

STAFF REPORT

BOARD MEETING DATE: October 17, 2023

CATEGORY: Regular Calendar 14

SUBJECT: Take the following actions: (1) Adopt a resolution which approves a successor Memorandum of Understanding (MOU) between the United Public Employees of California – General Unit (UPEC – General) and the County of Shasta covering the period of January 1, 2023, through December 31, 2024; and (2) adopt a salary resolution effective December 17, 2023, which amends the Salary Schedule for positions in County Service pursuant to the UPEC – General MOU.

DEPARTMENT: Support Services

SUPERVISORIAL DISTRICT #: All

DEPARTMENT CONTACT: Monica Fugitt, Director of Support Services (530) 225-5515

STAFF REPORT APPROVED BY: Monica Fugitt, Director of Support Services

<u>Vote Required?</u>	<u>General Fund Impact?</u>
Simple Majority Vote	General Fund Impact

RECOMMENDATION

Take the following actions: (1) Adopt a resolution which approves a successor Memorandum of Understanding (MOU) between the United Public Employees of California – General Unit (UPEC – General) and the County of Shasta covering the period of January 1, 2023, through December 31, 2024; (2) Adopt a salary resolution effective December 17, 2023, which amends the Salary Schedule for positions in County Service pursuant to the UPEC - General MOU.

DISCUSSION

The previous UPEC – General MOU expired December 31, 2022. Negotiations began in September of 2022 and after negotiation efforts from both UPEC-General and the County an impasse was declared in January 2023. On May 2, 2023, the Board of Supervisors imposed improvements on the UPEC-General bargaining unit and negotiations for a new contract began again. A tentative agreement has now been reached by the County and the UPEC-General bargaining unit. The terms of the successor MOU have been reviewed and discussed with the Board. The Board is now being asked to formally approve the MOU for this bargaining unit which specifies wages, benefits, and other terms and conditions of employment for a term through December 31, 2024.

In addition to the improvements added in response to the imposition, the successor MOU includes the following improvements:

1. Effective the pay period beginning December 17, 2023, unit employee salaries will be increased by two and one-half percent (2.5%).
2. Premium Pay – Provide an incentive pay of five percent (5%) of base wages to be provided to a Probation Department employee trained and assigned to provide certified CPR training on an hour for hour basis when engaged in such training.
3. Paid Leaves – Revise the maximum number of hours for the one (1) floating holiday provided per calendar year to a maximum of twelve (12) hours based on an employee's regularly scheduled shift. Also, revise Subsection "D" to allow an employee who works on an official County holiday the ability to earn holiday compensation at a rate of one and one-half (1.5) times the hours worked plus straight time hours for assigned regular hours up to a maximum of twelve (12) hours.
4. Alternate Work Schedule – Revise language regarding holiday compensation in Section 10.2.E.3 to harmonize with above referenced revisions.
5. All Sections – Make any non-substantive clerical revisions to document and incorporate existing terms and conditions language and previous MOU language from April 2020 First Amendment to MOU, October 2021 Second Amendment, and

May 2023 Imposed Terms and Conditions into successor MOU.

6. Health and Welfare Benefits – Beginning with the payment of health premiums for the first month not already prepaid by the employee following approval of the Board of Supervisors on a successor agreement, the County will calculate its contribution based upon ninety-five (95%) of the Employee Only medical premium cost and ninety percent (90%) of the Employee Plus One and Employee Plus Family medical premium cost categories of PERS Gold. Beginning in December 2024 for premiums applied to January 2025 and in each subsequent year thereafter, the employee contribution percentage of the annual PERS Gold baseline premium for Employee Only will increase by 2% annually until such time as the Employee Only reaches a 90% employer contribution / 10% employee contribution split and Employee Plus One and Employee Plus Family reaches a 80% employer contribution / 20% employee contribution split.

In addition, there were clerical and other minor changes made to this successor MOU in order to be consistent with other County MOUs and the Shasta County Personnel Rules.

The UPEC-General bargaining team and unit employees should be recognized for their participation throughout the bargaining process that led to this agreement.

ALTERNATIVES

The Board could decline to approve this recommendation; this is not recommended as the proposed MOU is the product of a good faith bargaining process in which both the bargaining unit and the County have reached an agreement. Further, failure to approve the recommendation would result in County staff and the County's Chief Labor Negotiator continuing the bargaining process, which could result in additional expense associated with staff time, legal fees, fact finding procedures, etc. This would also further delay employee salary and benefit improvements which could impact employee recruitment and retention efforts.

OTHER AGENCY INVOLVEMENT

The County Administrative Office has reviewed the recommendation and has the concurrence of the County Executive Officer (CEO). The Auditor-Controller's office has reviewed the recommendation. Gage Dungy, Partner of Boutin Jones, Inc., served as the County's Chief Labor Negotiator during this process.

FISCAL IMPACT

The approximate two-year aggregate cost increase for salaries and benefits (FICA/Medicare, PERS Employer Contribution, 401A Contribution, Health and Life Insurance, Other Post-Employment Benefits, Unemployment Insurance, and Workers Compensation) resulting from the cost-of-living adjustments is \$3,096,642. The total two-year aggregate cost increase of the recommended improvements is \$4,059,319, of which 28% is General Fund impact. The changes to the Health Insurance formula will lengthen the timeframe for unfunded liabilities to achieve appropriate funding levels. The affected department's Fiscal Year 23/24 Adopted Budgets includes funds appropriated for this increase and the department will include appropriate funding in future requested budgets.

ATTACHMENTS:

- 1: Resolution
- 2: Salary Resolution
- 3: UPEC - General MOU - REDLINE
- 4: UPEC - General MOU - FINAL