

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	12/13/10	Open	Action	11/30/10

Subject: Terms and Conditions of Employment for Non-Represented Management and Confidential Employees Effective January 1, 2011

ISSUE

Whether to approve proposed changes to terms and conditions of employment for non-represented management and confidential employees effective January 1, 2011.

RECOMMENDED ACTION

Adopt Resolution No. 10-12-____, Approving Revised Terms and Conditions of Employment for Non-Represented Management and Confidential Employees (MCEG), Effective January 1, 2011.

FISCAL IMPACT

Additional savings to RT in the amount of \$85,522 in continuing concessions from MCEG will result from this action. The impact of the cost savings measures applicable to the Management and Confidential Employee Group (MCEG) due to terminate on December 31, 2010 are incorporated in the FY 2011 budget.

DISCUSSION

As a result of the declared fiscal crisis, on March 9, 2009, the Board approved labor cost savings measures applicable to the MCEG which are due to expire on December 31, 2010. The action included a freeze to existing salary levels, a suspension of provisions permitting employees to annually sell back a portion of accrued vacation and/or sick leave, the imposition of 12 furlough days, an increase in medical insurance premium co-payment from 8% to 10%, and an increase from \$10 to \$15 in the office visit co-payment. These measures resulted in savings from the MCEG of nearly \$755,000 in concessions over the 21.5 months spanning March 16, 2009 through December 31, 2010.

The General Manager/CEO proposes to continue the majority of the cost savings measures adopted in March 2009 for the remainder of FY 2011, except for the furloughs. The General Manager/CEO recommends that the Furlough Program be allowed to lapse. This will permit the District to fiscally evaluate the possibility of labor costs to be effective July 1, 2011, in conjunction with deliberations on the FY 2012 budget.

The proposed action will accomplish the following applicable to employees of the MCEG:

- Furloughs will end December 31, 2010. (No Board action required)
- Salary rates will remain fixed through June 30, 2011. (No Board action required)
- Salary ranges will remain fixed through June 30, 2011.

Approved:

Presented:

FINAL 12/7/10

General Manager/CEO

Chief Administrative Officer/EEO Officer

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- Pay for performance merit adjustments (step increases) will remain suspended through June 30, 2011.
- Post-probationary salary adjustments will remain suspended through June 30, 2011.
- Floating Holiday, Vacation, and Sick Leave sell back provisions will remain suspended through June 30, 2011.
- New employee salary offers are to remain restricted through June 30, 2011.
- All other terms and conditions of employment set forth in the Personnel Rules and Procedures Manual will continue to operate as written.

Staff recommends approval of the revised terms and conditions of employment for MCEG staff, for the period of January 1, 2011 through June 30, 2011, as set forth in Exhibit 1, to the accompanying Resolution.

RESOLUTION NO. 10-12-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2010

**APPROVING REVISED TERMS AND CONDITIONS OF EMPLOYMENT FOR
NON-REPRESENTED MANAGEMENT AND CONFIDENTIAL EMPLOYEES (MCEG),
EFFECTIVE JANUARY 1, 2011**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, those terms and conditions of employment for employees of the AEA, adopted by the Board on June 8, 2009 by Resolution 09-06-082, will remain in effect for MCEG, through June 30, 2011, with the exception of those changes described in the attached Exhibit 1.

THAT, the General Manager/CEO is authorized and directed to effectuate the changes described in Exhibit 1, for employees of the MCEG.

STEVE MILLER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary

Management and Confidential Employee Group (MCEG)

Terms and Conditions of Employment
Effective January 1, 2011

The terms and conditions of employment adopted by the Board on June 8, 2009, Resolution 09-06-0082, for employees of the AEA, and extended to employees of the MCEG on March 8, 2010, Resolution No. 10-03-0022, shall continue for employees of the MCEG through June 30, 2011, except as described below.

1. Salary Freeze

- The salary levels of all employees of the MCEG in effect on December 31, 2010, will be frozen without further upward adjustment through June 30, 2011.
- Salary adjustments pursuant to Section 8.04B, Pay for Performance Merit (Step) Increase, of the Personnel Rules and Procedures (PR&P), will remain suspended through June 30, 2011.
- Salary adjustments pursuant to Section 7.03B, Post Probationary Increase, of the PR&P will remain suspended through June 30, 2011.

2. Pay Range Adjustment Freeze

- Pay range adjustments pursuant to Section 8.03, Pay Range Adjustment, shall be suspended through June 30, 2011.

3. Floating Holiday, Vacation and Sick Leave Sell Back

- Floating Holiday sell back pursuant to Section 11.01 C6, shall remain suspended through June 30, 2011.
- Vacation sell back pursuant to Section 11.02 E, shall remain suspended through June 30, 2011. (Section 11.02 C, applicable to an employee separating from employment shall be unaffected)

The maximum vacation accrual as defined in Section 11.02 D3, shall remain extended from 3 to 4 years, through June 30, 2011.

- Sick Leave sell back pursuant to the Stay Well Incentive Plan, Section 13.03 A6, and Sick Leave Sell Back, Section 13.03 A8, will remain suspended through June 30, 2011.

4. New Employee Salary Offers

- The prior adopted provision stating that written salary offers for new employment shall be no higher than, (i) the level of the highest paid employee in the same job classification, or (ii) the mid-point of the salary range if there are no incumbents in the same job classification, shall remain in effect through June 30, 2011.