



**To:** Elizabeth Pauli, City Manager

**From:** Katie Johnston, Budget Officer

**Date:** November 3, 2021

**Subject:** **Fiscal Impact of Joint Labor Juneteenth Holiday LOA (TA)**

**Overview**

The following provides an estimate fiscal impact of the Tentative Agreement between the City of Tacoma and the Tacoma Joint Labor Committee to add June 19th “Juneteenth” as a paid holiday for City employees beginning in calendar year 2022.

**Financial Impact**

The majority of the financial impact is in lost productivity of employees who receive compensation but do not work on the Holiday. In addition to lost productivity, the City also has service continuity costs, which are regular wages to employees working on the observed holiday. Other cost drivers are the incremental costs of holiday premiums and overtime to backfill continuity staff who take the day off. The amounts below are an estimate of the cost of a paid holiday in 2022 for employees in the following bargaining units:

- |                                     |  |
|-------------------------------------|--|
| Local 17                            | Local 313                                  |
| Local 17 TPD non-uniformed managers | Local 483 Clerical                         |
| Local 31                            | Local 483 Court clerks                     |
| Local 117 General unit              | Local 483 Custodial & building maintenance |
| Local 117 TVE                       | Local 483 Customer & field services        |
| Local 120 General unit              | Local 483 Human resources                  |
| District 160 General unit           | Local 483 Power                            |
| District 160 Wastewater supervisors | Local 483 Supervisors                      |
| District 160 Locomotive mechanics   | Local 483 Water                            |
| District 160 Track workers          | Local 483 Water Pollution                  |
| District 160 Yard Clerks            |  |

*Continued on next page.*



Fund/Department	2022 Budgeted FTE	Lost Productivity Costs	Service Continuity Costs	Incremental Costs	Total
General Fund	420	\$26,000	\$77,000	\$10,000	<b>\$113,000</b>
General Fund Supported	112	41,000	6,000	2,000	<b>49,000</b>
Environmental Services	410	126,000	37,000	17,000	<b>180,000</b>
All Other General Government	482	105,000	25,000	6,000	<b>136,000</b>
Tacoma Public Utilities	859	299,000	40,000	17,000	<b>356,000</b>
<b>Total</b>	<b>2283</b>	<b>\$597,000</b>	<b>\$185,000</b>	<b>\$52,000</b>	<b>\$834,000</b>

**Funding for 2022**

Employee regular wages and benefits captured in lost productivity and service continuity costs are included in the 2021-2022 Biennial Budget. The incremental costs of offering the paid holiday are not budgeted. Departments will be responsible for adhering to their overall level of appropriation.

CC:

- Dylan Carlson, Lead Labor Negotiator
- Karen Short, Senior Human Resource Analyst
- Jen Watts, Labor Relations Analyst
- Jim Sant, Tacoma Public Utilities Deputy Director
- Hayley Falk, Lead Management Analyst
- Tammy Liddle Lobban, Management Analyst