LIVERMORE
CALIFORNIA

CITY COUNCIL STAFF REPORT **ITEM NO. 6.25**

DATE: September 14, 2026

TO: Honorable Mayor and City Council

FROM: Kristen Hilton, Acting Administrative Services Director

SUBJECT: Resolution amending the City of Livermore Salary Plan as of October 2026 to reflect an MOU adjustment for the Association of Livermore Employees and update the Retired Annuitant Salary schedule effective October 5, 2026, in accordance with the California Code of Regulations, Title 2, Section 570.5.

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution amending the City of Livermore Salary Plan as of October 2026 to reflect an MOU adjustment for the Association of Livermore Employees and update the Retired Annuitant Salary schedule effective October 5, 2026, in accordance with the California Code of Regulations, Title 2, Section 570.5.

SUMMARY

Staff recommend the following changes to the City of Livermore Salary Plan:
1. Incorporate wage related adjustments for the Association of Livermore Employees (ALE) effective October 5, 2026, as approved in the Memorandum of Understanding (MOU); and
2. Adjust the salary for the Retired Annuitant classifications to match those associated with the Association of Livermore Employees effective October 5, 2026; and
3. Add the following classification to the Retired Annuitant Salary Schedule effective September 14, 2026:

1. Retired Annuitant – Finance Manager (Class Code 8591) $85.48 - $106.85/hour

DISCUSSION

1. On October 13, 2025, the City Council adopted a successor MOU with the Association of Livermore Employees. The Memorandum of Understanding provides for a base salary increase of 4% effective May 4, 2026. In addition, during negotiations in 2021, flat-dollar increases were negotiated and added to base salaries in recognition of rising medical costs, which resulted in the differential between certain salary steps falling below the established 5%. In implementing the current negotiated 4% salary increase, minor adjustments were made to restore the 5% step differential, resulting in increases slightly greater than 4% for certain classifications and steps.
2. CalPERS requires retired annuitant salaries to fall within the range of active employees. Accordingly,

the salary ranges for the following Retired Annuitant classifications must be adjusted to align with the updated ALE salary increases:

1. Retired Annuitant – Associate Civil Engineer (Class Code 8510)
2. Retired Annuitant – Associate Planner (Class Code 8520)
3. Retired Annuitant – Senior Planner (Class Code 8525)
4. Retired Annuitant – Public Safety Dispatcher (Class Code 8535)
5. Retired Annuitant – Administrative Clerk I (Class Code 8560)
6. Retired Annuitant – Library Clerk (Class Code 8565)
7. Retired Annuitant – Senior Mechanic (Class Code 8570)

3. The inclusion of "Retired Annuitant" classifications in the salary plan is necessary to comply with Government Code sections 7522.56 and 21224, which authorizes CalPERS covered employers to hire retirees on a temporary basis. Compensation for retired annuitants must fall within established salary range for comparable duties performed by classifications listed on the employer's publicly available pay schedule. As such, the following classification needs to be added to the Retired Annuitant Salary Schedule:

1. Retired Annuitant – Finance Manager (Class Code 8591) $85.48 - $106.85/hour

FISCAL AND ADMINISTRATIVE IMPACTS

The 4% base salary increase for the Association of Livermore Employees MOU adjustment was included in the FY 2025-26 and 2026-27 adopted budget. Retired Annuitants are not entitled to any City employment benefits or property rights associated with regular employment. The cost of hire is limited to salary only. Funding for retired annuitants will be provided through existing departmental budgets allocated for temporary employees.

COMMUNITY PILLAR

5: A City that Works

GOAL

8: Attract, develop, engage, and retain a diverse and highly skilled workforce across the organization.

ATTACHMENTS

1. Resolution
2. Exhibit A - Salary Plan Dated October 2026.pdf

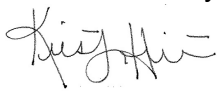
Prepared by: Kristen Hilton
Acting Administrative Services Director

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Kristen Hilton
Acting Administrative Services Director