

RESOLUTION NO. _____

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 JULY 28, 2023 MEETING, TO INCREASE THE LIVING WAGE BY THREE PERCENT TO \$12.63 PER HOUR WITH HEALTH CARE BENEFITS OF AT LEAST \$3.45 PER HOUR, OR \$16.08 PER HOUR WITHOUT HEALTH CARE BENEFITS, EFFECTIVE JANUARY 1, 2024; AND FURTHER DELEGATING TO THE CITY MANAGER OR DESIGNEE THE AUTHORITY TO AMEND ANY CONTRACT, AS NECESSARY, TO IMPLEMENT THE INCREASE TO THE LIVING WAGE RATES.

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

WHEREAS, on September 14, 2022, the Mayor and City Commission approved the living wage rate for the calendar year 2023 as follows: \$15.61 per hour without health care benefits; or \$12.26 per hour with health care benefits of at least \$3.35 per hour; and

WHEREAS, the City Code stipulates that the living wage rates may be adjusted annually for inflation by the City Commission. Typically, rate increases are considered by the City Commission during annual budget discussions, as an increase will have a budgetary impact when contract rates are adjusted to compensate for the increased wage requirement; and

WHEREAS, as is customary, on March 27, 2023, the Mayor and City Commission approved a referral to the Finance and Economic Resiliency Committee for a discussion and recommendation to the City Commission on any increases to the current living wage rates that the City Commission may want to consider for the calendar year beginning January 1, 2024; and

WHEREAS, as stipulated in the City Code, living wage rate increases may not exceed the local area's corresponding Consumer Price Index ("CPI") or the cost of living (COLA) adjustment approved for unclassified staff. The CPI increase for the local area for the preceding year (January - December 2023) was approximately 9.9 % for the overall CPI and 3.4 % for the medical services CPI. On September 28, 2022, the Mayor and Commission approved a COLA increase of three percent (3%) effective April 10, 2023; and

WHEREAS, despite any increase in the CPI index, the City Code stipulates that the increase to the living wage rates may not exceed the COLA increase approved for unclassified employees. Therefore, any living wage increase recommended in the current budget cycle is capped at 3%; and

WHEREAS, on July 28, 2023, the Finance and Economic Resiliency Committee recommended a 3% increase to the living wage rates for the calendar year 2024; and

WHEREAS, the estimated fiscal impact of adopting a living wage increase by 3% is \$486,282.68; and

WHEREAS, If approved by the Mayor and City Commission, the living wage rate of no less than \$12.63 per hour with health care benefits of at least \$3.45 per hour, or \$16.08 per hour without health care benefits will become effective on January 1, 2024.

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 accept the recommendation of the Finance and Economic Resiliency Committee at its July 28, 2023 meeting, to increase the living wage by three percent to \$12.63 per hour with health care benefits of at least \$3.45 per hour, or \$16.08 per hour without health care benefits, effective January 1, 2024; and further delegate to the City Manager or designee the authority to amend any contract, as necessary, to implement the increase to the living wage rates.

PASSED AND ADOPTED this _____ day of September 2023.

Dan Gelber, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

City Attorney *GH*

8-30-23
Date