



COMPENSATION PHILOSOPHY

The Tacoma City Council is committed to a results-oriented government that provides efficient and accountable government services.

To attract and retain the employees with the competencies, skills, knowledge, and dedication we need to meet our high performance standards, the City of Tacoma (the City) strives to be an employer of choice in the Puget Sound region. For our community that means our goal is to be a well-managed municipal government that provides exceptional services to our residents. For our employees that means we are committed to:

- Providing opportunities for our employees to grow and develop their skills, knowledge, and ultimately their careers.
- Ensuring individual accountability for performance and results.
- Communicating openly with our employees about our business/mission, our successes and our failures, and opportunities for us to do things better.
- Providing a competitive total compensation package.

The total compensation program at the City is designed to assist us in creating and supporting a high-performance, responsive and competitive organization. The total compensation program is made up of salary/wages and benefits.

MARKET DEFINITION

We regularly assess our market to ensure that our salary ranges remain competitive.

Given the diversity and complexity of the duties and responsibilities for positions filled by the City of Tacoma, the “market” for any individual position or classification will be varied. For some positions, the market will be exclusively public sector governments. For other positions, the market will be a mix of public sector and private sector employers. In markets such as Click!

and Tacoma Rail, the market may be exclusively private sector. The market will be defined in a manner that reflects the primary industries where labor talent is found, recruited from and/or lost to.

Once the market is generally identified, then certain criteria come into play when considering the potential pool of market data. Those criteria will include:

- Certain positions are recruited from and hired, or lost to local area employers (of public, private or both sectors) so data from organizations within that geography are most relevant.
- Certain positions are recruited from and hired, or lost to regional or national employers (of public, private, or both sectors). Thus survey data for these positions might be obtained from a regional or even national geography, based on past experience and historical data.
- National data will only be used (adjusted for Tacoma regional cost of labor), if there are insufficient local or regional survey data available to make reliable market analysis, or the national market is the appropriate market for comparison.
- All data should be appropriately scaled and adjusted to reflect geographic differences in the cost of labor; this is intended to insure that the survey data reflects comparable information.
- Finally, at certain job levels, the complexity created by organizational size and purpose is directly related to the scope of responsibility of the position and consequently, its pay.

COMPETITIVENESS

The City of Tacoma's total compensation philosophy is to provide pay and benefits sufficient to attract and retain qualified and skilled employees necessary to accomplish the City's strategic plans, and to maintain the City's fiscal responsibility. To accomplish this, the City will:

- ~~Target pay for each classification at the 60th percentile of the market.~~

- Recognize ~~that there are conditions where exceptions may be necessary, in~~ situations such as:
 - ✓ Difficulty in recruiting the desired level of talent in certain jobs;
 - ✓ Retention issues, including succession and turnover;
 - ✓ Significant changes in the economy, marketplace, or budget;
 - ✓ Internal anomalies in alignment, disparities or inconsistencies.
- Recognize that a City Council approved non-represented pay-for-performance program may provide differing pay levels for individual employees in a classification that are is based on their respective performance. ~~higher or lower than the market target described above.~~

BENEFITS

We target our benefits, in total, to be competitive in attracting and retaining our employees. We recognize that other less tangible elements, such as the mission of the departments in serving the citizens of Tacoma, are valuable to our employees. Each element plays a role in our pay strategy.

PAY ADMINISTRATION

The City's policies around pay administration (for both classified and non-classified employees) are intended to ensure fair and consistent decisions surrounding employee pay, to provide hiring managers with enough flexibility to be able to recruit and retain our talented employees, to emphasize performance, and to increase accountability for all employees.

Our goal is to attract, retain and motivate committed, hard-working, creative and thoughtful employees who support our mission to meet and exceed the expectations of our community, not only in service delivery but in building a better place for all of us to live and work.