



Board Report

File #: 17-0535, **Version:** 1

Consideration of a Resolution:

- a. Authorizing the issuance of lay-off notices to impacted employees no sooner than June 9, 2017 with an effective date of July 1, 2017;
- b. Authorizing County negotiators to meet with the Unions/Associations upon request of the Unions/Associations;
- c. Authorizing the Human Resources Department to collaborate with departments to provide in-placement and out-placement services;
- d. Granting flexibility to withhold the issuance of a lay-off notice(s) due to unanticipated vacancies, retirements or resignations that may occur.
- e. Authorizing the Human Resources Department to add Allocation on Loan positions as necessary due to lay-off timing and bumping process extending into the beginning of Fiscal Year 2017-18.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

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- a. Authorizing the issuance of lay-off notices to impacted employees no sooner than June 9, 2017 with an effective date of July 1, 2017;
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- c. Authorizing the Human Resources Department to collaborate with departments to provide in-placement and out-placement services;
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- e. Authorizing the Human Resources Department to add Allocation on Loan positions as necessary due to lay-off timing and bumping process extending into the beginning of Fiscal Year 2017-18.

SUMMARY/DISCUSSION:

As reported by the County Administrative Office in the March 14th annual countywide forecast and the April 11th budget workshop, many departments have experienced difficulty adjusting to rising costs including recently negotiated pay raises, rapidly increasing cost of employee benefits, higher costs associated with the general liability and workers' compensation programs, and increasing technology replacement costs. Some departments do not have adequate revenue streams to keep up with these rising costs, resulting in funding gaps for existing staffing and core services. Departments identified 209 positions at-risk of lacking funding at the end of the current fiscal year without augmentations in discretionary County funding. The 209 positions included 139 filled positions and 70 vacant positions. The Administrative Office worked closely with impacted departments to develop funding solutions to mitigate most of these impacts. Despite these efforts, a funding gap of approximately \$2.2 million remains for filled positions, leaving 16 filled positions at-risk of expiring at the end of the current fiscal year.

The impacted positions are in the Resource Management Agency (RMA), Economic Development Department, and County Administrative Office. The RMA has experienced an array of fiscal pressures, including higher

cost plan charges, the new bargaining agreements, reductions in reimbursable services, and higher Enterprise Resource Planning (ERP) upgrade and general liability program costs. The Administrative Office and the RMA found solutions to address 47 of the 52 at-risk filled positions, leaving five (5) filled positions that can no longer be supported after June 30, 2017. Economic Development has seven (7) filled positions in its Office for Employment Training it can no longer support after the current fiscal year due to the federal Department of Labor's decision to cut grant funding. The County's financial policies discourage use of County monies to compensate for cuts in federal and state programs. Finally, the County Administrative Office has four (4) filled positions that will expire at the end of the current fiscal year due to the same cost pressures other departments are facing.

Given the shortfall in funding to support the 16 positions the recommended action requests authority to issue lay-off notices no sooner than June 9, 2017 with an effective of July 1, 2017. No lay-off notices will be issued prior to June 9, 2017. Attachment A delineates the filled positions identified for reduction by department, classification and bargaining unit.

The Human Resources Department is responsible for coordinating the County layoff procedures, which include directing affected departments to prepare seniority lists; reviewing, analyzing and approving bumping rights of affected employees; communicating with employee bargaining units where applicable; and utilizing the Support for Employment and Educational Knowledge (S.E.E.K.) in-placement and out-placement program to assist impacted employees.

The recommended action further requests authority to withhold the issuance of lay-off notices under certain conditions such as employee movement, retirements or resignations that may occur.

The issuance of notices on or after June 9, 2017 may result in employees remaining after the beginning of the new fiscal year. Authorizing the Allocation on Loan positions will allow for employees to remain on the Payroll system through the end of the layoff process if necessary.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office and the Human Resources Department have worked closely together with the affected Departments to define those positions affected by budget reductions.

FINANCING:

Approval of these actions is a necessary part of implementing a fiscally sound, balanced and sustainable budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The proposed recommended action addresses the Board of Supervisors' Administration Strategic Initiative to promote an organization that practices efficient and effective resources management and recognizes accountability and transparency.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Lew Bauman, County Administrative Officer, 755-5113

Attachments:

Resolution

Attachment A: FY 2017-18 Recommended Budget Filled Position Reductions