



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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: 5/19/09
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Susan Paul, Assistant CEO/HR Director, 568-2817
Director(s) *Susan Paul*
Contact Info: Joseph Pisano, Employee Relations Manager, 568-2839

SUBJECT: **Contract Extension with Probation Peace Officers Association**

County Counsel Concurrence

As to form: Select_Concurrence

Other Concurrence: Select_Other

As to form: Select_Concurrence

Auditor-Controller Concurrence

As to form: Select_Concurrence

Recommended Actions:

That the Board approve:

- a) Modifications to the current Memorandum of Understanding (MOU) with the Probation Peace Officers Association (PPOA), that eliminate a previously-negotiated 3% equity adjustment and two previously-negotiated increases in biweekly benefit allowance totaling \$50 per pay period, and
- b) An extension of the current MOU with PPOA through September 29, 2013 incorporating the changes summarized in Attachment A and Attachment B.

Summary Text:

PPOA represents 225 Probation Officers and Juvenile Institutions Offices in the Probation Department. The current MOU with PPOA was approved by the Board on November 8, 2005 and expires on October 4, 2009. As part of a four-year contract extension with this group, the recommended actions will eliminate a previously-negotiated increase in benefit allowance of \$25 that was scheduled to go into effect on June 30, 2008, eliminate a previously-negotiated 3% equity adjustment that was scheduled for October 6, 2008, and in addition eliminate another previously-negotiated \$25 increase in the benefit allowance that is scheduled to go into effect on June 29, 2009.

Background:

The current MOU includes provisions that increase the benefit allowance by \$25 per pay period on June 30, 2008 and June 29, 2009 and a 3% equity adjustment for Probation Officer classifications that was scheduled for October 6, 2008. Staff estimates the savings associated with eliminating these increases to be approximately \$521,054 for Fiscal Year 2008-2009 and approximately \$860,900 annually beginning in Fiscal Year 2009-2010. The recommendation **eliminates** all these increases for an estimated combined savings of approximately \$1,381,954 over Fiscal Year 2008-2009 and Fiscal Year 2009-2010.

There are no cost-of-living adjustments (COLAs), general wage increases, or equity adjustments during the term of the recommended contract extension. The recommended successor MOU establishes a new pay schedule for PPOA classifications that addresses longstanding market issues. Currently these classifications are approximately 11.5% to 22.5% below the survey market, depending on the classification. The new pay scale will be implemented in January 2011; however, there will be no movement on the scale until January 2012.

Delaying allocation to a new pay scale and eliminating all increases but annual merit step increases during the term of the contract extension will help to control County costs while providing more competitive compensation in the future than currently exists. This approach allows for the County to manage its financial resources and defer the impacts of wage increases to a later date. It is important to note that despite their members being at or near the very bottom of the market in comparison with other agencies, PPOA has agreed to eliminate over a million dollars in previously negotiated wage and benefit increases through Fiscal Year 2009-2010, and forego a general wage increase for an additional 2 years and 3 months.

Attachment A summarizes the tentative agreement reached with PPOA. Attachment B summarizes the new pay scale that would become effective in January 2011 if the Board approves the tentative agreement reached with PPOA. 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 equity adjustment of 3.0%
- Elimination of previously-negotiated increases in Benefit Allowance of \$25 per pay period in June 2008 and June 2009
- A four-year contract extension
- Allocation to a new pay scale in January 2011
- No COLAs during the term of the agreement
- No equity adjustments during the term of the agreement
- Reopeners at the request of either party on Benefit Allowance and Educational Incentive Pay
- Modification of the retirement section of the MOU to allow either party to reopen negotiations on the issue of potential changes to retirement benefits and retiree medical for the existing and future workforce

Fiscal and Facilities Impacts:

Budgeted:

Fiscal Analysis:

The estimated savings associated with eliminating previously-negotiated and scheduled increases as outlined above is approximately \$1,381,954 over Fiscal Year 2008-2009 and Fiscal Year 2009-2010.

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

Fiscal Year	Cost
2009-2010	0
2010-2011	962,340
2011-2012	1,575,689
2012-2013	1,260,432
2013-2014	1,329,756
Approximate Total Increased Costs of Contract Extension	5,128,218

Of the total estimated cost increase of \$5,128,218 for the recommended contract extension with PPOA, approximately \$ 1,794,876 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 contribution rate, which is used to estimate the impact of the recommended actions on the County's contribution to the retirement system.

The recommendations are within the parameters established by the Board.

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

Attachments:

Authored by: Joseph Pisano

cc: County Executive Officer

**Auditor-Controller
County Counsel
Chief Probation Officer
Chief of Employee Relations**

**Attachment A:
Summary of Changes for
PPOA Contract Extension**

Section 7: Salaries	The 3.0% equity adjustment scheduled to be effective on 10/6/2008 is eliminated.
	Effective on 1/10/2011 PPOA classifications shall be placed on a new salary schedule as shown in Attachment B
	Effective on 1/9/2012 PPOA members who are not at the top of their salary range will be eligible for merit step increases within their range on their anniversary date
	No salary increases other than merit step increases in range shall be implemented for the duration of this agreement
Section 11: Benefit Allowance	The \$25 per pay period benefit allowance increase effective 6/30/2008 under the terms of section 11 (3) of the 2005-2009 MOU is eliminated
	The \$25 per pay period benefit allowance increase effective 6/29/2009 under the terms of section 11 (4) of the 2005-2009 MOU is eliminated
	During the term of this agreement, at the request of either party, the County and PPOA agree to meet and confer regarding possible changes to the Benefit Allowance. If negotiations are reopened on this subject, changes will not be implemented unless the parties mutually agree.
Section 19: 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 retirement benefits or 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 29: Tuition and Textbook Reimbursement	During the term of this agreement, at the request of either party, the County and PPOA agree to meet and confer regarding possible implementation of an educational incentive. If negotiations are reopened on this subject, changes will not be implemented unless the parties mutually agree."
Section 45 : Term of Agreement	The successor Memorandum of Understanding shall be effective from 5/18/2009 until 9/29/2013

**Attachment B:
New Pay Scale for
PPOA Effective 1/10/2011**

	1	2	3	4	5	6
Juvenile Institutions Officer (JIO)	24.664	26.020	27.451	28.961	30.554	32.234
JIO, Senior	25.884	27.308	28.810	30.394	32.066	33.830
Deputy Probation Officer (DPO)	28.489	30.056	31.709	33.453	35.293	37.234
DPO, Senior	30.554	32.234	34.007	35.878	37.851	39.933
DPO, Supervisor	34.069	35.943	37.920	40.006	42.206	44.527