

Employee - Co 7-12-78

County officials react to state salary freeze order

The reaction on both management and employee levels in Santa Cruz County to the state budget's injunction against pay raises for local government employees was cautious late last week.

County Administrative Officer Bob Nyman said that the bill signed by Gov. Brown Thursday appears to ban any cost-of-living raises for employees of local agencies that receive a portion of the state surplus. But Nyman said he believed the ban may not extend to adjustments of certain fringe benefits, such as health insurance. He said his staff was analyzing the contents of the budget bill now and would be prepared to present recommendations to the Board of Supervisors Tuesday.

Nyman pointed out that the county is in the second year of a two-year contract with Local 415 of the county Employees Assn., which represents all county employees below the management level except for sheriff's deputies. The deputies, represented by Local 3 of the Operating Engineers Union, are also in the second year of a two-year contract calling for regular salary and fringe benefits adjustments.

Jerry Zellhoefer, general manager of Local 415, said, "I'm really disappointed" about Gov. Brown's action in cutting off pay raises. He said the existing contract with the county calls for a \$15-a-month adjustment for county employees as of July 1. A portion of the \$15, he said, was to be used to cover any increases in the cost of some fringe benefits, such as health and dental insurance, and the balance was to be added directly to the employee's paycheck. He said that the portion that would be needed for fringe benefits was relatively small, so that, without the state mandate, most of the \$15 would have gone into a salary hike.

Zellhoefer agreed with Nyman that the state bill bans cost-of-living pay raises, but leaves room for adjustments in fringe benefits.

"We're going to look into the possibility of legal action," Zellhoefer said. "I think it (the state's action) raises some fundamental issues concerning local collective bargaining."

Zellhoefer said he understood some of the reasoning behind Gov. Brown's decision to prohibit the pay raises, such as the desire to preserve jobs and save affirmative action programs, but he in-

dicated he felt it was the wrong way to go about it. He called it an example of "trying to solve one problem by creating another one."

While county employees were stewing over the prospect of no pay raise this year, at least one of the county's judges reacted coolly to the "request" by the state Legislature that they donate their 5 per cent salary increase back to government. The judges had been granted the raise under separate legislation.

Superior Court Judge Rollie Hall said that "there has not been a decision" yet among the judges on whether to follow the legislature's desires, "but personally, I think it is unlikely."

Hall said judges salaries were frozen last year, cutting out an anticipated pay increase and limiting future cost-of-living increases to no more than 5 per cent. He said that in an opinion issued by the Attorney General's office, such legislation changing judges' salaries during their terms was illegal. However, the California Judges Association agreed to go along with the law, Hall said.

Judge Hall noted that local judges had gotten a letter some time ago from Chief

Justice Rose Bird of the State Supreme Court suggesting the judges return their cost of living increases to the state. Hall said he believes most judges don't intend to go along with her although a couple had said they were considering doing so.

Hall said he felt the judges as a group would hold off on any decision until it is known what the county is going to do about its budget.

"If the county is going to fire employees, that's one thing," Hall said. "The state is not firing any employees." For that and other reasons, the judge said that if the judges do decide to return the money, they are likely to give it to the county rather than the state. He pointed out that the county pays 100 per cent of Municipal Court judges' salaries, but only \$7,500 per year of the Superior Court judges salaries. Superior Court judges receive \$49,166 a year; Municipal Court judges get \$45,235. These figures are without the 5 per cent increase.

Other agencies that will be foreclosed from granting cost-of-living pay raises to employees include all governmental agencies that accept any state surplus funds, such as special districts.