

RESOLUTION NO. NS-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CRUZ
IMPLEMENTING THE PROVISIONS OF
THE FISCAL YEAR 2021 COST SAVINGS PLAN FOR
THE EXECUTIVE MANAGEMENT TEAM AND THE CITY MANAGER

WHEREAS, in order to address the projected FY 2021 General Fund deficit of \$10 million and \$6 million in FY 2021, the City is asking all employee groups to agree to a ten percent (10%) reduction in salary costs;

WHEREAS, the Executive Management Team consists of the Assistant City Manager, Department Directors, and the Chiefs of Police and Fire;

WHEREAS, the City Manager is employed with the City through an Employment Agreement;

WHEREAS, for its part, the City of Santa Cruz Executive Management Team and the City Manager have agreed to a ten percent (10%) salary reduction through a 10% furlough effective June 27, 2020 through June 25, 2021.

NOW, THEREFORE, it is resolved by the City Council of the City of Santa Cruz to implement the following provisions:

1. A 10% furlough (208 hours) through a reduction in hours worked.
2. No reduction of employment benefits, including health or leave benefits, will result from implementation of the reduced work week
3. The unpaid furlough hours will not affect retirement service credit accruals for employees working the minimum number of hours required to earn a full year's service credit, as established by CalPERS. Employees working less than the minimum number of hours required to earn a full year's service credit will earn service credit in accordance with CalPERS regulations. Currently, the minimum number of hours required by CalPERS to earn a full year's service credit is 1,720.
4. No annual or other paid leave may be used in lieu of unpaid furlough hours.
5. For the duration of the furlough and eighteen months beyond, the accumulation of vacation time shall be expanded to allow three times the annual rate of accrual.
6. The parties will meet on or before December 18, 2020 to discuss the continuation of the furlough.

PASSED AND ADOPTED this ____ day of ____ 2020, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: _____
Mayor

ATTEST: _____
City Clerk