

ATTACHMENT A

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF SAN LUIS OBISPO AND
THE SAN LUIS OBISPO COUNTY SHERIFFS MANAGERS' ASSOCIATION
JULY 1, 2015 – JUNE 30, 2017**

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1. INTRODUCTION

1.1 Designation of the Parties

1.1.1 This Agreement is entered into as of July 1, 2015, by and between the County of San Luis Obispo (hereinafter "County"), and the San Luis Obispo County Sheriffs Managers' Association (hereinafter referred to as "the Association" or "SLOCSMA").

1.1.2 For purposes of administering the terms and provisions of this agreement:

1.1.2.1 The Management's principal authorized agent shall be the County's Administrative Officer or his/her duly authorized representative address: County Government Center, Room D430, San Luis Obispo, CA 93408; Telephone: (805) 781-5011, except where a particular Management representative is specifically designated in connection with the performance of a specified function or obligation set forth herein.

1.1.2.2 The Association's principal authorized agent shall be the SLOCSMA's President or his/her duly authorized representative address: PO BOX 3545, San Luis Obispo, CA 93401; Telephone (805)458-8973.

1.2 Recognition

1.2.1 Pursuant to section 3500 et seq. of the Government Code of the State of California, the County of San Luis Obispo recognized on April 15, 2010 the San Luis Obispo County Sheriff's Managers' Association as the exclusive representative of the employees in the Law Enforcement-Operations and Staff Unit (Bargaining Unit 15) comprised of the following classifications: Sheriff's Correctional Lieutenant, Sheriff's Commander, Sheriff's Chief Deputy, and Sheriff's Correctional Captain.

1.2.2 The term "employee" or "employees" as used herein shall refer to those persons in this Unit occupying positions not otherwise designated as confidential, which are allocated as permanent full-time, or permanent part-time working 12 months per year, normally working 40 hours or more per pay period. Not included within the term "employee" are all other persons in part-time positions, temporary or extra help or persons on contract with the County.

2. TERM

The County and the Association agree that the term of this Agreement commences on July 1, 2015, and expires and is otherwise fully terminated at midnight on June 30, 2017.

3. RENEGOTIATION

In the event either party wants to negotiate a successor Agreement, such party shall serve upon the other on or before January 30, 2017, its written request to begin negotiations as well as its initial written proposals for a successor Agreement. In the event one of the parties indicates a desire to negotiate, the other party must submit its initial proposals within 20 days after receipt of the written request to begin negotiations, accompanied by said proposals. Negotiations shall begin no later than thirty (30) days after such receipt of the initiating party's notice. If neither party files a timely request to begin negotiations, this Agreement shall fully terminate at midnight on June 30, 2017.

4. COUNTY RIGHTS AND RESPONSIBILITIES

The County retains, solely and exclusively, all the rights, powers and authority exercised or held prior to the execution of this Agreement, except as expressly limited by a specific provision of this Agreement. Without limiting the generality of the foregoing, the rights, powers and authority retained solely and exclusively by the County and not abridged herein include, but are not limited to, the following:

To manage and direct its business and personnel; to manage, control and determine the mission of its departments, building facilities and operations; to create, change, combine or abolish jobs, departments and facilities in whole or in part; to subcontract or discontinue the work for economic or operational reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote and maintain the discipline and efficiency of its employees; to establish work standards, schedules of operation and reasonable work load; to specify or assign work requirements and overtime; to schedule working hours and shifts; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes, means and places of providing services, and to take whatever action necessary to prepare for or operate in an emergency.

5. SALARIES

5.1 Salary Schedule

5.1.1 Commencing the pay period including July 1, 2015, wages shall be increased by 2.6%, resulting in the following salary ranges:

Class	Title	Current Range	Current \$ Per Month	FY 15/16 Range	FY15/16 \$ Per Month
331	Sheriff's Chief Deputy	6024	\$10,442 - \$12,691	6181	\$10,714 - \$13,024
2593	Sheriff's Commander	5430	\$9,412 - \$11,440	5571	\$9,656 - \$11,740

357	Sheriff's Correctional Lieutenant	4918	\$8,525 - \$10,362	5046	\$8,746 - \$10,631
378	Sheriff's Correctional Captain	5410	\$9,377 - \$11,398	5551	\$9,622 - \$11,695

5.1.2 Commencing the pay period including July 1, 2016, wages shall be increased by 2.5%, resulting in the following salary ranges:

