

SUMMARY and FISCAL NOTE*

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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to City employment; authorizing the execution of a memorandum of understanding between The City of Seattle and certain City unions; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This legislation authorizes the Mayor to implement a memorandum of understanding (“MOU”) between the City of Seattle (“City”) and City unions (“unions”) signatory to the agreement, for each union who has ratified the agreement. This legislation affects approximately 4,600 regularly appointed City employees.

This agreement provides for a wage adjustment of 4 percent in 2022.

The agreement provides for other working conditions. Union members shall receive two additional fixed holidays every year starting in 2022: Juneteenth in June and Indigenous Peoples’ Day in October. The parties agreed to a collaborative approach for a market wage study methodology, and a taskforce for analyzing classification/compensation processes. The parties agreed to standardization and expansion of the sick leave transfer program, including cross-departmental leave donations; allowing employees to supplement partial income-replacement benefits received under the paid Washington State Family Medical Leave program with their own paid leave; among other items.

The City Budget Office will forward separate legislation to appropriate funds to cover the compensation items authorized in the MOU.

2. SUMMARY OF FINANCIAL IMPLICATIONS

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Labor Relations developed the estimate below to approximate the costs of ratifying the agreement along with other employee groups (Coalition and Coalition-like unions, and non-represented employees) who received the same increases. Costs for the collective bargaining agreement – which include City contributions to retirement, social security and Medicare – were included in the cost of the 2022 budget.

The aggregate costs of wages for the MOU (as well as non-represented employees, which have historically received the same wage increases) is estimated to grow from \$789 million in 2021 to \$821 million in 2022 (this amount does not include overtime costs).

Is there financial cost or other impacts of *not* implementing the legislation?

Legislation is required to implement bargained changes to union members' working conditions and to implement rates of pay. There may be other implications of not authorizing the legislation.

3. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?** Yes, the agreement being legislated covers represented employees in departments throughout the City.
- b. **Is a public hearing required for this legislation?** No.
- c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No.
- d. **Does this legislation affect a piece of property?** No.
- e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?** N/A
- f. **Climate Change Implications**
 - 1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?** N/A
 - 2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.** N/A
- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).** N/A

List attachments/exhibits below: None.