

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

July 28, 2020

FROM

GARY McBRIDE, Chief Executive Officer, County Administrative Office

SUBJECT

Introduction of an Ordinance Relating to Compensation and Terms and Conditions of County Officials and Exempt and Non-Represented Employees

RECOMMENDATION(S)

1. Consider proposed ordinance relating to compensation and terms and conditions of County Officials and Exempt and non-represented employees.
2. Make alterations, if necessary, to proposed ordinance.
3. Approve introduction of proposed ordinance.
4. Read title only of proposed ordinance; waive reading of the entire text and SCHEDULE FOR FINAL ADOPTION ON TUESDAY, August 11, 2020, on the Consent Calendar.
(Presenter: Gary McBride, Chief Executive Officer, 387-5418)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Create, Maintain and Grow Jobs and Economic Value in the County.

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Rather than now proceeding with the July 2020 3% across-the-board salary increase for County Officials and Exempt and non-represented employees (Exempt Group), a one-time lump sum payment equivalent to 3% of each employee's salary covering the period from July 18, 2020 through September 25, 2020 would produce an overall cost savings of approximately \$26,000. This savings is due to a reduction in retirement costs because the one-time lump sum payment is not considered as earnable compensation for Tier 2 employees.

BACKGROUND INFORMATION

The Exempt Group ordinance sets the terms and conditions of Exempt Group and non-represented employees covered by the ordinance.

The County's economic forecast has deteriorated significantly in the wake of COVID-19. Currently, the County has projected a \$75.4 million deficit in the coming Fiscal Year 2020-21 budget and a \$104.8 million deficit in the 5-year forecast. As a result, the County needs to take immediate action to preserve its financial footing.

On June 9, 2020 (Item No. 66) the Board approved the addition of language to the Exempt Group ordinance that, among other things, gave the County's Chief Executive Officer (CEO)

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discretion to grant the Exempt Group's July 2020 3% across-the-board salary increase based on the availability of financial resources. Given the County's economic circumstances, the CEO has made the determination to exercise that discretion and not grant the July 2020 increase. In an effort to mitigate the loss of the anticipated increase it is proposed that the County provide a one-time lump sum payment equivalent to 3% of each employee's salary covering the period from July 18, 2020 through September 25, 2020. Further, it is proposed that language be added that would give the Chief Executive Officer discretion to restore, in full or in part, said across the board increase. This approach gives the County the ability to ease the ongoing financial constraints and provide additional time to acquire data on the depth and anticipated duration of the economic impacts of this truly unprecedented event.

The County Administrative Office – Labor Relations Unit had discussions with all of the County's labor unions regarding the County's budgetary concerns and potential cost saving measures, and the proposed one-time lump sum payment is consistent with the tentative agreement reached with Teamsters Local 1932.

PROCUREMENT

N/A.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Kenneth Hardy, Supervising Deputy County Counsel, 387-5401) on July 20, 2020; Labor Relations (Bob Windle, County Labor Relations Chief, 387-3101) on July 20, 2020; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on July 21, 2020; County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on July 22, 2020.

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Record of Action of the Board of Supervisors
County of San Bernardino

Public Comment: None

APPROVED

Moved: Robert A. Lovingood Seconded: Dawn Rowe
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: July 28, 2020



cc: File - Admin Office/Continue to Final BAI on 8/11/20
jm 07/30/2020