

DEPARTMENT OF
HUMAN RESOURCES

Our Mission: To create a thriving organization, providing meaningful careers in public service.

July 19, 2016

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Marin County Board of Supervisors
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SUBJECT: Tentative Agreement between the County of Marin and the Marin County Battalion Chiefs' Association

Dear Board Members:

RECOMMENDATION: The Human Resources Department recommends that your Board approve the tentative agreement reached between the County of Marin and the Marin County Battalion Chiefs' Association for a successor 3-year Collective Bargaining Agreement, and authorize the Board president to execute the Collective Bargaining Agreement.

SUMMARY: This 3-year agreement reflects many of the County's long-term priorities, which include eliminating the County's contribution towards the employee's share of pension costs ("EPMC," or Employer Paid Member Contribution), providing market-based equity adjustments to employee salaries, and amending health benefits to ensure affordability for its employees. The Collective Bargaining Agreement with this bargaining unit expired on June 30, 2016. The agreed upon terms include:

Term July 1, 2016 – June 30, 2019

Salaries

Year 1:
Effective, the first full pay period in July 2016, the rate of pay for all represented employees shall be increased by three percent (3.0%).

Year 2:
Effective the first full pay period in July 2017, the rate of pay for all represented employees shall be increased by three percent (3.0%).

Year 3: Effective the first full pay period in July 2018, the rate of pay for all represented employees shall be increased by two and one half percent (2.5%).

Equity: **Year 1:**

Effective the first full pay period in July 2016, the rate of pay for all represented employees shall increase by one half of a percent (.5%).

Health Benefits:

Bi-weekly fringe benefits:

Effective the first full pay period in July 2016, the following adjustment shall be made to the County's fringe benefit contributions:

Employee only: Adjust the Biweekly fringe amount to \$475.82.

Employee Plus One: Adjust the Biweekly fringe amount to \$541.28 (for employees w/ annual salaries at or above \$70,000); and \$551.58 (for employees w/ annual salaries below \$70,000).

Employee Plus Family: Adjust the Biweekly fringe amount to \$725.86 (for employees w/ annual salaries at or above \$70,000); and \$746.46 (for employees w/ annual salaries below \$70,000)

Effective the respective pay periods in December 2016, December 2017 and December 2018, during which health insurance rates are normally adjusted, the County will provide an increase to the flat dollar contribution amount by an amount equivalent to three percent (3%) – five percent (5%), based on the Kaiser Silver premium increase. In no event will the increase be less than 3% or more than 5%.

Any county employee enrolling in County medical coverage is eligible to receive up to \$100.00 cash back of any remaining unused amount of their bi-weekly fringe benefit package.

An employee who waives participation under this section will receive up to \$100 cash back biweekly after mandatory and optional insurances are deducted. An employee who waives will no longer be able to use up the 50% of the biweekly fringe package towards the employees cost of retirement contribution.

Retirement Changes:

For new employees hired after January 1, 2013 without reciprocity from another public retirement system:

Effective July 1, 2016, the County will eliminate the \$179 per pay period paid to employees toward their health premium, health reimbursement account, health savings account, or deferred compensation plan.

For employees hired before January 1, 2013:

The County will eliminate 3% of the Employer Paid Member Contribution (EPMC) over the term of the Collective Bargaining Agreement as follows:

Effective the first full pay period in July 2016, the County shall reduce its contribution to 2.0% of an employee's bi-weekly salary towards the employee's retirement contribution.

Effective the first pay period in July 2017, the County shall continue to reduce its contribution and will contribute 1.0% of an employee's bi-weekly salary towards the employee's retirement contribution.

Effective the first pay period in July 2018, the County shall eliminate the remaining 1.0% contribution of an employee's bi-weekly salary towards the employee's retirement contribution.

Overtime:

All Battalion Chiefs (Administration and Operations) will have one overtime rate which will be one and a half times the hourly rate of the Operations Battalion Chiefs.

The Fire Chief may authorize overtime for in-County shift work or emergency incidents beyond the Battalion Chiefs' regularly scheduled assignments. The Battalion Chiefs (Operations and Administration) must work a minimum of four (4) hours to receive overtime compensation under this provision and all overtime work is subject to the approval by the Fire Chief.

