

# FY2021-22 Supplemental Budget

Provide appropriations to invest in our workforce, making a more substantial implementation of the Classification and Compensation study in the current fiscal year for non-represented employees

January 25, 2022

# FY21-22 Budget status

The budget adopted in June 2021 for the current fiscal year included a limited implementation estimate to move general service employees who had wages below their new salary bands into the new wage schedule.

The total cost was \$45,000 plus approximately 35% in additional costs, predominantly tax and PERS.

# Staff Proposal

- Place all non-represented employees onto the new wage schedule
- Employee step on the range will be closest to their years in service without exceeding the midpoint of the range
- If the placement on the range and step represent a salary increase of less than 2%, move the employee up one more step
- Wages will be effective as of July 1, 2021

**City-wide personnel services  
category increase of \$560,000**

# Why make this investment in employees now?



# Employee Relations

- Equity between represented and non-represented employees
- Budget reductions and furloughs
- Employee turnover in non-represented positions

# Recruitment Environment

- Need for competitive salaries
- Difficulty in achieving robust applicant pools
- Prior compensation philosophies are no longer acceptable in today's recruitment environment

# Mac-Town 2032

- Strategic plan calls for investment in City's workforce
- Calls for equitable and competitive compensation

# Supplemental Budget

Proposal is almost fully funded from FY2021-22 beginning balances that were higher than projected

City-wide increase in personnel cost is 2%, consistent with the cost-of-living adjustments in the city's bargaining units for the year



# Supplemental Budget

## Analysis of personnel category impact

### Classification and Compensation Implementation Staff Recommendation

	Original Appropriation Personnel	Staff Recom- mendation 7.1.21 2% min	Personnel updated total	% in- crease
<b>General Fund</b>				
Administration	826,352	34,900	861,252	4.22%
Finance	582,067	35,200	617,267	6.05%
Engineering	948,263	29,000	977,263	3.06%
Planning	858,696	14,800	873,496	1.72%
Police	7,846,259	24,900	7,871,159	0.32%
Municipal Court	440,174	16,600	456,774	3.77%
Fire	7,441,307	28,300	7,469,607	0.38%
Parks & Recreation	2,016,197	51,400	2,067,597	2.55%
Park Maintenance	1,016,949	20,200	1,037,149	1.99%
Library	1,438,017	213,100	1,651,117	14.82%
Non-dept unemployment	51,097	0	51,097	0.00%
<b>General Fund Total</b>	<b>23,465,378</b>	<b>468,400</b>	<b>23,933,778</b>	<b>2.00%</b>
<b>Street Fund</b>	<b>964,070</b>	<b>23,500</b>	<b>987,570</b>	<b>2.44%</b>
<b>Building Fund</b>	<b>601,203</b>	<b>2,000</b>	<b>603,203</b>	<b>0.33%</b>
<b>Wastewater Services Fund</b>	<b>2,264,941</b>	<b>50,400</b>	<b>2,315,341</b>	<b>2.23%</b>
<b>Information Services Fund</b>	<b>532,039</b>	<b>13,200</b>	<b>545,239</b>	<b>2.48%</b>
<b>Total Personnel Costs \$</b>	<b>27,827,631</b>	<b>557,500</b>	<b>28,385,131</b>	<b>2.00%</b>



# Supplemental Budget

In addition to the wage adjustments, the supplemental budget includes small changes in transfer category costs across many funds.

These are due to the change in salary for all those staffers paid from general fund departments that support or staff the activities of other city funds

# Alternative Scenarios

- 1. Alternative A:** Implement the original budgeted scenario and move all other general services staff into their new range and step on January 1, 2022, with a 2% minimum increase relative their current salary
- 2. Alternative B:** Implement the original budgeted scenario and move all other general services staff into their new range and step on July 1, 2021, with no minimum salary increase for individual employees
- 3. Alternative C:** Implement the original budgeted scenario and move all other general services staff into their new range and step on January 1, 2022, with no minimum salary increase for individual employees
- 4. Alternative D:** Implement original budgeted scenario: move all staff below range into their range for the entire FY2021-22 fiscal year and delay implementation for the rest of General Services staff until FY2022-23.

