



OFFICE OF THE CITY MANAGER

CONSENT CALENDAR

May 20, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Monica Walker, Interim Director of Human Resources

Subject: Revise the Personnel Rules and Regulations to Add Section 9.02.1 *Promotion – Salary Step Placement*

RECOMMENDATION

Adopt a Resolution revising the Personnel Rules and Regulations to add Section 9.02.1 Promotion – Salary Step Placement, which affords promotional placement on the step closest to the employee's current earning rate that is at least 10% higher.

FISCAL IMPACT

The new rule would add approximately 5% fiscal impact to each promotion, representing the difference between the proposed practice of 10% and the current practice to place employees at the lowest step of the higher classification that is at least 5% above their current earning rate.

CURRENT SITUATION AND ITS EFFECTS

In an effort to maintain a uniform practice, while incentivizing employees to seek promotions, during negotiations with Local One, the City negotiated a proposal - subject to bargaining with other labor groups – to institutionalize a Personnel Rule that affords promotional placement on the step closest to the employee's current earning rate that is at least 10% higher. The rule would not increase the top step of any classification and would not override any existing MOU provisions regarding promotional step placement.

BACKGROUND

In order to establish an equitable and uniform system for dealing with personnel practices embracing the merit system, the City of Berkeley adopted a personnel system to be administered in accordance with the provisions of the Charter of the City and pursuant to personnel rules adopted by resolution of the City Council.

Over the past year, stakeholders in the City have expressed different preferences with regard to promotional step placement. The City's current practice is to place employees at the lowest step of the higher classification that is at least 5% above their current earning rate. This practice is not currently codified in the City's Personnel Rules and Regulations.

In addition to codifying the rule, the City is proposing this approach because the need for consistency across departments, particularly with shared classifications (such as Office Specialist), is pronounced. Without a uniform approach, promotional step placement could be swayed by the budgetary circumstances (e.g., availability of salary savings) of a given department or the generosity of a given hiring manager, creating inequity across the organization.

The proposed addition to the Personnel Rules and Regulations was considered by the Personnel Board at its meeting of April 7, 2025, and approved by unanimous vote.

Revise Personnel Rules and Regulations to Add
Section 9.02.1 *Promotion – Salary Step Placement*

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ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental impacts or opportunities associated with the subject of the report.

RATIONALE FOR RECOMMENDATION

Codifying the rule for promotional step placement in the Personnel Rules and Regulations will ensure consistent application of promotional step placement throughout the City.

ALTERNATIVE ACTIONS CONSIDERED

Maintain current longstanding practice of placing employees at the lowest step of the higher classification that is at least 5% above their current earning rate without codification of the rule in the Personnel Rules and Regulations.

CONTACT PERSON

Monica Walker, Interim Director of Human Resources, (510) 981-6818.

ATTACHMENTS

1. Resolution

Exhibit A: Proposed Amendment to Personnel Rules and Regulations, Section 9.02.1 *Promotion – Salary Step Placement*

RESOLUTION NO. ##,###-N.S.

REVISE PERSONNEL RULES AND REGULATIONS TO ADD
SECTION 9.02.1 PROMOTION – SALARY STEP PLACEMENT

WHEREAS, in order to establish an equitable and uniform system for dealing with personnel practices embracing the merit system, the City of Berkeley adopted a personnel system to be administered in accordance with the provisions of the Charter of the City and pursuant to personnel rules adopted by resolution of the City Council; and

WHEREAS, the Human Resources Department maintains the Personnel Rules and Regulations for the City of Berkeley; and

WHEREAS, the City's current practice is to place employees at the lowest step of the higher classification that is at least 5% above their current earning rate; however, this practice is not currently codified in the City's Personnel Rules and Regulations; and

WHEREAS, the City is proposing the addition of Section 9.02.1 *Promotion – Salary Step Placement* which affords promotional placement on the step closest to the employee's current earning rate that is at least 10% higher; and

WHEREAS, the City is proposing this approach because the need for consistency across departments, particularly with shared classifications, is pronounced. Without such a uniform approach, promotional step placement would be swayed by the budgetary circumstances of a given department or the generosity of a given hiring manager, creating inequity across the City; and

WHEREAS, the Personnel Board recommended on April 7, 2025, to revise the Personnel Rules and Regulations to add Section 9.02.1 *Promotion – Salary Step Placement*.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that Personnel Rules and Regulations, Section 9.02.1 *Promotion – Salary Step Placement* as shown in Exhibit A, be added to the Personnel Rules and Regulations, with authority for staff to make non-substantive changes throughout the Personnel Rules and Regulations as necessary to ensure consistency with the newly adopted rule.

BE IF FURTHER RESOLVED that the new rule will be effective for promotions on or after the pay period beginning May 25, 2025.

Exhibit A:

Personnel Rules and Regulations, Section 9.02.1 *Promotion – Salary Step Placement*

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Personnel Rules and Regulations, Section 9.02.1 *Promotion – Salary Step Placement*

9.02.1 PROMOTION – SALARY STEP PLACEMENT

Unless otherwise provided in an applicable union contract, if an employee is promoted or otherwise reclassified to a class having a higher salary range, the employee's salary shall either be adjusted to the beginning salary of the new salary range, or at a step that is at least 10% percent higher than their current salary, whichever is greater. If the range change is less than 10% percent and if the employee is at the top of the salary range prior to reclassification, the employee's salary shall be adjusted to the top of the new salary range, even though such placement results in less than 10% percent increase.