

To: The President and Common Council
From: Paul R. Soglin, Mayor

I recommend the adoption of the attached resolution which authorizes the payout of accumulated sick leave for City of Madison employees affected by the employment transition at the Overture Center.

As you know this was necessitated by a request from Overture which initiated a process to change the structure of the performing arts center and the relationship with the City of Madison. The financial difficulties at Overture led its leadership to request that the city no longer be the employer of those who worked at the center. This was not a change in organization that the city initiated.

However, the Common Council did adopt a resolution last December which directed city staff to negotiate on various topics related to the transition, one of which was establishing a severance payment in recognition of the loss of city benefits, including sick leave, and a Structural Agreement, which called for an Annual Performance Agreement. Then last week, the Common Council adopted the annual performance agreement, which set forth various performance guidelines and goals for the Overture Center Foundation and completed the change in employment status of the workers without attending to the issue of accumulated sick leave and related costs.

Through the transition period, Overture refused to incur the personnel costs associated with their requested restructuring. This leaves the city as the sole responsible party to address this matter, which has consequences and costs that go far beyond the value of the accumulated sick leave.

It is my recommendation that we approve this resolution. To fail to do so has a number of unfair and serious consequences. First of all it unfairly injures the employees who were the beneficiaries of promises made by both the City of Madison and Overture over ten years ago. Secondly, many valuable and talented individuals will leave Overture, an organization that badly needs their skill and talent. Lastly, failure to adopt will lead to a series of bumpings that will be costly to the city and chaotic to the orderly administration of our personnel system. We will continue to work on a solution to allow the City to recover its costs from Overture.