

**RESOLUTION 2014-14**  
**CONSIDERATION OF ONE TIME COMPENSATION FOR FULL TIME AND HALF**  
**TIME (PART TIME WITH BENEFITS) EMPLOYEES**

WHEREAS, the City of Sturgis faced significant financial difficulties in 2012 and sought to reduce ongoing expenses while increasing revenue streams, and;

WHEREAS, in 2013, both City Employee bargaining units agreed to no annual cost of living allowance (COLA) for the first time in decades as a good faith effort to help bring the City's revenue streams in line with expenses, and;

WHEREAS, the City agreed to provide a onetime compensation for employees in February of 2014 if sales tax collections exceeded the budgeted revenue, and;

WHEREAS, the City's sales tax revenue was \$2,921,543, which was within the range needed for a onetime compensation payment of 0.5% of each full and part time regular employees total 2013 compensation, and;

WHEREAS, the total gross taxable sales was \$597,850 less than the required sales to provide a 1% onetime compensation according to the negotiated contracts between the City of Sturgis and its collective bargaining units, and;

WHEREAS, total expenditures in the general fund were 8.3% less than the adopted budget and each principal operating fund achieved similar cost savings, and;

WHEREAS, the City has sought to encourage and reward employees for creative ways in which revenue can be increased and operating costs can be reduce;

NOW THEREFORE, it shall be established as Council policy to consider a one-time, gross compensation payment be made to all regular full and half time (part time with benefits) employees equal to 1% of each individual employee's total 2013 compensation in recognition of the sales tax revenue collections of 2013 and the tremendous cost saving achieved by employees, and a transition stipend to be paid to the Rally and Events Director equal to \$600 per month for six months in recognition of the additional efforts required during the transition period of the sponsor agent in 2013, which is similar to stipends provided to other employees during times of transition.

Dated this 3rd day of February, 2014.

CITY OF STURGIS

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Mayor Mark Carstensen

ATTEST:

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Fay Bueno  
City Finance Officer

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