October 18, 2022

Board of Supervisors
County of Marin
3501 Civic Center Drive
San Rafael, CA  94903

SUBJECT: Tentative Agreement between the County of Marin and the International Alliance of Theatrical Stage Employees (IATSE), Local 16 for the term October 16, 2022 – June 30, 2024.

Dear Board Members:

RECOMMENDATION: The Human Resources Department recommends that your Board approve the tentative agreement reached between the County of Marin and the International Alliance of Theatrical Stage Employees (IATSE), Local 16 for a successor 2-year collective bargaining agreement for the term October 16, 2022 – June 30, 2024.

SUMMARY: The recently negotiated 2-year successor agreement includes annual cost of living adjustments, amended health benefits to ensure affordability for represented employees and other terms that address working conditions based on your Board’s priorities.

The agreed upon terms include:

<table>
<thead>
<tr>
<th>Term</th>
<th>October 16, 2022 – June 30, 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries (Cost of Living Adjustment) for Regular Hire Employees:</td>
<td>Year 1: Effective the first full pay period following ratification by the Union and adoption of the Agreement by the Board of Supervisors, the rate of pay for all Regular Hire classes and employees shall be increased by three and one half percent (3.5%). Year 2: Effective the first full pay period in July 2023, the rate of pay for all Regular Hire classes and employees shall be increased by three percent (3%).</td>
</tr>
<tr>
<td>Salaries (Cost of Living Adjustment) for Contingent Hire Employees:</td>
<td>Year 1: Effective the first full pay period following ratification by the Union and adoption of the Agreement by the Board of Supervisors, the rate of pay for all Contingent Hire classes and employees shall be increased by three and one half percent (3.5%).</td>
</tr>
</tbody>
</table>
Year 2:
Effective the first full pay period in July 2023, the rate of pay for all Contingent Hire classes and employees shall be increased by three percent (3%).

Retention and Hard to Fill Bonuses (Regular Hire):

1. Hard to Fill Bonus: When Human Resources deems a position “hard to fill”, after notification to I.A.T.S.E. Local 16, new employees shall be eligible for a signing bonus of $2,500-$10,000. The signing bonus shall be split and the new employee shall receive 50% of the signing bonus in the first paycheck and 50% of the bonus after successful completion of the probationary period. If the employee does not complete the first full year of employment, the employee shall reimburse the County for the signing bonus received.

“Hard to fill” generally means an approved open recruitment has been unfilled for six (6) months, or the approved recruitment needed to re-open more than once because the County was unable to hire a candidate for the opening, or the County can show a difficulty retaining employees in the classification due to salary concerns, or other similar agencies are offering a signing bonus for the classification.

2. Retention Bonus: All regular hire employees on the books upon ratification by the Union, will receive a one-time non-pensionable $1,000 retention bonus. All regular hire employees who are on the books on July 1, 2023 will receive a one-time $1,000 bonus in the first paycheck in August 2023 in recognition of years of service to the County. Part time employees shall receive a prorated amount based on their FTE.

Equity (Regular Hire):
Effective the first full pay period following ratification by the Union and adoption of the Agreement by the Board of Supervisors, the rate of pay for Regular Hire Employees shall be increased by one percent (1%).

Health Benefits for Regular Hire Employees:
Regular hire employees enrolled in an employee plus one (1) or employee plus family County medical plan will receive an increased bi-weekly fringe benefit payments in calendar year 2022 as follows:

<table>
<thead>
<tr>
<th>Bi-weekly Fringe</th>
<th>Employee +1 Dependent</th>
<th>Employee + Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 75k*</td>
<td>690.56</td>
<td>934.53</td>
</tr>
<tr>
<td>Over 75k*</td>
<td>677.66</td>
<td>908.74</td>
</tr>
</tbody>
</table>
The annual salary threshold to determine the County’s fringe benefit contributions shall be under/over $77,000 for calendar year 2023.

Effective December 2022, in the pay period in which there will be an increase in health insurance premiums, the County will increase the bi-weekly fringe benefit package by the same dollar amount as the Kaiser Silver plan increase, from zero percent (0%) to six percent (6%) (based on the premium increase to the Kaiser Silver plan) for benefitted employees at the employee plus one (1) and employee plus family benefit levels.

Effective December 2023, in the pay period in which there will be an increase in health insurance premiums, the County will increase the bi-weekly fringe benefit package by the same dollar amount as the Kaiser Silver plan increase, from zero percent (0%) to five percent (5%) (based on the premium increase to the Kaiser Silver plan) for benefitted employees at the employee plus one (1) and employee plus family benefit levels.

