



To: Elizabeth Pauli, City Manager

From: Katie Johnston, Budget Officer

Date: February 15, 2023

Subject: **Fiscal Impact of L31 2023 – 2025 Collective Bargaining Agreement (TA)**

Overview

The City of Tacoma and the Local 31 Tacoma Firefighters bargaining unit have reached a tentative agreement for a successor collective bargaining agreement (CBA) effective January 1, 2023, through December 31, 2025.

Wages

2023: **Effective January 1, 2023**, all classifications shall increase by nine- and one-half percent (9.5%).

2024: **Effective January 1, 2024**, all classifications shall increase by an amount equal to one hundred percent (100%) of CPI-W (with a minimum increase of one percent (1%) and a maximum increase of five percent (5%).

2025: **Effective January 1, 2025**, all classifications shall increase by an amount equal to one hundred percent (100%) of CPI-W (with a minimum increase of one percent (1%) and a maximum increase of three percent (3%).

Financial Impact of Wages

The financial impact shown assumes the maximum CPI-W wage increases:

Fund/Department	FTE	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	320	\$3,952,400	\$6,283,900	\$7,731,300	\$17,967,600
EMS Revenue	130	\$1,603,300	\$2,537,800	\$3,122,300	\$7,263,400
Total	450	\$5,555,700	\$8,821,700	\$10,853,600	\$25,231,000



Application of Rates

- A. Fire Lieutenants assigned as Safety Lieutenant shall receive an applied rate of five percent (5%) of base pay.

Financial Impact – Safety Lieutenant

Fund/Department	FTE	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	5	\$37,800	\$39,700	\$39,700	\$117,200
Total	5	\$37,800	\$39,700	\$39,700	\$117,200

- B. Paramedics will receive a full five percent (5%) certification pay following completion of three full years. The three percent (3%) intermediate step is eliminated and beginning in the 4th continuous year that a Firefighter-Paramedic (FF/PM) is eligible to work as a TFD paramedic, a FF/PM will receive an additional five percent (5%) of base pay, which is an increase from three percent (3%).

Financial Impact – Firefighter/Paramedic (FF/PM) Certification Pay

Fund/Department	FTE	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	2	\$5,800	\$6,100	\$6,100	\$18,000
EMS Revenue	16	\$45,800	\$48,200	\$48,200	\$142,200
Total	18	\$51,600	\$54,300	\$54,300	\$160,200

- C. Paramedics assigned to Advanced Life Support (ALS) Transport Units shall receive an applied rate of two-and-one-half percent (2.5%) of base pay.

Financial Impact – Advanced Life Support (ALS)

Fund/Department	FTE	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	6	\$24,300	\$24,300	\$24,300	\$72,900
EMS Revenue	34	\$128,700	\$128,800	\$128,800	\$386,300
Total	40	\$153,000	\$153,100	\$153,100	\$459,200



Deferred Compensation

2023: No change. The City will match an employee's contribution to the deferred compensation program offered by the City up to a maximum of two hundred and eleven (\$211) dollars per pay period.

2024: **Effective January 1, 2024**, the City will match an employee's contribution to the deferred compensation program offered by the City up to a maximum of two hundred and thirty (\$230) dollars per pay period.

Financial Impact of Deferred Compensation

Estimates are based on historic and projected participation levels.

Fund/Department	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	\$0	\$132,000	\$132,000	\$264,000
EMS Revenue	\$0	\$53,600	\$53,600	\$107,200
Total	\$0	\$185,600	\$185,600	\$371,200

VEBA

The Union may now select Sick leave and PTO cash out at retirement at zero percent (0%), fifty percent (50%), or one hundred percent (100%). Previously, members could only select zero percent (0%) or one hundred percent (100%).

Financial Impact – VEBA

The financial impact is negligible. There are minor savings on FICA taxes when leave is cashed out to VEBA.

Former Hazmat and Tech Rescue Staff

Employees formerly assigned to HazMat & Tech Rescue teams may voluntarily maintain these certifications, with required continued education on paid time and at employer expense, through the rank of Fire Captain. TFD may assign these qualified employees to HazMat & Tech Rescue assignments to meet operational needs, such as to fill a vacant shift. Employees will receive the applicable five percent (5%) application of rate for all hours specifically performing HazMat & Tech Rescue duties or formal training, with a minimum of four (4) hours. Should an employee elect not to maintain their certification, they waive their right to participate in this continued education. This excludes personnel receiving more than one specialty pay. They would receive a maximum of five percent (5%).

Financial Impact – Hazmat & Tech Rescue

The financial impact currently is unknown. The cost will mostly be in additional overtime for training opportunities. There may be some savings and operational efficiencies by having a larger number of certified staff.

Sick Leave Cash Out at Retirement

The City agreed to extend the 2021 LOA that interpreted CBA in union’s favor. No change to our practice for the previous two years.



Overall Financial Impact 2023 – 2025

Fund/Department	2023 Incremental Expense	2024 Incremental Expense	2025 Incremental Expense	Total Expense
General Fund	\$4,020,300	\$6,486,000	\$7,933,400	\$18,439,700
EMS Revenue	\$1,777,800	\$2,768,400	\$3,352,900	\$7,899,100
Total	\$5,798,100	\$9,254,400	\$11,286,300	\$26,338,800

Funding for 2023-2024

The cost of the proposed wage increase is partially budgeted in the Adopted 2023-2024 Budget and will be included in the 2025-2026 Budget. Application of rate and deferred compensation increases are not budgeted. Departments will be responsible for adhering to their overall level of appropriation.

CC: Dylan Carlson, Labor Relations Division Manager
Karen Short, Senior Human Resources Consultant
Mayra Wheelock, Budget and Management Analyst



To: Elizabeth Pauli, City Manager

From: Katie Johnston, Budget Officer

Date: February 15, 2023

Subject: **Fiscal Impact of L31 Tacoma Fire One-time Sick Leave Adjustment LOA**

Overview

The City of Tacoma and the Local 31 Tacoma Firefighters bargaining unit have reached a tentative agreement for a Letter of Agreement (LOA). The City will provide a one-time deposit of 64 hours of additional sick leave into the bank of Local 31 bargaining unit employees who meet specific qualifications. In order to qualify, an employee must meet all the following:

- Be employed by the City on the date of City Council ratification of this LOA, and
- Have been regularly assigned to 24-hour shifts at some point between March 12, 2020 (start of City’s COVID-19 emergency declaration) and September 7, 2022 (end of Tacoma Fire Department’s practice of mandatory quarantine for exposed employees).

The City will make this one-time deposit as soon as administratively practicable. This additional sick leave shall be applied prospectively and may not be applied toward previous absences. Employees no longer employed in a Local 31 bargaining unit position on the date of City Council ratification of this LOA will not qualify for this one-time deposit. Qualified employees on the Personal Time Off (PTO) plan will have the sick leave deposited into their frozen sick leave banks.

Financial Impact

The financial impact is an estimate of the cost of the hours of additional sick leave. Employees can use the additional sick leave, once it is deposited, at their own discretion, which may include some usage in 2023 or in later years.

Fund/Department	FTE	Total One-time Expense
General Fund	242.0	\$1,254,300
EMS Revenue	88.0	\$453,300
Total	330.0	\$1,707,500

Funding for 2023-2024

The cost of the proposal is not budgeted in the 2023-2024 Adopted Budget. Departments will be responsible for adhering to their overall level of appropriation.

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