



Legislation Text

File #: 24-601, Version: 1

Report Prepared by: Suzanne Fierro, Human Resources Manager

SUBJECT: Approval of Resolution to Amend the Compensation Plan for Management Employees

REPORT IN BRIEF

Considers approving a Resolution to Amend Section 4.01 of the Compensation Plan for Management Employees.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2024-71**, a Resolution of the City Council of the City of Merced, California, to Amend the Compensation Plan for Management Employees.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Deny; or,
3. Refer back to staff with instructions.

AUTHORITY

Resolution No. 80-106 - Resolution of the City Council of the City of Merced establishing an Employer-Employee Organizations Relations Policy.

CITY COUNCIL PRIORITIES

As provided for in the 2024-25 Adopted Budget.

DISCUSSION

The Compensation Plan for the Unrepresented Management Employees effective on July 1, 2021, included a collective 3% Premium Pay (1% in 2021, 1% in 2022 and 1% in 2023) in addition to base salary wages. The American Rescue Plan Act was the intended source for funding this compensation add-on, however, other funds were ultimately used. Currently, this compensation add-on is set to sunset on June 24, 2024, and the impacted employees are set to receive a 3% reduction as a result. This employee group is the only group facing this impact.

Approving the Resolution to Amend the Compensation Plan for Management Employees will allow the effected employees to keep the 3% Premium Pay and maintain its current level of wages until a new Management Compensation Plan is adopted by the City Council.

IMPACT ON CITY RESOURCES

Funding has been included in the City Manager's Recommended FY 2024/25 budget. No additional

budget appropriation is necessary.

ATTACHMENTS

1. Resolution 2024-71
2. Management Compensation Plan