



CALIFORNIA DEPARTMENT OF HUMAN RESOURCES

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Governor Edmund G. Brown Jr.
Secretary, Government Operations Agency Marybel Batjer
Acting Director Richard Gillihan
Acting Chief Deputy Director Pam Manwiller

August 26, 2014

The Honorable Mark Leno
Chair, Joint Legislative Budget Committee
Legislative Office Building
1020 N Street, Room 553
Sacramento, CA 95818

Re: Addenda to Bargaining Unit 8, CDF Firefighters, Memorandum of Understanding (MOU)

This is to inform you of two new agreements reached between the state and Bargaining Unit (BU) 8. The first addendum resolves a compaction issue that resulted from the recent increase to the minimum wage. Funding for this addendum is included in the Budget Act of 2014. The second addendum results from an economic reopener provision in the existing BU 8 MOU. This agreement provides all BU 8 employees with a 4% general salary increase effective January 1, 2015.

These agreements will require the expenditure of funds and we are working to secure a legislative vehicle to approve the terms of these addenda.

CalHR is providing these agreements with the attached costing summaries for the Committee's information. If you have any questions or concerns please contact Jodi LeFebre, Legislative Coordinator at (916) 327-2348.

Sincerely,

Richard Gillihan, Acting Director
California Department of Human Resources

Attachment

cc: Members, Joint Legislative Budget Committee

Peggy Collins, Principal Consultant
Joint Legislative Budget Committee

Camille Wagner, Chief Deputy Legislative Affairs Secretary
Office of Governor Edmund G. Brown Jr.

Mac Taylor, Legislative Analyst
Office of the Legislative Analyst

Nancy Farias, Deputy Secretary for Legislation
Government Operations Agency

ecc:

Marianne O'Malley, Director Gen. Government
Office of the Legislative Analyst

Christian Griffith, Chief Consultant
Assembly Budget Committee

Nick Schroeder, Fiscal and Policy Analyst
Office of the Legislative Analyst

Mark Martin, Consultant
Assembly Budget Committee

Erika Li, Asst. Program Budget Manager
Department of Finance

Mark McKenzie, Staff Director
Senate Appropriations Committee

Craig Cornett, Chief Fiscal Policy Advisor
Office of the Pro Tem

Maureen Ortiz, Consultant
Senate Appropriations Committee

Charles Wright, Chief Consultant
Office of the Pro Tem

Geoff Long, Chief Consultant
Assembly Appropriations Committee

Chris Woods, Budget Director
Office of the Speaker

Joel Tashjian, Consultant
Assembly Appropriations Committee

Greg Campbell, Chief of Staff
Office of the Speaker

Pamela Schneider, Chief Consultant
Senate PE&R Committee

Nick Hardeman, Chief Consultant
Office of the Speaker

Karon Green, Chief Consultant
Assembly PER&SS Committee

Seren Taylor, Staff Director
Senate Republican Fiscal Office

Gary Link, Consultant
Senate Republican Caucus

Chantele Denny, Consultant
Senate Republican Fiscal Office

Terry Mast, Consultant
Assembly Republican Caucus

Anthony Archie, Consultant
Assembly Republican Fiscal Office

Pam Manwiller, Acting Chief Deputy Director
CalHR

Eric Swanson, Staff Director
Assembly Republican Fiscal Office

Alene Shimazu, Chief
Financial Management, CalHR

Mark Ibele, Staff Director
Senate Budget Committee

Joe Stephenshaw, Consultant
Senate Budget Committee

Management Proposal

Bargaining Unit: 8

Exclusive Representative: Cal Fire Local 2881

Date: July 23, 2014

Subject: Salaries

17.3.4 Salaries

Effective July 1, 2014, to address compaction as a result of the California minimum wage increase, the following class shall be adjusted by increasing the minimum and maximum of the class by 6.1 percent. *This rate is calculated by using a 72-hour divisor.*

All employees in the class shall receive the 6.1 percent increase including employees who separated from State service prior to July 1, 2014 and have lump sum payments that extend beyond July 1, 2014. The lump sum payments shall be adjusted to reflect the above salary increase.

<u>Class Code</u>	<u>Class Title</u>	<u>OSR</u>	<u>NSR</u>
1082	Fire Fighter II	\$2,777-\$3,509	\$2,946-\$3,723

TA 8-26-14
7:45pm
Pam Manwiller

TA 8/26/14
JPM
TA 8/26/14
The Boss
TA 8-26-14
J.P.

California Department of Human Resources
 Unit 8
 Fire Fighter II Increase Due to Compaction of Minimum Wage Increases

CBID	Class Code	Class Title	FTEs	1% GF	1% OF	1% Total	GSI	Adjusted 1%	Minimum Wage	2014-15		
									\$9.00	GF	OF	Total
R08	1082	FIRE FIGHTER II		194800	111460	306260	0%	\$306,260	6.09%	\$1,186,898	\$679,115	\$1,866,013

Data Source: SCO Table 183, March 2014

Percentage increases determined by increase to minimum salary to meet projected minimum wage amount.

Percentage Increase for FF II determined by keeping their maximum salary 5% above FF I.

FF II increase is a non-add as they have already been incorporated in the Budget Act of 2014, pursuant to Item 9800.

Management Proposal

Bargaining Unit: BU 8

Date: August 26, 2014

Exclusive Representative: CDF Firefighters-Local 2881

Subject: Wages-amended

17.1 Wages

- A. Effective January 1, 2015, all Bargaining Unit 8 eligible classifications shall receive a General Salary Increase (GSI) of 4%.
- B. The union shall have the option of reopening this MOU for the purposes of increases only beginning July 1, 2013 through June 30, 2016.

Beginning July 2015 either party (the union or the State) may notice to reopen the contract regarding increases only. The parties agree that during the final year of the MOU commencing on July 1, 2016, either party has the right to reopen monetary items. If either party exercises their right to reopen under the provisions above, meet and confer obligations under the reopened MOU, shall be conducted consistent with the meet and confer in good faith definitions pursuant to the Dills Act.

TA 8-26-14
7:45 pm
Pam Manwiler

TA 8/26/14
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California Department of Human Resources

Unit 8

GSI of 4% Effective January 1, 2015

CBID	PY TOTAL	1% GF	1% OF	1% TOTAL	GF %	FY13-14			FY14-15			FY15-16		
						GF	OF	TOTAL	GF	OF	TOTAL	GF	OF	TOTAL
R08	5116.29	\$3,142,053	\$1,853,421	\$5,117,853	62.90%	\$0	\$0	\$0	\$6,438,054	\$3,797,652	\$10,235,706	\$6,438,054	\$3,797,652	\$10,235,706

Data Source: SCO 1% Table (March 2014)

All of R08 will receive a 4% GSI on 1/1/15.

The 1% Total is adjusted for the minimum wage increase for Fire Lookout, FF I, and FF II classifications.