

Facts on the Tool/Boot Checks

March 15, 2011

To: All Local 587 VM members

From: 2nd Vice President Don Mac Adam

In discussions with Mr. Winders last week, it was revealed that Metro would be combining the tool and boot allowance checks in the form of one check only. It is Metro's contention that any check separate from your pay check is a separate check. I insisted that this is not what the contract calls for and he may receive grievances as a result.

OUR MAIN CONCERN IS TAXES, in that we believe the larger the amount of pay, the greater the taxes withdrawn will be.

I spoke with our Financial Secretary and with our Financial auditor and gave them the pay stubs and amounts involved. I had them double check what Metro was telling us. They stated that any check separate from your paycheck is considered a BONUS by the I.R.S. and will be taxed at 25%. Combining both checks will make no difference in the net amount we receive. So, Metro was correct and also stated they were doing us a favor because if we were having our wages "garnished" and they gave us two checks, they would have to take money out of both checks instead of just one check.

Well that's the way it is...you are free to accept the facts or dispute them.

Thanks