



To: Elizabeth Pauli, City Manager
From: Katie Johnston, Budget Officer
Date: March 28, 2022
Subject: Fiscal Impact of IBEW Local 483 Supervisors Letter of Agreement (TA)

Overview

The City of Tacoma and the IBEW 483 Supervisors bargaining unit have reached a tentative agreement for a retention incentive program for employees in the Tacoma Traffic Signal & Street Light Section of Public Works who are currently, or will become, retirement eligible during the term of this LOA, and whose employment is considered essential for the continued operations of the City's signal and streetlight infrastructure.

Financial Impact

Completion of Period 1 (effective date of the agreement to July 31, 2024)

An Eligible Employee continuously employed through Period 1 will receive:

A one-time lump sum Retention Incentive payment of \$7,500.00, subject to taxes as required by state and federal law. Consistent with the TMC, lump sum payments are not considered in TERS contribution or benefit calculation.

Completion of Period 2 (effective date of the agreement to July 31, 2025)

An Eligible Employee who remains continuously employed through Period 2 will receive:

A one-time lump sum Retention Incentive payment of \$15,000.00, subject to taxes as required by state and federal law. Consistent with the TMC, lump sum payments are not considered in TERS contribution or benefit calculations.

Estimated Cost of Period 1 is \$37,500 and Period 2 is \$75,000 totaling \$112,500 through 2025.

Funding for 2024-2025

The cost of the proposed retention incentive will be incorporated into the 2023-2024 and 2025-2026 biennial budgets.

CC:

Dylan Carlson, Labor Relations Manager
Karen Short, Senior Human Resource Analyst
Hayley Falk, Lead Management Analyst
Jen Watts, Labor Analyst
Mark Johnston, Labor Negotiator