



To: Joy St. Germain, Human Resources Director

From: *mt* Tadd Wille, Budget Director

Date: 7/1/2016

Subject: Fiscal Impact of Management Fellow Wage Increase for 2016 and Creation of the LEOFF 1 Pension Specialist and Customer Service Training Analyst Classifications.

Overview

The following provides a financial analysis for wage increases for the Management Fellow classification (46070) effective 12/1/2016, and the creation of the LEOFF 1 Pension Specialist (0553) and Customer Service Training Analyst (0554) classifications, effective 8/1/2016.

Financial Impact

Effective 12/1/2016 wage rates for the Management Fellow classification will increase due to new Department of Labor Fair Labor Standards Act regulations regarding overtime exempt employees. To maintain their exempt status, Human Resources has determined that the classification’s wage needs to increase by approximately 19.4%.

The creation of the LEOFF 1 Pension Specialist and Customer Service Training Analyst will more closely align the incumbents with their specific body of work and will result in a 0.9% wage increase.

Fund/Department	FTE	2016 Incremental Expense	2017-2018 Est. Incremental Expense
General Fund	1.0	\$868	\$20,820
Other General Government Funds	1.0	\$299	\$1,480
Tacoma Public Utilities	2.0	\$702	\$3,474

Funding for 2016-2018

The total cost of the increase is not included in the 2015-2016 biennial budget but will be factored into the 2017-2018 biennial budget.