

City of Palos Verdes Estates
Explanation of Annual Increase/Decrease

The Fee Summary does not include credits for utilities or the \$1 station lease.
The City's Fee Summary reflects the full-year credit for ALS Pass-through Revenue in each year.

2007-08

The following are the major elements that affected the City's 2007-08 Net Payment:

Salaries and Employee Benefits: On July 25, 2006, the Board of Supervisors approved an amendment to the Memorandum of Understanding (MOU) with the firefighters' union which provided a **3.75%** net salary increase for 2007-08. This is derived as follows:

- 4% increase effective October 1, 2006
 - 9 months in 2006-07 is 3% and **3 months in 2007-08 is 1%**
- 3% increase effective August 1, 2007
 - **11 months in 2007-08 is 2.75%**

There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans.

LACERA Buydown Program: The County's multi-year reliance on the excess pension fund earnings to offset employer contribution to LACERA and the Retiree Health abatement ended in 2006-07. Therefore, the 2007-08 and 2008-09 Fees did not include any credits for Retirement Savings or Retiree Health Insurance.

2008-09

The following are the major elements that affected the City's 2008-09 Net Payment:

Salaries and Employee Benefits: On July 25, 2006, the Board of Supervisors approved an amendment to the MOU with the firefighters' union which provided a **3%** net salary increase for 2008-09. This is derived as follows:

- 3% increase effective August 1, 2007
 - 11 months in 2007-08 is 2.75% and **1 month in 2008-09 is .25%**
- 3% increase effective August 1, 2008
 - **11 months in 2008-09 is 2.75%**

There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans.

2009-10

The following are the major elements that affected the City's 2009-10 Net Payment:

Salaries and Employee Benefits: On July 25, 2006, the Board of Supervisors approved an amendment to the MOU with the firefighters' union which provided a .25% net salary increase for 2009-10. This is derived as follows:

- 3% increase effective August 1, 2008
 - 11 months in 2008-09 is 2.75% and **1 month in 2009-10 is .25%**

There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans.

2010-11

The following are the major elements that affected the City's 2010-11 Net Payment:

Employee Benefits: There was an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans.

District Overhead: There was an increase in the District Overhead (DOH), due primarily to salary increases as well as the purchases of personal protective equipment and radio equipment for fire apparatus. The DOH is, on a rolling basis, based on the previous five years' actual costs. The 2010-11 DOH is based on actuals from 2004-05 through 2008-09.

2011-12

The following are the major elements that affected the City's 2011-12 Net Payment:

Employee Benefits: There was an increase in employee benefits, due primarily to retirement contributions for safety employees.

District Overhead: There was an increase in the DOH, due primarily to overtime as well as the purchase of timekeeping and staff replacement software.

2012-13

The following are the major elements that affected the City's 2012-13 Net Payment:

Employee Benefits: There was an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans; as well as retirement contributions for safety employees.

District Overhead: There was an increase in the DOH, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans; as well as the Very High Frequency Radio Replacement Project.

2013-14

The following are the major elements that affected the City's 2013-14 Net Payment:

Salaries and Employee Benefits: On June 25, 2013, the Board of Supervisors approved a MOU with the firefighters' union which provided a salary increase of 2% effective July 1, 2013.

There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans (included a \$250 one-time bonus).

2014-15

The following are the major elements that affected the City's 2014-15 Net Payment:

Salaries and Employee Benefits: On June 25, 2013, the Board of Supervisors approved a MOU with the firefighters' union which provided a 3% net salary increase for 2014-15. This is derived as follows:

- 2% increase effective July 1, 2014
- 2% increase effective January 1, 2015
 - **6 months in 2014-15 is 1%**

These salary increases were partially offset by an increase in salary savings.

There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, cafeteria plans (included a \$250 one-time bonus), and Health Insurance Tax.

2015-16

The following are the major elements that affected the City's 2015-16 Net Payment:

Salaries and Employee Benefits: On June 25, 2013 and November 3, 2015, the Board of Supervisors approved MOUs with the firefighters' union which provided a total 3.5% net salary increase for 2015-16. This is derived as follows:

- 2% increase effective January 1, 2015 (MOU from June 25, 2013)
 - 6 months in 2014-15 is 1% and **6 months in 2015-16 is 1%**
- 3% increase effective September 1, 2015 (MOU from November 3, 2015)
 - **10 months in 2015-16 is 2.5%**

The MOU from November 3, 2015, also provided for a 40-hour assignment bonus for fire captains and firefighter specialists, that impacts fire prevention charges. The net amount for 2015-16 is .83%, which is derived as follows:

- 1% effective September 1, 2015
 - **10 months in 2015-16 is .83%**
 - There was also an increase in employee benefits, due primarily to cost increases for Retiree Health Insurance, Workers' Compensation, and cafeteria plans; as well as a \$250 increase to the uniform allowance.