



City Proposes \$1,000 Employee Retention Incentive

SANTA FE, November 1, 2023 – The City of Santa Fe is proposing a \$1,000 retention incentive for every employee who agrees to stay employed with the City through June 30, 2024. As a result of unanticipated gross receipts tax (GRT) revenue that exceeds what was budgeted for in FY2023, City leadership has put forward a budget adjustment resolution (BAR) that would provide the funding sufficient to allocate this retention incentive.

"When we adopted our current budget for this fiscal year, we said that if the economy stayed strong and we got unanticipated revenue, the first thing we'd do was to share it with our hardworking City employees," said Mayor Alan Webber. "Promise made. Promise kept."

In response to an increasingly competitive national labor market and rising inflation, the City budgeted for 4 percent raises for all employees in FY21 and 8 percent raises in FY22. In the current fiscal year, the City provided 3 percent raises for all employees who make less than \$100,000 and a 1 percent raise for employees who make \$100,000 or more. Similar employee retention incentives were offered in both FY21 and FY22.

The newest retention incentive BAR is expected to be voted on by the Governing Body at its November 8, 2023, meeting, and will allow for the \$1,000 retention incentive for all employees who agree to continue their employment with the City through June of 2024. For unionized employees, the terms of the retention incentive agreements are subject to bargaining between the unions and management.

Later this week, the City will announce the total amount of unanticipated GRT revenue generated for the City in FY2023.