



## Takoma Park City Council Meeting – July 27, 2022 Agenda Item 7-A and 7-B

### **Voting Session**

7-A. Ratification of Agreement with Local 400

7-B. Emergency Ordinance Amending the Annual Budget in Order to Provide Additional Wage Adjustment Compensation to City Employees

### **Recommended Council Action**

Ratify the Agreement and approve the First Reading Ordinance

### **Context with Key Issues**

City staff provide essential services and work to advance the City Council's goals. Annual wage increases are considered during budget discussions each year, and as a result of negotiations with the City's two labor unions.

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 FY 23 budget adopted in May of 2022 included a total of 5% wage adjustment (comprised of ECI of 2.7% and 2.3% for an additional wage adjustment).

The City Manager now requests Council approval for a collective bargaining reopener agreement with UFCW Local 400 for a 6.5% wage increase (inclusive of the 5% included in the FY 23 budget adopted in May 2022), and an additional 1.5% wage increase for non-represented staff. This reflects an annual wage increase but no step increases or additional steps for a "Distinguished" performance rating.

The City Manager also requests Council approval for a 10% increase for 14 employees in the police department.

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. That compensation study is completed and the requests are in alignment with the study findings.

### **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 negotiated UFCW Local 400 wage reopener agreements for 6.5%, 1.5% for all non-represented employees, and 10% for 14 members of Takoma Park Police Leadership will cost \$251,157.48.

**Racial Equity Considerations**

The City workforce is made of a variety of cultures and races.

**Attachments and Links**

- Ordinance Amending the Annual Budget in Order to Provide Additional Wage Adjustment Compensation to City Employees
- Memorandum of Agreement with UFCW Local 400

Introduced by:

**CITY OF TAKOMA PARK, MARYLAND**

**RESOLUTION 2022-**

**APPROVAL OF FISCAL YEAR 2023 WAGE ADJUSTMENT  
MEMORANDUM OF AGREEMENT WITH LOCAL 400**

**WHEREAS**, on July 13, 2022, the City of Takoma Park and the United Food and Commercial Workers Union, Local 400 entered into a Memorandum of Agreement regarding wage adjustments, a copy of which is attached hereto as Exhibit 1; and

**WHEREAS**, the memorandum of agreement was negotiated and entered into in accordance with the collective bargaining agreement with Local 400; and

**WHEREAS**, the membership of Local 400 unanimously ratified the Memorandum of Agreement; and

**WHEREAS**, the Memorandum of Agreement provides for a wage scale grid adjustment of 5 percent and a one-step 1.5% increase on the salary scale, retroactive to July 1, 2022, for a total wage adjustment for Fiscal Year 2023 of 6.5% as set forth in further detail contained therein. *See* Exhibit 1.

**NOW, THEREFORE, BE IT RESOLVED** that pursuant to the City of Takoma Park Charter and the City of Takoma Park Code, including City of Takoma Park Code, section 4.08.060(G), the City of Takoma Park Council approves the July 13, 2022, Memorandum of Agreement between the City of Takoma Park and the United Food and Commercial Workers Union, Local 400 (Ex. 1).

Adopted this \_\_\_\_ day of July, 2022.

ATTEST:

Jessie Carpenter, CMC  
City Clerk

**THE CITY OF TAKOMA PARK  
and  
THE UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 400**

**MEMORANDUM OF AGREEMENT**

**July 11, 2022**

In the spirit of cooperation, and recognizing the mutual desire of the parties to come to agreement on the terms for wages for Officers provided under the Collective Bargaining Agreement for Fiscal Year 2023, the parties agree as follows:

**Fiscal Year 2023 Wage Adjustment:**

Retroactive to the first day of Fiscal Year 2023 (July 1, 2022), the wage scale grid will be adjusted by 5.0%. Officers will also receive a one-step increase (1.5%) on the salary scale, retroactive to July 1, 2022. For clarity, the total wage adjustment for Fiscal Year 2023 is 6.5%.

