

Council Agenda Report

Date: April 11, 2016
Prepared by: Ginger Heatwole, Finance Director
Submitted by: Sandra Tripp-Jones, City Manager
SUBJECT: Cost of living increases for City employees

Recommendation: That Council conceptually approve cost of living salary increases effective the first full payroll in FY 2017.

Discussion:

Preparation for the FY 2017 budget involves projecting all costs, including potential cost of living salary increases for employees. The last increases granted to all employees were in FY 16 and was as follows:

For city employees (not police officers)

6% for steps 1-5,

4% for steps 6-10,

2% for steps 11-20

For police officers

\$2,040 for steps 1-7 and \$1,010 for steps 8-30

Staff recommends including salary increases in the proposed budget as follows, adjusting steps to match:

3.0% increase to employees earning less than \$30,000

2.5% increase to employees earning between \$30,000 and \$40,000

2.0% increase to employees earning between \$40,000 and \$80,000

1.5% increase to employees earning between \$80,000 and \$100,000

Fiscal Impact:

The cost of the recommended increases would be approximately \$95,000 in the FY 2017 General Fund budget which can be supported by projected General Fund revenues. The Marina Fund, Wastewater Fund and MUC revenues will also support the recommended increases.

This has been reviewed by the Finance Committee and recommended to City Council for approval.