



CITY COUNCIL STAFF REPORT



April 14, 2026

ITEM TITLE

Employee Compensation and Positions: Approve Amended Classification and Compensation Plan, Authorized Position Counts, Revised Compensation Schedule; Budget Amendments; and Updated Conflict of Interest Code

Report Number: 26-0102

Location: No specific geographic location

Department: Human Resources

G.C. § 84308 Regulations Apply: 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 Classification Plan, Compensation Schedule and authorized position count in various departments; (B) Approving the revised Fiscal Year 2025-26 Compensation Schedule effective April 17, 2026, as required by California Code of Regulations, Title 2, Section 570.5; (C) Amending the fiscal year 2025-26 budget to appropriate funds, accordingly (4/5 Vote Required); and (D) Modifying the appendix to the local Conflict of Interest Code to revise the list of designated employees who are required to file Statements of Economic Interest (Form 700) and designating the filers as "Local Agency Officials," requiring them to complete state-mandated Ethics and Fiscal and Financial Training.

SUMMARY

In an effort to address the needs of the City's departments and workforce, the Human Resources Department, in conjunction with various departments, is proposing the addition and deletion of certain positions that will necessitate amendments to the City's Classification Plan, Compensation Schedule and authorized departmental position counts.

Staff is also recommending approval of the revised Fiscal Year 2025-26 Compensation Schedule effective April 17, 2026, as required by the California Code of Regulations, Title 2, Section 570.5. In addition to the changes to certain positions and compensation, the Compensation Schedule will be updated the list of

designated filers who are required to file periodic Statements of Economic Interests (Form 700), and designating all filing City employees and appointed board and commission members as “Local Agency Officials,” thereby requiring them to participate in the ethics training and fiscal and financial training.

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 State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

Not applicable.

DISCUSSION

Classification Plan and Compensation Schedule

In an effort to address the needs of the City's departments and workforce, the Human Resources Department, in conjunction with various departments, is proposing certain position changes, with corresponding updates to the Classification Plan, Compensation Schedule and authorized departmental position counts. Recent staffing appointments and changes include the addition of the Deputy City Manager/Director of Development Services position title, deletion of the Deputy City Manager/Director of Public Works position title, deletion of the Director of Development Services position, and moving the Real Property Manager position from Public Works to Administration. The following tables identify the affected positions and proposed changes.

Summary of Changes

Department	Position Title	FTE
General Fund		
Administration	Deputy City Manager/Director of Public Works	-1.00
	Deputy City Manager/Director of Development Services	1.00
	Real Property Manager	1.00
Development Services	Director of Development Services	-1.00
Public Works	Director of Public Works	1.00
	Real Property Manager	-1.00
General Fund Total		0.00

Summary of New Classification

Position Title	Employee Group	E Step (Maximum) Salary
Deputy City Manager/Director of Development Services	EXEC	\$11,219.13 bi-weekly

Adoption of Resolution A will amend the Classification Plan, Compensation Schedule and authorized position count of various departments to reflect the above changes.

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 2025-26 Compensation Schedule ("Compensation Schedule") was last revised and approved by the City Council at their meeting on February 10, 2026.

Adoption of Resolution B will approve the revised Fiscal Year 2025-26 Compensation Schedule effective April 17, 2026, reflecting the addition of the Deputy City Manager/Director of Development Services position title and the deletion of the Deputy City Manager/Director of Public Works position title.

Budget Amendments

Approval of Resolution C will amend the fiscal year 2025-26 General Fund budget by transferring \$111,659 of appropriations in the Personnel Services category from the Development Services Department to the Public Works Department as a result of the reduction of the Director of Development Services and addition of the Director of Public Works position changes described above. The remaining position changes above are anticipated to be absorbed with available Personnel Services appropriations, resulting in no budget amendments.

Conflict of Interest Code Updates & New Fiscal and Financial Training (SB 827)

The City Clerk and City Attorney have reviewed the position changes and recommend that the appendix to the Conflict of Interest Code (Attachment 2) be updated to designate the appropriate positions as Form 700 filers, as well as designating City employees and appointed board and commission members who are required to file Form 700 under the City's Conflict of Interest Code as "Local Agency Officials," as defined in Government Code §§53234(c)(1)-(3) and 53238(d). This designation requires participation in the ethics training mandated by AB 1234 and the fiscal and financial training newly required under SB 827 (2025). The City will contract with its existing provider, NetFile, to offer the state-mandated training. Additional changes were made to the Conflict of Interest Code appendix to update recently added positions. The redline version of the changes is provided as Attachment 2. Approval of Resolution D will make the appropriate updates to the appendix to the Conflict of Interest Code.

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 City Council member, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

Approval of this item amends the fiscal year 2025-26 budget by transferring \$111,659 in the Personnel Services category from the Development Services Department to the Public Works Department. The position changes in the Administration Department are estimated to total approximately \$77,478 and are anticipated to be absorbed with available Personnel Services appropriations, resulting in no net fiscal impact to the General Fund.

Fund	FY 2026 Cost
General Fund (Development Services)	\$ (111,659)
General Fund (Public Works)	111,659
Total Net Cost to General Fund Budget	\$ -

Approval of this item as it relates to the required fiscal and financial training results in a current fiscal year impact of \$875.00 and will be absorbed within the City Clerk's budget.

ONGOING FISCAL IMPACT

Approval of this item as it relates to position changes results in no net fiscal impact to the General Fund. The position changes fiscal impact listed in the chart below will be considered as part of the annual budget development process in future years.

Fund	FY 2027 Cost
General Fund (Administration)	\$ 221,730
General Fund (Development Services)	(327,196)
General Fund (Public Works)	105,467
Total Net Cost to General Fund Budget	\$ -

Approval of this item as it relates to the required fiscal and financial training results in an ongoing fiscal impact of \$875.00. The fiscal impact will be considered as part of the annual budget development process in future years.

ATTACHMENTS

1. Revised Fiscal Year 2025-26 Compensation Schedule effective April 17, 2026
2. Revised Appendix to the Conflict of Interest Code

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