



Retirement and Employee Benefits

"Whether relaxing on the park swings or meeting friends for a glass of wine, I choose to be part of downtown's revitalized community."

Regina Mays & Bailey
HAMPTON RESIDENT



15. Retirement and Employee Benefits

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This section includes the various benefits, along with an explanation of those benefits, funded by the City for its employees.





Retirement and Employee Benefits Fiscal Years 2021-2024

The Retirement and Employee Benefits budget houses the initial appropriation for all compensation increases and specialized incentives. Funding is transferred as needed to respective General Fund departments during the fiscal year. This budget also funds the City's share of employee benefit costs.

The total budget for this department is \$69,705,493 which funds the following benefits:

	2021 Actual	2022 Actual	2023 Budget	2023 Adjusted	2024 Budget	Increase/ (Decrease)
Personnel Services [Compensation]						
Accrued Payroll	497,884	553,870	1,150,000	1,150,000	50,000	(1,100,000)
Compensation	1,902,717	3,143,988	12,174,585	7,175,233	18,272,908	11,097,675
Separation Leave Pay	1,325,606	1,179,526	966,000	966,000	1,240,000	274,000
Operating Expenses [Fringe Benefits]						
FICA (social security) Contribution	6,032,035	6,941,092	6,600,000	6,600,000	8,170,370	1,570,370
Group Life Insurance	934,352	952,302	1,089,000	1,089,000	1,264,000	175,000
Hampton Employees Retirement System ("HERS")	1,757,199	2,131,993	2,492,000	2,492,000	809,700	(1,682,300)
Hospitalization Insurance	12,628,858	12,094,900	14,784,051	14,784,051	15,912,930	1,128,879
Law Enforcement Officer ("LEO") Retirement Supplement	0	0	880,000	880,000	880,000	0
Line of Duty Pay	640,163	719,260	690,000	690,000	820,000	130,000
Medicare Advantage Plan	281,248	243,683	500,000	500,000	388,800	(111,200)
Other Fringe Benefits	38,841	39,974	46,900	46,900	47,900	1,000
Unemployment Insurance	231,382	48,180	220,000	220,000	220,000	0
Virginia Retirement System ("VRS")	10,532,285	10,388,298	14,630,000	14,630,000	18,730,000	4,100,000
VRS Hybrid Plan – Disability Program	41,620	64,042	102,953	102,953	110,000	7,047
VRS Hybrid Plan – Contribution/ Match	2,104,880	2,450,117	0	0	0	0
WageWorks – Flexible Spending Accounts	10,833	13,883	10,523	10,523	10,523	0
Worker's Compensation Insurance	2,114,194	2,480,859	2,644,306	2,644,306	2,778,362	134,056
Total	41,074,097	43,445,967	58,980,318	53,980,966	69,705,493	15,724,527

Budget Note:

The increase in this budget is attributed to the following compensation-specific components: (1) a 5% salary increase for permanent full-time (PFT), qualified permanent part-time (PPT), and qualified when actually employed (WAE) employees; (2) adjustments for increased minimum wage to \$15.00; (3) a step plan for sworn Public Safety positions which will be implemented January 1, 2024; (4) associated fringe benefit increases; (5) continuation of the Citizen Satisfaction Bonus ("Bonus"), based on the most recent citizen satisfaction survey of employee work performance, for qualifying employees who meet certain tenure criteria; (6) performance-based (merit) bonus to provide a means to recognize top performers; and, (7) an increase in health insurance premium which the City will cover in its entirety to protect employee take-home pay.





Fiscal Years 2014-2024			
Fiscal Year	General Wage/ C.O.L.A.	Merit*/ Other	Comments
2014	1.0%	Flat increase of \$1,000 for 4/5 rating; \$750 for a 3 rating. (Added to base salary)	For FY 2014, a 1% cost of living adjustment and a merit adjustment of up to \$1,000 added to base salary.
2015	0.0%	One time merit bonus up to \$1,000 after taxes. \$500 for a merit rating of 3, \$750 for a merit rating of 4, and \$1,000 for a merit rating of 5.	For FY 2015, a recommendation for a one time performance bonus (not recurring to base salary) contingent upon the performance ratings of eligible employee's annual merit review.
2016	3.0%	0.0%	A 3% general wage increase given to all employees along with funding set aside for January 2016 pay scale adjustments.
2017	2.0%	1.0% for compression adjustments and Citizen Satisfaction Bonus	A 3% compensation increase with 2% as a general wage increase (GWI) and 1% for compression to be distributed based on years in position. A "Citizen Satisfaction Bonus" was also awarded, the amount of which is determined by the percentage rate of approval from the citizen satisfaction survey.
2018	2.0%	Citizen Satisfaction Bonus	A 2% general wage increase for permanent full-time (PFT) employees and a "Citizen Satisfaction Bonus," the amount of which is determined by the percentage rate of approval from the citizen satisfaction survey.
2019	2.0%	Citizen Satisfaction Bonus	A 2% general wage increase for permanent full-time (PFT) and qualified permanent part-time (PPT) employees and a "Citizen Satisfaction Bonus," the amount of which is determined by the percentage rate of approval from the citizen satisfaction survey.



