



ITEM ID: 2025-118-0

TRANSMITTAL DATE: February 21, 2025

MEETING DATE: February 28, 2025

TO: Board of Directors

FROM: Alberto Lara, Chief People Officer

SUBJECT: Quarterly Compensation Report - 1st and 2nd Quarter of Fiscal Year 2025 - July 1, 2024 through December 31, 2024

Issue

In compliance with HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly and annual reports to the Board on compensation matters.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan Commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. As required by the HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, staff is required to make quarterly reports to the Board on all compensation matters to maintain transparency.

Background

In accordance with the HR Policy No. 2.1, Wage and Salary Administration – Salary Program Administration, the Board requires the Chief People Officer to report all salary placements for

new hires, promotions, demotions, reclassifications, and other changes in employee compensation to the Board on a quarterly basis.

Discussion

First Quarter FY25 Compensation Transactions

There were 66 compensation transactions that occurred during the first quarter of fiscal year 2025, July 1, 2024 through September 30, 2024. The compensation transactions are summarized below and in Attachment A, and described in detail in Attachment B:

New Hires	7
Promotions	4
Acting Pay	2
Additional Pay – Temporary	1
Additional Pay – Permanent	3
ATU Salary Increases	42
Return from Acting Pay	7
TOTAL	66

In addition, there were 9 terminations, and the position vacancy rate was 6.4%.

Second Quarter FY25 Compensation Transactions

There were 21 compensation transactions that occurred during the second quarter of fiscal year 2025, October 1, 2024 through December 31, 2024. The compensation transactions are summarized below and in Attachment C, and described in detail in Attachment D:

New Hires	5
Promotions	7
Additional Pay – Temporary	1
ATU Salary Increase	1
Reclassifications	3
Return from Acting Pay	4
TOTAL	21

In addition, there were 7 terminations, and the position vacancy rate was 5.6%.

Promotions

In accordance with the HR Policy No. 2.1, Section 1.5 – Promotions:

A promotion is awarded when an employee moves from his/her current job classification to another when the new job classification is at least one salary grade higher than the previous job classification. The following factors may be taken into consideration in determining a promotional increase:

The employee's new salary shall not be less than the minimum of the new salary range. The salaries and qualifications of employees in the same or similar positions and/or the same grade shall be taken into consideration to ensure internal equity.

Demonstrated past performance and strength of experience and qualifications shall be considered in relation to the salary placement.

A salary increase of 20.75% was authorized by the CEO to maintain the internal equity within the salary grade for the position. The minimum qualifications for this position is a High School diploma and four (4) years of related experience. The selected candidate possesses an Associate's degree and 15 years of related experience. Additionally, the average salary for employees in a similar classification is \$71,280; hence the annual salary offered of \$66,560 reflects a reasonable and appropriate increase for the selected employee. Please see table below for salary details.

Effective August 19, 2024:

Type of Change	Current Information	Promotion Information
Job Title:	Inventory Control Operator I	Inventory Control Operator II
Salary Grade / Range:	Grade 2 / \$43,344 - \$67,184	Grade 3 / \$48,979 - \$75,917
Annual Salary:	\$55,120	\$66,560

A salary increase of 22.83% was authorized by the CEO to maintain the internal equity within the salary grade for the position. The minimum qualifications for this position is a Bachelor's degree and five (5) years of related experience. The selected candidate possesses a Bachelor's degree and 19 years of related experience. Additionally, the average salary for employees in a similar classification is \$186,419; hence the annual salary offered of \$190,000 reflects a reasonable and appropriate increase for the selected employee. Please see table below for salary details.

Effective August 19, 2024:

Type of Change	Current Information	Promotion Information
Job Title:	Sr Railroad Civil Engineer	Director, Design
Salary Grade / Range:	Grade 10 / \$99,799 - \$154,688	Grade 12 / \$136,280 - \$211,234
Annual Salary:	\$154,687	\$190,000

Next Steps

Human Resources will continue reporting compensation transactions on a quarterly basis. The next quarterly compensation report for the third quarter of fiscal year 2025 will be presented at the May Board meeting.

Prepared by: Agavni Bagdasarian, Senior Human Resources Analyst
Alberto Lara, Chief People Officer

Approved by:

Alberto Lara, Chief People Officer

Attachment(s)

Attachment A - Board Compensation Summary Q1 2025

Attachment B - Board Compensation Report Q1 2025

Attachment C - Board Compensation Summary Q2 2025

Attachment D - Board Compensation Report Q2 2025

Presentation - Compensation Report 1st & 2nd Quarters FY25