



CITY COUNCIL STAFF REPORT



October 8, 2024

ITEM TITLE

Employee Compensation: Amended Compensation Schedule to Reflect Salary Adjustments for City Manager, Assistant City Manager, and Chief of Police; Amended City Manager Employment Agreement; Revised Fiscal Year 2024-25 Compensation Schedule

Report Number: 24-0273

Location: No specific geographic location

Department: Human Resources

G.C. § 84308: No

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Adopt resolutions: (A) Amending the Compensation Schedule to reflect salary adjustments for certain positions; (B) Approving a salary adjustment for the City Manager and amending the City Manager employment agreement; and (C) Approving the revised Fiscal Year 2024-25 Compensation Schedule effective October 18, 2024, as required by the California Code of Regulations, Title 2, Section 570.5.

SUMMARY

The City's compensation policy allows for structures and salary ranges to be reviewed and updated as necessary to ensure that the City has the ability to attract, hire and retain quality employees and to allow for competitive position in the labor market. On October 1, 2024, the City Council convened in closed session to review the salaries for City Manager and certain Executive Management positions. The City Council subsequently reached agreement to provide a 5.5% salary adjustment for the City Manager, Assistant City Manager and Chief of Police to allow for competitive position in their respective labor markets.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under

Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Compensation Schedule

The City's compensation policy allows for structures and salary ranges to be reviewed and updated as necessary to ensure that the City has the ability to attract, hire and retain quality employees and to allow for competitive position in the labor market.

On October 1, 2024, the City Council convened in closed session to review the salaries for City Manager and certain Executive Management positions. The City Council subsequently reached agreement to provide a 5.5% salary adjustment for the City Manager, Assistant City Manager, and Chief of Police to allow for competitive position in their respective labor markets. The following identifies the proposed changes:

Position Title	Employee Group	E Step Bi-Weekly Salary
City Manager	CMGR	\$13,420.92
Assistant City Manager	EXEC	\$11,836.17
Chief of Police	EXEC	\$11,836.17

Adoption of Resolution A will amend the Compensation Schedule to reflect the above changes effective October 18, 2024.

City Manager Employment Agreement

On June 9, 2020, the City Council of the City of Chula Vista appointed Maria Kachadoorian to serve as the City Manager effective June 20, 2020, and subsequently approved the City Manager Employment Agreement. Section 7C of the City Manager Employment Agreement states, in part, "The City Council may increase the Manager's Base Salary at any time in the sole discretion of the City Council" and Section 7D further reads, "Manager's Base Salary increases approved by the City Council from time to time pursuant to this Agreement shall not require an amendment to this Agreement to be effective. Such may be set forth in an annual salary resolution or minute action approved by the City Council and ratified by resolution." The City Council last approved an amendment to the City Manager's Employee Agreement via resolution on August 9, 2022.

Adoption of Resolution B will approve a salary adjustment for the City Manager effective October 18, 2024, and amend the City Manager employment agreement.

Compensation Schedule Requirement

California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets

certain requirements, including approval by the City’s governing body in accordance with the requirements of applicable public meeting laws. The Fiscal Year 2024-25 Compensation Schedule ("Compensation Schedule") was last approved by the City Council at their meeting on September 17, 2024.

Adoption of Resolution C will approve the revised Fiscal Year 2024-2025 Compensation Schedule effective October 18, 2024, which reflects the salary adjustments for the Assistant City Manager, City Manager, and Chief of Police position titles. The Compensation Schedule reflecting these revisions is Attachment 1 to this staff report.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.). Staff is not independently aware, and has not been informed by any Councilmember, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

The current-year General Fund fiscal impact for the updated salary ranges is estimated to total approximately \$39,419. This amount is anticipated to be offset through budgetary savings within the General Fund.

GENERAL FUND	
Department	FY 2024
Administration	\$ 26,215
Police	13,204
Total Estimated Cost for All Funds	\$ 39,419

ONGOING FISCAL IMPACT

The projected fiscal impact for Fiscal Year 2025-26 is estimated to total \$58,099. The net fiscal impact to the General Fund of \$58,099 will be incorporated into the Fiscal Year 2025-26 budget development process.

ATTACHMENTS

1. Revised Fiscal Year 2024-25 Compensation Schedule Effective October 18, 2024

Staff Contact: Tanya Tomlinson, Director of Human Resources/Risk Management