



MEMORANDUM

TO: City Council

FROM: Bill Robeson, Interim City Manager

BY: Tashina Ureno, Human Resources Officer
Nicole Valentine, Administrative Services Director

SUBJECT: Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule and Approving One Budget Adjustment Request

DATE: December 12, 2023

SUMMARY OF ACTION:

Adoption of a Resolution amending the Citywide Combined Salary Schedule. This updated schedule is to: one, reflect recent equity adjustments for the Five Cities Fire Authority staff, and two, reflect salary adjustments with two existing City staff classifications: *Public Works Manager* (2.5% increase [change from range M-47 to M-48]) and *Citywide Fleet Coordinator* (5% increase [change from range 36 to 38]). Finally, the City Council is being asked to approve one budget adjustment request associated with the changes to the salary schedule.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

This proposed reclassification will result in additional General Fund expenditures of \$8,000 per fiscal year for salary and benefits for these two City classifications, Public Works Manager and Citywide Fleet Coordinator.

RECOMMENDATION:

Adopt a Resolution amending the Citywide Combined Salary Schedule and appropriate \$4,000 from the General Fund for the balance of FY 2023-24, and direct Staff to take any steps necessary to otherwise ratify the salary change for the impacted employees.

BACKGROUND:

The City has an established salary schedule structured with banded ranges and salary steps within each range. Each job classification is assigned to a salary range within the salary schedule. The most recently approved (current) salary schedule, assigning each job classification onto the salary schedule, was approved by the City Council on [September 12, 2023](#), which incorporated equity salary adjustment increases for the Police

Item 9.e.

City Council

Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule and Approving One Budget Adjustment Request

December 12, 2023

Page 2

Officer Association (POA), the Service Employees International Union (SEIU), Management and part-time unrepresented employees groups.

The pay rate modifications were based on the results of a compensation study completed by unCOMPLICATE HR, a specialized human resources consulting firm, to gather and comparatively analyze comparable organizations including nine (9) cities' and four (4) community services districts' salary and benefit data. The compensation study and equity adjustments were completed to ensure the City maintains the ability to attract and retain well-qualified personnel, remain competitive with comparable agencies, and to ensure pay consistency and equity based on job duties and responsibilities.

The compensation study included all 16 Management positions in that group as benchmarks and showed 13 of those positions were below the Median compared to neighboring agencies. Some Management positions did not receive a pay modification. For context, the other bargaining groups (POA and SEIU), all positions received pay modifications.

Most of these specific Management positions that did not receive pay modifications (including Management Analyst, Deputy City Clerk/Communications Coordinator, and City Engineer) had associated salary reviews due to recent recruitments and the compensation study found these salaries to be appropriately within market. The two remaining positions, which were the Capital Improvement Project Manager and Public Works Manager, received subsequent review after the compensation study was completed. It was found for the Public Works Manager classification, more appropriate comparative matches were identified and reviewed. Based on the comparative matches, this classification was found to be 2.5% below market. This change will allow for the City to remain competitive and provide for this closely matched position to receive similar pay to the Public Works Superintendent with Grover Beach (the closest matched position and agency).

The second City staff classification adjustment, for Citywide Fleet Coordinator, is requested because this position was previously reclassified as part of a pilot program presented to the Council [on October 9, 2018](#) and intended to be reevaluated after one year but has not since been revisited. The recent compensation study brought to light that this position needed review and updates were made to the job description to reflect the duties and responsibilities of the classification more accurately, following the initial feasibility assessment of the pilot program. When the Citywide Fleet Coordinator position was initially implemented in 2018, the position combined the fleet maintenance functions within Public Works with the highly sensitive and restricted needs of the Police Department (eliminating a then vacated part-time Fleet and Equipment Technician in the Police Department, realizing an approximate annual savings of \$12,500 in 2018 and again in 2019). With the ongoing success of the Citywide Fleet position and program and increased responsibility reflected in the updated job description, an equitable adjustment for this classification to bring the position closer to the market median is recommended.

