

**MEMORANDUM OF UNDERSTANDING****GENERAL UNIT****2011-2013****ARTICLE I**

This Memorandum of Understanding ("MOU") is made and entered into between the SUTTER COUNTY EMPLOYEES ASSOCIATION LOCAL NO. 1 (hereinafter referred to as "Association") and the COUNTY OF SUTTER (hereinafter referred to as the "County") pursuant to the provisions of the Meyers-Millias-Brown Act (Government Code Sections 3500, et seq.).

**ARTICLE II            ADOPTION BY COUNTY**

This MOU constitutes a mutual recommendation to be jointly submitted to the County's Board of Supervisors ("Board") on or before March 1, 2011. It is agreed that this MOU shall not be binding upon the parties either in whole or in part unless and until the Board, by majority vote, acts formally to approve it.

**ARTICLE III            TERM**

The Parties have met and conferred in good faith regarding wages, hours, and other terms and conditions of employment, and it is mutually agreed that the term of this MOU shall commence on January 1, 2011, and end on December 27, 2013.

**ARTICLE IV            RECOGNITION**

County recognizes the Association as the recognized bargaining representative for the purpose of establishing salaries, hours, fringe benefits, and working conditions for all employees of the County whose employee classifications are contained within the General, Professional, and Supervisory Units of the County as established in accordance with the Sutter County Employer-Employee Relations Policy Resolution No. 77-21. Both parties recognize their mutual obligation to cooperate with each other to assure maximum service of the highest quality and efficiency to the citizens of the County. Both County and Association agree to keep duplicate originals of this

Agreement on file in a readily accessible location available for inspection by any County employee or member of the public upon request.

**ARTICLE V**            **PAYROLL DEDUCTION**

During the term of this MOU, upon receipt of an executed voluntary written authorization, the County shall deduct Association dues from the salaries of its members. The form for this purpose shall be provided by the County and the amounts to be deducted for Association dues shall be certified to the County by the appropriate Association official. Such deductions shall be made only when the employee's earnings for a pay period are sufficient after other legally required deductions are made. Such deductions shall be forwarded to the Association within ten (10) working days following such deductions from the employee's pay.

Authorization for dues deductions shall be revocable by the employee upon fifteen days' advance written notice to both the Association and to the County.

The employer shall not be liable to the Association, employees, or any party by reason of the requirements of this article for the remittance or payment of any sum other than that constituting actual deductions made from employee wages earned. The Association shall save County harmless against any and all claims, demands, suits, orders, judgments or other forms of liability that may arise out of or by reason of action taken by County under this article.

**ARTICLE VI**            **SCOPE OF REPRESENTATION**

The Scope of Representation of the Association shall include all matters relating to employment conditions and employer-employee relations including, but not limited to, wages, hours, and other terms and conditions of employment.

**ARTICLE VII**            **NO DISCRIMINATION**

The County shall not interfere with, restrain, or coerce employees in the exercise of the rights recognized or granted in the Sutter County Employer-Employee Relations Policy, Resolution No. 77-21.

**ARTICLE VIII            PREVAILING RIGHTS**

This MOU contains all the covenants, stipulations, and provisions agreed upon by the Parties. Except as amended by this MOU, it is understood that all items relating to employee wages, hours, and other terms and conditions of employment not covered herein shall remain the same as those in existence on December 31, 2010, subject to the changes in such items contained in Board Resolution 83-123 and MOU of the parties entered subsequent to December 31, 2010.

**ARTICLE IX            FULL UNDERSTANDING, MODIFICATIONS, WAIVER**

It is intended that 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.

Except as specifically provided herein, it is agreed and understood that the Association voluntarily and unqualifiedly waives its right, and agrees that the County shall not be required, to negotiate with respect to any subject or matter covered herein during the term of this Agreement.

Any agreement, alternation, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the Board.

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

**ARTICLE X            CONTINUED PERFORMANCE OF COUNTY SERVICE**

Apart from and in addition to existing legal restrictions upon work stoppages, the Association hereby agrees that neither it nor its officers, agents, or representatives shall incite, encourage, or participate in any strike, walkout, slow-down, speed-up, sick-out, or other work action for any cause or dispute whatsoever, either with the County or with any other person or

organization, including compliance with the request of other labor organizations to engage in such activities. In the event of work stoppage as enumerated above, the Association, its officers, agents, and representatives shall do everything within their power to end or avert the same. Violation hereof will subject violator to legal and equitable judicial relief.

Any employee engaged in or assisting any work stoppage as enumerated above, or refusing to perform duly assigned services in violation of this Article, shall be subject to discipline up to and including termination.

It is understood that violation of this Article by the Association will warrant the withdrawal of any rights, privileges or services provided for in this Agreement and/or legal action by the County for redress and/or damages.

The inclusion of this Article in this contract shall in no way be deemed to stop the County from seeking any form of legal, equitable, or administrative relief to which it may be entitled during the term of this contract.

#### **ARTICLE XI                    MANAGEMENT RIGHTS**

All management rights and functions, except those which are limited in this MOU, shall remain vested exclusively in the County. It is expressly recognized merely by way of illustration and not by way of limitation that such rights and functions include, but are not limited to:

1.        Manage the County.
2.        Schedule working hours.
3.        Institute changes in procedures.
4.        Direct the work force, including the right to hire, promote, demote, transfer, suspend, discipline or discharge any employee.
5.        Determine the location of any new facilities, buildings, departments, divisions, or subdivisions thereof, and the relocation, sale, leasing or closing of facilities, departments, divisions, or subdivisions thereof.
6.        Determine services to be rendered.
7.        Determine the layout of buildings and equipment and materials to be used

therein.