Class	Title	FY 15/16 Range	FY15/16 \$ Per Month	FY 16/17 Range	FY16/17 \$ Per Month
331	Sheriff's Chief Deputy	6181	\$10,714 - \$13,024	6336	\$10,982 - \$13,350
2593	Sheriff's Commander	5571	\$9,656 - \$11,740	5710	\$9,897 - \$12,033
357	Sheriff's Correctional Lieutenant	5046	\$8,746 - \$10,631	5172	\$8,965 - \$10,897
378	Sheriff's Correctional Captain	5551	\$9,622 - \$11,695	5690	\$9,863 - \$11,989

5.1.3 There shall be no additional general salary increases for unit members through June 30, 2017.

6. RETIREMENT CONTRIBUTIONS

6.1 County "Pick-Up" of Employee Retirement Contribution

6.1.1 There is no County "pick-up" of any portion of the employee's contribution to the County's Pension Trust Plan.

6.1.2 Association shall defend, indemnify and save harmless the County of San Luis Obispo, its officers, agents and employees from any and all claims, demands, damages, costs, expenses, or liability, including, but not limited to, liability for back taxes, and all claims of any type by the Internal Revenue Service, the California Franchise Tax Board, unit members, or their heirs, successors, or assigns arising out of this Agreement regarding the employees' contribution to the County Pension Trust.

6.2 Increases in Pension Costs

6.2.1 Any increase in pension costs for all pension tiers shall be split equally (50/50) by the parties as adopted by the Board of Supervisors after receipt of actuarial data. Any resulting pension rate increase shall be implemented during the pay period including January 1 or July 1 during the year of the increase as determined by the County.

7. PREVAILING WAGE ORDINANCE

7.1 Compliance

7.1.1 The parties agree that the compensation set forth herein, as found in Article 5, complies with the requirements of County Code Section 2.48.180.

7.1.2 The parties agree that the negotiated prevailing wage increases and benefits provided for in this Agreement were negotiated for the benefit of those persons who remain in County employment on or after the execution date of this Memorandum of

Understanding and were not intended to apply to former employees who have left County employment.

8. RETIREMENT

8.1 Reciprocal Benefits

8.1.1 The San Luis Obispo County Employees Retirement Plan will continue to provide for reciprocal benefit treatment with the California Public Employees Retirement System (CalPERS) which incorporates through the reciprocity agreement with CalPERS other contract agencies, counties and municipalities that are also reciprocal with CalPERS, provided, however, that any Plan amendments which may be necessary to maintain that status shall require approval of both parties.

8.2 Tier 1 Retirement

8.2.1 Effective December 31, 2006, a pension enhancement of 3% @ 55, with a 90% benefit cap was established for safety (non-sworn) members of this unit.

8.2.2 A pension enhancement of 3%@50, Single Highest Year, with a 90% benefit cap, effective December 31, 2006, was selected for sworn Supervisory Law Enforcement unit employees.

8.2.3 Deferred Retirement Option Plan (DROP)

8.2.3.1 Employees in the bargaining unit are eligible for the DROP program in accordance with the terms of the County Retirement Plan.

8.2.3.2 SLOCSMA shall defend, indemnify and save harmless the County of San Luis Obispo and the Pension Trust, its officers, agents and employees from any and all claims, demands, damages, costs, expenses, or liability, including, but not limited to, liability for back taxes, and all claims of any type by the Internal Revenue Service, the California Franchise Tax Board, unit members, or their heirs, successors, or assigns, arising out of this Agreement to implement the Deferred Retirement Option Plan (DROP).

8.3 Tier 2 Retirement

8.3.1 Effective November 13, 2011, a second tier plan was established and includes the following major benefit provisions:

8.3.1.1 Retirement formula 3%@55 (sworn); 2.7%@55 (safety non-sworn);

8.3.1.2 90% benefit cap;

8.3.1.3 2% COLA, no carryover;

8.3.1.4 No deferred retirement option plan (DROP);

8.3.1.5 3 year average final compensation

8.4 Tier 3 Retirement

8.4.1 Effective January 1, 2013, a third tier plan was established for all “new members,” in compliance with the Public Employees’ Pension Reform Act (PEPRA).

8.4.2 “New members,” as defined by the Public Employees’ Pension Reform Act (PEPRA) shall be eligible for retirement formula as outlined in PEPRA and as defined in Article 30 of the San Luis Obispo Pension Trust Plan, known as Tier 3 for all County employees.

9. HEALTH CARE COVERAGE AND OTHER BENEFITS

9.1 General Provisions

9.1.1 County has the right to change medical, dental, and/or vision providers during the course of this Agreement.

9.1.2 Under the Public Employees Medical and Hospital Care Act (PEMHCA), the County is required to provide a minimum monthly employer contribution to employee health coverage for employees enrolled in CalPERS Health Insurance. This minimum monthly contribution is specified by CalPERS.

