RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE FINANCE AND ECONOMIC RESILIENCY COMMITTEE AT ITS MAY 27, 2022 MEETING, TO INCREASE THE LIVING WAGE RATE FOR FISCAL YEAR 2023 TO PROVIDE A COST OF LIVING ADJUSTMENT ("COLA") IN THE AMOUNT OF THREE PERCENT, WITH THE INDEXED LIVING WAGE RATE TO CONSIST OF EITHER: (1) $15.61 PER HOUR, WITHOUT HEALTH CARE BENEFITS OR (2) $12.26 PER HOUR WITH HEALTH CARE BENEFITS, OF AT LEAST $3.35 PER HOUR EFFECTIVE JANUARY 1, 2023; AND FURTHER DELEGATING THE AUTHORITY TO THE PROCUREMENT DIRECTOR TO AMEND ANY CONTRACT, AS NEEDED, IN ORDER TO IMPLEMENT THE THREE PERCENT INCREASE TO THE LIVING WAGE RATE FOR FY 2023.

WHEREAS, Section 2-408 of the City Code requires that, for specific service contracts, contractors pay employees the living wage rates that have been approved by the City Commission for any given year; and

WHEREAS, on September 25, 2019, the Mayor and City Commission approved the living wage rate for the calendar year 2020 as follows: $15.00 per hour, without health care benefits; or $11.78 per hour, with health care benefits of at least $3.22 per hour; and

WHEREAS, the current rates resulted from a three-year phased-in approach initially approved by the City Commission on October 18, 2017, to establish $15.00 an hour as the minimum living wage rate by 2020; and

WHEREAS, during the annual budget discussion for each fiscal year, the City Commission considers whether to change the living wage rates that certain City contractors are required to pay their employees; and

WHEREAS, generally, the living wage hourly rate increase is calculated according to any prior year increase in the overall Consumer Price Index ("CPI") for the local area, and the healthcare benefit rate increase is calculated according to any previous year increase in the CPI for medical costs for the local area; and

WHEREAS, Section 2-408(d) also states that an annual increase to the living wage rates shall not exceed the corresponding increase (if any) provided to unclassified city employees; and

WHEREAS, the City's past practice has been to consider the cost of living adjustment ("COLA") approved for unclassified staff; and

WHEREAS, during the FY 22/23 budget process, the City is considering a 3% COLA increase for unclassified employees, equivalent to the proposed 3% increase for union staff which is expected to be approved and adopted on September 14, 2022; and

WHEREAS, the fiscal impact of adopting a living wage increase equivalent to the proposed FY 23 3% COLA for unclassified staff is an estimated $408,916.54; and

WHEREAS, on May 27, 2022, the Finance and Economic Resiliency Committee

("FERC") recommended an increase to the Living Wage for the calendar year 2023, equivalent to the COLA by 3%; and

WHEREAS, If approved by the Mayor and City Commission, the living wage rates would consist of either: (1) no less than $12.26 per hour, with health care benefits or (2) no less than $15.61 per hour, without health care benefits, will become effective on January 1, 2023.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby accept the recommendation of the Finance and Economic Resiliency Committee at its May 27, 2022 meeting, to increase the living wage rate for fiscal year 2023 to provide a cost of living adjustment ("COLA") in the amount of three percent with the indexed living wage rate to consist of either: (1) $15.61 per hour, without health care benefits or (2) $12.26 per hour with health care benefits, effective January 1, 2023; and further delegate the authority to the Procurement Director to amend any contract, as needed, in order to implement the three percent increase to the living wage rate for FY 2023.

PASSED AND ADOPTED this _____ day of _____2022.

ATTEST:

_____ _____

RAFAEL E. GRANADO, CITY CLERK DAN GELBER, MAYOR

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

for City Attorney DX 9/7/22 Date