

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office		(2) MEETING DATE August 22, 2006		(3) CONTACT/PHONE Santos Arrona (805) 781-5962	
(4) SUBJECT Resolutions amending the Fiscal Year 2004-07 Memorandum of Understanding for the Probation and Supervisory Probation Units and establishing Fiscal Year 2006-07 salaries and benefits for the Probation and Probation Supervisory Units.					
(5) SUMMARY OF REQUEST The current MOUs' with the Probation and Supervisory Probation Units, SLOCPPOA, calls for salary and benefits adjustments annually based on a contractually agreed upon Prevailing Wage economic formula. This formula resulted in a 5.115% change in the compensation package for the Probation and Supervisory Probation units. Parties have met and negotiated distribution of these monies to fund an across the board salary increase of 5.115% effective the pay period that includes July 1, 2006. Parties have also negotiated an enhancement to the retirement benefit for unit members to grant them 3% @ 55 when administratively feasible. This enhancement will be funded by increases in the employer's contribution rate of 4.81% and an increase in the employee's contribution rate of 4.7%.					
(6) RECOMMENDED ACTION It is recommended that your Board approve the attached resolutions amending the 2004-07 Memorandum of Understanding with the Probation and Supervisory Probation Units and establishing salaries and benefits for fiscal year 2006-07 for the Probation and Probation Supervisory Units.					
(7) FUNDING SOURCE(S) Individual Departments		(8) CURRENT YEAR COST \$659,000		(9) ANNUAL COST \$659,000	
(10) BUDGETED? <input type="checkbox"/> YES <input type="checkbox"/> N/A <input type="checkbox"/> NO					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): County Counsel has reviewed the proposed amendments. The Auditor/Controller will be preparing changes to payroll in order to implement the agreed upon increases. Pension Trust will prepare the necessary Pension Trust Plan amendments to implement the enhanced retirement benefit.					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) 1st, 2nd, 3rd, 4th, 5th, All <u>0</u>			(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		
(15) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)			(16) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input type="checkbox"/> N/A		
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A			(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		

(19) ADMINISTRATIVE OFFICE REVIEW

8-22-06
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County of San Luis Obispo

COUNTY GOVERNMENT CENTER, RM. 370 • SAN LUIS OBISPO, CALIFORNIA 93408 • (805) 781-5011



DAVID EDGE
COUNTY ADMINISTRATOR

DATE: August 22, 2006

TO: Board of Supervisors

FROM: Gail Wilcox, Deputy County Administrator

SUBJECT: Resolutions amending the Fiscal Year 2004-07 Memorandum of Understanding for the Probation and Supervisory Probation Units and establishing Fiscal Year 2006-07 salaries and benefits for the Probation and Supervisory Probation Units.

Recommendation

It is recommended that your Board approve the attached resolutions amending the 2004-07 Memorandum of Understanding (MOU) with the Probation and Supervisory Probation Units and establishing salaries and benefits for fiscal year 2006-07 for the Probation and Supervisory Probation Units.

Discussion

The current MOUs' with the Probation and Supervisory Probation Units (SLOCPPOA) call for salary and benefit adjustments annually based on a negotiated formula that complies with the County's Prevailing Wage Ordinance. This formula resulted in a 5.115% increase in the compensation package for the Probation and Supervisory Probation units. Parties have met and negotiated distribution of these monies to fund an across the board salary increase of five and one hundred and fifteen one-thousandths percent (5.115%) effective the pay period that includes July 1, 2006.

The FY 2004-07 MOU reflects SLOCPPOA request to improve the current retirement formula for its members from 2%@50 to 3%@55. This means that the employee is eligible for 3% of their annual salary for every year of service. Thus, an employee with 25 years of service would be eligible for 75% of his/her final salary. The pension formula is "capped" so that the maximum pension benefit is 90% of the final salary, with annual inflationary adjustments..

This pension enhancement requires a rate increase of almost 10%. A significant portion of the rate increase is required because the pension formula will be retroactive as opposed to prospective. So, for example, an employee with 20 years of past service under the 2%@50 will have all 20 of those years calculated based on the 3%@55 formula. Increasing employees' retirement rates by 10% would have a disproportionately negative impact on younger and future employees and would impact the County's ability to recruit and retain employees. Thus, the

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County has agreed to a 4.81% increase in the employer rate and employees will see a rate increase of 4.7%.

