

FY15 Salary and Wage Increases (Item 16)

**Finance, Budget, and Audit Committee
July 16, 2014**



Metro

Recommendation and Issue

- **Receive and File report in response to Director Fasana budget amendment directing staff to report back to the Board on the FY15 financial impact of Non-Contract and Union labor actions**
- **FY15 budget adopted in May, including authorization to reflect budget increases resulting from ratified Union contract negotiations and a 3% Non-Contract salary escalation**

FY15 Budget Impact of Salary and Wage Increases

ATU

- Four Year Contract (July 1, 2013 – June 30, 2017)
 - Wage Increase (3.0%)+ QWA (9 cents): \$5.5M
 - Health and Welfare Increase (5.1%): \$3.5M
- 2,266 Budgeted FTE's \$9.0M

- Year 1 of Contract was in FY14
- Wage and Health and Welfare Increases Paid Retroactively

TCU

- Four Year Contract (July 1, 2013 – June 30, 2017)
 - Wage Increase (3.0%) + QWA (7 cents): \$1.5M
 - Health and Welfare Increase (4.0%): \$0.7M
- 802 Budgeted FTE's \$2.2M

Non-Contract

- Wage Increase (3.0%): \$3.9M
 - Health and Welfare Increase to be Brought to the Board in September 2014
- 1,345 Budgeted FTE's

- Wage Increase will be Paid Retroactively in August

FY15 Budget Impact of Salary and Wage Increases

Total Impact

Wages: \$10.9M

Health and Welfare: \$ 4.2M

\$15.1M

UTU, Teamsters, and AFSCME

- **UTU and AFSCME contracts expired June 30, 2014; Teamsters contract expires on September 30, 2014**
- **Negotiations ongoing; Budget will be amended as settlements are ratified by the Board and the Union membership**