Health Benefits for Contingent Hire Employees:

The County will increase its contribution to the IATSE Health and Welfare Trust Fund by one-half of one percent (0.5%).

Attendance Requirement (Regular Hire):

It is understood that employees in this unit may be required to be in attendance and working during scheduled performances in the Marin Center facilities during their regular work week. If a Regular Hire employee is required to be in attendance outside of their regular work week, they shall be compensated as follows:

1) County Sponsored events – All hours worked in excess of 40 hours per week will be compensated at one and one-half times the employee’s regular rate of pay.

2) Non-County Sponsored events – The employee is compensated at the Theatrical State Employees’ prevailing wage rate (defined as the regular rate of pay for Contingent Hire Employees). For Regular Hire Employees hired on or before July 1, 2022, the prevailing wage rate includes the Contingent Hire benefits and contributions to vacation, pension, and/or health and welfare benefits. For those hired after July 1, 2022, it shall not include those additional benefits. All hours worked in excess of forty per week will be compensated at the prevailing wage overtime rate.

Miscellaneous: Disaster Leave:

The County will approve up to three (3) working days paid administrative leave in any twelve (12) month period when
the employee’s primary residence located in California is rendered uninhabitable due to fire, flood, or earthquake.

Holidays:
Employees shall receive two full day holidays (Cesar Chavez Day and Juneteenth) and will no longer receive half-day holidays on December 24 and December 31 (as were in place previously when such dates fell on weekdays, Monday through Friday).

Steward:
Add new section related to Contingent Hires that states that any job that employs fifteen or more employees shall be staffed by a Steward. If the Technical Coordinator is not performing that duty, the President of Local 16 shall appoint the Steward in consultation with the County.

Meal Periods:
Add new section related to Contingent Hires stating that if employee’s shift is broken for one hour, they shall receive a one hour minimum call when they return to work.

Other Clean up language:
The parties also agreed to several clean up items, including deleting outdated language, and fixing typos and internal citation errors.

**Settlement Intent**

In the event that County of Marin reaches a tentative agreement with another labor organization whose contract expires June 2022 or with MAPE if they agree to a contract extension in 2022, and the County provides that union a negotiated General Cost of Living Salary increases (not including class specific equity adjustments) and/or any additional non-unit specific one-time payments, which are greater than those to which the parties have agreed herein, the County agrees to provide the higher COLA* or one-time payment to Regular Hire employees of the I.A.T.S.E. Local 16 bargaining unit, unless the negotiated salary increase is part of a package proposal. In such an event, Regular Hire employees of the I.A.T.S.E. Local 16 bargaining unit can vote to accept the package or refuse the package but cannot receive the increase without the corresponding concession. *COLA increase received by the other bargaining units in 2021 will be included in the analysis of whether a unit has received a higher cumulative COLA.

In the event that County of Marin reaches a tentative agreement with another labor organization whose contract expires in June 2022, or with MAPE if they agree to a contract extension in 2022, and the County provides an increase to the fringe benefit package that is greater than the fringe benefit changes to which the parties have agreed herein,
Regular Hire employees of the I.A.T.S.E. Local 16 bargaining unit may elect to substitute the higher Fringe Benefit Package for the fiscal years of the Agreement, unless the negotiated fringe benefit increase is part of a package proposal. In such an event, Regular Hire employees of the I.A.T.S.E. Local 16 bargaining unit can vote to accept the package or refuse the package but cannot receive the increase without the corresponding concession.

**EQUITY IMPACT:** This successor agreement reflects the County’s commitment to equity in our work with our labor colleagues to best leverage County resources to support our employees through cost of living adjustments, healthcare contributions to ensure affordability and addressing other working conditions.

**FISCAL IMPACT:** These salary and benefit adjustments will result in incremental cost increases of $16,355 in FY 2022-23 and $23,183 in FY 2023-24. Adjusting for the one-time payments, the ongoing increase to the baseline budget is 7.67 percent of pay over the three-year agreement. Please see Addendum A which provides 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.

The Marin County Employees’ Retirement Association (MCERA) has provided an actuarial impact on future retirement costs of the pensionable increases proposed. This estimate of the long-term pension liabilities is attached, as Addendum B, for review prior to the adoption of these adjustments.