8. Determine processes, techniques, methods, and means of performing work.
9. Determine the size, character and use of inventories.
10. Determine financial policy including accounting procedure.
11. Determine the administrative organization of the system.
12. Determine selection, promotion, or transfer of employees.
13. Determine the size and characteristics of the work force.
14. Determine the allocation and assignment of work to employees.
15. Determine policy affecting the selection of new employees.
16. Determine the establishment of quality and quantity standards and the judgment of quality and quantity of work required.
17. Determine administration of discipline.
18. Determine control and use of County property, materials and equipment.
19. Place work with outside firms.
20. Determine the kinds and numbers of personnel necessary.
21. Determine the methods and means by which such operations are to be conducted.
22. Require employees, where necessary, to take in-service training courses during work hours.
23. Determine duties to be included in any job classification.
24. Determine the necessity of overtime and the amount of overtime required in the event of an emergency.
25. Take any necessary action to carry out the mission of the County in cases of an emergency.
26. Prescribe a uniform dress to be worn by designated employees.

The exercise of the foregoing powers, rights, authority, duties, and responsibilities by the County, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith, shall be limited only by the terms of this

contract, and then only to the extent such terms are in conformance with the law.

## **ARTICLE XII            SALARY**

The County and the Association agree that the salaries of represented employees will be increased during the term of this MOU pursuant to the schedule and the conditions described below:

- A. The previously negotiated salary increase that was scheduled to become effective on December 18, 2010 shall be permanently eliminated.
- B. Effective the beginning of the first full pay period following final approval of this MOU by the Board, the salaries of represented employees will be increased by two percent (2%) and employees will begin to pay three percent (3%) of reportable salary toward the employees' share of PERS contributions pursuant to Article XV of this MOU.
- C. Effective December 31, 2011, the salaries of represented employees will be increased by three percent (3%) and employees will pay an additional three percent (3%) of reportable salary toward the employees' share of PERS contributions pursuant to Article XV of this MOU.
- D. Effective December 29, 2012, the salaries of represented employees will be increased by one and one-half percent (1.5%). Miscellaneous employees will pay an additional two percent (2%) and Safety employees will pay an additional three percent (3%) of reportable salary toward the employees' share of PERS contributions pursuant to Article XV of this MOU.

During the term of this MOU, the County will complete a total compensation survey of represented classifications and will make the results of this survey available to the Association for use during the negotiation of a successor MOU. Among other things, the total compensation survey will examine the relationship between the Deputy County Counsel and the Deputy District Attorney classifications within the surveyed jurisdictions.

## **ARTICLE XIII            MEAL ALLOWANCES**

County and Association agree to amend Section 7.0, Hours of Work and Work Week, by adding Subsection 7.11, Meal Allowances – Unscheduled Overtime, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

### **7.11 Meal Allowances – Unscheduled Overtime – General, Supervisory and Professional Units**

Represented employees who are required to work more than four (4) hours of unscheduled overtime within a twenty-four hour period shall receive a meal allowance in the amount of fifteen dollars (\$15.00). For the purposes of this section, "unscheduled" overtime is overtime that is not scheduled at least twenty-four hours in advance of the time that it begins. For the purposes of this section, the "twenty-four hour period" for determining eligibility shall be twenty-four consecutive

hours beginning with the start of the employee's workday. This benefit will not pyramid with any other meal allowance benefit payable to represented employees.

#### **ARTICLE XIV            PERSONAL LEAVE**

County and Association agree to amend Section 11.0, Vacation, by adding Subsection 11.13, Personal Leave, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

##### **11.13 Personal Leave – General, Supervisory and Professional Units**

During the term of the January 1, 2011 through December 27, 2013 MOU, employees assigned to the General, Supervisory and Professional Bargaining Units will be eligible for Personal Leave as follows:

- A. Represented employees who are currently employed on January 1, 2011, December 31, 2011, and December 29, 2012, will be credited with two (2) days of Personal Leave on each of those dates. Personal Leave days for the first year of the MOU will be credited on the first day of the first full pay period following final approval of the MOU by the Board.
- B. Personal Leave days must be used within the same MOU year in which they are earned and may not be accumulated from one MOU year to the next. If an employee separates employment for any reason during the term of the MOU, there will be no cash-out of any unused Personal Leave days.
- C. Personal Leave days must be used in eight (8) hour increments and may be supplemented by other, appropriate, accumulated leave balances by those employees who are scheduled to work nine (9) or ten (10) hour workdays.
- D. Part-time employees who are otherwise eligible to accrue and accumulate paid leave will be eligible to receive Personal Leave days on a prorated basis equal to the prorated accrual of other paid leaves and shall use such leave on the same prorata basis.
- E. It is expressly agreed and understood that this provision will terminate effective December 27, 2013.

