




To: Gary Buchanan, Interim Human Resources Director

From:  Tadd Wille, Budget Director

Date: 23 February, 2017

Subject: Fiscal Impact of Local 160 General Unit Wage Increase for 2017-2019

Overview

A Tentative Agreement between the City of Tacoma and the 160 General Machinists & Aerospace Workers unit has been reached for a successor collective bargaining agreement for the years 2017 – 2019.

Financial Impact

The agreement is for the three year term from 2017–2019 and provides for the following wage adjustments and other economic impacts:

- Effective January 1, 2017, wages shall be increased by two and one quarter percent (2.25%).
- Effective January 1, 2018, wages shall be increased by two and a half percent (2.5%).
- Effective January 1, 2019, wages shall be increased by two and a half percent (2.5%).

Any employee covered by this unit who is in an active status as of the date of Union ratification of this Agreement shall receive a one-time lump sum of \$500. This applies to approximately 85 current employees.

- Tool allowances for eligible employees will increase by \$100.
- Boot allowances for eligible employees will increase by \$50.

Fund/Department	2017 FTE	2017 Negotiated Incremental Expense	2018 Negotiated Incremental Expense	2019 Negotiated Incremental Expense	TOTAL Negotiated Incremental Expense
General Fund	5.0	\$13,866	\$18,271	\$18,728	\$50,865
General Government Utilities	29.0	73,240	94,288	96,645	264,173
Other General Government Funds	32.0	82,979	106,925	109,598	299,501
Tacoma Public Utilities	23.0	56,060	74,674	76,541	207,275
Total	89.0	\$226,144	\$294,158	\$301,512	\$821,814

Estimated impacts in 2019 are contingent on FTE counts and allocations remaining unchanged from 2017.

Summary

These wage adjustments are included in the 2017-2018 Adopted Biennial Budget.