

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

DEPT: Chief Executive Office

BOARD AGENDA # *B-1

Urgent

Routine

AGENDA DATE August 19, 2014

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval of Labor Agreement between the County and Stanislaus County Employees Association (SCEA) / American Federation of State, County and Municipal Employees (AFSCME Local #10) Representing the Mid-Management/Supervisory Bargaining Unit

STAFF RECOMMENDATIONS:

1. Approve the provisions contained within the tentative agreement reached between the County and Stanislaus County Employees Association (SCEA) / American Federation of State, County and Municipal Employees (AFSCME Local #10) representing the Mid-Management/Supervisory Bargaining Unit.
2. Amend the "Salary and Position Allocation Resolution" to reflect the changes included in the tentative agreement.
3. Authorize the Chairman of the Board of Supervisors and all parties to sign the agreement.

FISCAL IMPACT:

The new agreement between the County and AFSCME Local #10 representing the Mid-Management/Supervisory Bargaining Unit covers 48 months and is effective July 1, 2014 through June 30, 2018.

The agreement provides restoration of the remaining 5% permanent salary deduction and elimination of 40 hours of SALT over the next 12 months. In addition, it provides for a salary increase of 1% the first full pay period in July 2016 and an additional 3% the first full pay period in July 2017.

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BOARD ACTION AS FOLLOWS:

No. 2014-428

On motion of Supervisor Chiesa, Seconded by Supervisor Monteith,

and approved by the following vote,

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

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.

FISCAL IMPACT (Continued):

The estimated cost of the agreement is detailed below. Included in these costs are the economic impact of the increase in bilingual pay from \$.69 hourly to \$.85 hourly and providing time-and-one-half pay for employees working on all County holidays. Currently this unit receives time-and-one-half on only six of the ten County holidays.

Fiscal Year	Effective Date	Salary Adjustment	Increased Cost All Funds	Increased Cost General Fund
2014-2015	Pay period Beginning August 9, 2014	3% Salary Restoration	\$866,000	\$184,000
2015-2016	First Full Pay Period Following July 1, 2015	Elimination of Remaining 2% Salary Deduction	\$1,520,000	\$305,200
2016-2017	First Full Pay Period Following July 1, 2016	1% Base Salary Increase	\$1,818,458	\$365,160
2017-2018	First Full Pay Period Following July 1, 2017	3% Base Salary Increase	\$2,726,000	\$547,400
		Total Four Year Cost	\$6,930,458	\$ 1,401,760

Prior to entering into this agreement, the County completed a thorough fiscal analysis. The County's long range financial model demonstrates there is sufficient financial stability to support this contract without a detrimental impact to the fiscal strength of County operations and programs. Departments will make any required budget adjustments during the 2014-2015 Fiscal Year.

DISCUSSION:

During the last six years the County government organization has successfully weathered an unprecedented economic downturn. The organizational stability during these last six years was the result of a proactive response to the fiscal crisis. Starting in 2008, the County developed a long-term strategic plan to ensure the continuation of the most critical services and programs to the community. Beginning in 2009 the County implemented cost reduction strategies in an effort to reduce salary and benefit costs in relation to decreased revenues. In response to the continuing unprecedented economic

downturn, in 2012 the County negotiated 24-month agreements that included a 6% ongoing salary deduction. At the start of the 2013-2014 Fiscal Year the employees had 1% in salary restored leaving a 5% salary deduction.

While these cost cutting measures were necessary and had a significant impact on the ongoing fiscal health of the County, it is important to recognize the adverse effect these actions have had on County employees. Since 2010 County employees have experienced ongoing salary deductions between 5% and 6% and have also absorbed increases in healthcare and retirement costs. In exchange for the salary deductions agreed to for County employees, the County has provided Special Accrued Leave Time (SALT) to allow employees additional leave time from work. Employees in the AFSCME Local 10 Labor Association are currently receiving 40 hours of annual SALT in exchange for a 5% deduction in their base salary.

With the prior agreement between the County and the AFSCME Local 10 expiring on June 30, 2014, the parties have been actively working to negotiate a new agreement while taking into account the County's concerns about the current ongoing economic recovery. While the County negotiated this agreement with all four AFSCME bargaining units, only the Mid-Management/Supervisory Bargaining Unit ratified the agreement. There are 368 positions in this bargaining unit.

This 48 month agreement allows for the full restoration of salary over the next 12 months allowing for the elimination of the 40 hours of SALT currently earned by this bargaining unit by July 2015. Employees will receive 3% restoration in salary effective the pay period beginning August 9, 2014 with a corresponding reduction in SALT from 40 hours to 16 hours and a 2% restoration of salary the first pay period in July 2015 with the full elimination of the remaining 16 hours of SALT on the same date.

