THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office **BOARD AGENDA #** *B-5

Urgent ☐ **Routine** ☒ **AGENDA DATE** April 27, 2010

CEO Concurs with Recommendation YES ☒ **NO** ☐ **(Information Attached)** **4/5 Vote Required YES** ☐ **NO** ☒

SUBJECT:

Approval to Extend the Expiration Date of the Current Memorandum of Understanding Between the County of Stanislaus and the Stanislaus Sheriff's Management Association from February 28, 2011 to June 30, 2012

STAFF RECOMMENDATIONS:

1. Approve the extension of the current Memorandum of Understanding between the County and the Stanislaus County Sheriff's Management Association from February 28, 2011 to June 30, 2012.

2. Authorize the Chief Executive Officer and all parties to sign the extension agreement.

FISCAL IMPACT:

There is no fiscal impact associated with the recommendation to extend the Memorandum of Understanding with the Stanislaus County Sheriff's Management Association (SCSMA). The contract extension has been approved by SCSMA in conjunction with their agreement to implement a five percent (5%) salary cost reduction in Fiscal Years 2010-2011 and 2011-2012. The five percent (5%) salary cost reduction is estimated to reduce labor costs up to $115,000 per fiscal year and will assist in preserving current Lieutenant positions over the term of the agreement.

Fiscal Impact continued.

BOARD ACTION AS FOLLOWS: No. 2010-230

On motion of Supervisor Chiesa, **Seconded by Supervisor** DeMartini
and approved by the following vote,
Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

1) X **Approved as recommended**
2) ____ **Denied**
3) ____ **Approved as amended**
4) ____ **Other:**
MOTION:

Christine Ferraro

ATTEST: **CHRISTINE FERRARO TALLMAN, Clerk** **File No.**

FISCAL IMPACT (continued):
Actual savings in the Sheriff's budget may be reduced in some circumstances based on non-General Fund Lieutenant positions funded through department contracts or grant funded programs.

The agreement also includes a reduction in retirement benefits for future employees hired into the bargaining unit effective January 1, 2011. While no immediate fiscal savings are projected from this change, the County will experience a gradual decrease in future retirement cost exposures as a result of implementing the reduced retirement benefits for future employees. Additional work will also need to be completed in conjunction with the Stanislaus County Employee Retirement Association to prepare all related actions necessary to implement the recommended retirement changes prior to January 1, 2011. Those additional actions and projected actuarial cost savings will be forwarded to the Board of Supervisors for final approval in the coming months.

DISCUSSION:
The current Memorandum of Understanding (MOU) between the County and the Stanislaus Sheriff's Management Association (SCSMA) is effective March 1, 2009 through February 28, 2011.

In January 2010, the Chief Executive Officer invited all County labor organizations to negotiate collectively to consider proposals for five percent (5%) salary cost reductions in all County departments for Fiscal Years 2010-2011 and 2011-2012. Negotiations were conducted from January 2010 through March 2010 and resulted in tentative agreements with 12 County labor organizations supporting an across the board five percent (5%) salary cost reduction for all County employees over the next two fiscal years. SCSMA participated in the collective negotiations and supported the tentative agreement reached with all labor groups. The tentative agreements for five percent (5%) salary cost reductions for all labor groups, including SCSMA, were approved by the Board of Supervisors on April 6, 2010.

During the cost reduction negotiations, the County and SSCMA reached a tentative agreement to extend the expiration of their current MOU from February 28, 2011 to June 30, 2012. The extension of the MOU will coincide with the term of the previously approved five percent (5%) salary cost reduction agreement which will also expire June 30, 2012. The specific terms and conditions of the five percent (5%) salary cost reduction and contract extension are included in the attached agreement. Unless specifically stated, all provisions of the negotiated agreement are effective upon approval of the Board of Supervisors.

POLICY ISSUES:
The Board of Supervisors should consider the effect of this labor agreement on the fiscal and policy direction and priorities of the organization.

STAFFING IMPACT:
The SCSMA represents approximately 17 employees in the Lieutenant and Custodial Lieutenant bargaining unit. There is no impact on staffing resulting from the terms of this agreement.

CONTACT:
Jody Hayes, Deputy Executive Officer. Telephone: (209) 525-6333

AGREEMENT
BETWEEN COUNTY OF STANISLAUS
AND
STANISLAUS COUNTY SHERIFF MANAGEMENT ASSOCIATION

RE: EXTENSION OF CURRENT MEMORANDUM OF UNDERSTANDING

Pursuant to this agreement between the County of Stanislaus (County), and the Stanislaus County Sheriff Management Association (SCSMA), the parties agree as follows:

Whereas, the County has requested all labor organizations to consider proposals for salary cost reductions in Fiscal Years 2010-2011 and 2011-2012; and

Whereas, SCSMA has requested an extension of the current Memorandum of Understanding between the County and SCSMA which is due to expire on February 28, 2011.

Now therefore, the parties agree to the following terms and conditions, subject to ratification of SCSMA membership and the County Board of Supervisors:

1. The parties agree to extend the expiration of the current Memorandum of Understanding between the County and SCSMA from February 28, 2011, to June 30, 2012.

