

## Memorandum No. 10-146

**TO:** Mayor and City Commissioners  
**FROM:** Doug Russell, City Manager DR  
**RE:** Step Plan Adjustment  
**DATE:** August 23, 2010

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Every year the City authorizes the continued implementation of previously adopted pay plans that provide a one step increase in the pay scale for all employees that are below the mid-point for their respective pay grade.

Legal counsel has accepted this process as being in compliance with collective bargaining as it is a policy that does not present any new action being taken in respect to members of the bargaining unit. The step increase for those that are below midpoint has been an established policy for the City of Yankton as reproduced below:

#### *5.11 STEP PAY PLAN SALARY INCREASES*

*The City Commission, when fiscally possible, wishes to reward continued favorable service by its employees and has implemented a ten year Step plan to be used as a guideline for annual adjustments to individual salaries based on the economic ability to afford these increases within the annual budget. The goal of the ten year Step Pay Plan is to bring employees up to their respective yearly step amount and eventually up to the midpoint of their respective salary range as established by a tri-annual salary study of similar positions. An annual resolution will be required to be passed by the City Commission to implement any yearly step increases and the maximum year % that will be allowed to any individual that is currently below the midpoint of their salary range and below their corresponding yearly step.*

*The City Commission had a salary increase of 0.16% enacted in January of 2003. That raised their annual salary \$4.36 to make it an even number. The last increase prior to that was a 3% increase in January of 1998. A step increase for other City employees equates to a salary increase of 1.75%. It is recommended that a salary increase of 1.75% also be enacted for City Commissioners and the Mayor as part of this Resolution.*

**Recommendation: The recommended action is to approve the resolution authorizing the continued implementation of the previously adopted pay plan retroactive to the pay period beginning June 5, 2010.**

Resolution # 10-33

A Resolution Authorizing Step Pay Plan Adjustments for City Employees of the City of Yankton, South Dakota

**WHEREAS**, adequate monies have been provided for in the adopted 2010 budget, for the remuneration of services rendered by City of Yankton by City employees; and

**WHEREAS**, the City Commission wishes to continue the Step Pay Plan implementation according to the personnel policy and the pay plans adopted in 2008;

**WHEREAS**, the City Commission recognizes that the last substantial salary increase for the Mayor and Commissioners was a 3% increase in January of 1998;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of City Commissioners that the City Manager implement the Step Pay Plan adjustments retroactive to June 5, 2010 and that the annual salary of the Mayor and the City Commissioner also be increased by 1.75% retroactive to June, 2010;

Adopted:

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David D. Knoff  
Mayor

ATTEST:

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Al Viereck  
Finance Officer