

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



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| Agenda Date: | February 22, 2022 |
| Action Required: | Adoption of Resolution (1 st of 2 Readings) |
| Presenter: | Michael C. Rogers, Interim City Manager |
| Staff Contacts: | Lisa Robertson, City Attorney Samuel Sanders, Deputy City Manager Ashley Reynolds Marshall, Deputy City Manager |
| Title: | Appropriation of Funding to Study, Scope and Implement Collective Bargaining |

Background:

This Agenda Item seeks City Council’s approval to reallocate funding currently appropriated for a Class and Compensation Study, to be used for a major project that will study, scope, design and implement Collective Bargaining.

The Annual Budget is, in effect, a “spending plan” for a specific fiscal year. Within the Budget some expenditures are allocated generally (“salaries”, “equipment”, “subscriptions”, etc.). Other expenditures are identified as having a specific purpose, as may be indicated in a Budget Line Item identifying a specific program or project). Within City Code Sec. 11-5 the City Council has specified that “[n]o money shall be expended on any department of the city government beyond the amount estimated in the budget for that department in the general appropriation ordinance for the fiscal year unless such expenditure is authorized by the recorded vote of three-fifths of all of the members elected to the council.” Further, if City Council wishes to re-allocate money appropriated for a specific purpose, and authorize it to be expended in some other manner, or for some other purpose, a “special appropriation” is required during the fiscal year, per City Code Sec. 11-4.

Discussion:

On February 3, 2020, City Council established a project account within the City’s Capital Projects Fund, to accumulate money to fund a City-wide Class and Compensation Study. Currently the amount accumulated within that project account is \$1,250,000. The source of the funds was a one-time appropriation approved as part of the FY 2019 year-end closeout. Recently, the City engaged a firm to perform the Class and Compensation Study, at a contracted estimated cost of \$105,100. The study is expected to commence in late February 2022. Even leaving a reasonable contingency for associated costs and reimbursable expenses associated with that contract, it is clear that the bulk of the \$1,250,000 originally appropriated for this purpose will not be needed to complete the study.

The City Manager, upon listening to Council and receiving feedback, suggests that Council re-direct the money from the CIP Class and Compensation Study account and appropriate it to a new project

account to be set up within the Capital Projects Fund for Study, Scoping and Implementation of Collective Bargaining, which City Council has articulated as a priority project. This money could be used for project costs such as:

- Scoping, designing and planning a Collective Bargaining Program (this would include items such as the costs of consulting services to evaluate and design a program that would fit Charlottesville’s needs, outside/ consulting legal services to assist in drafting an ordinance and in drafting processes and procedures necessary to administer the provisions of an ordinance, and consultants and attorneys needed during the process of negotiating agreements with recognized collective bargaining units.

Please note that: operating costs (such as the costs of additional human resources staff (FTEs), training for City staff, etc.) will still need to be allocated to departments within the operating budget—Human Resources, City Attorney and/or the City Manager’s office. Any operational funding required as a result from decisions made in the design/ scoping/ ordinance development process for Collective Bargaining will need to be included in the Human Resources’ or City Attorney’s operational budgets. However, those funding needs can be discussed during the process of approving the FY2023 Budget, or at a later time, such as during a year-end fiscal year closeout process.

Alignment with City Council’s Vision and Strategic Plan:

Allocating this funding for class and compensation research and collective bargaining aligns with Goal 5 of the City’s Strategic Plan: “A well-managed and responsive organization”.

Community Engagement:

Appropriations of funds and Council’s discussions on both matters have been discussed publicly as part of its business matters during meetings before the public.

Budgetary Impact:

No new funding is requested with this appropriation. Council is requested to move money from one project account to another, within the Capital Projects Fund.

City Manager/ Staff Recommendation:

Staff recommends approval of the attached Appropriations Resolution, to leave sufficient funds available for the Class and Compensation Study, and related expenses of contract administration, and to reallocate the remainder of that money for expenditure for the study, design, and implementation of a collective bargaining program. **Recommended motion:**

“I move to approve the Resolution appropriating funding in the amount of \$625,000 to a new Collective Bargaining Project Account within the City’s Capital Projects Fund”

Alternatives:

City Council may decline to take action on this request, which will allow the funding to remain within the Class and Compensation Study account. **No motion or other action is required if City Council declines to implement the staff recommendation.**

Attachment:

Proposed Resolution