Other Agency Involvement/Impact

County Counsel has reviewed the proposed amendments for the Probation and Supervisory Probation Units to the current Probation and Supervisory Probation Units' MOU. The Office of the Auditor/Controller will be preparing changes to payroll in order to implement the agreed upon wage increases. Pension Trust has prepared the related pension plan amendments for your Board's consideration on today's agenda as well.

Financial Considerations

Effective June 18, 2006 there will be an increase in salary and salary related costs for Probation and Supervisory Probation unit members countywide for FY 2006-07. The estimated annual cost of this increase is \$394,100. The County's cost for the retirement enhancement has an approximate annual cost of \$264,887. Total estimated annual cost of the package is \$659,000.

While most departments do not include projected salary and benefit increases in their annual budgets, staff vacancies and other unexpected savings have historically allowed them to initially absorb a portion of the increased salary expense. Any portion of the salary and benefit increases that aren't absorbed may require the allocation of additional General Fund dollars. In future years, these increased costs will be paid for with a combination of General Fund, state, federal and/or grant funds.

Results

This mid-contract increase will implement the Prevailing Wage compensation adjustment for FY 2006-7. Probation and Supervisory Probation Unit members will receive an across the board Prevailing Wage increase of five and one hundred and fifteen one-thousands percent (5.115%) effective the pay period that includes July 1, 2006. When administratively feasible unit members will be granted the 3% @ 55 retirement formula. This enhancement will be funded by increases in the employer's contribution rate of four and eighty-one percent (4.81%) and an increase in the employee's contribution rate of four and seven tenth (4.7%) which will reduce their FY 2006-07 Prevailing Wage adjustment.

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IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 2006

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. _____

RESOLUTION ESTABLISHING SALARIES
FOR FISCAL YEAR 2006-07
FOR ALL EMPLOYEES DEFINED AND IDENTIFIED
AS TO CLASSIFICATIONS WITHIN THE UNIT OF REPRESENTATION
ESTABLISHED AS THE PROBATION UNIT

The following resolution is hereby offered and read:

WHEREAS, on April 15, 2003 the County of San Luis Obispo recognized the San Luis Obispo County Probation Peace Officers Association (SLOCPPOA) as the exclusive representative of employees in the Probation Unit; and

WHEREAS, Article 8, Salaries, and Prevailing Wages Computation, of the Memorandum of Understanding with the Probation Unit requires the Management Representative to meet, confer and negotiate with representatives of the Probation Unit regarding distribution of the total dollar change in compensation between salary and various employee benefits; and

WHEREAS, since on or about May 3, 2006, the Management Representative has met and conferred and negotiated in good faith with the Probation Unit, San Luis Obispo County Probation Peace Officers Association, concerning distribution of the total dollar change in compensation between salary and various employee benefits; and

WHEREAS, on August 4, 2006, an agreement was reached by the Management Representative and the Probation Unit, San Luis Obispo County Probation Peace Officers Association, concerning all Probation Unit employees defined and identified as to classification within that unit of representation; and those parties thereafter jointly proposed amendments to Articles 8 and 9; and

WHEREAS, the County's Management Representative and the Probation Unit, San Luis Obispo County Probation Peace Officers Association, have agreed and the Board of Supervisors of the County of San Luis Obispo finds that the Amendments to Articles 8 and 9 are consistent with Section 2.48.180 of the San Luis Obispo County Code and constitutes a fair and reasonable method of determining the prevailing wages or salaries for those employees within the unit of representation for the same quality of service rendered to persons, governmental agencies, firms or corporations under similar employment insofar as prevailing salary or wages can be ascertained, and is consistent with the guiding principles set forth in the County's Employee Relations Policy; and

WHEREAS, the Management Representative has submitted reports and programs resulting from negotiations to the Board of Supervisors; and

