MIAMIBEACH

COMMISSION MEMORANDUM

TO: Mayor Dan Gelber and Members of the City Commission

FROM: Alina T. Hudak, City Manager

DATE: September 14, 2022

SUBJECT: **AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING ORDINANCE NO. 1605, THE UNCLASSIFIED SALARY ORDINANCE, AS FOLLOWS: RETROACTIVELY, EFFECTIVE THE FIRST FULL PAY PERIOD ENDING IN APRIL OF 2022, THERE SHALL BE AN ACROSS THE BOARD COST-OF-LIVING ADJUSTMENT ("COLA") OF TWO PERCENT (2%), AND THE MINIMUM AND MAXIMUM OF EACH SALARY RANGE WILL ALSO BE INCREASED BY TWO PERCENT (2%); EFFECTIVE THE FIRST FULL PAY PERIOD ENDING IN APRIL OF 2023, THERE SHALL BE AN ACROSS THE BOARD COLA OF THREE PERCENT (3%), AND THE MINIMUM AND MAXIMUM OF EACH SALARY RANGE WILL ALSO BE INCREASED BY THREE PERCENT (3%); EFFECTIVE THE FIRST FULL PAY PERIOD ENDING IN APRIL OF 2024, THERE SHALL BE AN ACROSS THE BOARD COLA OF THREE PERCENT (3%), AND THE MINIMUM AND MAXIMUM OF EACH SALARY RANGE WILL ALSO BE INCREASED BY THREE PERCENT (3%); THE MAXIMUM OF EACH SALARY RANGE SHALL BE RAISED BY FIVE PERCENT (5%) TO ACCOUNT FOR COLAS NOT AWARDED TO UNCLASSIFIED EMPLOYEES IN 2017, 2019, AND 2020; VARIOUS CLASSIFICATIONS FOR THE GROUP SHALL BE ADDED AND/OR REMOVED; RANGE CHANGES DUE TO RECLASSIFICATION OF VARIOUS CLASSIFICATIONS SHALL BE ADOPTED; ALL CLASSIFICATIONS AND GRADES IN ALPHABETICAL ORDER SHALL BE READOPTED; OUTDATED LANGUAGE SHALL BE DELETED AND/OR REVISED; AND PROVIDING FOR REPEALER, SEVERABILITY, AND AN EFFECTIVE DATE.**

ADMINISTRATION RECOMMENDATION

Administration recommends approval of the Ordinance.

BACKGROUND

The City of Miami Beach has five classified service employee groups represented by bargaining units, one employee group comprised of classifications in the classified service not covered by a bargaining unit and one group comprised of at-will employees, commonly referred to as Unclassified employees. The City of Miami Beach has over 700 employees in the Unclassified salary group.

To obtain and maintain top talent for the City, even during the "Great Resignation" and fierce competition for qualified and experienced employees, there is a need to amend the salary ordinance to ensure the City has an employee classification and compensation system that is fair and competitive. This Ordinance provides 2%, 3% and 3% COLAs for Unclassified employees, at parity with those provided to the bargaining units. Furthermore, there is a need to amend the salary ordinance to delete obsolete classifications; make housekeeping amendments; correct scrivener's errors; and to amend classifications and grades.

ANALYSIS

At the May 27, 2017, meeting, the City Commission adopted Ordinance 2017-4093, which was the most recent amendment to Ordinance Number 1605, "The Unclassified Employees Salary Ordinance of the City of Miami Beach." Since the adoption of Ordinance 2017-4093, organizational changes and work demands have led to the creation of new classifications, the elimination of classifications, and corrections to the pay grade for several classifications.

The City's past practice has been to provide cost-of-living-adjustments (COLAs) to Unclassified employees consistent with those COLAs negotiated by the represented Classified employees. However, the Unclassified employees did not receive COLAs in 2017, 2019, and 2020. Therefore, this Ordinance shall raise by five percent (5%) the maximum of each salary range, effective upon ratification of this Ordinance, in order to provide parity and prevent loss of wage growth and salary compression. Additionally, effective the first full pay period ending in April of 2022, there shall be a COLA of two percent (2%), and the minimum and maximum of each salary range will also be increased by two percent (2%); effective the first full pay period ending in April of 2023, there shall be an across the board COLA of three percent (3%), and the minimum and maximum of each salary range will also be increased by three percent (3%); and effective the first full pay period ending in April of 2024, there shall be an across the board COLA of three percent (3%), and the minimum and maximum of each salary range will also be increased by three percent (3%).

Unclassified employees who separate from employment with the City prior to the date of implementation of the COLA (effective the first full pay period in April 2022; effective the first full pay period in April 2023; and effective the first full pay period in April 2024) will not be qualifying incumbents and will not be eligible for the COLA increases post separation.

FINANCIAL IMPACT

The estimated financial impact of the COLAs for Unclassified employees in fiscal year (FY) 2021-22 operating budget is $655,476; FY2022-23 operating budget is $2,345,629; and FY2023-24 operating budget is $4,469,225.

CONCLUSION

The Administration recommends ratification of the classifications and organizational changes reflected in the Ordinance, and that the City Commission set the Ordinance for second reading and public hearing September 28, 2022.