CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM
Council Bill 2025-541 – Approving the updated General Employee Salary Administration Plan, the Part-Time/Seasonal Salary Administration Plan and the Fire Salary Administration Plan to comply with the recently passed HB567 revised minimum wage, effective January 1, 2026

MEETING DATE
October 20, 2025

ORIGINATING DEPT
Finance

ATTACHMENTS
CB 2025-541 Ordinance; Exhibit "A" Salary Administration Plan; Exhibit "B" Part-Time/Seasonal Salary Administration Plan; Exhibit "D"- Fire Salary Administration Plan for certain fire positions

REVIEWED BY
Department Head: Leslie Haase; Human Resources Director: Michelle Ducre; City Attorney: Peter Edwards; City Manager: Nick Edwards

SUMMARY
This Council Bill approves an updated General Employee Salary Administration Plan, the Part-Time/Seasonal Salary Administration Plan and the Fire Salary Administration Plan by complying with HB567 pursuant to RSMo. 290.500 through 290.502 making the minimum wage $15.00 effective January 1, 2026, which is now applicable to public employers.

BACKGROUND
The Governor of the State of Missouri recently signed HB567, which states pursuant to RSMo. 290.500 through 290.502, public employers will be subject to Missouri's minimum wage law. Beginning August 28, 2025, public employers in the state were required to pay non-exempt employees a minimum of $13.75 per hour, and starting January 1, 2026, $15.00 per hour. Prior to the passage of HB567, public employers were exempted from Missouri's minimum wage law and were only required to follow the federal minimum wage law.

In early September, City Council approved a modification to the Fire Pay Plan to address the Firefighter/EMT position that started below $13.75 per hour. On January 1, 2026, there will be certain general employee, fire and part-time/seasonal positions below the required minimum wage of $15.00 per hour.

In order to bring these employees to the new minimum wage, this Council Bill approves new pay plans, effective January 1, 2026, for general employees, fire employees and part-time/seasonal positions.

- For general employees, Steps 1-3 of Grade N1 and Step 1 of Grade N2 will be removed. This will make the starting pay for N1 $15.293 per hour, which is $31,810 annually and N2 $15.721 per hour, which is $32,700 annually.
- For fire employees, Steps 4-6 will be removed from Grade F2, while Steps 1-3 will be removed from Grade F4. This will make the starting pay for F2 $15.358 per hour, which is $44,723 annually and $15.833 per hour or $46,106 annually for F4.
- The first grade on the Part-Time/Seasonal pay plan will be removed and combined with the second grade. This will make the starting pay for those positions in this pay plan $15.338 per hour.

There are 6 general plan employees impacted by this minimum wage change. The total cost for implementing this short-term resolution is $18,000, of which $15,000 is the estimated 2026 fiscal year cost. Of this amount, $8,300 represents the general fund cost, with the remainder occurring in the Solid Waste, Parks/Stormwater Sales Tax and TST funds. These amounts are included in the 2026 budget.

There are 34 fire plan employees impacted by this minimum wage change. The total estimated cost for implementing the short-term resolution is $147,000, while the 2026 fiscal year cost is about $122,500. This amount is split approximately $57,500 to the general fund and $65,000 to the public safety sales tax fund. These amounts are included in the 2026 budget.

It is more difficult to project the impact of the seasonal pay plan change. However, the change is mostly in the parks fund, with a small amount in the general fund for school crossing guards which is covered by a cooperative agreement with the Joplin R-VIII School District. Based on the percentage increase in the hourly rate, it is anticipated the additional cost will be approximately $56,000 in the parks fund for fiscal year 2026. This amount has been included in the 2026 budget.

Removing steps from the current pay plans to meet this State mandate is a short-term solution. The short-term solution does create compression for the General Employee and Fire Pay Plans. This compression doesn't retain the internal equity that has been previously established. This will certainly need to be addressed through a long-term solution, which is currently being developed. However, the long-term solution to address compression and internal equity caused by the unfunded State minimum wage mandate, as well as overall wages will require a new funding source.

FUNDING SOURCE

The funding has been included in the adopted FY 2026 budget in the appropriate funds.

RECOMMENDATION

Staff recommends approval of this council bill on first reading.