



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 – December 6, 2022
DATE: November 17, 2022

SUMMARY AND PURPOSE:

An ordinance amending the Tacoma Municipal Code (TMC) Compensation Plan, Chapter 1.12, to implement rates of pay and compensation for certain represented employees; and to provide for the implementation of a new classification structure and rates of pay and compensation plan changes for nonrepresented and nonrepresented executive employees, and changes in classifications to reflect the organizational structure based on recommendations included in the classification and compensation study.

BACKGROUND:

The ordinance will provide for wage increases as negotiated for represented classifications contained within the collective bargaining agreements, and other related documents, as provided below:

1. International Brotherhood of Electrical Workers, Local 483, Clerical Unit
2. International Brotherhood of Electrical Workers, Local 483, Court Clerks Unit
3. Tacoma Police Union, Local 6, I.U.P.A.
4. Tacoma Police Management Association, Local 26
5. Professional Public Safety Managers Association (Police titles only)

In 2018, the City of Tacoma, Human Resources Department conducted an RFP for a classification and compensation study for nonrepresented classifications. The study commenced in March 2019 and was paused twice due the COVID-19 pandemic and for further review and analysis. The study results modernize the current classification system and compares the City’s compensation to the prevailing market, which include both public and private sector.

The ordinance will provide for the creation of a new compensation structure for nonrepresented and nonrepresented executive classifications (including the City Manager and Utilities Director positions) effective January 2, 2023, and other compensation plan changes as recommended by the classification and compensation study, consistent with the City’s Compensation Philosophy, adopted by Resolution 40526, on December 17, 2019. Compensation Plan changes applicable to nonrepresented and nonrepresented executive classifications only include: adding Human Resources Director approval of original appointment salary placements higher than the minimum rate of pay; eliminating quarter step increments in the salary table, effective January 2, 2023; changing the time for consideration of a first step increase from six months to twelve months, and twelve months for all steps thereafter, applicable to employees hired or promoted January 1, 2023 or later; making all nonrepresented classifications (except City Manager and Utilities Director) eligible for automatic step increases; authorizing a one-time, lump-sum payment for eligible employees who may receive less than a 5 percent increase in pay as of January 2, 2023; and authorizing annual lump sum payments for employees whose pay is over the range maximum and have had their pay frozen. Additionally, minor housekeeping changes related to titles and gender-neutral language are recommended. The ordinance may include additional changes not outlined in this request.

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

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 is provided by the Budget Office. Department Directors will be responsible for adhering to their overall levels of appropriation.