

1 **..Title**

2 **Budget Target Dates and Financial Impact of Labor Negotiations** – For the purpose of
3 clarifying the timeline for negotiations between the City and employee groups; requiring the
4 Finance Committee to be briefed; technical corrections to the City Budget section of the code; and
5 generally related to the annual city budget schedule requirements.

6 **..Body**

7 **CITY COUNCIL OF THE**
8 **City of Annapolis**

9
10 **Ordinance 2-23**

11
12 **Introduced by: Alderwoman Tierney**
13 **Co-sponsored by: Ald. Savidge, Ald. O'Neill**

14
15 **Referred to**

16 Rules and City Government Committee
17 Finance Committee
18 Financial Advisory Commission

19
20 **AN ORDINANCE** concerning

21
22 **Budget Target Dates and Financial Impact of Labor Negotiations**

23
24 **FOR** the purpose of clarifying the timeline for negotiations between the City and employee
25 groups; requiring the Finance Committee to be briefed; technical corrections to the City
26 Budget section of the code; and generally related to the annual city budget schedule
27 requirements.

28
29 **BY** revising and reenacting the following portions of the Code of the City of Annapolis, 2022
30 Edition
31 3.32.060
32 6.16.010

33
34 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
35 **COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

36
37 **Title 3 – HUMAN RESOURCES**

38 **Chapter 3.32 - Employee-Management Relations**

39 **Section 3.32.020 - Definitions.**

40 For the purposes of this chapter, the following words and phrases have the meanings
41 indicated:

- 42 A. "Appropriate unit" means a group of employees recognized as appropriate for
43 representation, using such criteria as similarity of job duties, skills, wages,
44 educational requirements, supervision, hours of work, job location and working
45 conditions, by an employee organization.

1 B. "Collective bargaining agreement" means a written memorandum of agreement
2 between the City of Annapolis and an employee organization.

3 BC. "Employee organization" means any lawful organization which admits municipal
4 employees to membership, the primary purpose of which is to represent employees
5 concerning terms and conditions of employment, but the term shall not include any
6 organization which discriminates because of religion, race, color, sex, age, family
7 status, national origin, marital status, disability, veteran status, genetic information,
8 sexual orientation, or gender identity, with regard to the acquisition or retention of
9 membership, or in accepting or advancing members in any training, apprenticeship
10 or employment program.

11 C. "Employer" means the City.

12 D. "Financial impact" means a calculation of the expected expenditures associated
13 with any collective bargaining agreement.

14 DE. "Grievance" means:

- 15 1. A dispute concerning the application or interpretation of the terms of a collective
16 bargaining agreement or memorandum of understanding;
- 17 2. A claimed violation, misinterpretation or misapplication of the rules or
18 regulations of a municipal agency or the employer affecting the terms and
19 conditions of employment.

20 GF. "Good faith" means that each party shall keep the other informed on all matters
21 within the scope of the representation and give reasonable written notice of any
22 action to be taken.

23 EG. "Professional employee" means any employee engaged in work which is
24 predominantly intellectual and varied in character as opposed to routine mental,
25 manual, mechanical or physical work, which involves the consistent exercise of
26 discretion and judgment in its performance, of a character that the output produced
27 or the result accomplished cannot be standardized in relation to a given time period,
28 and which requires knowledge of an advanced type in a field of science or learning
29 customarily acquired by a prolonged course of specialized intellectual instruction
30 and study in an institution of higher learning or a hospital, as distinguished from a
31 general academic education or from an apprenticeship or from training in the
32 performance of routine mental, manual or physical processes. These positions are
33 categorized as Fair Labor Standards Act "FLSA" exempt.

34 FH. "Strike" means, by concerted action, the failure to report for duty, the willful absence
35 from one's position, the stoppage or slowdown of work or the abstinence in whole or
36 in part from the full, faithful and proper performance of the duties of employment
37 for the purpose of inducing, influencing, coercing or preventing a change in
38 compensation or rights, privileges, obligations or other terms and conditions of
39 employment.