Item 9.e.

City Council

Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule and Approving One Budget Adjustment Request

December 12, 2023

Page 3

This classification has been found to be 5% below market when compared to other similar positions with the same degree of responsibility, including fleet maintenance service to Police.

On [October 16, 2023](#), the Five Cities Fire Authority (FCFA) Board approved salary adjustments for Fiscal Year 2023-24. Pursuant to the terms of the Joint Exercise of Powers Agreement that created the FCFA, all FCFA employees are employees of the City of Arroyo Grande. As a result, the City's Salary Schedule must be amended to incorporate the salary adjustments approved by the FCFA Board.

ANALYSIS OF ISSUES:

The Government Code and California Code of Regulations require the City to maintain a single, duly approved and adopted pay schedule that identifies the positions for every employee classification. The proposed Resolution (Attachment 1) adopts a revised salary schedule incorporating adjustments for FCFA classifications, one SEIU classification (Citywide Fleet Coordinator) and one Management classification (Public Works Manager).

The minimum wage in California is scheduled to increase to \$16.00 per hour effective January 1, 2024, and the City is in compliance with this upcoming change. Staff anticipates bringing forward a future proposed Combined Salary Schedule, reflecting an additional 3.5% cost of living increase for part-time employees in June 2024 for FY 2024-25.

An additional review and analysis has been completed subsequent to the implementation of the recommended adjustments detailed in the compensation study, for two classifications: Public Works Manager and Citywide Fleet Coordinator.

The Public Works Manager position is out of market by approximately 2.5% and staff recommend for Council to approve the updated salary schedule moving the Public Works Manager from range M-47 to M-48.

The Citywide Fleet Coordinator position is out of market by approximately 5% and staff recommend for Council to approve the updated salary schedule moving the Citywide Fleet Coordinator from range 36 to 38.

The proposed Resolution adopts a revised salary schedule incorporating adjustments approved by the FCFA Board as follows:

- FCFA unrepresented Management employees: The pay schedule reflects the pay increase for all positions effective October 27, 2023, as approved by the FCFA Board on October 16, 2023, by Resolution 2023-06.

Item 9.e.

City Council

Consideration of Adoption of a Resolution Amending the Citywide Combined Salary Schedule and Approving One Budget Adjustment Request

December 12, 2023

Page 4

- FCFA unrepresented part-time employees: The pay schedule reflects the pay increase for all positions effective October 27, 2023, as approved by the FCFA Board on October 16, 2023, by Resolution 2023-07.
- International Association of Fire Fighters (IAFF) Local 4403: The pay schedule reflects the pay increase for all positions effective October 27, 2023, as approved by the FCFA Board on October 16, 2023, by Resolution 2023-08.

ALTERNATIVES:

The following alternatives are provided for the Council’s consideration:

1. Adopt the Resolution as proposed, appropriate \$4,000 from the General Fund for the balance of FY 2023-24, and direct Staff to take any steps necessary to otherwise ratify the salary change for the impacted employees;
2. Amend and adopt the proposed Resolution;
3. Do not adopt the Resolution; or
4. Provide other direction to staff.

ADVANTAGES:

Adopting the proposed Resolution and budget adjustment will provide employee salaries and benefits that are compliant with current laws, provide for consistent and fair compensation, and reflect the job duties and assignments needed throughout the City. Adjusting employee salaries and benefits to meet the median salary comparatives from similar cities will allow for employee retention, avoid the cost of training new employees, and ultimately allow for city services to be accomplished consistently.

DISADVANTAGES:

The recommendation will increase costs to current and future budgets.

ENVIRONMENTAL REVIEW:

Approval of the Resolution is not a project subject to the California Environmental Quality Act (“CEQA”) because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment. (State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.)

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City’s website in accordance with Government Code Section 54954.2.

Attachments:

1. Proposed Resolution – Amending the Citywide Combined Salary Schedule