



August 4, 2003

Special Bulletin

The Results of the Wage Deferral Survey

Approximately 364 surveys were returned to the CEMA Office . Roughly 34% of the membership responded to the questions posed by CEMA. 134 members said they did not want CEMA to consider any type of wage deferral to protect members who may be laid off in the future. 230 members said they would support wage deferrals. The following is a summary of the responses.

Of those who answered yes to deferring some or all of the wage increase 60 members said they could support the entire 3.5% raise being deferred. 115 members supported a deferral of 2.5% or 3.5%. 97 members supported a wage deferral of 1% or 2%.

98 members supported deferring the wage increase for only 10 pay periods. 58 members indicated they could support a wage deferral for as long as necessary.

187 members said yes and only 32 said no to a contract extension that guarantees no health insurance takeaways and little or no wage increase.

143 members said yes and 76 members said no to using some portion of the deferred raise to establish retirement incentives unique to the needs of CEMA.

170 members said yes and 49 members said no to using the deferred wage bank to fund early retirement incentives such as age and service credits.

141 members said yes and 73 said no to exploring expanded voluntary reduced work hour programs.

123 members indicated they were not eligible to retire and 103 indicated that they were eligible to retire.

When asked, “If the County were to offer retirement incentives would you retire?” 62 members (27% of the respondents and 60% of those who indicated that they were eligible to retire) said yes that they would and 108 said that they would not take advantage of retirement incentives

Where Do We Go From Here?

Based on the results of the survey and the feedback received at the eight membership meetings, the CEMA Executive Board adopted a bargaining position (see below), appointed a bargaining committee and scheduled a meeting with Employee Relations.

On July 29th, the CEMA committee of CEMA President, Shiela Stevens, and CEMA Executive Board members, Delia Ho, Edna Esguerra, and Richard Simon, along with CEMA Staff, Tom Starkey and Randy Johnese, met with the County Human Resources Director, Luke Leung, and the County Labor Relations Manager, Ken Phillips, at the CEMA office. The first topic of discussion was the time frame for negotiating an agreement. Luke Leung pointed out that, to change the wage increase scheduled for August 18th, an agreement would have to be finalized, including CEMA ratification, no later than August 4th. The reason for this is that it would require two readings before the Board of Supervisors and since they do not meet on September 2nd (due to Labor Day holiday), the readings would have to be August 5th and 19th. This would not allow time to bargain an agreement nor time to have an orderly ratification process.

Delaying the implementation of the 3½% raise

According to Labor Relations, the only way to have time to discuss deferrals is to delay the implementation of the pay increase scheduled for August 18th until negotiations and ratifica-

tion have been completed and then pay any portion that is not deferred retroactively. The CEMA Bargaining Committee has agreed to delay the raise for a reasonable period of time to complete bargaining and ratification but we will not allow this to go beyond the end of September without coming back to the membership for approval. However, this does mean that you should not expect to see a pay increase in your September 5th paycheck.

What is the County willing to Discuss?

The CEMA Bargaining Committee asked a series of questions to determine what types of proposals the county would be willing to discuss. First, we asked if they would entertain the ‘2 years of service + 2 years of age’ retirement incentive (Golden Handshake). Luke Leung stated that the County was willing to consider the ‘Golden Handshake’ and that, under the current version of the legislation, it could be limited to those bargaining units that agree to a deferral. The down side of the ‘Golden Handshake’ is that it may take up to five months before it can be implemented and result in any salary savings to the County.

We also asked whether the County was willing to discuss a voluntary reduced hours program. Luke stated that there were significant problems with voluntary reduced hours for CEMA employees as they are not paid hourly but the county was willing to explore any proposal.

The meeting ended after a second session was scheduled for August 6th.

Please keep in mind that no agreement, which would change the existing contract, can be made effective without a vote of the CEMA Membership.

CEMA’s Initial Proposal

Based upon the surveys, the membership meet-

ings and the information that we received at our first meeting with the County, the CEMA Bargaining Committee will present the following initial proposal at our next meeting:

1% deferral of wage increase for 10 pay periods to use to protect members who may suffer economic loss due to lay offs in Fall 03 and Spring 04.

That the bank created by the wage deferral be used for permanent solutions that structurally reduce positions and, thus, through savings to the County prevents layoffs. The 'Golden handshake' is an example.

Any deferral agreed upon must be limited exclusively to saving only CEMA represented employees. County must agree to provide a mutually agreeable method of accounting for the dollars that were deferred and how they were spent only on CEMA bargaining unit employees.

County needs to provide assurances satisfactory to CEMA that because CEMA has agreed to a deferral that the creation of this fund will not affect decisions of who and where layoffs will occur outside of the CEMA bargaining unit.

Remember, this is an initial proposal and is subject to change in the bargaining process.