REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BERNARDINO AND RECORD OF ACTION

July 28, 2020

FROM

GARY McBRIDE, Chief Executive Officer, County Administrative Office

SUBJECT

Tentative Agreement with Teamsters Local 1932 representing employees in the Administrative Services Unit; Clerical Unit; Craft, Labor, & Trades Unit; Management Unit; Nurses Supervisory and Management Unit; Supervisory Unit; and Technical and Inspection Unit

RECOMMENDATION(S)

- 1. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Administrative Services Unit.
- 2. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Clerical.
- 3. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Craft, Labor, & Trades Unit.
- 4. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Management Unit.
- 5. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Nurses Supervisory and Management Unit.
- 6. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Supervisory Unit.
- 7. Approve the proposed Tentative Agreement between the County of San Bernardino and Teamsters Local 1932 representing the employees in the Technical and Inspection.

(Presenter: Bob Windle, County Labor Relations Chief, 387-3101)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Create, Maintain and Grow Jobs and Economic Value in the County. Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Rather than now proceeding with the July 2020 2.5% across-the-board salary increase for employees represented by Teamsters Local 1932 (Teamsters), a one-time lump sum payment equivalent to 2.5% of each employee's annual salary covering the period from July 18, 2020 through September 25, 2020 would produce an overall cost savings of approximately \$350,000. This savings is due to a reduction in retirement costs because the one-time lump sum payment is not considered as earnable compensation for Tier 2 employees.

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BACKGROUND INFORMATION

The County of San Bernardino's (County) economic forecast has deteriorated significantly in the wake of COVID-19. Currently, the County has projected a \$75.4 million deficit in the Fiscal Year 2020-21 budget and a \$104.8 million deficit in the 5-year forecast. As a result, the County needs to take immediate action to preserve its financial footing.

As such, the County Administrative Office (CAO) – Labor Relations Unit had discussions with the County's labor unions, including Teamsters, regarding the County's budgetary concerns and potential cost saving measures.

After numerous meetings with Teamsters, which involved the provision of substantial data and information, Teamsters recognized the seriousness of the County's concerns. Therefore, Teamsters agreed to bargain over the County's proposals for possible cost-saving measures. The meet and confer process resulted in the parties reaching an interim Tentative Agreement which will allow the parties to continue discussions on possible cost saving measures through September 25, 2020. The proposed interim agreement provides job security for Teamsters employees against layoffs and furloughs during this interim negotiation period and until December 31, 2020, provided an agreement is reached by September 25, 2020.

Additionally, the parties agreed to defer the July 18, 2020 2.5% across the board salary increase set to take effect for all units until at least September 25, 2020. In an effort to mitigate the loss to employees of the anticipated increase it is proposed that the County provide a one-time lump sum payment equivalent to 2.5% of each employee's salary covering the period from July 18, 2020 through September 25, 2020. This approach gives the County the ability to ease the ongoing financial constraints and provide additional time to acquire data on the depth and anticipated duration of the economic impacts of this truly unprecedented event. Finally, the interim tentative agreement provides that the medical premium subsidies effective July 18, 2020 shall be maintained, subject to the terms of a final agreement.

If a final tentative agreement is reached on cost saving measures and is ratified by the Teamsters membership, the CAO-Labor Relations Unit will return to the Board of Supervisors for approval.

PROCUREMENT

N/A.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Cynthia O'Neill, Supervising Deputy County Counsel, 387-5455) on July 20, 2020; Labor Relations (Bob Windle, County Labor Relations Chief, 387-3101) on July 20, 2020; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on July 21, 2020; County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 22, 2020.

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Record of Action of the Board of Supervisors County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Josie Gonzales Seconded: Robert A. Lovingood Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

DATED: July 28, 2020



cc: File- Administrative Office w/Tentative Agree

la 07/30/2020