



STAFF REPORT AND FISCAL NOTE ON PROPOSED LEGISLATION

To: Mayor Gavin Buckley

From: Michael Mallinoff, City Manager

Date: April 8, 2024

Subject: R-17-24: FY 2025 Position Classifications and Pay Plan

Purpose of legislation

The purpose of this legislation is to approve the Fiscal Year 2025 annual position classifications and pay plan; and specifying an effective date.

Impact of legislation on operations

This legislation primarily affects staffing across the City, but it also has some operational impacts. The new pay scale for non-represented staff removes the longevity holds that appear in the current pay scale and makes for a smooth annual progression for staff. Operationally, this means that much of the calculation and error checking that happens now to account for the longevity steps gets simplified. The new scale has many benefits for staff, but they also have operational benefits for the City as well.

Impact of legislation on staffing

This legislation reflects the FY24 position complement with movements to the new pay scales. It will need to be amended to incorporate changes to the personnel complement in the final FY25 budget that Council passes. In addition, negotiations with the four unions are ongoing, so pay scale adjustments that come out of the negotiations process will also need to be incorporated via amendments. Finally, when the classification and compensation study is finished and recommendations are finalized, additional amendments to this legislation may be needed.

This legislation reflects two new pay scales: a non represented scale (N) and an executive scale (E). The N scale does not have any longevity holds within it; staff with sufficient performance reports move annually at their anniversary date. The span of the new scales have been set to match the market analysis undertaken as part of the classification and compensation study. Existing staff will move onto the new scale at the step that most closely matches (and either matches exactly or is higher than) their June 30, 2024 salary. Since placement on the new scale will result in somewhat uneven increases, staff will also receive a one-time bonus payment equal to 2.5% of their salary minus the increase they get from placement on the new scale.

This new scale is intended to make the City more competitive in the labor market and should help simplify the process of bringing in more experienced staff from outside the City. The City is excited to be introducing these new pay scales, since they bring the City more in line with scales used in other jurisdictions, make the City more competitive, improve recruitment and retention, and will make the process of navigating the scale simpler.

Fiscal impact of legislation

The fiscal impact of the new pay scales and the bonus payments have been factored into the FY25 operating budget resolution.

Prepared by Victoria Buckland, Assistant City Manager