

PROFESSIONAL AND ADMINISTRATIVE EMPLOYEE GROUP MEMORANDUM OF UNDERSTANDING JULY 1, 2025, - JUNE 30, 2028



**CITY OF
HERMOSA
BEACH**



Through labor negotiations, the City strives to maintain competitive wages, hours, and working conditions in a high-cost geographic labor market ensuring the ability to retain and attract a high-quality workforce that delivers a wide range of services to the community.



INTRODUCTION

The Meyers-Milias Brown Act requires that local public agencies negotiate with its respective bargaining units regarding wages, hours, and working conditions. Under direction from the City Council, the Council approved a City negotiating team that was tasked with negotiating a successor MOU with each of the City's bargaining units for new terms. The Current MOU for the Professional and Administrative Employee Group expires on June 30, 2025.

The City's negotiating team met and conferred with representatives of the Professional and Administrative Employee Group to discuss wages, hours, and other terms and conditions of employment contained in the successor MOU. The City and PAE met and conferred and reached agreement in June 2025. The PAE membership ratified the MOU on June 18, 2025.





PAE Membership

25 classifications and 30 employees:

- Finance series
- Administrative support series
- Engineer series
- Planner series
- Analyst series
- Public Works Superintendent series
- Recreation series
- Building Official
- Deputy City Clerk
- Emergency Management Coordinator
- Environmental Program Manager
- GIS & IT Analyst

Background

- October 11, 2022 - City Council approved the Memorandum of Understanding (MOU) between the City of Hermosa Beach and the Professional and Administrative Employees Bargaining Unit for July 1, 2022, through June 30, 2025.
- On September 10, 2024, the City Council approved an amendment to the Professional and Administrative Employees Bargaining Unit MOU as follows:
 1. Accreting an existing classification into their BU.
 2. Moving a BU classification to the non-represented group to comply with the definition of a confidential employee.
 3. Allowing the prorating of the Merit Pay Bonus.
 4. Defining the premium pay for Article 24, Temporary Upgrade Pay.



Discussion

TERM OF THE MOU: July 1, 2025 – June 30, 2028

Wage Rate Increase (Article 6):

- 3% effective 7/1/25.
- 3% effective 7/1/26.
- 3% effective 7/1/27.
- Bring all classifications in the unit up to the median effective 7/1/25.

Deferred Comp. Match (Article 7):

Increase deferred comp. match from \$25/month to \$50/month.



Discussion

Vision Insurance (Article 42):

City to pay for vision insurance provided that a new provider for dental insurance reduces the premium by at least 20%.

Bilingual Pay (Article 41):

Reduce premium pay from 5% of salary to \$100/month and remove cap.

Premium Pay for PW Supt.

Remove 10% Premium Pay and add into base salary.

Management Leave (Article 35):

Increase Management Leave from 70 hours to 80 hours. Management Leave must be used within a calendar year and cannot be cashed out.



Discussion

Additional Duties Pay (Article 32):

Add a premium pay to compensate an employee when they are temporarily assigned additional duties. Such employee shall be eligible for Additional Duties Pay of \$400 per month after 80 consecutive hours of performing the additional duties.

Holidays (Article 42):

Add half-day (5 hours) holiday on Christmas Eve and New Year's Eve and delete Section C, Holiday Flex Time of ten (10) hours.

Reopeners/Me-Too Clause (Article 55):

If the City provides COLA increases or other benefits to other civilian bargaining units greater than provided to PAE, that PAE will be eligible for the higher COLA and/or benefit.



Fiscal Impact

The total cost of the negotiated changes is estimated to be \$511,587 for FY 2026-2028, which will be included in each subsequent year's proposed budgets.



Recommendation

Staff recommends that the City of Hermosa Beach City Council approve the Resolution and successor Memorandum of Understanding between the City of Hermosa Beach and the Professional and Administrative Employees Bargaining Unit for the period of July 1, 2025, through June 30, 2028.



THANK YOU!

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