

The proposed side letters to the existing 2019-2023 Unit 7 Contract are intended to address the mandatory reductions in employee compensation mandated by the governor and legislature to help address significant reductions in state revenue because of COVID-19. It is important to note that the side letters do not extend the current MOU and all provisions of the existing Unit 7 Contract remain in full force and effect unless expressly modified by the terms of the new changes.

Pay Reduction/Personal Leave Program

- Effective the July 2020 pay period through the June 2022 pay period, Unit 7 employees will have their base pay reduced by 9.23%. (Those on 7k schedules will have an equivalent reduction based on their work schedules).
- In consideration of the pay reduction, employees will be credited with two (2) days sixteen (16) hours of Personal Leave Program (PLP) per month while the pay reduction is in effect.
- Employees are encouraged to use PLP 2020 in the month that it is accrued and it must be utilized prior to the use of any other leave except sick leave.
- PLP 2020 does have a cash value and any unused leave will be cashed out on separation from service.
- PLP 2020 is considered non-productive time and does not count as hours worked except for employees covered by Article 7.6N who are mandated to work an overtime shift.
- PLP 2020 does not affect the employee base pay rate and does not negatively impact final compensation for purposes of retirement. The employee's regular rate of pay will be utilized for the calculation of overtime, the payment of other differentials and the cash out of leave upon separation.
- Seasonal and temporary employees are not subject to PLP.
- The pay reduction and PLP 2020 may be eliminated prior to the two (2) year term if the Department of Finance determines there is sufficient federal assistance or increased State revenue to fund existing statutory and constitutional obligations.

Deferral of General Salary Increases (GSI)

- The July 1, 2020 2.5% General Salary Increase (GSI) which was not funded as part of the 2020/2021 Fiscal Year Budget is deferred until July 1, 2022. If the Department of Finance believes there are insufficient revenues to fund existing statutory and constitutional obligations, it can be deferred to July 1, 2023.
- The July 1, 2021 2.5% GSI is deferred to July 1, 2023.
- The July 1, 2022 3.75% for POFF and 2.25% for Safety will be paid as scheduled under the existing MOU.

Suspension of Contribution to Fund Retiree Health (OPEB)

- For the two (2) year period in which the pay reduction is in effect (or earlier if the reduction is terminated), the employee's four percent (4%) contribution to pre-funding retiree health will be suspended.
- This reduces the net impact of the pay reduction for employees on a non-7k work schedule to 5.23% (9.23% - 4%)

Acceleration and Guarantee of Minimum Wage

- The side letter agreement accelerates the \$15 minimum wage to become effective July 1, 2020 and guarantees all employees in the bargaining unit will receive minimum wage.
- This provision will benefit some employees in the Seasonal Lifeguard I classification.

Making the Recruitment and Retention Differential for DSH HPO's and DDS PO I's PERSable

- Presently all Department of State Hospitals (DSH) Hospital Police Officers (HPO's) and Department of Developmental Services (DDS) PO I's receive an \$800 per month recruitment and retention differential which is excluded from final compensation for purposes of retirement.
- Effective no later than September 1, 2020, the differential will be renamed a Liaison Premium (in order to comply with PEPPRA) and will be included in final compensation for purposes of retirement.
- At this time, the state was unable to consider the differential as part of base pay because of compaction issues in relation to other classifications.

Special Salary Adjustment for DMV LRE's

- Historically CSLEA-represented Department of Motor Vehicle (DMV) Licensing Registration Examiners (LRE's) have been paid the same rate of pay as SEIU-represented SMVT's.
- In the 2019/2023 MOU, CSLEA negotiated a 1.45% Special Salary Adjustment for the LRE's in an attempt to maintain parity with the SMVT classification.
- Due to other raises negotiated by SEIU resulting in compaction among DMV employees, the parties agreed to adjust LRE Salary pursuant to Article 19.2(B)(3.) As a result, effective July 1, 2020, the LRE's will receive an additional SSA in the amount of 5.74% which again achieves parity with the maximum base salary of the SMVT classification.

Transportation Incentives/Parking Rates

- Effective the July 2020 pay period, the maximum public transit pass reimbursement will be increased from \$75 per month to \$100 per month.
- Effective the July 2020 pay period, the maximum van pool reimbursement will be increased from \$65 per month to \$100 per month for riders and from \$100 per month to \$135 per month for primary drivers.

Bilingual Premium

- Presently Unit 7 employees who utilize bilingual skills are entitled to \$100 per month.
- The side letter agreement increases the premium to \$200 per month.

Longevity Pay

- Presently Unit 7 peace officers with a minimum of seventeen (17) years of State service are eligible for longevity pay in the amount of two percent (2%) of base salary increasing to a maximum of eight percent (8%) at twenty-five (25) years of State service.
- The side letter agreement increases longevity pay by one percent (1%) commencing at nineteen (19) years of State service to a maximum of nine percent (9%) at twenty-five years of State service.

Perils of Not Authorizing Entry into Side Letter

- The CSLEA Constitution gives the Board of Directors the authorization to enter into side letters or contract extensions for 1 year or less without the vote of the membership.
- Pursuant to Article XIX of the CSLEA Constitution, side letters and MOU extensions not more than a year are not subject to ratification by the CSLEA membership unless the CSLEA Board of Directors votes to require membership ratification.
- If the side letter is not authorized by the CSLEA Board, the 2.5% GSI effective July 1, 2020, will still not be paid as the legislature has not funded that portion of the existing MOU.
- The governor and the legislature have also reserved the right to furlough employees in bargaining units that do not reach a side letter agreement to achieve the 10% cost reduction that the administration is mandating.
- If the legislature is forced to implement two (2) furlough days, there will be no PLP hours provided or suspension of the OPEB to mitigate against such reductions.