



**AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS**

<b>ITEM TITLE</b> Consider adopting a resolution approving the Memorandum of Understanding with Unit #14 – Correctional Supervisors for the term of September 5, 2010 through March 31, 2012; and Adopting a second resolution authorizing paying and reporting the value of employer paid member contributions to CalPERS for Bargaining Unit #14		<b>BOARD MEETING DATE</b>  August 24, 2010	<b>AGENDA NUMBER</b>  20
<b>Dept:</b>	Human Resources	<b>Supervisorial District Number</b>	
<b>Contact:</b>	Georgia Cochran	ALL	
<b>Extension:</b>	3406		
	<b>Published Notice Required?</b>	Yes _____	No <u> X </u>
	<b>Public Hearing Required?</b>	Yes _____	No <u> X </u>

**DEPARTMENTAL RECOMMENDATION:**

Staff recommends the Board of Supervisors:

1. Adopt a resolution (Attachment A) approving the Memorandum of Understanding with Unit #14, Correctional Supervisors represented by Teamsters Union, Local #150, for the term of September 5, 2010 through March 31, 2012.
2. Adopt a second resolution authorizing paying and reporting the value of the employer paid member contribution (EPMC) to CalPERS for Bargaining Unit #14 effective September 5, 2010 (Attachment B).

**SUMMARY:**

The MOU for Unit #14, Correctional Supervisors, expired on October 3, 2009. The parties have been negotiating since July 28, 2009 and met a total of 16 times, reaching a tentative agreement on July 27, 2010. In accordance with Section 3500 et seq. of the California Government Code, representatives of the County Management Team and Teamsters Local #856 reached agreement on the terms and conditions of employment from July 27, 2010 through March 31, 2012. Employees of Unit #14 ratified the terms of the agreement on August 17, 2010.

The MOU contains the following major changes:

1. A second retirement tier of 2% @ 55 for future employees. This provision of the MOU will become effective on January 1, 2011 or upon the agreement of all other employee organizations that represent employees who participate in the current 2% @ 50 retirement formula, whichever date is later.
2. A cost of living adjustment (COLA) of no less than 0% and no more than 3% effective January 9, 2011.

3. Reductions in the Employer Paid Member Contribution (EPMC). The EPMC will be reduced from 9% to 6% the first full pay period following adoption of this MOU by your Board. A second reduction will occur on January 9, 2011 by an amount equal to any COLA received by employees as described above.
4. Changes to the Health & Welfare Insurance to reflect 80% of the CalPERS Kaiser Bay Area Region family rate for 2010, 2011, and 2012.
5. Changes to the uniform allowance to provide for limited reimbursement for damage of personal effects.

The MOU for Unit #14 is on file with the Clerk of the Board.

### **FINANCING:**

The implementation of this MOU provides savings of approximately (\$53,797) for the remainder of the 2010/11 fiscal year due to the 3% reduction in the EPMC effective September 5, 2010; the savings from July 1, 2011 through March 31, 2012 are approximately (\$49,272). Costs for the increase to the cafeteria plan, enhancements to the dental and life insurance plans, as well as the County contribution to the deferred compensation program are estimated at \$11,455 for the remainder of the 2010/11 fiscal year; the estimated costs from July 1, 2011 through March 31, 2012 are \$10,685. The cost of the January 9, 2011 COLA will be offset by an equivalent reduction in the EPMC. The table below summarizes this information.

<b>Description</b>	<b>County Cost or (Savings) FY 2010/11</b>	<b>County Cost or (Savings) FY 2011/12</b>	<b>Totals</b>
3% reduction to EPMC effective 09/05/10	(\$53,797)	(\$49,272)	(\$103,069)
Delta dental plan enhancement	\$2,544	\$2,573	\$5,117
Life insurance plan enhancement	\$226	\$229	\$455
County contribution to deferred compensation program	\$1,479	\$1,666	\$3,145
Increase cafeteria plan to 80% of CalPERS 2010 Kaiser Bay Area Region family rate	\$7,206	\$6,217	\$13,423
<b>Total Savings</b>	<b>(\$42,342)</b>	<b>(\$38,587)</b>	<b>(\$80,929)</b>

### **DISCUSSION:**

The MOU for Unit #14 covers approximately 25 employees in the job classes of Correctional Sergeant and Correctional Lieutenant. Negotiations with this group began on August 12, 2009 and a tentative agreement was reached on July 27, 2010. The parties also met once with a mediator from the State Mediation and Conciliation Service.

Major revisions to the MOU's include the following:

#### **Retirement**

A second tier retirement plan of 2% @ 55 effective January 1, 2011 or upon the agreement of all other employee organizations that represent employees

who participate in the current 2% @ 50 retirement formula, whichever date is later.