40 GI. "Supervisory employee" means one who has the authority to exercise independent
41 judgment in the interest of the employer, to hire, transfer, suspend, layoff, recall,
42 promote, discharge, assign, schedule or review the work of subordinate employees;

1 or one who is performing duties as are distinct and dissimilar from those performed
2 by the employees supervised; or one who is exercising judgment in adjusting minor
3 grievances, applying other established personnel policies and procedures; or one who
4 is establishing or participating in the establishment of performance standards for
5 subordinate employees and taking corrective measures to implement these standards.

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9 **Chapter 3.32 - Employee-Management Relations**
10 **Section 3.32.060 Negotiations.**

11 ~~A. Upon recognition of an employee organization as the exclusive representative of the~~
12 ~~employees in an appropriate unit, the employer and the employee organization shall have~~
13 ~~the duty, through appropriate officials or their representatives, to negotiate collectively and~~
14 ~~in good faith with respect to the terms and conditions of employment of employees in the~~
15 ~~unit. To negotiate with each other in good faith shall mean that each party shall keep the~~
16 ~~other informed on all matters within the scope of the representation and give reasonable~~
17 ~~written notice of any action proposed to be taken.~~

18 ~~B. Negotiations with an employee organization which has been accorded exclusive recognition~~
19 ~~may be conducted during the duty hours of the employee organization representatives~~
20 ~~involved in the negotiations, if they are employees within the appropriate unit, provided~~
21 ~~their attendance does not interfere seriously with the normal operations of the City and upon~~
22 ~~notice to their supervisor.~~

23 ~~C. The City Manager shall act as the City's primary representative for the purpose of~~
24 ~~conducting any negotiations or other relationships between any recognized employee~~
25 ~~organization and the City government.~~

26 ~~D. The parties shall begin negotiations by October before the effective fiscal year begins.~~
27 ~~When the parties reach agreement, they shall prepare a written memorandum of such~~
28 ~~agreement and submit it to the City Council for its ratification or rejection. To have the~~
29 ~~results of any agreement considered by the City Council, that agreement must conform to~~
30 ~~the City's fiscal year or years and be submitted to the Mayor by the third Monday of March~~
31 ~~so as to allow the financial impact of any negotiations to be included in the Mayor's annual~~
32 ~~budget submission under Section 6.16.010. However, any agreement governing the~~
33 ~~relationship between the City and any recognized employee organization shall be entered~~
34 ~~into consistent with provisions of this section and all other applicable laws or ordinances of~~
35 ~~the City. In the event of any conflict or inconsistency between a collective bargaining~~
36 ~~agreement entered into between the City and a recognized employee organization and any~~
37 ~~Federal, State or City law, the provisions of the Federal, State or City law shall prevail.~~

38
39 **A. General.**

- 40 1. The City Manager shall act as the City's primary representative to conduct
41 negotiations between recognized employee organizations and the City. The City
42 Manager may designate other City negotiators.

- 1 2. Upon recognition of an employee organization as the exclusive representative of
2 the employees in an appropriate unit, the City and the employee organization shall
3 have the duty, through appropriate officials or their representatives, to negotiate
4 collectively and in good faith concerning the terms and conditions of employment
5 of employees in the unit.
- 6 3. Negotiating representatives of the employee organization who are City employees
7 shall be allowed to participate in negotiations during their duty hours, provided
8 their supervisor has been notified in advance and their attendance does not
9 seriously impact normal City operations.
- 10 4. The collective bargaining agreement governing the relationship between the City
11 and employee organization shall be entered into consistent with provisions of this
12 section and all other applicable laws or ordinances of the City.
- 13 5. Federal, State or City law shall prevail if the collective bargaining agreement
14 between the City and the employee organization conflicts or is inconsistent with
15 Federal, State or City law.
- 16 6. The final collective bargaining agreement shall conform to the City's fiscal year
17 or years.

18 **B. Negotiation timeline.**

- 19 1. The parties shall begin negotiations by **November 1** of the year before the
20 collective bargaining agreement expires.
- 21 2. The City Manager or their designee shall provide at least one update on
22 negotiation progress to the Finance Committee:
 - 23 a. Within 30 days after the Mayor submits the proposed operating budget to
24 the City Council or at another date as the committee deems appropriate;
25 and
 - 26 b. The briefing shall be in person during a closed session if negotiations are
27 underway.
- 28 3. The Mayor's proposed budget shall include the projected financial impact of
29 ongoing negotiation, per 6.16.010(A)(1)(b).

