ORDINANCE NO. 4142

AN ORDINANCE OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AMENDING VARIOUS SUBSECTIONS OF 13.0613 OF CHAPTER 6 OF DIVISION 3 OF TITLE 1 OF THE SAN BERNARDINO COUNTY CODE, RELATING TO COMPENSATION OF EXEMPT EMPLOYEES.

The Board of Supervisors of the County of San Bernardino, State of California, ordains as follows:

SECTION 1. Section 13.0613(a)(1) of the San Bernardino County Code is amended, to read:

13.0613 Exempt Group Working Conditions.

(a) Salary Rates and Step Advancements.

(1) Eligibility for Step Advancement. New employees shall be hired at Step 1 of the established base salary range, except as otherwise provided in this Section. Variable entrance steps may be established if justified by recruitment needs through Step 5 with the approval of the appointing authority and through Step 11 with the approval of the Director of Human Resources.

Within the base salary range, all step advancements will be made at the beginning of the pay period in which the employee completes the required number of service hours. However, when an employee reaches the required number of service hours with 80 hours in each pay period, the step advance will be made at the beginning of the next pay period. Approval for advancement shall be based upon completion of required length of service hours in the classification, satisfactory work performance, and appointing authority recommendation.

Completed service hours shall be defined as regularly scheduled hours in a paid status, up to 80 hours per pay period. Overtime hours, disability payments, Medical Emergency Leave, and time without pay shall not count toward step advancements. Step advancements within a base salary range shall be based
upon two step increments, approximately five percent (5%). Effective June 18, 2011, step advancements within a base salary range shall be based upon a one step increment, approximately two and one-half percent (2.5%). The employee shall be eligible for the first step advancement after completion of 1,040 hours and subsequent step advancements after completion of additional increments of 2,080 hours.

SECTION 2. Subsection 13.0613(i)(1) of the San Bernardino County Code is amended, to read:

**13.0613 Exempt Group Working Conditions.**

(i) Health Insurance and Retirement System Contributions.

(1) **Health Insurance Contributions.**

(A) Benefit Plan Contributions.

(I) Employees in a regular position scheduled for a minimum of 40 hours per pay period are eligible to receive the benefits of this Subdivision in the amounts described in subsection 13.0613(i)(1)(A)(II) below. Employees must be paid for at least one-half plus one hour of their scheduled hours in order to receive the benefits of this Section. For instance, an employee scheduled to work 80 hours per pay period must be paid at least 41 hours to be eligible for the benefits of this Subdivision.

(II) Except as provided in subsection 13.0613(d)(1), the bi-weekly amount of the County-provided Benefit Plan for employees who participate in County-sponsored health plan coverage will be as follows:

<table>
<thead>
<tr>
<th>Scheduled for 40 to 60 Hours</th>
<th>Scheduled for 61 to 80 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>$115.00</td>
<td>$230.00</td>
</tr>
</tbody>
</table>

(III) Under no circumstances will the monetary value of the Benefit Plan be prorated.
(IV) Employees who are on an approved Medical Leave of Absence and whose paid hours in a pay period are less than the required number of hours will continue to receive the benefits of this Subdivision for up to six pay periods per episode of illness or injury. Employees who are on an approved Workers Compensation claim shall receive the benefits of this Section for up to 20 pay periods while off work due to that work injury. Employees who are integrating paid leave time with Short-Term Disability (STD) insurance provided by the County shall receive the benefits of this Subdivision under the following circumstances: upon election of full integration of disability payments and paid leave time, employees who are paid less than one-half plus one of their scheduled hours but have available leave balances of one-half plus one of their scheduled hours or more shall receive the benefits of this Subdivision. Employees who are on an approved leave of absence without pay under the Family Medical Leave Act of 1993 will continue to receive the Benefit Plan dollars and the Medical Premium Subsidy, if any, for up to six pay periods. Employees who are on a leave of absence without pay shall not be eligible to receive the monetary benefits of this Subdivision unless on a medical leave or a Family Medical Leave Act eligible leave.

(V) Effective June 18, 2011, the Benefit Plan amounts specified above shall be reduced to zero, and an equivalent amount shall be added to the Medical Premium Subsidy provided pursuant to subsection 13.0613(l)(1)(C).

(B) Section 125 Premium Conversation Plan.

(I) Eligible employees shall be provided with a Section 125 Premium Conversation Plan. The purpose of the Plan is to provide employees a choice between paying premiums with either pre-tax salary reductions or after-tax payroll deductions for health insurance, dental insurance, voluntary life (to the IRS specified limit) and accidental death and dismemberment insurance premiums currently maintained for Exempt Group employees or any other programs(s). The
amount of the pre-tax salary reduction or after-tax payroll deduction must be equal to
the required insurance premium.

(II) Benefit Plan elections shall not reduce
earnable compensation for purposes of calculating benefits or contributions for the San
Bernardino County Employees’ Retirement Association.