FISCAL IMPACT: These salary and benefit adjustments will result in incremental cost increases of \$43,992 in FY 2016-2017. Please see the attached costing summary which identifies a more detailed fiscal impact of the proposal. Funds have been allocated by the County Administrator's Office in departmental budgets for the proposed adjustments.

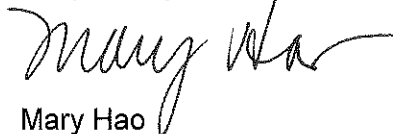
REVIEWED BY:

County Administrator
 Department of Finance

County Counsel
 Human Resources

Please let me know if you have any questions or concerns.

Respectfully submitted,



Mary Hao
Director of Human Resources

cc: Matthew Hymel, County Administrator
Angela Nicholson, Assistant County Administrator, CAO
Roy Given, Director of Finance
Jeff Wickman, Retirement Administrator, MCERA
Jessica Sutherland, Deputy Director of Human Resources
Cynthia Brown, Personnel Analyst II, Human Resources

County of Marin Fiscal Impact Projections

Battalion Chiefs Association

Baseline Information

Current Salary Base	\$	940,543
Current Benefit Base	\$	468,405
Current Non-Pensionable Salary Base	\$	46,584
FTE		6
1% Salary with Variable Fringe	\$	13,715
Average Regular Salary	\$	156,757

Incremental Cost of MOU

	<u>FY 2016-17</u>	<u>FY 2017-18</u>	<u>FY 2018-19</u>
Base Salary	\$ 28,216	\$ 29,063	\$ 24,946
<i>(annual % change)</i>	3.0%	3.0%	2.5%
Equity	\$ 4,703	\$ 141	\$ 121
<i>(annual % change)</i>	0.5%	0.0%	0.0%
Wage-related fringes*	\$ 12,466	\$ 11,059	\$ 9,493
Non Pensionable Wages	\$ 1,630	\$ 1,446	\$ 1,242
Reduction in County paid employee pension pickup	\$ (8,747)	\$ (9,443)	\$ (10,027)
<i>(percent of salary)</i>	-1.00%	-1.00%	-1.00%
Health Benefits			
Allowance increase	\$ 10,377	\$ 4,486	\$ 2,826
<i>(percent of salary)</i>	1.0%	0.4%	0.3%
Other			
HRA contribution	\$ (4,654)	\$ -	\$ -
Total Incremental Change	\$ 43,992	\$ 36,754	\$ 28,601

Annual incremental change	3.0%	2.5%	1.9%
Cumulative incremental change		5.5%	7.3%
Total change from FY 2015-16	3.0%	5.5%	7.5%

**Pensionable Costs - Increased pension contributions are included in the estimated costs*

ADDENDUM – MARIN COUNTY BATTALION CHEIFS’ ASSOCIATION

Summary of Key Non-Economic Items

- Holiday Pay** Effective July 1, 2016, represented employees will be paid holiday pay in the pay period in which it was earned, rather than twice a year. Additionally, holiday pay will be in the employees’ regular biweekly paychecks and not in separate checks.
- ACA Reopener** The parties agree to a re-opener during the term of the Collective Bargaining Agreement if any of the health plans now provided to employees or retirees will be subject to the excise tax or penalty related to plan design under the Affordable Care Act (“ACA”). The purpose of the re-opener will be to address, among other things, implementing new plans or changes in plan design that would help the County and employees avoid the excise tax or penalty related to plan design. The intent is not to increase the County contribution to offset the excise tax for employees.
- The parties also agree that if the level of benefits the ACA mandates be provided to temporary employees and part-time (less than half-time) employees or if the number of hours an employee must work to be eligible for benefits under the ACA changes, the union or the County may re-open the contract on this subject.
- ATOM Reopener** During the term of the Collective Bargaining Agreement, the County may re-open the agreement to meet and confer on the decision and/or impacts of the modifications that are required in order for the County to implement a new Enterprise Resource Planning system.
- Drug and Alcohol Screening** In addition to the drug and alcohol testing procedures described in the County’s Personnel Management Regulations No. 20, all employees will be subject to random and post-accident drug and alcohol screening.
- Comparator Agencies** The parties agree to meet one year before the expiration of the 2016-2019 Collective Bargaining Agreement to discuss the comparator agencies that will be used for the subsequent successor agreement.