9.1.3 Under this Agreement for those employees who elected County medical insurance under this section, the County will contribute a total of \$1,300 per month. This amount equals the PEMHCA required employer minimum contribution plus the Cafeteria Plan Allowance. This contribution is as follows:

PEMHCA Minimum Contribution + Cafeteria Allowance= \$1,300 per month

9.1.4 For those active employees who opt out of County sponsored medical insurance, the County shall contribute only the Cafeteria Plan Allowance specified in section 9.3.

9.1.5 Domestic partners, as defined by California Family Code Section 297, shall be eligible for dependent coverage under the County’s health insurance program.

9.2 PEMHCA Required Monthly Contribution

9.2.1 For each employee enrolled in a County medical insurance plan, the County will contribute the minimum monthly employer contribution required under PEMHCA. For calendar year 2015, the minimum monthly employer contribution amount is \$122. For future years, the minimum monthly employer contribution shall be determined by CalPERS.

9.3 **Cafeteria Plan Allowance**

9.3.1 The County agrees to maintain a Cafeteria Plan, pursuant to Section 125 of the Internal Revenue Code, for the purpose of providing employees with access to various health and welfare benefits. The Plan provides participants the opportunity to purchase certain benefits on a pretax basis, including, but not limited to, medical insurance, vision insurance, and dental insurance benefits. Also pursuant to Section 125 of the Internal Revenue Code, participants may participate in flexible spending accounts to be used for out-of-pocket medical expenses and dependent care expenses on a pretax basis.

9.3.2 Except as otherwise stated herein, the County will contribute a monthly Cafeteria Plan Allowance of \$1,178 per employee enrolled in a County medical insurance plan plus the required PEMHCA contribution referred to in section 9.2.1 above.

9.3.3 For future calendar years, the \$1,178 Cafeteria Plan Allowance shall be changed by any combined corresponding changes in the minimum employer contribution under PEMHCA so that the total of PEMHCA contribution and Cafeteria Plan Allowance remains \$1,300 per month.

9.4 **Employees Not Enrolled in a County Medical Insurance Plan (Opt Out)**

9.4.1 Employees will be enrolled in one of the medical plans offered by the County, unless they opt out of participation following submission of proof of alternative medical insurance coverage and maintain such coverage during the opt out period. All employees are required to participate in employee-only vision and dental.

9.4.2 For employees who elect to opt out prior to January 1, 2016 the following provisions shall apply:

9.4.2.1 The County will pay \$1,178 per month to each employee who elects to “opt out” of a County-sponsored medical plan.

9.4.2.2 The employee will receive the cafeteria amount pursuant to 9.4.2.1 for as long as the employee continually elects to opt out after January 1, 2016.

9.4.2.3 If employee who has opted out later, elects to enroll in a County-sponsored medical plan, provisions 9.1 through 9.3 shall apply.

9.4.3 For any employee who elects to opt out of a County-sponsored medical plan on or after January 1, 2016, the following provisions shall apply:

9.4.3.1 The County will pay the cost of vision and dental premiums for employee, employee plus one dependent, or employee plus family, as applicable.

9.4.3.2 Employees shall not receive the cash out specified in section 9.4.2.

9.4.3.3 If employee who has opted out later elects to enroll in a County-sponsored medical plan, provisions 9.1 through 9.3 shall apply.

9.5 **Other Cafeteria Plan Provisions**

9.5.1 The parties agree that the current Cafeteria Plan requires that County benefit contributions be spent in the following order: employee-only vision; dependent vision, if any; employee-only dental; dependent dental, if any; employee-only medical insurance (except as otherwise noted in Section 9.3.3), and dependent medical, if any. The County's obligation to make these contributions shall not exceed the total Cafeteria Plan contributions in Section 9.3.2 and 9.3.3.

9.5.2 The parties agree that the Cafeteria Plan Allowance provided for in this Agreement was negotiated for the benefit of those persons who remain in County employment and was not intended to apply to former employees who leave County employment as of the date the Board of Supervisors approves this Agreement.

9.6 **Pro-ration of Benefits**

9.6.1 Part-time employees hired after February 7, 2006, will receive pro-rated cafeteria plan contributions based on hours worked, paid leave and/or time off granted under the Voluntary Time Off Program (VTO). Pro-ration will be applied to the Cafeteria Plan Allowance indicated in Section 9.3.

9.6.2 Employees employed with the County on or before February 7, 2006, including all part-time and full-time employees, shall be grandfathered to receive, for the entirety of their County employment, the full Cafeteria Plan Allowance as specified in Section 9.3.

