

FY 2021 Cost of Living Increase for Teamsters and Non-Bargaining Employees

Proposed are increases retroactive to April 1, 2021:

- 8% increase for Teamsters Union Employees - **\$164,990**
- Tiered salary increase approach for Non-bargaining - **\$188,555**
 - 8% < \$40,000
 - 6% \$40,000 < \$60,000
 - 5% \$60,001 < \$80,000
 - 4% \$80,001 +

Total Cost = \$353,545

Increase to Florida's Minimum Wage

- In November 2020, the voters approved Amendment 2, which amends Florida's constitution to gradually increase the state's minimum wage to \$15 per hour by the year 2026.
- The minimum wage as of January 1, 2021, is \$8.65 per hour
- On September 30, 2021, the minimum wage will increase to \$10.00 per hour.
- Every September 30th following, the minimum wage will increase \$1.00 per hour through 2026.

\$11.00 on September 30, 2022

\$12.00 on September 30, 2023

\$13.00 on September 30, 2024

\$14.00 on September 30, 2025

\$15.00 on September 30, 2026

Initial Plan to Address Florida's Minimum Wage

- Our current lowest paid employee earns \$10.30 per hour and the 8% raise increases that to \$11.12 per hour at 9/30; just \$1.12 above the minimum wage requirement for 9/30/21 and \$0.12 above the requirement for 9/30/22.
- To avoid salary compression, we are proposing \$1.22 per hour wage increases for all employees for fiscal years 2022 to 2025.
- Beginning Oct 1, 2021, and ending October 1, 2025, increases of this same amount, \$1.22, each year.
- Taking this approach will make sure we meet the \$15 per hour minimum wage by 9/30/26 for all new employees and address the problem of salary compression for current employees.

How Much Will it Cost and How Will We Fund It?

- The Cost for FY 2021 adjustments, \$353,545, are proposed to be funded from fund balance.
- The FY 2022-2025 adjustments, which are estimated to cost \$700,000 annually, are proposed to be encumbered from our American Rescue Plan Act funds. These funds will be placed in a restricted fund and used each year for the increases.
- We are also proposing encumbering funds to fund the Police Step Plan through 2024 as well. The Step Plan is estimated to cost between \$230k-\$270k annually.