(III) To be eligible for this benefit, an employee
must be in a regular position and be regularly scheduled to work at least 40 hours in a
pay period or be on an approved leave pursuant to the Family Medical Leave Act.

(IV) Election of pre-tax salary reductions and
after-tax payroll deductions shall be made within 30 days of the initial eligibility period
in a manner and on such forms designated by the Human Resources Employee
Benefits and Services Division Chief. Failure to timely submit appropriate paperwork
will result in after-tax payroll deductions for all eligible premiums for the remainder of
the Plan year.

(V) Once a salary reduction has begun, in no
event will changes in elections be permitted during the Plan year except to the extent
permitted under Internal Revenue Service rulings and regulations, and consistent with
the County’s Plan Document. Examples of mid-year qualifying events include:
marriage, divorce, birth, adoption, death, over age dependent, loss of student status,
employee’s or employee’s spouse’s or domestic partner’s reduction in work hours,
loss of spouse’s or domestic partner’s employment, gain or loss of spouse’s or
domestic partner’s insurance, relocation outside an HMO network service area,
entitlement to Medicare for employee or employee’s dependent, significant increase in
County insurance cost during the Plan year, loss or gain of Medicare or Medicaid
coverage and spouse’s, domestic partner’s or dependent’s open enrollment. The
employee must submit request for a change due to a mid-year qualifying event within
30 days of the qualifying event. The Human Resources Employee Benefits and
Services Division Chief, or designee, will authorize changes as long as the change is made on account of and consistent with an employee’s change in status.

(C) Medical and Dental Subsidies.

(i) The County will establish a Medical Premium Subsidy (MPS) to offset the cost of health and dental plan premiums charged to eligible employees. The MPS shall be applied first to health insurance premiums and then to dental plan premiums. The applicable MPS amount shall be paid directly to the providers of the County-sponsored health and dental plans in which the eligible employee has enrolled. The MPS shall not be considered compensation earnable for purposes of calculating benefits or contributions for the San Bernardino County Employees’ Retirement Association. In no case, shall the MPS exceed the total cost of the health and dental insurance premium for the coverage selected.

Effective July 17, 2010, the County will establish a MPS, if applicable, in the following amounts:

<table>
<thead>
<tr>
<th></th>
<th>Scheduled for 40 to 60 Hours</th>
<th>Scheduled for 61 to 80 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Employee +1</td>
<td>$61.12</td>
<td>$122.23</td>
</tr>
<tr>
<td>Employee +2</td>
<td>$126.32</td>
<td>$252.64</td>
</tr>
</tbody>
</table>

Effective June 18, 2011, the County will establish a MPS, if applicable, in the following amounts:

<table>
<thead>
<tr>
<th></th>
<th>Scheduled for 40 to 60 Hours</th>
<th>Scheduled for 61 to 80 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Only</td>
<td>$115.00</td>
<td>$230.00</td>
</tr>
<tr>
<td>Employee +1</td>
<td>$176.12</td>
<td>$352.23</td>
</tr>
<tr>
<td>Employee +2</td>
<td>$241.32</td>
<td>$482.64</td>
</tr>
</tbody>
</table>
(ii) The County has established a Dental Premium Subsidy (DPS) for all employees whose premium costs for health and dental exceeds the Medical Premium Subsidy in an amount up to $9.46, but not to exceed the combined total of the employee's out-of-pocket expenses. For example, an employee who selects “employee only” coverage for health and dental with a combined per pay period premium cost of $234.00 will receive a DPS in the amount of $4.00 per pay period.

SECTION 3. Subsection 13.0613(i)(2)(A) of the San Bernardino County Code is amended, to read:

13.0613 Exempt Group Working Conditions.

(i) Health Insurance and Retirement System Contributions.

(2) Retirement Systems Contributions.

(A) County Contributions.

(i) For all employees, the County will pick up a portion of the employee's required contribution to the San Bernardino County Employee's Retirement Association (SBCERA) in the amount of seven percent (7%) of the employee's earnable compensation as defined in the SBCERA bylaws. For the purpose of this section, Exempt employees shall be divided into the Benefit Groups as specified in section 13.0604(b). Effective June 18, 2011, the County's seven percent (7%) pick up of a portion of the employee's required contribution to SBCERA shall be discontinued, and the supplemental amounts provided in subsection 13.0613(i)(2)(A)(II) below shall be the only employee contribution pick up.

(II) Exempt employees shall receive the following supplemental amounts biweekly to be applied under this Section: Group A employees, $442.53 per biweekly pay period; Group B employees, $236.41 per biweekly pay period; Group C employees, $152.17 per biweekly pay period; Group D employees, $94.67 per biweekly pay period.
(III) The employee must choose to have the contributions designated as all employer or all employee contributions for retirement purposes. If the employee designates the pick up as employer contributions, then for each dollar applied, the employee’s retirement obligation shall be satisfied in the amount of the actuarial value of that dollar to the Retirement Association as determined by the Board of Retirement, and the employee may not withdraw this contribution from the Retirement Association.

