



Legislation Details (With Text)

File #: O-2-23 **Version:** 1 **Name:**

Type: Ordinance **Status:** Adopted

File created: 1/17/2023 **In control:** Financial Advisory Commission

On agenda: 4/10/2023 **Final action:** 4/10/2023

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

Sponsors: Elly Tierney, Rob Savidge, Karma O'Neill

Indexes: Finance Committee, Financial Advisory Commission, Rules and City Government Committee

Code sections:

Attachments: 1. O-2-23 - FIRST READER, 2. O-2-23 Fiscal Impact Note, 3. O-2-23 Staff Report, 4. O-2-23 Signed

Date	Ver.	Action By	Action	Result
4/10/2023	1	City Council	adopt on second reader	Pass
4/10/2023	1	City Council	adopt on third reader	Pass
3/3/2023	1	Rules and City Government Committee	recommend favorably	Pass
3/1/2023	1	Finance Committee	recommend favorably	Pass
2/27/2023	1	City Council	declare the public hearing closed	
2/15/2023	1	Finance Committee	postpone	Pass
2/13/2023	1	City Council	refer to Annapolis Education Commission	
2/13/2023	1	City Council	adopt on first reader	Pass
2/13/2023	1	City Council	refer to Annapolis Education Commission	
2/13/2023	1	City Council	refer to Annapolis Education Commission	
1/23/2023	1	City Council	withdrawn without objection	Pass

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

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance 2-23

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

Referred to

Rules and City Government Committee
Finance Committee
Financial Advisory Commission

AN ORDINANCE concerning

Budget Target Dates and Financial Impact of Labor Negotiations

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

BY revising and reenacting the following portions of the Code of the City of Annapolis, 2022 Edition
3.32.060
6.16.010

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

Title 3 - HUMAN RESOURCES

Chapter 3.32 - Employee-Management Relations

Section 3.32.020 - Definitions.

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

- A. "Appropriate unit" means a group of employees recognized as appropriate for representation, using such criteria as similarity of job duties, skills, wages, educational requirements, supervision, hours of work, job location and working conditions, by an employee organization.
- B. "Collective bargaining agreement" means a written memorandum of agreement between the City of Annapolis and an employee organization.
- ~~BC.~~ "Employee organization" means any lawful organization which admits municipal employees to membership, the primary purpose of which is to represent employees concerning terms and conditions of employment, but the term shall not include any organization which discriminates because of religion, race, color, sex, age, family status, national origin, marital status, disability, veteran status, genetic information, sexual orientation, or gender identity, with regard to the acquisition or retention of membership, or in accepting or advancing members in any training, apprenticeship or employment program.
- C. "Employer" means the City.
- D. "Financial impact" means a calculation of the expected expenditures associated with any collective bargaining agreement.
- ~~DE.~~ "Grievance" means:
 - 1. A dispute concerning the application or interpretation of the terms of a collective bargaining agreement or memorandum of understanding;
 - 2. A claimed violation, misinterpretation or misapplication of the rules or regulations of a municipal agency or the employer affecting the terms and conditions of employment.
- ~~GF.~~ "Good faith" means that each party shall keep the other informed on all matters within the scope

of the representation and give reasonable written notice of any action to be taken.

- EG. "Professional employee" means any employee engaged in work which is predominantly intellectual and varied in character as opposed to routine mental, manual, mechanical or physical work, which involves the consistent exercise of discretion and judgment in its performance, of a character that the output produced or the result accomplished cannot be standardized in relation to a given time period, and which requires knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from an apprenticeship or from training in the performance of routine mental, manual or physical processes. These positions are categorized as Fair Labor Standards Act "FLSA" exempt.
- FH. "Strike" means, by concerted action, the failure to report for duty, the willful absence from one's position, the stoppage or slowdown of work or the abstinence in whole or in part from the full, faithful and proper performance of the duties of employment for the purpose of inducing, influencing, coercing or preventing a change in compensation or rights, privileges, obligations or other terms and conditions of employment.
- GI. "Supervisory employee" means one who has the authority to exercise independent judgment in the interest of the employer, to hire, transfer, suspend, layoff, recall, promote, discharge, assign, schedule or review the work of subordinate employees; or one who is performing duties as are distinct and dissimilar from those performed by the employees supervised; or one who is exercising judgment in adjusting minor grievances, applying other established personnel policies and procedures; or one who is establishing or participating in the establishment of performance standards for subordinate employees and taking corrective measures to implement these standards.

