

**Letter of Agreement
Between
Local 6 – IUPA Tacoma Police Union
and
City of Tacoma**

Date: February 25, 2015

Background: The IUPA Tacoma Police Union, Local 6 (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 November 2011.

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 City agrees to extend the Local 6 VEBA program through 2015 only in order to allow the qualified VEBA applicants who applied by December 1, 2014, to retire no later than 11:59 pm on December 31, 2015, in accordance with the staggering schedule approved by the Police Chief. Retirements occurring after 11:59 pm on December 31, 2015, will not be eligible for or subject to this Local 6 VEBA program.

The Union and the City wish to memorialize the terms of their agreement to extend VEBA retirements to December 31, 2015.

The Parties Agree:

1. The MOA dated November 2011, is attached hereto and incorporated by reference.
2. Under the terms of the VEBA MOA, the deadline to retire was June 1st. The parties agree that for 2015, the June 1st deadline will be extended to December 2015. Up to 15 bargaining unit employees meeting the eligibility requirements applied for the VEBA incentive program in a timely manner. Eligible applicants will receive the VEBA benefits if his/her retirement occurs in 2015. Retirement dates will be staggered quarterly based on seniority and by discretion of the Police Chief based on business needs.
3. No new enrollees may apply for the VEBA incentive program after 5:00 P.M. on December 1, 2014.
4. All current bargaining unit employees will have the one percent (1%) reduction from salary restored retroactive to January 1, 2015.
5. 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.

**Memorandum of Agreement
Between
Tacoma Police Union Local # 6
And
City of Tacoma**

Voluntary Employee Beneficiary Association (VEBA)

Background: The Tacoma Police Union, Local # 6 (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 dependant) 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.

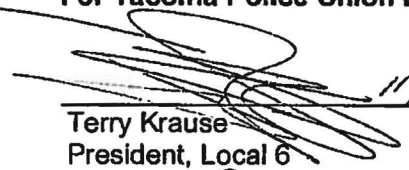
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5. Employees approved for the retirement incentive will not be placed on the City's layoff registers and are not eligible for rehire as a regular, benefited, permanent employee.
6. Employees approved for the retirement incentive agree not to file for unemployment benefits due to separation of employment from the City.
7. There will be no maximum number of employees who may apply for and receive this VEBA retirement incentive program in accordance with this MOA 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 for a retirement between January 1, 2012 and June 1, 2012 is no later than 5:00 pm, December 15th 2011, unless otherwise agreed to by the parties. Thereafter, the deadline to apply for this retirement incentive program is no later than 5:00pm, December 1st of the current year, unless otherwise agreed to by the parties.
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.

For Tacoma Police Union Local # 6


 Terry Krause
 President, Local 6

11/21/2011
 Date

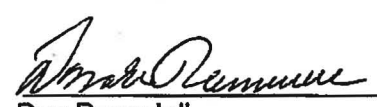

 Christopher Tracy
 Vice-President, Local 6

11/21/11
 Date

For the City of Tacoma


 Joy M. St. Germain,
 Human Resources Director

11-29-2011
 Date


 Don Ramsdell
 Police Chief

11/29/2011
 Date


 Rey Arellano
 Interim City Manager

11/29/11
 Date

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