



Legislation Text

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REQUEST FOR CITY COUNCIL ACTION

DATE: 12/07/2022

TO: Honorable Mayor and City Council Members

FROM: Human Resources Department

SUBJECT:

Resolution approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2022-109, to implement salary range increases for minimum wage per California State law.

EXECUTIVE SUMMARY:

This staff report asks the City Council to approve the City of Corona Position Library and Compensation Plan updating select compensation ranges due to compliance with Senate Bill 3, which amended section 1182.12 of the Labor Code and now requires a minimum wage increase to fifteen dollars and fifty cents (\$15.50) per hour on January 1, 2023 for employers who employ 26 or more employees.

RECOMMENDED ACTION:

That the City Council adopt Resolution No. 2022-119, approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2022-109, effective September 7, 2022.

BACKGROUND & HISTORY:

State regulations for public employers require disclosure of position classifications and corresponding compensation. In an effort to ensure compliance, and for even greater transparency, the City Council has previously adopted and updated the Position Library and Compensation Plan, a document which includes a list of all authorized employment positions for the City and their corresponding compensation ranges ("Plan").

The Plan provides added organizational efficiency and permits departments to continue streamlining operations without impacting service levels. Additionally, it allows members of the public to see what any given position, even those not currently filled, are paid. To this end, it is essential to note that this document is strictly a resource document of available employment positions, as the positions

listed will not necessarily be budgeted or funded in any given fiscal year. A list of full-time budgeted positions is located on the City's website.

ANALYSIS:

Minimum Wage

Compensation ranges are updated to comply with Senate Bill 3, which amended section 1182.12 of the Labor Code to require a minimum wage increase to fifteen dollars and fifty cents (\$15.50) per hour on January 1, 2023.

Labor Code section 1182.12 also requires the Director of Finance for the State of California to annually make a determination and certify to the Governor and the Legislature whether an adjustment for inflation is applied to minimum wage after the minimum wage reaches \$15 per hour. Pursuant to this section, the minimum wage of \$15 per hour was implemented on January 1, 2022 for employers who employ 26 or more employees, and is scheduled for January 1, 2023 for employers who employ 25 or fewer employees. Accordingly, the City adjusted its minimum wage to \$15.00 an hour at the beginning of the Calendar Year.

Following the implementation of the minimum wage to \$15 per hour, Labor Code section 1182.12(c) requires that on or before August 1 of each year, the Director of Finance for the State of California determines if the minimum wage shall be adjusted for inflation and calculates the increase in minimum wage by the lesser of 3.5 percent or the rate of change, as specified, for the United States Bureau of Labor Statistics non-seasonally adjusted United States Consumer Price Index for Urban Wage Earners and Clerical Workers (U.S. CPI-W).

The Department of Finance has calculated that the U.S. CPI-W for the 12-month period from July 1, 2021 to June 30, 2022 increased by 7.9 percent compared to the 12-month period from July 1, 2020 to June 30, 2021. As a result, the Department of Finance has determined that the minimum wage shall increase by 3.5 percent to \$15.50 per hour and shall be implemented for all employers on January 1, 2023. Implementation of the minimum wage increase will move the noted part-time staff to \$15.55 per hour as that is the closest range to \$15.50 on the City's current salary table.

Currently, the following position in the City of Corona Position Library are under the new minimum wage effective January 1, 2023.

	Current Starting Rate	Proposed Starting Rate
Fire Prevention Assistant	\$15.17/hour	\$15.55/hour
Literacy Assistant	\$15.17/hour	\$15.55/hour
Management Intern	\$15.17/hour	\$15.55/hour
Student Aide	\$15.17/hour	\$15.55/hour

FINANCIAL IMPACT:

The minimum wage increase to \$15.50 per hour will be effective the first pay period in January 2023. Of the four part-time positions impacted by the change, only one is budgeted in the current fiscal year. The Literacy Assistant is a grant funded position and the additional cost for the increase, estimated to be \$185.00 through June 30, 2023, will be covered within the current grant allocation.

No budgetary appropriations are needed for the January 2023 minimum wage change.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. This action will increase wages of those employees who would be under the State mandated amount as of January 1, 2023, the activity is not subject to CEQA. There is no possibility that the acceptance of this report will have a significant effect on the environment.

PREPARED BY: REBECCA CHRISTOPHER, HUMAN RESOURCES SUPERVISOR

REVIEWED BY: ANGELA RIVERA, CHIEF TALENT OFFICER

Attachments:

1. Exhibit 1 - Position Library and Compensation Plan - Redline Version
2. Exhibit 2 - Resolution 2022-119, Position Library and Compensation Plan