



Legislation Text

File #: 73631, Version: 1

Fiscal Note

The proposed resolution adopts and confirms the Labor Agreement between the City of Madison and the Madison Professional Police Officer Association (MPPOA) for the period January 1, 2022 through December 31, 2025. The total cost for the proposed wage increase in the agreement, over the life of the contract, is \$5.1 million. This calculation includes permanent wages, overtime (including compensated absences), premium pay, and benefits. The table below shows the cost by year and by expenditure type.

	2022 Cost	2023 Cost	2024 Cost	2025 Cost	Cumulative
Permanent Wages	585,074	746,467	1,142,095	1,176,358	3,649,995
Premium Pay	16,335	22,106	33,823	34,838	107,102
Overtime	74,786	101,210	154,851	159,497	490,344
Benefits	<u>134,022</u>	<u>172,391</u>	<u>263,759</u>	<u>271,671</u>	<u>841,843</u>
Total	<u>810,217</u>	<u>1,042,175</u>	<u>1,594,528</u>	<u>1,642,363</u>	<u>5,089,284</u>

In 2022, the anticipated cost of the proposed wage increase is \$810,000.

The contract includes two other changes with fiscal implications including the addition of one floating wellness day for each year of the agreement which expire December 31, 2025 and cannot be cashed out. The estimated annual cost of adding this wellness day is \$161,000.

A \$1,000 one-time payment per MPPOA employee to be paid by February 2023, is required under the contract. The anticipated cost of this payment is \$537,000. Funding for this payment will be included in the 2023 Executive Operating Budget. The executive budget will also include funding to make a \$1,000 payment to all permanent full- and part-time city employees. The source of funding for this payment is a surplus in the Premium Stabilization Fund for the city's life insurance and long-/short-term disability programs. The total cost of these payments, including those to be made under the MPPOA contract, is estimated to be \$3.4 million.

No additional appropriation is needed at this time to fund the proposed changes. The 2022 adopted budget includes \$550,000 or 0.5% of Police and Fire commissioned wages and benefits for potential labor negotiated wage increases. City expenses are monitored throughout the year and if necessary, a budget amendment may be offered through the year-end appropriation. The current balance of the Contingent Reserve is \$1,780,000. These funds could be used to cover the cost of the wage increase.

Title

Adopting and confirming the Labor Agreement between the City of Madison and the Madison Professional Police Officer Association (MPPOA) for the period January 1, 2022 through December 31, 2025.

Body

This resolution adopts and confirms the Labor Agreement between the City of Madison and the Madison Professional Police Officer Association (MPPOA) for the period January 1, 2022 through December 31, 2025.