9.6.3 Any current employee employed with the County on or before February 7, 2006, that separates from County employment due to layoffs, who is subsequently reinstated or reemployed pursuant to Civil Service Rules, will resume receiving the full Cafeteria Plan Allowance as specified in Section 9.3 of this agreement.

9.7 **Voluntary Employee Beneficiary Association (VEBA)**

9.7.1 Parties agree that SLOCSMA may participate in the County's current Voluntary Employee Beneficiary Association (VEBA). SLOCSMA, as representative of the San Luis Obispo County Sheriffs Managers' Association, BU15, agrees to enter into the program under guidelines developed by the County. It is agreed that any agreed-upon Post Employment Health Plan (PEHP) will be funded by the employee's accrued sick leave balance in accordance with Article 23, herein. Currently the County has a VEBA plan in force that allows for a Universal VEBA and the County has the right to continue, modify or replace this plan. Final approval will be made by the County.

9.7.2 Increases or decreases in VEBA PEHP contributions may be negotiated by individual bargaining units. Parties acknowledge that increases or decreases in

contributions the County makes on behalf of other bargaining units are exclusively for those units and will not apply to SLOCSMA. For employees who separate from County employment, the maximum VEBA contribution for SLOCSMA shall increase from \$20,000 to \$25,000 as soon as administratively feasible.

10. UNIFORM PROVISIONS

A uniform allowance of forty-five dollars (\$45.00) per month shall be provided to employees in the unit required by the County to maintain and regularly wear a Department designated uniform.

11. HEALTH AND SAFETY

The County agrees to provide body armor for unit members, provided it is worn in accordance with Department policy.

12. (NOT USED)

13. ANNUAL LEAVE

13.1 County Code Reference and Exceptions

13.1.1 The parties agree that the County Code Section 2.44.070 shall apply to matters relating to the annual leave program.

13.1.2 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

14. HOLIDAY LEAVE FOR PERMANENT PART-TIME EMPLOYEES

14.1 County Code Reference and Exceptions

14.1.1 The parties agree that the County Code Section 2.44.070 shall apply to matters relating to holiday leave for permanent part-time employees.

14.1.2 In addition, the following provision shall apply:

1. Holiday time shall be calculated based on the average of paid time for the 4 weeks preceding the holiday.

14.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

15. VACATION LEAVE

15.1 County Code Reference and Exceptions

15.1.1 The parties agree that the County Code Section 2.44.050 shall apply to matters relating to vacation time.

15.1.2 In addition, the following provisions shall apply:

1. The total number of vacation hours which may be accrued at any time is 320 hours.
2. Employees shall be permitted to receive pay-in-lieu of up to 40 hours of vacation time per fiscal year. Employees wanting to “sell back” this time shall have a minimum balance of 200 hours accrued and must have utilized a minimum of 40 hours of vacation in the fiscal year that they are wishing to “sell back” time. Employees shall be permitted to receive pay-in-lieu of vacation hours only one time during each fiscal year.

15.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

16. MILEAGE

For the term of this agreement, employees shall be reimbursed at the maximum allowable exempt rate of reimbursement provided by the Internal Revenue Service for the authorized use of their private vehicle on County business.

17. SAFETY EQUIPMENT ALLOWANCE

17.1 County Code Reference

17.1.1 The parties agree that the County Code Section 2.53.020(a), Allowance-Amounts shall provide:

17.1.1.1 Each safety employee in the Sheriff’s Department hired on or after August 10, 1973 shall receive from the County at the time when the employee is required to purchase the equipment listed in Section 2.53.010, an allowance of eight hundred dollars (\$800.00) for the purchase of the equipment.

17.1.2 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

18. DEFERRED COMPENSATION PROGRAM

Unit members shall continue to be eligible to join the County's Deferred Compensation Plan in accordance with the terms of the plan.

19. HOLIDAYS

19.1 County Code Reference and Exceptions

19.1.1 County Code Section 2.44.070, Holidays and Time Off, providing for the terms and conditions controlling use of paid holidays for all permanent and probationary employees of this Unit during the term of this Agreement shall be continued. The County's holidays for this Unit shall be:

1. January 1 (New Years Day);
2. The third Monday in January (Martin Luther King Day);
3. February 12 (Lincoln's Birthday);
4. The third Monday in February (Washington's Birthday);
5. The last Monday in May (Memorial Day);
6. July 4 (Independence Day);
7. First Monday in September (Labor Day);
8. The second Monday in October (Columbus Day);
9. November 11 (Veterans Day);
10. That day in November designated as Thanksgiving Day;
11. The Friday in November immediately following the day designated as Thanksgiving Day;
12. December 25 (Christmas Day);
13. All other days as may be proclaimed by the County's Board of Supervisors.

