

MEMORANDUM

April 1, 2014

TO: Honorable Mayor and City Commission

VIA: Kenneth Fields, City Manager

FROM: Dorothy Ecklund, Finance Director

RE: Employee 1% Pay Increase

SYNOPSIS: The approval authorizes a 1% employee pay increase to be effective March 30, 2014.

RECOMMENDATION

The recommendation is for the City Commission to approve a 1% employee pay increase to be effective March 30, 2014.

BACKGROUND

During the FY'2013-14-budget process, the City Commission discussed an additional 1% payroll increase to be reviewed mid-term.

The below table represents the total costs related to the proposed 1% pay increase for a six month period:

| Fund | Wages | Soc Sec | Work Comp | Pension | Life Ins | Total |
|----------------|---------------|----------------|------------------|----------------|-----------------|---------------|
| General Fund | 25,966 | 1,964 | 612 | 4,767 | 107 | 33,415 |
| Library | 2,434 | 186 | 5 | 226 | 7 | 2,858 |
| Utility System | 6,028 | 461 | 108 | 573 | 17 | 7,186 |
| Total | 34,428 | 2,610 | 725 | 5,565 | 131 | 43,459 |

Note: Annual cost for a 1% payroll increase would be double the amounts represented within the above totals.

OTHER OPTIONS

The City Commission could chose to not approve the proposed 1% employee pay increase.

FISCAL IMPACT

The proposed 1% pay increase will be effective March 30, 2014. The appropriations necessary for this payroll increase, if approved by the City Commission, will be included within the second budget amendment for FY'2013-14.

ATTACHMENTS

None