King County

Legislation Details (With Text)

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Title: AN ORDINANCE related to establishing the voluntary separation program to incent the voluntary separation of retirement-eligible employees as a cost-saving measure and as necessary to minimize the number of employees subject to a reduction in force; and adding a new chapter to K.C.C. Title 3.

Sponsors: Dave Upthegrove

Indexes: Employment

Code sections:

Attachments: 1. Ordinance 18696.pdf, 2. Legislative Review Form.pdf, 3. Voluntary Separation Program (VSP) Ordinance -- 2017-018 Biennial Fiscal Note.xls, 4. Voluntary Separation Program (VSP) Ordinance - Letter from Executive to Council Chair.docx, 5. 2017-0373_SR_Voluntary_Separation.docx, 6. 2017-0373_ATT2_Striking_Amendment_S1.docx, 7. 2017-0373_ATT4_2014-2016_Voluntary_Separation_Pilot_Program_Outcome_Report.pdf, 8. 2017-0373 amend 1 to S1 RB khm 092717 Ritzen edits 09-27-17 1001AM.docx, 9. 2017-0373_SR_dated_030818_Voluntary_Separation_Program.docx, 10. 2017-0373_ATT2_AMDS1_Striking_Amendment.docx, 11. 2017-0373_ATT4_First_Pilot_VSP_Outcome_Report.pdf, 12. 2017-0373_REVISED_SR_dated_030818_Voluntary_Separation_Program.docx

Date	Ver.	Action By	Action	Result
3/26/2018	2	Metropolitan King County Council	Hearing Held	
3/26/2018	2	Metropolitan King County Council	Passed	Pass
3/14/2018	1	Budget and Fiscal Management Committee	Recommended Do Pass Substitute	Pass
2/5/2018	1	Metropolitan King County Council	Reintroduced	
9/27/2017	1	Budget and Fiscal Management Committee	Deferred	
9/25/2017	1	Metropolitan King County Council	Introduced and Referred	

Clerk 03/14/2018

AN ORDINANCE related to establishing the voluntary separation program to incent the voluntary separation of retirement-eligible employees as a cost-saving measure and as necessary to minimize the number of employees subject to a reduction in force; and adding a new chapter to K.C.C. Title 3.

STATEMENT OF FACTS:

1. Because significant budget shortfalls in key areas were identified for 2013 and forecasted for 2014, on November 16, 2012, Ordinance 17457 was enacted. The ordinance authorized the executive branch to pilot a voluntary separation program in 2012 and 2013 designed to incent retirement-eligible employees to voluntarily leave county employment. The desired result was to minimize the need for reductions in force and provide for cost savings and efficiencies.

2. To allow for further assessment of the program, a second pilot was conducted during the 2014 -2016 biennium, as authorized by Ordinance 17833.

3. The county has completed the pilots, and the county executive has reported the following resulting benefits:

  a. Twenty-seven proposed reductions in force were achieved in the 2012-2013 pilot and thirty-four proposed reductions in force were acheived in the 2014-2016 pilot;

  b. Agencies were able to better align resources and work programs with agency priorities, to create critically needed positions and to increase in efficiencies and flexibility; and

  c. Significant cost savings were acheived.

3. Because the pilot programs to incent the voluntary separation of retirement eligible employees proved beneficial, the executive recommends that the voluntary separation program be established as an ongoing program.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Sections 2 and 3 of this ordinance should constitute a new chapter in K.C.C. Title 3.

SECTION 2. A. The executive is hereby authorized to establish a program in agencies identified by the executive that incentivizes retirement-eligible employees to voluntarily leave county employment, but only if:

  1. The voluntary separation program will enable the agency to avoid a budget shortfall that would result in program cuts or reductions in force, or the voluntary separation program will result in labor cost savings; and

2. The agency will not fill the separating employee's position or will fill the position at a lower wage rate that is expected to result in a net twenty percent annual salary cost savings.

B. The executive is further authorized to enter into or extend agreements with labor organizations to provide the same incentive program as provided for nonrepresented employees under this chapter. If such an agreement addresses no other subject or additional terms, it shall have the force of law upon execution by the parties, without enactment by ordinance.

C. In order to be eligible for the program, the employee must have at least five years of county service, must not be a temporary employee and must be eligible to apply for a pension from the Law Enforcement Officers and Firefighters Retirement System, Public Employees Retirement System, Public Safety Employees Retirement System or the city of Seattle Retirement Plan, before December 31 of the calendar year in which the employee applies for the program. While the employee must be retirement-eligible and must separate from the county, the employee need not actually begin drawing a pension to be considered eligible for the program. An employee who has resigned, retired or submitted written notification of the employee's intent to do so before the employee's employing agency has announced its intention to participate in the program, is ineligible to participate in the program.

D. Participation in the program by employees is entirely voluntary.

E. As a financial incentive, the county shall pay to currently employed, retirement-eligible employees who request, and are authorized by the executive, to voluntarily separate from county service, a one-time payment equal to twenty-six-weeks of the Washington state employment security department's maximum weekly unemployment benefit amount in effect as of January 1 of each calendar year. This one-time payment amount issued to the eligible participant will be in the amount effective for the year the participant was approved for the program and separates from the county. For part-time employees, this one-time payment will be prorated based on the percentage that employee works as measured against a full-time employee.

F. The program shall require that participating employees enter into a written agreement with King

County that sets forth the terms and conditions of their voluntary separation, including but not limited to:

1. Any employee approved to participate in the program must leave county employment by written resignation or retirement no later than December 31 of the year in which the employee applies for the program. Agencies may establish deadlines and procedures, which may vary by agency for employee participation in the program;

2. The employee will not seek reemployment with the county in any county position;

3. The employee agrees that the employee is not eligible for, and will not apply for, unemployment compensation and signs a waiver of any claim for unemployment compensation; and

4. The employee must sign a waiver or release of any claim under the Age Discrimination in Employment Act and the Older Worker Benefit Protection Act.

G. The executive's approval of any employee request to participate in the program is discretionary, and consideration will be given to the impact to service delivery, retention of a skilled employee or employees, cost of refilling a position or positions, short-term and long-term budget savings and the employee's length of service with the county.

H. All decisions to approve or deny the requests of individual employees to participate in the program shall be in writing and shall report the savings impacts, either short-term or long-term or both, if the request is approved or denied. Decisions to approve or deny a request shall not be the subject of a grievance.

I. The executive shall include, as part of the program, a clear designation of who is authorized in each agency to approve or deny employee requests to participate in the program. Employees of agencies headed by elected officials, other than the executive, are ineligible to participate in the program unless their request is approved by both the executive and the head of the applicable agency.

SECTION 3. **Severability.** If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or theapplication of the provision to other persons or circumstances is not affected.