#### **ARTICLE XV            RETIREMENT – COUNTY CONTRIBUTION**

County and Association agree to amend Section 15.0, Retirement, Subsections 15.2, A and B, County Contribution, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

## 15.2 County Contribution

### A. Miscellaneous Members of PERS– General, Professional and Supervisory Units

1. Employees hired following the effective date of the amendment to the PERS contract described in Section 15.7, below, will pay the full amount of the employee share of PERS contributions minus sixty-one dollars (\$61.00) per pay period PERS exemption for Miscellaneous Members who participate in Social Security.
2. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective the beginning of the first full pay period following final approval of the January 1, 2011 MOU, the County will pay a maximum of five percent (5%) of reportable salary toward the employee share of PERS contributions minus sixty-one (\$61.00) per pay period PERS exemption for Miscellaneous Members who participate in Social Security.
3. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective December 31, 2011, the County will pay a maximum of two percent (2%) of reportable salary toward the employee share of PERS contributions minus sixty-one (\$61.00) per pay period PERS exemption for Miscellaneous Members who participate in Social Security.
4. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective December 29, 2012, the employee will pay the full amount of the employee share of PERS contributions minus sixty-one (\$61.00) per pay period PERS exemption for Miscellaneous Members who participate in Social Security.
5. Employee-paid PERS contributions will be “picked up” by the County pursuant to Internal Revenue Code Section 414 (h)(2) as designated and described in Appendix A of this MOU.

### B. Safety Members of PERS – General, Supervisory and Professional Units

1. Employees hired following the effective date of the amendment to the PERS contract described in Section 15.7, below, will pay the full amount of the employee share of PERS contributions minus sixty-one dollars (\$61.00) per pay period PERS exemption for Safety Members who participate in Social Security.
2. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective the beginning of the first full pay period following final approval of the January 1, 2011 MOU, the County will pay a maximum of six percent (6%) of reportable salary toward the employee share of PERS contributions minus sixty-one (\$61.00) per pay period PERS exemption for Safety Members who participate in Social Security.
3. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective December 31, 2011, the County will pay a maximum of three percent (3%) of reportable salary toward the employee share of PERS contributions minus sixty-one (\$61.00) per pay period

PERS exemption for Safety Members who participate in Social Security.

4. For employees hired prior to the effective date of the amendment to the PERS contract described in Section 15.7, below, effective December 29, 2012, the employee will pay the full amount of the employee share of PERS contributions minus sixty-one (\$61.00) per pay period PERS exemption for Safety Members who participate in Social Security.
5. Employee-paid PERS contributions will be "picked up" by the County pursuant to Internal Revenue Code Section 414 (h)(2) as designated and described in Appendix A of this MOU.

## **ARTICLE XVI RETIREMENT BENEFITS**

County and Association agree to amend Section 15.0, Retirement, Subsections 15.7, A and B, Retirement Benefits, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

### **15.7 Retirement Benefits – General, Supervisory, Professional and Law Units**

#### **A. Miscellaneous Members of PERS – General, Supervisory and Professional Units**

For those Miscellaneous Members hired on or before the effective date of the below described PERS contract amendment, the County will continue to provide the 2.7% at 55 modified retirement formula plan with the Salary component of the retirement calculation based upon the single highest year pursuant to the terms of the existing PERS agreement.

Effective as soon as administratively possible, and upon resolution with all affected bargaining units, the County will amend its contract with PERS to provide the 2.0% at 60 modified retirement formula plan with the salary component of the retirement calculation based upon the thirty-six (36) highest paid consecutive months.

The County provides PERS credit for unused sick leave.

The County shall provide miscellaneous members with the option of voluntarily purchasing credit from PERS, at employee's sole cost, for prior military service pursuant to PERS agreement.

The County provides the Pre-Retirement Option 2W Death Benefit pursuant to Section 21548 of the California Government Code.

#### **B. Safety Members of PERS – General, Supervisory and Professional Units**

For those Safety Members hired on or before the effective date of the below-described PERS contract amendment, the County will continue to provide the 3% at 50 modified retirement formula plan with the Salary component of the retirement calculation based upon the single highest year, pursuant to the terms of the existing PERS agreement.

Effective as soon as administratively possible, and upon resolution with all affected bargaining units, the County will amend its contract with PERS to provide the 2.0% at 50 modified retirement formula plan with the salary component of the retirement calculation based upon the thirty-six (36) highest paid consecutive months.

The County provides PERS credit for unused sick leave.

The County provides the Pre-Retirement Option 2W Death Benefit pursuant to Section 21548 of the California Government Code.

## **ARTICLE XVII DEFERRED COMPENSATION PLAN CONTRIBUTIONS**

County and Association agree to amend Section 15.0, Retirement, by adding Subsection 15.13, Deferred Compensation Plan Contributions – General, Supervisory and Professional Units, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

### **15.13 Deferred Compensation Plan Contributions – General, Supervisory and Professional Units**

Miscellaneous employees hired into the PERS 2% at 60 retirement benefit formula and Safety employees hired into the PERS 2% at 50 retirement benefit formula who are enrolled in the County-sponsored Deferred Compensation Plan will receive twenty-five dollars (\$25.00) per pay period deposited into their account. New employees will be advised of the availability of this benefit at the New Employee Orientation.

