



## City of La Habra

### Ad Hoc Fiscal Review Committee

#### MINUTES

Thursday, October 17, 2019

6:30 p.m. – 8:00 p.m.

La Habra City Hall – 110 East La Habra Boulevard  
Atrium Conference Room (1<sup>st</sup> Floor)

#### I. Call to Order

Chair Simonian called the meeting to order at 6:30 p.m.

All Committee members attended the meeting, with the exceptions of Mark Sanders, Mike Egan, Kathy Felix, Jim Leonard, and Martha Leonard, all of whom had excused absences.

#### II. Approval of Minutes

The Committee approved the minutes of the October 3<sup>rd</sup> Committee Meeting

#### III. Overview of City of La Habra Employee Labor Agreements

Human Resources Director Elvie Balderrama presented an overview of the City of La Habra's Employee Labor Agreements. A copy of the PowerPoint presentation is available for online review at <https://www.lahabracity.com/DocumentCenter/View/9967/Human-Resources-Presentation--Ad-Hoc-Fiscal-Committee-v4?bidId=>.

The City negotiates and administers labor agreements with five separate bargaining units:

- Police Sworn Employees
- Police Civilian Employees
- Field Employees (Public Works staff)
- General Employees (City Hall and office staff)
- Professional Employees (Teachers in the Child Development program)

The City and each bargaining unit agreed to a 3-year labor contract effective July 1, 2018 – June 30, 2021). Executive and Management staff are unrepresented.

Director Balderrama noted that the City operates on a philosophy of offering employee compensation (salary and benefits) based on what it can afford, but does compare employee compensation against average compensation offered elsewhere in the County, as well as compensation levels offered by surrounding agencies. The City's goal is to be as close to average as possible (both in salary and total compensation) to remain competitive in the marketplace.

There was also a brief discussion of the City's unfunded liability and pension reforms enacted by the City of La Habra since 2010, including the following:

- Employees hired after July 1, 2010, pay the full "employee" rate of PERS contribution for both Miscellaneous (7%) and Public Safety (9%) employees (2010)
- The creation of "Tier 2" that placed "classic" employees hired after January 14, 2012, and offered lower PERS benefit rates (2012)
- The enactment of the Public Employees Pension Reform Act (PEPRA) that created newer, lower PERS benefits for new PERS eligible employees hired after January 1, 2013 (2013)
- The requirement that "classic" employees hired before July 1, 2010 also pay their full "employee" rate of PERS contribution (2013 and 2014)
- Negotiating an agreement that Miscellaneous employees contribute an additional 1% toward their cost of PERS (for a total of 8% for Miscellaneous) and that Public Safety employees contribute an additional 1% annually during each year of the existing 3-year contract toward the cost of PERS (for a total of 12% for Public Safety) (2018)

#### IV. Public Comment

None

#### V. Comments from Committee Members

None

The meeting was adjourned at 7:45 p.m.