



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

A-43

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Human Resources
Department No.: 064
For Agenda Of: 3/17/09
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

REPLACEMENT# 1
DATE 3/13/09 TIME 10:20AM
CLERK OF THE BOARD OF SUPERVISORS
SANTA BARBARA COUNTY

TO: Board of Supervisors

FROM: Department Susan Paul, Assistant CEO/HR Director, 568-2817
Director(s)
Contact Info: Joseph Pisano, Senior HR Analyst, 568-2839

SUBJECT: Contract Extension with Fire Fighters Local 2046

County Counsel Concurrence

As to form: Select_Concurrence

Auditor-Controller Concurrence

As to form: Select_Concurrence

Other Concurrence: Select_Other

As to form: Select_Concurrence

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Recommended Actions:

That the Board approve:

- a) Modifications to the current Memorandum of Understanding (MOU) with the Santa Barbara County Fire Fighters, Local 2046 (Local 2046), that eliminate a previously negotiated 2.7% wage increase and delay previously negotiated increases in the uniform allowance and the Emergency Medical Technician Certificate-D (EMT-D) allowance, and
- b) An extension of the MOU with Local 2046 through March 3, 2013 incorporating the changes summarized in Attachment A.

Summary Text:

Local 2046 represents 203 fire fighters in the Fire Department. The current MOU with Local 2046 was approved by the Board on May 2, 2006 and expires on March 7, 2010. The recommended actions eliminate a previously negotiated 2.7% wage increase scheduled for March 9, 2009 and delay previously negotiated increases in the EMT-D and uniform allowances scheduled for March 9, 2009 as part of a three-year contract extension with this group.

Background:

The current MOU includes provisions for a wage increase of 2.7% scheduled to become effective on March 9, 2009 for all classifications represented by the Union. Staff estimates the cost of this increase to be approximately \$226,450 for the remainder of Fiscal Year 2008-2009 and approximately \$735,963 annually beginning in Fiscal Year 2009-2010. The recommendation **eliminates** this increase.

In addition, other minor changes including financial recognition of the emergency medical technician certification and an increase in uniform allowance will be deferred until the beginning of Fiscal Year 2009-2010.

The combined savings of the wage elimination and the delay in implementing the other previously negotiated compensation components are estimated at approximately \$1 million as shown in the following table:

Savings on Current MOU Items	FY 08-09	FY 09-10
3/9/09 2.7% COLA	226,450	735,963
3/9/09 EMT-D Increase 0.75%	62,871	
3/9/09 Uniform Allowance Increase \$75/yr	8,136	
Totals	297,457	735,963
Grand Total Savings	1,033,420	

CEO/Human Resources (CEO/HR) recently evaluated the market position of salaries for benchmark classifications represented by Local 2046. Santa Barbara County salaries are currently between approximately 4.0% to 7.5% below the survey market for these classifications at this time.

The recommended successor MOU schedules salary increases incrementally during the term of the contract extension in order to manage County costs while providing more competitive compensation than currently exists by the end of the contract term. This approach allows for the County to manage resources and defer the impacts of wage increases until the end of the agreement. It is important to note that Local 2046 has agreed to eliminate the 2.7% salary increase scheduled for March 9, 2009, delay implementation of the other increases scheduled for March 9, 2009 until the beginning of Fiscal Year 2009-10, **and go without a general wage increase for approximately 2½ years.**

Attachment A summarizes the tentative agreement reached with Local 2046. A copy of the recommended successor MOU is on file with the Clerk of the Board. Significant changes are as follows:

- Elimination of a previously negotiated wage increase of 2.7%;
- Delay of previously negotiated increases in EMT-D and Uniform Allowances;
- A three-year contract extension;
- \$30 per pay period increase in Benefit Allowance in June 2010;
- 2.5% wage increases in June 2010, December 2010, and March 2011;
- 3% wage increases in September 2011, March 2012, and September 2012
- The addition of 16 floating holiday hours for Helicopter Pilots and employees in Heavy Equipment Operator Classifications to bring them to parity with other Local 2046 employees in 40-hour work weeks
- Modification of the retirement section of the MOU to allow either party to reopen negotiations on the issue of potential changes to retiree medical for the existing and future workforce

Fiscal and Facilities Impacts:

Budgeted:

Fiscal Analysis:

The estimated savings related to eliminating and delaying the previously negotiated increases scheduled for March 2009 as outlined above is approximately **\$1,033,420**. The savings will be retained in the Fire Department budget.

The approximate cost of implementing the proposed contract extension, broken down by fiscal year, appears in the table below:

Fiscal Year	Cost
2009-2010	5,063
2010-2011	998,307
2011-2012	891,134
2012-2013	965,661
Approximate Total Increased Costs of Contract Extension	2,860,165

Of the total estimated cost increase of \$2,860,165 for the recommended contract extension with Local 2046, approximately \$ 1,086,863 will be in the form of an increase in the County's contributions to the Retirement System. The biannual actuarial study of the Santa Barbara County Retirement System as adopted by the Board of Retirement includes certain economic and non-economic assumptions in setting the employer's

**Attachment A:
Summary of Changes for
Local 2046 Contract Extension**

Section 7: Salaries	The 2.7% Salary increase effective on 3/9/09 is eliminated.
	Effective on 6/28/10, salaries for all classifications represented by Local 2046 shall receive base salary increases of 2.5%.
	Effective on 12/27/10, salaries for all classifications represented by Local 2046 shall receive base salary increases of 2.5%.
	Effective on 3/7/11, salaries for all classifications represented by Local 2046 shall receive base salary increases of 2.5%.
	Effective on 9/5/11, salaries for all classifications represented by Local 2046 shall receive base salary increases of 3.0%.
	Effective on 3/5/12, salaries for all classifications represented by Local 2046 shall receive base salary increases of 3.0%.
	Effective on 9/3/12, salaries for all classifications represented by Local 2046 shall receive base salary increases of 3.0%.
Section 16: Holidays	For the purposes of Section 16 B (floating holidays) only, Helicopter Pilots and employees in Heavy Equipment classifications represented by Local 2046 shall be considered as working in staff positions.
Section 22: Benefit Allowance	Effective on 6/28/10, the Benefit Allowance for all classifications represented by Local 2046 shall increase by \$30 per pay period
Section 23: Retirement	The language in this section shall be modified to include the following: "During the term of this agreement, either party may request to reopen negotiations on the issue of potential changes to retiree medical for the existing and future workforce. If negotiations are reopened on this subject, changes will not be implemented unless the parties mutually agree".
Section 26: EMT-D Allowance	The scheduled increase of 0.75% in the EMT-D allowance effective on 3/9/09 (Pay Period 2009-07) is delayed until 6/29/09.
Section 29: Uniform Allowance	The scheduled increase in uniform allowance effective on 3/9/09 (Pay Period 2009-07) is delayed until 6/29/09.
Section 54 : Term of Agreement	The successor Memorandum of Understanding shall be effective from 3/9/09 until 3/3/13