

*“We are a welcoming, active, and business-friendly rural foothill community built on California's rich gold rush history.”*



## City Manager's Report

January 23, 2024, City Council Meeting

Prepared by: Dave Warren, Assistant City Manager/Director of Finance

Item #: 7.9

**Subject:** Consider retroactively approving and affirming a salary schedule effective January 6, 2024 and abolishing 1.00 FTE Police Officer position from the Fiscal Year 2023/2024 General Fund Budget.

### Recommendation:

Adopt a Resolution

1. Retroactively approving and affirming a salary schedule effective January 6, 2024; and
2. Abolishing 1.00 FTE Police Officer position from the Fiscal Year 2023/2024 General Fund Budget.

### Purpose:

To approve the new salary schedule and implement the salary and benefit provisions of the latest Memorandum of Understandings (MOUs) with the International Union of Operating Engineers, Stationary Engineers, Local 39 (Local 39) and the Placerville Police Officers Association (PPOA).

### Strategic Plan Strategy:

Meet financial commitments and reporting requirements.

### Background:

In 2022, the City completed labor negotiations with the Local 39 unit, and effective January 6, 2024, employees will begin receiving an additional salary adjustment based on those negotiations. Staff recommends the City Council approve similar salary provisions for the Confidential, Executive Management, and Supervisory Units. Similarly, the City completed labor negotiations with the PPOA in 2023, and effective January 6, 2024, employees will begin receiving an additional salary adjustment based on those negotiations. Staff recommends the City Council approve similar salary provisions for the sworn positions within the Executive Management Unit. Staff has prepared a new salary schedule with these adjustments and recommends the City Council approve the said salary schedule effective January 6, 2024.

### Discussion:

At its meeting held on August 10, 2021, the City Council approved an agreement with Bryce Consulting, Inc. to perform a Citywide compensation study. The comparable agencies included in the study were City of Auburn, City of Galt, City of Grass Valley, City of Ione, City of Nevada City, City of Maryville, City of Oroville, City of South Lake Tahoe, El Dorado County, and El Dorado Irrigation District. The study was completed in early 2022 and was incorporated with the labor negotiations with Local 39.

At its meeting held on August 9, 2022, the City Council ratified the MOU with Local 39. One of the provisions of the MOU is a salary increase (COLA) based on the annual change in the San Francisco-Oakland-San Jose Consumer Price Index-All Urban Consumers (CPI) from February 2022 to February 2023 with minimum increase of 2.00% and a maximum increase of 4.00% effective the first full pay period in January 2024, which falls on January 6, 2024. The actual CPI for that period of time was 5.3%. So, the COLA was determined to be the maximum rate of 4.00%. A second provision provides an additional 1.00% salary adjustment based on the weighted average of the results from the salary study recently performed by Bryce Consulting, Inc. The salary study adjustment varies for each position depending on the current position salary as compared to the market median salary. The salary study adjustments vary from 0.24% to 4.29%. Attachment “B” lists the positions and the overall percentage change in salary.

At its meeting held on June 14, 2022, the City Council adopted Resolutions 9085, 9086, and 9087 that outlined the same salary and benefit provisions for the Confidential, Executive Management, and Supervisory Employee Units respectfully.

Accordingly, staff recommends the City Council approve a new salary schedule with the 4.00% COLA increase and the salary study adjustments for all affected non-sworn positions within Local 39 as well as the Confidential Unit, the Executive Management Unit, and the Supervisory Unit, which are unrepresented. Staff also recommends that the salary study adjustments be made for sworn administrative positions including the Chief of Police and Police Commander positions.

At its meeting held on October 10, 2023, the City Council approved a side letter to the PPOA MOU in Closed Session. The City Manager announced in Open Session that evening the approval of the side letter to the current PPOA MOU including a 10% salary increase effective January 6, 2024 and a 19.97% decrease in medical benefits effective January 1, 2024. Staff also recommends that the 10% salary increase and the 19.97% decrease in medical benefits be made to sworn administrative positions including the Chief of Police and Police Commander positions.

If approved, the salaries for the positions listed in Attachment “B” will be adjusted accordingly. The salaries for all other positions will remain the same.

### **Options:**

1. Adopt a resolution approving the actions recommended by staff.
2. Direct Staff to take another action.

### **Environmental:**

Tonight’s actions are not applicable.

### **Cost:**

The projected cost of the salary increases mentioned above included in the new salary schedule is \$106,725 during Fiscal Year 2023/2024.

### **Budget Impact:**

The City Council adopted Fiscal Year 2023/2024 Operating Budget which assumed \$140,778 for the additional cost of the 4.00% COLA and 1.00% salary study adjustments for non-sworn positions

including those represented by Local 39 and unrepresented positions. The projected cost of the 10% salary increase for sworn positions, including PPOA represented positions and the Chief of Police and the Police Commander, which are unrepresented positions, total \$110,853. To offset this cost, staff recommends abolishing 1.00 FTE Police Officer position which provides a projected budget savings of \$144,906 for the remainder of Fiscal Year 2023/2024.



**M. Cleve Morris, City Manager**



**Dave Warren, Assistant City Manager/  
Director Finance**

**Attachments:**

- A. Resolution-Salary Schedule
- B. Position/Salary Increase List
- C. Salary Schedule