance benefit will be offered to the employee for the entirety of the following 12-month Corresponding Stability Period. The group health and hospitalization insurance benefit

will not be offered to employees who did not average working twenty-six (26) or more hours per week during the prior measurement or look-back period. As a matter of clarification, the following illustration and a separate interpretative provision are offered:

(a) Example of the Application of the Preceding Measurement, Administrative, and Stability Periods to a New Employee: If an employee is hired on May 15, 2014, the Initial Measurement Period for a New Employee will run from May 15, 2014, to May 14, 2015. In this case, the Administrative Period for a New Employee would run from May 15, 2015, to June 30, 2015, and the Corresponding Stability Period would run from July 1, 2015, to June 30, 2016.

(b) In the example above, any subsequent coverage would be determined on the basis of the provisions established earlier in this Section for the evaluation of an Ongoing Employee. As soon as the new employee has worked long enough to be evaluated on the basis of the Standard Measurement Period, regardless of whether the employee is still within the previously calculated Corresponding Stability Period, a determination shall be made by utilizing the Standard Measurement Period, Administrative Period for an Ongoing Employee, and the Stability Period for an Ongoing Employee as to whether the employee is eligible for the group health and hospitalization insurance benefit under these criteria. Any such supplemental evaluation shall operate to the advantage of an employee and shall not serve to reduce an employee's eligibility for the group health and hospitalization insurance benefit under a previously calculated stability period.

(D) Other insurance programs which will serve the needs of the employees of the city may be offered through payroll deductions.

(E) Information concerning the cost and benefits of the insurance program shall be available to all employees through the Human Resources Department. Booklets explaining the program will be available to all employees.

EXHIBIT 6

[ARTICLE X. DISCIPLINARY ACTIONS]

Section 4. Procedure

When deemed appropriate by the management team, progressive formal discipline is to be administered and recorded in an employee's personnel jacket as follows:

(1) **Written Warnings(s)**

Documented discussion of specific work-related concerns indicating corrective measures to be followed. The receipt of a written warning must be acknowledged in writing by the employee. If the employee refuses to properly acknowledge the receipt of a written warning, the supervisor issuing the written warning shall note the employee's refusal on the employee disciplinary report and have an additional supervisor sign the disciplinary report as a witness to the fact that the employee refused to sign the disciplinary report.

(2) **Written Warning with Condition(s) of Continued Employment**

If an employee continues to perform his or her duties in an unsatisfactory manner after the receipt of a written warning about deficiencies in the employees' work performance, or if the employee engages in improper personal conduct that involves a mitigating factor or a combination of mitigating factors deemed by the management team to warrant disciplinary action short of dismissal, the employee may be issued a written warning that contains conditions with which the employee must comply in order to maintain his or her employment with the city. These conditions of employment may include, but are not limited to, performance standards that are designed to establish a defined goal for the employee to attain in order to demonstrate that substantive progress has been made toward the employee working and conducting himself or herself in a manner that meets the expectations of the City of Asheboro. The performance standards established as part of a specific written warning may remain in effect for up to six (6) calendar months after the employee's receipt of the written warning. The receipt of a written warning must be acknowledged in writing by the employee. If the employee refuses to properly acknowledge the receipt of a written warning, the supervisor issuing the written warning shall note the employee's refusal on the employee disciplinary report and have an additional supervisor sign the disciplinary report as a witness to the fact that the employee refused to sign the disciplinary report.

Dismissal from employment or the issuance of a written warning with conditions of continued employment as a consequence of improper personal conduct does not require prior warning, documented or otherwise.

(3) Pre-Dismissal Hearing

The supervisor recommending dismissal shall discuss the preliminary recommendation with the Human Resources Department. The supervisor shall schedule and conduct a pre-dismissal conference with the employee. In the conference, the supervisor shall give the employee written notice of the recommendation for dismissal, including specific reasons for the proposed dismissal and a summary of the information supporting that recommendation. The employee shall have an opportunity to respond to the proposed dismissal, to refute information supporting the recommended dismissal action and to offer information or arguments to support his/her position. During this pre-dismissal hearing with the division/department head, no outside parties, specifically including without limitation private legal counsel, may participate in this process that is limited to the city's employee and the employee's supervisor(s). In the event the decision is made to proceed with the dismissal from employment, the employee may have legal counsel appear on his or her behalf during the post-dismissal appeal proceedings that are conducted by the human resources director and the city manager.

(4) Suspension

If the behavioral infraction is extremely serious to the city, fellow employees, or the public, supervisors may suspend an employee without warning.

Section 6. Rights of Appeal

In the cases of a suspension, demotion, or dismissal that has been entered by a division/department head, a regular employee has appeal rights. The appeal procedure shall be governed by Article XI of the City of Asheboro Personnel Policies and Procedures Manual. The first level of appeal from a decision by a division director/department head to suspend, demote, or dismiss an employee will be to the human resources director in accordance with the procedures prescribed by Article XI, Section (C) of this Manual. If an appeal is made from the decision of the human resources director, such an appeal is to be made to the city manager in accordance with Article XI, Section (D) of this Manual subsection (B) below. In the case of the suspension, demotion, or dismissal of a regular employee holding the rank of department head or higher, the city manager will specify the appeal procedure that will be available to the employee at the same time the city manager designates the employee who will conduct, on behalf of the manager, the administrative investigation of the circumstances leading to the need to evaluate whether a suspension, demotion, or dismissal is warranted. Otherwise, the appeals process will be conducted as follows:

In the case of the suspension, demotion, or dismissal of a regular employee holding the rank of department head or higher, the city manager will specify the appeal procedure that will be available to the employee in the event of an adverse personnel action at the same time the city manager designates the employee who will conduct, on behalf of the manager, the administrative investigation of the circumstances leading to the need to evaluate whether a suspension, demotion, or dismissal is warranted.

A. Appeal from a Division/Department Head to the Human Resources Director

A regular employee may appeal his or her suspension, demotion, or dismissal to the human resources director. Any such appeal must be in writing, and the written notice of appeal must be received by the human resources director within twenty (20) workdays following the entry of the personnel action that is under appeal. The human resources director shall review the written reports utilized by the division/department head to take the personnel action under appeal, and the human resources director may request additional information and documentation prior to the hearing that will be scheduled in order to consider the appeal.

The Human resources director shall notify all concerned of a time and date for the post-personnel action appeal hearing that will take place as soon as possible, but not later than twenty-five (25) workdays after the date of the personnel action under review. During the hearing, the human resources director may receive new information, written or oral, from the division/department head and/or employee so long as the information/documentation is germane to the issue(s) under review. In deciding the issue on appeal, the human resources director may confirm or modify the recommendation of the division/department head and enter such order as the human resources director may deem appropriate. The human resources director's written decision shall be entered and forwarded to the division/department head and the employee within thirty (30) workdays of the personnel action from which an appeal has been made.

Either the division/department head or the employee may appeal the human resources director's decision to the city manager. If an appeal is properly filed, the human resources director will forward his written decision as well as all of the documents that he considered during the appeal process to the city manager for further review.

B. Appeal from the Human Resources Director's Decision to the City Manager

An appeal from the decision of the human resources director pertaining to a regular employee's suspension, demotion, or dismissal must be submitted in writing to the city manager. Any such written

notice of appeal must be received by the city manager within thirty-five (35) workdays of the entry of the personnel action under appeal. The city manager will review all of the documentation considered by the human resources director, and the manager may request additional information and documentation prior to the hearing that will be held to consider the appeal.