Fiscal Years 2014-2024			
Fiscal Year	General Wage/ C.O.L.A.	Merit*/ Other	Comments
2020	3.0%	Citizen Satisfaction Bonus	A 3% general wage increase for permanent full-time (PFT) and qualified permanent part-time (PPT) employees and a "Citizen Satisfaction Bonus," the amount of which is determined by the percentage rate of approval from the citizen satisfaction survey. Pay scale adjustments will also be made to the Equipment Operator position. A signing bonus of \$2,000 will be provided for Police Cadets and Fire and Rescue recruits.
2021	3.0%	Citizen Satisfaction Bonus, Employee Bonus and Minimum Wage/Market Adjustments	A "Citizen Satisfaction Bonus," the amount of which is determined by the percentage rate of approval from the most recent citizen satisfaction survey; an one-time employee bonus; and a 3% general wage increase (GWI) for permanent full-time (PFT), qualified permanent part-time (PPT) and qualified "when actually employed" (WAE) employees along with minimum wage and market adjustments for PPT/WAE positions which was provided mid-year FY21 due to the revenue impact of COVID-19.
2022	3.0%	Citizen Satisfaction Bonus, Compression, Range Adjustments and Minimum Wage/Market Adjustments	A 3% general wage increase for permanent full-time (PFT), qualified permanent part-time (PPT) and qualified "when actually employed" (WAE) employees; a "Citizen Satisfaction Bonus," the amount of which is determined by the percentage rate of approval from the most recent citizen satisfaction survey; minimum wage/market adjustments and range adjustments for targeted pay scales along with eligibility for one-time performance bonus.



Fiscal Years 2014-2024			
Fiscal Year	General Wage/ C.O.L.A.	Merit*/ Other	Comments
2023	5.0 - 7.0% (including compression adjustments)	Citizen Satisfaction Bonus; Range Adjustments and Minimum Wage/Market Adjustments; and, Performance-based Merit/ Bonus	(1) A 5-7% salary increase for permanent full-time (PFT); qualified permanent part-time (PPT); and, qualified "when actually employed" (WAE) employees. (2) Range adjustments for positions below market. (3) Adjustments for increased minimum wage. (4) Adjustments for market-based pay range recalculations. (5) Continuation of the Citizen Satisfaction Bonus ("Bonus"), based on the most recent citizen satisfaction survey of employee work performance, for qualifying employees who meet certain tenure criteria; and (6) Performance-based (merit) bonus to provide a means to recognize top performers.
2024	5.0%	Citizen Satisfaction Bonus; Range Adjustments and Minimum Wage Adjustments; Step Program for Sworn Public Safety Position; and, Performance-based Merit/ Bonus	(1) A 5% salary increase for permanent full-time (PFT); qualified permanent part-time (PPT); and, qualified "when actually employed" (WAE) employees. (2) Adjustments for increased minimum wage. (3) A step plan for sworn Public Safety positions. (4) Continuation of the Citizen Satisfaction Bonus ("Bonus"), based on the most recent citizen satisfaction survey of employee work performance, for qualifying employees who meet certain tenure criteria; and (6) Performance-based (merit) bonus to provide a means to recognize top performers.

*Merit represents an average received by all City employees.



Fiscal Years 2014-2024			
	Teachers	Administrators	Classified*
FY14	6.0%	6.0%	6.0%
FY15	0.0%	0.0%	0.0%
FY16	3.0%	1.0%	Additional \$1/hr. for bus drivers and \$0.80/hr. for bus attendants + 1%
FY17	3.0%	3.0%	3.0%
FY18	2.0%	2.0%	2.0%
FY19	2.0%	2.0%	2.0%
FY20	3.0%	3.0%	3.0%
FY21	2.5%	2.5%	2.5%
FY22	5.0%	5.0%	5.0%
FY23	5.0%	5.0%	5.0%
FY24 **	5.0%	5.0%	5.0%

* Classified employees include bus drivers, part-time employees and all other personnel than those who are designated as teachers or administrators.

** For FY24, the Hampton City Schools' compensation package includes: (1) a minimum 5% increase for employees; however, contingent upon the respective position, salary increases are projected to range from 5.51% to 18.28%; (2) teacher scale adjustments; (3) salary adjustments to support staff positions; (4) an increase in the minimum hourly rate for all positions to \$12.50 per hour; and, (5) teacher and support staff recruitment incentives.