



## Legislation Text

File #: 2023-0941, Version: 1

### Report to Mayor and City Council

Tuesday, December 19, 2023

Consent

#### **SUBJECT:**

**CONSIDER RESOLUTION NOS. 23-189 AND 23-190 INCREASING THE MINIMUM WAGE FOR CITY OF CARSON EMPLOYEES PURSUANT TO CALIFORNIA STATE LAW (CITY COUNCIL)**

#### **I. SUMMARY**

This item is to approve increasing the hourly minimum wage for City of Carson part-time employees, mandated by California law, which requires a one-time increase to the State minimum wage from \$15.50 per hour to \$16.00 per hour, by January 1, 2024.

Resolution No. 23-189 (Exhibit No. 1) and Resolution No. 23-190 (Exhibit No. 2) are being presented to averages are negative the City Council for consideration. The adoption of these resolutions would increase the minimum wage for City of Carson part-time employees from \$15.50 to \$16.00 per hour. There are also increases to the steps of the affected salary ranges.

#### **II. RECOMMENDATION**

1. WAIVE further reading and ADOPT Resolution No. 23-189, "A RESOLUTION OF THE CITY COUNCIL CITY OF CARSON CALIFORNIA, AMENDING THE SALARY RANGES FOR AFSCME 809 UNCLASSIFIED, PART-TIME, HOURLY CLASSIFICATIONS TO INCREASE THE HOURLY MINIMUM WAGE TO \$16.00, EFFECTIVE JANUARY 1, 2024."
2. WAIVE further reading and ADOPT Resolution No. 23-190, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON CALIFORNIA, AMENDING THE SALARY RANGES FOR UNCLASSIFIED, PART-TIME, UNREPRESENTED, HOURLY CLASSIFICATIONS TO INCREASE THE HOURLY MINIMUM WAGE TO \$16.00, EFFECTIVE JANUARY 1, 2024."

### **III. ALTERNATIVES**

The City Council may take any other action deemed appropriate.

### **IV. BACKGROUND**

One of the protections of the California minimum wage law is an annual review of the wage rate using the U.S. Consumer Price Index for Urban Wage Earners and Clerical Workers (U.S. CPI-W). The Department of Finance calculated that the U.S. CPI-W increased by 6.16 percent for the period from July 1, 2022, to June 30, 2023, compared to the prior 12-month period. The minimum wage increases each year by the lesser of 3.5 percent, and the rate of change in the averages of the two most recent U.S. CPI-W, unless those averages are negative. If the, there is no change in the minimum wage for the following year.

On July 31, 2023, Governor Newsom certified the minimum wage increase for all employers for 2024. State law requires that most California workers be paid the minimum wage.

The state hourly minimum wage must be increased, effective January 1, 2024, from \$15.50 to \$16.00 an hour (regardless of the number of workers employed by an employer).

The change also resulted in the need to increase each step in the range by 2.5% for unrepresented and 5% for AFSCME represented.

Also due to the PERB Complaint on 9/7/21 and the outcome of the 8/26/21 PERB mediation, the salary tables were adjusted to reflect those decisions.

At this time the City must take action to abide by this State Law and approve this increase for the minimum wage, effective January 1, 2024.

At the request of the City Council, staff has also calculated the anticipated fiscal impact of additional increases beyond the state mandated \$16.00 per hour requirement, up to two intervals for consideration at a future meeting:

- \$18 per hour - \$548,300 for remainder of current fiscal year
- \$20 per hour - \$1,180,375 for remainder of current fiscal year

Note that these estimates do account for compaction within the part time classifications. However, additional significant compaction across affected full-time classifications would need to be calculated as well, at an additional cost. **V. FISCAL IMPACT**

The \$.50 increase for the minimum wage effective January 1, 2024 and the PERB complaint adjustments will have a fiscal impact of \$156,335 to the City for all part time

classifications. There is sufficient budget within the departments to withstand this impact.

## **VI. EXHIBITS**

1. Resolution No. 23-189 (pgs.1-2)
2. Proposed Part-Time, AFSCME 809, Unclassified, Hourly Employees Bargaining Unit Salary Schedule (pg. 3)
3. Resolution No. 23-190 (pgs. 4-5)
4. Proposed Part-Time, Unclassified, Unrepresented, Hourly Classifications Salary Schedule (6)

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