The city manager will notify all concerned of a time and date for the appeal hearing that will take place as soon as possible, but not later than forty (40) workdays after the entry of the personnel action under appeal. At the hearing, the city manager may receive new information, written or oral, from the parties to the appeal so long as the information/documentation is germane to the issue(s) under review. In deciding the issue on appeal, the city manager may confirm or modify the decision entered by the human resources director and will enter such order as the manager deems appropriate. The decision entered by the city manager shall be final.

The city manager's written decision will be entered and forwarded to the human resources director, the division/department head, and the employee within forty-five (45) workdays after the personnel action from which an appeal has been made. Any deviation from the above policy and procedure shall be subject to the approval of the city manager.

Section 7. Administrative Guidelines

(A) Unsatisfactory Performance of Duties

This category covers all types of performance-related inadequacies. This policy does not require that the progressive warnings address the same type of unsatisfactory performance, but it does require that all warnings be related to job performance. Unsatisfactory performance of duties may include, but is not limited to:

- (1) ~~Inefficient~~ **Inefficiency** or incompetence in performing duties;
- (2) Negligence in performance of duties;
- (3) Physical or mental incapability for performing duties;
- (4) Careless or improper use of city property;
- (5) Failure to maintain satisfactory and harmonious working relationships with fellow employees and the public;
- (6) Habitual pattern of failure to report for duty at the assigned time and place;
- (7) Absence without approved leave;
- (8) Habitual and improper use of sick leave privileges;
- (9) Failure to obtain or maintain current license or certificate required as a condition for performing the job; **and**
- (10) Failure to wear and use appropriate safety equipment or otherwise to abide by safety rules and policies.

(B) Improper Personal Conduct

An employee who engages in a single act of improper personal conduct is subject to dismissal from employment with the City of Asheboro regardless of whether the employee has previously received a warning of any kind during his or her career with the city. The following list is illustrative, and is not an exhaustive or exclusive list, of the types of improper personal conduct that will lead to the termination of an individual's employment with the city:

- (1) Conduct unbecoming a city employee;
- (2) Conviction of a felony;
- (3) Committed a criminal act;
- (4) Misusing city funds;
- (5) **Falsifying job information provided to the municipal corporation in order to secure one or more job assignments or position(s);**
- (6) **Engaging in any action that would in any way seriously disrupt or disturb the normal operations of the municipal corporation city;**
- ~~(7)~~ **Trespassing on the grounds or home of any official or employee for the purpose of harassing or forcing dialogue or discussion for the occupants;**

- ~~(8)~~ (7) Willful acts that would endanger the lives or property of others;
- ~~(9)~~ (8) Willfully damaging city property;
- ~~(10)~~ (9) Possessing unauthorized weapons, alcoholic beverages, or illegal substances while on the job;
- ~~(11)~~ (10) Threats, pressure, or physical actions against others, specifically including without limitation uninvited and repeated contact, whether by means of communication devices or by means of physical visits to the grounds or home of the targeted individual, for the purpose of harassing an individual or forcing unwelcomed dialogue/discussion that is not subject to free speech protections afforded by the Constitutions of the United States and the State of North Carolina;
- ~~(12)~~ (11) Insubordination;
- ~~(13)~~ Reporting to work under the influence of alcohol or drugs, or partaking of such items on the job;
- ~~(14)~~ (12) Accepting gifts for "favors" or "influence;"
- ~~(15)~~ (13) Without proper authorization, disseminating or otherwise releasing in any manner information that is lawfully maintained by the city as confidential information;
- ~~(16)~~ (14) Unauthorized possession of the city's or another employee's property;
- ~~(17)~~ (15) Leaving the work area repeatedly for excessively long periods without proper authorization;
- ~~(18)~~ (16) Violation of the city's policies prohibiting sexual harassment, unlawful discrimination, workplace violence, and/or substance abuse;
- ~~(19)~~ (17) Providing or maintaining false or improper records/documents;
- ~~(20)~~ (18) Sleeping during work time;
- ~~(21)~~ (19) Gambling during work time; and
- ~~(22)~~ (20) Providing an untruthful statement or statements during an administrative investigation conducted by the city and/or otherwise attempting to impede the ability of the city to conduct an accurate and complete administrative investigation.

