

MERIT PAY POLICY

1.0 Purpose:

- 1.1 To reward employees beyond the limits of the Official Pay Plan for clearly demonstrating outstanding performance on the job.
- 1.2 Merit bonuses are intended to:
 - Acknowledge or recognize exemplary or outstanding accomplishments over and above normal job responsibilities;
 - Recognize a program modification or service level enhancement; i.e., the City saved money or increased a service level at no cost;
 - Recognize a one-time accomplishment of a special project; and
 - Recognize a special contribution to the overall betterment of the organization.
- 1.3 Merit bonuses are *not* meant to be used simply to supplement or increase the base salary.

2.0 Scope:

- 2.1 All regular City employees are eligible for additional merit pay based upon their performance in the preceding 12 months.

3.0 Procedure:

- 3.1 A merit request:
 - Must be submitted to the Director of Human Resources by the deadline established during the annual budget process;
 - A memorandum to the Director of Human Resources should detail the specifics about and justification for the request;
 - This memorandum *should not* include the amount requested; and
 - A personnel action form (PA) should accompany the memorandum which indicates the amount of the merit bonus request. The action date on the PA should be May 1.
- 3.3 After review and recommendation of the Director of Human Resources, the City Manager shall approve, modify, or disapprove the proposed merit pay.

4.0 Compensation:

- 4.1 Additional merit pay shall be awarded upon the complete discretion of the City Manager.
- 4.2 Employees in the Operational and Clerical, Professional and Technical, and Supervisory Classifications of the Pay Plan are eligible for up to \$2,500 in merit; employees in the Managerial and Administrative Classification of the Pay Plan are eligible for up to \$3,500 in merit; and employees in the Executive Classification of the Pay Plan are eligible for up to \$5,000 in merit.

5.0 Distribution:

5.1 Employee Information Site, www.citylf.org, under HR/Personnel Policies.

A handwritten signature in black ink, appearing to read "Robert R. Kiely, Jr.", with a stylized flourish at the end.

Robert R. Kiely, Jr.
City Manager