

Reply to Common Council File No. 030149

From DOA-Budget and Management Division

May 23, 2003

Ref: 03043

Common Council File 030149 is a resolution authorizing release of the Department of Administration's \$150,000 designated for a Civil Service and Human Resources Reform Project and re-designates these funds to be used for an Outplacement Services Program for employees impacted by the 2004 Budget.

The city is facing severe fiscal constraints, making it necessary to re-prioritize upcoming projects. The ailments of the civil service system remain a concern for the city, and should stay on the radar screen for future funding opportunities. However, faced with the possibility of numerous layoffs in the 2004 Budget, it is more prudent to direct the \$150,000 to a program that will alleviate the impact of job loss for members of the city's workforce.

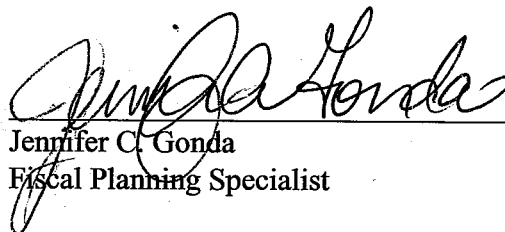
The Outplacement Services Program will consist of:

- Staffing assistance for persons interested in reemployment options within the City.
- Provision of a benefits packet and other information for each employee.
- Career development and re-employment skill services to ease employee transition into the job market.

The proposed Outplacement Services Program needs to be implemented several months prior to the 2004 fiscal year to address transitional issues. The 2003 Budget did not anticipate funding for this purpose, making it necessary to shift the funding from another program in 2003. Similar programs have been successfully used in the past. Most recently, the city spent about \$80,000 on Outplacement Services in 1996.

Every effort is being undertaken to place at-risk individuals internally and to minimize the number of layoffs by adhering to a strict hiring freeze for the remainder of the year. While evaluating the needs of our Civil Service System should remain a priority for city officials, we believe the Outplacement Services Program is a more immediate priority for use of these funds.

**RECOMMENDATION: APPROVE COMMON COUNCIL FILE #030149 TO RELEASE AND REDESIGNATE \$150,000 FOR AN OUTPLACEMENT SERVICE PROGRAM.**



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