

Consent Item (C) 09-26-2019

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202102

Resolution:
☒ Yes ☐ No

TITLE:

FY2020 Operating Budget Amendment

PRESENTATION SUMMARY:

Staff will present changes to the FY2020 Operating Budget to fund additional personnel costs related to prior fiscal years associated with the labor agreement for Metro Transit Police.

PURPOSE:

Seek Board of Directors (Board) amendment to FY2020 Operating Budget to fund FY2018 and FY2019 costs associated with Metro Transit Police - Fraternal Order of Police (FOP) collective bargaining agreement (CBA).

DESCRIPTION:

Key Highlights:

The Authority recently reached a labor agreement with the FOP which requires additional personnel expenses stemming from fiscal years of FY2018 and FY2019. The additional cost to cover the incremental operating costs for FY2018 and FY2019 totals \$2.23 million. In FY2018, WMATA accrued \$1.04 million in estimated costs; and the difference of \$1.19M is the basis of this subsidy request as an amendment to the FY2020 Operating Budget. Increased costs related to FY2020 and beyond will be met by WMATA within the three percent subsidy cap.

Background and History:

Since the Board's adoption of the FY2019 Budget in March of 2018, the Authority has awarded or settled four labor contract agreements with its represented employees requiring amendments to the operating budget:

- November 2018 - Provided funding for the Amalgamated Transit Union's Local 689 (Local 689) Award
- November 2018 – Provided funding for the Office and Professional Employees International Union's Local 2 (Local 2) labor settlement

- March 2019 - Provided funding for the International Brotherhood of Teamsters' Local 922 (Local 922) settlement agreement
- June 2019 - Provided funding for Drivers, Chauffeurs, and Helpers Local 639 International Brotherhood of Teamsters (Local 639) settlement agreement

Discussion:

On July 31, 2019 a labor agreement between the Authority and the Metro Transit Police - Fraternal Order of Police was reached. Board approval is requested to provide funding for this FOP labor agreement. The allocation of operating subsidy contributions by jurisdiction is included in Attachment A.

The additional subsidy request from the jurisdictions is to cover the incremental operating costs associated with the FOP agreement for FY2018 and FY2019, which totals approximately \$2.23 million. In FY2018, WMATA accrued \$1.04 million in estimated costs that were funded by revenue and contributing subsidies. The difference of \$1.19 million which remains unfunded is the basis of this subsidy request as an amendment to the FY2020 Operating Budget. The additional costs related to FY2020 and beyond will be met by WMATA within the three percent cap.

FUNDING IMPACT:

Budget:	Operating Budget, Fiscal 2020
Project Manager:	Dennis Anosike
Project Department/Office:	CFO/OMBS
This Action:	\$1.19 million
Remarks:	Additional budget funding to cover labor expenses

TIMELINE:

Previous Actions	<p>March 2018 – Board approved the FY2019 operating and capital budgets</p> <p>November 2018 – Board amended the FY2018 and FY2019 operating budgets to cover incremental labor costs from the collective bargaining agreement with Local 2 and the arbitration award for Local 689</p>
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	<p>March 2019 - Board amended the FY2019 operating budget to cover incremental labor costs from the collective bargaining agreement with Local 922. Board approved the FY2020 operating budget</p> <p>June 2019 – Board amended the FY2019 operating budget to cover incremental labor costs associated from the collective bargaining agreement with Local 639</p>
Anticipated actions after presentation	Jurisdictions provide additional contributions for FY2020 operating budget amendment to cover FY2018 and FY2019 costs

RECOMMENDATION:

Amend FY2020 Operating Budget to fund FY2018 and FY2019 costs associated with Metro Transit Police - Fraternal Order of Police collective bargaining agreement.

SUBJECT: AMEND FISCAL YEAR 2020 OPERATING BUDGET FOR FRATERNAL ORDER
OF POLICE COLLECTIVE BARGAINING AGREEMENT COSTS

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPLITAN AREA TRANSIT AUTHORITY

WHEREAS, Resolution 2011-30 requires approval of the Board of Directors to adjust the total operating budget; and

WHEREAS, WMATA has agreed to a new collective bargaining agreement with the Fraternal Order of Police that increased personnel expenses by \$2.23 million for fiscal years (FY) 2018 and 2019, which will be paid by WMATA in FY 2020; and

WHEREAS, \$1.04 million of the \$2.23 million will be offset by funds accrued in FY 2018, leaving \$1.19 million of increased personnel expenses unfunded;

NOW, THEREFORE, be it

RESOLVED, That the FY2020 operating budget is increased by \$1.19 million to be shared by the jurisdictions as shown in Attachment A; and be it finally

RESOLVED, That this Resolution shall be effective 30 days after adoption in accordance with Compact Section 8(b).

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
General Counsel

ATTACHMENT A

FY2020 Operating Budget Subsidy

<i>\$ Millions</i>	FY2020 Budget	FOP Adjustment	Adjusted Total
District of Columbia	\$407.32	\$0.44	\$407.77
Montgomery County	\$188.92	\$0.20	\$189.12
Prince George's County	\$242.41	\$0.20	\$242.61
Maryland Subtotal	\$431.34	\$0.40	\$431.74
City of Alexandria	\$45.78	\$0.06	\$45.84
Arlington County	\$78.05	\$0.11	\$78.16
City of Fairfax	\$2.48	\$0.00	\$2.49
Fairfax County	\$155.87	\$0.18	\$156.04
City of Falls Church	\$3.45	\$0.00	\$3.45
Loudoun County	\$0.00	\$0.00	\$0.00
Virginia Subtotal	\$285.63	\$0.35	\$285.97
Total Contribution	\$1,124.28	\$1.19	\$1,125.48