(C) Written Warning(s)

During the period after written warnings have been issued for unsatisfactory performance of duties, management may choose to counsel with the employee concerning his/her employment status before a decision to demote or dismiss is made. Such counseling should involve a candid discussion about the actions that an employee must take in order to correct the unsatisfactory performance. As a part of this counseling, management may request the employee to take up to one (1) day's leave with pay to consider whether or not the employee wishes to continue his/her employment with the city. It should be stressed to the employee that a decision to continue employment with the city will require a commitment to improve performance, and that a lack of improvement will lead to dismissal. Management is expected to use its discretion to determine when this procedure would benefit the employee and the city.

(D) Suspension(s)

Investigatory or disciplinary suspension may be used by management in appropriate circumstances. The following general guidelines shall be utilized when deciding whether to place an employee on suspension:

- (1) If the infraction or behavior is extremely serious or injurious to the city, fellow employees, or the public, a supervisor may suspend an employee without warning. However, before any further formal disciplinary action such as demotion or dismissal is taken against an employee, the employee's division director/department head must consult with the human resources department.
- (2) An employee who has been suspended for either investigatory or disciplinary reasons may be placed on compulsory leave without pay.
- (3) Investigatory suspension with or without pay may be appropriate:

- (a) To provide time to investigate, establish facts, and reach a decision concerning an employee's status in those cases where it is determined the employee should not continue to work pending a decision; and
 - (b) When management elects to use investigatory suspension in order to avoid undue disruption of work or to protect the safety of persons or property.
- (4) Investigatory suspension without pay shall not exceed thirty (30) calendar days.
 - (5) Investigatory suspension with pay will be at the request of the division director/department head and must be authorized by the city manager.
 - (6) An employee who has been suspended with or without pay must be furnished a letter with the specific reasons for his/her suspension and notice of right to appeal. A copy of the letter shall be forwarded to the human resources department in advance.
 - (7) Suspension with or without pay must be fully documented.
- (E) Review of Documentation
- (1) An employee who objects to material in his or her personnel jacket may place in the file a statement relating to the material the employee considers to be inaccurate or misleading. The employee may seek the removal of such material by filing a grievance and following the grievance procedures specified in Article XI of the City of Asheboro Personnel Policies and Procedures Manual.
 - (2) Probationary employees who have been subject to disciplinary action for improper personal conduct, and are ineligible for access to the city's grievance appeal procedures for regular employees, may submit to the human resources director a written request for an informal name-clearing proceeding that will be conducted by the human resources director. The human resources director must receive such a written request within thirty (30) business days of the date of receipt by the probationary employee of the problem causing documentation. In his or her request, the probationary employee must state the basis for his or her belief that the submitted documentation should be amended, supplemented, or removed.
 - (a) During the informal hearing of this matter, the human resources director shall review all pertinent written reports and may request additional information and documentation. Also, the human resources director may receive new evidence, written or oral, from the division director/department head and employee so long as the evidence is relevant to whether the problem causing documentation should be removed, amended, or supplemented. In deciding the question presented by the probationary employee, the human resources director may reject the probationary employee's contention or agree to amend, supplement, or remove the documentation previously placed in the employee's personnel jacket.
 - (b) If an individual is dissatisfied with the decision rendered by the human resources director, the individual may appeal the human resources director's decision by submitting a written request to the city manager for an informal hearing before the city manager. Such a request must be received by the city manager within fifteen (15) business days of the date on which the individual received the human resource director's written decision.
 - (c) The city manager shall review the entirety of the information previously reviewed by the human resources director during his or her consideration of the matter. Additionally, the city manager may receive new evidence, written or oral, from the division director/department head and employee so long as the evidence is relevant to whether the problem causing documentation should be removed, amended, or supplemented. When ruling on the appeal, the city manager may confirm or modify the decision of the human resources director. The decision rendered by the city manager shall be final. The city manager shall furnish written notice to the employee, the division director/department head, and the human resources director of his final ruling
 - (d) This name-clearing opportunity is for the limited and sole purpose of providing an employee who has no other grievance or appeal rights with an opportunity to properly request the removal or mitigation of allegedly damaging information previously placed in a personnel jacket. The name-clearing process shall not afford probationary employees access to the city's appeal process in Section 6 of this Article or to the city's grievance procedure that is specified in Article XI. During the name clearing process, the previously suspended, demoted, or dismissed probationary employee does not have the right to appeal his or her

