



## Resolution 2025-10 – Adoption of Salary Schedule for FY2025-26

Meeting Date	Staff Contact	Email
June 10, 2025	Adam Hanks, City Administrator	<a href="mailto:Adam.Hanks@ci.coburg.or.us">Adam.Hanks@ci.coburg.or.us</a>

### SUMMARY AND REQUESTED COUNCIL ACTION

Consistent with the proposed FY26 Annual Budget, Resolution 2025-10 replaces resolution 2024-25 as the Salary and Classification Schedule for FY26. The new schedule includes a cost of living adjustment of 2.77%, which is the December CPI-U (Consumer Price Index – Urban) rate which was also used in the prior resolution and is intended to be the basis for all annual cost of living adjustments.

### Suggested Motion

*I move to approve Resolution 2025-10, titled “A Resolution Adopting the FY26 Salary and Classification Schedule”.*

### BACKGROUND

The proposed salary schedule cost of living adjustment (COLA) is intended to ensure the existing salary schedule maintains relative competitiveness within the regional workforce market over time providing for employee compensation adjustments that accurately take inflationary impacts into account.

The use of a CPI as the basis for proposed salary schedule adjustments maintains the integrity of the salary schedule which aids in both employee retention as well as recruitment.

### RECOMMENDATION

Staff recommends approval of the COLA adjusted salary schedule as presented.

### BUDGET / FINANCIAL IMPACT

Total personnel costs over the prior three years and the FY26 proposed are as follows:

FY23	\$1,916,340
FY24	\$2,100,984
FY25	\$2,010,616 (EOY estimate)
FY26	\$2,169,450 (Proposed)

# CITY COUNCIL

## STAFF REPORT

Increases to the City's PERS rates, a two-year rate lock, created a significant increase in personnel costs with the general fund taking the largest component of that increase. Increases in healthcare costs and a prior year staffing budget error (see FY25 budget adjustment) contribute to the total personnel increases along with the proposed 2.77% COLA.

While staffing costs continue to rise at challenging rates, the City's investment in its staffing is critical to the continued operation of the organization and its myriad of regulation heavy workloads across all Departments, programs, functions and tasks.

### **PUBLIC INVOLVEMENT**

The proposed salary schedule adjustment has been presented and discussed by the Budget Committee in its two public meetings (April 15<sup>th</sup> and 29<sup>th</sup>).

### **NEXT STEPS**

If approved, staff will complete the data entry required in the City's payroll software to implement the adjustments with an effective date of July 1, 2025.

### **ATTACHMENTS**

1. Draft Resolution 2025-10