19.1.2 The parties agree that on May 24, 2005, the Board of Supervisors established a personal leave day (8 hours) for SLOCSMA represented employees in exchange for elimination of Admissions Day (September 9) as a paid holiday. The personal leave day will be allowed to be used at anytime during the current fiscal year and available personal leave will be displayed on individual employees' leave statement. Only permanent status employees are eligible and permanent status part-time employees shall take personal leave on the same pro rata basis as their part-time schedule bears to the full work schedule of their department. This personal leave day cannot be accrued and will be lost unless utilized during the fiscal year.

19.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

19.1.4 The County reserves the right to update County Code 2.44.070, Holidays and Time Off, to provide that the holiday designated as Lincoln's Birthday shall be observed on a Monday or a Friday of the week on which the holiday falls.

20. ASSOCIATION SECURITY-DUES DEDUCTION

20.1 Automatic Payroll Deduction

20.1.1 In coordination with SLOCSMA, the County agrees to automatic payroll deduction of SLOCSMA dues and additionally agrees to automatic deduction of SLOCSMA premiums which are not duplicative of or competitive with the County insurance plans for which the members of said unit are eligible. Such deduction shall become effective with the start of the first payroll period after receipt of the appropriate written and voluntary employee authorization form as developed mutually by the parties and signed by the employee. County further agrees to issue a monthly check, payable to the SLOCSMA, for the total amount of the individual deductions.

20.1.2 Association shall indemnify and save harmless the County of San Luis Obispo, its officers, agents, and employees from any and all claims, demands, damages, costs, expenses, or liability arising out of this article.

21. SICK LEAVE

21.1 County Code Reference and Exceptions

21.1.1 The parties agree that the County Code Section 2.44.060 shall apply to matters relating to sick leave.

21.1.2 In addition, the following provision shall apply:

1. Accrual of sick leave shall be limited to two hundred and sixty (260) working days.

21.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

22. SICK LEAVE HOURS EXCHANGE FOR VACATION HOURS

22.1 Provisions

22.1.1 Employees who have more than five (5) years of service with the County as a permanent employee shall be entitled to exchange two hours of sick leave for one hour of vacation. The maximum number of hours that can be exchanged during a calendar year shall be eighty (80) sick leave hours for forty (40) vacation hours. Provided, however, such employees must maintain a minimum balance of thirty (30) days of sick leave, and shall only be permitted to exchange those sick leave hours over the required thirty day sick leave balance.

22.1.2 Except as otherwise specifically provided in this Article, the provisions of County Code Sections 2.44.050, Vacations, and 2.44.060, Sick Leave, shall govern all matters relating to vacation and sick leave. Additionally, Article 15, Vacation Time, of this agreement, shall apply with respect to maximum number of hours of accrued vacation privilege hours.

22.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

23. SICK LEAVE ACCRUAL AND PAYOFF

23.1 County Code Reference and Exceptions

23.1.1 The parties agree that the County Code Section 2.44.060 shall apply to matters relating to sick leave accrual and payoff.

23.1.2 In addition, the following provisions shall apply:

1. Accrual of sick leave shall be limited to two hundred sixty (260) working days.
2. For those employees entitled to be paid for their accumulated sick leave upon termination from County employment, they shall be entitled to receive payment as follows:

For days 0-180, accrual rate is one-half accrued sick leave at the employee's current rate of pay. For days 181-260, SLOCSMA agrees that there will be no sick leave payoff for time accrued in excess of 180 days.

23.1.3 The Association also acknowledges that County retains the right to change, amend, or repeal any County Code provision subject to any legally required meet and confer requirements which will replace County Code referenced above.

24. ADMINISTRATIVE LEAVE

Employees will be provided with a maximum of seventy-two (72) hours of administrative leave each fiscal year. This represents an increase from the forty-eight (48) hours employees were previously provided, and is in recognition of the additional hours employees are required to work for emergency call-out situations. The 72 hours of administrative leave will be available for use on the first day of the first pay period of each fiscal year subject to department approval. This administrative leave cannot be accrued and will be lost unless utilized during the fiscal year. Administrative leave will not be cashed out upon separation from employment with the County.

