

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Thomas M. Miller, County Executive Officer
Nancy Nittler, Personnel Director
DATE: July 13, 2010
SUBJECT: Placer Public Employee Organization Layoff Impacts Side Letter of Agreement and Non-codified Ordinance

ACTION REQUESTED

That the Board of Supervisors approves and authorizes the Chairman to execute the attached Placer Public Employee Organization (PPEO) Layoff Impacts Side Letter of Agreement and introduce the attached uncodified ordinance implementing the Agreement.

BACKGROUND

For several years Placer County's budgets have contracted due to the economic downturn that has significantly impacted property tax collections, real estate related revenue collections and other general purpose revenue receipts. To operate within available funding, and continue to maintain Placer County's fiscal integrity, the Board previously directed ongoing measures that would provide definitive budget savings, including, but not limited to: hiring restrictions, constrained operation and capital expenditures; the redirection of critical resources to health and human service and public safety programs; and countywide office closures (employee furlough days). With the development of the FY 2010-11 budget the County was faced with another year of scarce resources that required managers to implement long term solutions when addressing funding impacts, up to and including the layoff of several employees.

During the 2008-09 fiscal year, the downturn in the real estate and housing sector of the local economy resulted in a reduced demand for county services. This resulted in the identification of certain county positions for which layoff would be appropriate. However, as a result of an agreement with the employee representatives regarding mandatory time off, the county instituted a re-assignment program for those positions that were at-risk of layoff. As a result, a number of employees, identified as at-risk, were re-assigned to other county departments to perform work. This at-risk list initially consisted of 28 employees. Over FY 2009-10 several of these employees obtained new positions in other departments, or were able to be removed from the list as a result of department retirements or other events.

On June 8th your Board granted the County Executive Officer delegated authority to institute layoffs to respond to the Board's direction to augment funding in certain programs and services and to reduce staff in program service areas where significant workload reductions had occurred.

Layoffs / July 1st

Workload in the County's housing sector warranted specific staff adjustments consistent with the reduced demand for county services and these layoffs were effective on July 1st. Eleven layoff notices were issued on June 14th due to lack of funds and work however, due to the ability for a laid off employee to bump back to a position in which they held prior county employment, only 9 employees were separated from county service (one elected layoff in lieu of pursuing bumping rights).

State of California Budget Impacts / Fall 2010

The Governor's FY 2010-11 Proposed Budget and subsequent May Revise include several proposals that would significantly impact county funding and operations, should they make it all the way through the legislative process. Given the magnitude of different opinions at the legislature, staffs expect that approval of the State budget will be delayed until the fall and, as a result, these funding impacts on the county budget will not be known for some time. The Board will receive briefings on the status of the State budget as information becomes available.

PPEO LAYOFF IMPACT SIDE LETTER

Implementing layoffs necessitates a meet and confer obligation on the impacts of those layoffs with the appropriate bargaining unit's representative. Over the last several months, layoff impact discussions have been in progress with PPEO which represents most of those employees in positions affected by the layoffs. Recently PPEO and the County's negotiating teams approved the following terms for a side letter of agreement:

1. Laid off employees accepting extra help positions will stay on the re-employment list.
2. Exclusive to the positions laid off in these negotiations, the County will allow these employees the ability to apply for promotional recruitments for two years.
3. Continue the Voluntary Time Off (VTO) Program for PPEO represented employees through June 30, 2011.
4. The reemployment list duration shall be for a minimum of one year, up to a maximum of two years, from the layoff effective date.
5. Medical insurance coverage will extend through August at no additional cost to the employee.

FISCAL IMPACT

Departments affected by layoff are those whose work load has significantly reduced; departments with programs dependent upon intergovernmental revenue from State and / or Federal sources; and / or departments where funding would need to be reallocated to other critical program areas. The additional cost to the County to extend health benefits through the month of August is estimated at less than \$8,000 and will be absorbed in the department budgets.

Attachment: Layoff Impact Side Letter of Agreement
Ordinance (uncodified)

**SIDE LETTER OF AGREEMENT
PLACER PUBLIC EMPLOYEES' ORGANIZATION (PPEO)
LAYOFF IMPACTS**

This Side Letter of Agreement is entered into between the County of Placer and the PPEO ("Parties") as a result of meeting and conferring. The Parties mutually agree to the provisions contained herein which will become effective upon the first full pay period after adoption by the Board of Supervisors or on the date indicated:

1. Provide layoff notices to employees on June 14, 2010 notifying that employee that they are being laid off effective July 1, 2010.
2. County will encourage laid off employees to compete for Extra Help recruitments. Laid off employees accepting these positions will not be removed from the re-employment list.
3. Beyond the existing opportunities, exclusive to the final list given to PPEO in these negotiations, County will also allow these laid off employees the ability to apply for promotional recruitments for a minimum of two years from the date of layoff. If hired from a promotional list, the employee will be removed from the re-employment list and, by acceptance of this new position, shall not have a right of return to the re-employment list.
4. Continue the Voluntary Time Off (VTO) Program for PPEO represented employees through June 30, 2011.
5. The reemployment list duration shall be for a minimum of one year, up to a maximum of two years, from the layoff effective date.
6. Medical insurance coverage will extend through August at no additional cost to the employee.
 - This provision of an additional month of medical insurance, at no cost to the employee, will apply to the two dental assistants that have been identified for layoff even though their layoff effective date is pending

Signatures:

On behalf of the Placer Public Employees Association:

Jerry Kalmar, Business Manager

Madison Bland, President

Joan Bryant, Director of Public Employees

Chuck Theil, Business Representative

Clark Gelbach, President

On behalf of the County of Placer:

Adopted by the Placer County board of Supervisors on _____

Kirk Uhler, Chairman

Thomas Miller, County Executive Officer

Nancy Nittler, Personnel Director

Before the Board Of Supervisors County of Placer, State of California

In the matter of: An uncodified ordinance providing for a limited waiver of certain provisions Chapter 3 regarding promotional appointments pursuant to Side Letter of Agreement Placer County Public Employee's Organization (PPEO) Layoff Impacts

Ordinance No.: _____

First Reading: _____

The following Ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES
HEREBY ORDAIN AS FOLLOWS:

Pursuant to the Side Letter Agreement dated June 10, 2010, negotiated with the Placer Public Employees Organization (PPEO) regarding the impact of layoffs in fiscal year 2010-11, those individuals identified in the final list of layoffs, and subsequently laid off, shall be entitled to apply and be appointed in promotional recruitments conducted for a minimum of two (2) years from the date of layoff.

According to the terms of the Side Letter Agreement, a limited waiver and exception is hereby provided to the requirements of Placer County Code Sections 3.08.760B and 3.08.910, allowing those employees laid-off to be included in promotional examinations and eligible for promotional appointments for a two (2) year period after layoff. If such an employee is subsequently hired from a promotional list, the employee will be removed from the re-employment list and, by acceptance of the new position, shall not have a right of return to the re-employment list.

