

DEPARTMENT OF  
**HUMAN RESOURCES**

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

September 27, 2022

Sarah Anker  
INTERIM DIRECTOR

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

**SUBJECT:** Tentative Agreement between the County of Marin and the Teamsters Local 856 – Deputy District Attorney Unit (Teamsters - DDA) for the term July 1, 2022 – June 30, 2025.

Dear Board Members:

**RECOMMENDATION:** The Human Resources Department recommends that your Board approve the tentative agreement reached between the County of Marin and the Teamsters Local 856 – Deputy District Attorney Unit (Teamsters - DDA) for a successor 3-year collective bargaining agreement for the term July 1, 2022 – June 30, 2025.

**SUMMARY:** The recently negotiated 3-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:

**Term** July 1, 2022 – June 30, 2025

**Salaries (Cost of Living Adjustment):** **Year 1:** Effective the first full pay period of July 2022, or in the first full pay period following ratification by the Union and approval of the Agreement by the Board of Supervisors, whichever is later, the rate of pay for all 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 classes and employees shall be increased by three percent (3%).

**Year 3:** Effective the first full pay period in July 2024, the rate of pay for all classes and employees shall be increased by three percent (3%).

**Retention and Hard to Fill Bonuses:** **1. Hard to Fill Bonus:** When Human Resources deems a position "hard to fill", after notification to Teamsters Local 856, 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 of this Agreement, 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:** Effective the first full pay period of July 2022, or in the first full pay period following ratification by the Union and approval of the Agreement by the Board of Supervisors, whichever is later, the rate of DDA I shall be increased by three (3%), the rate of pay for DDA II shall be increased by four (4%) and the rate of pay for the DDA IV shall be increased by one (1%). Additionally, the County will align the salary range for DDA III, steps 1-4, with the County Counsel III, steps 1-4.

**Health Benefits:** 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:

| Bi-weekly Fringe | Employee +1<br>Dependent | Employee +<br>Family |
|------------------|--------------------------|----------------------|
| Under 75k*       | 690.56                   | 934.53               |
| Over 75k*        | 677.66                   | 908.74               |

\*The annual salary threshold to determine the County’s fringe benefit contributions shall be under/over \$77,000 for calendar year 2023, under/over \$79,000 for calendar year 2024, and under/over \$85,000 for calendar year 2025.

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 and December 2024, 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.

**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).

**Salary Survey Committee:**

The parties agree to participate in a Salary Survey Committee during the term of this Agreement. The parties shall endeavor to create a mutual understanding regarding the comparator agencies the County will use to conduct its salary survey for the subsequent successor Agreement.

**Other Clean up language:**

Clarification was added to clauses covering vacation accrual caps, union rights and union dues

**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 cumulatively greater than those to which the parties have agreed herein, the County agrees to provide the higher COLA\* or one-time payment to Teamsters -- DDA, unless the negotiated salary increase is part of a package proposal. In such an event, Teamsters -- DDA 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 keeping with the goal of

establishing parity in the County among the attorney classes (I, II, III, IV) if salaries of comparable attorney classes at the County (Public Defender and/or County Counsel) are increased more than the negotiated increases herein during the term of this Agreement (2022-2025), the Deputy District Attorneys will be increased accordingly.

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, Teamsters -- DDA 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, Teamsters -- DDA 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 \$235,888 in FY 2022-23, \$322,273 in FY 2023-24 and \$211,325 in FY 2024-25. Adjusting for the one-time payments, the ongoing increase to the baseline budget is 11.46 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:**
- County Administrator
  - Department of Finance
  - County Counsel
  - 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

Jeff Wickman, Retirement Administrator, MCERA

Attachments: Addendum A: Costing Summary

Addendum B: Estimate of Actuarial Impact of the Salary/Benefit Increase

## Bargaining Unit - Deputy District Attorneys

### Baseline Information

|  |    |           |
|--|----|-----------|
| Current Salary Base                        | \$ | 4,765,357 |
| Current Wage-Related (Variable) Benefits   | \$ | 980,930   |
| Current Non Pensionable Wages              | \$ | 127,829   |
| FTE  |    | 26        |
| 1% of Salary, Benefits and Variable Fringe | \$ | 58,741    |
| Average Base Salary                        | \$ | 183,283   |

