

Gloucester County

Shared Services and Negotiating
Contracts in the world of 2%

Part 1: Shared Services

An Overview in Gloucester County

- **24 Municipalities**
- **Many Shared Service Opportunities**
- **County Facilitated or Municipal Facilitated**

Areas of Shared Service in Gloucester

What we, at the County, do...

- County to Municipal
- County to County
- Intra-County Agencies

County to Municipal

- 911 Dispatch (Police and Fire) – Approximate Aggregate Savings = \$7,098,216; not to mention the avoided capital expenditures
- County Wide Assessing – Approximate Aggregate Savings = \$4,363,070
- EMS – Approximate Aggregate Savings = \$3,567,122 to 17 out of 24 Communities

County to Municipal (Cont'd)

- Storm Water Management / De-Icer Storage
– Approximate Aggregate Savings = \$6,674,651
- Trash Disposal – Approximate Aggregate Savings = \$1,388.858
- Other Services such as Transports, Health, Deer Removal, Animal Control, Redevelopment Plans – Approximate Aggregate Savings = \$4,649,050

County to Municipal (Cont'd)

- Approximate Aggregate Municipal Budget Savings = \$27,740,967
- Approximate Average Local Purpose Tax Savings = 13.35 Cents

County to County

- Regional Medical Examiner Services with Camden & Salem Counties – Revenue Received = \$1,307,342
- Regional Juvenile Detention Services with Camden, Burlington, Cumberland & Middlesex Counties – Approximate Savings = \$2,612,143
- Regional Female Inmate Services with Camden, Cumberland, Burlington, Essex, Salem – Approximate Savings = \$1,978,441
- Regional Male Inmate Services with Camden, Cumberland, Burlington, Essex, Salem Counties & Bo-Robinson (Private) - Approximate Savings
 - 2014 = \$6,168,177
 - 2015 = \$8,486,159
 - 2016 = \$10,848,105
 - 2017 = \$12,015,997
 - 2018 = \$12,763,410

County to County (Cont'd)

- Regional 911 with Buena, Buena Vista, Estell Manor, Folsom, Weymouth, Revenue - \$231,596
- Regional County Mental Health Administrator with Salem County – Revenue = \$32,600
- Regional Health Officer, Salem, Revenue = \$74,160

Intra County Agencies

- Reviewed Shared Service opportunities with:
 - County Library
 - Utilities Authority
 - Improvement Authority
 - Institute of Technology / Special Services School
 - County College

- Reviewed the following areas:
 - Public Safety, Buildings and Grounds, Information Technology, Human Resources, Purchasing, and Public Relations

Intra County Agencies (Cont'd)

- Approximate Savings in each area resulted:
 - Public Safety = \$100,000
 - Buildings & Grounds = \$411,845
 - Information Technology = \$1,220,138
 - Human Resources = \$197,100
 - Purchasing = \$297,246
 - Public Relations = \$127,200

- **Grand Total = \$2,353,529**

Intra County Agencies (Cont'd)

- Each Agency Benefits by:
 - County College = \$1,325,880
 - Institute of Technology / Special Services = \$686,513
 - Improvement Authority = \$148,793
 - County = \$97,299
 - Library = \$55,419
 - Utilities Authority = \$39,625

Summary

- County to Municipal Shared Services
 - \$27,740,967 & Growing

- County to County Shared Services
 - \$14,722,441 in 2015
 - \$19,725,969 estimated by 12/31/18

- Intra County Shared Services
 - \$2,353,529 & Growing

Helpful Tips with Shared Services

- **Establish an Administrators/Manager quarterly forum / meeting to discuss shared opportunities**
- **Contact your County Government Officials and seek them to coordinate a Municipal / County Administrator / Manager quarterly meeting**
- **Challenge your Administrator / Manager and Department Heads to initiate a shared initiative**
- **Look to your local school districts to share services**

Part 3: Negotiating Difficult Contracts

- The County of Gloucester has twelve (12) collective bargaining agreements. Over the past five years, the County has consistently negotiated:
- New salary structures for new hires
- Expanded, and in some cases eliminated, salary guides with increments for current employees
- Froze, and in many cases, eliminated longevity payments

Negotiating Difficult Contracts (Continued)

- Eliminated buybacks in sick and vacation leave and bonuses such as holiday, education, attendance, and fitness
- Memorialized employee health care benefit contributions to follow the law.
- Maintained costs of contracts at or below 2%.
- Found contracts without steps and scales that have come up for renewal have settled quickly.

