

**RESOLUTION 2010-75**

**A RESOLUTION APPROVING A TWO PERCENT (2%) GENERAL WAGE INCREASE FOR FULL TIME AND YEAR-ROUND PART TIME CITY OF FRANKLIN EMPLOYEES EMPLOYED AS OF JULY 1, 2010**

WHEREAS, the employees of the City of Franklin our the organization's most valuable resource; and

WHEREAS, Franklin's employee team has made many sacrifices and adjustments to help the City organization endure the economic slowdown of recent years; and

WHEREAS, City of Franklin employees last received a pay increase in July of 2008; and

WHEREAS, the adopted 2010-11 Budget included a general wage increase employee effective on January 1, 2011; and

WHEREAS, the City has now experienced six consecutive months of sales taxes growth compared to last year supporting the City's decision to include a general wage increase in its adopted budget;

NOW, THEREFORE BE IT RESOLVED, by the City of Franklin Board of Mayor and Aldermen that:

1. A general wage increase of two percent (2%) shall be implemented for all full-time and year-round part time employees employed by the City of Franklin as of July 1, 2010.
2. The wage increase shall be implemented as of the pay period beginning December 24, 2010.

**IT IS SO RESOLVED AND DONE** on this the \_\_\_\_\_ day of October, 2010.

ATTEST:

CITY OF FRANKLIN, TENNESSEE

By: \_\_\_\_\_

ERIC S. STUCKEY

City Administrator

By: \_\_\_\_\_

JOHN C. SCHROER

Mayor



HISTORIC  
FRANKLIN  
TENNESSEE

ITEM #25  
BOMA  
09/28/2010

MEMORANDUM

September 9, 2010

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator *ES*  
Russ Truell, Assistant City Administrator/CFO

SUBJECT: General 2% wage increase for employees effective January 1, 2011

**Purpose**

The purpose of this memorandum is to provide the Board of Mayor and Aldermen (BOMA) with information to consider authorizing a budgeted 2% general wage increase for all full time City employees effective January 1, 2011

**Background**

The adopted 2010-11 (FY 2011) budget includes a 2 % general wage increase for City employees. At the time this was proposed, the City of Franklin was just seeing its first positive performance in sales tax, the City's single largest revenue source. By implementing the wage increase at mid-fiscal year, the City would be better able to gauge if the revenue outlook will support this pay increase. The 2009-10 budget (FY2010) did not include any wage increases for employees and this cost-of-living adjustment would mark 30 months since the last time employees received either a cost-of-living or performance increase (July 2008).

The performance of sales tax revenue since the budget was first presented has continued to show growth compared to a year ago. The following has been the sales tax performance for the past five months:

<u>Month Reported (Sales)</u>	<u>% Change</u>
April (February)	0.9%
May (March)	7.7%
June (April)	9.3%
July (May)	2.7%
August (June)	9.0%
September (July)	7.5%

In addition, the preliminary yearend financial reports for FY2010 show that the City under spent its budget by approximately \$3.4 million.

**Options**

The Board could approve, deny or amend the budgeted general wage increase for employees.

**Financial Impact**

The general pay increase was incorporated into the adopted budget for all City operating funds (including the general fund). The projected cost of a 2% general wage increase implemented at mid-year is approximately \$300,000 for FY2011.



HISTORIC  
FRANKLIN  
TENNESSEE

## MEMORANDUM

---

### **Recommendation**

It is recommended that the Board approve the implementation of the budgeted general wage increase of 2% for employees effective January 1, 2011.