

**Mission Springs Water District**  
**Employee Inquires and Their Estimated Fiscal Impact**  
**May 2023 for FY 2023/2024 Budget**

The ideas below were presented by the employees on March 2<sup>nd</sup> and discussed by the HR Committee on April 20<sup>th</sup>.

- Cost of Living Adjustment
- Bilingual pay for qualified Spanish-speaking staff
- Medical stipend for employees not enrolling in the District's medical insurance plans.

**Cost of Living Adjustment** – The March 2023 Consumer Price Index (CPI) for urban wage earners and clerical workers in the Riverside-San Bernardino-Ontario, CA as prepared by the U.S. Dept. of Labor, Bureau of Labor Statistics is shown below:

CPI as of 3/31/2022	122.861	
CPI as of 3/31/2023	<u>128.027</u>	
Increase		<b>4.2%</b>

Total Salaries and Wages for FY 2023/2024 Budget – approximately \$5,200,000

**4.2% =        \$214,569**

**Bilingual pay**

Currently MSWD does not offer bilingual pay to employees. Comparable agencies that offer bilingual pay range of payment ranges from \$25/pay period to 5% of salary.

MSWD employees receiving bilingual pay will need to be certified as bilingual on a conversational level by passing an examination established by MSWD. As not all employees will meet the criteria of this program, we are not able to accurately estimate an actual fiscal impact; however, if approximately half the employees are able to participate the impact will be \$16,250

25 employees x 26 pay periods x \$25 per pay period = \$16,250

**Medical stipend for employees not enrolling in the District's medical insurance plans**

The District currently participates in ACWA/JPIA Medical Incentive Rate plan. This incentive plan offers a 4% discount on the medical plan premiums but requires ALL employees who are eligible for enrollment in the medical plans to enroll without exception.



With an option for a stipend in lieu of enrolling in the District medical plans, not all employees will be required to enroll. Those who don't enroll will receive \$500 a month. Employees who would like to opt-out and receive the medical stipend will be required to provide proof of other medical insurance coverage and complete a new opt-out form each year.

The actual fiscal impact to the District will vary depending on the number of employees who will opt-out, the plan they have, and the size of the plan (single, two-party, or family plan); however, four employees with the average plan in a two-party plan will allow the District to break even.

4% discount = \$3,600/month savings in premiums

Average plan premium cost = \$1,468/month for a two-party x 4 employees = \$5,872.00 cost

Stipend to 4 employees = \$2,000. Increase in cost due to loss of 4% discount = \$3,600

Approximate savings \$5,872 - \$5,600 = \$272