

Date:	Reference No.:	Agenda Item No.:
11/8/2012	Ordinance #2012-16	07.02.
Subject: An Ordinance Approving the 2013 Salary Ordinance		
Summary of Request:		
<p>The approved 2013 Budget provides for a 1% merit pool to fund salary increases in connection with the Town's new performance appraisal system. The maximum salary increase can be up to 2.5% and with this, we have reviewed the pay of all employees and are recommending a change to various positions maximum pay in order to have the potential of giving all employees the 2.5% maximum. Only those positions currently staffed by employees that are at their cap have been changed in the Salary Ordinance. Additionally, the approved 2013 Budget has made a change to our LONGEVITY PAY Program. Prior to January 1, 2013, the Town's longevity program assumed an annual increase of \$125 multiplied by the number of years of service, with a cap of \$2,500. The new revised program is based on a percentage of wages, which percentage depends on time in service in 4-year increments; 4 years receives a payout at 1% of wages, 8 years at 1.5% of wages, and so on until capped at 3% at 20 years and any 4-year increment above 20 years. No payout shall exceed \$2,500. The proposed Salary Ordinance reflects this change in the longevity pay program, which was implemented in order to save the Town \$1.4M over 10 years.</p>		
Financial Summary:		
Budget Funds Available	If Yes, Amount	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
Budget Fund Information:	Line Item Name	Line Item Number
Recommend Bid/Contract Amount:		N/A
Estimated Project Costs: (whole numbers)	Architecture/Engineering	N/A
	Construction/Procurement	N/A
	Contingency	N/A
	Miscellaneous Costs	N/A
	TOTAL ESTIMATE	N/A
	Revenue Generated (if any)	N/A
Department Head Approval:		
Date:		

Assistant Town Manager Approval:

Date:

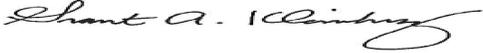
ATM Comments:

Supporting Documentation:

2012 Proposed Salary Ordinance

Action Requested:

Proposed 2nd Reading and Public Hearing

Town Manager Approval: 

Date: 10/19/2012

TM Comments:

Changes have been made to the Longevity Program and to allow for the Merit Based Pay for Performance System. I believe that both of these changes will benefit the Town and make our compensation policies and practices more effective.