



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JANUARY 10, 2017**
FROM: HUMAN RESOURCES DEPARTMENT **WARDS: ALL**
SUBJECT: REVISIONS TO THE MASTER FRINGE BENEFITS AND SALARY PLAN IN ORDER TO REFLECT AN INCREASE IN THE MINIMUM WAGE

ISSUE:

The item for City Council consideration is approval of revisions to the Master Fringe Benefits and Salary Plan in order to reflect an increase in the minimum wage.

RECOMMENDATION:

That the City Council approve the following in order to reflect the new minimum wage law effective January 1, 2017:

1. The attached Resolution amending the Master Fringe Benefits and Salary Plan (Exhibit A); and
2. The attached amendments to the City's Classification Plan to adjust salaries of minimum wage classifications (Exhibit B).

DISCUSSION:

Effective January 1, 2017, the State of California increased the minimum wage from \$10.00 to \$10.50 per hour. In accordance with the law, the salaries of affected City classifications must be adjusted.

FISCAL IMPACT:

The minimum wage increase will affect approximately 195 incumbents in 15 classifications. The fiscal impact for increases to the minimum wage is approximately \$202,800 and will be absorbed within existing departmental budgets. Future incremental increases in the minimum wage requirement have been included the City's Five-Year Plan adopted as part of the FY 2016-18 Two-Year budget process.

Prepared by: Pia Rose, Interim Human Resources Director
Certified as to availability of funds: Scott Miller, PhD, Chief Financial Officer/City Treasurer
Approved by: Marianna Marysheva, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Resolution Amending the Fringe Benefits and Salary Plan
 - a. Exhibit A – Amended Fringe Benefits and Salary Plan
 - b. Exhibit B – Changes to the Classification Plan