

SUMMARY and FISCAL NOTE

Department:	Dept. Contact:	CBO Contact:
Seattle Department of Human Resources	Jeff Clark	Candice Foote

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to City employment; authorizing the execution of a collective bargaining agreement between The City of Seattle and the Seattle Fire Chiefs' Association, IAFF, Local 2898, effective from January 1, 2022, through December 31, 2026; and ratifying and confirming certain prior acts.

Summary and Background of the Legislation: This legislation authorizes the Mayor to implement a collective bargaining agreement between The City of Seattle ("City") and the Seattle Fire Chiefs' Association, IAFF, Local 2898 ("Local 2898"). The collective bargaining agreement is a five-year agreement on wages, benefits, hours, and other working conditions for the period from January 1, 2022, through December 31, 2026. This legislation affects 31 regularly appointed City employees.

The collective bargaining agreement provides for base wage increases of 4 percent wage in 2022, 5 percent in 2023, 4 percent wage in 2024, 4 percent in 2025, and 5 percent in 2026. Effective 2022 through 2025, monthly longevity premiums will increase to 8, 11, and 12 percent for 20, 25 and 30 years of service, respectively. Effective in 2026, monthly longevity premiums will increase to 6, 12, and 13 percent for 15, 25, and 30 years of service, respectively. Also effective in 2026, contributions to deferred compensation will increase by 0.4 percent to a maximum of 3 percent of the top step base salary of the Battalion Chief classification.

The City and Local 2898 will continue to share health care costs, with the City contributing 90 percent and employees contributing 10 percent toward health care premiums. The City and Local 2898 also agree to form a committee to review options and the feasibility of moving Local 2898 members into the Local 27 firefighter healthcare trust.

The collective bargaining agreement provides for other working conditions. Employees will be compensated 2 hours of overtime to complete the annual medical physical. Employees who remotely or virtually attend required meetings off-shift will be compensated at 1 ½ times their regular straight time hourly rate for actual time worked, rounded to the next ½ hour. Effective 2026, the uniform allowance will increase by \$100 to \$350. Juneteenth and Indigenous Peoples' Day (and, effective in 2026, Independence Day) will be recognized as paid holidays for employees working an average 40 hour workweek, among other items.

Appropriations for this agreement will be included in the 2025 Year-end Supplemental for current year and retroactive payments associated with this agreement. Funding for 2026 will be included in the 2026 Proposed Budget. An estimate of those appropriations is included in the Summary of Financial Implications.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?

☐ Yes ☒ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City?

☒ Yes ☐ No

Expenditure Change (\$);	2025	2026 est.	2027 est.	2028 est.	2029 est.
General Fund	\$4,730,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000
Expenditure Change (\$);	2025	2026 est.	2027 est.	2028 est.	2029 est.
Other Funds					

2025 represents the difference between the 2025 Adopted Budget and the estimated cost of the retroactive payments for 2022, 2023, 2024, and part of 2025, plus 2025 remaining year needs for contract wage increases and additional holidays. 2026 represents the estimated cost to bring the 2026 Endorsed Budget wages to the 2026 agreement wage level including additional costs related to longevity and deferred compensation contribution changes. The labor contract will reopen in 2027, so estimated costs for this agreement remain flat in 2027 and 2028 pending future negotiations.

Table 1: CBO Costing Summary

	2021	2022	2023	2024	2025	2026	5-Year Total
	(Baseline)	(Year 1)	(Year 2)	(Year 3)	(Year 4)	(Year 5)	\$59,398,945
2021-2024 = payroll actuals, 2025-2026 = 2024 Actuals)	10,398,921	10,335,881	9,639,506	10,648,578	10,648,578	10,648,578	51,921,121
Incremental costs							
2022 - 4%		413,435	385,580	425,943	425,943	425,943	2,076,845
2023 - 5%			501,254	553,726	553,726	553,726	2,162,432
2024 - 4%				465,130	465,130	465,130	1,395,390
2025 - 4%					483,735	483,735	967,470
2026 - 5%						628,856	628,856
Longevity +1% (beginning in 2026)						118,098	118,098
Deferred Comp 0.4 (beginning in 2026)						47,239	47,239
Two additional holidays (beginning in 2022), + 1 holiday 2026		13,491	14,165	14,732	15,321	23,785	81,494
Total incremental costs, General Fund		426,926	901,000	1,459,531	1,943,855	2,746,512	7,477,824
Compounded Need		426,926	1,327,926	2,787,457	4,731,312	7,477,824	

NOTES:

¹ Baseline wages are actuals from CBO for 2021 through 2024, and include all OT, benefits, retirement, deferred compensation contributions, longevity premiums, and taxes paid (~ 33 employees in unit in December, 2021).

² Two additional holidays, along with yearly AWIs beginning in 2022. Third holiday beginning in 2026. Holidays have been calculated at \$6,486/day in 2022 from new department finance input; AWIs added for each year of contract. Labor Relations calculated cost.

³ Proposal to increase deferred compensation benefit from current 2.6% to 3.0% (increase of 0.4%) to employees beginning in 2026. Increase only is shown. Labor Relations calculated cost.

⁴ Proposal to increase monthly longevity benefit for bargaining unit members with 15+ years of service by an additional 1.0% beginning in 2026. Increase only is shown. Labor Relations calculated cost.

3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

No.

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.

N/A

Please describe any financial costs or other impacts of *not* implementing the legislation.

Legislation is required to implement bargained-for wages and changes to union members' working conditions. There may be other implications and legal risks for not authorizing this legislation.

Please describe how this legislation may affect any City departments other than the originating department.

There are financial and operational impacts to the Seattle Fire Department.

4. OTHER IMPLICATIONS

a. Is a public hearing required for this legislation?

No.

b. Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?

No.

c. Does this legislation affect a piece of property?

No.

d. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.

- i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**

This collective bargaining agreement includes enhancements to pay and working conditions for union members, some of whom are BIPOC and women.

ii. **Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

iii. **What is the Language Access Plan for any communications to the public?**
N/A

e. Climate Change Implications

i. **Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

N/A

ii. **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

f. **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)? What mechanisms will be used to measure progress towards meeting those goals?**

N/A

g. **Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

No.

5. ATTACHMENTS

Summary Attachments:

Summary Attachment 1 – Bill Draft Agreement By and Between The City of Seattle and Seattle Fire Chiefs' Association, IAFF, Local 2898