## **ARTICLE XVIII UNIFORM ALLOWANCE**

County and Association agree to amend Section 19.0, Uniform Allowance, Subsection 19.1, Uniform Allowance – General, Professional and Supervisory Units, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

### **19.1 Uniform Allowance - General, Professional and Supervisory Units**

Effective January 1, 2011, the County will pay a uniform allowance of five hundred dollars (\$500.00) per year to those employees who are eligible for the allowance. Effective December 31, 2011, the County will pay a uniform allowance of six hundred dollars (\$600.00) per year to those employees who are eligible for the allowance. The County shall pay a uniform allowance only when the County requires an employee to wear a County approved uniform, paid for and maintained by the employee. Employees are not eligible for uniform allowance unless they wear such uniform during each work day unless waived by the appointing authority for good cause, such as attendance at a conference or workshop. County provided lab coats, shirts or other dress does not qualify employees for uniform allowance. County agrees to pay said allowance in a lump sum on the pay day following the close of pay period number twenty-five (25) each year, providing that eligible employees who leave County service shall be reimbursed on a prorated basis. Eligible employees who have less than twenty-six (26) complete pay

periods of service at the close of the 25th pay period shall receive a prorated allowance.

The classes of Fraud Investigator and Supervising Fraud Investigator shall not be eligible for uniform allowance effective June 21, 1986.

## **ARTICLE XIX      INSURANCE**

County and Association agree to amend Section 25.0, Health Insurance, Subsections 25.1, B, Health Plan Insurance, 25.2, B, Dental Plan Insurance, 25.3, B, Vision Plan Insurance, and Subsection 25.4 B, Life Insurance Plan, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

### **25.1 B, Health Plan Insurance – Cafeteria Plan**

1. Effective the first full pay period following final approval of the MOU by the Board through June 30, 2011 the County will contribute up to the following amounts to the IRC Section 125 cafeteria plan for health insurance coverage of employees and their eligible dependents enrolling as follows:

Employee Enrolling as 1 Party	\$422.60 per month
Employee Enrolling as 2 Party	\$791.40 per month
Employee Enrolling as Family	\$1,030.00 per month

The health insurance contribution to the cafeteria plan made by the County may only be used to pay health insurance premiums to one of the JPA plans or Kaiser, if Kaiser is offered through the JPA, selected by the employee and may not be used to pay for any other benefit or cost. The cafeteria plan will not contain any cash out provision and any employee electing not to enroll in a JPA plan or Kaiser, if Kaiser is offered through the JPA, shall not receive any credit for the County's contribution. Employees electing coverage in a JPA plan or Kaiser, if Kaiser is offered through the JPA, shall enroll in the cafeteria plan for the plan year and authorize a deduction from their pay for the balance of the premium cost. Employees who enroll in a JPA plan or Kaiser, if Kaiser is offered through the JPA, offered through the IRC Section 125 cafeteria plan for the plan year will have their contribution for health insurance deducted from their pay on a pre-tax basis, and pay for their share of premiums with pre-tax salary reduction dollars. The employee's election during the plan year is irrevocable except as provided by law.

2. Effective July 1, 2011, the health insurance contribution to the cafeteria plan made by the County will be increased, from the amounts indicated in Section 25.1, B, 1, above, by one hundred percent (100%) of the increase in premium to the TCSIG Standard Plan during the term of this agreement.
3. Effective July 1, 2012, the health insurance contribution to the cafeteria plan made by the County will be increased, from the amounts indicated in Section 25.1, B, 2, above, by one hundred percent (100%) of the increase in premium to the TCSIG

Standard Plan up to a maximum of a fifteen percent (15%) premium increase. If the premium increases more than fifteen percent (15%), the County will pay eighty percent (80%) of that portion of the increase above fifteen percent (15%).

4. Effective July 1, 2013, the health insurance contribution to the cafeteria plan made by the County will be increased, from the amounts indicated in Section 25.1, B, 3, above, by eighty percent (80%) of the increase in premium to the TCSIG Standard Plan during the term of this agreement.
5. The terms of paragraph 4 notwithstanding, the County will temporarily contribute one hundred percent (100%) of the increase in premium to the TCSIG Standard Plan up to a maximum of a fifteen percent (15%) premium increase in July 2013 from the effective date of the increase through the term of the MOU. If the premium increases more than fifteen percent (15%), the County will pay eighty percent (80%) of that portion of the increase above fifteen percent (15%). Effective the final pay period of 2013 the County will stop paying the employee share of the July 2013 increase, if any, and employees will begin paying their share of that increase. It is the intent of the parties that the 80/20 formula described in paragraph 4 will serve as the "existing" language for the start of negotiations regarding a successor MOU.

#### 25.2 B, Dental Plan Insurance – Cafeteria Plan

Effective January 1, 2011, the dental insurance contribution to the cafeteria plan made by the County will be 100% of the Delta Care DMO premium in effect during the term of this agreement.

The dental insurance contribution to the cafeteria plan made by the County may only be used to pay dental insurance premiums to one of the available plans selected by the employee and may not be used to pay for any other benefit or cost. The cafeteria plan will not contain any cash out provision and any employee electing not to enroll in a dental insurance plan shall not receive any credit for the County's contribution. Employees electing coverage in a dental insurance plan shall enroll in the cafeteria plan for the plan year and authorize a deduction from their pay for the balance of the premium cost, if any. Employees who enroll in a dental insurance plan offered through the IRC Section 125 cafeteria plan for the plan year will have their contribution for dental insurance deducted from their pay on a pre-tax basis, and pay for their share of premiums with pre-tax salary reduction dollars. The employee's election during the plan year is irrevocable except as provided for by law.

