

Information Item

Date: August 10, 2020

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Ben Rowe, Assistant City Manager

Subject:

Information on Request from Mayor Pro Tempore Adams to Increase the City's Minimum Hourly Rate of Pay from \$13.00 to \$14.31

Strategic Focus Area: Service Excellence

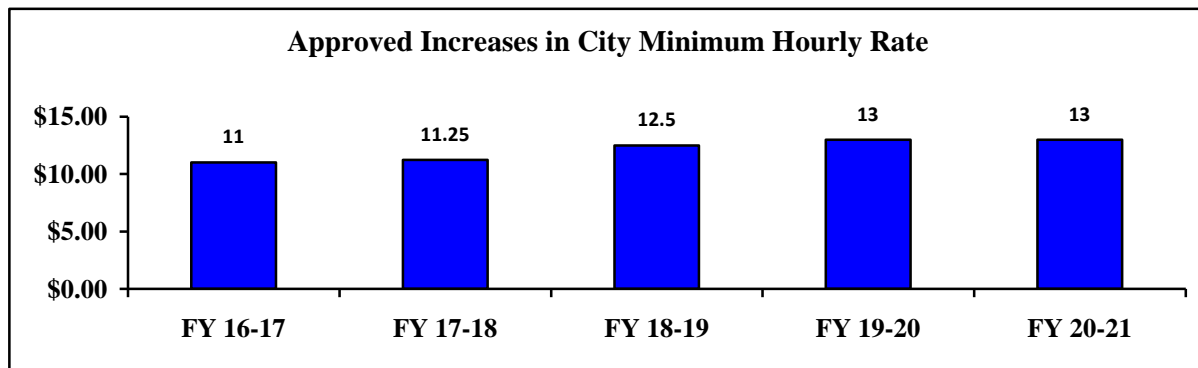
Strategic Objective: No

Strategic Plan Action Item: No

Key Work Item: Yes



In June 2018, as part of the adoption of the FY 2018-2019 budget, the Mayor and City Council adopted a resolution that made various changes to the City's pay plans and established a goal to increase the minimum hourly rate to \$15.00 by 2021. The following chart shows the increases that the Mayor and Council have approved since FY 2017-2018.



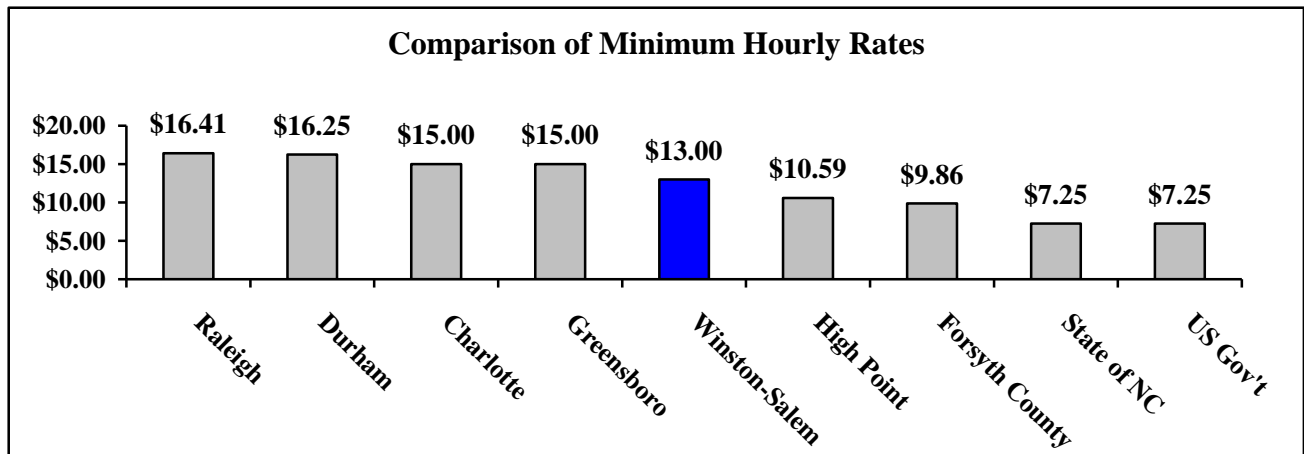
Prior to the coronavirus pandemic and its impact on City revenues, the early budget forecast included an increase to the City's minimum hourly rate to \$14.31, effectively combining pay grades 1-3. During budget deliberations in the spring, the Budget and Evaluation Office estimated that increasing the minimum hourly rate to \$14.31, effective July 1, would cost \$393,000, with a general fund impact of \$333,000 including benefits. However, the adopted FY 2020-2021 did not include an increase in the minimum hourly rate.

Mayor Pro Tempore Adams has requested that the Mayor and Council reconsider an increase from the current rate of \$13.00/hour to \$14.31/hour. This increase would benefit 79 full-time and 33 part-time employees in the following position classifications:

Craft Shop Worker
 Custodian - PFM
 Custodian - Solid Waste
 Custodian - Wastewater
 Customer Service Clerk
 Fleet Attendant - PFM
 Laborer - Rec
 Laborer - Sanitation
 Laborer - Solid Waste
 Parking Attendant
 Parking Security Attendant
 Police Cadet
 Recreation Leader

The increase would not apply to seasonal and flat rate employees, but the rate for temporary employees would be adjusted to reflect the new rate.

The following chart compares Winston-Salem's minimum hourly rate to the other large North Carolina cities, Forsyth County, State of North Carolina, and the U.S. Government.



Notes

- Charlotte plans to increase from \$15.00 to \$16.00 per hour at the end of 2020.
- Forsyth County's minimum hourly rate applies to two positions—parking attendant and transportation aide; other positions have a minimum hourly rate of \$10.36.

A draft amendment to the Personnel Resolution is attached to show how a minimum hourly rate of \$14.31 would be reflected in the City's Revised General Pay Plan for full-time positions. As noted above, pay grades 1 and 2 would be combined with pay grade 3. City staff have determined these adjustments could be implemented without causing significant compression with positions in higher pay grades. At this time, no funding source has been identified to pay for this increase in the minimum hourly rate.

This item will be included on the agendas for the Finance Committee and Community Development/Housing/General Government Committee.