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

BOARD OF SUPERVISORS AGENDA LETTER

Department Name:
Human Resources
Department Number:
064
Agenda Date:
August 18, 2026
Placement:
Administrative Agenda

Estimated Time:
N/A
Continued Item:
No
If Yes, date from:
N/A
Vote Required:
Majority

TO: Board of Supervisors

FROM: Department Director(s): Kristine Schmidt, Human Resources

CONTACT: Carlos Silvas, Employee Relations Division Chief

SUBJECT: Deputy Sheriffs' Association Successor Memorandum of Understanding (August 17, 2026 through July 2, 2028)

Concurrences:

County Counsel Concurrence:
As to form: Yes

Auditor-Controller Concurrence:
As to form: Yes

Other Concurrence:
As to form: N/A

Recommended Actions:
That the Board of Supervisors:

A. Approve, authorize, and ratify the County Human Resources Department to execute the successor Memorandum of Understanding (hereafter "MOU") between the County of Santa Barbara (hereafter "County) and the Deputy Sheriffs' Association (hereafter "Association"), and authorize the Human Resources Director, or designee to sign the successor MOU establishing wages, hours, and other terms and conditions of employment for the period of August 17, 2026, through July 2, 2028, as set forth in Attachment A; and

B. Determine pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) that the above action is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment and therefore is not a project subject to environmental review.

Summary Text:

The County and Association have been engaged in negotiations for a successor contract since February 2026. The parties reached a tentative agreement for a successor MOU on July 8, 2026, and the MOU has since been ratified by the membership of the Association.

The Association currently represents approximately 513 employees assigned primarily to the Sheriff's Office, Fire Department and the Office of the District Attorney. The proposed successor MOU establishes wages, hours, and other terms and conditions of employment for the period of August 17, 2026, through July 2, 2028.

The MOU provides unit-wide general salary increases of 3.0% effective August 17, 2026, and 3.0% effective July 5, 2027. The MOU also provides a 1.0% equity salary increase effective August 17, 2026, for the Sheriff's Deputy classification series (including Sergeant), Custody Deputy classification series (including Sergeant), and District Attorney Investigator classification series (including Supervisor), which were identified as being the most significantly below comparable market compensation.

Other provisions of the proposed MOU include enhancements to ballistic and stab-resistant vest provisions, premium compensation for emergency call-outs requiring an immediate response outside of regularly scheduled work hours, revisions to overtime and compensatory time provisions intended to improve fiscal management, modifications to health insurance benefits during extended medical leave, incorporation of existing side letters into the MOU, general contract language updates and clarifications, and a one-time signing bonus.

Discussion:

N/A

Background:

The Association currently represents approximately 513 employees assigned primarily to the Sheriff's Office, Fire Department and the Office of the District Attorney. The most recent MOU between the County and Association expired on June 21, 2026. The parties have met and conferred in good faith since February 2026 and have reached agreement on a successor MOU governing wages, hours, and other terms and conditions of employment for the period of August 17, 2026, through July 2, 2028, as set forth in Attachment A.

The proposed MOU provides unit-wide general salary increases of 3.0% effective August 17, 2026, and an additional 3.0% effective July 5, 2027. In addition, the agreement provides a targeted 1.0% equity salary increase effective August 17, 2026, for the Sheriff's Deputy classification series (including Sergeant), Custody Deputy classification series (including Sergeant), and District Attorney Investigator classification series (including Supervisor). These classifications were identified through the County's market analysis as being the most significantly below comparable market compensation and the targeted equity adjustments are intended to improve the County's ability to recruit and retain qualified law enforcement personnel.

The proposed MOU also includes enhancements intended to support officer safety and operational readiness. The MOU continues the County's commitment to upgrading ballistic and stab-resistant vests for Sheriff's Deputies and Custody Deputies and establishes premium compensation for employees who are directed to report for duty outside their regularly scheduled work hours in response to unforeseen emergency incidents requiring an immediate response, such as homicides, suspicious deaths, major criminal investigations, SWAT activations, and similar emergency events.

The parties also agreed to several modifications intended to improve the administration and fiscal management of overtime. The MOU revises the calculation of overtime by providing that paid sick leave and compensatory time used will no longer be treated as hours worked for purposes of determining overtime eligibility. In addition, the MOU establishes an annual cap of 1,300 overtime hours worked, limits annual compensatory time accrual to 120 hours, requires periodic cash-out of compensatory time balances, and clarifies that employee drive time is compensable only to the extent required by applicable law. Collectively, these provisions are expected to reduce the growth of compensatory time liabilities and improve long-term management of overtime costs.

