

Employee Wage Adjustments

The Mayor and I discussed several possible scenarios for employee wage adjustments, which are presented below. We agreed on the following criteria:

1. City employees deserve a wage adjustment in light of all they have had deal with in this past year with both the pandemic and the unseasonably cold weather in February.
2. We are losing long-time employees and the institutional knowledge they possess. We need to provide reasonable incentives to retain employees, who have not gotten cost-of-living or merit pay increases since 2019.
3. Since sales tax revenue has exceeded our budget estimates for this year, there is sufficient funding for these wage adjustments.
4. Essential personnel who have been on the “front line” directly dealing in difficult circumstances with problems that have arisen and with citizens in need deserve extra recognition for their efforts.

Therefore, we are proposing a two-tier system for wage adjustments - a tier for managerial and office staff, and a higher tier for front-line staff such as our public safety officers and public works employees. Everyone in each tier would get the same increase in compensation.

Note that this is only for the remainder of 2021. There is a salary survey underway and the Mayor has proposed resuming cost-of-living adjustments and merit increases in 2022. We need to consider the effect of these one-time adjustments against further adjustments that will be made in the future.

The proposed scenarios are:

- 1) A 3% increase for front-line staff and a 1% increase for managerial/office staff.
- 2) A 4% increase for front-line staff and a 2% increase for managerial/office staff.
- 3) A 5% increase for front-line staff and a 3% increase for managerial/office staff.

The table below shows the costs for each proposal:

- The first row shows the proposed increase for front-line staff
- The second row shows the proposed increases for managerial/office staff
- The third row shows the increase in salary costs for each scenario for the remainder of this year.
- The fourth row adds estimated costs for benefits (30%) to the increased salary costs.
- The fifth rows shows the projected increase in salary costs for a full year.
- The last row shows the projected increase in salary costs plus estimated benefits (at 30%).

	Scenario 1	Scenario 2	Scenario 3
Front-Line Staff	3%	4%	5%
Managerial/Office Staff	1%	2%	3%
Add'l Cost This Year (Salary only)	\$12,688.14	\$18,266.72	\$23,665
Add'l Cost This Year with Benefits added (est. at 30%)	\$16,728.58	\$23,746.74	\$30,764.90
Add'l Cost Full Year (Salary only)	\$33,460.82	\$47,498.36	\$61,535.90
Add'l Cost Full Year with Benefits added (est. at 30%)	\$43,499.07	61,747.87	79,996.67

The accompanying spreadsheet breaks down the proposed increases for each staff member.