City of Tacoma

Memorandum

To: Hyun Kim, City Manager

From: Teresa Green, Assistant Finance Director/Budget Officer

Subject: Fiscal Impact – Local 31 Tacoma Fire 2026-2028 CBA (TA)

Date: June 10, 2026

OVERVIEW

A Tentative Agreement has been reached between the City of Tacoma and the Local 31 Tacoma Fire bargaining unit for a successor Collective Bargaining Agreement (CBA) effective January 1, 2026, to December 31, 2028.

WAGES

Effective and retroactive to January 1, 2026, all bargaining unit employees shall receive a General Wage Increase adjustment of three percent (3%).

Effective January 1, 2027, all bargaining unit employees shall receive a General Wage Increase equal to 100% of the Seattle-Tacoma Bellevue CPI-W, with a minimum increase of 2% and a maximum increase of 4%

Effective January 1, 2028, all bargaining unit employees shall receive a General Wage Increase equal to 100% of the Seattle-Tacoma Bellevue CPI-W, with a minimum increase of 2% and a maximum increase of 4%

Wage Increase Fiscal Impact

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	315	$1,394,000	$3,343,000	$5,335,000	**$10,072,00**
All Other General Government	129	$576,000	$1,368,000	$2,190,000	**$4,134,000**
Total	**444**	**$1,970,000**	**$4,711,000**	**$7,525,000**	**$14,206,00**

DEFERRED COMPENSATION

Effective January 1, 2027, the City's maximum match of an employee's contribution to the deferred compensation program offered by the City will increase from $230 to $250 per pay period.

Effective July 1, 2027, the City's pre-tax deferred compensation match will be based upon any combination of employee pre-tax and/or after-tax (Roth) contributions.

Deferred Compensation Fiscal Impact

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	315	$0	$164,000	$164,000	$328,000
All Other General Government	129	$0	$67,000	$67,000	$134,000
Total	**444**	**$0**	**$231,000**	**$231,000**	**$462,000**

ADVANCED CANCER SCREENINGS

Beginning January 1, 2027, eligible employees will receive reimbursement up to $600 per calendar year for advanced cancer screening procedures not covered by the City's standard medical plan. Eligibility is limited to employees aged 40 or older with 10 or more years of uniformed service with Tacoma Fire Department, and who are covered by the City's medical plan(s).

Advanced Cancer Screenings Fiscal Impact

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	126	$0	$76,000	$76,000	$152,000
All Other General Government	33	$0	$20,000	$20,000	$40,000
Total	**159**	**$0**	**$96,000**	**$96,000**	**$192,000**

SHIFT CHANGE

Tacoma Fire Communications staff not assigned to day shift will move to a 42-hour work week (2,184 hours/year; 91 days/year).

- No debit days; no Kelly days.
- Allow access to 24-for-16 for leave use
- Holidays will be converted to 6.5 shifts off
- Hourly rates of pay will be adjusted to maintain status quo for annual salary (plus any applicable general wage increases)
- This change will become effective on a future date mutually agreed upon by the union and TFD administration, anticipated to be January 1, 2027.

Shift Change Fiscal Impact

This reflects the estimated increase in overtime due to the reduced regular hours.

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	11	$0	$133,000	$133,000	$266,000
All Other General Government	12	$0	$144,000	$144,000	$288,000
Total	**23**	**$0**	**$277,000**	**$277,000**	**$554,000**

CLOTHING ALLOWANCE

Upon City Council approval of the agreement, Tacoma Fire Department will discontinue providing clothing allowance to Prevention staff who are also provided with a uniform.

Clothing Allowance Fiscal Impact

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	10	($10,000)	($15,000)	($15,000)	($40,000)
Total	**10**	**($10,000)**	**($15,000)**	**($15,000)**	**($40,000)**

APPLICATION OF RATE

Retroactive to January 1, 2026, Fire Lieutenants and Deputy Fire Marshals assigned as Fire Investigators will receive an applied rate of 2.5% of base pay.

Application of Rate Fiscal Impact

Fiscal Impact Area	FTE	2026 Incremental Expense	2027 Incremental Expense	2028 Incremental Expense	Total Incremental Expense
General Fund	5	$22,000	$22,000	$22,000	$66,000
Total	**5**	**$22,000**	**$22,000**	**$22,000**	**$66,000**

FUNDING

The incremental increases are partially included in the Adopted 2025-2026 Budget and will be incorporated into the 2027-2028 Proposed Biennial Budget. The department will be responsible for adhering to their overall level of appropriation.

Cc: Tammy Liddle Lobban, Financial Services Manager
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