

Article IV. The Pay Plan

available at the minimum range, the refusal of qualified applicants to accept employment at the minimum range, or other similar factors.

- B. All increases to the salary range above the minimum are reserved to reward employees for meritorious service. Each year, the town manager may require department heads to consider the eligibility of employees to receive salary increases based on merit and to recommend such advancement or retention at the same rate. Department heads shall consider all factors affecting employee performance and shall submit their recommendations in writing, giving the reasons whether to advance or retain the employee at the same rate. All such advancements and retentions must be approved by the town manager.

Section 5. Payment at a Listed Rate

All employees covered by the salary plan shall be paid at a listed rate within the salary range established for their respective job classes except for employees whose present salaries are above the established maximum rate following transition to a new pay plan (see also Section 3 of this Article).

Section 6. Pay Rates in Promotion, Demotions, Transfer, and Reclassification

When an employee is promoted, demoted, transferred, or reclassified, the rate of pay for the new position will be established in accordance with the following rules:

- A. Promotion: ~~An employee who is promoted shall receive up to a 2.5% pay increase in base salary or an increase to the minimum salary range of the new pay grade. This will fall under the promotional period as defined in Article II, Section 3S-See Article V Section 11.~~
- B. Demotion: An employee who is demoted voluntarily will be offered a salary that is associated with the salary grade of the position and that the town manager finds to be internally equitable for the department. If the demotion is for cause, the employee's salary will be reduced to the salary grade that the town manager finds to correspond with the position and the employee's experience in the position, if any, as long as the reduced salary does not fall below the minimum salary rate of that range.
- C. Transfer: An employee transferring from a position in one class to a position in another class assigned the same pay range shall continue to receive the same salary.
- D. Reclassification: An employee whose position is reclassified to a class having a higher salary grade shall be assigned to the minimum salary in the new grade or maintain the same salary, whichever is higher. If the position is reclassified to a lower pay range, the affected employee will maintain the same salary until such time as the new classification's pay grade is increased above the employee's current salary.