**COLA** A COLA of no less than 0% and no more than 3% effective January 9, 2011

**EPMC** The EPMC will be reduced from 9% to 6% the first full pay period following adoption of this MOU by your Board. A second reduction will occur on January 9, 2011 by an amount equal to any COLA received by employees.

**Term** September 5, 2010 – March 31, 2012

**Hours of Work** The MOU provides an option to implement 12 hour work shifts of 4 days one week and 3 days the following week in a pay period. Overtime would be paid for hours worked over 84 hours in a pay period in accordance with the FLSA 7K exemption.

**Holidays** The optional holiday (which is normally taken between Christmas and New Year's Day) has been replaced with an additional floating holiday.

**Workers' Compensation/SDI** The County will pay the employer's share for the monthly premium for medical, dental, and life insurance coverage for an employee who is receiving State Disability Insurance (SDI) for the period of time that he/she has accruals to fully integrate with SDI or for a period of six (6) months, whichever is longer.

Sick and annual leave will accrue to an employee during any period in which he/she is fully integrating leave balances with SDI or for a period of six (6) months, whichever is longer.

There were no changes to the benefits related to workers' compensation.

**Medical** Effective the pay period following MOU approval by your Board, the County will increase its contribution to the cafeteria plan to reflect 80% of the CalPERS 2010 Bay Area Region Kaiser family rate.

Effective January 1, 2011, the County will increase its contribution to the cafeteria plan to reflect 80% of the CalPERS 2011 Bay Area Region Kaiser family rate.

Effective January 1, 2012, the County will increase its contribution to the cafeteria plan to reflect 80% of the CalPERS 2012 Bay Area Region Kaiser family rate.

**Dental** Effective ninety (90) days following the ratification of this MOU by your Board, the Delta Dental plan will be enhanced to include a \$1,000 orthodontic benefit, an increase of \$250 to the annual maximum per patient

per calendar year, and reduced co-payments and deductibles for services provided within the Preferred Provider Organization (PPO) network.

**Vision**

Effective ninety (90) days following the ratification of this MOU by your Board, the County will offer an enhanced vision plan to allow employees, on a voluntary basis, to purchase additional coverage for \$9.76 per month. The County's current vision plan provides lenses and frames every 24 months; the voluntary buy-up plan allows lenses and frames every 12 months and eliminates the \$25.00 materials co-payment.

**Supplemental Life**

Effective ninety (90) days following the ratification of this MOU by your Board, the County will offer a voluntary, supplemental life insurance plan to allow eligible employees to purchase a higher level of life insurance with a benefit of up to three times annual base earnings to a maximum of \$500,000 with a guaranteed issue of \$200,000 for employees and \$20,000 for spouses.

**Life**

Effective ninety (90) days following the ratification of this MOU by your Board, the County will provide the life insurance benefit for employees with a benefit of one times annual salary, up to a maximum of \$50,000.

**Deferred Comp**

Effective sixty (60) days following the ratification of this MOU by your Board, the County will contribute a dollar for dollar match up to a maximum of \$5 per pay period to the deferred compensation account of any County employee who is actively enrolled in the deferred compensation program.

**Uniform Allowance**

Minor changes were made to the provisions for uniform allowance to clarify the period when the allowance is paid and for what period the allowance covers.

Provisions were added to the MOU to provide that employees who have been absent from work for thirteen (13) full pay periods are not eligible to receive the uniform allowance payment and for pro-rating payments when an employee returns to duty.

A new section was added to provide limited reimbursement for repair or replacement of an officer's personal effects if the officer is ineligible for using existing insurance or Workers' Compensation to repair or replace such items.

**Tuition Reimbursement**

The tuition reimbursement language has been modified to reflect that which is included in other MOU's.

**RHS Plan**

The MOU was revised to include a previous addendum converting all accumulated unused sick leave to the retirement health savings account (RHS) upon retirement of an employee.

**Other Provisions** The County also negotiated language in other areas. This MOU includes provisions for a systematic method of collecting overpayments to employees, clean up of the Grievance Procedure language, and clarification of procedures involving leaves of absence without pay. The new MOU also provides clarification on areas such as salary placement for employees who are re-employed with the County after a break in service, merit increase step intervals, retreat to the previous position following promotion and performance evaluation intervals.

**ALTERNATIVES:**

The Board may choose not to approve these recommendations; however, staff does not recommend this alternative since the MOU was bargained in good faith within approved parameters. Additionally, the union has ratified this agreement.

**OTHER AGENCY INVOLVEMENT:**

The County Administrator's Office concurs with the recommendation.

**CAO RECOMMENDATION:**

APPROVE DEPARTMENT  
RECOMMENDATION

**DEPARTMENT HEAD SIGNATURE:**



**Donald W. Turko**  
**Director of Human Resources**

**Attachment A** - Resolution approving MOU for Unit #14, Page 6

**Attachment B** - Resolution authorizing paying and reporting the value of employer paid member contributions to CalPERS for Bargaining Unit #14, Page 7