suspension, demotion, or dismissal from employment and is expressly prohibited from raising such an appeal.

EXHIBIT 7

[ARTICLE XI. GRIEVANCE PROCEDURE]

The grievance procedure is designed to insure an employee of fair, impartial and prompt consideration of facilitate open and meaningful internal communications between employees and the different levels of management about a workplace problems or dissatisfactions without fear of reprisal on the part of the city's employees. The procedure also encourages employees at all levels to express themselves regarding conditions of work. The grievance procedure is intended. The other intended benefits of this grievance procedure are to promote a better understanding of personnel policies, practices, and procedures; to instill confidence in employees that fair and impartial treatment will be received; and to develop in supervisors a continuing sense of responsibility for maintaining effective working relationships with subordinate employees.

All employees including supervisors and division/department heads, are expected to discuss their problems and misunderstandings with their superiors. Open two-way communication is a proven factor in reducing and resolving grievances. When utilizing this internal forum to better understand and hopefully satisfactorily resolve complaints/dissatisfactions, no outside parties, specifically including without limitation private legal counsel, may participate in this process that is limited to the city's employees and the various levels of the city's management team.

The grievance procedure established in this Article is not the appropriate forum for considering issues concerning an employee's suspension, demotion, or dismissal. An appeal from a suspension, demotion, or dismissal from employment shall be filed and will be heard in accordance with the provisions found in Article X, Section 6 of this Manual. All other types of work-related problems, dissatisfactions, and complaints shall be discussed by all parties in a positive and respectful manner in accordance with the following procedures:

When an employee feels the need to resolve a work-related problem, dissatisfaction or complaint, the following procedure should be followed:

A. Informal Discussion with Immediate Supervisor

An employee who feels he/she has a grievance shall first discuss the problem with the immediate supervisor. The employee must inform the supervisor about the grievance as soon as possible, but not later than five (5) workdays following the incident or action that caused or revealed the problem. It is supervisory responsibility to encourage the subordinate to discuss the problem with the supervisor so as to promote understanding. Most misunderstandings should be clarified and resolved during this free exchange of viewpoints. If the employee still feels the grievance is not resolved, he/she may proceed to the next step of this procedure.

B. Appeal to Conference Meeting with Division Director/Department Head

An employee may request a hearing conference meeting with the division director/department head to appeal discuss an unresolved grievance. Such a request must be received by the division director/department head in writing from the employee no later than ten (10) workdays following the event that caused or revealed the grievance.

The division director/department head shall promptly notify the human resources director, the employee and the employee's immediate supervisor of a date and time for the hearing conference meeting, which will be no later than fifteen (15) workdays after the problem causing event. The division director/department head will open the meeting with an informal discussion of the problem and will explore possible solutions with those in attendance. Every effort will be made during this discussion to resolve the grievance to the satisfaction of all concerned. However, if the grievance cannot be resolved through this discussion, the parties will together prepare a written report of all sides of the issue, including the recommendation of the division director/department head. This report shall be promptly submitted to the human resources director for further consideration through the next step.

C. Appeal to Conference Meeting with the Human Resources Director

An employee may request a conference meeting with the human resources director to discuss an unresolved grievance. Such a request, along with the written report that is to be submitted by the parties involved, must be received by the human resources director in writing no later than twenty (20) workdays following the event that caused or revealed the grievance. The human resources director shall review all written reports and may request additional information and documentation prior to the conference meeting.

