



TO: Elizabeth Pauli, City Manager
FROM: Kari Louie, Assistant Human Resources Director
Karen Short, Senior Human Resources Analyst
Shelby Fritz, Human Resources Director
COPY: City Council and City Clerk
SUBJECT: Pay & Compensation Ordinance – July 19, 2022
DATE: July 12, 2022

SUMMARY AND PURPOSE:

An ordinance authorizing an amendment to the Tacoma Municipal Code (TMC), relating to Chapter 1.12, Section 1.12.110.H to expand tools available to the City Manager and Director of Utilities for the effective recruitment and retention of key unrepresented employees.

BACKGROUND:

The City of Tacoma, like many employers, is being impacted by a tight labor market and is competing for talent from both a recruitment and retention standpoint. The labor market has been influenced by the special circumstances of our current economy and post COVID-19 emergency. Difficulty is being experienced in both General Government and Tacoma Public Utilities departments.

The proposed ordinance would provide additional compensation authorization to the City Manager and/or Director of Utilities, through the end of 2023, to facilitate the successful recruitment and retention of key unrepresented employees. The change would allow the City Manager and/or Director of Utilities, to each authorize the payment of up to an annual total of \$200,000 in additional compensation, benefits, or both to secure or retain key qualified personnel possessing specialized technical or professional skills in an unrepresented position. Payments are limited to a maximum of \$15,000 per employee, per year; provided that payment can be lawfully be made from funds appropriated in the current biennial budget of the employing department. The current limit is an amount up to \$100,000 annually, and a report is provided to the City Council in December of each year, showing the recipients of such compensation and benefits provided. The increased maximum allowed amount with this change will be reviewed the last quarter of 2023 to determine if there is a need to renew this provision and otherwise would be set to sunset 12/31/23.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

N/A

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Identify which Tacoma 2025 strategic goals your legislation most relates to, and then identify the [Equity Index Score](#) for those goals in the geography your proposal will affect. Select the indicator(s) this legislation is most related to, then briefly explain how this legislation will impact the selected indicator(s) and/or improve the Equity Index Score. *Use the dropdowns below and refer to guide for more information.*



Economy/Workforce: Equity Index Score: Moderate Opportunity
Increase positive public perception related to the Tacoma economy.

Explain how your legislation will affect the selected indicator(s).

This legislation supports the responsible and sustainable management of City funds.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do not approve the legislation	Limited recruitment/retention options	Inability to effectively recruit and retain for key positions

EVALUATION AND FOLLOW UP:

N/A

STAFF/SPONSOR RECOMMENDATION:

N/A

FISCAL IMPACT:

Department Directors will be responsible for adhering to their overall levels of appropriation.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
General Government Funds	Various funds	5110400	\$100,000
Tacoma Public Utilities Funds	Various Funds	5110400	\$100,000
TOTAL			\$200,000

What Funding is being used to support the expense?

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

No

Are there financial costs or other impacts of not implementing the legislation?

Yes

Will the legislation have an ongoing/recurring fiscal impact?

YES

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS: