



COUNTY OF HUMBOLDT

For the meeting of: 5/24/2022

File #: 22-670

To: Board of Supervisors

From: Human Resources

Agenda Section: Consent

SUBJECT:

Adoption of Resolution Delegating and Amending Authority to the County Risk Manager to Review, Negotiate, and Settle Wage and Payroll-Related Complaints, Claims, Grievances, and/or Pending Actions Against the County of Humboldt

RECOMMENDATION(S):

That the Board of Supervisors:

1. Adopt the Resolution delegating and amending authority to the County Risk Manager to allow, settle, or compromise wage and payroll-related complaints, claims, grievances, and/or pending actions, including payments and any changes to the affected employee's leave banks or accruals, up to a maximum of \$30,000, including benefit and accrual/time value as may be warranted, after review and consultation with the Director of Human Resources, County Administrative Officer, and County Counsel.

SOURCE OF FUNDING:

Liability Fund (3524)

DISCUSSION:

The Board of Supervisors first delegated authority to the county Risk Manager in 1983 to allow, settle, or compromise claims not exceeding \$20,000 against the county (Resolution No. 83-65). This delegation of authority was thereafter amended in 2006, when settlement authority to the county Risk Manager was increased to \$25,000 (Resolution No. 06-59), and further amended in 2019 when the settlement authority to the county Risk Manager was increased to \$30,000 (Resolution No. 19-30). In 2021, your Board clarified that the delegation to the county Risk Manager included the authority to allow, settle, or compromise pending legal actions against the county up to \$30,000 (Resolution No. 21-74). The proposed resolution (Attachment 1) is intended to extend the existing settlement authority previously delegated to the county Risk Manager to include the authority to allow, settle, or compromise any wage and payroll-related complaints, claims, and/or grievances made against the county, regardless of whether any formal action has been initiated against the county, up to the existing settlement authority of \$30,000.

This item is coming before your Board due to numerous complaints, claims, and/or grievances that have been received by the county's Human Resources Department/Risk Management relating to a variety of wage and payroll issues, such as allegations of non-payment of wages, inaccurate leave time and balances, errors in deferred compensation, and incorrect W-2 forms. To date, affected employees have retained legal representation, have filed claims directly with the California Labor Commissioner's Office of the Department of Labor and Standards Enforcement, and have filed formal grievances and claims with the county for resolution. The proposed resolution will provide another legal mechanism in which the county may attempt to expeditiously resolve these wage and payroll-related issues.

In addition, there are instances in which wage and payroll errors have resulted in overpayments to employees, such as failing to appropriately deduct leave time taken or failing to integrate workers' compensation payments. For these affected employees, the proposed Resolution provides that the county Risk Manager may, upon consultation with the Human Resources Director, County Administrative Officer, and County Counsel, enter into repayment agreements with the affected employee that do not exceed \$30,000 and have a repayment timeline of two years or less.

FINANCIAL IMPACT:

There is no additional financial impact related to the resolution to delegate and amend the authority of the county Risk Manager to also include the authority to allow, settle, or compromise any wage and payroll-related complaints, claims, and/or grievances made against the county, regardless of whether any formal action has been initiated against the County. Financial impacts of any settled or compromised complaints, claims, grievances, or pending actions are dependent upon the specific type of claim and/or action against the County, and expenditures are contained in the Risk Management - Liability Budget Unit (3524-354).

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by managing our resources to ensure sustainability of services and furthering effective and efficient government operations and liability management.

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose not to approve staff's recommendation to extend the settlement authority previously provided to the County Risk Manager; however, this is not recommended as delays and inaction on wage and payroll-related claims will create increased liability for the County.

ATTACHMENTS:

1. Resolution Delegating and Amending Authority to the County Risk Manager to Review, Negotiate, and Settle Wage and Payroll-Related Complaints, Claims, Grievances, and/or Pending Actions Against the County of Humboldt

PREVIOUS ACTION/REFERRAL:

File #: 22-670

Board Order No.: .

Meeting of: June 6, 2006, April 16, 2019, June 12, 2021

File No.: 21-1007