25. CAREER INCENTIVE

25.1 Eligibility and Allowance

25.1.1 A career incentive allowance shall be paid to eligible full-time employees in the classifications of Sheriff's Commander and Sheriff's Chief Deputy as follows:

25.1.1.1 A career incentive allowance in the amount of two hundred fifty dollars (\$250.00) shall be paid monthly for possession of a Peace Officers Standards and Training Supervisory Certificate during the first two years of employment in the classifications of Sheriff's Commander and Sheriff's Chief Deputy. After two years of employment in these two classifications, the career incentive allowance shall continue only for possession of a Peace Officers Standards and Training Management Certificate.

26. AUTOMATIC PAYROLL DEPOSIT

Direct deposit of County paychecks into a financial institution of the employee's choice will be required for all employees hired on or after May 24, 2005.

27. SAVINGS PROVISION

If any provisions of this Agreement are held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and existing except to the extent permitted by law and said provisions as may be declared so invalid shall be deemed severable from all other sections hereof; but all other provisions will continue in full force and effect.

28. FULL UNDERSTANDING, MODIFICATION, WAIVER

This Agreement sets forth the full and entire understanding of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements by the parties, whether formal or informal, regarding any such matters are hereby superseded or terminated in their entirety.

It is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right to negotiate and agrees that the other party shall not be required to negotiate with respect to any matter covered herein during the term of this Agreement.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved by the County and ratified by the membership of the Association.

The waiver of any breach of any term, or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

Nothing contained herein shall limit the rights of SLOCSMA or represented employees as set forth in the Civil Service Commission Procedural Guidelines.

29. CONCERTED ACTIVITIES

It is agreed and understood that there will be no strike, work stoppage, slowdown, picketing or refusal or failure to fully and faithfully perform job functions and responsibilities, or other interference with the operations of the County by the Association or by its officers, agents, or members during the term of this Agreement, including the recognition of picket lines or additional compliance with the request of other labor organizations to engage in such activity.

The Association recognizes the duty and obligation of its representatives to comply with the provisions of this Agreement and to make every effort toward inducing all employees to do so. In the event of a strike, work stoppage, slowdown, or other interference with the operations of the County by employees who are represented by the Association, the Association agrees in good faith to take reasonable steps to cause those employees to cease such action.

30. IMPLEMENTATION AND EFFECT

This Memorandum of Understanding constitutes a mutual recommendation to be submitted to the County Board of Supervisors. It is agreed that this Memorandum of Understanding shall not be binding upon the parties either in whole or in part unless and until the Board of Supervisors acts formally to adopt this Memorandum of Understanding. The effective date of the individual elements of this Memorandum of Understanding shall be as expressly set forth herein or, if no such date is set forth, then on the date that the Board of Supervisors adopts this Memorandum of Understanding or on the date that the Board of Supervisors takes the following action if such action is necessary:

Enacts necessary amendments to all County Ordinances and Resolutions, where such is required by this Agreement.

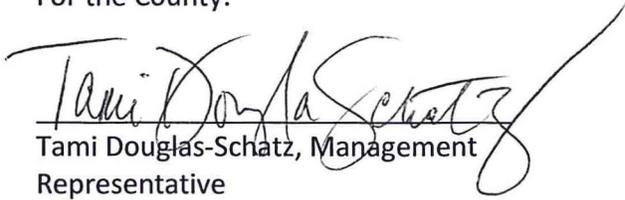
Acts to appropriate the necessary funds required to implement provisions of this Memorandum of Understanding which require funding.

Acts to amend all necessary contracts with providers of services which are affected by this Memorandum of Understanding.

IN WITNESS WHEREOF, County and SLOCSMA have executed this Memorandum of Understanding on the day and year first hereinabove set forth,

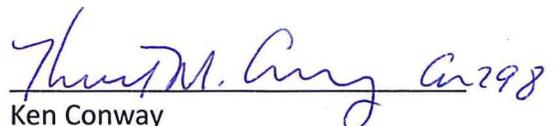
(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

For the County:


