



# COBURG CITY COUNCIL

## ACTION ITEM

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### Resolution 2024-09

### Adoption of Salary and Classification Schedule for FY25

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Meeting Date	Staff Contact	Email
July 9, 2024	Adam Hanks, City Administrator Greg Peck, Finance Director	<a href="mailto:Adam.Hanks@ci.coburg.or.us">Adam.Hanks@ci.coburg.or.us</a> <a href="mailto:Gregory.Peck@ci.coburg.or.us">Gregory.Peck@ci.coburg.or.us</a>

#### REQUESTED COUNCIL ACTION

Staff is requesting Council final review and approval of the salary and classification schedule for Fiscal Year 24-25 presented and included in the FY25 Adopted Budget. While not expressly required to be separately approved via resolution, past practice and full transparency drive the request for this formalized approval process.

#### Suggested Motion

*I move to approve Resolution 2024-09, titled “A Resolution Adopting the Salary and Classification Schedule for Fiscal Year 2024-25”*

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#### BACKGROUND

As described and discussed in the recently completed FY25 Annual Budget process, the Budget Committee approved and City Council adopted FY25 budget contained and appropriated funds to implement a cost of living adjustment (COLA) of 3.3 percent based on the December 2023 CPI-W (Consumer Price Index – Urban Wage Earners and Clerical Workers).

The primary objective in the use of an index such as the CPI-W is to ensure that the City’s salary schedule maintains relative competitiveness with the regional marketplace over time providing for employee compensation adjustments that accurately take inflationary impacts into account.

It is staff’s intention to consistently utilize the December CPI-W as the basis for proposed COLA calculations in future budget preparation to extend the marketplace validity of the existing salary and classification schedule to regional marketplace wage competitiveness as salaries are one of the primary, but not sole, components that positively address retention of valued, experienced and Coburg trained staff.

#### BUDGET / FINANCIAL IMPACT

Total personnel costs proposed, approved and adopted for FY25 total \$1,996,100, an approximate \$80,000 increase from FY23 actual and an approximate increase of \$66,000 from the FY24 end of year estimates. The 3.3% COLA represents an increase in direct salary to staff collectively of approximately \$38,000, with other direct and indirect personnel costs making up the remaining \$28,000.

Salary expense is allocated across the General Fund, Street Fund, Water Fund and Sewer Fund, which mitigates the impact of these costs on the revenues that support each of these Funds.

### **PUBLIC INVOLVEMENT**

The salary schedule as proposed was part of the FY Budget process, which included two Budget Committee Meetings, one with public comment and one with a public hearing and then culminated in a City Council meeting to formally adopt the budget. The proposed CPI rate of 3.3% was highlighted in the Budget Message and the salary schedule itself was included in the Budget book appendices.

### **NEXT STEPS**

Upon Council approval, the salary schedule will be updated in the City's financial software system and will be utilized for payroll calculations for all staff hours worked as of July 1, 2024.

### **ATTACHMENTS**

1. Draft Resolution 2024-09 with attached salary schedule
2. Consumer Price Index (CPI) Historical % Change Chart