




To: Joy St. Germain, Human Resources Director

From:  Tadd Wille, Budget Officer

Date: May 30, 2014

Subject: Fiscal Impact of IAM&AW District Lodge 160 General Unit Wage Increase for 2012-2016

Overview

This memorandum provides a financial analysis for wage increases for IAM&AW District Lodge 160 General Unit for the years 2012-2016.

Financial Impact

This agreement is for a five year term, 2012-2016, and applies to all classifications in the bargaining unit.

- Effective January 1, 2012 wages shall be increased by 1%.
 - Classifications whose wages are currently reduced due to a pension reduction will be restored to their original salary range. This 1% wage increase will then be applied.
- Effective January 1, 2013 wages shall be increased by 1.5%.
- Effective January 1, 2014 wages shall be increased by 2% as reflected by CPI-W from Seattle-Tacoma-Bremerton, June-June index.
- Effective January 1, 2015 wages shall be increased by 100% of the CPI-W from Seattle-Tacoma-Bremerton, June-June index with a minimum of 2% and a maximum of 4%.
- Effective January 1, 2016 wages shall be increased by 100% of the CPI-W from Seattle-Tacoma-Bremerton, June-June index with a minimum of 2% and a maximum of 4%.

Funding for 2013-2014

Fund/Department	FTE	2012 Estimated Retro Payout	2013 Budgeted Incremental Expense	2013 Negotiated Incremental Expense	2014 Budgeted Incremental Expense	2014 Negotiated Incremental Expense	Variance Fav (Unfav) (Including 2012 Payout)
General Fund	5.0	\$25,076	\$10,815	\$12,292	\$31,312	\$19,084	(\$14,325)
General Government Utilities	35.0	182,887	72,713	81,817	212,461	192,269	(171,798)
Other General Government Funds	31.0	143,769	64,156	73,512	186,381	110,855	(77,600)
Tacoma Public Utilities	24.0*	114,477	49,760	58,104	138,911	82,623	(66,531)
Total	95.0	\$466,208	\$197,444	\$225,724	\$569,065	\$404,831	(\$330,254)

*Local 160 budgeted FTE's for TPU in 2013 was 25. The position was end dated 12/31/13 and this position's costs are not projected in future years.



The total estimated cost in 2013-2014 for salaries and benefits including the estimated 2012 estimated retro payout for IAM&AW District Lodge 160 General Unit is \$20,521,716 (\$1,116,645 General Fund, \$7,610,320 General Government Utilities, \$6,816,736 other general government funds, \$4,978,016 Tacoma Public Utilities). The total cost of this negotiated increase is partially included in the 2013-2014 budget.

Funding for 2015-2016

Funding totals listed below for 2015-2016 represent the incremental change over the previous year.

Fund/Department	FTE	2015 Minimum 2%	2015 Maximum 4%	2016 Minimum 2%	2016 Maximum 4%
General Fund	5.0	\$15,678	\$24,426	\$16,317	\$25,602
General Government Utilities	35.0	109,370	167,037	113,953	175,159
Other General Government Funds	31.0	94,983	145,763	98,884	152,781
Tacoma Public Utilities	24.0*	70,737	108,566	73,712	113,864
Total	95.0	\$290,769	\$445,792	\$302,866	\$467,405

*Local 160 budgeted FTE's for TPU in 2013 was 25. The position was end dated 12/31/13 and this position's costs are not projected in future years.