

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Isaac Garibay, Human Resources Manager

DATE: November 12, 2019

SUBJECT: Approve Amended Salary Schedules to Reflect Administrative Adjustments to the City's Classification System and Comply with State Minimum Wage Mandates

PREPARED BY: Isaac Garibay, Human Resources Manager

RECOMMENDATION: That the City Council approve amended salary schedules reflecting administrative adjustments to the City's Classification System and comply with state minimum wage mandates.

BACKGROUND: With an increasing demand for services throughout the City, there is a need to shift the City's labor force to meet those demands. Specifically, there has been an increase in demand for heating, ventilation, and air conditioning (HVAC) maintenance throughout City facilities, and for general multimedia services in several departments. As a result, the City has administratively updated its Classification System to include the following classifications:

- Lead Maintenance Worker (HVAC)
- Multimedia Coordinator
- Multimedia Specialist II
- Multimedia Specialist I
- Multimedia Assistant

It is important to note that adding classifications to the Classification System does not automatically equate to an increase in staffing levels nor personnel expenditures; rather, it provides options for staffing levels that may better fit the City's needs at any given time. In order to comply with the California Code of Regulations (2 C.C.R. § 570.5), salary ranges are being recommended for each of these classifications in the attached Salary Schedules. The salary ranges being recommended are based on labor market norms and internal equity.

Two additional administrative amendments to the Salary Schedules are also being recommended. Those include removing salary ranges no longer in use (i.e. "y-rate" ranges), and adjusting wage calculation rounding from four-digit decimal places to two-digit decimal places, which will better position the City to transition to its upgraded financial system next year.

Finally, in 2016, the State of California issued a Minimum Wage Order (MW-2017), which mandates that all employers, including the City of Temecula, pay employees hourly wages not less than \$13.00 per hour beginning January 1, 2020. As a result, those pay ranges that fall below \$13.00 per hour were studied along with related job classifications to bring all pay ranges into compliance while maintaining internal equity differentials within each classification family. Salary range adjustments are being recommended for the following classifications:

- Intern
- Recreation Assistant
- Recreation Leader

The recommended adjustments only affect Project employees. No salary or benefit adjustments are being recommended for any Regular, benefitted positions, including Executive staff, Mid Management staff, or staff represented by Teamsters Local 911.

FISCAL IMPACT: It is difficult to predict the exact fiscal impact of project employment wages due to the nature of the work. Project employment positions have high turnover because they are temporary in nature. Employees often leave project positions for full-time, benefitted opportunities, and sometimes the positions are seasonal by design (e.g. recreation positions). It is also unlikely that all current project positions will stay filled at their current levels for the remainder of Fiscal Year 2019-2020; however, assuming the current staffing levels, the maximum Citywide fiscal impact for both administrative amendments and minimum wage adjustments would be \$41,000.

ATTACHMENTS:

1. Salary Schedule effective November 12, 2019
2. Salary Schedule effective January 1, 2020