2. The parties agree to continue the suspension of the pay for performance bonus program through June 30, 2012.

3. The parties agree to continue the suspension of professional development benefits in calendar years 2011 and 2012.

4. The parties agree to reopen the Tier Two retirement plan for all newly hired members of the bargaining unit effective January 1, 2011. Safety Tier Two benefits include the 2% @ 50 retirement benefit per Government Code Section 31664 and final average compensation calculated on the highest thirty-six (36) consecutive months. This agreement will not impact vested retirement benefits for current employees.

   Employees who are rehired/reinstated with the County after the implementation of Tier Two on January 1, 2011 and have met the necessary membership criteria to be placed in their former retirement tier shall be eligible for placement in that former tier. In general, current legal standards allow rehired employees the opportunity to reinstate into their former retirement tier as long as the individual member either has left their individual retirement contributions on deposit since their prior period of

County service or they have elected and completed the redeposit of withdrawn retirement contributions plus applicable interest. The membership tier will depend on the employee's/member's individual circumstances and prior retirement selections. Employees who are rehired/reinstated with the County after January 1, 2011 are encouraged to confirm their membership status and retirement tier reinstatement options with StanCERA.

5. The parties agree to meet and confer during the term of this agreement upon the County's request to negotiate the following items:

   a) Changes to the existing pay for performance evaluation process.

   b) Accrual policies and procedures for sick leave, management leave and vacation benefits (does not include annual accrual amounts).

6. All employees in the SCSMA will receive a 5% deduction in salary starting on the July 3, 2010 workday, and ending on the June 30, 2012 workday. The 5% salary deduction will be on a pre-tax basis and will be calculated on the employee's base wage. The salary deduction will not decrease the compensation paid for extra pays (special assignment pay, etc.). Retirement contributions will not be withheld on behalf of the employee or County on the amount of salary deducted.

7. All employees receiving a 5% salary deduction will receive four hours of special accrued leave time each pay period in which the 5% salary deduction is taken, or an equivalent amount of special accrued leave time pro-rated based on the number of hours paid to the employee. The total special accrued leave time earned in each fiscal year will be 104 hours, based on 5% salary deductions for each 80 hours of paid time during 26 pay periods.

8. Special accrued leave time will be reported as a separate accrual amount on each employee's payroll advice notice. Employees may go negative in their special accrual leave time balance up to a maximum of 104 hours, however employees may not go negative in any amount greater than the employee's current vacation accrual amount. Employees may not carry a negative balance over at the end of each fiscal year. If an employee has a negative balance at the end of the fiscal year, or upon separation of employment, the County will reduce the employee's vacation accrual amount by an equal portion to balance the employee's special accrued leave time to zero.

9. Special accrued leave time will be utilized during any period of office closure approved by the Board of Supervisors. Office closure schedules will be communicated by July 1, 2010 for the period of time from July 1, 2010 to December 31, 2010, and by October 1, 2010 for the period of time from January 1, 2011 to June 30, 2011. Office closure schedules will be communicated by July 1, 2011 for the entire Fiscal Year 2011-2012. With Department Head approval, employees may

work during periods of approved office closures in limited circumstances to provide required County services.

Any remaining special accrued leave time not utilized during an office closure will be eligible for the employee to use as requested with the approval of their Department Head or designee. Department Heads may substitute the use of vacation with special accrued leave time as necessary, unless an employee is at the maximum level of vacation accrual.

10. Employees and departments are encouraged to schedule and utilize all special accrued leave time within the fiscal year in which it is accrued. Special accrued leave time not utilized within the fiscal year may be carry forward up to June 30, 2013. All special accrued leave time will expire and not be eligible for use on or after July 1, 2013. Special accrued leave time does not have a vested cash value and may not be cashed out during employment or at the time of termination.

11. Employees retiring from County service will be exempted from 5% salary deductions for a one year period prior to their identified date of retirement. In order to receive this exemption, retiring employees will need to sign an irrevocable notice of their retirement/resignation from County service on forms provided by the County. Employees may request Department Head approval to extend their planned retirement/resignation date, however any approved extension of their planned retirement/resignation date will require an adjustment of salary deductions and special accrued leave time to ensure that the employee is not exempted from the salary deductions for a period greater than 12 months. Employees must be eligible for a regular service retirement in order to receive this exemption.

12. The parties agree to implement a Retirement Incentive Program as outlined in Attachment A.

13. The County agrees to temporarily modify existing reduction in force policies to extend return rights for employees impacted by a reduction in force to five years. This extension of return rights will apply to all permanent regular employees represented by the SCSMA who are terminated or demoted through a reduction in force action from the date of agreement through June 30, 2012.

14. The SCSMA recognizes that the implementation of the 5% salary deduction is not a form of discipline for individual employees and employees may not appeal this reduction in salary under any County appeal procedures.

15. Implementation of the 5% salary deduction will not impact an employee's existing leave time accrual benefits (sick leave, vacation, etc.), retirement service credit or health insurance benefits.

16. Vacation cash outs will not be approved for employees participating in the 5% salary deduction program in Fiscal Years 2010-2011 and 2011-2012; individual MOU

provisions will remain for employees reaching the vacation accrual maximum and denied the use of vacation.

17. Employees may voluntarily request unpaid Voluntary Time Off (VTO), as per County policy, in addition to the 5% salary deduction.

Agreed to this _______ day of __________, 2010

Richard W. Robinson
Chief Executive Officer

SCSMA President

Approved as to Form:

Edward Burroughs
Deputy County Counsel