MEMORANDUM OF UNDERSTANDING
Between
City Of Bellingham
and
Fraternal Order of Police, WA North Cascades Lodge #18

Administrative Update to Contract Language

I. PURPOSE: This Memorandum of Understanding sets forth the guidelines of an agreement concerning an update to existing contract language.

II. NO PRECEDENT: This agreement is established in response to unique circumstances presently existing in the Bellingham Police Department. This agreement is not intended to set precedent for like circumstances in the future.

III. SCOPE: This agreement covers members of the Fraternal Order of Police, WA North Cascades Lodge #18.

IV. AGREEMENT:

WHEREAS, the City of Bellingham and FOP have agreed that with regard to the major economic items of wages, deferred compensation, education incentive and longevity, the mutual expectation of the parties is that the Lieutenants will generally receive the same changes as received by the members of the rank-and-file-unit, as outlined in Article 9.5 of the collective bargaining agreement between the parties;

WHEREAS, the City of Bellingham entered into an agreement with the Bellingham Police Guild to increase the City’s deferred compensation matching contribution and education incentive amounts;

NOW, THEREFORE, the parties agree that:

- The following Articles shall be modified as indicated in red below and will be incorporated into the successor collective bargaining agreement.

9.2 Longevity Pay

A. Any employee who has, as of the calendar year in question, completed the following lengths of Police Department service as a regularly commissioned officer with the City shall receive the following longevity pay:
Effective February 1, 2024

<table>
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<th>YEARS OF SERVICE</th>
<th>Longevity Rate</th>
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<tbody>
<tr>
<td>10 or more years of service</td>
<td>2.54%</td>
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<td>15 or more years of service</td>
<td>34.5%</td>
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<td>Plus 5.75%* in lieu of City match to deferred compensation = 40.25%</td>
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<td>20 or more years of service</td>
<td>7.5%</td>
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<td>Plus 5.75%* in lieu of City match to deferred compensation = 13.25%</td>
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<td>25 or more years of service</td>
<td>8.5%</td>
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<td>Plus 5.75%* in lieu of City match to deferred compensation = 14.25%</td>
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* 5.75% increase in Longevity is in consideration for eliminating a deferred compensation employer match for FOP employees with 15 or more years seniority.

B. As employees qualify for each longevity level, such additional longevity pay shall be granted in the calendar month following qualification. The amount listed at each service level is the total longevity pay and shall not be cumulative.

9.3 Education Incentive
Employees who have received educational credits from an accredited institution will be eligible for an educational incentive added to the employee's base salary, as set forth below.

Effective January 1, 2024:

BA/BS Degree: 5.50%

Associate's Degree or 90 quarter credits or 60 semester college credits: 2.50%

It is the employee's responsibility to have their diploma or transcripts provided from an accredited institution to the Deputy Chief of Operations in order to be eligible for the Incentive. The Education Incentive shall be added to the monthly rate of pay of the employee's current classification.

10.4 Deferred Compensation

Effective February 1, 2024, The City shall match contributions made to the City's voluntary 457 deferred compensation program of five and three quarters (5.75%) percent of the employee's salary for employees with fewer than 15 years of service. The City's matching contribution shall match up to the applicable percentage of the employee's Appendix A salary. The City shall establish those procedures and forms necessary to efficiently implement and maintain this program and reasonable restrictions upon an employee's ability to change their contribution level during a calendar year.

Employer and employee contributions to a 457 deferred compensation plan will be made only to the ICMA plan, except that employees with 15 or more years of service not receiving an employer match may continue to contribute to other plans.
• The parties agree to abide by the provisions of this agreement effective immediately upon execution.

DATED this 12th day of February, 2024 for Fraternal Order of Police:

[Signature]
President

DATED this 28th day of February, 2024 for the CITY OF BELLINGHAM:

[Signature]
Mayor

ATTEST:

[Signature]
Finance Director

[Signature]
Human Resources Director

[Signature]
Chief of Police

APPROVED AS TO FORM:

[Signature]
Office of the City Attorney