



City of Huntington Beach

City Proposal #3 2/4/2020

DRAFT

MOU Item #	Description	Rate / \$	Year 1	Year 2	Year 3	Total Cost of Proposal	Notes:
			Estimated YOY Impact	Estimated YOY Impact	Estimated YOY Impact		
1	Term: 3.5 years (January 1, 2020 through June 30, 2023)						
2a	Base Salary Pay Increase of 4 percent effective 1/1/20, and 3.5 percent effective 1/1/21 and 1/1/22.	Various	1,475,659	1,357,676	1,411,421	4,244,756	Effective January 1, 2020
2b	CalPERS Pick Up by Employees of two percent (2%) in Year 1 and one percent (1%) thereafter, not to exceed 13 percent for sworn and 9 percent for non-sworn classifications.	Various	(480,840)	(211,889)	(218,347)	(911,076)	Effective January 1, 2020
3a	Eliminate existing 60-day per injury/illness sick leave benefit (offset 3c)		(867,351)	(21,684)	(22,226)	(911,261)	Based on FY 18/19 sick leave usage
3b	General Leave Accrual		654,057	16,351	16,760	687,168	0-4 years - 176 hours; 5-9 years - 200 hours; 10-14 years - 224 hours, 15+ years – 256 hours (assumes elimination of vacation accrual)
3c	Provide existing employees with 144 hours of sick leave (no cash value upon separation)		867,351	21,684	-	889,035	
3d	Eliminating existing 60-day per injury/illness sick leave benefits will have ongoing net savings to the City. Offset General Leave Accrual to reflect the long-term savings.		(654,057)	(16,351)	(16,760)	(687,168)	
4	The City's contribution towards employees' health insurance at each plan level (i.e., E/ee, E/ee+1, E/ee+2 or more) shall be increased January 1 each year of the agreement to equal the CalPERS PORAC Region 3 Rate, if such rate exceeds the City's then-current contribution.		-	-	224,604	224,604	Modification of Article X of the MOU. Effective January 1, 2022, the City's increase shall be capped to no more than 5% higher than our current contribution rates, as follows: \$813 / \$1,704 / \$2,180.
5	RMT the City's contribution shall sunset March 31, 2023 (last day of new agreement).		-	-	-	-	Modification of Article X of the MOU. \$288,000 annual cost has a neutral fiscal impact as this is included in the current FY 19/20 budget.
6	Increase holidays to 12 hours/holiday		215,403	5,385.07	5,520	226,307	
7	Class/Comp Study		-	-	-	-	Part of Citywide Class/Comp Study
Total Cost of Proposal			1,210,222	1,151,172	1,400,972	3,762,366	

These estimates are subject to change.

For Discussion Purposes Only