

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to extension of the 2013-16 Memoranda of Understandings (MOU) with the Engineers and Architects Association (EAA) for MOUs 1, 19, 20, and 21.

Recommendations for Council action:

1. APPROVE the amended 2013-19 MOUs for EAA bargaining units 1, 19, 20, and 21, attached to the Council file.
2. AUTHORIZE the City Administrative Officer (CAO) and Controller to correct any clerical or technical errors in the MOUs.

Fiscal Impact Statement: The CAO reports that implementation of the provisions of MOUs 1, 19, 20, and 21 will result in cost increases of approximately \$3.4 million in Fiscal Year (FY) 2015-16; \$15.5 million in FY 2016-17; \$12 million in FY 2017-18; and \$12.2 million in FY 2018-19. The annual ongoing costs amount to approximately \$43.6 million. These costs will be divided fairly evenly between special and general funds.

Community Impact Statement: None submitted.

Summary:

On April 6, 2016, your Committee considered a March 30, 2016 CAO report relative to extending the 2013-16 MOUs with EAA for MOUs 1, 19, 20, and 21. According to the CAO, in accordance with Executive Employee Relations Committee instructions, agreement has been reached with the Engineers and Architects Association (EAA) on extensions to the Memoranda of Understanding (MOU) for the following bargaining units:

MOU 1 Administrative Unit
MOU 19 Supervisory Technical Unit
MOU 20 Supervisory Administrative Unit
MOU 21 Technical Rank and File

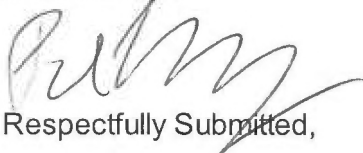
The above MOUs cover 4,566 employees who work in virtually every City department. The term of the existing MOUs is being extended to June 22, 2019. Major provisions included in the MOU extensions are as follows:

- a. Effective December 13, 2015, all employees will receive a 1.5% non-pensionable "adds to pay" bonus. This bonus will be converted to a pensionable salary increase effective June 26, 2016.
- b. Effective June 26, 2016, all employees will receive a 2.25% salary increase.
- c. Effective June 25, 2017, all employees will receive a 2.25% salary increase.
- d. Effective June 24, 2018, all employees will receive a 2.25% salary increase. All

employees will continue to contribute towards the City's cost of providing healthcare at 10% of the healthcare plan premium that each member selects, and all amounts above the City's maximum subsidy.

- e. All employees will remain on the 15-step salary structure established with the previous MOU.
- f. All employees will continue to contribute 4% of base wages towards the cost of retiree health care.
- g. Adjustments will be made to promotional differentials to ensure employees who received 2.75% promotions between April 2014 and June 27, 2015, will receive a 5.0% promotional differential.
- h. Effective June 28, 2015, the promotional differential will increase to 5.5%.
- i. Revisions are being made to the retirement provisions to reflect the transition to LACERS Tier 3.
- j. During the last year of the MOU, these units will be entitled to receive the single highest general salary increase received by any other civilian bargaining unit.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations in the March 30, 2016 CAO report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.



Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KORETZ:	YES
RYU:	ABSENT
HARRIS-DAWSON:	YES

ARL
4/6/16

-NOT OFFICIAL UNTIL COUNCIL ACTS-