

Agenda Report

September 16, 2013 City Council Meeting

September 16, 2013

Item No. 9

ISSUE: Resolution approving FY 14 Employee Performance Incentive Plan

BACKGROUND:

Attached is a description of the plan as presented at the September 3rd Committee of the Whole workshop. I've addressed the verbiage changes requested by the City Council and now ask for your consideration of the plan. This is a one-year plan that going forward will be considered annually during the regular budget discussions. The plan is being funding through the savings realized through the early retirement plan. Please remember that the City Administrator and the CFO will be exempt from this program.

RECOMMENDATION:

The City Administrator recommends the City Council approve the resolution on a one-year basis

STAFF CONTACTS:

Jeffrey A. Fiegenschuh, City Administrator

CITY OF WINDSOR HEIGHTS, IOWA

RESOLUTION NO. 13-0961

A RESOLUTION TO ESTABLISH FISCAL YEAR 2013/2014 PAY FOR PERFORMANCE POLICY AND SALARY MATRIX

WHEREAS, the City of Windsor Heights previously developed and approved a pay for performance (Merit) system; and

WHEREAS, the City Council will determine annually the top percentage for Pay for Performance; and

WHEREAS, the City Council has received and discussed in-depth the recommendations from the City Administrator; and

WHEREAS, it is in the best interest of the City that the attached Pay for Performance Salary Matrix be adopted and implemented.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Windsor Heights, Polk County, Iowa, as follows:

1. The Pay for Performance Salary Matrix attached hereto and marked Exhibit "A" is hereby adopted, and said Pay for Performance Salary Matrix shall be used in determining the amount of the one-time incentive adjustment, if any, for each employee based upon his or her performance evaluation in November, 2013 and payable in December 2013.
2. Going forward, the Pay for Performance Plan shall be discussed and adopted annually when the City Council approves the annual City budget and is subject to available funding.

Passed and approved this 16th day of September, 2013.

Jerry Sullivan, Mayor

ATTEST:

Jeffrey A. Fiegenschuh, City Administrator/Clerk

FY 2013/2014 Employee Pay for Performance Incentive Plan

In an effort to provide excellent municipal services to its residents, the City of Windsor Heights is committed to having an excellent workforce. As such, effective July 1, 2013, the City has an Incentive Pay for Performance system for its non-union workforce.

Eligibility

All regular, non-union employees must have 6 months of continuous employment to be eligible for any Pay for Performance adjustment. Anyone receiving a writing warning or great disciplinary action during their current rating period will not be eligible for any incentive pay adjustment.

Annual Evaluation Required

Employees will receive an annual evaluation of individual job performance by November 15th of the current year. Employee evaluations completed in November will determine the one-time incentive adjustment awarded in the first payroll of December. This annual incentive increase is based solely on the current year evaluation and shall not be affected by any previous year evaluations.

Ratings and Categories

The performance evaluation system will also utilize the following five (5) rating categories and corresponding percentages to determine overall scores of employee performance. The ratings categories are:

DP Distinguished Performance (5)

Performance consistently exceeds position requirements and management expectations. Resourcefulness and department of knowledge are the highest quality. Assignments are accomplished in an exceptional manner with minimal direction and are characterized by outstanding achievements seldom accomplished within the department and organization.

EP Excellent Performance (4)

On a regular basis, performance is characterized by high quality and quantity of work that exceeds most position requirements, key objectives, and management expectations. Employee demonstrates outstanding skills and abilities, and assignments are accomplished in a highly effective manner with limited guidance and direction.

SP Standard Performance (3)

Performance meets some or all requirements and employee may occasionally exceed work objectives and management expectations. Employee demonstrates a good working knowledge of job duties, and assignments are accomplished with normal supervisory guidance.

ND Needs Development (2)
Performance does not consistently meet management expectations. Employee requires more than normal guidance and direction. Improvement and/or development are necessary if the rater elects to continue employment with the City.

FI Failing/Failed to Improve (1)
The employee has previously been given a performance improvement plan or specific improvement instruction in a particular area and has not been improved.

Incentive Pay Calculation

Once an employee's performance evaluation has been completed, the final score shall be determined by their evaluator. Once an appropriate adjustment has been made, the supervisor shall fill out a personal action form and turn it into the City Administrator in order to make the one-time payroll adjustment for the first payroll period in December.

Performance Evaluation Level	Incentive Pay Amount
0.00-1.99	\$0.00
2.00-2.99	\$0.00
3.00-3.49	\$200
3.50-3.99	\$400
4.00-4.49	\$600
4.50-5.00	\$1000

Incentive Pay Adjustment Determination

The City Council will determine annually (on or before March 15) as part of the budget process for the upcoming fiscal year, the amount to be allocated for the Incentive Pay Plan. The incentive plan shall be approved annually by the City Council and is conditional based on available funding.