WHEREAS, it is in the best interest of the County of San Luis Obispo that the Board of Supervisors implement the Amendments to Articles 8 and 9 as reached between the Management Representative and the Probation Unit, San Luis Obispo County Probation Peace Officers Association, attached hereto as Attachment "A"; and

WHEREAS, pursuant to Section 2.48.090 of the San Luis Obispo County Code, the compensation of all officers and employees of the County of San Luis Obispo shall be regulated by resolution of the Board of Supervisors of said County; and

WHEREAS, Article 58, Full Understanding, Modification, Waiver, of the current Memorandum of Understanding allows for modification of said Agreement.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California as follows:

1. That the recitals set forth hereinabove are true, correct, and valid.
2. That effective June 18, 2006, the salaries for Fiscal Year 2006-07 for all employees, represented by the Probation Unit, San Luis Obispo County Probation Peace Officers Association, are hereby modified and effective in accordance with the San Luis Obispo County Table of Salary Ranges and Steps as set forth in Attachment "A" attached and incorporated herein by reference.
3. That as soon as administratively feasible after adoption of this resolution the members in this unit are to be granted a pension enhancement as set forth in Attachment "A".
4. That the Amendments to Articles 8 and 9 attached hereto as Attachment "A" are hereby approved.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted:

Chairman of the Board of Supervisors

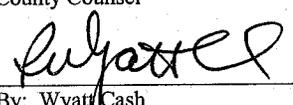
ATTEST:

Clerk, Board of Supervisors

BY: _____ Deputy Clerk

APPROVED TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel


By: Wyatt Cash
Chief Deputy County Counsel
Dated: ~~ASSISTANT~~ 8-9-06

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08-22-06

ATTACHMENT "A"

MEMORANDUM OF UNDERSTANDING
PROBATION UNIT
2006-07

1. This agreement is entered into as of August 22, 2006 by and between the County of San Luis Obispo (hereinafter referred to as "the County"), and the San Luis Obispo County Probation Peace Officers' Association (hereinafter referred to as "SLOCPPOA") associated with the California Organization of Police and Sheriffs' (COPS).

2. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-07 Probation Unit Memorandum of Understanding, an amendment to Article 8, Salaries, is hereby added to read as follows:

F. For Fiscal Year 2006-07 compensation is established pursuant to Article 8.D. For Fiscal Year 2006-07 SLOCPPOA struck Monterey and Marin, and the County struck Kern and Napa. The Counties of Placer, Santa Barbara, Santa Cruz and Sonoma were used to determine the average percentage of change in compensation. The average percentage of change for Fiscal Year 2006-07 resulting from the calculation in Article 8.D was five and twelve one hundredths percent (5.12%). Parties have met and negotiated the following changes, thereby distributing said percentage change as follows:

For Fiscal Year 2006-07, parties agreed to make an approximate five and twelve one hundredths percent (5.12%) increase effective June 18, 2006 to salary ranges for classifications in the Probation Unit that were in effect on June 17, 2006.

00324	Deputy Probation Officer I	1941	\$3,364-4,089
00323	Deputy Probation Officer II	2332	\$4,042-4,914
00370	Juvenile Services Officer I	1813	\$3,143-3,820
00371	Juvenile Services Officer II	1996	\$3,460-4,207
00372	Juvenile Services Officer III	2196	\$3,806-4,626

3. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-07 Probation Unit Memorandum of Understanding, an amendment to Article 9, Retirement Contribution, is hereby added to read as follows:

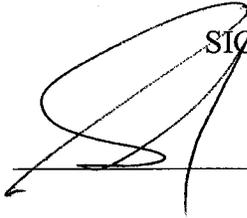
C. 1. Parties agree to delay the July 1, 2006 improvement mentioned in C above and have it effective as soon as administratively feasible after adoption of this amendment. The enhanced retirement plan will include; 3% @ 55, ninety percent (90%) cap on maximum

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retirement benefit percentage, fifty percent (50%) disability retirement, and single highest year.

2. An additional nine and thirty-six one-hundredths percent (9.36%) cost has been associated with this enhancement. County agrees to increase the employer's contribution rate by four and eighty-one percent one-hundredths (4.81%) to help fund the enhanced 3% @ 55 benefit. SLOCPPOA agrees to assume four and fifty-five one-hundredths percent (4.55%) of the employers cost, which translates to a four and seven tenths percent (4.70%) increase in the employee rates.

