



## Legislation Text

---

**File #:** 13992, **Version:** 1

---

### **Fiscal Note**

The City recently signed memoranda of understanding (MOU's) with two labor unions (AFSCME Local 60 and Laborers Local 236) representing hourly City employees that extend sick leave benefits to the hourly employees represented by those unions. This ordinance amendment would extend similar sick leave benefits to all other hourly City employees not represented by a labor union.

Substantial work was done during 2005 and 2006 to estimate the fiscal impact of hourly employee sick leave proposals being considered by the Common Council at that time (see Legistar file ID#02077). That work was based on actual hourly employee data from 2004. During that year, 770 hourly employees worked a total of 281,000 hours. Of those employees, 355 (46%) were represented by labor unions. The remainder (54%) were non-represented. The estimated cost of the proposal being evaluated at that time was \$63,000 per year, assuming 100% utilization.

The threshold for hourly employee sick leave eligibility under the recently signed MOU's and the current ordinance amendment proposal is lower than in the ordinance that was proposed in 2005. Thus, it is likely that the annual cost will be higher. During 2008, 897 individual hourly employees worked a total of 403,000 regular hours. Of these employees, 633 (70%) were represented by the labor unions with which MOU's are already in place. The remainder (30%) were non-represented. Assuming the City's 2009 hourly staffing pattern is similar to that which occurred in 2008, the additional sick time made available under this benefit will have an estimated cost of \$150,000 this year, assuming 100% utilization. Unlike the earlier proposals, the current benefit contains an automatic payout provision equal to 50% of any unused sick leave balance at the end of the year, or at the time of seasonal layoff of each employee. The minimum cost of the benefit program is, therefore, estimated to be \$75,000 assuming no accumulated sick leave is used by hourly employees. The actual cost in 2009 will likely fall somewhere between these two estimates.

The adopted 2009 Operating Budget includes \$60,000 in Miscellaneous Appropriations to fund the cost of this benefit in the General Fund. This budget authority is available to be allocated to the departmental operating budgets where significant hourly employee sick leave costs are incurred (Parks, Engineering, Streets, Police, etc.). Funds have not been budgeted to cover the cost of this benefit in non-General Fund agencies (Monona Terrace, Overture Center, Golf Courses, Goodman Pool, Parking Utility, Library, etc.). Transfers of this budget authority to agencies not accounted for in the General Fund may have an impact on the City's eligibility under the State Expenditure Restraint Program Formula. Any additional actual costs of this benefit beyond the amount budgeted will either be absorbed by the various departmental budgets or will require an additional appropriation. Actual costs associated with this benefit will not be known, however, until most seasonal layoffs occur at the end of the summer season, the fall leaf collection season, and after remaining annual sick leave balance payoffs are made on the last payroll of the year.

### **Title**

Amending Secs. 3.32(6)(b)1., 3.32(6)(e)1., 3.32(6)(e)2., and 3.38(1)(b)3.a. of the Madison General Ordinances to modify existing sick leave eligibility, earning and accumulation provisions to make sick leave benefits available to more employees.

### **Body**

DRAFTER'S ANALYSIS: Currently certain seasonal and hourly employees receive limited sick leave benefits under the terms of the collective bargaining agreements negotiated between their unions and the City. These ordinance amendments would apply these benefits to all City seasonal and hourly employees. Under this proposal all seasonal and hourly employees could accumulate one day of sick leave per every 200 hours of

work. Employees could earn up to a maximum of three sick leave days in any calendar year. An eligible employee could cash these days in if their employment is terminated by a lay off or by their desire to return to school. The ordinance also provides a mechanism for crediting an employee with the appropriate amount of sick leave when they move from an hourly or seasonal position into a permanent position. Lastly, this proposal would clarify existing sick leave practices that treat Limited Term Employees in the same fashion as permanent employees for sick leave purposes.

\*\*\*\*\*

The Common Council of the City of Madison do hereby ordain as follows:

1. Paragraph 1. of Subdivision (b) entitled "Sick Leave Eligibility" of Subsection (6) entitled "Sick Leave and Worker's Compensation Supplement" of Section 3.32 entitled "Absence of Employees From Duty" of the Madison General Ordinances is amended to read as follows:

"(b) Sick Leave Eligibility.

