

City of Foley Policy – Merit Raises for FY14 Budget Year

Approved by Council as part of the FY14 Budget – Amended by Resolution #13-_____

The FY14 Budget authorizes and allocates funding for employee merit raises to be unfrozen starting with the FY14 fiscal year start date of October 1, 2013. Account #01-660-1000 (Reserve for Salary Increases) contains a budget figure of \$207,515 for pay out of merit increases for employees. This is a decrease of \$9,070 over last year's budgeted Reserve for Salary Increases amount of \$216,585.

The budget figure of \$207,515 was estimated by predicting an average raise of 4.5%. We selected 4.5% because we feel that supervisors will rate high since it has been so long since employees have had a raise.

Under the new Halogen Performance Appraisal System, raises are awarded each year at the time of the employee's original hire date. The employee's final review is due by the employee's anniversary date and the employee will receive their merit raise on the pay check following the first full pay period following receipt of the Final Appraisal.

It will be the responsibility of the Directors/Department Heads to get the Final Appraisal in on time so the employee can receive their raise on time. If the Final Appraisal is not turned in on time, the raise will be awarded on the pay check following the first full pay period following the date of receipt of the Final Appraisal. Human Resources will not back pay raises.

The performance appraisal rating scale and the associated raises would be as follows:

Consistently Exceeds Standards (score of 45.5 – 50.0)	= 5% raise
Exceeds Standards (score of 35.5 – 45.4)	= 4% raise
Meets Standards (score of 25.5 – 35.4)	= 3% raise
Partially Meets Standards (score of 15.5 – 25.4)	= 0% raise
Does Not Meet Standards (score of 0 - 15.4)	= 0% raise

Note: For Directors, Department Heads and those full-time, regular employees who do not receive an employee performance appraisal, Mike Thompson will recommend the percentage and/or dollar amount of the raise to the Mayor on the same time line as described above. The Mayor will then solicit input from the Council members and based on that input will make the final decision on the percentage or dollar amount of the raise for each of these employees. Mike Thompson will then deliver the decision on the raise in an email to Sandra Pate who will process it through payroll on the same time line as described above.