

City of Ann Arbor

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Legislation Details (With Text)

File #: 15-0669 Version: 1 Name: 6/1/15 Living Wage Increase Effective 4/30/15

Type: Report or Communication Status: Filed

File created: 6/1/2015 In control: City Council
On agenda: 6/1/2015 Final action: 6/1/2015

Enactment date: Enactment #:

Title: Living Wage Increase Effective April 30, 2015

Sponsors:

Indexes:

Code sections:

Attachments: 1. living wage poster

Date	Ver.	Action By	Action	Result
6/1/2015	1	City Council	Approved	Pass

Living Wage Increase Effective April 30, 2015

On the May 18, 2015 Council agenda, a staff communication was provided regarding the annual adjustment to the City's living wage. The 2015 rate for those employers NOT paying healthcare should have been \$14.30 instead of \$14.70 and the effective date April 30th instead of May 1st. Below is the revised memorandum incorporating these corrections.

As required by the City Ordinance, Chapter 23, Section 1:815 subsection (3), we have examined the federal poverty guidelines published by the US Department of Health and Human Services for 2015. We find that there is a 0.86% increase over last year for an average family size of one.

Federal Poverty Guidelines:

The Poverty Level for a family of one for 2014 is \$11,670.00.

The Poverty Level for a family of one for 2015 is \$11,770.00, an increase of 0.86%.

Living Wage Rate change from 2014 to 2015:

2014

\$12.70	For those employers paying health insurance
\$14.18	For those employers NOT paying health insurance

2015

\$12.81	For those employers paying health insurance
\$14.30	For those employers NOT paying health insurance

The Procurement Unit will provide contractors with an updated Living Wage poster and compliance

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form. Once contractors remit forms to the Procurement Unit, their new Living Wage compliance approvals will be updated in the financial system.

In the last year, the City received one complaint regarding pay practices raising a possible violation of the City Living Wage Ordinance. The City's Attorney's Office sent a letter requesting the company provide payroll records of all individuals who have worked on the City project. The investigation is still pending.

Prepared by: Mark Berryman, Purchasing Manager Reviewed by: Tom Crawford, Chief Financial Officer Approved by: Steven D. Powers, City Administrator