

LEGISLATIVE FISCAL NOTE

LEGISLATION
NUMBER:

210625

LEGISLATION IN BRIEF:

Amending Chapter 2, Code of Ordinances, entitled "Minimum Living Wage" by repealing Section 2-1074.5, and enacting a new section of like number and subject matter to establish a minimum hourly rate of \$15.00 per hour for all full-time classified hourly employees of Kansas City, Missouri.

What is the purpose of this legislation?

OPERATIONAL

For the purpose of authorizing expenditures new or planned to conduct municipal services

Does this legislation spend money?

YES

Yes/No

See Sections 01, 02 and 03 for sources of funding

Does this legislation estimate new Revenues?

NO

Yes/No

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Does this Legislation Increase Appropriations?

NO

Yes/No

Are costs associated with this legislation ongoing (Yes)? Or one-time (No)

NO

Yes/No

See Section 00: " Notes" Below

Section 00: Notes:

Cost analysis only includes the fiscal impact of increasing current wages of full-time classified positions to \$15.00 for the remaining 9 months of FY22 for approximately 700 positions. Salaries are estimated to increase \$1,151,843.34 in FY22 and FICA is estimated to increase \$88,116.02 and pension is estimated to increase \$212,901.02 for a total impact of \$1,452,860.00 in FY22. The City adopted a minimum wage standard per Ordinance No. 050222 and was moving towards a minimum hourly rate of \$15.00 per hour pursuant to Resolution No. 170628. This ordinance accelerates the timeline from 2022 to Sep. 12, 2021. A 2% cost of living increase is projected for FY23-FY27.

Five years of operational costs for ongoing programs should be included in Section 04 below.

FINANCIAL IMPACT OF LEGISLATION

Section 01: If applicable, where are funds appropriated in the current budget?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST

Section 02: If applicable, where will new revenues be estimated?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST

Section 03: If applicable, where will appropriations be increased?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST

NET IMPACT ON OPERATIONAL BUDGET

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RESERVE STATUS:

SECTION 04: FIVE-YEAR FISCAL IMPACT (Direct and indirect)

FUND	FUND NAME	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	All Outyears
TOTAL REV		-	-	-	-	-	-	-
FUND	FUND NAME	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	All Outyears
Various	Various	1,452,860	1,975,891	2,015,409	2,055,717	2,096,831	2,138,768	
TOTAL EXP		1,452,860	1,975,891	2,015,409	2,055,717	2,096,831	2,138,768	-
NET Per-YEAR IMPACT		(1,452,860)	(1,975,891)	(2,015,409)	(2,055,717)	(2,096,831)	(2,138,768)	-
NET IMPACT (SIX YEARS)								(11,735,476.29)

REVIEWED BY

Charles Leap

DATE

8/11/2021