



®

MEMORANDUM

TO: Mayor Pogue, Board of Aldermen

FROM: Denise Keller, Finance Director

DATE: February 15, 2019

SUBJECT: Annual Employee Compensation

RECOMMENDATION: Staff recommends that the Board approve a salary increase of 3% for all full-time staff effective April 1, 2019.

EXPLANATION: Historically the award of merit increases for staff is made after receipt of final year-end sales taxes as a gauge of economic conditions. Sales tax revenues for 2018 totaled \$9,648,362, exceeding budget by \$90,362 or .9%. Excluding the new public safety tax which was effective 10/1/17, sales taxes revenues for 2018 exceeded those in 2017 by \$148,617 or 1.9%. While these collections represent a recovery over 2017 levels, the revenues excluding the public safety tax still lag behind those of 2016, 2015 and 2014.

Although 4% was budgeted for salary increases, there have been many new developments since this financial plan was prepared that could negatively impact the budget as well as future fiscal periods.