



## Legislation Text

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**File #:** 45609, **Version:** 2

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### Fiscal Note

The proposed resolution will appropriate \$50,000 from the 2017 Contingent Reserve for consulting services to examine the City of Madison's current employee benefit structure. If adopted, the remaining balance of the Contingent Reserve will be \$1,409,381.

The 2017 Executive Budget included \$50,000 within the Finance Department to conduct the study. These funds were removed from the proposed budget by Amendment 12 adopted by the Common Council. The intent of the proposed study is to examine areas for improved efficiency and modernization within the existing benefit structure that may result in savings for both the City and its employees.

### Title

SUBSTITUTE - Hiring a consultant to evaluate and recommend potential improvements to existing employee benefits; amending the 2017 Adopted Operating Budget to appropriate \$50,000 from the Contingent Reserve to the Finance Department for the study; and authorizing the City of Madison to issue an RFP and enter into a contract with a consultant to conduct the study.

### Body

WHEREAS, the City of Madison is committed to continuing to provide high quality benefits to its employees at a reasonable cost, and

WHEREAS, the City Income Protection Plan and Life Insurance programs have not been evaluated since the 1970s, and

WHEREAS, other city benefits may also see improvements in terms of quality and cost as the result of a third party evaluation, and

WHEREAS, a third party evaluation could provide valuable information for discussions with employee unions and employee associations with regard to potential benefit modifications that could improve the provision of benefits and/or reduce costs; and

WHEREAS, the adopted budget does not include funding for a hiring a consultant to evaluate city benefit programs; and

WHEREAS, the projected cost for such and evaluation should not exceed \$50,000;

NOW, THEREFORE BE IT RESOLVED, that the 2017 adopted operating budget shall amended to appropriate \$50,000 from the Contingent Reserve to the Finance Department budget to allow Finance and Human Resources to engage a third party consultant to evaluate City income protection and life insurance plans, and possibly other benefit programs. The evaluation will include and actuarial analysis of the programs in comparison to other similarly situated employers and will provide potential recommendations for improvements in benefits as well as costs of the various benefit programs.

NOW, THEREFORE BE IT FINALLY RESOLVED, the City of Madison is authorized to issue a Request for Proposals and enter into a contract with a consultant to conduct the study.