

**CITY OF SALINAS
LAYOFF POLICY FOR THE
ASSOCIATION OF MANAGEMENT EMPLOYEES
NOVEMBER 1, 2004**

I. POLICY

It is the intention of the City of Salinas to provide a layoff policy that ensures fairness and objectivity to all City employees as well as the best opportunity for a transition to re-employment.

The City of Salinas, at its sole discretion, may lay off an employee due to the lack of work or lack of funds. The City shall inform affected employees and the Association of Management Personnel (AMPS) regarding potential layoffs in a timely manner when the City becomes aware of potential layoffs.

The City shall utilize a Management Committee, composed of administration and AMPS representatives to review potential layoffs and discuss alternatives to layoffs.

II. PROCEDURE

Layoffs shall be determined within City departments, not the City as a whole. In the event of a reduction in work force in a department, the City shall designate the classification(s) and position(s) to be eliminated. The City shall provide affected employees and AMPS with a current seniority list for the positions affected, the reason for proposed layoffs, the effective date of layoffs, and a copy of this policy no later than sixty (60) days prior to the effective date of the layoffs. Additionally, affected employees shall be provided a summary of all accrued benefits and entitlement at least sixty (60) days prior to the effective date of layoffs.

Layoffs shall be made among all representation unit employees in the same classification within a City department in the following order:

1. Temporary employees;
2. Probationary new employees (excluding promotional probationary employees);
3. Regular employees.

No regular employee within a department shall be laid off in any classification if there are temporary employees in an active status in the same classification within that department.

III. SENIORITY DEFINED

For purposes of layoff, seniority shall be defined as the length of service in all regular positions within the City as determined by City personnel records, to include time spent in probationary status. Continuous service for purposes of determining seniority shall

be defined to include work related injury leave of up to one (1) year's duration. In the event that two (2) or more employees with equal seniority have to be laid off from the same classification, the determination of seniority shall be made by lottery.

IV. LAYOFF BY CLASSIFICATION

Layoffs shall be accomplished solely within individual departments, except as noted in V below. The order of layoff within a classification shall be based exclusively on seniority, with the least senior employee being the first to be laid off.

V. PREVIOUSLY HELD POSITIONS

In the event that an employee is laid off, that employee shall have the right to return to ("bump") any specific position in the City in which the employee has served in regular status with due consideration to reclassifications, job descriptions and changes in titles of the position previously held. The laid off employee's base salary shall be set within the range and step available (to include sixth step) for the lower classification at a step that would result in the least possible reduction in base salary with due consideration to reclassifications, job descriptions, and changes in titles of the position(s) previously held. An employee must notify the city within ten (10) working days after receipt of written notice of layoff of his/her desire to return to that classification.

VI. JOB COUNSELING AND OUTPLACEMENT SERVICES

It is the City's intent to assist laid off employees through the transition from City service. To that extent, employees whose positions are proposed for reduction may schedule a meeting with a representative of the Human Resources Office. In addition to providing job counseling to employees facing layoff, the Human Resources Office will function as a clearinghouse for resources, information and referrals on outside employment, training opportunities, and potential re-employment opportunities with the City of Salinas.

VII. SEVERANCE PAY

Each laid off employee shall receive severance pay based on the following:

| <u>Years of employment</u> | <u>Severance Pay</u> |
|----------------------------|----------------------|
| Less than 6 years | 1 week per year |
| 06 - 10 years | 6 weeks |
| 11 - 15 years | 7 weeks |
| 16 - 17 years | 8 weeks |
| 18 - 19 years | 9 weeks |
| 20 - 24 years | 10 weeks |
| 25 years and over | 11 weeks |

In addition, if for any reason the City requests an employee to leave before the sixty (60) day notice period has passed, the City shall pay the employee the remainder of his/her salary and benefits for the sixty (60) day period.

VIII. HEALTH INSURANCE

Each employee is eligible to continue group health insurance benefits under the provisions of the City's group health plan for a period of 18 months following the date of separation. For laid off employees, the City will pay the full premium amount for the level of health insurance coverage in force on the date of separation for a period of 18 months.