### Incremental Cost of MOU

|   |           | <b>FY 2022-23</b> | <b>FY 2023-24</b>            | <b>FY 2024-25</b> |
|---|-----------|-------------------|------------------------------|-------------------|
| Regular Hire COLA *   |           | 137,440<br>3.5%   | 250,546<br>3.0%              | 187,863<br>3.0%   |
| Equity Adjustments **<br><i>District Attorney II (4%) and District Attorney IV (1%)</i> |           | 47,153            | 23,383                       |                   |
| <b>Health Benefits</b>  |           |                   |                              |                   |
| Allowance increase  |           | 25,295<br>6.0%    | 22,344<br>5.0%               | 23,461<br>5.0%    |
| <b>Other</b>  |           |                   |                              |                   |
| One-time Retention  |           | 26,000            | 26,000                       |                   |
| <b>Total Incremental Cost</b>   | <b>\$</b> | <b>235,888</b>    | <b>\$ 322,273</b>            | <b>\$ 211,325</b> |
|   |           |                   | <b>Total Cumulative Cost</b> | <b>\$ 769,485</b> |
| Incremental increase as % of all salary & fringe  |           | 3.88%             | 5.15%                        | 3.28%             |
| Total cumulative ongoing change   |           | 3.45%             | 8.18%                        | 11.46%            |

\* Prorated for partial year

\*\* District Attorney III step realignment will increase actual costs annually by approximately \$100,000 but are within the District Attorney budget.



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September 15, 2022

To: Matthew Hymel  
County Administrator, County of Marin

From: Jeff Wickman *JW*  
Retirement Administrator, Marin County Employees' Retirement Association

Subject: Cost of Pay Adjustment Proposal for the Deputy District Attorney Unit

### **Background**

On August 24, 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 Deputy District Attorney unit (DDA) 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 15, 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 on the impact to the Marin County Employees' Retirement Association (MCERA) attributable to the salary adjustments proposed in 2022 through 2025 for the Deputy District Attorney's unit (DDA).

The County indicated that effective July 2022, all DDA members will receive a 3.5% base salary adjustment. DDA I members will receive an additional equity adjustment of 3.0%, DDA II members will receive an additional equity adjustment of 4.0%, DDA IV members will receive an additional 1.0% equity adjustment, and *"the County will align to increase steps 1-4 of pay of the DDA III salary range with steps 1-4 of the County Counsel III salary range."* Base salaries are then expected to increase by 3.0% in July 2023 and July 2024. After limiting PEPRA members' salary to the PEPRA wage cap, the salary adjustments effective July 2022 exceed MCERA's 3.0% wage growth assumption by an average of 2.6% for all DDA members.

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 \$160,000. 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 0.01%, from 106.79% to 106.78%.

The employer contributions on behalf of the Association's members will also change as a result. The exhibit on the following page 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 on the next page. All results shown assume that all assumptions are met exactly in the future.



| Marin County Employees' Retirement Association<br>Deputy District Attorneys' Unit |                                     |                            |                              |
|---|-------------------------------------|----------------------------|------------------------------|
| Fiscal Year<br>Ending   | Increase in Employer<br>Normal Cost | Increase in UAL<br>Payment | Increase in<br>Employer Cost |
| June 30, 2023   | \$ 4,700                            | \$ 2,700                   | \$ 7,400                     |
| June 30, 2024   | 1,500                               | 5,500                      | 7,000                        |
| June 30, 2025   | 1,000                               | 8,500                      | 9,500                        |
| June 30, 2026   | 500                                 | 11,700                     | 12,200                       |
| June 30, 2027   | (600)                               | 15,000                     | 14,400                       |

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 August 25, 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 25 active employees.

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

Mr. Jeff Wickman  
September 15, 2022  
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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.

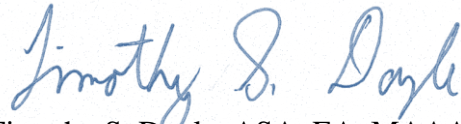
Finally, this letter was prepared for MCERA for the purpose described herein. Other users of this letter are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

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