**REVIEWED BY:**

[ X ] County Administrator  
[ ] Department of Finance  
[ ] County Counsel  
[ X ] Human Resources

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

Respectfully submitted,

Sarah Anker  
Acting Director of Human Resources

cc: Matthew Hymel, County Administrator  
Josh Swedberg, Principal Management and Budget Analyst  
Mina Martinovich, Interim Director of Finance  
Gabriella Calicchio, Director of Cultural Services  
Jeff Wickman, Retirement Administrator, MCERA
Attachments:  
Addendum A: Costing Summary  
Addendum B: Estimate of Actuarial Impact of the Salary/Benefit Increase
### Bargaining Unit - Firefighters

#### Baseline Information

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2022-23</th>
<th>FY 2023-24</th>
<th>FY 2024-25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Salary Base</td>
<td>12,470,942</td>
<td>2,088,293</td>
<td>14,559,236</td>
</tr>
<tr>
<td>Current Wage-Related (Variable) Benefits</td>
<td>6,048,291</td>
<td>31,057</td>
<td>6,079,348</td>
</tr>
<tr>
<td>Current Non Pensionable Wages</td>
<td>479,697</td>
<td>1,295,015</td>
<td>1,774,712</td>
</tr>
<tr>
<td>FTE</td>
<td>96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1% of Salary, Benefits and Variable Fringe</td>
<td>189,989</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Base Salary</td>
<td>129,906</td>
<td></td>
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</tr>
</tbody>
</table>

#### Incremental Cost of MOU

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2022-23</th>
<th>FY 2023-24</th>
<th>FY 2024-25</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regular Hire COLA:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2/3/3</td>
<td>254,016</td>
<td>634,209</td>
<td>598,808</td>
</tr>
<tr>
<td><strong>Equity Adjustments:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1% - All Unit</td>
<td>127,008</td>
<td>62,981</td>
<td></td>
</tr>
<tr>
<td>2.2% - Paramedic Incentive and Impact Adj.</td>
<td>98,028</td>
<td>48,611</td>
<td></td>
</tr>
<tr>
<td>1% - FF/FP/SC</td>
<td>32,958</td>
<td>16,344</td>
<td></td>
</tr>
<tr>
<td>9.91% - Fire Inspector</td>
<td>16,996</td>
<td>8,428</td>
<td></td>
</tr>
<tr>
<td><strong>Health Benefits:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allowance increase</td>
<td>93,398</td>
<td>82,502</td>
<td>86,627</td>
</tr>
<tr>
<td><strong>Other Provisions:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pay for Grade</td>
<td>101,879</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2% EMT Premium</td>
<td>219,311</td>
<td>108,753</td>
<td></td>
</tr>
<tr>
<td>Holiday</td>
<td>50,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>One-Time</td>
<td>230,400</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>96,000</td>
<td>96,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Incremental Cost</strong></td>
<td>1,319,994</td>
<td>1,057,828</td>
<td>685,435</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2022-23</th>
<th>FY 2023-24</th>
<th>FY 2024-25</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cumulative Cost</strong></td>
<td></td>
<td></td>
<td>3,063,258</td>
</tr>
<tr>
<td>Incremental cost increase as % of Salary &amp; Benefits</td>
<td>7.42%</td>
<td>5.77%</td>
<td>3.63%</td>
</tr>
<tr>
<td>Total Cumulative Ongoing Change</td>
<td>5.58%</td>
<td>10.83%</td>
<td>14.47%</td>
</tr>
</tbody>
</table>

*Adjustments to the seasonal firefighting workforce, including COLAs, equity adjustments and additional steps are expected to cost approximately $640,000 over three years. These costs have been excluded from this summary and were previously approved by the Board of Supervisors.
September 30, 2022

To: Matthew Hymel
County Administrator, County of Marin

From: Jeff Wickman
Retirement Administrator, Marin County Employees’ Retirement Association

Subject: Cost of Pay Adjustment Proposal for Marin County Fire Department Firefighters’ Association

Background

On September 12, 2022, the Marin County Employees’ Retirement Association (MCERA) was notified that the County of Marin had negotiated cost of living increases and salary equity adjustments with employees represented by the Marin County Fire Department Firefighters’ Association (MCFDFA) that would in total exceed the salary growth assumption (3.0%) set by the Board of Retirement and used by the actuary to calculate the annual required contributions. Government Code section 31515.5 provides in part that:

The board of retirement, or board of investments in a county in which a board of investments has been established pursuant to Section 31520.2, is authorized, consistent with its fiduciary duties, to have an enrolled actuary prepare an estimate of the actuarial impact of the salary or benefit increase. The actuarial data shall be reported to the board of supervisors.

Based on the above provision and consistent with the Board of Retirement’s fiduciary responsibilities we asked our actuary, Cheiron, to prepare an estimate of the cost impact that would be created by the potential salary increases.

Action

Attached to this memo is Cheiron’s cost analysis. This information is being provided for the Board of Supervisors as required by statute.

