



# CITY OF CLEARLAKE

City Council

## STAFF REPORT

**SUBJECT:** Consideration of Updates to Management Classification and Benefits Plan and City Salary Schedule

**MEETING DATE:** July 17, 2025

**SUBMITTED BY:** Alan Flora, City Manager

**PURPOSE OF REPORT:** ☐ Information only ☒ Discussion ☒ 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 1<sup>st</sup>. 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 recent Consumer Price Index (CPI) March to March increases were 1.9% in 2019, 1.5% in 2020, 2.6% in 2021, 8.5% in 2022, 5% in 2023, and 3.5% in March 2024.

This year inflation has been a bit more turbulent, but the CPI from March 2024 to March 2025 was 2.4% according to the Bureau of Labor Statistics. The Council is being asked to consider providing a 2.4% COLA to management. All other bargaining groups were provided a 3% COLA starting July 1<sup>st</sup>. 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. In 22-23 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 2.4% increase for those covered by the management benefit plan.

### OPTIONS:

1. Authorize a Salary Adjustment for management employees consistent with the Management Benefit Plan
2. 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:

The recommended salary increases for the Management group and other previously negotiated cost of living adjustments have been included in the FY 2025-26 Budget.

**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