

**RESOLUTION** #584

**A RESOLUTION AUTHORIZING THE 2017 FUNDING OF EMPLOYEE LONGEVITY AND PERFORMANCE PAY IN ACCORDANCE WITH THE ADOPTED BUDGET, FOURTH QUARTER FISCAL REVIEW, AND PERSONNEL POLICY IN THE CITY OF ROSE HILL, KANSAS.**

**BACKGROUND:** A total of \$39,457.62 was budgeted in 2017 for longevity and performance pay. The personnel policy provides that compensation changes are not routine or automatic – some of the programs are decided by the City Council and some of the programs are decided by Department Heads. This approach resulted in a number of internal pay inequities. In February 2015 after a review of regional salary market-data, the City Council voted on a revised wage schedule that improved fairness and competitive pay. Faced with potential cash shortfalls, the Council decided at that time to start shifting away from entitlement programs, placed cost-of-living adjustments on hold, and began the process of moving to a performance-based system. This system provides one-time performance pay based on supervisor evaluations at the end of the fiscal year – helping ensure the highest performance at the lowest possible cost so that one-time disbursements can be accounted for without causing future inequities or budgetary burden. Considering fourth-quarter forecasts, the overall positive financial direction of the City, and the final performance evaluation ratings, the City Council’s intention is to recognize and to reward the hard work and performance necessary to achieve fiscal health and long-term success for the City.

**ACTION: BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ROSE HILL, KANSAS:**

Section 1. The City Council authorizes the funding of the Longevity Pay program in accordance with the City’s personnel policy, which provides employees with at least five years of continuous full-time employment \$4.00 per month of service – estimated to cost about \$6,023.15 in 2017, excluding ancillary costs of taxes and retirement.

Section 2. The City Council authorizes the funding of the Performance Pay program in which employees are to be compensated in accordance with their final average performance score per the table below:

Ratings Category	Pay Amount	No. of Employees	2016	2015
4.1 -5.0 (Exceeds)	\$3,500	10	8	4
3.6-4.0 (Above Average)	\$3,000	4	7	7
3.0-3.5 (Meets Standards)	\$2,500	2	2	7
Total:	\$54,000	16	17	18
Plus estimated longevity and ancillary costs:		\$59,009.54	\$60,864.86	\$60,145

Section 3. The Longevity and Performance Pay are to be included as soon as practical in the ordinary payroll process.

Section 4. This resolution is effective upon passage.

Passed and adopted this 2nd day of October, 2017.



  
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Roger Perryn, Mayor

ATTEST

  
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Kelly Mendoza, City Clerk