



**To:** Elizabeth Pauli, City Manager

**From:** Katie Johnston, Budget Officer

**Date:** December 12, 2021

**Subject:** **Fiscal Impact of Local 6 Police I.U.P.A 2021-2023 Collective Bargaining Agreement**

**Overview**

The following provides an estimated fiscal impact of an agreement between the City of Tacoma and the Tacoma Police Local 6 I.U.P.A. for the terms of the 2021-2023 Collective Bargaining Agreement.

**Financial Impact**

- Retroactive to January 1, 2021, wages shall be increased by six and one-tenth percent (6.1%).
- Effective January 1, 2022, wages shall be increased by seven and one-tenth percent (7.1%)
- Effective January 1, 2023, wages shall be increased by 100% of CPI-W; Minimum of one percent (1.0%); Maximum of five percent (5.0%).

Fund/Department	2021 Budgeted FTE	2021 Proposed Incremental Expense	2022 Proposed Incremental Expense	2023 Proposed Incremental Expense
General Fund	313	\$3,781,400	\$6,666,800	\$8,833,900
Other General Government Funds	9	108,200	190,300	252,100
<b>Total</b>	<b>322</b>	<b>\$3,889,600</b>	<b>\$6,857,100</b>	<b>\$9,086,000</b>

The Local 6 proposal would contractually increase Local 26 and PPSMA Wages:

Fund/Department	2021 Budgeted FTE	2021 Proposed Incremental Expense	2022 Proposed Incremental Expense	2023 Proposed Incremental Expense
General Fund	25	\$481,600	\$844,800	\$1,119,500
Other General Government Funds	4	93,000	162,900	215,800
<b>Total</b>	<b>29</b>	<b>\$574,600</b>	<b>\$1,007,700</b>	<b>\$1,335,300</b>

**Voluntary Employee Beneficiary Association (VEBA)**

Effective January 1, 2022, or the first of the month following the ratification date of the Agreement, the Union will forego one percent (1.0%) of the bargaining units' salary from three-quarters of one percent (.75%).

*This increase in forgone wages will save approximately \$120,000 per year.*



### **Deferred Compensation**

On the first pay period following the ratification date of the Agreement, or as soon as practicable, the City will match an employee's deferred compensation contribution to a maximum City contribution of two hundred and eleven dollars (\$211) from one hundred ninety-two dollars (\$192).

*This increase will cost approximately \$73,400 dollars per year.*

### **Monthly Employee Premium for Insurance Contributions**

Effective January 1, 2022, employee health care premium share will increase to fifty dollars (\$50) per month for individual coverage and one hundred dollars (\$100) per month for family coverage from forty dollars (\$40) and eighty dollars (\$80) respectively.

*This is expected to result in \$4,000 in additional annual revenue to the health care trust fund that will be used to offset growing health care costs.*

### **Funding for 2021-2023**

The incremental increases are partially budgeted in the Adopted 2021-2022 Budget and will be incorporated into the 2023-2024 Proposed Biennial Budget. The department will be responsible for adhering to their overall level of appropriation.

CC:

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



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**To:** Elizabeth Pauli, City Manager  
**From:** Katie Johnston, Budget Officer  
**Date:** December 12, 2021  
**Subject:** **Fiscal Impact of Tacoma Police Management Association, Local 26 2022-2024 Collective Bargaining Agreement**

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**Overview**

The following provides an estimated fiscal impact of an agreement between the City of Tacoma and the Tacoma Police Local 26 for the terms of the 2022-2024 Collective Bargaining Agreement.

**Financial Impact:**

**Deferred Compensation**

Effective January 1, 2022, The City will, with or without employee match, contribute two hundred and thirty-eight dollars (\$238.00) per pay period, into the deferred compensation program offered by the City. Previously, The City matched up to two hundred seventeen dollars (\$217.00) per pay period.

*This increase will cost approximately \$10,500 per year.*

**Voluntary Employee Beneficiary Association (VEBA)**

Effective the month following the effective date of the Agreement, the employer will increase its contribution of one hundred and twenty-five dollars (\$125) per month to two hundred and fifty dollars (\$250) per month.

*This increase will cost approximately \$28,500 per year.*

**Funding for 2022-2024**

The incremental increases are partially budgeted in the Adopted 2021-2022 Budget and will be incorporated into the 2023-2024 Proposed Biennial Budget. The department will be responsible for adhering to their overall level of appropriation.

**CC:**

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