

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

DEPT: Chief Executive Office

BOARD AGENDA # *B-6

Urgent Routine

AGENDA DATE April 26, 2011

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 Stanislaus County Employees Association/American Federation of State, County and Municipal Employees Local 10, from May 31, 2011 to June 30, 2012

STAFF RECOMMENDATIONS:

1. Approve the extension of the current Memorandum of Understanding between the County of Stanislaus and the Stanislaus County Employees Association /American Federation of State, County and Municipal Employees Local #10 representing the Mid-Management/Supervisory Bargaining Unit, Technical Services Bargaining Unit, Crafts/Maintenance/Institutional Bargaining Unit and Office Worker/Clerical Bargaining Unit from May 31, 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 Employees Association. The five percent (5%) salary deduction that was previously approved by the Board of Supervisors for all employees represented by the Stanislaus County Employees Association for Fiscal Years 2010-2011 and 2011-2012 is estimated to reduce labor cost by up to \$6.2 million dollars per fiscal year.

- Continued on Page 2 -

BOARD ACTION AS FOLLOWS:

No. 2011-244

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

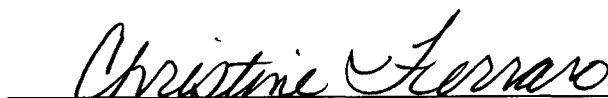
1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Extend the Expiration Date of the Current Memorandum of Understanding Between the County of Stanislaus and Stanislaus County Employees Association, American Federation of State, County and Municipal Employees Local 10, from May 31, 2011 to June 30, 2012

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FISCAL IMPACT Continued:

The extension includes a reduction in retirement benefits for future employees hired into the bargaining unit retroactive to 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. On December 21, 2011, the Board of Supervisors approved resolutions to implement modifications to retirement benefits for most bargaining units. Because the Stanislaus County Employees Association had a contract expiration date of May 31, 2011 the County was unable to implement the retirement change for this association at that time. A resolution recommending the implementation of Tier 2 retirement modifications for the Stanislaus County Employees Association will be submitted before the Board of Supervisors through separate Board action.

DISCUSSION:

The current Memorandum of Understanding (MOU) between the County and Stanislaus County Employees Association is effective December 1, 2006 through May 31, 2011. The Stanislaus County Employees Association represents four bargaining units: the Mid-Management/Supervisory bargaining unit, the Technical Services bargaining unit, the Crafts/Maintenance/Institutional bargaining unit, and the Office Worker/Clerical bargaining unit. The Stanislaus County Employees Association represents the largest segment of the County's workforce representing over 1,870 employees.

In March 2011, the County and the Stanislaus County Employees Association met to begin the negotiations process in order to have a new contract in place prior to the May 31, 2011 expiration date. During the initial negotiating sessions, both parties agreed to explore the possibility of a contract extension to coincide with the expiration of the previously agreed upon salary deduction for all County employees.

The County and the Stanislaus County Employees Association reached a tentative agreement on the terms of the contract extension on March 23, 2011. These terms were ratified by the Stanislaus County Employees Association membership on April 18, 2011. The extension will coincide with the term of the previously approved five percent (5%) salary cost reduction agreement which will also expire on June 30, 2012.

The contract extension includes an agreement to reinstate Tier 2 retirement benefits for employees hired on or after January 1, 2011. The Board of Supervisors previously approved the implementation of modified retirement benefits for employees hired on or after January 1, 2011 and the adoption of resolutions regarding retirement benefits for the majority of the County bargaining units on December 21, 2011. Because the

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Stanislaus County Employees Association had a contract expiration date of May 31, 2011 the County was unable to implement the retirement change for this association at that time. There have not been any employees hired into any of these bargaining units since approval of the modifications of benefits on December 21, 2010. The resolution recommending the implementation of Tier 2 retirement modifications will be submitted before the Board of Supervisors through separate Board action.

Additional provisions of the tentative contract extension include the agreement for both parties to meet and confer during the term of the extension on the County's Equal Employment Opportunity Grievance Procedures, the County's Harassment Policy, and the negotiated Reduction-in-Force Policy. A subcommittee will also be formed to review and update current contract language that does not impact the intent or scope of the current contract language. Since the Stanislaus County Employees Association represents the largest segment of our workforce the parties have also agreed to identify their negotiating teams in January 2012 and commence negotiations for a new contract in February 2012. The tentative contract extension is attached to this item.

POLICY ISSUES:

Approval of this action supports the Board of Supervisors' priorities of Effective Partnerships and Efficient Delivery of Public Services by ensuring there is an agreement in place that meets the needs of the County and its employees.

STAFFING IMPACT:

The Stanislaus County Employees Association represents approximately 1870 employees in four bargaining units. There is no impact on staffing resulting from the terms of this agreement.

