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

DEPT: Chief Executive Office	BOARD AGENDA #
Urgent Routine	AGENDA DATE April 27, 2010 4/5 Vote Required YES NO

SUBJECT:

Approval of the Labor Agreement Between the County of Stanislaus and the Stanislaus County Sheriff's Supervisor Association Representing the Sergeants Bargaining Unit

#### STAFF RECOMMENDATIONS:

- 1. Approve the provisions of the tentative agreement between the County and the Stanislaus County Sheriff's Supervisor Association Representing the Sergeants bargaining unit.
- 2. Authorize the Chairman of the Board of Supervisors and all parties to sign the agreement.

#### FISCAL IMPACT:

There is no fiscal impact associated with the recommendation to enter into a Memorandum of Understanding with the Stanislaus County Sheriff's Supervisor Association (SCSSA). The provisions of the tentative agreement have been approved by SCSSA 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 \$152,000 per fiscal year and will assist in preserving current Sheriff Sergeant positions over the term of the agreement.

Fiscal Impact continued.

BOARD ACTION AS FOLLOWS:	No. 2010-231

On motion o	of Supervisor	Chiesa	, Seconded by Supervisor <u>DeMartini</u>
and approve	ed by the follow	ving vote,	
Ayes: Super	rvisors:	O'Brien, Chiesa, I	Monteith, DeMartini, and Chairman Grover
Noes: Super	rvisors:	Mana	
	Absent: Superv		
	Supervisor:	Nana	
1) <u>X</u>	Approved as re-		
2) [	Denied		
3) /	Approved as an	nended	
4) (	Other:		
MOTION:			

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

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## FISCAL IMPACT (continued):

Actual savings in the Sheriff's budget may be reduced in some circumstances based on non-General Fund 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 prior Memorandum of Understanding (MOU) between the County and the Stanislaus County Sheriff's Supervisor Association (SCSSA) expired June 30, 2009. The County and SCSSA engaged in negotiations upon the expiration of the prior MOU, but were unable to reach agreement on all terms and conditions of employment and declared an impasse in negotiations in November 2009. Absent a negotiated agreement, the Board of Supervisors approved the County's last, best and final offer to SCSSA on March 16, 2010, resulting in the implementation of revised terms and conditions of employment for bargaining unit employees, but no current MOU in place for SCSSA.

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. SCSSA 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 SCSSA, were approved by the Board of Supervisors on April 6, 2010.

During the cost reduction negotiations, the County and SCSSA reached a tentative agreement to implement a new MOU to be effective upon Board approval and continue through June 30, 2012. The new MOU will coincide with the term of the previously approved five percent (5%) salary cost reduction agreement which will also expire June 30, 2012.

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The specific provisions of the new MOU are summarized in the following table:

Term	April 27, 2010 through June 30, 2012		
Salary	The parties have agreed to implement the 5% salary cost reduction agreement reached with all County labor organizations and approved by the Board of Supervisors on April 6, 2010.		
Retirement	The parties have agreed to reopen Tier Two retirement benefits for all newly hired employees effective January 1, 2011. This agreement will change the safety retirement benefit formula for new employees from the current 3% at age 50 formula with a one year final average salary calculation, to the 2% at age 50 formula with a three year final average salary calculation. The Tier Two retirement benefit level will be consistent with the retirement benefits in place for safety employees in the Sergeants bargaining unit prior to March 2002. This change will not modify vested retirement benefits for current employees.		
Reinstatement Rights	The parties have agreed to extend employment reinstatement rights to five years for employees impacted by a reduction-in-force action during the term of this agreement.		
Other Terms and Conditions of Employment	The parties agree to sign a new Memorandum of Understanding (MOU) including all terms and conditions of employment as modified and approved by the Board of Supervisors on March 16, 2010.		

Unless specifically stated, all negotiated agreements 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:**

There is no impact on staffing resulting from the terms of this agreement. The Stanislaus Sheriff's Supervisor Association represents 29 positions in the Sergeants bargaining unit.

## CONTACT:

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