



TITLE

Fiscal Year 2026/2027 Salary Schedule and Classification Plan Update

RECOMMENDATION

Adopt a Resolution Approving the Fiscal Year 2026/2027 Salary Schedule and Classification Plan Update.

CONTACT

Juan Gomez, Assistant City Manager
Scott Corey, Human Resources Manager

BACKGROUND & ANALYSIS

The City Council approves all employee salaries, classification titles and changes. The California Government Code requires pay rates for employees be established pursuant to a "publicly available" salary schedule that includes certain information, such as position title and pay range. To satisfy this requirement, it is necessary for the Council to adopt a Resolution approving the Fiscal Year 2026/2027 Salary Schedule (the "Schedule") consistent with funding appropriated by the adoption of the Fiscal Year 2026/2027 budget (the "Budget") on June 2.

The new Schedule reflects changes to employees' salaries based on the current Memorandums of Understanding (MOUs) with the two employee bargaining units, and the Unrepresented Compensation Program (Unrepresented Program). Each of these documents provide for a minimum 2% and maximum 5% cost-of-living adjustment (COLA) for Fiscal Year 2026/2027 based on the Consumer Price Index as reported by the U.S. Bureau of Labor Statistics for the month of April 2026. The Schedule includes a 3.8% COLA for classifications in the bargaining units and/or covered by the Unrepresented Program, and for those Temporary classifications indexed to similar Regular classifications.

The City Manager's Employment Agreement provides for a minimum 2% and a maximum 4% COLA for Fiscal Year 2026/2027 and each year thereafter based on the same factors as other City employees. The Schedule includes a 3.8% COLA for the City Manager.

The City completed a Compensation Survey for executive classifications consistent with the "Performance Management Guidelines, Policies and Procedures for At-Will Managers." The City

conducts these studies to ensure it remains competitive in the marketplace to attract and retain highly qualified executive leadership. The Schedule updates the salary ranges for At-Will Managers consistent with the survey.

There were several classifications that have been unused for several years and/or have been replaced with other classifications and should be removed from the compensation plan. Accordingly, the following classifications were removed from the Schedule: Bus Driver, Development Services Engineer, Human Resources Officer I/II, Information Systems Officer, Deputy City Clerk-CDD, Fire Executive Assistant/Office Administrator, Senior Bus Driver. If there a need for these classifications arises, a new Compensation Study would be performed and an updated Schedule would be proposed.

The Public Works Department identified a need for an additional classification to build out the Engineering Technician series. Human Resources Division consulted with the Department and Teamsters Local 315 to finalize the proposed classification of Senior Engineering Technician, which is recommended for approval as an update to the Classification Plan. The Schedule includes a pay scale for this classification.

The new salaries will go into effect the first full pay period following July 1, 2026.

Pursuant to California Government Code section 54953(c)(3), the action recommended in this report would constitute final action on the salary or salary schedule of one or more local agency executives, which shall be orally reported prior to a Council vote.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Organizational Effectiveness: "Deliver exemplary government services."

FISCAL IMPACT

Funding for these increases is included in the City's Adopted Fiscal Year 2026/2027 Budget.

ENVIRONMENTAL REVIEW

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

COMMUNICATION

Level 1: Minimal Communication

Employees impacted by the salary schedule changes were notified. Upon approval, the salary schedule will be posted and maintained on the City website consistent with State law.

ATTACHMENTS:

1. Resolution - Fiscal Year 2026/2027 Salary Schedule & Classification Plan Update
Exhibit A - Full Time Regular Classifications
Exhibit B - Part Time Temporary, Retired Annuitants and Extra Help
2. Proposed Senior Engineering Technician classification