



Takoma Park City Council Meeting – July 21, 2021 Agenda Items 6 & 7

Voting Session

6. Resolution Approving FY22 Wage Adjustment for Staff Represented by the United Food and Commercial Workers Union Local 400
7. Resolution Approving FY22 Wage Adjustment for Non-Union-Represented Staff

Recommended Council Action

Approve the resolutions.

Context with Key Issues

City staff provide essential services and work to advance the City Council's goals. Each year, to keep pace with changes in the wage market, the City looks to the December Bureau of Labor Statistics Employment Cost Index (ECI) to adjust wages. The City also normally provides a step increase for salaries and looks to compensate City staff for excellent performance. In Fiscal Year 2021, recognizing the deep financial uncertainty the City faced at the beginning of the pandemic, the City provided a 1.5% increase but did not include step increases or compensate high-performing employees.

For Fiscal Year 2022, personnel costs for FY22 were budgeted at \$19.4 million, or about 54% of the City's annual General Fund operating budget. Of that amount, \$11.5 million was budgeted for staff wages. The ECI was 1.8% for wages and 2.3% for total compensation as of December 2020. The FY22 budgeted amount reflects a 1.8% increase for wages and a .5% margin for contingency costs.

The Acting City Manager is looking to gain Council approval for a collective bargaining reopener agreement with one of the City's two unions for a 1.8% wage increase (totaling about \$35,373), and a 1.8% wage increase for staff that are not represented by either of the City's unions (totaling about \$74,461). This reflects the annual ECI increase but no step increases or additional steps for a "Distinguished" performance rating. This increase is consistent with the City's maintenance-of-effort approach to the FY22 budget given uncertainty regarding current and future revenue.

When the Preliminary FY22 Budget was presented to Council in April 2021, compensation negotiations were not yet completed for FY22. As of May 2021, the members of the United Food and Commercial Workers Union Local 400 ratified the reopener agreement for the 1.8% wage adjustment. If Council approves this resolution, the Human Resource Department will apply the 1.8% adjustment the wage scale grid for Local 400 and non-union employees only, retroactive to July 1, 2021. Wage increases for City staff represented by the City's other union AFSCME will need to wait for the conclusion of reopener negotiations which are still ongoing.

Regarding appropriate wage levels, the City undertakes a regional compensation survey every three years to ensure that the City pay scale is market competitive enabling attraction and retention of high quality staff. The Fiscal Year 2022 Budget includes funding to complete a wage study as the last study was completed in July 2019. Any study findings necessitating an update of the pay structure would be applied in Fiscal Year 2023.

Council Priority

Fiscally Sustainable Community; Engaged, Responsive, Service-oriented Government.

Environmental Considerations

There are no environmental considerations related to this item.

Fiscal Considerations

Approval of the Local 400 collective bargaining reopener agreement will cost \$35,372 for 30 employees. Approval of the wage increase for the 46 non-union-represented staff will cost \$74,461.

Racial Equity Considerations

A significant proportion of the impacted employees are Black/African American and Hispanic/Latinx. Among the staff are persons who speak Amharic, Spanish, Greek, Russian and Tagalog.

Attachments and Links

- Resolution Approving FY22 Wage Adjustments for Staff Represented by UFCW Local 400
- Resolution Approving FY22 Wage Adjustments for Non-Union-Represented Staff

Introduced by: Councilmember

CITY OF TAKOMA PARK, MARYLAND

RESOLUTION NO.

**APPROVAL OF FISCAL YEAR 2022 WAGE ADJUSTMENT FOR STAFF
REPRESENTED BY THE UNITED FOOD AND COMMERCIAL WORKERS UNION
LOCAL 400**

WHEREAS, Fiscal Year 2022 reopener negotiations with the Union representing 30 sworn police employees who are members of the United Food and Commercial Workers Union Local 400 have concluded; and

WHEREAS, the membership of Local 400 ratified the Memorandum of Agreement for a wage scale grid adjustment of 1.8%; and

WHEREAS, the wages adjustment includes no step increases or additional pay for distinguished performance; and

WHEREAS, the total cost of the Local 400 wages adjustment will total \$35,373 and the funds necessary to implement the adjustment are included in the Fiscal Year 2022 Adopted Budget;

WHEREAS, this increase is consistent with the financial savings measures taken by the City of Takoma Park in Fiscal Year 2021 as the COVID-19 pandemic began impacting Maryland as well as the former City Manager's approach to the Fiscal Year 2022 maintenance of effort budget.

NOW, THEREFORE, BE IT RESOLVED THAT the Council approves a 1.8% wage increase in the form of a 1.8% adjustment to the Local 400 wage scale for Fiscal Year 2022, retroactive to July 1, 2021, for positions represented by the United Food and Commercial Workers Union Local 400.

Adopted this ____ of July, 2021.

ATTEST:

Jessie Carpenter, CMC
City Clerk

Introduced by: Councilmember

CITY OF TAKOMA PARK, MARYLAND

**RESOLUTION NO.
APPROVAL OF FISCAL YEAR 2022 WAGE ADJUSTMENT FOR
NON-UNION-REPRESENTED STAFF**

WHEREAS, there are 46 City staff positions that are not represented by either of the City's two unions; and

WHEREAS, the Acting City Manager wishes to provide a pay increase for these staff positions; and

WHEREAS, the proposal is to provide a 1.8% pay increase for these staff members, retroactive to July 1, 2021, with no additional step increase and no additional pay for those who receive "Distinguished" on their evaluations, at a total cost of approximately \$74,461; and

WHEREAS, the FY22 budget included funds for a 2% increase for staff wages, which was for base wages and contingency costs; and

WHEREAS, this increase is consistent with the financial savings measures taken by the City of Takoma Park in Fiscal Year 2021 as the COVID-19 pandemic began impacting Maryland as well as the former City Manager's fiscally sustainable approach to the Fiscal Year 2022 maintenance of effort budget; and

WHEREAS, negotiations with the American Federation of State, County and Municipal Employees Council 69 Local 3399 union are ongoing and any decision on wages for the staff represented by it will be addressed at a later time.

NOW, THEREFORE, BE IT RESOLVED THAT the Council approves a 1.8% wage increase, retroactive to July 1, 2021, for the positions that are not represented by a City union.

Adopted this ___ day of July, 2021.

ATTEST:

Jessie Carpenter, CMC
City Clerk