#### 25.3 B, Vision Plan Insurance – Cafeteria Plan

Effective January 1, 2011, the vision insurance contribution to the cafeteria plan made by the County for eligible employees and their eligible dependents will be 100% of the VSP premium in effect.

The vision insurance contribution to the cafeteria plan made by the County may only be used to pay vision insurance premiums to VSP selected by the employee and may not be used to pay for any other benefit or cost. The cafeteria plan will not contain any cash out provision and any employee electing not to enroll in a vision insurance plan shall not receive any credit for the County's contribution. Employees electing coverage in a vision insurance plan shall enroll in the cafeteria plan for the plan year. Since the County is contributing the full amount of the vision

plan premium to the cafeteria plan there is no cost to the employee who elects such coverage. The employee's election during the plan year is irrevocable except as provided for by law.

#### 25.4 B, Life Insurance Plan – Cafeteria Plan

Effective January 1, 2011, the life insurance contribution to the cafeteria plan made by the County will be 100% of the group term life insurance premium in effect.

The life insurance contribution to the cafeteria plan made by the County may only be used to pay life insurance premiums for coverage selected by the employee and may not be used to pay for any other benefit or cost. The cafeteria plan will not contain any cash out provision and any employee electing not to enroll in a life insurance plan shall not receive any credit for the County's contribution. Employees electing coverage in a life insurance plan shall enroll in the cafeteria plan for the plan year. Since the County is contributing the full amount of the life insurance premium to the cafeteria plan there is no cost to the employee who elects such coverage. The employee's election during the plan year is irrevocable except as provided for by law.

### **ARTICLE XX SELECTION OF TREATING PHYSICIAN**

County and Association agree to amend Section 27.0, On-The-Job Injury, Workers' Compensation, Subsection 27.3, Selection of Treating Physician, of the Rules Governing Employee Compensation, Benefits and Working Conditions, to read as follows:

#### 27.3 Selection of Treating Physician

##### A. Employee's Choice of Physician

An employee may seek medical care for a work related illness or injury from the physician of his/her choice, if such physician has been pre-designated pursuant to the Labor Code. Time missed from work to seek initial medical care or necessary follow-up care shall be charged to the employee's appropriate leave balance, or unpaid status if appropriate leave balances are not available. To the extent that temporary disability indemnity is paid for any time off work to seek initial or follow-up medical care, it shall be integrated with leave pursuant to subsection 27.2, A, 3.

### **ARTICLE XXI STEP INCREASES AND LONGEVITY PAY**

County and Association agree to amend Section 13.0, Merit Increases Within Salary Range, Longevity Pay and Pay For Service With Distinction, Subsections 13.1, Salary Adjustments, 13.2, Procedure for Merit Increases, 13.3, Procedure for Delay or denial of Merit Increase, and 13.5, Delay or Reversal of a Merit Increase for Purposes of Disciplinary Action, of the County Personnel Rules and Regulations, to read as follows:

### 13.1 Salary Adjustments

#### F. General, Supervisory and Professional Units

A regular employee hired after the beginning of the first full pay period following final approval of this MOU by the Board, shall receive a merit salary increase to step two (2) of his or her salary range on the first calendar day of the biweekly pay period following twenty-six (26) pay periods of continuous service in the first step unless the probationary period is extended in the manner provided by the Rules. In the event of such an extension of the probationary period, an employee shall receive such merit salary increase on the first calendar day of the pay period following the completion of the extended probationary period. For purposes of merit advancement above step two (2), all employees shall serve a minimum amount of time at each salary level before becoming eligible to progress to the next step as follows: a minimum of twenty-six (26) biweekly pay periods service in step two (2) before becoming eligible for advancement to step three (3); a minimum of twenty-six (26) biweekly pay periods service at step three (3) before becoming eligible for advance to step four (4); a minimum of twenty-six (26) biweekly pay periods service at step four (4) before becoming eligible for advancement to step five (5).

#### G. Longevity Pay – General, Supervisory and Professional Units

##### 1. Longevity Step 6 (10 Years of Service or 5 Years at Step Five)

Any regular employee who has been on step five (5) of a salary range for a minimum of one hundred thirty (130) biweekly pay periods (five years) or any regular employee who has attained step five (5) of the range and has two hundred sixty (260) biweekly pay periods (ten years) continuous County service shall be eligible for a longevity pay of 5% of salary.

##### 2. Longevity Step 7 (15 Years Service)

A regular employee with a minimum of three hundred and ninety (390) biweekly pay periods (fifteen years) continuous County service and who has been on step 5 for a minimum of one hundred and thirty (130) cumulative biweekly pay periods (five years), shall be eligible to receive longevity pay of an additional two and one-half percent (2.5%) of salary above longevity step 6.

##### 3. Longevity Step 8 (20 Years Service)

A regular employee with a minimum of five hundred and twenty (520) biweekly pay periods (twenty years) continuous County service and who has been on step 5 for a minimum of one hundred and thirty (130) cumulative biweekly pay periods (five years) shall be eligible to receive longevity pay of an additional two and one-half percent (2.5%) salary above longevity step 7.

### 13.2 Procedure for Merit Increases and Longevity Pay

#### C. General, Professional and Supervisory Units

An employee shall not receive a merit increase in salary or longevity pay and shall not be advanced to the next higher step of such employee's salary range unless said employee's

service is satisfactory. The appointing authority shall notify the Personnel Director in writing on forms provided by the Personnel Director that the employee shall be advanced in salary or not advanced fifteen calendar days before the employee's anniversary date. The Personnel Director shall notify the County Auditor in writing of such actions, and such notification shall constitute authorization for the Auditor to make payment in the correct amount.