2010

- ***Effective May 21, 2010, Chapter 2, P.L. 2010 enacted the requirement of 1.5% of salary contribution toward the cost of health care benefits coverage by public employees.***
- ***In the summer of 2010, NJ caps government spending at 2%.***

Needed to set-up a Realistic Future

1. Assistant Prosecutor's Association: Contract expired on 12/31/07. This collective bargaining unit had spent significant time at PERC concerning representation matters. Negotiations began in June of 2010 and settled December of 2010. First Contract to include employee contributions to health benefits, and first contract to have costs at/under 2%.

2011

- ***Chapter 78, P.L. 2011 In accordance with Chapter 78, P.L. 2011, effective June 28th 2011, changed the financial structure for employees receiving health benefits in paying a contribution towards the cost of health benefits.***

2. & 3. PBA #122 Prosecutor Investigators / Detectives & PBA #122 Prosecutor Superior Officers: Both contracts expired on 12/31/09. Negotiations began in February 2010 and settled mid-July 2011.

Laying the Foundation...PBA 122

- First of many collective bargaining agreements to have two different salary structures, one for current employees and one for new hires.
- Added steps to salary guide for current employees from 6 to 9 and new hires 12 steps.
- Eliminated longevity, buyback and bonuses
- Employee premium sharing for health benefits
- Incorporated that terminal leave not applicable to employees hired on or after 5/22/10
- Currently in negotiations of the Investigators/Detectives contract which expired at the end of 2014.
- The Superior Officers, a simpler contract, settled prior to the expiration of the contract, 2% ATB each year, no steps and scales.

Laying the Foundation...FOP

4. and 5. FOP #199 Correction Sergeants and FOP #165 Correction Lieutenants: Both contracts expired on 12/31/10 and settled August 2011.

- Two tier salary structure, one for current employees and one for new hires with a promotional differential value of \$6,500 from officer or sergeant salary, as applicable.
- Froze longevity for current employees and eliminated longevity for new hires.
- Eliminated buybacks and bonuses
- Employee premium sharing for health benefits
- New hires do not have sick leave counted for overtime purposes
- Rolled in additional regular hours into base salary and converted rate to 2184 annual hours
- Two tiers for vacation and sick leave, reduced amounts for new hires

2012

- ***Effective 2/1/12, in accordance with 40A: 10-17.1: Discontinued Waiver Payments.***
- ***Effective May 1st, 2012, the County of Gloucester moves into State Health Benefits Program. The benefits were essentially the same except for Retiree Rx which various collective bargaining units negotiated subsequent to the move over.***

Continuing the Foundation...With Law Enforcement Contracts

6. FOP #165 Sheriff' s Lieutenants and Captain:
Contract expired on 12/31/10 and settled
2/2/12.

- Very similar to the other FOP contracts – see above.

- This contract, another simpler financial structure, has since renewed with 2% ATB, no steps and scales and settled prior to expiration.

Laying the Foundation...CWA

7., 8., and 9. CWA County/Social Services/Prosecutors Office: All three contracts expired on 12/31/11 and settled August 2012

- Added steps, phased in three additional steps over three years in County and Prosecutor contract and two additional steps in two years in Social Services contract.
- Froze longevity for current employees and eliminated longevity for new hires.
- Eliminated buyback of sick leave in County contract

Continuing the Foundation...

10. Teamsters: Contract expired on 12/31/11 and settled September 2012.

- Eliminated step system due to the fact that all bargaining unit members were at top step.
- Two tier salary structure, one for current employees and one for new hires with a promotional differential value of \$2,000 to move to supervisory unit.
- Eliminated longevity for new hires.

2013 – Continuing the Foundation with FOP

11. FOP 97 Correction Officers: Contract expired on 12/31/11 and settled after mediation on 5/13/13.

- Three salary structures, one for top step employees freezing longevity for those that have it, one for employees on steps deferring increments until October and adding steps to slow down cost impact, and one for new hires.
- Longevity eliminated going forward.
- Eliminated buybacks and bonuses.
- Regionalized Jail during this.

2014 – Finalizing the Foundation with PBA –

Sheriff's Officers

- ***On December 19, 2013, PERC issues decision allowing increments to be frozen on expired contracts.***
- 12. PBA 122 Sheriff's Officers and Sergeants: Contract expired 12/31/13 and settled on August 2014.
- First contract to have increments frozen until conclusion of negotiations.
- Last contract to have Chapter 78 implemented.
- For current employees, increased an 8-step salary guide to 12-steps
- Eliminated salary guide for new hires. Recruit salary is now equal to 50% of Step 12 with a 2% across the board each year thereafter.
- Locked in longevity amount and rolled into base salary – current practice
- Longevity eliminated going forward.
- Eliminated buybacks and bonuses.

2015

- Continuing all expired contracts in same fashion
- CWA, Teamsters, and PBA 122 Prosecutor's Investigators / Detectives
- Be persistent, it works over time.