



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 08/20/2024

ITEM NO: 14

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**DATE:** August 13, 2024  
**TO:** Mayor and Town Council  
**FROM:** Laurel Prevetti, Town Manager  
**SUBJECT:** Approve the Revised Salary Schedules for Management, Confidential, and Temporary Employees for Fiscal Year (FY) 2024/24, FY 2025/26, and FY 2026/27; and Authorize an Expenditure Budget Adjustment in the Amount of \$740,961 from the Available Capital/Special Projects Reserve

**RECOMMENDATION:**

Approve the revised Salary Schedules for Management, Confidential, and Temporary Employees for Fiscal Year (FY) 2024/24, FY 2025/26, and FY 2026/27 (Attachments 1-9); and authorize an Expenditure Budget Adjustment in the amount of \$740,961 from the available Capital/Special Projects Reserve.

**BACKGROUND:**

In accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, representatives of the Town and its three bargaining units [American Federation of State County and Municipal Employees (AFSCME), Town Employees Association (TEA), and Police Officers Association (POA)] met and conferred separately in good faith and within the scope of representation in an effort to reach agreements for successor Memoranda of Understanding (MOU). The MOU are labor agreements that identify specific terms and conditions of employment applicable to the employees represented by those agreements. Town Council approved the MOU for POA on April 16, 2024 and the MOUs for TEA and AFSCME on August 6, 2024.

**DISCUSSION:**

The Management, Confidential, and Temporary employee units are at-will, unrepresented units of the Town. Now that negotiations have concluded with the Town's three bargaining groups, it is timely to consider compensation for the Town's unrepresented employees.

**PREPARED BY:** Katy Nomura  
Assistant Town Manager

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Reviewed by: Town Manager, Town Attorney, and Finance Director

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DISCUSSION (continued):

The proposed compensation and classification changes to the Management, Confidential, and Temporary classifications include:

- General wage increases of 5% effective the first full pay period in July 2024, 3% effective the first full pay period in July 2025, and 3% effective the first full pay period of July 2026 for all classifications except the Police Captain and Police Chief classifications.
- To better address compaction concerns, the Police Captain and Police Chief classifications will receive general wage increases of 6% effective the first full pay period in July 2024, 5% effective the first full pay period in July 2025, and 3% effective the first full pay period of July 2026.
- Additional increases for the following classifications effective the first full pay period in July 2024 that will be additive and not compounding with the simultaneous general wage increase:
  - Confidential Classifications:
    - Accountant/Finance Analyst 2%
    - Administrative Analyst 2%
    - Executive Assistant to the Town Manager 6%
  - Management Classifications:
    - Assistant Town Manager 5%
    - Police Chief 2%
- The following new classifications in the Management group:
  - Assistant Director
  - Deputy Town Manager
  - Director (replaced the individual classifications of Finance Director, Library Director, and HR Director)
  - Division Manager (replaced the individual classification of Library Division Manager)

Unlike the Town's three bargaining groups who negotiate for multi-year contracts, decisions related to unrepresented groups are determined by the Town Manager based on organizational needs and budgetary limitations with the consent of the Council. While there is no obligation to set salary schedules for these groups in advance, it was seen as prudent to provide a three-year outlook for staff to encourage retention and promote stability for the workforce.

The new classifications were added to provide potential career ladders and development opportunities for employees to enhance retention and reinforce that the Town of Los Gatos is a great place to work. The Human Resources Department is looking at career ladder and development opportunities throughout the organization and will continue this effort throughout the year, in partnership with the bargaining units as appropriate.

CONCLUSION:

The Management, Confidential, and Temporary employee group recommendations have been prepared within the parameters consistent with Town Council direction.

COORDINATION:

This report was coordinated with the Town Manager's Office, Human Resources Department, Finance Department, and the Town Attorney's Office.

FISCAL IMPACT:

The anticipated fiscal impact for all salary and benefits adjustments for the above changes in Fiscal Year (FY) 2024/25 is \$740,961. The requested budget adjustment in this amount from General Fund Capital/Special Projects Reserve would provide the necessary funding to cover this cost.

Funding to support the ongoing cost each year will be incorporated into the proposed future year budgets.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Temporary Classification Salary Schedule effective pay period containing July 7, 2024
2. Temporary Classification Salary Schedule effective first full pay period July 2025
3. Temporary Classification Salary Schedule effective first full pay period July 2026
4. Confidential Classification Salary Schedule effective pay period containing July 7, 2024
5. Confidential Classification Salary Schedule effective first full pay period July 2025
6. Confidential Classification Salary Schedule effective first full pay period July 2026
7. Management Classification Salary Schedule effective pay period containing July 7, 2024
8. Management Classification Salary Schedule effective first full pay period July 2025
9. Management Classification Salary Schedule effective first full pay period July 2026