13.3 Procedure for Delay or Denial of Merit Increase and Longevity Pay – General, Supervisory and Professional Units

Merit increases and longevity pay are not intended to be automatic but rather are intended to be a reward for satisfactory performance on the job. A merit increase and longevity pay shall not be granted to any employee unless he or she receives at least a satisfactory rating on the evaluation report required by Section 17.1. If the department head wishes to delay or deny a merit step increase or longevity pay, he or she must provide written notice to the affected employee specifying the reasons for the denial at least fifteen (15) days before the employee's anniversary date. Any employee who may have his or her merit increase or longevity pay delayed or denied should be put on notice as soon as possible. The written notice should also specify what is expected of the affected employee in order to bring his or her performance to a satisfactory level. If a merit increase or longevity pay is withheld, second consideration may be given at four (4) biweekly pay period and six (6) biweekly pay period intervals thereafter, but no later than thirteen (13) biweekly pay periods from the date such merit increase or longevity pay is due until the employee receives the merit increase or longevity pay or terminates. Probationary employees may have their probation status extended for a maximum of six (6) biweekly pay periods, as provided in Section 14.4. An employee who has had his or her merit advancement delayed, upon receipt of the delayed merit increase, shall be given a new anniversary date pursuant to Section 13.1, Salary Adjustments.

If an anniversary date is missed due to an error, a merit increase or longevity pay shall not be automatic. The employee shall notify the appointing authority in writing of the error and an evaluation shall be made within fourteen (14) calendar days from the date of such notice. If the employee's performance is satisfactory, the employee's merit increase or longevity pay will be retroactive to the anniversary date.

13.5 Delay or Reversal of a Merit Increase or Longevity Pay for Purposes of Disciplinary Action

C. General, Supervisory, and Professional Units

Notwithstanding the above, the appointing authority may delay the next merit increase or longevity pay of an employee or reverse a merit increase or longevity pay of an employee for disciplinary reasons. The delay or reversal of a merit increase or longevity pay for disciplinary reasons shall be for a minimum of one (1) pay period with a maximum of twenty-six (26) pay periods and the affected employee shall receive a new anniversary date effective the first day of the biweekly pay period following the period of delay or reversal of the merit increase or longevity pay.

**ARTICLE XXII            REQUIREMENT FOR EMPLOYEE PERFORMANCE EVALUATIONS**

County and Association agree to amend Section 17.0, Employee Performance Evaluation Reports, Subsection 17.1, Requirement for Employee Performance Evaluation Reports, of the County Personnel Rules and Regulations, to read as follows:

**17.1 Requirement for Employee Performance Evaluation Reports**

**A. General, Supervisory and Professional Units**

All regular employees of the County shall have their work performance evaluated on an annual basis, no less than fifteen (15) calendar days before the employee's anniversary date or on the month and date of the employee's adjusted date of hire each year for those employees on step 5 or a longevity step. For purposes of this Section, Section 13.2 and Section 16.4(a), submission of a Payroll/Personnel Form granting a merit or longevity increase and signed by the department head and the employee shall be considered a satisfactory work performance evaluation. A copy of the employee performance report signed by the department head and the employee shall be sent to the Personnel Department. Department heads shall have the option of completing evaluation reports at more frequent intervals than designated in this section and Section 17.2. A copy of all completed evaluation reports should be submitted to the Personnel Director.

Performance evaluation comments that indicate poor performance should be specific as to the event(s) to the extent practical. Employees may attach comments to their performance evaluation report for inclusion into the personnel file.

**ARTICLE XXIII            DRUG AND ALCOHOL ABUSE POLICY**

County and Association agree to amend Section 24.0, Alcohol and Drug Abuse Policy, Subsections 24.9, Testing Pursuant to U.S. Department of Transportation Regulations, and 24.10, Testing of Employees Not Covered by U.S. Department of Transportation Regulations, of the County Personnel Rules and Regulations to read as follows:

**24.9 Testing Pursuant to U. S. Department of Transportation Regulations**

**A. General, Supervisory and Professional Units**

Employees who operate "Commercial Motor Vehicles", as defined by the U. S. Department of Transportation Regulations implementing the Federal Omnibus Transportation Employee Testing Act of 1991, shall be subject to drug and alcohol testing in accordance with the provisions of those regulations and the County policy developed in response to those regulations. The County shall determine which employees are covered by the regulations and County policy and shall inform those employees of their rights and responsibilities thereunder. Any employee who violates one or more of the prohibitions outlined in the regulations and County policy may be

subject to discipline, up to and including termination. However, an employee removed from work as a result of violating one or more of the prohibitions shall be placed on Leave of Absence With Pay pursuant to subsection 14.16 of the Sutter County Rules Governing Employee Compensation, Benefits and Working Conditions until they return to work pursuant to the regulations and County policy or discipline is imposed which would remove them from a paid status. The cost of all drug and alcohol testing and the cost of the services of a Substance Abuse Professional required pursuant to the regulations and County policy shall be paid by the County. The cost of any rehabilitation program the employee may be required to undergo upon a determination of a Substance Abuse Professional shall be paid by the affected employee.

#### 24.10 Testing of Employees Not Covered by U.S. Department of Transportation Regulations

##### A. General, Supervisory and Professional Units

Effective July 1, 2000, the County of Sutter Drug and Alcohol Policy Pursuant to the Department of Transportation (DOT) Regulations shall apply to all regular and hourly employees in classifications that contain "safety-sensitive function(s)" who are not covered by the DOT regulations as required by law. A listing of classifications that contain "safety-sensitive function(s)" is available at the Personnel Department and on the intranet. Employees subject to testing will be provided a copy of the policy.

Employees in classifications that contain "safety-sensitive function(s)" shall be covered regardless of driving and/or licensing requirement(s). "Safety sensitive function" shall be defined as follows:

- Operating a vehicle or power driven equipment.
- Handling hazardous or controlled substances.
- Carrying a firearm.
- Working in an environment that is inherently dangerous as defined by the department head.

The County shall inform those employees of their rights and responsibilities thereunder. Any employee who violates one or more of the prohibitions outlined in the regulations and County policy may be subject to discipline, up to and including termination. However, an employee removed from work as a result of violating one or more of the prohibitions shall be placed on Leave of Absence With Pay pursuant to subsection 14.16 of the Sutter County Rules Governing Employee Compensation, Benefits and Working Conditions until they return to work pursuant to the regulations and County policy or discipline is imposed which would remove them from a paid status. The cost of all drug and alcohol testing and the cost of the services of a Substance Abuse Professional required pursuant to the regulations and County policy shall be paid by the County. The cost of any rehabilitation program the employee may be required to undergo upon a determination of a Substance Abuse Professional shall be paid by the affected employee.

**ARTICLE XXIV EARLY RETIREMENT, VOLUNTARY SEPARATION**

County and the Association agree that the County may offer an Early Retirement Incentive and/or Voluntary Separation Program as follows:

**Early Retirement Incentive – Voluntary Separation Program**

During the term of this MOU, the County may amend its Safety contract with CalPERS to provide for the Two Years Additional Service Credit optional benefit pursuant to Government Code Section 20903.

In addition to amending its PERS contract for Safety employees, the County, may, during the term of this MOU, choose to offer an Early Retirement Incentive Program to either the Safety or the Miscellaneous or both the Safety and the Miscellaneous employees assigned to the General, Supervisory and Professional Bargaining Units. Such program need not be limited to nor shall it be required to include the Two Years Additional Service Credit optional benefit. If the County does offer an Early Retirement Incentive Program the parties will meet and confer regarding the details of the Program except that the categories of participating employees (Safety, Miscellaneous or both) shall be determined by the County.

During the term of this MOU, the County may choose to offer a Voluntary Separation Program. If the County does offer a Voluntary Separation Program the parties will meet and confer regarding the details of the Program.

**ARTICLE XXV MENTAL HEALTH UNIT STUDY OF INDUSTRIAL INJURIES**

No later than July 1, 2011, the County will complete an in-house study of the industrial injuries that have been reported within the Mental Health Inpatient Unit/Emergency Services over the past three (3) years and will examine the factors that contributed to such injuries. County representatives will meet with Association representatives to discuss the methodology to be used during the study and to provide Association representatives the opportunity to share their observations and concerns before the study begins. Once completed, County representatives will meet with Association representatives to discuss the results of the study. The parties understand that the County cannot guarantee a risk free work environment. The purpose of the study is to seek mutually agreeable opportunities to mitigate risk and reduce the potential for serious injury.

**ARTICLE XXVI BILINGUAL WORKLOAD IMPACTS STUDY**

No later than July 1, 2011, the County will complete an in-house study of the positions within the County that have been designated as Bilingual. The purpose of the study is to determine the extent to which bilingual employees are being called away from their primary duties to perform bilingual services that are not directly related to their current position and to determine the extent to which these secondary duties impact workload and the performance of the employee's primary duties. Once completed, representatives of the County will meet with representatives of the Association to discuss the results.

## **ARTICLE XXVII      ASSOCIATION USE OF COUNTY EMAIL SYSTEM**

Subject to the following conditions, the Association will be allowed to use the County Email System to notify represented employees of scheduled Association membership meetings through the use of broadcast emails.

1. All such notices will be sent from an Association obtained email address that cannot accept reply messages.
2. Association notices will be limited to meeting announcements, which may include such information as the date, time and location of the meeting and a brief description of the business to be conducted.
3. Each Association notice will include a mutually acceptable reminder that meeting notices are being sent pursuant to this agreement and that employees are not to conduct Association business during their work hours or through the use of County-owned equipment.
4. The Association's authorization to use of the County Email System may be cancelled by the County with ten (10) calendar days written notice to the Association. The County's contact person regarding the administration and application of this provision and the development of reminder language pursuant to paragraph 3, above, shall be the Human Resources Director.

## **ARTICLE XXVIII      MOST FAVORED NATIONS**

In 2010, the County approached the Association and requested that the Association agree to reopen negotiations of the then current MOU that was scheduled to expire on December 30, 2011. The purpose of this request was to deal with the County's current and projected economic situation. Throughout these negotiations, the County represented to the Association that the County intended to treat all employee groups essentially the same.

Specifically, the County proposed that: employees forgo the three percent (3.0%) salary increase that was scheduled to become effective on December 18, 2010; employees begin paying the employee share of PERS contributions; and, the Association agree to a second tier retirement benefit for employees hired after the effective date of the PERS contract amendment. During the course of these discussions the Association also raised several issues and introduced proposals to address them. This MOU represents the results of those negotiations and it includes several mutually acceptable modifications to wages, hours and other terms and conditions of employment that, when taken as a whole, accomplished the overall goals of the County and the Association.

During the same time period, the County completed negotiations with the Law Enforcement Unit and the Fire Safety Unit. While each agreement is somewhat unique, these bargaining units were treated essentially the same in that: none of the agreements include a general wage increase; each of the agreements require employees to pay the employee share of PERS contributions; and, each agreement provides a second tier retirement benefit for employees hired after the effective date of the PERS contract amendment. The Association was thoroughly briefed regarding each of these other agreements and had ample opportunity to make Association proposals following these briefings. Therefore, the agreements reached with the Law Enforcement Unit and the Fire Safety Unit are excluded from this provision.

As of the execution of this MOU, the County has yet to announce any changes to the salary and benefits of Management and other unrepresented employees. Nonetheless, the County continues to represent to the Association that it is the County's intent to treat all employee groups essentially the same.


If, during the term of this MOU, the County provides wage and/or benefit increases to any other group of employees that are inconsistent with the above-made representations, the County and the Association will meet to review the terms of such agreement or agreements. If it is determined that any other group has received more favorable treatment in the aggregate, than that received by the General, Supervisory and Professional Bargaining Units, the Association and the County will meet and confer in good faith to adopt mutually agreeable measures to ensure all employee groups have been treated essentially the same.

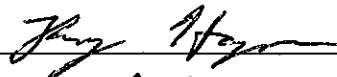
**ARTICLE XXIX SAVINGS CLAUSE:**

If any section, subsection, paragraph, sentence, clause, or phrase of this MOU shall, for any reason, be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portion of this MOU, it being expressly provided that each section, subsection, paragraph, sentence, clause, or phrase hereof would have been adopted irrespective of the fact that any one or more sections, subsections, paragraphs, sentences, clauses or phrases shall be declared invalid or unconstitutional. The County and Association agree to meet and confer concerning any provision of this MOU declared invalid or unconstitutional by a court of competent jurisdiction.

Dated this 1 day of March, 2011.

FOR THE SUTTER COUNTY  
EMPLOYEES ASSOCIATION

  
Date 3/2/11

  
Date 3/2/11

\_\_\_\_\_  
Date \_\_\_\_\_

FOR THE COUNTY OF SUTTER

  
Date 3-1-11

**APPENDIX A**  
**I.R.C. Section 414(h)(2) "Pick-Up Program"**

The County agrees to implement the provisions contained in Section 414(h)(2) of the Internal Revenue Code concerning the tax treatment of employee retirement contributions paid to the California Public Employees' Retirement System (PERS) on behalf of said employees. Pursuant to Section 414(h)(2) contributions to a pension plan, although designated under the plan as employee contributions, when paid by the employer in lieu of contributions by the employee, under circumstances in which the employee does not have the option of choosing to receive the contributed amounts directly instead of having them paid by the employer, may be excluded from the gross income of the employee until these amounts are distributed or made available to the employee. Implementation of Section 414(h)(2) shall be accomplished through a concomitant reduction in wages equal to the employees' contribution rate to PERS pursuant to the following provisions:

**1. Definitions**

Unless the context otherwise requires, the definitions in this section govern the construction of this provision.

"Employees" The term "employees" shall mean those employees represented by the Sutter County Employees' Association who make employee contributions to the PERS retirement system.

"Employee Contributions" The term "employee contributions" shall mean those contributions to PERS which are deducted from the salary of employees and credited to individual employees' accounts.

"Employer" The term "employer" shall mean the County of Sutter.

"Gross Income" The term "gross income" shall mean the total compensation paid to employees represented by the Sutter County Employees' Association, by the County, as defined in the Internal Revenue Code and rules and regulations established by the Internal Revenue Service.

"Retirement System" The term "retirement system" shall mean the California Public Employees' Retirement System (PERS).

"Wages" The term "wages" shall mean the compensation prescribed in the Memorandum of Understanding between the parties.

"Compensation" The term compensation shall mean the employee's monthly wages reported to PERS before any reductions pursuant to this pick-up program.

**2. Pick-Up of Employee Contributions**

(a) Pursuant to this provision, the employer shall make employee contributions on behalf of employees, and such contribution shall be treated as employer contributions in determining tax treatment under the Internal Revenue Code of the United States. Such contributions are being made by the employer in lieu of employee contributions.

(b) Employer contributions made under Paragraph A of this provision shall be paid from the same source of funds as used in paying the wages to affected employees.

(c) Employee contributions made by the employer under Paragraph A of this provision shall be treated for all purposes other than taxation in the same manner and to the same extent as employee contributions made prior to the effective date of implementation of the "pick-up" program. Nothing contained in this pick-up program is intended to reduce the reportable amount of the employee's monthly compensation reported to PERS.

(d) The employee does not have the option to receive the employer's contributed amounts directly instead of having them paid to the retirement system.

(e) In the event the existence of any state or federal tax law creates any personal tax liability for an employee by virtue of the employer's paying the employee's normal PERS retirement contribution, nothing contained in this section shall relieve the employee of any tax liability prescribed by law nor give rise to a grievance against the County, requiring it to assume the employee's tax liability.