SIGNED FOR COUNTY



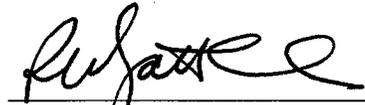
SIGNED FOR SLOCPPOA

Rayce Tobler

Date: 8-10-06

Date: 8/10/06

APPROVED AS TO FORM AND LEGAL EFFECT:
JAMES B. LINDHOLM, JR.
County Counsel

BY: 
Wyatt Cash
Chief Deputy County Counsel
~~Assistant~~

Dated: 8-9-06

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IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 2006

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. _____

RESOLUTION ESTABLISHING SALARIES
FOR FISCAL YEAR 2006-07
FOR ALL EMPLOYEES DEFINED AND IDENTIFIED
AS TO CLASSIFICATIONS WITHIN THE UNIT OF REPRESENTATION
ESTABLISHED AS THE PROBATION SUPERVISORY UNIT

The following resolution is hereby offered and read:

WHEREAS, on April 15, 2003 the County of San Luis Obispo recognized the San Luis Obispo County Probation Peace Officers Association (SLOCPPOA) as the exclusive representative of employees in the Probation Supervisory Unit; and

WHEREAS, Article 8, Salaries, and Prevailing Wages Computation, of the Memorandum of Understanding with the Probation Supervisory Unit requires the Management Representative to meet, confer and negotiate with representatives of the Probation Supervisory Unit regarding distribution of the total dollar change in compensation between salary and various employee benefits; and

WHEREAS, since on or about May 3, 2006, the Management Representative has met and conferred and negotiated in good faith with the Probation Supervisory Unit, San Luis Obispo County Probation Peace Officers Association, concerning distribution of the total dollar change in compensation between salary and various employee benefits; and

WHEREAS, on August 4, 2006, an agreement was reached by the Management Representative and the Probation Supervisory Unit, San Luis Obispo County Probation Peace Officers Association, concerning all Probation Supervisory Unit employees defined and identified as to classification within that unit of representation; and those parties thereafter jointly proposed amendments to Articles 8 and 9; and

WHEREAS, the County's Management Representative and the Probation Supervisory Unit, San Luis Obispo County Probation Peace Officers Association, have agreed and the Board of Supervisors of the County of San Luis Obispo finds that the Amendments to Articles 8 and 9 are consistent with Section 2.48.180 of the San Luis Obispo County Code and constitutes a fair and reasonable method of determining the prevailing wages or salaries for those employees within the unit of representation for the same quality of service rendered to persons, governmental agencies, firms or corporations under similar employment insofar as prevailing salary or wages can be ascertained, and is consistent with the guiding principles set forth in the County's Employee Relations Policy; and

WHEREAS, the Management Representative has submitted reports and programs resulting from negotiations to the Board of Supervisors; and

WHEREAS, it is in the best interest of the County of San Luis Obispo that the Board of Supervisors implement the Amendments to Articles 8 and 9 as reached between the Management Representative and the Probation Supervisory Unit, San Luis Obispo County Probation Peace Officers Association, attached hereto as Attachment "A"; and

WHEREAS, pursuant to Section 2.48.090 of the San Luis Obispo County Code, the compensation of all officers and employees of the County of San Luis Obispo shall be regulated by resolution of the Board of Supervisors of said County; and

WHEREAS, Article 58, Full Understanding, Modification, Waiver, of the current Memorandum of Understanding allows for modification of said Agreement.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of San Luis Obispo, State of California as follows:

1. That the recitals set forth hereinabove are true, correct, and valid.
2. That effective June 18, 2006, the salaries for Fiscal Year 2006-07 for all employees, represented by the Probation Supervisory Unit, San Luis Obispo County Probation Peace Officers Association, are hereby modified and effective in accordance with the San Luis Obispo County Table of Salary Ranges and Steps as set forth in Attachment "A" attached and incorporated herein by reference.
3. That as soon as administratively feasible after adoption of this resolution the members in this unit are to be granted a pension enhancement as set forth in Attachment "A".
4. That the Amendments to Articles 8 and 9 attached hereto as Attachment "A" are hereby approved.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted:

