



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jennifer Schembri

SUBJECT: SEE BELOW

DATE: February 6, 2024

Approved

Date

2/12/24

**SUBJECT: AMENDMENTS TO THE CITY PAY PLAN FOR VARIOUS
CLASSIFICATIONS IN THE FINANCE DEPARTMENT**

RECOMMENDATION

Adopt a resolution:

- (a) Amending the City of San José Pay Plan to increase the annual pensionable salary ranges for the following classifications, effective March 3, 2024:
 - (1) Debt Administrator (1288) increased to \$129,708.13 – \$183,274.20;
 - (2) Investment Officer (7504) increased to \$129,708.13 – \$183,274.20; and
 - (3) Risk Manager (1265) increased to \$129,708.13 – \$183,274.20.
- (b) Approving changes to Executive Management and Professional Employees in Unit 99 to provide the incumbent, if any, in the Risk Manager (1265) classification with an approximate 5.15% pensionable pay increase, effective March 3, 2024.

SUMMARY AND OUTCOME

Adoption of the resolution will result in the City of San José Pay Plan being amended to change the salary ranges for the Debt Administrator (1288), Investment Officer (7504), and Risk Manager (1265) classifications, and will result in an approximate 5.15% pensionable pay increase for the incumbent in the Risk Manager classification who began occupying that position prior to March 3, 2024.

BACKGROUND

The Debt Administrator is a single-position classification in the Finance Department which was vacated by its most recent incumbent in June 2022. Since September 2022, there have been multiple failed recruitments for this position. As a result, the City conducted a salary survey for the classification to determine whether the rate of pay may have negatively impacted the City's

ability to conduct an in-house recruitment and the City hired an outside consultant to assist with the recruitment. The outside consultant's assistance was instrumental in finding a successful candidate for this recruitment who is expected to begin employment with the City in April 2024.

Because the Debt Administrator classification's rate of pay has historically been tied to the rates of pay for the Investment Officer and Risk Manager single-position classifications in the Finance Department, salary surveys for those classifications were also conducted. The results of these surveys showed that these City classifications were also below market at varying ranges. In order to keep the salaries aligned as they have historically been, when averaged, the classifications were 5.15% below the average of the market.

The Administration recommends that the Debt Administrator, Investment Officer, and Risk Manager classifications have salary ranges increased by approximately 5.15% to bring the classifications to the average of the market and that this 5.15% special salary adjustment also be extended to the incumbent in the Risk Manager classification. The Administration's recommendation will impact three budgeted positions, one position in each of the classifications listed above, and will not create any salary compaction with the Deputy Director U classification, to which these classifications report.

ANALYSIS

It is recommended that the City Council adopt the Administration's recommendation outlined in this memorandum which would provide increases to the annual pensionable salary ranges for the following classifications:

- Debt Administrator;
- Investment Officer; and
- Risk Manager.

The recommendation also seeks to provide a 5.15% special salary adjustment to the active incumbent in the Risk Manager classification who began occupying that position prior to March 3, 2024.

EVALUATION AND FOLLOW-UP

No further follow-up with the City Council related to this action is anticipated at this time.

COST SUMMARY/IMPLICATIONS

The estimated additional ongoing costs associated with the special salary adjustments to the Debt Administrator, Investment Officer, and Risk Manager classifications included in this memorandum is approximately \$37,000 in all funds, of which approximately \$35,000 is in the General Fund. It is anticipated that the costs in fiscal year 2023-2024 will be absorbed, to the

HONORABLE MAYOR AND CITY COUNCIL

February 6, 2024

Subject: Amendments to the City Pay Plan for Various Classifications in the Finance Department

Page 3

extent possible, within the Finance Department's existing budget and will be factored into the development of the 2024-2025 Base Budget.

COORDINATION

This memorandum was coordinated between the City Manager's Office of Employee Relations, the City Attorney's Office, the City Manager's Budget Office, and the Finance Department.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the February 27, 2024, City Council meeting.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



JENNIFER SCHEMBRI
Director of Employee Relations
Director of Human Resources

The principal author of this memorandum was Bill Gold, Senior Executive Analyst in the City Manager's Office Employee Relations. For questions, please contact Jennifer Schembri, Director of the City Manager's Office of Employee Relations and Director of Human Resources at (408) 535-8150.