



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 6, 2022
FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL
SUBJECT: REVISIONS TO THE MASTER FRINGE BENEFITS AND SALARY PLAN TO REFLECT THE 2023 STATE-MANDATED INCREASE TO THE MINIMUM WAGE AND SALARY ADJUSTMENTS TO ADDITIONAL TEMPORARY JOB CLASSIFICATIONS TO MAINTAIN MINIMUM WAGE INCREASE DIFFERENTIALS

ISSUE:

Approve revisions to the Master Fringe Benefits and Salary Plan to reflect the 2023 State-mandated increase to the minimum wage.

RECOMMENDATION:

That the City Council:

1. Adopt the attached Resolution amending the Master Fringe Benefits and Salary Plan (Exhibit A).

DISCUSSION:

Effective January 1, 2023, the State of California will increase the minimum wage from \$15.00 to \$15.50 per hour. In accordance with the law, the salaries of affected City classifications must be adjusted accordingly.

Additionally, the minimum wage is used as a benchmark for the salary ranges of the following classifications: Clerical Assistant, General Service Worker, Law Clerk, Management Intern, and Weekend Crew Supervisor. Therefore, the Human Resources Department recommends adjustments to these classifications. The associated salary increases will maintain the salary differential between minimum wage classifications and higher-level classifications and avoid compaction issues.

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 5 – High Performing Government** and **Goal 5.1:** Attract, develop, engage and retain a diverse and highly skilled workforce across the entire City organization; and **Goal 5.5:** Foster a culture of safety, well-being, resilience, sustainability, diversity, and inclusion across the city organization; and

1. **Community Trust** – Necessary adjustments to the Fringe Benefits and Salary Plan enhances transparency by sharing relevant information about the 2023, state-mandated

minimum wage increase.

2. **Equity** – Salary ranges and classifications have been reviewed to ensure they reflect equitable internal and external alignment.
3. **Fiscal Responsibility** – Salary ranges are reviewed to ensure that compensation is reasonably aligned. Modifications to salary step progression allows for salary adjustment for the attraction and retention of a skilled workforce with minimal fiscal impact.
4. **Innovation** – Existing salary ranges are reviewed to ensure salary is aligned and complies with state and local mandated minimum wages.
5. **Sustainability & Resiliency** – Adjustments to the Fringe Benefits and Salary Plan will foster greater workforce retention, improve the quality-of-service delivery, and retain a diverse range of employees.

FISCAL IMPACT:

The fiscal impact is estimated at \$75,802 in FY 2022/23. Sufficient funds are budgeted and available in the FY 2022/23 adopted budget. The minimum wage increase will affect approximately 17 classifications and 92 full-time equivalents.

Prepared by:	Rene Goldman, Human Resources Director
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:

1. Resolution Amending the Fringe Benefits and Salary Plan
 - a. Exhibit A – Amended Fringe Benefits and Salary Plan