Employees in this bargaining unit will also receive a one percent salary adjustment effective the first full pay period on or after July 1, 2016 and a three percent salary adjustment effective the first full pay period on or after July 1, 2017. A four year contract with this bargaining unit brings stability to the organization and allows for long-term fiscal forecasting.

The tentative agreement summary is attached to this agenda item and provides detail on the agreement. Unless specifically stated, all negotiated agreements are effective upon approval of the Board of Supervisors.

While there are still budget challenges ahead, staff project that there is sufficient confidence in the economic recovery to support this agreement.

Approval of Labor Agreement between the County and Stanislaus County Employees Association (SCEA) / American Federation of State, County and Municipal Employees (AFSCME Local #10) Representing the Mid-Management/Supervisory Bargaining Unit
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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.

CONTACT: Nancy Bronstein, Deputy Executive Officer, 209-525-6333

**AFSCME Negotiations
Tentative Agreement
July 1, 2014**

Term	48-months July 1, 2014 through June 30, 2018
Salary Restoration	August 9, 2014 – 3% salary restoration with 24 hour reduction in Special Accrued Leave Time First Full Pay Period on or after July 1, 2015 – 2% salary restoration with elimination of remaining 16 hours of Special Accrued Leave Time
COLA – Salary Increase	First Full Pay Period on or after July 1, 2016 – 1% base salary increase First Full Pay Period on or after July 1, 2017 – 3% base salary increase
Holiday Pay	Section 35-G – First Full Pay Period Following Board of Supervisors approval – Employees in bargaining unit M currently receive time-and-one-half on six of the ten County holidays. Has been expanded to time-and-one-half for each hour worked on all holidays, up to the maximum value of the individual holiday.
Bilingual Pay	Section 5 – Bilingual Certification Pay – Effective the start of the first full pay period following BOS approval of agreement, pay will increase from \$0.69 per hour to \$0.85 per hour
On-Call/Call-Back	Section 22-G – Clarify minimum of two hours call-back pay for employees required to return to work at a rate of time-and-one-half. Expanded provision to allow on-call employees to handle issues through telephone calls instead of returning to work and for these employees to be paid for actual minutes worked rounded to nearest quarter hour at rate of time-and-one-half
Salary/Additional Compensation	Section K – Agreed to meet and confer on the development of a classification series or additional pay for employees working in Medical Billing at HSA who have earned a medical coding certification. Employees with a coding certificate will receive 5% assignment pay during the meet and confer process for performing the more complex job duties and responsibilities associated with the certification.
Safety Equipment	Section 34-G – Expanded provision for Prescription Safety Eyewear to allow reimbursement for prescription safety goggles in addition to safety glasses
Language Clean Up	Section 6 – Continuing Prior Policies and Advanced Notice. Clarified County’s responsibility for providing advanced notice of any proposed changes as required by the Meyers-Millias-Brown Act

	<p>Section 10 – Employer-Employee Relations Matters:</p> <p>A & B – Access to Official Personnel Files; Access to department Personnel Files. Clarified process for employees to request copies of personnel file</p> <p>N – Non-Discrimination/Fair Representation. Additional information added to the provision to clarify County’s responsibility</p> <p>Q – Representation – clarifying language added</p> <p>U – Labor Management Committee – Agreed to future labor/management discussions</p> <p>Section 15 – Grievance Procedure: B-Definitions; F-Grievance Procedure Steps. Allowing three extra days for both County and employees to respond</p> <p>Section 19 – Jury Duty – moved subpoena language from Section 22-G On-Call Pay/Holiday Call-Back/On-Call/Call-Back</p> <p>Section 22-E On-Call Pay/Holiday Call-Back/Hourly Rate Compensation Provisions – removed obsolete classifications</p> <p>Section 28 – Added clarifying language to Reduction-In-Force provision</p> <p>Section 30-A Retirement – Updated to reflect tier 2 and tier 6 retirement tiers</p> <p>Section 31-E – Shift Differential – examples provided to clarify how payment is made</p> <p>Attachment A – Bargaining Unit Classifications – updated list to reflect current County positions</p>
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The complete language for all tentative agreements is located in the Memorandum of Understanding (MOU) between the County and Stanislaus County Employees Association (SCEA) / American Federation of State, County and Municipal Employees (AFSCME Local #10) representing the Mid-Management/Supervisory Bargaining Unit. This document is intended to summarize the changes in the MOU agreed to in the negotiations process. The language in the MOU represents the final binding terms of the agreement between the parties. Unless otherwise noted all changes will be effective the start of the first pay period after Board of Supervisor Approval of the agreement.