

Merit Salary Increase Guidelines and Procedures

Approved February 24, 2010

Each year the annual budget includes money for employee salaries, and normally allows for annual increases. Employees with more than 6 months of service are eligible for an annual increase. This procedure describes the method that will be used to determine the salary treatment for individual employees.

The Board of Directors will develop a “guideline” percentage increase for the salary pool and the minimum and maximum increases for the year. This guideline will represent the average increase for the pool of employees. Individual salary increases within the guideline will be based on employee performance. The Board of Directors will determine the salary treatment of the Clubhouse manager, based on the budget and performance.

The Treasurer will provide to the Clubhouse manager the salary guideline for the year and a listing of employees with current salaries, date of last increase, and length of service. The Clubhouse manager will recommend employee salary increases to the Board of Directors using the guideline as follows:

1. Rank order the relative performance of employees.
2. Calculate the dollars available by multiplying the guideline times the total salaries of all employees.
3. Distribute the dollars based on rankings/performance.
4. Salary increases may range from zero to 2 times the guideline as determined by the Board.

Example:

Salary Guideline = 5%. Total increase available = \$90000x5% = \$4500

<u>Employee</u>	<u>Current Salary</u>	<u>5%</u>	<u>Performance Ranking</u>	<u>Performance Increase</u>	<u>% Increase</u>
A	30000	1500	4 = worst	1050	3.5
B	25000	1250	3	1000	4.0
C	20000	1000	1= best	1550	7.75
D	15000	750	2	900	6.0
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	90000	4500		4500	

Year _____ **Salary Guideline %** _____ **\$** _____ **Range** _____