Cc: Sarah Anker, Human Resources Director
    Megan Numair, Principal Human Resources Analyst
    Josh Swedberg, Budget Manager
    Michelle Hardesty, Assistant Retirement Administrator
Via Electronic Mail

September 30, 2022

Mr. Jeff Wickman
Retirement Administrator
Marin County Employees’ Retirement Association
One McInnis Parkway, Suite 100
San Rafael, CA 94903-2764

Re: Impact to MCERA from Salary Proposal

Dear Jeff:

Pursuant to Section 31515.5 of the California Government Code, the Retirement Administrator, on behalf of the Board of Retirement, has requested an actuarial analysis be prepared on the impact to the Marin County Employees’ Retirement Association (MCERA) from a series of salary adjustments being proposed over the next three years to the Marin County Fire Department Firefighters’ Association (MCFDFA).

The County has indicated that the following base wage and additional salary equity adjustments will be provided to the Association members, according to job classification. All MCFDFA employees will receive a 2.00% base salary adjustment and a 1.00% salary equity adjustment in the first year of the contract, and 3.00% adjustments in years two and three.

Members of some job classifications will also be eligible to receive additional salary equity adjustments, all applicable in the first year of the contract. These adjustments are shown below:

- Firefighters, Firefighter Paramedics, and Senior Fire Captains will receive an additional 1.00% salary equity adjustment.
- All MCFDFA classes, except for Fire Dispatchers, are eligible to receive an EMT Premium adjustment of 2.00%.
- Fire Captains and Fire Engineer Paramedics will receive an additional 2.20% paramedic incentive and impact adjustment.
- Fire Inspectors will receive an additional 9.91% salary equity adjustment.

The salary adjustments reflected in the first year of the contract differ from the 3.00% wage growth assumption previously adopted by MCERA. While these salary adjustments are unlikely to have a substantial impact on the Plan as a whole, we estimate that the salary adjustments for these members would increase MCERA’s Actuarial Liability by approximately $1,450,000. If we were to add the total expected impact of the salary increases to the Actuarial Liability as of June 30, 2021, it would reduce the funding ratio for Marin County by 0.07%, from 106.79% to 106.72%.
The employer contributions on behalf of the Association’s members will also change as a result. The exhibit below summarizes the effect of the salary adjustments on the employer contributions expected to be made by the County over the next five years; we note that the elevated contribution amounts will continue beyond the five-year period shown below. All results shown assume that all assumptions are met exactly in the future.

<table>
<thead>
<tr>
<th>Fiscal Year Ending</th>
<th>Increase in Employer Normal Cost</th>
<th>Increase in UAL Payment</th>
<th>Increase in Employer Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 2023</td>
<td>$22,100</td>
<td>$23,800</td>
<td>$45,900</td>
</tr>
<tr>
<td>June 30, 2024</td>
<td>24,900</td>
<td>48,900</td>
<td>73,800</td>
</tr>
<tr>
<td>June 30, 2025</td>
<td>24,600</td>
<td>75,400</td>
<td>100,000</td>
</tr>
<tr>
<td>June 30, 2026</td>
<td>24,500</td>
<td>103,300</td>
<td>127,800</td>
</tr>
<tr>
<td>June 30, 2027</td>
<td>23,500</td>
<td>132,700</td>
<td>156,200</td>
</tr>
</tbody>
</table>

In preparing our letter, we relied on information (some oral and some written) supplied by MCERA. This information includes, but is not limited to, the salary adjustments and the list of affected members provided by MCERA on September 13, 2022.

The benefit provisions, assumptions, and methods are those disclosed in our June 30, 2021 valuation report, with the exception that the salary increases described above were used to project wage increases and payroll growth for these members during the period identified. These changes are expected to affect a total of 86 active employees, 5 of whom have duplicate records.

We have not been informed by the County of any other changes in pension-related benefits other than the salary increases described above. The County indicated that the salary adjustments would be in addition to any regular career progression salary increases members would be expected to receive.

Future results may differ significantly from the current results presented in this letter due to such factors as the following: plan experience different from that anticipated by the assumptions; changes in assumptions; and, changes in plan provisions or applicable law.

Cheiron utilizes ProVal actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities and project benefit payments. We have relied on WinTech as the developer of ProVal. We have a basic understanding of ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this valuation.
This letter and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Finally, this letter was prepared for MCERA for the purpose described herein. Other users of this letter are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

We are available to answer any questions you may have.

Sincerely,
Cheiron

Graham A. Schmidt, ASA, EA, FCA, MAAA
Consulting Actuary

Timothy S. Doyle, ASA, EA, MAAA
Associate Actuary

cc:  Bill Hallmark