

August 4, 2022

#### MEMORANDUM

**To:** Seattle City Council **From:** Karina Bull, Analyst

Subject: Council Bill 120387: Third Quarter 2022 Employment Ordinance

On August 9, 2022, the City Council (Council) will discuss and may vote on <u>Council Bill (CB)</u> <u>120387</u>, the Third Quarter Employment Ordinance. This memo provides an overview of the legislation and describes potential impacts.

### Overview

The Council authorizes certain City of Seattle (City) personnel actions through quarterly employment ordinances. In the Third Quarter 2022 Employment Ordinance, Council would authorize the Seattle Department of Human Resources (SDHR) Director to: (1) return two positions to the civil service system and (2) adjust the pay band for a discretionary pay program.

# 1. Return two positions to the civil service system

The SDHR Director has determined that the work performed by two positions no longer meets the criteria for civil service exemption and recommends returning these positions to the civil service system. See Table 1 for a list of these positions.

Table 1. Position	s that would	d return i	to civil	service

	Department	Original Classification (Exempt)	New Classification (Civil Service)	Vacancy Status
1	Department of Education and Early Learning	Strategic Advisor 1, Exempt	Strategic Advisor 1, Human Services	Vacant
2	Seattle Public Utilities	Information Technology Professional C –BU, Exempt	Information Technology Professional C –BU	Vacant

Civil service provides a range of job protections for City employees, including merit-based hiring and promotions, opportunity for employees to correct performance issues, and "for cause" termination (i.e., termination based only on unsatisfactory job performance). In contrast, employees exempt from civil service may be appointed without a competitive hiring process and are subject to "at-will employment" (i.e., employment that may be terminated at any time for any reason not prohibited by law).

The <u>City Charter Article XVI</u>, <u>Section 3</u><sup>1</sup> requires civil service membership for all City employees except for those in positions specifically exempted from civil service in the

<sup>&</sup>lt;sup>1</sup> Under the Charter, positions exempted from civil service include elected officers, certain appointive offices, assistant city attorneys, heads of departments, members of boards and commissions, and additional positions exempted by legislation approved by two-thirds vote of the Council.

Charter and <u>Seattle Municipal Code (SMC) 4.13</u>.<sup>2</sup> In total, about 90 percent of City employees are in the civil service.

The SDHR Director has authority under <u>Personnel Rule 2.2</u> to determine whether a position is exempt from civil service under SMC 4.13. The Director may exempt the following types of positions:

- Positions requiring a particularly high degree of professional responsiveness and individual accountability;
- Positions requiring a confidential or fiduciary relationship with the appointing authority; or
- Judicial positions requiring insulation as a third branch of government.

After making this determination, the SDHR Director may submit legislation to Council that recommends returning a position to civil service or exempting the position from civil service. The SDHR Director's recommendation for exemptions will only take effect upon approval by two-thirds vote of the Council. Council also has authority to introduce legislation on civil service classification.

# 2. Adjust the pay band for a discretionary pay program

The SDHR Director recommends adjusting the discretionary pay band for non-represented Power Marketers to align with represented Power Marketers receiving the same adjustment in a Memorandum of Understanding between the City and the International Brotherhood of Electrical Workers Local 77 (Ordinance 126620). The 2022 pay band for non-represented Power Marketers would be effective as of January 5, 2022. See Table 2 for information on this adjustment.

Table 2. Adjustment to pay band

	Job Title	2021 Pay Band	2022 Pay Band
1	Power Marketer	\$48.70 - \$84.74	\$50.65 - \$88.13

## Potential Impacts of CB 120387

# <u>Financial Impacts</u>

There would be no direct costs associated with these personnel actions. Any discretionary costs that might be associated with an incumbent's change in civil service status or salary within the adjusted pay band would be absorbed by the department's existing budget authority and would not require appropriation of new funds.

<sup>&</sup>lt;sup>2</sup> Under SMC 4.13, positions exempted from civil service include identified job titles in all employing units and specific positions. Examples of exempted job titles include temporary employees, interns, administrative secretaries, executives, office/maintenance aides, and exempt strategic advisors, managers, and information technology professionals. Examples of specific positions include electric utility executives at Seattle City Light, administrative staff and executive assistants identified by position number, and all directors of offices in the Executive Department.

## **Racial Equity Impacts**

This legislation would authorize SDHR to return two vacant positions to civil service status. Increasing the number of positions with civil service status would support the City's commitment to eliminating racial disparities and achieving workforce equity.<sup>3</sup>

The City's 2021 Workforce Equity Update reports that Black, Indigenous, and People of Color (BIPOC) employees, and especially BIPOC women, are underrepresented at the top levels (e.g., supervisors and high wage earners) of City employment when compared to the general population. Increasing the number of positions with civil service protections, especially those with opportunities for higher pay and/or additional benefits, could achieve more equity for BIPOC employees by requiring a competitive hiring process and removing the barriers that create risk and uncertainty for employees seeking career growth.

Notably, both positions in this legislation that would return to civil service would provide opportunities for higher pay and/or additional benefits.<sup>4</sup> Additionally, one position is a Strategic Advisor. According to SDHR, Strategic Advisor positions are often the first type of jobs for employees moving out of step-placement positions and seeking career mobility. Strategic Advisor positions that offer more job stability and financial security could attract a greater diversity of candidates and/or increase job retention of BIPOC employees in such positions.

Exempting positions from civil service creates greater risk for employees and has workforce equity implications. In recognition of these outcomes, SDHR is updating and refining the civil service exemption process to ensure more consistency and equity in the Director's recommended personnel actions. SDHR is undertaking this effort alongside a full compensation and classification program review, last performed over 30 years ago. While a full program review will take time, working with the City Budget Office and Finance Managers SDHR has already modified internal practices, to designate civil service status for new positions and decrease the number of exemption requests submitted to Council.

Please contact me if you have questions about this proposed legislation.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Lead Analyst

<sup>&</sup>lt;sup>3</sup> In the City's 2021 Workforce Equity Update Report, "workforce equity" is defined as (1) when the workforce is inclusive of people of color and other marginalized or under-represented groups at a rate representative of the greater Seattle area at all levels of government and (2) where institutional and structural barriers impacting employee attraction, selection, participation, and retention have been eliminated, enabling opportunity for employment success and career growth.

<sup>&</sup>lt;sup>4</sup> The 2022 pay bands are as follows: Information Technology Professional C, \$38.99 - \$58.48; Strategic Advisor 1, \$43.89 - \$65.83. The Strategic Advisor position is eligible for Executive and Merit Leave.