



Memorandum

Date: June 11, 2010

To: Honorable Mayor, Carlos Alvarez
Honorable Chairman Dennis Moss,
And Members, Board of County Commissioners

From: Linda Zilber *Linda Zilber*
Chair, The Transportation Trust

Subject: Budget and Wage Adjustments

The purpose of this memorandum is to clarify several issues concerning the Citizens' Independent Transportation Trust Budget and Wage Adjustments.

The Trust takes its budgetary responsibilities seriously. In addition to closely monitoring County and Municipal projects funded by surtax proceeds the Trust also carefully manages the administrative budget of the Office (OCITT). The Trust has, over the years, managed its budget frugally and only spent dollars when they were necessary to accomplish its mission. Since the inception of the Trust the OCITT has finished each fiscal year under budget, saving hundreds of thousands of dollars.

The Trust is very cognizant of the difficult budget problems facing the County, particularly affecting general fund departments. The County initially requested that for FY 2009-2010 each unit achieve an overall 5% budget savings.

The Trust took this request seriously. The Personnel Committee met on December 10, 2009 to consider budget and wage adjustments. The Executive Director presented budget reduction measures already being implemented which included freezing one position, the delayed filling of other positions and the careful and conservative stewardship and spending of other budgetary line items. These actions alone will result in a minimum 8.6% reduction FY 2009-2010 expenditures with total savings of over \$200,000. The Personnel Committee concurred with these budget reduction measures.

The Executive Director also recommended, in addition to the budget reductions just discussed, the implementation of wage reductions. These included a salary reduction or a combination of furlough and vacation days equal to 5% of base salary as well as the suspension of other wage components including merit increases, longevity, COLA, flexible and premium benefits. At the time of the Personnel Committee Meeting in December 2009 the majority of the collective bargaining agreements had not been completed, including the Transport Workers Union agreement. The Committee, therefore,

deferred action on the wage adjustments and requested that the matter be brought forward at the conclusion of the collective bargaining process.

In May the Trust met again to consider the budget and wage adjustments. Although the collective bargaining process had not been fully completed the contracts with the majority of the union agreements had been approved. The Personnel Committee met on May 18th and, after lengthy and substantive discussion, unanimously recommended the implementation of wage reductions equaling 5% of base pay comprised of furlough days and the suspension of other wage components including merit pay, longevity and COLA.

The Trust Board met on May 27th and the Personnel Committee recommendation was on the Agenda for approval. The County requested the opportunity to provide supplemental information for consideration by the Trust so the item was deferred and a Special Meeting of the Personnel Committee was scheduled.

The Personnel Committee held the Special Meeting on June 10th. The Committee once again had a lengthy and considered discussion. The Committee voted to implement wage reductions equal to 5% of base pay through a contribution to health insurance. The Committee also voted to freeze merit, longevity, premium and flex pay. The COLA, consistent with other units, would remain at 0% through June 30, 2011. This item will be considered by the Trust Board at the June 30th Meeting.

I hope this information is helpful in clarifying this situation. The Trust continues to be diligent in discharging its responsibilities.

CC: Trust Board
George Burgess, County Manager
Bruce Libhaber, ACA
Alex Bokar, ACA