

PERSONNEL AND ANIMAL WELFARE and BUDGET AND FINANCE COMMITTEES' REPORT relative to requests for Targeted Local Hire (TLH) positions not included in the Adopted Budget for Fiscal Year (FY) 2020-21.

Recommendation for Council action:

REMOVE the exemption from the City's hiring freeze for new positions hired through the TLH Program on a temporary basis until Council has decided not to engage in layoffs, at which point, hiring under the TLH Program can resume with exemptions from the hiring freeze being automatic.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that eliminating the exemption from the City's Hiring Freeze for individuals hired through the TLH Program could have a positive fiscal impact due to a reduction in hiring and therefore reduced expenditures for salaries.

Financial Policies Statement: The CAO reports that the recommendations contained in the September 28, 2020 CAO report, attached to the Council file, comply with the City's Financial Policies.

Community Impact Statement: None submitted.

Summary:

On October 21, 2020, the Personnel and Animal Welfare (PAW) Committee considered a September 28, 2020 CAO report relative to requests for Targeted Local Hire (TLH) positions not included in the Adopted Budget for FY 2020-21. According to the CAO, it's recommended that no new TLH position authorities be provided to Departments at this time. Also, it's recommended that the Council and Mayor rescind the existing Hiring Freeze exemption for TLH positions. Departments may still request to hire TLH positions, but would need to do so through the Hiring Freeze process. On August 25, 2020, the City Council adopted a motion (Council File No. 20-0600-S72) directing the Personnel Department and the CAO) to survey all City departments for proposed new or additional TLH-eligible position authorities. The Personnel Department and the CAO collected and compiled survey responses from all City departments that propose to hire using the TLH Program in 2020-21. Department survey responses included:

1. Requests for 92 new TLH position authorities.
2. Details regarding 350 existing position authorities that departments intend to fill in the current Fiscal Year through the TLH Program.

As part of the actions on the 2020-21 Budget, the Council and Mayor approved a Citywide Hiring Freeze because of the reduction in City revenues associated with the COVID-19 Pandemic (Council File No. 20-0600). New employees hired through the TLH Program were the only Citywide exemption approved from this Hiring Freeze by the Mayor and Council. Requests to hire all other positions must be submitted by departments through a process which involves

oversight by the Mayor, Chief Legislative Analyst, and the CAO. The 350 positions listed in Attachment 2 the CAO report represent the positions departments have hired, or intend to hire, during 2020-21 through this Citywide exemption to the Hiring Freeze. In summary, the total annual salary cost of the 442 potential TLH positions is \$18.0 million consisting of new positions and existing positions.

After consideration and having provided an opportunity for public comment, the PAW Committee moved to recommend removing the exemption from the City's hiring freeze for new positions hired through the TLH Program on a temporary basis until Council has decided not to engage in layoffs, at which point, hiring under the TLH Program can resume with exemptions from the hiring freeze being automatic. Subsequently, on October 26, 2020 the Budget and Finance Committee also considered this matter and after consideration and having provided an opportunity for public comment, the Committee moved to concur with the PAW Committee. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE

MEMBER VOTE

KORETZ: YES
LEE: YES
PRICE: ABSENT

BUDGET AND FINANCE COMMITTEE

MEMBER VOTE

KREKORIAN: YES
PRICE: ABSENT
KORETZ: YES
BLUMNFELD: YES
BONIN: YES

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10/27/20

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