Chapter 3.32 - Employee-Management Relations

Section 3.32.060 Negotiations.

- A. ~~Upon recognition of an employee organization as the exclusive representative of the employees in an appropriate unit, the employer and the employee organization shall have the duty, through appropriate officials or their representatives, to negotiate collectively and in good faith with respect to the terms and conditions of employment of employees in the unit. To negotiate with each other in good faith shall mean that each party shall keep the other informed on all matters within the scope of the representation and give reasonable written notice of any action proposed to be taken.~~
- B. ~~Negotiations with an employee organization which has been accorded exclusive recognition may be conducted during the duty hours of the employee organization representatives involved in the negotiations, if they are employees within the appropriate unit, provided their attendance does not interfere seriously with the normal operations of the City and upon notice to their supervisor.~~
- C. ~~The City Manager shall act as the City's primary representative for the purpose of conducting any negotiations or other relationships between any recognized employee organization and the City government.~~
- D. ~~The parties shall begin negotiations by October before the effective fiscal year begins. When the parties reach agreement, they shall prepare a written memorandum of such agreement and submit it to the City Council for its ratification or rejection. To have the results of any agreement considered by the City Council, that agreement must conform to the City's fiscal year or years and be submitted to the Mayor by~~

~~the third Monday of March so as to allow the financial impact of any negotiations to be included in the Mayor's annual budget submission under Section 6.16.010. However, any agreement governing the relationship between the City and any recognized employee organization shall be entered into consistent with provisions of this section and all other applicable laws or ordinances of the City. In the event of any conflict or inconsistency between a collective bargaining agreement entered into between the City and a recognized employee organization and any Federal, State or City law, the provisions of the Federal, State or City law shall prevail.~~

A. General.

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

B. Negotiation timeline.

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

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

~~A. The Mayor shall submit the proposed annual operating budget, including the impact of any labor negotiations ready for City Council review under Section 3.32.060, to the City Council at the first Council~~

meeting in April of each year. Upon introduction, the budget shall be referred to the Finance Committee, which shall review and may make recommendations with regard to the budget and shall submit the budget, together with any recommendations, to the City Council not later than the second Monday in May of each year; and to the Financial Advisory Commission to provide a recommendation to the City Council on the annual operating budget.

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

A. City Council review.

1. At the first Council meeting in April, the Mayor shall submit to the Council:
 - a. A proposed annual operating budget; and
 - b. The impact of any labor negotiations on the operating budget.
2. The budget shall be referred to:
 - a. The Finance Committee, which shall review the operating budget and present the budget to the City Council along with any recommendations not later than the second Monday in May; and
 - b. The Financial Advisory Commission, which shall review the operating budget and make recommendations to the City Council **by the second Monday in May.**

B. Budget content.

1. The annual operating budget adopted by the City Council shall provide a complete financial plan for the fiscal year and shall contain estimates of anticipated revenues and proposed expenditures.
2. The budget shall be divided into the following funds:
 - a. General fund;
 - b. Off-street parking fund;
 - c. Transportation fund;

- d. Watershed restoration fund;
 - e. Refuse collection fund;
 - f. Water fund; and
 - g. Sewer fund.
 - h. Other funds established by the city to track spending of city funds.
3. The total of the anticipated revenues and any estimated fund balance or retained earnings available for expenditure during the fiscal year within each category mentioned above shall equal or exceed the total of the proposed expenditures within each fund.
 4. There shall be an itemization of the expenses to be budgeted for any line items under special projects or contract services.
 5. The budget shall be a public record in the office of the Director of Finance, open to public inspection during regular business hours.

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

Explanation:

~~Strikethrough~~ indicates matter stricken from existing law.
Underlining indicates copyediting or reformatting of existing law
Underlining & red indicate new matter added to the code.