



City of Fayetteville, Arkansas

113 West Mountain Street
Fayetteville, AR 72701
(479) 575-8323

Legislation Text

File #: 2024-1726

2024 Employee Compensation Appropriation Authority

A RESOLUTION TO OBLIGATE FUNDS IN THE AMOUNT OF \$2,326,000.00 TO FACILITATE THE CITY-WIDE 2024 EMPLOYEE COMPENSATION ADJUSTMENT

WHEREAS, Mayor Jordan's proposed Employment Compensation Adjustment will cost the General Fund about \$1,463,000.00 for 2024 for General Fund employees; and

WHEREAS, including all employees (Water and Sewer, Recycling and Trash Collection, etc. as well as General Fund employees), the cost will be about \$2,326,000.00 for 2024; and

WHEREAS, the approved 2024 budget included sufficient amounts for this plan and all funds have the capacity to afford the proposed salary increases.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves the obligation of previously appropriated funds in the amount of \$2,326,000.00 to fund the city-wide 2024 Employee Compensation Adjustment.



MEETING OF MARCH 5, 2024

TO: Mayor Jordan and City Council
THRU:
FROM: Paul Becker, Chief Financial Officer
SUBJECT: **2024 Employee Compensation Appropriation Authority**

RECOMMENDATION:

The Mayor's recommendation is for the City Council to obligate appropriated funds to provide for the compensation package outlined below.

BACKGROUND:

As was discussed during the 2024 Budget process, the Mayor is recommending a compensation package to the City Council based on the Non-uniformed Staff Pay and Benefits Study recently completed and step increases for eligible sworn personnel under the step pay plan.

Sufficient amounts for this plan were included in the 2024 Budget and all funds have the capacity to afford these salary increases.

DISCUSSION:

Based on these results, the Mayor is recommending the following compensation package to the Council:

- The plan would provide across the board increases to all Non-uniformed personnel effective 04/01/2024. The increases will be based on the 6.34% movement to the structure approved with the 2024 Pay and Benefits Study.
- The plan would provide for a one-step increase for eligible Police and Fire uniformed personnel beginning 04/01/2024.
- Uniformed personnel to be eligible to receive a step increase must have completed at least one year of service, which means they must have been paid on Pay Period #8, 2023 which equals a start date before 04/17/2023.
- The 2024 cost of this plan is projected to be \$1,463,000 in the General Fund. The 2024 cost for all funds would be \$2,326,000.
- The ongoing cost of the plan in future years will be \$2,001,000 for the General Fund and \$3,183,000 for all funds.

Mailing address:

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BUDGET/STAFF IMPACT:

The financial impact of this proposal on the expenditure budgets for various funds are as follows:

2024 - Step / Merit Payplan Impact

FUNDING SOURCE	ANNUAL IMPACT	PARTIAL IMPACT
1010 - General	\$ 2,001,000	\$ 1,463,000
2100 - Street	222,000	162,000
2130 - Parking	33,000	24,000
2180 - Community Development	21,000	15,600
2250 - Parks Development	137,000	100,000
2930 - Drug Law Enforcement Grant	16,000	11,500
5400 - Water and Sewer	391,000	286,000
5500 - Recycling and Trash Collection	244,000	178,000
5550 - Airport	40,000	28,900
9700 - Shop	78,000	57,000
Total	\$ 3,183,000	\$ 2,326,000

ATTACHMENTS: SRF (#3)