The human resources director shall notify all concerned of a time and date to ~~conduct an appeals hearing to hold a conference meeting that will~~ take place as soon as possible, but not later than twenty-five (25) workdays after the problem causing event. ~~The Human Resources Director shall review all written reports and may request additional information and documentation.~~ At the ~~hearing conference meeting~~, the human resources director may receive new ~~evidence~~ information, written or oral, from the division director/department head and/or employee, which is germane to the issue. In ~~deciding the issue on appeal resolving the grievance~~, the human resources director may confirm or modify the recommendation of the division ~~director/department head~~ and recommend such order, as he or she may deem appropriate in the matter.

If the grievance cannot be resolved at this ~~hearing~~ particular ~~conference meeting~~, the human resources director will prepare a written report of all sides of the issue, including the recommendation of the division ~~director/department head and his or her own~~ the human resources director's recommendation. This report shall be promptly submitted to the city manager for further consideration through the next step.

Notwithstanding any other provision in this section, in the event the grievance is filed by an employee in the Human Resources Department or by a division ~~director~~/department head, the grievance will be heard directly by the city manager.

D. ~~Appeal to~~ **Conference Meeting with the City Manager**

~~An employee may request a conference meeting with the city manager to discuss an unresolved grievance. Such a request, along with the written report submitted by the human resources director, must be received by the city manager in writing from the employee no later than thirty (30) workdays following the event that caused or revealed the grievance. The City Manager shall review all written reports and may request additional information and documentation prior to the conference meeting.~~

~~The city manager shall notify all concerned of a time and date to conduct an appeals hearing to the conference meeting that will take place as soon as possible, but not later than thirty (30) thirty-five (35) workdays after the problem causing event. At the hearing conference meeting, the city manager may receive new evidence information, written or oral, from the division director/department head and/or employee, which is germane to the issue. In deciding the issue on appeal resolving the grievance, the city manager may confirm or modify the decision of the human resources director and/or the division director/department head and enter such order as the manager may deem appropriate in the matter. The decision rendered by the city manager shall be final.~~

~~The city manager shall furnish written notice to the employee, the division director/department head, and the human resources director of his ruling final decision. This notice shall be made not later than thirty five (35) forty (40) workdays from the original date of the event that caused or revealed the problem. Any deviation from the above policy and procedure shall be subject to approval by the city manager.~~

11. Departmental annual reports:

(a) Annual report from Chief Building Inspector Randy Purvis.

Mr. Randy Purvis, Chief Building Inspector, presented an overview of the Building Inspection Department's activities during 2013. The department's report reflected a total of 859 permits issued with an overall decrease in building permit valuations in 2013 as compared to 2012. A copy of the written report submitted to the Council Members is on file in the City Clerk's office.

(b) Annual report from Code Enforcement Officer Ed Brown.

Mr. Ed Brown, Code Enforcement Officer, utilized a visual presentation in order to give the Council Members an overview of the Code Enforcement activities for 2013. Mr. Brown's report reflected a total of 336 recorded code violations for 2013. These violations included but were not limited to, nuisance violations, non-permitted signs, minimum housing code violations, and zoning violations. A copy of the visual presentation utilized by Mr. Brown is on file in the City Clerk's office.

12. Report from Finance Director Debbie Reaves on the most recent Fire Fighter's Relief Fund Trustees Meeting.

Ms. Reaves reported that the Fire Fighter's Relief Fund Board of Trustees met on January 29, 2014. Mr. Jim Owens agreed to serve another 2 year term and was reappointed as Chairperson for another 1 year term. The board consists of Eddie Burks, Debbie Reaves, Roy Wright, Tim Allred, and Jim Owens.

A copy of the minutes of the meeting were submitted to the Council, and a copy is on file in the City Clerk's office.