Chairman of the Board of Supervisors

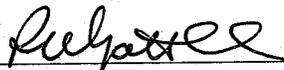
ATTEST:

Clerk, Board of Supervisors

BY: _____ Deputy Clerk

APPROVED TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel


By: Wyatt Cash
Chief Deputy County Counsel

Dated: 8-9-06

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08-22-06

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ATTACHMENT "A"

MEMORANDUM OF UNDERSTANDING
PROBATION SUPERVISORY UNIT
2006-07

1. This agreement is entered into as of August 22, 2006 by and between the County of San Luis Obispo (hereinafter referred to as "the County"), and the San Luis Obispo County Probation Peace Officers' Association (hereinafter referred to as "SLOCPPOA") associated with the California Organization of Police and Sheriffs' (COPS).
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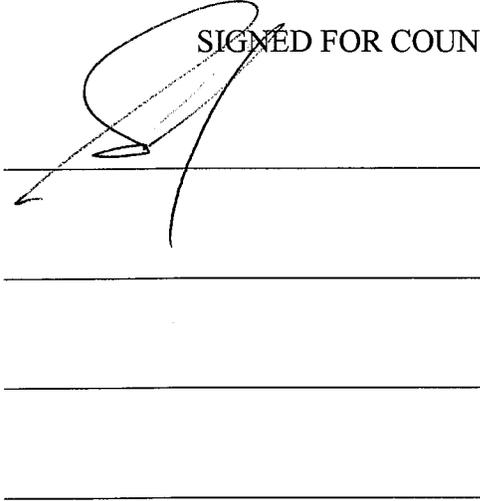
00373	Supv Deputy Probation Officer	2797	\$4,848-5,893
02660	Supv Juvenile Services Officer	2367	\$4,103-4,985

3. Parties agree that pursuant to Article 58, Full Understanding, Modification, Waiver, of the 2004-07 Probation Supervisory Unit Memorandum of Understanding, an amendment to Article 9, Retirement Contribution, is hereby added to read as follows:
 - C. 1. Parties agree to delay the July 1, 2006 improvement mentioned in C above and have it effective as soon as administratively feasible after adoption of this amendment. The enhanced retirement plan will include; 3% @ 55, ninety percent (90%) cap on maximum retirement benefit percentage, fifty percent (50%) disability retirement, and single highest year.

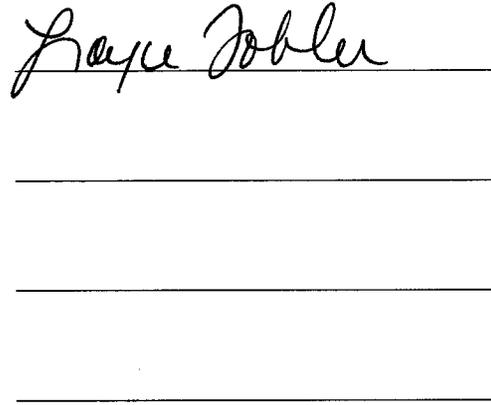
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2. An additional nine and thirty-six one-hundredths percent (9.36%) cost has been associated with this enhancement. County agrees to increase the employer's contribution rate by four and eighty-one percent one-hundredths (4.81%) to help fund the enhanced 3% @ 55 benefit. SLOCPPOA agrees to assume four and fifty-five one-hundredths percent (4.55%) of the employers cost, which translates to a four and seven tenths percent (4.70%) increase in the employee rates.

SIGNED FOR COUNTY



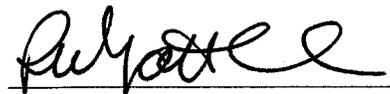
SIGNED FOR SLOCPPOA



Date: 8-10-06

Date: 8/10/06

APPROVED AS TO FORM AND LEGAL EFFECT:
JAMES B. LINDHOLM, JR.
County Counsel

BY: 
Wyatt Cash
Chief Deputy County Counsel
~~Assistant~~

Dated: 8-9-06

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