



MEMORANDUM

To: Mayor and Members of the Board of Aldermen

From: Brittany Gillett, City Administrator

Date: August 2, 2022

Re: Employee Incentive Information

As most of you are aware the City received a substantial chunk of money late last year in the form of ARPA funding; we are set to receive more this year as well. Most of those dollars have been allocated to various projects, many of which were put on hold when COVID hit. What is unique about ARPA, however, is the fact that those dollars are eligible for use towards employee retention incentives. Typically, bonuses or incentives are not allowed within government entities, but that has been specifically allowed through ARPA, acknowledging that many governments withheld raises (SSH included) or had to furlough employees.

The idea that was proposed was a one-time \$1,000 retention incentive to help mitigate the immense inflation and increased gasoline prices. This would be roughly a \$71,000 impact to the budget, which is feasible after our nearly \$300,000 adjustment at the last Board of Aldermen meeting. While there was some concern that there would be an expectation of continued incentive, this is a unique opportunity made possible with the ARPA dollars; as mentioned earlier we cannot otherwise offer a bonus or incentive to the employees. The Board did approve a 3% increase to employee salaries effective July 1.