



STAFF REPORT

MEETING DATE: May 14, 2025

PRESENTER: John Jansons, City Manager

SUBJECT: Implementation of Findings of Compensation Survey and Study for At Will, Executive Management Employees (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving adjustments to the approved salary scales implementing the findings of compensation survey and study for At Will, Executive Management employees.

EXECUTIVE SUMMARY:

The City performed a comprehensive study of salary and benefits of local city employees to determine Kerman's competitiveness for labor and talent in the marketplace. As a result, adjustments were made as part of the labor negotiations process with the Kerman Police Officers Association KPOA and the Kerman Municipal Employees Association (KMEA) in 2024 to implement the recommendations of the salary survey and to adjust employee salaries to be at competitive levels in the marketplace.

The final phase of that study compared the salary levels of Kerman Department Directors to the other cities that Kerman competes with for talent and determined that increases are warranted for Kerman to remain able to retain and attract qualified and talented executive management personnel.

DISCUSSION:

Kerman Department Directors are At-Will employees employed by an Employment Contract. They are not members of a collective bargaining unit as with KPOA and KMEA who bargain for pay and benefits every three years. With no collective bargaining and the City's past focus on police personnel staffing and compensation, this has contributed to the delay in addressing salary competitiveness of Directors.

The Kerman Department Directors are eligible to receive annual merit increases upon successful performance, but the base pay ranges have not been examined for competitiveness in at least more than ten years. As a result, Department Director salaries have fallen woefully behind neighboring cities. Adjustments are now proposed to close that gap and reset salary levels seven percentage points over the median salaries identified in comparable small cities in Fresno, Madera and Tulare Counties.

The City Council reviewed the study results and recommendations on March 26, 2025, and April 9, 2025 and directed staff to proceed with preparing the necessary updated salary scales and

an implementing resolution to that effect. Approval of the attached resolution (**Attachment 'A'**) will set the new rates of pay in place effective July 1 of 2025, in alignment with the new Fiscal year 25-26 budget. **Exhibit 'A'** to the resolution presents the new pay ranges for the following positions: Director of Community Services ("Parks and Recreation"); Director of Community Development ("Planning and Building"); Director of Finance; Director of Public Works and Chief of Police.

FISCAL IMPACT:

The new personnel costs of approximately \$210,000 are factored into the proposed 25-26 Fiscal Year budget with \$115,500 (55%) allocated the General Fund and \$94,500 (45%) allocated to other departmental and Enterprise Funds accordingly.

ATTACHMENTS:

A. Resolution w/Exhibit

RESOLUTION NO. 25-__

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN APPROVING
IMPLEMENTATION OF THE RESULTS OF THE COMPARABLE SALARY SURVEY FINDINGS WITH
ADJUSTMENT TO SALARY SCALES OF DEPARTMENT DIRECTORS BASE SALARIES IN THE
AMOUNT OF \$210,000 TO IMPROVE THE CITY'S COMPETITIVENESS
FOR TALENT ACQUISITION AND RETENTION EFFECTIVE JULY 1, 2025.**

WHEREAS, as a condition of labor negotiation cycles beginning in 2021, the City committed to conducting a salary comparison study of 12 similar sized cities in a reasonable commute range to assess Kerman's competitiveness for talent acquisition and retention; and

WHEREAS, the City had not comprehensively updated its salary scales to remain in a competitive position for talent in over ten years; and

WHEREAS, the City conducted such a comprehensive salary comparison study to gauge its competitive position for employee talent recruitment and retention, and found that adjustments were warranted to address Kerman's non-competitive position; and

WHEREAS, Phase One of the study resulted in salary adjustments being approved by City Council for Members of the Kerman Peace Officers Association approved by City Council on February 14, 2024; and

WHEREAS, Phase Two of the study resulted in salary adjustments for members of the Kerman Municipal Employees Association approved by City Council on March 13, 2024; and

WHEREAS, the Final Phase of the study examined salary scales for City Department Directors with recommended adjustments necessary to be competitive in the talent marketplace; and

WHEREAS, a thorough examination of, and appropriate adjustment to, City Department Director salary scales had not been performed for approximately ten years, adjustment to the scales are now proposed to place Kerman in a competitive position for talent acquisition and retention; and

WHEREAS, the City Council reviewed the study results and recommendations on March 26, 2025 and April 9, 2025 and directed staff to proceed with preparing the necessary updated salary scales and an implementing resolution to that effect.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kerman as follows:

1. The foregoing recitals are true and correct and incorporated by reference.
2. The City Council accept the findings of the study and its suggested adjustments to Department Director salary scales as shown in **Exhibit 'A'**.

3. The positions to be adjusted in this action include: Director of Community Development, Director of Community Services, Director of Finance, Director of Public Works and Chief of Police.
4. The City approves of the aggregate increase in salaries of approximately \$210,000 of which approximately \$115,500 (55%) is allocated to the City's General Fund and \$94,500 (45%) is allocated to other Departmental and Enterprise Fund Accounts to incorporate the recommended adjustments.
5. The City Council authorizes the City Manager and Director of Finance to make the necessary adjustments to the Department Director salary scales for implementation in the Fiscal Year 25/26 budget, effective July 1, 2025.
6. This resolution is effective upon adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 14th day of May 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk