



# MEMORANDUM

## Administrative and Financial Services Office

**To:** Honorable Mayor Michelle De La Isla  
Members of the Topeka City Council  
Brent Trout, City Manager

**From:** Jessica A. Lamendola, Director of Administrative and Financial Services

**Date:** 24 August 2020

**Subject:** Fiscal Effects of Proposed United Workers of Environmental Trades of Topeka—WPC Employees (UWETT) Agreement

Pursuant to KSA 75-4331, the chief financial officer of the City is required to provide to the governing body an analysis of the fiscal effects on the City of proposed agreements between the City and recognized employee organizations. As part of this analysis, we are required to identify the potential impact on the City's aggregate tax levy and its operating expense limitations. This bargaining unit is concentrated in one department, the Utilities Department, and in two funds, the Stormwater and Wastewater Funds. Revenues for this fund are primarily derived through user fees. I have reviewed the economic terms of the UWETT agreement pending before the City Council and have compared its costs to the 2021 Adopted Budget. Based upon this review of the agreement, I believe that the 2021 Adopted Budget has sufficient resources to accommodate the agreement as presented.

The proposed agreement includes the following:

- Advance one step on the pay matrix in 2021 and 2022 for individuals meeting the parameters of an overall "Meets Expectations" or better.
- There is no percentage increase to the existing pay matrix for 2021; however, 3 classifications will be assigned to one pay grade higher.
- FY22 includes a one percent increase to the pay matrix for all grades, except for grade 11 which will receive a 3 percent increase

The following table (Figure 1) shows the wage and benefits estimations calculated based on the assumptions listed above. The Utility Rate Equivalence percentages are calculated based on a cumulative total for FY21 and FY22.

*Figure 1*

2020-2022 Wage Agreement Estimates			
	2020	2021	2022
Wages	2,980,880	2,986,050	3,081,628
Benefits	774,433	783,540	808,619
Total	\$3,755,313	\$3,769,590	\$3,890,248
<i>Increase from Prior Year</i>		\$14,277	\$120,658
<i>% Increase from Prior Year</i>		0.38%	3.20%
<i>Utility Rate Equivalence</i>	<i>Stormwater .53%; Wastewater .29%</i>		