If a laid off employee elects this coverage, the benefit will continue until whichever of the following events occurs first:

- Expiration of 18 months from the date of separation.
- Employee becomes covered under any other group health plan as an employee or dependent. If the laid off employee fails to notify the City of such coverage, the City *shall* immediately terminate group coverage under COBRA (Consolidated Omnibus Budget Reconciliation Act) and take action to recover the City's costs for the period of time of dual eligibility.
- Employee or covered dependent becomes eligible for Medicare.

The "Election of Benefit" form must be signed and returned to the Human Resources/Risk Management Office no later than 5:00 p.m. on the final date of employment, or rights to City-paid premiums will terminate.

Coverage beyond the 18 months of City-paid premiums may be continued at employee expense, under the provisions of COBRA, subject to the guidelines and limitations of the COBRA provisions.

For purposes of this policy, health insurance is defined to be inclusive of City health, vision, dental, and the Employee Assistance Program (EAP).

IX. ACCRUED TIME

At the time of separation, each laid off employee shall be paid in full for all accrued time earned during the course of employment to include 100 percent of accrued annual leave and 50 percent of accrued sick leave.

X. FLEXIBLE COMPENSATION PLAN

Any employee receiving notice of layoff who has previously received a benefit under the "flexible compensation plan" shall under no circumstances be required to reimburse the City for the benefit already paid.

XI. RE-EMPLOYMENT OF EMPLOYEES LAID OFF

The names of persons laid off under these procedures shall be maintained on a City re-employment list for the classification from which the employee was laid off and for those specific positions that an employee previously held in regular City service for a period of up to twenty-four (24) months from date of layoff. When using a re-employment list to

fill a position in a classification from which layoffs have occurred within the twenty-four (24) month period, the City shall re-employ laid off employees from the list in reverse order of layoff. During the twenty-four (24) month period, no new employee shall be hired nor shall any employee be promoted to a classification from which layoffs have occurred until all employees on layoff status in that classification have had the opportunity to return to work.

A laid off employee may be removed from the City re-employment list for any of the following reasons: 1) The expiration of twenty-four (24) months from the date of layoff; or 2) Regular re-employment with the City; or 3) Failure to accept employment with the City or 4) Failure to appear for a job interview after fourteen (14) days notification by U.S. mail of such interview; or 5) Failure to respond within fourteen (14) days of available employment; or 6) Request in writing by the laid off employee to be removed from the list.

It is the responsibility of the laid off employee to advise the City Human Resources Office of any change in address or phone number.

XII. RETRAINING (Shall not apply to promotional opportunities)

It is the City's intent to consider on-the-job training programs for laid off employees or employees who have received notification of proposed layoffs who may be interested in transitioning to other available positions within the City for which they may or may not be fully qualified.

If an employee's qualifications are judged to meet the minimum desirable qualifications (for a current job opening) as outlined in the job description, or if, in the opinion of the Human Resources Officer and Department Director it is reasonable to expect the employee to meet the minimum desirable qualifications within a ninety (90) calendar day period of on-the-job training, the City will consider that laid off employee prior to any other employee or applicant.

If a laid off employee elects to be retrained for a job that is open within the City and does not have the minimum qualifications outlined in the job description, then he/she shall be given a training period for on-the-job training to acquire those minimum qualifications required, and subsequent to that process a period in which to complete retraining in order to perform the job. Upon acquiring the minimum qualifications after completing the training period, the City shall offer the job to that laid off employee. The timeline for that training process shall be the following:

1. First ninety (90) days of training: It is in this period where an employee can demonstrate the ability to acquire the minimum qualifications for the job. If the employee can acquire the minimum qualifications for the job, then he/she shall enter the next phase of retraining. If an employee cannot acquire the minimum qualifications for the job, then the employee shall be removed from the retraining program for that particular job and shall be laid off with full benefits as provided for in the layoff policy.

2. Special educational and/or training requirements: This period applies for those jobs that require an employee to have completed any special training and/or educational requirements to be qualified to perform the job for which he/she is being trained. The timeline for this period is based on the educational and/or training requirements. This provision applies only to those jobs where special training and/or education is required.
3. The final phase of special education and/or training shall be no longer than six (6) months.
4. The period of training prior to the job being offered to the employee is not considered part of the probationary period.

In the event that there is more than one (1) laid off employee who is considered for retraining, the laid off employee who has greater seniority will be given first priority for consideration of the on-the-job training opportunity.

