

CITY COUNCIL MEMORANDUM

AGENDA ITEM

**Suspension of Compensation Step Increases
All Employees, FY 17**

ORIGINATING DEPARTMENT

City Manager

BACKGROUND INFORMATION

The FY 17 budget, adopted on September 13, 2016, included a suspension of compensation step increases for all city employees.

DISCUSSION/CONCLUSION

The City Council adopts the pay plan for all employees, which establishes the salary of all city employees. This includes all non-civil service employees, probationary fire and police officers, and those in civil service classifications authorized under the provisions of Texas Local Government Code 143.041.

This ordinance will approve a suspension of compensation step increases for all city employees in FY 17. The suspension will be effective October 1, 2016. The approval of the ordinance authorizes the use of the 2016-2017 pay plan, with no employee movement across steps.

FISCAL IMPACT

The adoption of the proposed ordinance has granted a net savings of \$736,121 in the FY 17 budget.

RECOMMENDATION

It is recommended that the City Council approve this ordinance, suspending compensation step increases for all city employees, including each classification in the City of Killeen Fire and Police Department, as provided in the previously-approved pay plan.