If the employee designates the pick up as employee contributions, then for each dollar applied, the employee’s retirement obligation shall be satisfied in the amount of $1.00, and upon separation without retirement, an employee may withdraw this contribution from the Retirement Association. Upon retirement or separation, all contributions applied under this Section will be considered for tax purposes as employer-paid contributions.

If the employee does not file a designation, the contributions shall be made as employee contributions. Employees receiving Retirement System contributions under the Benefit Plan in effect prior to the effective date of this Section shall continue to have contributions under this Section applied (as employer or employee contributions for retirement purposes) in the same manner as previously applied for the employee until a revised designation is made by the employee.

Any dollars which are remaining after all Retirement System obligations are fully satisfied shall be paid to the employee in cash.

SECTION 4. Subsection 13.0613(i)(2)(C)(I) of the San Bernardino County Code is amended, to read:
13.0613 Exempt Group Working Conditions.

(i) Health Insurance and Retirement System Contributions.

(2) Retirement Systems Contributions.

(C) Special Provisions.

(I) Employees who have 30 years of service credit and no longer make retirement contributions under the provisions of the County Employees' Retirement Law of 1937 shall be paid in cash seven percent (7%) of earnable compensation as defined by the bylaws of the Retirement Board as well as the supplemental amount under § 13.0613 (i)(2)(A)(II) above. This paragraph shall be effective through June 17, 2011.

Except as provided below, effective June 18, 2011, Employees who have 30 years of service credit shall not be paid in cash seven percent (7%) of earnable compensation. Employees with at least 25 years of service as set forth in Government Code section 31625.3 as of June 18, 2011, and who either already have or thereafter attain 30 years of service credit as set forth in Government Code section 31625.3 shall have one opportunity during the employee's employment to receive cash payments of seven percent (7%) of earnable compensation for up to twenty-six (26) consecutive pay periods.

SECTION 5. Subsection 13.0613 (hh) is added to Chapter 6 of Division 3 of Title 1 of the San Bernardino County Code, to read:

13.0613 Exempt Group Working Conditions.

(hh) Benefit Reductions. The County recognizes that this ordinance implements reduction or elimination of certain items of compensation and benefits for members of the Exempt Group. It is the intent of the County to reduce or eliminate the same items of compensation and benefits for all bargaining units of the County,
County Fire, or any Board-governed Special District at such time as the Memorandum of Understanding for each of those bargaining units expires.

Items of compensation and benefits covered by this subsection are the following: 1) Reduction of step increase increments from approximately five percent (5%) to approximately two and one-half percent (2.5%) for all current and newly-hired employees; 2) Elimination of the seven percent (7%) County pick-up of the employee's share of retirement system contributions (not including supplemental contribution amounts contributed on behalf of Exempt employees); and 3) Conversion of Benefit Plan payments to Medical Premium Subsidy payments and establishing fixed dollar caps at current levels for all Medical Premium Subsidy payments.

If any bargaining unit does not agree to reduce or eliminate any items of compensation and benefits listed above, then the item or items of compensation or benefits not reduced or eliminated by that bargaining unit shall automatically be restored retroactively for members of the Exempt group unless the Board of Supervisors: 1) Imposes such benefit elimination or reductions on bargaining units that do not agree after exhaustion of the dispute resolution procedure contained in the applicable Employee Relations Ordinance; or 2) Reduces positions and/or budget in the impacted departments by the value of the reductions which would have been obtained if the reductions in compensation would have been applied to the employees in that bargaining unit.

In addition, if any bargaining unit receives a newly negotiated across-the-board enhancement in compensation and benefits for all its members, excluding those enhancements for which the County, County Fire or Board-Governed Special Districts is currently already contractually obligated, such enhancement shall also be automatically received by members of the Exempt Group.
SECTION 6. This ordinance shall take effect immediately upon adoption pursuant to the provisions of Government Code section 25123.

JOSIE GONZALES, Chair
Board of Supervisors

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIR OF THE BOARD

LAURA WELCH, Clerk of the Board of Supervisors

STATE OF CALIFORNIA )
COUNTY OF SAN BERNARDINO ) ss.

I, LAURA WELCH, Clerk of the Board of Supervisors of the County of San Bernardino, State of California, hereby certify that at a regular meeting of the Board of Supervisors of said County and State, held on the 3rd day of May, 2011, at which meeting were present Supervisors: Mitzelfelt, Rutherford, Derry, Gonzales

and the Clerk, the foregoing ordinance was passed and adopted by the following vote, to wit:

AYES: SUPERVISORS: Mitzelfelt, Rutherford, Derry, Gonzales
NOES: SUPERVISORS: None
ABSENT: SUPERVISORS: Ovitt
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Board of Supervisors this 3rd day of May, 2011.

LAURA WELCH, Clerk of the Board of Supervisors of the County of San Bernardino, State of California

[Signature]
Deputy

APPROVED AS TO FORM:
JEAN-RENE BASLE
County Counsel

By: [Signature]
KENNETH C. HARDY,
Deputy County Counsel

Date: 4/20/11