XIII. RESTORATION OF BENEFIT FOR RECALLED EMPLOYEES

Any employee who has been laid off and is hired from a City re-employment list under the terms of this article within twenty-four (24) months from the date of layoff shall be entitled to: 1) Restoration of regular status or for employees who have not completed their probationary period, credit for that portion which has been completed shall be given; and 2) Restoration of any accrued time lost due to layoff; and 3) Credit for all years of service for the purpose of determining seniority and benefits; and 4) Placement in the same step of the salary range the employee held at the time of layoff.

XIV. ELIGIBILITY FOR CITY PROMOTIONAL EXAMINATIONS

In an effort to re-employ laid off employees, the City will temporarily suspend (for a period of twenty-four (24) months from the effective date of layoff) Section 5.3 of the Personnel Manual relating to promotional policy in order to allow employees on the re-employment list the opportunity to compete in closed, promotional exams. All employees on a re-employment list will receive notice of any promotional opportunity within the City service. Further, during the temporary suspension of this rule, if only one qualified employee submits an application for the promotional exam, such exam shall remain in-house. If the one promotional applicant fails the examination, the exam may then be posted as an open recruitment and outside applications invited.

The City shall mail notices of all promotional examination opportunities to employees in a laid off status for a period of twenty-four (24) months. This provision shall be satisfied by the City depositing in U.S. Mail copies of the promotional examination announcement no less than twenty-one (21) days prior to the closing date of the application for the promotional examination.

In the event that a laid off employee is appointed to City service through a promotional exam process, that employee shall be hired as a probationary employee and shall receive credit for all prior service for purposes of determining seniority and benefits; and

the employee shall be placed in the salary range at a step that is closest to the salary that he/she received prior to layoff. In the event that a promotional probationary employee does not satisfactorily complete his/her probation, that employee shall return to his/her previous laid off status defined in these policies.

XV. APPEAL PROCEDURE

An employee directly affected by the operation of this policy may, within ten (10) working days after notice of layoff is received, request a meeting with his/her department head to review the application of this policy as it affects the employee's status. The employee may be accompanied by the representative of his/her choice.

If the employee is not satisfied with the review provided by his/her department head, a further review of the application of the layoff policy may be requested by the employee with the City Manager. Such review must be requested with the City Manager's office within ten (10) working days of the meeting with the department head. The determination of the City Manager may be appealed to the City Council. Such appeal must be filed with the City Clerk within three (3) working days of the City Manager's determination.

Appeals shall be limited to the following:

1. Determination of seniority;
2. Interpretations of the employee's right to return to a specific position in the City in which the employee has served in regular status with due consideration to reclassifications, job descriptions and changes in titles of the position previously held; and
3. The employee's current classification
4. Other decisions directly affecting an employee's layoff status under this policy.

XVI. DEFINITIONS

Position - A group of duties and responsibilities assigned to one employee, as defined in the official job description maintained by Human Resources.

Classification - A group of positions with the same job title having similar duties, responsibilities, and qualifications.

Class - This term is used interchangeably with Classification.

Re-Employment List - A list for a specific position or classification containing the names of laid off employees who have reinstatement rights to that classification or position. This list shall be maintained and updated by Human Resources and an updated copy shall be given to the AMPS President within five (5) workdays of any changes.

Laid-Off Employee List - One master list containing the names of all employees who are in a layoff status. This list shall be maintained and updated by Human Resources and an updated copy shall be given to the AMPS President within five (5) workdays of any changes.

Regular Employee - An employee either full-time or part-time who occupies an authorized budgeted position.

AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING
DATED NOVEMBER 1, 2004
BETWEEN THE CITY OF SALINAS AND THE
ASSOCIATION OF MANAGEMENT PERSONNEL OF SALINAS

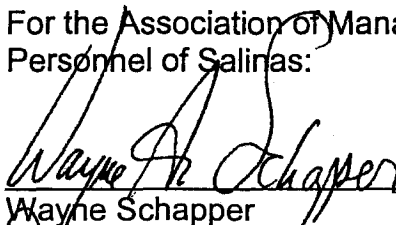
For the City:



Dave Mora
City Manager

Date: 11-1-04

For the Association of Management
Personnel of Salinas:



Wayne Schapper
AMPS President

Date: 1 November 2004