



To: Hyun Kim, City Manager

From: Andy Cherullo, Finance Director

Date: November 13, 2025

Subject: Fiscal Impact – Year-End Ordinance for L6, L26, PPSMA, L483 Power, NR

Overview

This is a fiscal impact requested by the Human Resources Department for the pay and compensation changes that will be included in a year-end ordinance to update Local 6, Local 26, Professional Public Safety Management Association (PPSMA), Local 483 Power, and non-represented classifications.

Local 6

Effective January 1, 2026, Local 6 bargaining unit employees shall receive wage increases of one hundred percent (100%) of the June-to-June Consumer Price index for Urban Wage Earners and Clerical Workers (CPI-W), Seattle-Tacoma-Bellevue area, with a minimum of one percent (1%) and up to a maximum of five percent (5%). Accordingly, effective January 1, 2026, a four and fifty-two hundredth percent (4.52%) increase to the base wage rate of the employees will be applied.

Fiscal Area	FTE	2026 Incremental Cost	Total Cost
General Fund	315.00	\$2,330,000	\$2,330,000
General Fund Supported	8.00	\$50,000	\$50,000
Total	323.00	\$2,380,000	\$2,380,000

Local 26 and PPSMA

Effective January 1, 2026, Local 26 bargaining unit employees shall receive wage adjustments to maintain the indexing/parity differentials of a minimum 25% index differential between the top step base rate Police Lieutenant and the top step base rate Police Sergeant. PPSMA bargaining unit employees shall receive wage adjustments to maintain the indexing/parity differentials of a minimum 28% index differential between the top step Assistant Police Chief and the top step Police Captain. Accordingly, effective January 1, 2026, a four and fifty-two hundredth percent (4.52%) increase to the base wage rate of the employees will be applied.

Local 26 Fiscal Area	FTE	2026 Incremental Cost	Total Cost
General Fund	20.75	\$227,000	\$227,000
General Fund Supported	0.25	\$3,000	\$3,000
Total	21.00	\$230,000	\$230,000



PPSMA Fiscal Area	FTE	2026 Incremental Cost	Total Cost
General Fund	4.00	\$58,000	\$58,000
Total	4.00	\$58,000	\$58,000

Local 483 Power

Effective April 1, 2026, Local 483 Power bargaining unit employees shall receive wage increases of one hundred percent (100%) of the June-to-June Consumer Price index for Urban Wage Earners and Clerical Workers (CPI-W), Seattle-Tacoma-Bellevue area, with a minimum of three percent (3.0%), and a maximum of six percent (6.0%). Accordingly, effective April 1, 2026, a three percent (3.0%) increase to the base wage rate of the employees will be applied.

Fiscal Area	FTE	2026 Incremental Cost	Total Cost
General Fund	2.40	\$12,000	\$12,000
General Fund Supported	15.50	\$66,000	\$66,000
All Other General Government	13.10	\$54,000	\$54,000
Tacoma Public Utilities	311.84	\$1,644,000	\$1,644,000
Total	342.84	\$1,776,000	\$1,776,000

Non-Represented classifications

Effective January 1, 2026, non-represented employees shall receive wage increases of three percent (3.0%). The general wage increase excludes the non-represented classifications of City Manager and Director of Utilities. The ordinance also excludes the classification of Office Administrator, which has been certified by the Public Employment Relations Commission (PERC) and is pending accretion bargaining.

Fiscal Area	FTE	2026 Incremental Cost	Total Cost
General Fund	106.55	\$463,000	\$463,000
General Fund Supported	52.30	\$243,000	\$243,000
All Other General Government	374.73	\$1,883,000	\$1,883,000
Environmental Services	126.03	\$622,000	\$622,000
Tacoma Public Utilities	631.50	\$3,532,000	\$3,532,000
Total	1,291.10	\$6,743,000	\$6,743,000



Other Changes

Other changes as part of the ordinance include changes to the titles of five non-represented classifications and the addition of four non-represented classifications. These changes will not have a fiscal impact.

Please list those 9 classifications

Funding for 2026

The wage increases noted above are budgeted in the 2025-2026 Adopted Biennial Budget. Departments will be responsible for adhering to their overall level of appropriation.

CC: Dylan Carlson, Labor Relations Division Manager
Karie Louie, Interim Human Resources Director
Karen Short, Senior Human Resources Consultant
Jen Watts, Labor Relations Analyst
Mayra Wheelock, Financial Services Manager
Brian Schwall, Financial Services Analyst