

BUDGET AND FINANCE COMMITTEE REPORT relative to the deferral of furlough implementation during Fiscal Year (FY) 2020-21.

Recommendation for Council action:

INSTRUCT the General Managers of all affected City departments to delay the implementation of furloughs, as described in the Adopted Budget for FY 2020-21, until the pay period following the rescission period for the proposed Separation Incentive Program (SIP).

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that the furloughs represent a savings of \$5.79 million each pay period. Based on the targeted timeline for implementation of the SIP, furloughs would be deferred for approximately four pay periods for a fiscal impact of \$23.1 million.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on June 29, 2020, the Budget and Finance Committee considered the CAO report dated June 22, 2020 relative to instructing the General Managers of all affected City departments to delay the implementation of furloughs, as described in the Adopted Budget for FY 2020-21, until the pay period following the rescission period for the proposed SIP. The proposed SIP with a 1,300-participant would provide a cash incentive to City employees eligible for a normal retirement in effort to identify savings alternatives to avoid furloughs.

After providing an opportunity for public comment, the Committee moved to approve the recommendation contained in the subject CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
PRICE:	YES
BLUMENFIELD:	YES
BONIN:	YES
KORETZ:	RECUSED