



**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  
By: Therese Leonard, Principal Management Analyst  
**DATE:** December 9, 2008  
**SUBJECT:** Adoption of Resolution for Office Closures

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**ACTION REQUESTED**

It is recommended that your Board approve the attached Resolution regarding County office closures for the four days of December 26, 2008, February 13, 2009, April 13, 2009 and May 22, 2009.

**BACKGROUND**

The County's 2008-09 Final Budget approved on September 9<sup>th</sup> now faces an estimated \$8 million shortfall that is the result of a sharp decline in revenue collections, particularly property and sales tax revenues. Additionally, the Governor's current budget proposal includes further reducing local criminal justice funding of yet another \$1.7 million. These factors force the County to weigh additional cost-cutting measures that could be implemented this year in order to partially address this revenue shortfall.

Notably, next year's budget cycle promises to be even more challenging with further declines in sales and property taxes expected, and additional, probable budget impacts yet to be adopted by the State of California. Staff currently estimates next year's budget deficit in excess of \$25 million. Consequently, it is expected that additional cost-cutting measures will be brought before your Board in the near future to further curtail spending, balance the current budget, and position the County for the challenges of the next fiscal year.

The County has actively been taking measures to obtain budget savings through a number of approaches including staff layoffs; the use of reserves; reducing use of extra help and overtime; vacant position deletion; reorganization of operations for better delivery of services and programs; and the continuing of a hiring freeze put into effect more than one year ago. These measures remain in place but won't be enough to overcome the additional, new challenge of sharply declining revenues therefore it is recommended that the Board consider office closures and mandatory time off (MTO).

The Board recently considered staff's proposal regarding the closure of most county offices during the Christmas week, December 22, 23, 24, and 26, 2008 (a total of four work days). This action would have resulted in 4 days of mandatory unpaid leave for most employees crossing a broad range of classifications including Confidential and Management. Critical holiday services such as law enforcement would have remained in operation. It was estimated that over \$2 million in General Fund budget savings would have resulted from this office closure. In addition, it was expected that an office closure during this time period would have had a limited impact on the delivery of normal county services due to the reduced demand during the holiday time frame.

Placer Public Employee Organization (PPEO) rejected any proposal for MTO over the Christmas holiday as requiring re-opening of the current Memorandum of Understanding. While the labor organization has raised that legal issue, concerns were also raised about the financial hardships. More importantly your Board also heard directly from a number of employees, while recognizing the same economic conditions, recommended that the MTO days be spread over the remainder of the fiscal year. In response, on November 25, 2008 the Board of Supervisors gave staff direction to modify the current proposal to spread out the office closure dates over the balance of the fiscal year and return with this item to the December 9, 2008 Board of Supervisors' Meeting. As a result, the action under consideration today substitutes the four days during the week of Christmas with new dates of December 26, 2008, February 13, 2009, April 13, 2009, and May 22, 2009.

### FISCAL IMPACT

This recommended action is projected to save the County's General Fund approximately \$500,000 per day of office closure, for a total of \$2 million estimated for the 4 days identified this fiscal year.

Some of the cost savings to the County that would have resulted from the Christmas week MTO proposal were to occur as a result of actually closing the buildings for the week. This modified proposal will achieve some, but not the same extent of cost savings with respect to the building closures.

It is important to note that the action requested today, if approved by your Board, only partially addresses the current year revenue shortfall and that further, significant cost-cutting measures will be necessary and brought forward for your consideration within the next few months. Further, experts believe that the current economic slowdown will not resolve itself in the near future, and expect it to continue well the County's next budget cycle and potentially into the next several fiscal cycles. As a result, both the current and future years' budgets will be extremely challenging.

Attachment: Resolution

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF PLACER,  
STATE OF CALIFORNIA**

In the matter of: A Resolution of the Board of Supervisors  
To Close County Offices for Purposes of Implementing  
A Program of Mandatory Time-Off (MTO) to Address Budget  
Deficits Resulting From The Impact of Local, State and National  
Economic Conditions.

Reso. No. \_\_\_\_\_

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held December 9, 2008, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairperson, Board of Supervisors

Attest:

Clerk of said Board

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WHEREAS, Placer County Code Section 2.12.010 and Government Code Section 24260 authorize the Board of Supervisors to order that County Offices be closed on specific days during a fiscal or calendar year; and

WHEREAS, declining national, state and local economies have resulted in a related decrease in county revenues from those anticipated for the 2008-09 Fiscal Year and have required that the Board of Supervisors weigh additional cost-cutting measures for this fiscal year and to lay the groundwork for the 2009-10 Fiscal Year, and

WHEREAS, the County's 2008-09 Fiscal Year budget, which was balanced when adopted on September 9, 2008, now faces an \$9.5 Million shortfall due to unanticipated sharper declines in actual and projected revenues, particularly sales taxes and property taxes, and the Governor's proposed midyear budget revisions for this fiscal year including further reducing local revenue, such as local criminal justice funding, and

WHEREAS, it is anticipated that the revenues for Fiscal Year 2009-10 will further decline, and that the budget shortfall for the next fiscal year is projected to be over \$25 Million, requiring the County to take actions in addition to those actions taken to date, potentially including staff layoffs; the use of reserves; further reducing the use of extra help and overtime; vacant position deletion; reorganization of operations for better delivery of services and programs; and the

continuing of a hiring freeze put into effect more than one year ago. The closing of county offices for all but necessary services, such as law enforcement, on these four days during the remaining fiscal year is expected to result in further budget savings of \$1.5 Million to \$2 Million;

NOW THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Placer, State of California, that County Offices shall be closed on the following four days of the 2008-09 Fiscal Year, and County employees shall not be compensated for time in which county offices are closed and no work is required of those employees. The dates set for closing of County offices shall be December 26, 2008, February 13, 2009, April 13, 2009 and May 22, 2009. Those employees not providing necessary services, as determined by their Department Head and the County Executive Officer, shall be assessed eight hours of mandatory time-off on each of these dates of the office closings. The County Executive Officer and the Department Head shall identify for the Auditor the names and assignments of each employee required to perform necessary services on the dates County offices are closed. Those employees identified shall be compensated according to their then current rate of pay.

BE IT FURTHER RESOLVED that the County Executive Officer shall have the authority to determine and authorize details necessary to implement the office closures and mandatory time-off. In making such determinations, the County Executive Officer should attempt to minimize the impact of this program on the public and where reasonable to do so, assure that the program is equitably applied to those subject to the mandatory time off, including employees on alternative work schedules.