



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 18-593, **Version:** 1

Adopt Resolution to:

- a. Authorize the issuance of layoff notices to impacted employees no sooner than June 7, 2018, with an effective date of July 1, 2018;
- b. Authorize County negotiators to meet with the Unions/Associations upon request of the Unions/Associations;
- c. Authorize the Human Resources Department to collaborate with Departments to provide inplacement and outplacement services;
- d. Grant flexibility to withhold the issuance of layoff notices due to employee movement, unanticipated vacancies, retirements or resignations that may occur;
- e. Authorize the Human Resources Department to add Allocation on Loan positions as necessary due to layoff timing extending into the beginning of Fiscal Year 2018-19.

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a Resolution:

- a. Authorizing the issuance of layoff notices to impacted employees no sooner than June 7, 2018, with an effective date of July 1, 2018;
- 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 inplacement and outplacement services;
- d. Granting flexibility to withhold the issuance of layoff notices due to employee movement, unanticipated vacancies, retirements or resignations that may occur; and
- e. Authorizing the Human Resources Department to add Allocation on Loan positions as necessary due to layoff timing extending into the beginning of Fiscal Year 2018-19.

SUMMARY/DISCUSSION:

As reported by the County Administrative Office in the March 20th annual countywide forecast and the April 10th budget workshop, many departments had difficulty adjusting to rising costs, including sharply rising employee benefit costs, salary increases authorized in current bargaining agreements, aging infrastructure, higher insurance program expenditures and increased costs of jail security and inmate medical care. In addition, some departments are experiencing loss of State revenue. The combination of increasing costs and lagging revenue strains the organizations' financial capacity, with some programs unable to sustain current service and staffing levels. Departments identified 291 positions at-risk of lacking funding at the end of the current fiscal year without augmentations in discretionary County funding. The 291 positions included 167 filled positions and 124 vacant positions. The Administrative Office has worked closely with impacted departments to develop funding solutions to mitigate most of the impacts. Despite these efforts, 83.4 filled positions are at-risk of expiring at the end of the current fiscal year.

The Human Resources Department (HRD) 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. Through this process, it has been determined that 27.16 of the 83 positions are no longer filled/impacted due to the identification of vacant positions within the departments, employee movement and FTE decreases. Given the funding shortfall to support the remaining 56.24 positions, the recommended action requests authority to issue layoff notices no sooner than June 7, 2018, with an effective date of July 1, 2018. No layoff notices will be issued prior to June 7, 2018. Attachment A delineates the filled positions identified for reduction by department, classification and bargaining unit.

HRD is also responsible for communicating with employee bargaining units where applicable; and utilizing the Supporting - Empowering - Engaging - Keeping (SEEK) inplacement and outplacement program to assist impacted employees.

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

The issuance of notices on or after June 7, 2018, 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 as necessary.

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

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

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action addresses the Board of Supervisors' Administration Strategic Initiative and demonstrates the County's commitment to meeting the Board's initiatives by implementing a fiscally sound, balanced, and sustainable budget.

Check the related Board of Supervisors Strategic Initiatives

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

Prepared by: Kim Moore, Assistant Director of Human Resources, 755-5353

Approved by: Irma Ramirez-Bough, Director of Human Resources, 755-5043

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

Attachments:

Resolution

Attachment A: FY 2018-19 Recommended Budget Filled Position Reductions