



Legislation Text

File #: 68336, **Version:** 1

Fiscal Note

The proposed labor agreement includes a wage increase of 2.5% in 2022 and a 2.0% increase in both 2023 and 2024. The total cost of the proposed wage increases over the life of the contract is \$2.0 million. This calculation includes permanent wages, premium pay, compensated absences, overtime, retirement costs, and FICA. Additionally, the agreement increases Post Employment Health Plan contributions to match wage increases. Increases to Post Employment Health Plan contributions are estimated to cost \$31,000 over the life of the contract.

Other costs associated with additional modifications in the agreement are included in the Employee/Labor Relations Manager's Report attached to the resolution. These additional items include moving current employees below Step 3 up to Step 3 at a cost of \$110,000.

Metro Transit is not requesting additional 2022 budget appropriation at this time. A portion of the 2022 wage increase from this agreement was planned within Metro's 2022 budget. The agency will monitor its expenditures in 2022 and seek to accommodate additional costs arising from this agreement.

Metro Transit's 2022 Adopted Budget continues to rely on federal economic recovery grants as revenues are not expected to fully recover to pre-pandemic levels until 2024. If additional resources are needed in 2022 to support costs arising from this labor agreement, Metro has remaining federal recovery funds that can be utilized. Additional federal recovery funds could be appropriated in the 2022 mid-year or year-end resolution with Council approval.

Title

Adopting the Teamsters Union Local 695 Labor Agreement

Body

Adopting and confirming the Labor Agreement between the City of Madison and the Teamsters Union Local 695, affiliated with the International Brotherhood of Teamsters, for the period January 1, 2022 through December 31, 2024.