



STAFF REPORT	
SUBJECT: Consideration of Updates to Management Classification and Benefits Plan and City Salary Schedule	MEETING DATE: July 6, 2023
SUBMITTED BY: Kathy Wells, Finance Director	
PURPOSE OF REPORT: <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL:

The City Council is being asked to consider changes to the Management Classification and Benefits Plan.

BACKGROUND/ DISCUSSION:

An updated Management Employees Classification and Benefit Plan was adopted by the Council in 2018. According to Section 6-2.1 Salary Adjustments of the Management/Confidential Employees Classification and Benefit Plan (MBP), *“Management Employees shall receive a salary adjustment each July 1st. The salary adjustment shall take into consideration the March to March U.S. All Urban Cities Consumer Price Index, equity adjustments based on the labor market, and the financial condition of the City.”* The Consumer Price Index (CPI) March to March increases which were adopted by the Council were 1.9% in 2019, 1.5% in 2020, and 2.6% in 2021. In March 2022 the CPI was 8.5%, with the Council approving a 6% adjustment to address historical compaction related to other units.

As you are aware inflation over the past two years has been well above “normal”. This has resulted in the CPI from March 2022 to March 2023 being 5%. The Council may consider it a stretch to provide a 5% COLA to management when the other bargaining groups were provided a 3% COLA starting July 1st, even though that is consistent with the Management Benefit Plan. It should be noted that over the past five years, prior to Fiscal Year 22-23 the CPI provided to management had fallen behind the COLA provided to all other units, which resulted in increasing compaction of salaries over time. Last year Council voted to approve a 6% COLA to bring management to a level increase over time matching the City’s other bargaining units. Staff recommends Council consider a 3% increase, consistent with other agreements for this year.

OPTIONS:

1. Provide Direction to Staff.

FISCAL IMPACT:

None \$ Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase: \$

Affected fund(s): General Fund Measure P Fund Measure V Fund Other:

Comments:

STRATEGIC PLAN IMPACT

- Goal #1: Make Clearlake a Visibly Cleaner City
- Goal #2: Make Clearlake a Statistically Safer City
- Goal #3: Improve the Quality of Life in Clearlake with Improved Public Facilities
- Goal #4: Improve the Image of Clearlake
- Goal #5: Ensure Fiscal Sustainability of City
- Goal #6: Update Policies and Procedures to Current Government Standards
- Goal #7: Support Economic Development

SUGGESTED MOTIONS:

Attachments:

1. Management Benefit Plan
2. CPI Press Release