CONTACT:

Nancy Bronstein, Deputy Executive Officer. Telephone: (209) 525-6333

**AGREEMENT
BETWEEN COUNTY OF STANISLAUS
AND
AMERICAN FEDERATION OF STATE COUNTY MUNICIPAL EMPLOYEES
(AFSCME), Local 10**

RE: EXTENSION OF CURRENT MEMORANDUM OF UNDERSTANDING

Pursuant to this agreement between the County of Stanislaus (County), and the AFSCME, Local 10, the parties agree as follows:

Whereas, AFSCME, Local 10 previously agreed to a 5% salary deduction in Fiscal Years 2010-2011 and 2011-2012 (See attached agreement); and

Whereas, the parties have determined that an extension of the current Memorandum of Understanding between the County and AFSCME, Local 10, which is due to expire on May 31, 2011 is mutually beneficial.

Now therefore, the parties agree to the following terms and conditions, subject to ratification of AFSCME, Local 10 membership and approval by the County Board of Supervisors:

1. The parties agree to extend the expiration of the current Memorandum of Understanding between the County and AFSCME from May 31, 2011, to June 30, 2012.
2. The County's retirement benefits in effect prior to the commencement of this agreement will remain in effect for employees of the bargaining unit employed prior to January 1, 2011. The current retirement benefit is approximately two percent (2%) at age 55, with final average salary calculated on the employee's highest consecutive 12-months of service.

On December 21, 2010 the Board of Supervisors adopted a resolution (2010-783) effective January 1, 2011, reinstating Tier Two benefits for a majority of the County's bargaining units and all unrepresented employees. Tier Two level benefits are established per Government code Section 31676.1 (approximately 2% @ age 61) with final average salary calculated on the employee's highest consecutive three years of service. The County will reinstate effective January 1, 2011, Tier Two level benefits for all employees represented by AFSCME hired after January 1, 2011.

Employees who are rehired/reinstated with the County after the implementation of Tier Two benefits 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.

3. The parties agree to meet and confer during the term of this agreement upon the County's request to negotiate the following items:
 - a) Equal Opportunity Grievance Procedures/County's Harassment Policy
 - b) Reduction-in-Force Policy
4. The County and the Union will continue Labor/Management Committee meetings during the contract extension period. This committee will review issues that arise during the extension of the agreement. The Committee shall meet quarterly and at other times as needed. Committee membership shall consist of no more than five (5) representatives selected by the County, including at least one member of senior management and no more than five (5) representatives selected by the Union including one member from each bargaining unit. Other persons may be invited with the approval of the parties.

Nothing in this section precludes other communications in other forums between the Union and the County.

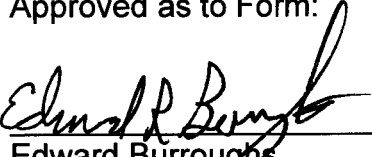
5. During the term of this extension the parties agree to form a subcommittee to review the MOU to update and clean-up language in the MOU that does not impact the intent or scope of the current MOU language.
6. The parties agree the County will comply with the recent Hudson decision regarding the release of Bargaining Unit 8 non-dues paying members' private information.
7. Employee health insurance benefits are negotiated under a separate meet and confer process between the County and all represented employee bargaining units. A copy of the health insurance agreement covering January 1, 2011 through December 31, 2011 is included as an attachment.
8. Both parties agree to identify their negotiation teams in January 2012 and be prepared to start negotiations at the beginning of February 2012.

Agreed to this _____ day of _____, 2011

Richard W. Robinson
Chief Executive Officer

AFSCME

Approved as to Form:



Edward Burroughs
Assistant County Counsel

T. A

County: Mary R _____

AFSCME:

Cornie Wilson

**AGREEMENT
BETWEEN COUNTY OF STANISLAUS
AND
AMERICAN FEDERATION OF STATE COUNTY MUNICIPAL EMPLOYEES
(AFSCME), Local 10**

BOARD OF SUPERVISORS

2011 MAY 16 P 4:41

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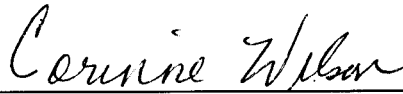
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Agreed to this 26 day of April, 2011

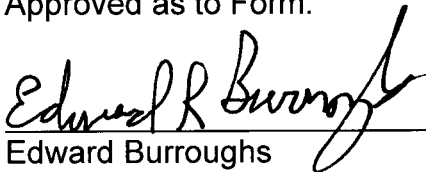


Richard W. Robinson
Chief Executive Officer



AFSCME

Approved as to Form:



Edward Burroughs
Assistant County Counsel