# Alternative Scenarios

<b>Analysis of personnel category impact</b>				
<b>Classification and Compensation Implementation Alternative Scenarios</b>				
<b>New personnel category appropriation in dollars</b>	<b>Alt A 1.1.22 2% min</b>	<b>Alt B 7.1.21</b>	<b>Alt C 1.1.22</b>	<b>Alt D 7.1.22 All in new scale</b>
<b>General Fund</b>				
Administration	21,600	19,900	14,100	9,600
Finance	17,000	35,200	17,000	0
Engineering	23,500	22,800	19,500	2,900
Planning	7,600	900	0	0
Police	10,900	4,300	600	0
Municipal Court	12,700	16,600	12,700	0
Fire	11,000	12,700	3,200	0
Parks & Recreation	29,100	43,600	25,200	0
Park Maintenance	9,400	8,400	1,900	0
Library	182,100	207,000	179,100	67,900
Non-dept unemployment	0	0	0	0
<b>General Fund Total</b>	<b>324,900</b>	<b>371,400</b>	<b>273,300</b>	<b>80,400</b>
<b>Street Fund</b>	<b>9,300</b>	<b>13,600</b>	<b>4,300</b>	<b>0</b>
<b>Building Fund</b>	<b>1,000</b>	<b>700</b>	<b>300</b>	<b>0</b>
<b>Wastewater Services Fund</b>	<b>23,200</b>	<b>33,200</b>	<b>14,600</b>	<b>0</b>
<b>Information Services Fund</b>	<b>4,800</b>	<b>13,200</b>	<b>4,800</b>	<b>0</b>
<b>Total Personnel Costs</b>	<b>363,200</b>	<b>432,100</b>	<b>297,300</b>	<b>80,400</b>

# Alternative Scenarios

**Analysis of personnel category impact**  
 Classification and Compensation Implementation Alternative Scenarios

<b>New personnel category appropriation % increase</b>	Alt A 1.1.22 2% min	Alt B 7.1.21	Alt C 1.1.22	Alt D 7.1.22 All in new scale
<b>General Fund</b>				
Administration	2.61%	2.41%	1.71%	1.16%
Finance	2.92%	6.05%	2.92%	0.00%
Engineering	2.48%	2.40%	2.06%	0.31%
Planning	0.89%	0.10%	0.00%	0.00%
Police	0.14%	0.05%	0.01%	0.00%
Municipal Court	2.89%	3.77%	2.89%	0.00%
Fire	0.15%	0.17%	0.04%	0.00%
Parks & Recreation	1.44%	2.16%	1.25%	0.00%
Park Maintenance	0.92%	0.83%	0.19%	0.00%
Library	12.66%	14.39%	12.45%	4.72%
Non-dept unemployment	0.00%	0.00%	0.00%	0.00%
<b>General Fund Total</b>	<b>1.38%</b>	<b>1.58%</b>	<b>1.16%</b>	<b>0.34%</b>
<b>Street Fund</b>	<b>0.96%</b>	<b>1.41%</b>	<b>0.45%</b>	<b>0.00%</b>
<b>Building Fund</b>	<b>0.17%</b>	<b>0.12%</b>	<b>0.05%</b>	<b>0.00%</b>
<b>Wastewater Services Fund</b>	<b>1.02%</b>	<b>1.47%</b>	<b>0.64%</b>	<b>0.00%</b>
<b>Information Services Fund</b>	<b>0.90%</b>	<b>2.48%</b>	<b>0.90%</b>	<b>0.00%</b>
<b>Total Personnel Costs</b>	<b>1.31%</b>	<b>1.55%</b>	<b>1.07%</b>	<b>0.29%</b>