

FINANCIAL IMPACT:

Increases to the California minimum wage are anticipated to cost \$63,598 for the remainder of FY2019/20. Of this total, \$5,231 is to the Parks and Recreation Division (Resource Management), \$2,150 is to the General Fund (\$1,075-Auditor-Controller's Office and \$1,075-Human Resources Department) and \$56,217 to the Library Fund (Library Services). All impacted departments are able to absorb the additional cost in their existing FY2019/20 budget appropriations.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

DISCUSSION:

The California legislature enacted, and the Governor signed into law, gradual increases to the California minimum wage beginning in 2008. Effective January 1, 2020, the California minimum wage increases to \$13.00 per hour. Over time, the State minimum wage will increase to \$15.00 per hour and, thereafter, be indexed based on California cost of living. The California minimum wage is greater than the federal minimum wage (\$7.25 per hour, or \$10.80 for federal contractors). Because the County implements wage increases effective at the beginning of a pay period, the January 1, 2020 minimum wage increase will be implemented on December 29, 2019.

Six extra help classifications are impacted by the changes to the California minimum wage.

The four unrepresented classifications are Contract Employee-Professional, Contract Employee-Technical, Peer Group Co-Facilitator, and Student Intern.

- The Contract Employee-Professional has a pay range of \$12.00 to \$145.00 per hour. There are no Contract Employees-Professional who presently earn less than \$13.00 per hour. It is recommended to increase the entry wage from \$12.00 to \$13.00 per hour.
- The Contract Employee-Technical has a pay range of \$12.00 to \$100.00 per hour. There are no Contract Employees-technical who presently earn less than \$13.00 per hour. It is recommended to increase the entry wage from \$12.00 to \$13.00 per hour.
- The Peer Group Co-Facilitator classification, used by the Probation Department in support of the Center for Positive Change, has a single pay rate which would be amended from \$12.00 to \$13.00 per hour. Presently, there are no employees in this classification.
- The Student Intern classification affords the individual practical work experience through projects which provides employment training experience and exposure to a professional work environment and has a single pay rate which would be amended from \$12.00 to \$13.00 per hour. Presently, there is one employee in this classification.

Two represented extra help classifications are represented by SEIU.

- Departmental Aide - Clerical has a single pay rate of \$12.00 per hour. It is recommended to increase the wage to \$13.00 per hour. There are presently Departmental Aides in Resource Management and Auditor-Controller.
- Library Departmental Aide has a single pay rate of \$12.00 per hour. It is recommended to increase the wage to \$13.00 per hour. Library Departmental Aides are employed only by the Library Services Department.

ALTERNATIVES:

The Board could choose not to approve the increase in hourly rates for these select job classifications, but this would result in the County being out of compliance with the pending California minimum wage.

OTHER AGENCY INVOLVEMENT:

The County has met and conferred with SEIU, Local 1021, regarding the proposed salary increase to the two extra help job classifications represented by SEIU and impacted by the minimum wage increases. SEIU has signed the proposed amendment and that signed amendment is attached.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION