



Waynesboro City Council Agenda Briefing

Meeting Date:	October 24, 2022	Staff/Council Member(s): Mike Hamp, City Manager
Agenda Item #	7	
Ordinance		
Department:	City Manager's Office	
Subject:	Appropriation for Employee Compensation Improvements	

Background: In 2019 the city completed an employee compensation and job classification study. The study determined that about a third of municipal employees are compensated below the market determined minimum pay rate and nearly two thirds of employees are paid below the market rate.

The onset of the Coronavirus Pandemic disrupted the economy and government budgets, stalling the opportunity to implement recommendations in the study which are broken into four phases.

Phase I: Moves employees currently below the market minimum, to the new market minimum pay rate.

Phase II: Moves employees to within 10% of the determined market rate.

Phase III: Moves employees to within 5% of the determined market rate.

Phase IV: Moves employees to the market rate.

The adopted budget for fiscal year 2023 provides a 3% merit opportunity and funds the first phase of the pay study. Persistent vacancies and challenges to recruit employees prompted an examination of an opportunity to improve compensation measures beyond that provided for in the budget.

Staff have prepared an appropriation ordinance that appropriates \$250,000 in new meals and sales tax revenue (these revenue sources are trending above forecasted levels) and \$430,000 in new personal property tax proceeds not currently appropriated. I note also that \$400,000 in savings in health insurance premium expense savings is applied to the compensation improvements.

In aggregate, these funds are sufficient to increase the organization wide raise from 3% to 5% and implement the second phase of the pay and classification study.

Particular emphasis is given to Public Safety and Public Works divisions where essential services are provided and the highest vacancy rates persist.

The ordinance requires two reads; assuming the Council introduces the ordinance on the 24th, the it will be carried to the consent agenda for the November 14th meeting.

City Manager's Recommendation: Introduce the appropriation ordinance provide for an additional 2% organizational-wide increase and implementation of Phase II of the pay study.

Suggested Motion(s): Move introduction of the ordinance.

Attachments: Ordinance