Tami Douglas-Schatz, Management
Representative

Dated: 9/22/15

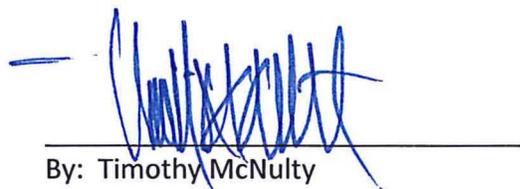
For SLOCSMA


Ken Conway
President of SLOCSMA

Dated: 9-21-15

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel


By: Timothy McNulty
Assistant County Counsel

Date: 9.22.2015

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

(1) DEPARTMENT Human Resources	(2) MEETING DATE 10/6/2015	(3) CONTACT/PHONE Tami Douglas-Schatz, Human Resources Director 781-5959	
(4) SUBJECT Submittal of a Resolution approving the July 1, 2015 – June 30, 2017 Memorandum of Understanding between the County of San Luis Obispo and the San Luis Obispo County Sheriffs Managers' Association, Bargaining Unit 15. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt a Resolution approving the July 1, 2015 – June 30, 2017 Memorandum of Understanding between the County of San Luis Obispo and the San Luis Obispo County Sheriffs Managers' Association, Bargaining Unit 15.			
(6) FUNDING SOURCE(S) Departmental savings and/or unanticipated revenue.	(7) CURRENT YEAR FINANCIAL IMPACT \$59,815.00	(8) ANNUAL FINANCIAL IMPACT \$118,825.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Tami Douglas-Schatz, Human Resources Director
781-5959

DATE: 10/6/2015

SUBJECT: Submittal of a Resolution approving the July 1, 2015 – June 30, 2017 Memorandum of Understanding between the County of San Luis Obispo and the San Luis Obispo County Sheriffs Managers' Association, Bargaining Unit 15. All Districts.

RECOMMENDATION

It is recommended that the Board adopt a Resolution approving the July 1, 2015 – June 30, 2017 Memorandum of Understanding between the County of San Luis Obispo and the San Luis Obispo County Sheriffs Managers' Association, Bargaining Unit 15.

DISCUSSION

The San Luis Obispo County Sheriffs Managers' Association (SLOCSMA), Bargaining Unit 15 (BU15), represents a total of 12 employees in the following classifications:

Sheriff's Chief Deputy	2 Employees
Sheriff's Commander	7 Employees
Sheriff's Correctional Lieutenant	2 Employees
Sheriff's Correctional Captain	1 Employee
<hr/>	<hr/>
Total	12 Employees

Consistent with the terms of the existing Memorandum of Understanding (MOU), on January 30, 2015, the County notified SLOCSMA of its intent to meet and negotiate a successor contract that was due to expire on June 30, 2015. The parties entered into negotiations on March 26, 2015 to negotiate changes to terms and conditions of employment. The parties were able to reach a tentative agreement for a successor MOU on August 26, 2015. The key details of the MOU are as follows:

Term:

- July 1, 2015 through June 30, 2017.

Wage Provisions:

- A 2.6% general wage adjustment retroactive to the pay period including July 1, 2015.
- A 2.5% general wage adjustment effective the pay period including July 1, 2016.

Pension Rate Increases:

- Employees will continue to share equally (50/50) in any pension rate increases as determined by the Pension Trust Board and adopted by the Board of Supervisors after receipt of actuarial data.

Health Coverage – Cafeteria Opt Out Provisions:

The County provides employees with a monthly Cafeteria Allowance benefit to offset costs associated with health insurance premiums. Employees have the option to elect health coverage provided by the County or they may

choose to waive the County's health insurance coverage ("opt out") with proof of other coverage. Participation in County-sponsored dental and vision is mandatory for all employees.

The County has been negotiating changes to the opt out provisions with all employee organizations to eliminate the cash out for employees who newly elect to opt out. The details of the provisions are as follows:

- The cash in lieu of medical insurance option will be eliminated for employees hired on or after January 1, 2016 who elect to opt out of a County-sponsored medical plan.
- Employees hired before January 1, 2016 who elect to opt out of a County-sponsored medical plan prior to January 1, 2016 will continue to receive the cash in lieu of medical insurance for as long as the employee continually elects to opt out after January 1, 2016.
- Employees hired before January 1, 2016 who newly elect to opt out of a County-sponsored medical plan on or after January 1, 2016 will not receive the cash in lieu of medical insurance.

Voluntary Employee Beneficiary Association (VEBA)

- An increase in VEBA (a post-employment health plan) from \$20,000 to \$25,000. In compliance with Article 23 of the attached MOU, at the time of separation from County employment, one-half of an employee's unused sick leave balance (up to 260 days) is converted to a dollar amount based on the employee's current rate of pay. Of that amount, up to a maximum of \$25,000, will now be placed into an account for the employee's post-employment health expenses that qualify under the program. Any remaining amount over \$25,000 will be paid to the employee as taxable income.

Administrative Leave

- In recognition of the additional hours SLOCSMA employees are required to work for emergency call-out situations, administrative leave hours will be increased from forty-eight (48) hours per fiscal year to seventy-two (72) hours per fiscal year.

