

STAFF REPORT

Date: June 14, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Resolution of the Reno City Council amending Resolution No. 9053, adopting a cost-of-living salary increase of two and one-half percent and amended salary schedule for mid-management employees not covered by an employee-management contract or collective bargaining agreement, to cost \$539,802 for the 23-24 fiscal year; together with other matters properly relating thereto.

From: Jesse Puett, Labor Relations Manager

Department: City Manager's Office – HR

Summary:

The City Manager has requested that the Mid-Management salary schedule be increased by two and one-half percent (2.5%), effective July 14, 2023, and the base salaries of Mid-Management employees be increased by the same amount, effective on the same date. In addition to the salary increase, the NV PERS contribution rate for this group is increasing by a total of three and three-quarters percent (3.75%) effective July 14, 2023. In accordance with Nevada Revised Statute (NRS) 286.421, this increase is to be split equally between the City of Reno and the employee resulting in a salary decrease of one and seven-eighths percent (1.875%). As such, the net increase to employee salaries is five-eighths of a percent (0.625%).

Alignment with Strategic Plan:

Fiscal Sustainability

Previous Council Action:

The Mid-Management group was first placed into a pay-for-performance model by Council Resolution No. 5389 in 1997. Since that time, there have been multiple Council Resolutions passed regarding the group's salary schedule and benefits, most recently Resolution No. 9053 on July 20, 2022, which provided for a 2.5% cost-of-living increase retroactively to July 1, 2022.

Discussion:

The Mid-Management group is comprised of 71 employees occupying upper-level management positions and Deputy City Attorney positions. The City Manager has requested that Mid-Management salaries be increased for cost of living by two and one-half percent (2.5%), effective July 14, 2023.

In addition to the 2.5% increase, there is also a salary reduction for this group of employees equal to 1.875% effective July 14, 2023 as a result of a NVPERS contribution rate increase. This reduction is required under NRS 286.421. This results in a net 0.625% increase to the salary schedule for this group.

Financial Implications:

The cost of the net increase of 0.625% for the period from July 14, 2023 through June 30, 2024 adds \$539,802 to the cost of the salaries of the employees in this group.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council approve the Resolution adopting a cost-of-living increase and amended Mid-Management Salary Schedule.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Mid Management Salary Schedule

Mid Management COLA – Resolution 2023