



As the holiday season approaches, I hope this message finds you in good health and enjoying the great company of family and friends!

As many of you are aware, in 2015, two longtime Fresno County Board of Supervisors will be retiring. We will be thanking them for their public service by hosting a retirement social honoring Phil Larson and Judy Case-McNairy. If you are able to attend, we would like to invite all FDSA members to join us at the event on Wednesday, December 10, 2014. It will be held from 5:30-7:30pm at the FDSA.

Health Insurance

It is also the season of open enrollment for our health insurance.

As many of you noticed, our open enrollment did not coincide with the County's open enrollment this year. Primarily, because we were still negotiating the best option for our dental plan, which as you know, has switched to Delta Dental from Met Life.

Normally during each year, our dental plan usage is always close to, if not over the 100% rate of usage. The carriers want us to be in the 60-70% range of usage because that is how they make their money -from not paying out claims. Our group historically is around the high 90s to 100 or even over 100% on the usage. This means our members and their families are going to the dentist- which is important. Dental care and hygiene is part of maintaining good health.

Medical insurance this year was odd. We continue to feel the impacts of The Affordable Care Act, also known as Obama Care. This year, the plan was impacted 5.9%. Over the last three years, we have been impacted by an increase of 16% to our health plan.

Unfortunately, due to the Affordable Care Plan, we have absolutely no control over these costs. What those costs equate to, is what every federal lawmaker opposed to Obama Care said was going to occur- groups and individuals with health insurance would be spending more on a tax to help insure all Americans. Unfortunately, we are one of those groups. This equals about a *one million dollar increase* to our plan. The Insurance Trust (IBTF) has chosen to keep the same benefit level for our members- despite the Affordable Care Act taxes. However, this number is astronomical for a health plan that historically has been affordable.

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Large Claims and Renewal

During plan year 2014, the IBTF experienced some large claims. These claims are due to a variety of circumstances and reasons. Due to HIPPA Laws, I cannot discuss the claims. However, I can say these claims are not caused from minor aches and pains. The total large claims bills Blue Shield recognized from our group were over \$2 million. As you can probably figure- this is not good news for our health plan.

Similar to dental, health carriers want you to be in the area of 60s to 70s on health insurance "experience." These numbers are rated during a month so the IBTF is able to track what the plan and the usage is looking like during the year. This also allows us to prepare for negotiation with the carriers when it comes time for that process.

Since I recognized we were having a high usage year with such large claims- I (representing IBTF) sat down with Blue Shield, Dibuduo & Defendis in August to discuss a game plan for moving forward into the next plan year. This meeting was productive in the sense that all sides were aware of the issues and how they needed to be addressed. In mid-September, Blue Shield reported back to us. Company representatives had determined after looking at everything over the last 15 years- that this year was an anomaly for us, in terms of the high claims. Therefore, they decided to give us a rate pass on the large claims, keeping the benefit levels the same. The only increase we would be responsible for is the non-negotiable 5.9% Obama Care cost. The Blue Shield representatives are empathetic to our group, seeing that over the years- we have made several adjustments here and there to the health plan. The changes were basically fine tuning our coverage to help both our membership and Blue Shield keep claims down that were costing everyone money.

Blue Shield brought our renewals up from the years of 2005-2010 to show how impressed they were by a group our size (which we are considered large in their eyes) that can make small benefit changes that truly affect the plan. During this time, we had either a decrease in rates or a very small increase. Our history with Blue Shield secured us from having the large type of renewal costs our group would have faced due to the 2014 large claims. These enormous claims would have increased our rates a minimum of 15-20%, not even taking into account the Affordable Care Act taxes. Thankfully- the carrier was able to work with us.

I am very pleased that we still have a rich PPO and HMO plan for our members. I have received a number of calls from many of you asking why rates are going up so much this year. I have explained the situation and circumstances of our claims and Obama Care.

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FDSA

FRESNO DEPUTY SHERIFF'S ASSOCIATION

I have talked to the trustees of the Insurance Benefits Trust and the work will begin early in 2015 to establish a plan of getting our out-of-pocket costs for our members back down to a level of affordability. This means benefit adjustment; there is just really no other way to put it.

Our HMO family plan is becoming so out of balance- it is clearly unaffordable. Our PPO plan needs adjustment as well, to bring out-of-pocket, bi-weekly costs down. Ironically, the Affordable Care Act has now caused our health plan to become UNAFFORDABLE.

