



Meeting Date: June 17, 2024
Submitter: Dave Strahl, Interim Human Resources Manager
Department: Human Resources
Agenda Item: Consideration of Revised Employee Handbook Language – Section 4.3 – Compensation and Salary Increase

Summary:

Existing Language:

4.3 Compensation and Salary Increase

Non-union employees' compensation may be increased annually at a rate dictated by either the Consumer Price Index (CPI) or 2%, whichever is lower. Salary increases are subject to budget availability and City Council approval. Additionally, non-union employees may be eligible to receive merit based salary increases subject to availability of funds dedicated for such increases in the annual budget.

Proposed Language:

4.3 Compensation and Salary Increase

Non-union employees' compensation may be increased annually at a rate determined by the city council. All salary increases are subject to budget availability and city council approval. Additionally, non-union employees may be eligible to receive merit-based salary increases based on merit evaluations and are subject to availability of funds dedicated for merit increases as part of an annual budget.

Recommended Council Action: Approval of the revised language eliminates a minimum annual increase and ties any increase to city council approval and budgetary capacity. This change will allow for maximum fiscal flexibility for the city council when considering salary increases.

Financial Impact: Varies depending on the amount of salary increase approved.

Funding Source: Part of the annual budget consideration.

Budgeted Amount: Part of the annual budget consideration.

Cost: Varies depending on the amount of salary increase approved.

Attachments: None. If revised language is approved section 4.3 will be changed in the Employee Handbook.