

MANAGEMENT EMPLOYEES MEMORADUM OF UNDERSTANDING



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 Management Employees expired on June 30, 2025.

The City's negotiating team met and conferred with representatives of the Management Employees to discuss wages, hours, and other terms and conditions of employment contained in the successor MOU in July, August and September and the Management Employees membership ratified the MOU in September 2025.





Management Membership

Public Works Director

Community Development Director

Community Resources Director

Administrative Services Director

Police Chief

City Clerk

Management MOU

Term: 3 years - July 1, 2025 - June 30, 2028

1. Wage Rate Increase (Article 31):

- 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 per Comp Study on 7/1/25.

2. Holidays

½ day Christmas Eve and New Year's Eve and delete 10 hours holiday flex time.

3. Deferred Comp. Increase

Increase deferred comp. match from \$8,000/year to \$10,000/year.

4. Acting City Manager pay:

In the case of a temporary vacancy (i.e., vacation or sick leave), the CM can temporarily appoint someone to fill in. The Premium Pay was changed to 10% and language was added that if the CM position is vacant the City Council can appoint a Department Head to fill the position.



Management MOU

5. Vacation – Increase vacation for tenured employees

Add 32 hours of vacation time for a total of 210 hours per year, nine (9) years or more of service.

6. Management Leave

Added 10 hours

7. Supervisory Differential

If 2nd in command is less than 10% below the director's salary, the Article provides an adjustment to ensure a 10% supervisory differential.

8. Police Chief Adjustments

POST Cert

Increase Executive POST Cert to 10%. Eligible after 2 years.

Uniform Allowance

Add \$200 per year.



Fiscal Impact

The total cost of the negotiated changes is estimated to be \$570,000 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 Memoranda of Understanding between the City of Hermosa Beach and the Management Employees for the period of July 1, 2025, through June 30, 2028.



THANK YOU!

Cyndi Stafford, Human Resources

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