

LOCAL 29/SAFO SALARY SAVINGS PLAN

TENTATIVE AGREEMENT – AUGUST 28, 2009

The City of Spokane, Local 29, and SAFO agree to offer a voluntary retirement incentive to eligible Local 29 and SAFO members, under the following terms:

A. Eligibility and Payment Terms

	Minimum Age	Age + Years of Service	Monthly Payment	Duration
LEOFF I	53	78	\$300	5 years (60 months)
LEOFF II	53	78	\$500	8 years (96 months)
Dispatch	53	64*	\$500	8 years (96 months)

* The "Age + Years of Service" requirement for Civilian Dispatchers covered by the Local 29 collective bargaining agreement will increase by one in 2011 and by one in every second year thereafter, until the total reaches 78 (2011 - 65, 2013 - 66, 2015 - 67 . . .).

The monthly payment will be made into the retiree's VEBA account, if allowed by law and workable for the City's VEBA administrator. If the VEBA payment is not possible, then the monthly payments will be made into an HRA account. The HRA will be an inheritable asset, if allowed by law.

B. Limits and Deadlines

	2009	2010	2011 and every year thereafter**
Number eligible	20	10	10
Deadline to apply for the incentive	Sept. 30, 2009	Oct. 30, 2009	Dec. 31 of the prior year
Deadline to retire	Dec. 31, 2009	March 31, 2010	Between January 1 and June 30

** Subject to renegotiation in future contract negotiations.

Employees must complete and turn in the attached application form by the above deadlines in order to be eligible for the incentive. Applicants must meet retirement eligibility requirements under their respective pension plans (i.e. LEOFF I, LEOFF II, SERS).

If the City receives applications from more than 20 employees for the 2009 incentive and more than 10 employees for subsequent year incentives, the incentive will be given to the eligible employees

highest on the seniority list. If an employee does not receive the benefit based on seniority, that employee may be eligible for the incentive in future years.

C. Disqualifications

The intent of this program is for service retirements only. Employees who are receiving L&I, long term disability through Local 29, LEOFF I disability, or are on medical layoff/retirement are disqualified from the incentive. If at any time during the incentive payment term, the recipient of the incentive begins receiving L&I, long term disability through Local 29, or LEOFF I disability, incentive payments under this program will cease.

Employees who have already applied and been approved for the City's Voluntary Retirement Incentive Program (VRIP) are disqualified from the incentive. Under no circumstance can an employee receive benefits from both the VRIP and the incentive program outlined by this Tentative Agreement.

If an employee applies for the incentive but does not retire by the established deadline, the employee will not be eligible for the incentive in that year or any future year. If an employee is approved for the benefit but does not retire, then the next eligible applicant on the seniority list will receive the incentive.

D. COLA

The agreed monthly payment amounts will not be subject to any cost of living adjustment.

E. 301 Minimum Staffing

The existing 301 minimum staffing requirement is eliminated upon City Council approval of the incentive program. Local 29 specifically waives any claim against the City related to this minimum staffing requirement.

F. Budget Savings

1. Local 29 and SAFO will receive credit toward their 2010 budget "bills" for savings achieved through this plan.
2. The final credit amount will be determined as soon as possible after October 31, 2009, when it is known who has opted to take the benefit and retire.
3. If at least 20 employees apply for the 2009 incentive and at least 10 apply for the 2010 incentive, it is expected that the savings will be at least \$700,000. This is based on all of the above terms, plus a 25% credit for anticipated reduced sick and vacation leaves.
4. If (based on the actual credit determination made after October 31, 2009) the actual savings are less than these anticipated savings, the City will meet with Local 29 and SAFO in an attempt to achieve equivalent savings through other means to balance

the 2010 budget without layoffs. If no equivalent savings are agreed to, the City may exercise its right to lay off Local 29 or SAFO members to meet the remaining budgetary shortfall.

G. Permissive Negotiations

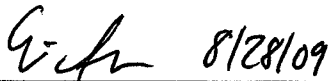
The parties agree that this retirement incentive is a permissive subject of bargaining that may not drive any future negotiations to impasse. The City has agreed to modify the current collective bargaining agreements to offer this incentive. The City reserves the right in future contract negotiations to renegotiate the incentive program.


If at any point the incentive is modified or discontinued, employees who have already been approved to receive the incentive will continue to receive payments under the terms that were in place at the time that they were approved for the incentive.

H. City Council Approval

This tentative agreement is contingent on approval by the City Council. Applications and information regarding the incentive may be distributed to Local 29 and SAFO members immediately to allow them adequate time to consider this voluntary incentive. A final agreement will not be entered, and no retirement incentives will be approved by the City, until after the City Council approves the incentive plan.


