

City of Harrisonburg, Virginia



Office of the City Manager

409 South Main Street
Harrisonburg, Virginia 22801

Ande Banks
Deputy City Manager

TO: City Council
FROM: Ande Banks, Deputy City Manager
DATE: March 2, 2022
RE: City Employee Pay Increase Recommendation

Summary: This agenda item is to follow up on the recommendation made by City staff during the February 22, 2022 City Council meeting for a 5% mid-year salary increase and the consideration of a one-time retention payment in the amount of \$3000 for full-time employees and \$1500 for part-time employees. The retention payment is proposed to utilize American Rescue Plan Act (ARPA) funding where eligible.

Background: At the February 22, 2022 City Council meeting City staff recommended a mid-year salary increase of 5% and a one-time retention payment of \$3000 for full-time employees and \$1500 for part-time employees. This recommendation was made out of a continued effort to be a competitive employer during a historically difficult time for recruitment and retention of employees.

Key Issues: This recommendation to increase compensation to City employees is made to enhance the City's ability to attract and retain the best employees.

Environmental Impact: N/A

Fiscal Impact: This recommended compensation increase is made understanding that revenues are ahead of FY22 budget estimates and staff feels comfortable the 5% increase can be supported moving into the FY23 budget as well. Expenditure savings in the current FY22 budget because of vacancies is also providing justification for providing a 5% pay adjustment now.

Prior Actions: N/A

Alternatives: (a) Modify the increase and one-time retention payment amounts
(b); or don't give increases at this time

Community Engagement: N/A

Recommendation: Approve a 5% salary increase for all City employees and a one-time retention payment of \$3000 for full-time employees and \$1500 for part-time employees effective immediately.

Attachments: N/A

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.