During our last contract negotiations in 2013, we signed our deal with the County of Fresno that included increased contributions for our health care. The way this works with the County and the FDSA for health care is the following; we manage our own health plan not the County's plan. The County then provides us money for employees and or dependents to offset the out-of-pocket costs. From 2006-2013 the contract rate was \$208.06 for employee and \$90.00 for dependent. We negotiated the following for the upcoming plan years:

- 2014: employee increased to \$223.00
- 2015: employee increased to \$233.00
- 2016: employee increased to \$243.00

Although these increases are generous of the County to give, they are not even offsetting what Obama Care is costing out plan to increase by each year. So something has to change. I will keep all of you informed as time goes on. I don't know what this will bring our way. Will it bring a new carrier? Will it mean we change benefit levels? Offer different plans to choose from? Everything is being looked at right now to try and maintain great health insurance, that doesn't cost an astronomical amount each pay period to insure yourself and your families.

Thank you for being patient with us during this time. These are costs nobody could have predicted as far as the hard numbers. We all knew Obama Care was going to be disaster on the working Americans. I believe all of us in the FDSA IBTF have seen this in the last three years.

Current FDSA MOU Reopener

I reported to the membership last month an update to the FDSA reopener regarding salary with the County of Fresno. Below is the message I published in October:

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On Thursday, October 30, I presented the membership with the proposal the FDSA was given from Fresno County Labor Relations- in regards to the reopener we have in our labor contract. I have been reporting for the last few months on the status and what this means for our MOU. Since April, I have received several questions as to where we are with this reopener. Finally, there is resolution to a piece of the reopener.

When I presented the offer to the membership for approval, there was a unanimous vote to accept the proposal. Thank you to those of you who were able to attend and listen to the presentation.

Now that we have ratified with the voting membership, this agreement now gets sent to the Fresno County Board of Supervisors for approval. The date for approval is tentatively set for December 2, 2014.

Those who were unable to attend the ratification can call me for details. Right now, I have a request from Fresno County Labor Relations to refrain from publishing the full package until the final approval from the Board of Supervisors. My newsletter on December 3, 2014 will have all the details regarding the reopener. Thank you again for your patience on this item.

I am happy to report that on Tuesday, December 2, 2014 the Fresno County Board of Supervisors approved the reopener for the FDSA.

As I explained during the ratification meeting, on October 30, since May/June of this year- I have repeatedly discussed with the BOS has been recruitment/retention of deputy sheriffs. Many of you are aware, new recruits and laterals are 'shopping' for agencies based on pay and benefits. PEPRRA and the recession really took a toll on law enforcement pay and benefits throughout the state. The BOS paid attention to the conversation we have had and acted on them by offering the following to the deputy sheriff series during this reopener. New increases of 1.8% of salary during the following times throughout the term of the current MOU

- **December 8, 2014**
- **December 21, 2015**
- **December 19, 2016**

This 1.8% is additional salary money given to the deputy sheriff series on top of the 2% "sunset salary," given back each June through 2016.

No other benefits were negotiated throughout the current MOU. We also have a compensation study that will be conducted for the Communication Dispatcher job series- that will start at the end of the year. Our goal is to have it complete by April 1, 2015.

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PORAC Conference

On November 19-November 23 the 61st Annual PORAC Conference was held in Indian Wells, CA. I attended the event representing the FDSA and also as a Director-at-Large on the PORAC Board of Directors. This conference was filled with information, meetings, and classes related to the latest law enforcement technology, trends and incidents. Some of the topics this year were body cameras, debriefs on the Chris Dorner Case (near Big Bear), and the Johannes Mehserle case from the BART Police Department. Bargaining and fact finding was also a topic of discussion and first amendment issues.

There was quite a bit of information provided regarding pension reform and how, in 2016, the issue will be more than likely, a statewide ballot initiative to reform all public employee pensions. This includes all current and former public employee pensions. I realize I have repeatedly addressed this issue, but- I want you to know- this is real. Groups like PORAC are in the trenches- day in and day out, protecting this vested benefit for all of us.

During the conference, a motion was made by one of the attendees. The motion was to increase contributions through the 2016 election by \$2.00 per month. The money would be allocated into a special fund for Pension Reform specifically. After much discussion among various region representatives, the motion was passed. Region 2 (our region) voted it down, simply due to the fact, we did not have enough time to thoroughly look into the issue. Either way, it passed overwhelmingly.

This impact amounts to \$.92 cents a pay period to fund upcoming pension battles. However, if it turns out, there is no ballot initiative- the money each member contributed will be returned fully.

I am amazed each and every day when I read articles about how some millionaires and billionaires, who don't even reside in California- want to take the benefits each of us work for day in and day out. We signed up, voluntarily to do this job. We know the risks- and we also know at the end of the road there is going to be a time for us to enjoy our lives. We have worked for the public and have been pulled away from our families'- sometimes at the most inopportune times. We do this, because we work for the public, and serve the public. In return, the government negotiates pensions for us - so when we completed our public service we can enjoy the remainder of our years- with the families we have had to abruptly tell, on many occasions "I have to go, work is calling." This is what a public pension is about and what people are multi-million and billionaires cannot seem to understand. Please stay safe and take care of each other.

Stay safe and take care on one another.



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