As part of these contract negotiations, the County conducted a salary survey to determine how employees in SLOCSMA are paid in comparison to comparable classifications in similar agencies. Based on the results of this survey, SLOCSMA employees are paid significantly below the market median in total compensation. The wage and Cafeteria Allowance increases detailed above will help bring SLOCSMA employees closer to the median, however, total compensation will still remain below the market median. Bringing SLOCSMA employees closer to the market median in total compensation will continue to be a part of future negotiations.

The pension sharing provisions and the Cafeteria opt out provisions detailed above are part of the Board of Supervisors labor strategy for employees and the County to share equally in pension rate increases, and to help the County be more competitive in the insurance market for consideration of alternative and more affordable medical plans to County employees.

OTHER AGENCY INVOLVEMENT/IMPACT

Representatives from the Auditor's Office, Administrative Office, and the Pension Trust participated in the development of this MOU. County Counsel has reviewed and approved the Resolution for legal form and effect. The Auditor's Office and Human Resources will process the system changes needed to implement these rate changes.

FINANCIAL CONSIDERATIONS

General Wage Adjustments

The 2.6% general wage adjustment, retroactive to the pay period including July 1, 2015, is estimated to increase the County's costs by \$59,815 for Fiscal Year 2015/16. The 2.5% general wage adjustment, effective the pay period including July 1, 2016, is estimated to increase the County's costs by \$59,010 for Fiscal Year 2016/17. Total County annual ongoing costs for general wage adjustments are estimated to be \$118,825.

VEBA

There are no County costs associated with the VEBA as the program is fully funded by an individual employee's accrued sick leave balance at the time of separation from County employment.

Total County Costs

Total County costs are estimated to increase by \$59,815 for Fiscal Year 2015/16. Total County annual ongoing costs are estimated to be \$118,825.

Departmental savings and/or unanticipated revenue will be the primary source of funding for unbudgeted expenditures associated with the compensation increases included in the attached MOU. To the extent departmental savings are not available to cover the amount, staff will recommend that your Board authorize a transfer of the deficit amount out of the General Fund Contingencies and/or reserves to the department operating budgets, as needed, as part of the third quarter report. Third quarter is when many such year-end adjustments are made.

RESULTS

Approval of this Resolution will establish a new two (2) year MOU with the San Luis Obispo County Sheriffs Managers' Association (BU15) effective from July 1, 2015 through June 30, 2017. The terms and conditions outlined in the MOU are consistent with the Board's direction to stabilize the County's overall budget and share in pension rate increases. Approval of this Resolution follows the County's budget policy of a balanced approach to reintroducing resources back into contingencies and reserves, programs and services, and contributes to a results-oriented, well-governed community.

ATTACHMENTS

1. Resolution – SLOCSMA (BU15)
2. Attachment A – SLOCSMA (BU15) MOU

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

_____ day _____, 2015

PRESENT:

ABSENT:

RESOLUTION NO. _____

RESOLUTION APPROVING THE JULY 1, 2015 – JUNE 30, 2017
MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF SAN LUIS OBISPO
AND THE SAN LUIS OBISPO COUNTY SHERIFFS MANAGERS' ASSOCIATION,
BARGAINING UNIT 15

The following resolution is hereby offered and read:

WHEREAS, the San Luis Obispo County Sheriffs Managers' Association (hereinafter referred to as "SLOCSMA") is recognized as the exclusive representative of employees in Bargaining Unit 15 (BU15); and

WHEREAS, since on or about March 26, 2015, the Management Representative has met and conferred and negotiated in good faith with SLOCSMA concerning wages, hours and other conditions of employment as required by the Employee Relations Policy; and

WHEREAS, an agreement was reached by the Management Representative and SLOCSMA employees defined and identified as to classifications within that unit of representation; and those parties thereafter jointly prepared and executed a written Memorandum of Understanding, a copy of which is attached hereto as Attachment A; and

WHEREAS, the County's Management Representative and SLOCSMA have agreed and the Board of Supervisors of the County of San Luis Obispo finds that the Memorandum of Understanding is consistent with Section 2.48.180 of the San Luis Obispo County Code and constitutes a method of determining the prevailing wages or salaries previously negotiated 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, it is in the best interest of the County of San Luis Obispo that the Board of Supervisors implement the Memorandum of Understanding reached between the Management

Representative and SLOCSMA (BU15), 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.

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, valid and incorporated herein; and
2. That the term of the Memorandum of Understanding will commence July 1, 2015 and be fully terminated on June 30, 2017; and
3. That the SLOCSMA (BU15) Memorandum of Understanding attached hereto as Attachment A is 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:

RITA L. NEAL
County Counsel

A handwritten signature in black ink, appearing to read "Rita L. Neal", is written over a horizontal line.

By: Assistant County Counsel

Dated: September 23, 2015