



Legislation Text

File #: 36227, **Version:** 1

Fiscal Note

This resolution amends the adopted 2015 operating budget by increasing general fund expenditures by \$595,100 to fund an additional 0.5 percent pay increase for general municipal employees. This will result in a total pay increase in 2015 of 2 percent for the estimated 2,000 FTE employees that are not Police and Fire commissioned staff. This increase in expenditures is funded through an application of \$217,000 from the general fund balance. Of this amount, \$117,000 is related to one-time items in the adopted budget related to services to the homeless. The expenditure increase is also funded through deleting a new \$100,000 allocation of room tax revenues to the Madison Area Sports Commission and increasing the transfer from the Room Tax Fund to the General Fund by an equal amount. The remaining expenditures are funded by using \$278,100 of the remaining \$288,274 in allowable increase under the state levy limits.

This amendment will result in total General Fund expenditures of \$283,698,932, an increase of 2.87 percent from 2014. The resulting levy will be \$203,148,433, an increase of 2.37 percent from 2014. The estimated mill rate is 9.509.

Title

Amending the 2015 Adopted City Operating Budget, including compensation for general municipal employees, use of general fund balance applied for certain one-time items and items funded from the room tax fund.

Body

WHEREAS, the Common Council adopted the 2015 City Operating Budget at its budget meeting that convened on November 11, 2014; and

WHEREAS, the adopted budget had \$288,000 of unused levy limit authority remaining; and

WHEREAS, the adopted budget included funding to support a collectively bargained pay increase of 3.0 percent for Police and Fire commissioned staff and funding for a 1.5 percent pay increase for general municipal employees;

WHEREAS, this differential in pay increases is detrimental to employee recruitment and retention and will be difficult to recoup in future years; and

WHEREAS, providing funding for an additional 0.5 percent pay increase for non-Police and Fire commissioned staff, for a total pay increase of 2.0 percent, would help to mitigate that differential in the long-term; and

WHEREAS, the adopted budget includes one-time funding of \$117,000 for transportation, laundry, storage and youth services needs associated with homelessness; and

WHEREAS, the adopted budget includes \$100,000 from the Room Tax Fund for a payment to the Madison Area Sports Commission functions shared with the Greater Madison Convention and Visitors Bureau (GMCVB) as well as \$215,400 related to the first year of a multi-year effort to increase, from 20 percent to over 30 percent, the share of room taxes paid to GMCVB for destination marketing; and

WHEREAS, the City's General Fund balance has sufficient resources above the stated goal of 15 percent of

General Fund expenditures in the subsequent year to provide support for one-time expenditures and to share in the cost of employee compensation; and

NOW, THEREFORE, BE IT RESOLVED, that the 2015 adopted City operating budget is amended to do the following:

1. Apply \$217,000 from the General Fund balance for one-time funding for services to the homeless that are included in the adopted budget and to share in the cost of an additional 0.5 percent pay increase for general municipal employees.
2. Delete a \$100,000 payment to the Madison Area Sports Commission and increase the transfer of room tax revenues to the General Fund by the same amount.
3. Appropriate \$595,100 from the General Fund (\$750,000 all funds) to Supplemental Compensation to support an additional 0.5% pay increase for general municipal employees.

BE IT FURTHER RESOLVED, these amendments will be included in the reported 2015 adopted City operating budget and that the City budget resolution that establishes the 2014 property tax levy will be amended to reflect these changes.