Additional changes include revisions to health insurance benefits during extended medical leaves of absence, implementation of a voluntary shift trade program for Sheriff's Office and Fire Department Communications Dispatchers, increases to the tuition and textbook reimbursement benefit, the incorporation of previously negotiated side letters into the MOU, and general contract language updates intended to improve clarity, consistency, and administration of the agreement.

To facilitate timely resolution of negotiations, the parties agreed to provide a one-time signing bonus to employees employed on the date of Board approval. The signing bonus is equivalent to 3% of general salary base costs for the period between the parties reaching tentative agreement on July 8, 2026, and the Board's next available opportunity to consider the approval of the agreement on August 18, 2026. The one-time signing bonus is funded through budgeted savings realized during the period between expiration of the prior MOU and implementation of increases provided in the successor MOU.

Performance Measure:
N/A

Contract Renewals:
N/A

Fiscal and Facilities Impacts:

Budgeted: Partially*****

Fiscal Analysis:
The estimated cost of the Association’s agreement is $4,891,042 for Fiscal Year 2026-27 and $8,770,675 for Fiscal Year 2027-28 and ongoing thereafter. These costs are almost entirely General Fund expenditures and are equivalent to a 3.5% increase per fiscal year, which leaves approximately

$1.1 million of the agreement's cost unbudgeted in FY 2026-27. A portion of this cost will be funded using one-time General Fund of $812 thousand set-aside by the Board for Sheriff's expenditures during the FY 2026-27 budget hearing on June 16, 2026. Staff will return with a budget revision to appropriate these funds. The balance may be offset by lower overtime costs related to administrative changes included in the MOU.

Although the successor MOU includes targeted equity salary adjustments, and enhancements to certain compensation provisions bringing the projected contract cost average to 3.5% per year, the parties also agreed to significant contractual changes anticipated to reduce unbudgeted costs within the Sheriff's Office. These changes include revisions to the calculation of overtime, annual limitations on overtime worked and compensatory time accrued, mandatory periodic cash-out of compensatory time balances, and clarification that employee drive time will be compensable only to the extent required by applicable law. When considered together, staff anticipates that the negotiated compensation package and the agreed-upon operational and fiscal reforms may reduce the net annualized cost of the successor MOU to approximately 3% per year.

If approved, staff will continue to work with the County Executive Office to monitor departmental budgets and will return to the Board with recommended budget adjustments during the fiscal year, if necessary.

<u>Potential Impact of Increases on Pension Plan</u>

The Santa Barbara County Employees Retirement System (SBCERS) makes certain actuarial assumptions regarding salaries in determining the funding status of the retirement plan. SBCERS currently assumes a base payroll and wage inflation increase component of 3.00% per year, plus a merit, longevity, and promotion component ranging from 0.375% to 4.75% for General members and from 0.75% to 8.50% for Safety members, depending upon years of service. These assumptions are not intended to be achieved in any single year but rather represent the expected long-term effect of salary growth over a 20- to 30-year period. As a result, annual variations in negotiated salary increases may result in actuarial gains or losses that are recognized over time.

The successor MOU provides general salary increases of 3.0% effective August 17, 2026, and 3.0% effective July 5, 2027, together with a targeted 1.0% equity salary increase for selected sworn classifications. The overall compensation package will remain generally consistent with the long-term salary growth assumptions used by SBCERS, however, staff notes that for selected sworn classifications, the negotiated general and equity increases exceed the current long-term salary growth assumptions of 3.0%. The extent of any resulting impact on contribution rates or the System's overall funded status will be evaluated by the System's actuary as part of the next valuation and periodic experience study. The County will continue to make required retirement contributions based upon employees' actual pensionable compensation.

SBCERS reviews its actuarial assumptions, including salary growth assumptions, as part of a periodic actuarial experience study. Any resulting changes adopted by the Board of Retirement help ensure that the assumptions used to value the retirement system remain consistent with actual long-term experience.

Staffing Impacts:

N/A

Position Request Summary:

N/A

Special Instructions:

Following approval by the Board of Supervisors, please email a copy of the Minute Order to Carlos Silvas, cmsilvas@countyofsb.org, and Laura Dains, ldains@countyofsb.org.

Attachments:

Attachment A – Deputy Sheriffs' Association Successor Memorandum of Understanding (August 17, 2026, through July 2, 2028)

Attachment B – – Deputy Sheriffs' Association Successor Memorandum of Understanding (August 17, 2026, through July 2, 2028) – Changes Tracked

Contact Information:

Carlos Silvas
Employee Relations Division Chief
cmsilvas@countyofsb.org