1. All permanent City employees as specified in Sec. 3.32(1)(a) shall be eligible to receive sick leave. Employees in limited term positions as defined in Sec. 3.53(5)(b) ~~which are funded for at least twelve (12) months and employees in hourly positions as defined in Sec. 3.53(5)(c), shall be eligible to receive sick leave except that no sick leave credit shall be granted unless earned, and, if the employee terminates prior to the end of the first six months, the employee shall reimburse the City for any sick leave used during that period. Employees in hourly positions and crossing guard employees shall not be eligible to receive sick leave.~~

2. Paragraph 1. entitled "Earning of Sick Leave" of Subdivision (e) entitled "Sick Leave Accumulation" of Subsection (6) entitled "Sick Leave and Worker's Compensation Supplement" of Section 3.32 entitled "Absence of Employees From Duty" of the Madison General Ordinances is amended to read as follows:

"1. Earning of Sick Leave.

a. Permanent and Limited Term Employees. Sick leave shall be earned at the rate of one-half (1/2) day per biweekly pay period of service; provided, however, that eligible employees who work less than full-time shall earn proportionate sick leave in the same ratio as their part-time employment bears to full-time employment in the same or similar position. The term "per biweekly pay period of service" shall be construed to be any biweekly pay period in which the employee has completed six (6) days of compensated service. The term "compensated service" as used herein shall include time spent on sick leave, vacation or Worker's Compensation status.

b. Hourly Employees. Sick leave shall be earned at the rate of one (1) day (8 hours) of sick leave for each two hundred (200) hours of work to a maximum of three (3) days in the calendar year. The three (3) day maximum shall apply regardless of any payout or loss of accumulated sick leave resulting from a resignation, seasonal layoff or termination. In calculating the hours of work to be counted towards the determination of sick leave accrual, only an employee's regular hours of work shall be counted. Overtime hours shall not be included the determination of eligibility or accrual of sick leave. Hourly employees shall be eligible to earn sick leave benefits from January 1, 2009 or from their first day of employment, whichever date occurs the most recently.

3. Paragraph 2. entitled "Accumulation of Sick Leave and Distribution of Value Thereof" of Subdivision (e) entitled "Sick Leave Accumulation" of Subsection (6) entitled "Sick Leave and Worker's Compensation Supplement" of Section 3.32 entitled "Absence of Employees From Duty" of the Madison General Ordinances is amended to read as follows:

"2. Accumulation of Sick Leave and Distribution of Value Thereof.

a. Permanent and Limited Term Employees. Sick leave may be accumulated to a total not in excess of one hundred sixty-three (163) working days. Employees in Compensation Groups 17, 18, 19, and 21 who retire or who become disabled and who are also eligible to receive either Social Security benefits, Wisconsin Retirement Fund annuity payments or other publicly established retirement fund annuities, shall receive the equivalent value of one hundred per cent (100%) of their accumulated unused sick leave credits.

These funds will be placed into the City of Madison Post-Retirement Sick Leave Conversion

Medical Reimbursement Plan and Trust, pursuant to the terms of the Plan, or the City of Madison Governmental 401(a) Special Pay Plan and Trust, pursuant to the terms of the Plan, as the same may be amended from time to time. Other employees may participate in these plans pursuant to their terms.

- b. Hourly Employees. At the time of layoff, a seasonal or hourly employee shall be paid fifty percent (50%) of the value of any unused sick leave that they have accrued. Payment shall be made in the pay period immediately following the date of the affected employee's layoff. If a seasonal or hourly employee is terminated or resigns prior to the end of the term or season for which they were hired, the employee forfeits all accumulated sick leave. However, resigning from a position for the purpose of returning to school for the fall semester shall be considered a layoff.
- c. Distribution Upon Moving Into A Permanent Position. If a limited term, seasonal or hourly employee moves from that position to a permanent position without interruption in their employment with the City, such employee shall upon completion of probation, if one is served, receive one-half (1/2) day sick leave for each eighty (80) hours worked. If the position is obtained through a non-competitive process, then such benefits shall be limited to the earliest date of uninterrupted employment with the City. The balance of any accrued sick leave earned as an hourly or seasonal employee shall be deducted from the forgoing sick leave benefit calculation."

4. Subparagraph a. of Paragraph 3. entitled "Sick Leave" of Subdivision (b) entitled "Absence of Employees From Duty" of Subsection (1) of Section 3.38 entitled "Nonrepresented Transit Division Employees" of the Madison General Ordinances is amended to read as follows:

"3. Sick Leave.

a. Permanent full-time employees shall earn sick leave at the rate of one-half (1/2) day per biweekly pay period. Sick leave benefits for part-time employees shall be proportionate to the relationship that their hours of work bear to full-time employment for each pay period. All eligible employees may earn sick leave up to a one hundred sixty-three (163) day maximum."