

Midway City Council
14 February 2018
Regular Meeting

Resolution 2018-06 /
Budget Amendment



Memo

Date: 10 February 2017
To: Mayor, City Council and Staff
Cc: File
From: Brad Wilson, City Recorder/Financial Officer
RE: Public Works Wage Increase

Recently, Wasatch County has advertised for public works employees. The advertised starting wage was significantly higher than Midway City's starting wage for its public works employees. It was also higher than what the City pays most of its public works employees including those that have work for Midway for many years.

The City's starting wage, for public works employees, is also less than the starting wage for Heber City, Park City and Summit County.

Midway City has good public works employees that are hard working and understand its public works facilities (Water system, cemetery, roads, parks, etc.). It also does not want to because a training ground that helps individuals gain experience and valuable certifications, and then have them move to better paying positions in other governments.

The City Council needs to consider several issues when increasing wages. Would the increase only apply to those public works employees who make less than their peers in other governments? Would the increase bring the wage of all employees to the minimum offered by others regardless of years of service?

The following chart shows the current wage costs, including benefits, for the Public Works Department for the entire fiscal year. It also shows the cost of percentage increases for all public works employees except the Crew Chief Leader and Assistant Crew Chief Leader. A 20% increase would bring all employees above the starting wage for Wasatch County.

Wages and Benefits Increase (Entire Fiscal Year)

	Current	10%	15%	20%
Total Wages	\$425,327	\$450,369	\$462,905	\$475,352
Increase	N/A	\$25,042	\$37,578	\$50,025

The following chart shows the current wages and percentage increases, including benefits, for the remainder of the fiscal year (10 pay periods).

Wages and Benefits Increase (Remainder of Fiscal Year)

	Current	10%	15%	20%
Total Wages	\$165,878	\$175,644	\$180,533	\$185,387
Increase	N/A	\$9,766	\$14,655	\$19,510

The City has already received property tax revenue, more than what was budgeted, of \$16,980. A limited amount will be received in the coming months. This would provide the \$19,510 for a 20% increase for the rest of the fiscal year.

The real concern will be FY 2019 when the entire \$50,025 would need to be included in the budget. The City planned to reduce its FY 2019 Budget by another \$100,000 in preparation for the loss of the Resort Communities Tax.

If the Council decides to increase public works wages, then it should discuss if the total increase will be immediate, phased over time, tied to certain goals (Certifications, etc.), etc.

Mayor Johnson is working on a long-term policy for wage increases including formal wage scales. This is essential for future budgeting by the City and providing stability for employees.

If the Council wants to discuss individual employees, and their qualifications for a specific wage increase, I would suggest doing this in a closed meeting. The Council can go into a closed meeting at any time during a public meeting even if it was not noted on the agenda.

Please contact me if you have any questions.



RESOLUTION 2018-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIDWAY, COUNTY OF WASATCH, UTAH, AMENDING THE FISCAL YEAR 2018 BUDGET

WHEREAS, Section 10-6 et seq, of the UCA 1953 as amended, requires cities to hold a public hearing and by resolution amend the annual fiscal year city budget; and

WHEREAS, The City Council held a duly noticed public hearing on 14 February 2018;
and

WHEREAS, the City Council sees the need to amend the Fiscal Year 2018 Budget.

**NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY
OF MIDWAY, COUNTY OF WASATCH, UTAH:**

Section 1: The budgeted amount for General Fund revenue account #10-31-100 (Property Tax) shall be increased by \$20,000 from \$715,000 to \$735,000.

Section 2: The budgeted amount for General Fund expenditures account #10-50-140 (Public Works Wages) shall be increased by \$11,600 from \$248,094 to \$259,694.

Section 3: The budgeted amount for General Fund expenditures account #10-50-150 (Public Works Benefits) shall be increase by \$8,400 from \$112,372 to \$120,772.

PASSED AND ADOPTED by the Midway City Council on the _____ day of _____, 2018.

MIDWAY CITY

Celeste Johnson, Mayor

ATTEST:

Brad Wilson, Recorder

(SEAL)

DRAFT