



2009 Second Quarter Report

Date: June 30, 2009
From: Marcia Vierra, President
Garin Schneider, Director
Subject: Quarterly Section Report

The SLO Section's Director and President attended the PECG corporate meeting in Sacramento, CA the weekend of June 5 and 6, 2009. Information from that meeting was shared at the SLO Section members quarterly lunch meeting. It was held Thursday June 25, 2009 from 11:45 to 12:30 in the Manzanita Room at the Atoll Building, 1150 Laurel Lane, San Luis Obispo, CA.

Major agendized topics of discussion were:

State Budget Deficit - Based on the outcome of the May 19 election results, Sacramento is responding by assuming no general tax increases will be utilized therefore the budget must be balanced by cutting programs. Under consideration is reducing certain welfare, state parks, college grants, and rehabilitation programs. Non-violent felons may be released one year early. In addition, other items under consideration are, borrowing from transportation projects (and Prop 42 funds), and redirecting half of local agency VLF shares. If a revised balanced budget is not adopted, the state will be out of money, bonding and borrowing power by August 1.

Budget Impact on Employees – Furloughs will continue and may be increased to three days per month. The legislature is considering implementing 4.6% employee pay cuts and rejection of the SEIU pending contract. The rural healthcare subsidy for state employees who don't have access to an HMO is being considered for elimination. Since technically a 2009/2010 budget has already been adopted, the threat of Federal Minimum Wage payments to employees is not an issue for 2009/2010. Earlier surplus notices are supposed to be handled through attrition or vacancies except for the Corrections Department and a "few others". Any subsequent layoff notices received should be submitted to PECG HQ rapidly. PECG is assisting in the placement of those employees to other departments.

Furlough Lawsuit Appeal – PECG continues to wait for a court date regarding the appeal against the lower court ruling that allowed for the furlough of state employees. The judge made his determination stating that furloughs were not in conflict with existing MOUs, which is not the case for PECG. A court date before a three judge panel is at least 4 months away.

Furlough Grievance Filing –PECG has filed a grievance against the DPA citing violations of the PECG MOU with regard to “normal work hours” being 40 hours per week. DPA is considering if this grievance is appropriate given the fact that there is a court ruling on the topic and may be headed toward arbitration.

Collective Bargaining – Resolution of supervisors pay raises has degraded substantially during the last quarter and is not expected to be resolved anytime soon. However new salary studies were conducted based on the premise that the continuing contract continues until a new one is in place. It was submitted to DPA and they are in agreement with the salary rates recommended. There is no word if pay raises will be included in the next budget.

Nominations – The SLO Sections should seriously pursue filling the position of Vice-President At-Large, given the serious budget implications of At-Large members within PECG.

SLO Section President

Marcia Vierra

Tel: (805) 549-3508

Email: marcia_vierra@dot.ca.gov