



## Legislation Text

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**File #:** 37336, **Version:** 1

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### **Fiscal Note**

This resolution amends the adopted 2015 operating budget by increasing general fund appropriations by \$673,600 (\$838,645 all funds) to support an additional 0.75 percent pay increase for general municipal employees, including non-represented administrative, professional, supervisory, and non-Police and Fire managerial employees. This will support a total pay increase in 2015 of 2.26 percent for the estimated 1,500 employees that are not Police and Fire commissioned staff, employees at Madison Metro represented by Teamsters Local 695, or employees previously represented by Laborers Local 236 in compensation group 15. This appropriation increase is funded through an equal reduction in agency appropriations for Fleet Service charges associated with lower fuel costs.

As with the adopted budget, this resolution increases appropriations for Metro Transit to fund a pay increase in the event an agreement is reached with Local 695.

This amendment will result in no net change in total 2015 General Fund appropriations or expenditures.

The fiscal effect assumes an effective date of March 1, 2015. The annualized estimated cost of this resolution in 2016 is \$808,300 (levy effect) and \$1,006,400 (all funds).

### **Title**

Amending the 2015 Adopted City Operating Budget to provide improved equity in compensation for general municipal employees paid for by savings from lower fleet vehicle fuel costs.

### **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 included funding to support an increase of 3.0 percent for Police and Fire Chiefs and commissioned staff and funding for a 1.5 percent pay increase for general municipal employees, including non-represented administrative, professional, supervisory, and managerial employees; and

WHEREAS, employees at Madison Metro represented by Teamsters Local 695 continue in contract negotiations regarding their 2015 wage rate so that their increase has not yet been determined; and

WHEREAS, as a result of the collective bargaining process, employees previously represented by Laborers Local 236 in compensation group 15, did not have base pay reduced in the same manner as other general municipal employees; and

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 0.75 percent pay increase for a total pay increase of 2.26 percent (the 0.75 percent increase is applied on top of the increase employees received earlier this year), would help to mitigate that differential in the long-term; and

WHEREAS, the adopted budget includes \$3.4 million for fleet vehicle fuel costs; and

WHEREAS, fuel prices have decreased by over 25 percent compared to the price used to establish the 2015 fleet fuel budget; and

WHEREAS, savings in fuel prices are sufficient to offset the additional costs of improving compensation equity for general municipal employees; and

NOW, THEREFORE, BE IT RESOLVED, that the 2015 Adopted City Operating Budget is amended to do the following:

1. Provide funding to support an additional 0.75 percent pay increase, effective March 1, 2015, for general municipal employees, including non-represented administrative, professional, supervisory, and managerial employees, (compensation groups 16, 17, 18, 19, 20, 21 (excluding Police and Fire Chiefs), 23, 28, 31, 32, 33, 43, 44, 71, and 83), effective with the pay period beginning March 1, 2015.
2. Reduce appropriations for Fleet Service fuel costs by an equal amount.