For the City:


Erin A. Jacobson, Asst. City Attorney



David Chandler, HR Director


Tim Dunivant, Budget Director

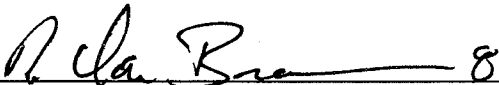
For Local 29:


Greg Borg, President


Mark Vietzke, Vice President


Michael Bacon, Secretary-Treasurer

For SAFO:

 8-28-09
R. Dan Brown, President



APPLICATION FOR LOCAL 29/SAFO VOLUNTARY RETIREMENT INCENTIVE

NAME: _____ POSITION: _____
PLEASE PRINT

DATE OF APPLICATION: _____

EXPECTED DATE OF RETIREMENT: _____

NOTE: *By applying for this program, you are certifying that you have read and that you understand the following rules and eligibility requirements under which the incentive is provided and that you are committing to accept the incentive and retire from the City if your application is approved.*

RULES AND ELIGIBILITY REQUIREMENTS:

1. This is a voluntary incentive offered to eligible LEOFF I, LEOFF II, and Civilian Dispatch employees in the Spokane Fire Department. Employees must meet all eligibility requirements to be approved for the retirement incentive, and the City retains the ability to make final eligibility decisions.
2. To be eligible for the program, employees must be at least 53 years of age. In addition, LEOFF I and LEOFF II employees must have age + years of service totaling at least 78, and Civilian Dispatch employees must have age + years of service totaling at least 64. For Civilian Dispatchers, the age + years of service minimum will increase after 2010, as agreed to by Local 29 and SAFO.
3. This voluntary retirement incentive does not include a direct cash payment. Instead, it consists of a monthly payment made into approved retirees' VEBA accounts (or HRA accounts, as determined by law) as follows: LEOFF I employees receive \$300/month for 5 years; LEOFF II and Civilian Dispatch employees receive \$500/month for 8 years. These payments will be subject to all rules and laws applicable to the retirees' VEBA accounts.
4. Employees must submit a timely application to be eligible for a retirement incentive. Each application will be reviewed by the Fire Chief and the Human Resources Director to confirm that all eligibility criteria are met.
5. An employee applying for the voluntary retirement incentive must be eligible to retire under the applicable SERS or LEOFF plans and must not have already filed for retirement prior to the announcement of the incentive. Employees who have already applied and been approved for the City's Voluntary Retirement Incentive Program (VRIP) are disqualified from this incentive.
6. The intent of this program is for service retirements only. Employees who are receiving L&I, long term disability through Local 29, LEOFF I disability, or are on medical layoff/retirement are disqualified from receiving the incentive. If at any time during the incentive payment term a recipient of the incentive begins receiving L&I, long term disability through Local 29, or LEOFF I disability, incentive payments under this program will cease.
7. This incentive program will be subject to the City Council's approval. If employees submit applications for the incentive and the City Council does not approve the program, those employees who applied will not receive the retirement incentive but will not be required to retire.
8. 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.
9. Employees approved for the retirement incentive agree not to file for unemployment benefits due to separation of employment from the City.

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Tentative Agreement
August 28, 2009

10. The incentives for 2009 retirees are limited to the 20 eligible applicants who are highest on the seniority list. To be eligible for the 2009 incentive, employees must submit their applications so they are **received** in Human Resources no later than **5:00 pm on Wednesday, September 30, 2009**. Employees who are approved for the 2009 incentive must be separated from the City no later than December 31, 2009, and must sign a contract agreeing to the rules of the retirement incentive.
11. The incentives for 2010 retirees are limited to the 10 eligible applicants who are highest on the seniority list. To be eligible for the 2010 incentive, employees must submit their applications so they are **received** in Human Resources no later than **5:00 pm on Friday, October 30, 2009**. Employees who are approved for the 2010 incentive must be separated from the City no later than March 31, 2010, and must sign a contract agreeing to the rules of the retirement incentive.
12. If an employee applies for the incentive but does not retire by the established deadline, the employee will not be eligible for the incentive in any future year.

I hereby certify that I have read, understand, and agree to the above rules and eligibility requirements.

Applicant Signature _____

**WHEN COMPLETED FORWARD THIS FORM TO HUMAN RESOURCES
Fourth Floor, City Hall
For information, call (509) 625-6363**

Applications for 2009 retirees must be received in HR by September 30, 2009

Applications for 2010 retirees must be received in HR by October 30, 2009.

**** FOR OFFICE USE ONLY ****

MEETS ELIGIBILITY CRITERIA:

Fire Chief Review: YES ☐ NO ☐ **Signature:** _____

Human Resources Review: YES ☐ NO ☐ **Signature:** _____

Eligibility Amount: \$ _____