



STAFF REPORT	
SUBJECT: Consideration of Updates to Management Classification and Benefits Plan and City Salary Schedule	MEETING DATE: July 18, 2024
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 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, and 5% in March 2023.

As you are aware inflation over the past three years has been well above "normal". This has resulted in the CPI from March 2023 to March 2024 being 3.5%. The Council is being asked to consider providing a 3% COLA to management, as the other bargaining groups were provided a 3% COLA starting July 1st. 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 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:

The recommended salary increases for the Management group and other previously negotiated cost of living adjustments have been included in the FY 2024-25 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