



City of Arts & Innovation

# City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 09, 2025

FROM: HUMAN RESOURCES DEPARTMENT WARDS: ALL

SUBJECT: REVISIONS TO THE MASTER FRINGE BENEFITS AND SALARY PLAN TO REFLECT THE 2026 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 2026 State mandated increase to the minimum wage effective January 1, 2026.

## **RECOMMENDATION:**

That the City Council:

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

## **DISCUSSION:**

Effective January 1, 2026, the State of California will increase the minimum wage from \$16.50 to \$16.90 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: Administrative Intern, General Service Worker, and Technical Intern. 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.

To comply with the implementation effective date, the City will implement this new law effective with pay period beginning December 19, 2025.

**FISCAL IMPACT:**

The fiscal impact is estimated at \$133,609 in FY 2025/26. Sufficient funds are budgeted and available in the FY 2025/26 adopted budget and will be absorbed in the departments' respective budgets. The minimum wage increase will affect approximately 8 classifications.

Prepared by:	Rene Goldman, Human Resources Director
Certified as to availability of funds:	Kristie Thomas, Finance Director
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

**Attachments:**

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