**Other Matters Agreed To:**

The City will continue to explore issues surrounding adjustments to the salary scale and/or alternative salary scales.

It is understood that this Memorandum of Agreement is tentative until ratified by the membership.

For The City of Takoma Park:

For Local 400:

  
\_\_\_\_\_  
Jamal Fox  
City Manager

  
\_\_\_\_\_  
John R. Lee  
Representative UFCW, Local 400

07/13/2022  
Date

7/13/22  
Date

Introduced by:

First/Only Reading:

Effective Date:

**CITY OF TAKOMA PARK, MARYLAND**

**ORDINANCE 2022-**

**AN EMERGENCY ORDINANCE AMENDING THE ANNUAL BUDGET IN ORDER TO PROVIDE WAGE ADJUSTMENT COMPENSATION TO CITY EMPLOYEES (FY23 BUDGET AMENDMENT NO. 2)**

**WHEREAS,** the City requires appropriate staffing in place to be effective in carrying out the City's priorities and services, and to attract, support, and retain a highly qualified workforce; and

**WHEREAS,** Council retained Bolton Rewards in December 2021, to perform a compensation study, which assessed the market competitiveness of the City's base pay program and recommend changes to improve the City's market alignment; and

**WHEREAS,** the compensation study found that fourteen (14) leadership level members of the City's police department were underpaid; and

**WHEREAS,** Council appropriated five percent (5%) in the FY23 adopted budget for a wage increase for all City of Takoma Park employees which has been paid to all non-union employees since July 1, 2022, and all union employees will receive the same five percent (5%) increase retroactive to July 1, 2022, once ratified by their respective unions; and

**WHEREAS,** any wage increase for City of Takoma Park employees covered by the City's Collective Bargaining Agreements with the American Federation of State, County, and Municipal Employees, AFL-CIO, Council 67 and Local 3399 (hereinafter "AFSCME") and the United Food & Commercial Workers International Union, Local 400 (hereinafter "Local 400"), is contingent upon ratification by the respective unions; and

**WHEREAS,** at the time this ordinance is presented to Council, Local 400 has ratified the wage increase (5% + 1.5% = 6.5%) addressed herein; and

**WHEREAS,** AFSCME is not expected to meet to discuss ratification until sometime in August; and

**WHEREAS,** pursuant to Section 309 and Article VIII of the City Charter, the Council may amend the City's annual budget by Ordinance and may do so at the same meeting

in which the ordinance is introduced provided Council makes the finding required by Section 309(e).

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK MARYLAND, THAT:**

**Section 1.** The Council approves and appropriates the expenditure two hundred fifty-one thousand one hundred fifty-seven dollars and forty-eight cents (\$251,157.48) for a 1.5% wage increase, retroactive to July 1, 2022, for all non-union City of Takoma Park employees and City of Takoma Park employees who are Local 400 members, and for a ten percent (10%) wage increase, retroactive to July 1, 2022, for the fourteen (14) Sergeant and above City of Takoma Park police employees receiving an increase due to the compensation study.

**Section 2.** The City Manager is authorized and directed to transfer two hundred fifty-one thousand one hundred fifty-seven dollars and forty-eight cents (\$251,157.48) from the Unassigned Fund balance to the City's General Fund for the purposes stated in Section 1 of this Ordinance.

**Section 4.** The City Manager is authorized and directed to take all reasonable and lawful actions to implement Sections 1 and 2 of this Ordinance.

**Section 3.** The Council finds that due to its schedule and the desire to compensate the identified employees fairly, that an emergency exists within the meaning of Section 309 of the City Charter.

**Section 4.** This Ordinance shall become effective upon adoption.

THIS ORDINANCE IS ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, THIS 27th DAY OF JULY, 2022, BY ROLL-CALL VOTE AS FOLLOWS:

AYE:

NAY:

ABSENT:

ABSTAIN: