



TO: Elizabeth Pauli, City Manager
FROM: Karen Short, Senior Human Resources Analyst
 Kari Louie, Assistant Human Resources Director
 Shelby Fritz, Human Resources Director
COPY: City Council and City Clerk
SUBJECT: Pay & Compensation Ordinance – August 15, 2023
DATE: August 9, 2023

SUMMARY AND PURPOSE:

An ordinance amending the Tacoma Municipal Code (TMC) Compensation Plan, Chapter 1.12, to implement changes in rates of pay and compensation for nonrepresented classifications to reflect the organizational structure.

BACKGROUND:

Substitute Ordinance 28862, passed December 13, 2022, provided for the implementation of a new compensation structure for nonrepresented employees that was implemented effective January 2, 2023. The ordinance modernized the current classification system for nonrepresented employees, and compares the City’s compensation to the prevailing market, which includes both public and private sector.

As part of the implementation process, the City provided for an appeal process for employees who did not agree with their new classification in the new compensation structure. As a result of the appeal review process, the City has determined a need to make refinements to the compensation structure. The ordinance changes include an increase to the pay range for 4 classifications of 7.5 percent; a decrease in the pay range for one classification of 7 percent; the creation of 9 new non-represented classifications, the deletion of 14 classifications that are no longer needed, and a title change for two classifications.

The ordinance will also provide authority for the HR Director to approve additional step increases to address compression issues and/or to address specific tenure-based inequities; clarify that the steps for the classifications of City Manager and Director of Utilities are not automatic, with progression through the steps based on annual reviews and approval from the appropriate hiring authority; and changes the classification codes that begin with the letter “O” to avoid possible data entry errors.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

2025 STRATEGIC PRIORITIES:

Economy/Workforce: Moderate Opportunity

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)
Do not approve the legislation	N/A	unknown



City of Tacoma

City Council Action Memorandum

EVALUATION AND FOLLOW UP:

STAFF/SPONSOR RECOMMENDATION:

An ordinance is necessary to provide for classification changes and changes to rates of pay and compensation for represented and nonrepresented employees.

FISCAL IMPACT: Fiscal impact information will be provided by the Budget Office. Department Directors will be responsible for adhering to their overall levels of appropriation.