

**Letter of Agreement
Between
Tacoma Police Management Association, Local 26, IUPA
and
City of Tacoma**

Date: August 4, 2015

Background: The Tacoma Police Management Association, Local 26, IUPA (Union) and the City of Tacoma (City), (the Parties), entered into an agreement to establish a Voluntary Employee Beneficiary Association (VEBA) retirement incentive program by Memorandum of Agreement (MOA), executed in June 2012.

The VEBA MOA states that it will remain in full force and effect until December 31, 2014, or reopened by mutual agreement of the parties.

The Parties Agree:

1. The MOA executed in June 2012, is attached hereto and incorporated by reference.
2. No new enrollees may apply for the VEBA incentive program.
3. All current bargaining unit employees will have the one percent (1%) reduction from salary restored retroactive to January 1, 2015.
4. Effective January 1, 2015, for the specific purpose of calculating wage comparisons, the restored one percent (1.0%) will be considered as a component of base wages.

This LOA does not establish a precedent for any future bargaining regarding this or other matters which may be brought forth by the Parties and cannot be used as a precedent with respect to any other collective bargaining agreements for any other divisions or departments of the City nor by other employees represented by this Union.

**For Tacoma Police Management
Association, Local 26, IUPA:**

For the City of Tacoma:

Alan Roberts Date
President, Local 26

Joy M. St. Germain Date
Human Resources Director

LeRoy Standifer Date
Vice President, Local 26

Don Ramsdell Date
Police Chief

T.C. Broadnax Date
City Manager

Approved as to form:

Cheryl Comer Date
Deputy City Attorney

**Memorandum of Agreement
Between
Tacoma Police Management Association Local # 26, I.U.P.A.
And
City of Tacoma**

Voluntary Employee Beneficiary Association (VEBA)

Background: The Tacoma Police Management Association, Local # 26, I.U.P.A. (Union) and the City of Tacoma (City) find it in the best interest of the Parties to establish a Voluntary Employee Beneficiary Association (VEBA) retirement incentive program. This Memorandum of Agreement memorializes the agreement between the Union and the City to accomplish the implementation and processes associated with the VEBA program.

VEBA Program Parameters:

1. For every year of the agreed upon program, the Union will forego one percent (1.0%) of the bargaining units' salary. Therefore, once the bargaining unit wage scales are identified in any given year, each member of the bargaining unit would receive ninety-nine percent (99.0%) of the base wage rate in exchange for this benefit. This provision will become effective January 1, 2013.
2. For the specific purpose of calculating wage comparisons, the one percent (1.0%) reduction will be considered as a component of base wages.
3. The VEBA retirement incentive program is only available to members of the Union, who are enrolled in the Washington State Law Enforcement Officers' and Fire Fighters' (LEOFF) Plan 2 retirement plan. This plan is only applicable to such employees who voluntarily separate employment from the City service through retirement.
4. The VEBA retirement incentive program is not an employee right. Employees must meet the eligibility criteria and terms of the program.

Rules and Eligibility Requirements:

1. This is a voluntary incentive program offered to eligible LEOFF Plan 2 employees. Such employees must meet all eligibility requirements to be approved for the retirement incentive program, and the City retains the ability to make the final eligibility decisions.
2. This voluntary retirement incentive program does not include a direct cash payment. Instead, it consists of payments made into approved retirees' VEBA accounts of five hundred dollars (\$500.00) per month until the earlier of the month when the employee reaches age sixty-five (65) or Medicare eligibility. These payments will be subject to all rules and laws applicable to the retirees' VEBA accounts.
3. If the retiree passes away before Medicare eligibility or age sixty-five (65), the VEBA contribution will terminate. The retiree's beneficiary (spouse or qualified dependent) will be eligible to continue to utilize this program until the funds in the deceased retiree's account are exhausted. In the event there is no beneficiary, the remaining funds will be equally distributed among current VEBA participants within this program.

4. An employee applying for the voluntary retirement incentive must be eligible to retire under the applicable LEOFF plan and must not have already filed for retirement prior to the announcement the incentive. Additionally, if an employee applies for the incentive but does not retire by the established retirement deadline, the employee will not be eligible for the incentive program in any future year.
5. Employees approved for the retirement incentive will not be placed on the City's layoff registers and are not eligible for rehire as a regular, benefited, permanent employee.
6. Employees approved for the retirement incentive agree not to file for unemployment benefits due to separation of employment from the City.
7. There will be no maximum number of employees who may apply for this VEBA retirement incentive program for years 2012, 2013 and 2014. To be eligible for the program, employees must be at least fifty-three (53) years of age. In addition, employees must have age + years of service totaling at least seventy-five (75) or higher.
8. The deadline to apply for this retirement incentive program is no later than 5:00 pm, December 1st of the current year, unless otherwise agreed to by the parties. Note: the parties have agreed to extend the deadline to apply for a January 1, 2012 retirement, to December 15, 2011.
9. The deadline to retire for approved employees is June 1st of the following year, unless otherwise agreed to by the parties.
10. Enrollees will sign an agreement that outlines the parameters, eligibility and terms of the retirement incentive program.

The Parties further agree:

1. To reopen negotiations on this voluntary retirement incentive program in the event that State or national health care laws provide a retirement incentive option to Police Officers.
2. This Memorandum of Agreement will remain in full force and effect until December 31, 2014 or reopened by mutual agreement of the parties.

SIGNED AND DATED:

For Tacoma Police Union Local #26

Shawn Stringer **6/5/2012**
President, Local 26

Alan Roberts **6/5/2012**
Vice-President, Local 26

For the City of Tacoma

Joy M. St. Germain, **6/6/2012**
Human Resources Director

Don Ramsdell **6/5/2012**
Police Chief

T.C. Broadnax **6/7/2012**
City Manager