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31
32 **TITLE 6 - REVENUE AND FINANCE**
33 **CHAPTER 6.16 - BUDGET**
34 **SECTION 6.16.010 - Annual city budget.**

- 35 A. ~~The Mayor shall submit the proposed annual operating budget, including the impact of any~~
36 ~~labor negotiations ready for City Council review under Section 3.32.060, to the City~~
37 ~~Council at the first Council meeting in April of each year. Upon introduction, the budget~~
38 ~~shall be referred to the Finance Committee, which shall review and may make~~
39 ~~recommendations with regard to the budget and shall submit the budget, together with any~~
40 ~~recommendations, to the City Council not later than the second Monday in May of each~~

1 year; and to the Financial Advisory Commission to provide a recommendation to the City
2 Council on the annual operating budget.

3 ~~B. The annual operating budget adopted by the City Council shall provide a complete financial
4 plan for the fiscal year and shall contain estimates of anticipated revenues and proposed
5 expenditures. The budget shall be divided into the following fund groups: general fund, off-
6 street parking fund, transportation fund, storm water management fund and refuse collection
7 fund group, and water fund and sewer fund group. The total of the anticipated revenues and
8 any estimated fund balance or retained earnings available for expenditure during the fiscal
9 year within each of the aforesaid categories shall equal or exceed the total of the proposed
10 expenditures within the category. Within each of the aforesaid categories, a portion of the
11 estimated fund equity equivalent to five percent of the associated operation budget shall not
12 be appropriated. Furthermore, unless authorized by the City Council, a portion equivalent to
13 an additional five percent of the associated operating budget shall be comprised of cash or
14 cash equivalents and shall not be appropriated. The budget within each category will be a
15 line item budget. In addition, under the line items of special projects and contract services
16 there will be an itemization of the expenses to be budgeted. The budget shall be a public
17 record in the office of the Director of Finance, open to public inspection during normal
18 business hours.~~

19 ~~C. The Mayor shall present to the City Council the line item budget for each revolving fund in
20 conjunction with the annual operating budget.~~

21
22 **A. City Council review.**

23 1. At the first Council meeting in April, the Mayor shall submit to the Council:

24 a. A proposed annual operating budget; and

25 b. The impact of any labor negotiations on the operating budget.

26 2. The budget shall be referred to:

27 a. The Finance Committee, which shall review the operating budget and present the
28 budget to the City Council along with any recommendations not later than the
29 second Monday in May; and

30 b. The Financial Advisory Commission, which shall review the operating budget
31 and make recommendations to the City Council **by the second Monday in May.**

32
33 **B. Budget content.**

34 1. The annual operating budget adopted by the City Council shall provide a complete
35 financial plan for the fiscal year and shall contain estimates of anticipated revenues and
36 proposed expenditures.

37 2. The budget shall be divided into the following funds:

38 a. General fund;

39 b. Off-street parking fund;

- 1 c. Transportation fund;
- 2 d. Watershed restoration fund;
- 3 e. Refuse collection fund;
- 4 f. Water fund; and
- 5 g. Sewer fund.
- 6 h. Other funds established by the city to track spending of city funds.

7 3. The total of the anticipated revenues and any estimated fund balance or retained earnings
8 available for expenditure during the fiscal year within each category mentioned above
9 shall equal or exceed the total of the proposed expenditures within each fund.

10 4. There shall be an itemization of the expenses to be budgeted for any line items under
11 special projects or contract services.

12 5. The budget shall be a public record in the office of the Director of Finance, open to
13 public inspection during regular business hours.

14
15 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
16 **ANNAPOLIS CITY COUNCIL** that this ordinance shall take effect from the date of its passage.

17 **Explanation:**

18 ~~Strikethrough~~ indicates matter stricken from existing law.

19 Underlining indicates copyediting or reformatting of existing law

20 Underlining & red indicate new matter added to the code.

21