

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 95-33

Approving a 3.6% Cost of Living Adjustment (COLA) increase to base salaries of Metropolitan Exposition-Recreation Commission non-represented employees, effective July 1, 1995 and suspending Merit Pay and automatic step increases for FY 95-96.

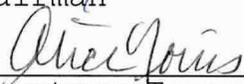
The Metropolitan Exposition-Recreation Commission finds:

1. That certain of MERC's facilities are currently under review by the City/Metro Facilities Consolidation Advisory Committee to determine their future ownership and management; that decision may impact MERC as a whole.
2. That MERC is facing certain financial constraints during fiscal year 95-96.
3. That the Commission supports the review, analysis and proposal of a revised non-represented pay system and that this review will be performed once the impact, if any, to MERC is determined as noted in 1. above.
4. That adequate funds exist in the FY 95-96 budget to cover the COLA increase for non-represented employees.

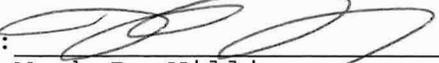
BE IT THEREFORE RESOLVED that the Commission approves a 3.6% COLA increase to the salaries of all Metropolitan Exposition-Recreation Commission non-represented employees and the PCPA Director and the General Manager effective July 1, 1995 and suspends Merit Pay and automatic step increases for FY 95-96. Further, the Commission directs staff to review the non-represented pay system as soon as it is feasible.

BE IT FURTHER RESOLVED that the staff is directed to manage position vacancies and hiring such that the total non-represented Personal Services dollar impact for fiscal year 1995-96 does not exceed a 3% increase.

Passed by the Commission on June 14, 1995.


Chairman

Secretary-Treasurer

Approved as to Form:
Daniel B. Cooper, General Counsel

By: 
Mark B. Williams
Senior Assistant Counsel

MERC STAFF REPORT

Agenda/Item Issue: Approval of 3.6% Cost of Living Adjustment (COLA) increase for non-represented employees for FY 95-96.

Resolution No. 95-33

Date: June 5, 1995

Presented by: Pat LaCrosse

BACKGROUND AND ANALYSIS:

Last June, the MERC Commission suspended Merit Pay and automatic step increases for FY 94-95 and gave a 3.6% Cost of Living Adjustment (COLA). Also at that time, the Commission directed staff to analyze the non-represented pay system. (Resolution 94-34).

During the course of the current fiscal year, a number of events have taken place which necessitate delaying the analysis of the current pay system. Specifically, the Metro/City Facilities Consolidation Advisory Committee, which is now underway, is charged with determining the future management form for the Stadium and PCPA.

Because of this major effort, and the potential impact on the MERC organization as a whole, management feels it is prudent to delay the review of the pay system until this particular issue has been resolved.

In addition, certain MERC facilities continue to experience tight financial times. Due to that fact, the MERC approved a maximum budgeted wage increase for all non-represented employees of 4% during budget deliberations for FY 95-96. No determination was made at that time as to what form this increase would take (i.e. merit increase, COLA, etc.).

Based on the current situation noted above, the fact that the MERC union contracts provide an annual 3.6% COLA for its members and the most recent Consumer Price Index (CPI) which is approximately 3.0%, it appears the most equitable, fair and fiscally responsible wage increase for employees is a 3.6% COLA.

On May 3, a brown-bag lunch meeting was held and attended by approximately 50 staff. The General Manager discussed the tight financial situation and the fact that he would be recommending to the Commission to continue to freeze merit and automatic step increases but give a COLA. Additionally, the reasons for delaying the review of the current pay system were discussed. There was some resistance at that meeting and after by staff to the freeze on merit/automatic step increase.

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FISCAL IMPACT:

There are sufficient funds budgeted to cover an increase for non-represented employees not to exceed 4%.

RECOMMENDATION:

MERC management recommends a 3.6% COLA increase for FY 95-96 to non-represented staff wages, except for the General Manager, who is under an employment contract. While the PCPA Director is also under an employment contract, this action applies to her as well. Further, they recommend suspending Merit Pay and automatic step increases for FY 95-96. Once the impact of changes, if any, to the MERC organization are determined, the staff will analyze the non-represented pay system.