MEMORANDUM

DATE: November 10, 2009

TO: City Council Members

FROM: Sylvia Richards

SUBJECT: Proposed changes to Layoff Ordinance and Employee Appeals

Board Ordinance

CC: David Everitt, Lyn Creswell, Ralph Chamness, Debra Alexander,

and David Salazar

Potential Motions for both ordinances are included on a <u>separate</u> <u>sheet</u> in your binder under Unfinished Business.

The following information was previously provided to the Council on November 10, 2009.

BACKGROUND

The Administration met with Council Members in small groups during the FY 2009-10 annual budget season to discuss potential modifications to the city's Layoff Ordinance as well as changes to the Employee Appeals Board Ordinance as itemized below.

LAYOFF ORDINANCE: PROPOSED CHANGES

The proposed changes from the Administration would do the following:

- Require the City to attempt to reduce the impact of layoffs through reorganization, job restructuring or placing employees in vacant positions.
- Eliminate 'bumping rights'. If the City decides to cut costs and eliminate positions, the current practice is to allow the most senior employee (who is usually the highest paid) to bump a less senior employee and take their position. This can cause the City to actually eliminate more positions in order to "protect" the more senior employee.
- Eliminate 'automatic placement'. Preferential consideration will be given to an employee on layoff status. An employee on layoff status may be hired or may receive an interview for a position without having to go through the application process.
- Eliminate the requirement to use seniority as the deciding factor in ending employment for an employee.

These changes do not apply to Appointed employees, Fire Department and Police Department employees, or employees covered by a Memorandum of Understanding (MOU). The Administration indicates that the proposed changes have been discussed with representatives from the Professional Employees Council (PEC).

EMPLOYEE APPEALS BOARD ORDINANCE: PROPOSED CHANGES

The Administration proposes the following changes to the Employee Appeals Board Ordinance:

- Under the existing ordinance, board members are elected by city employees. According to the Administration, the election process is cumbersome and ineffective. The Administration indicates it has been difficult to retain employees on the Board and employees, despite being elected, are unwilling or unable to hear appeals. The proposed change allows the Mayor to appoint employees after considering suggestions from AFSCME, the PEC and any other employee group and managers. The rationale behind having the Mayor appoint employees is to eliminate the election difficulties and to increase the status of being an appointed representative.
- Reference to *labor relations officer* is replaced by *mayor's designee*
- Allows an employee to appeal a layoff or other non-disciplinary separation decision for failure to follow city policy or decisions
- Outlines appeal procedures
- Board members will serve three-year terms; three members will serve as a panel to hear any appeal. Panels will be selected by the Mayor's designee.

Duties

Board members are to conduct hearings relating to an employee's appeal from termination, suspension without pay for more than two days, involuntary transfer to a position with less compensation, or layoff. If an appeal is based on disciplinary action, the panel will decide if the department head's action was clearly in error in light of the evidence, including the employee's entire employment history with the city.

If an appeal is based on a layoff, the panel will determine whether the city followed layoff procedures at the time of the layoff. And if the appeal is based on termination for non-disciplinary reasons, the panel will determine whether city followed procedures when the employee was terminated.

These changes do not apply to appointed employees, Fire Department employees or Police Department employees. The Administration has discussed the proposed changes with representatives from AFSCME and the PEC.

POTENTIAL MOTIONS FOR LAYOFF ORDINANCE:

1. ["I move that the Council"] Adopt an Ordinance amending Chapter 2.52.120 of the Salt Lake City Code regarding Layoffs.

<u>OR</u>

2. ["I move that the Council"] Not Adopt an Ordinance amending Chapter 2.52.120 of the Salt Lake City Code regarding Layoffs.

SALT LAKE CITY ORDINANCE No. of 2009

(An ordinance amending a portion of Section 2.52.120 (Layoffs) of the Salt Lake City Code)

An ordinance amending section 2.52.120 (Layoffs) of the Salt Lake City Code.

WHEREAS, the City only conducts layoffs in response to budgetary constraints or due to policy changes resulting in the elimination of positions; and

WHEREAS, the City attempts to minimize the impact of layoffs on City employees while maximizing the performance of its employees; and

WHEREAS, the current section of the Salt Lake City Code bases layoffs solely on an employee's seniority; and

WHEREAS, basing layoffs solely on an employee's seniority without consideration of the employee's entire employment history fails to minimize the impact of layoffs.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. <u>Amending text of Salt Lake City Code</u> section 2.52.120. That section 2.52.120 of the Salt Lake City Code (Layoffs), shall be, and hereby is, amended to read as follows:

Chapter 2.52.120 Layoffs:

If the city concludes that it should reduce the number of city employees, it should attempt to reduce the impact of layoffs through reorganization, job restructuring or placement of employees in vacant positions. Employees will be laid off according to the provisions of any applicable Memorandum of Understanding or City policy or procedure.

SECTION 2. <u>Effective Date</u>. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lak	e City, Utah	, this day of	, 2009.
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ATTEST AND COUNTERSIGN:			
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Transmitted to Mayor on			NA.
Mayor's Action:Ap	proved.	Vetoed.	
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