

R-9

August 25, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Amend Employment Agreement No. 35514 with Thomas B. Modica, City Manager, to permit him to voluntarily participate in a work furlough program on the same terms and conditions as those applied to other City employees, through negotiation with represented employee associations for Fiscal Year 2021, for a total of 26 furlough days, beginning with the pay period of September 26, 2020. (Citywide)

DISCUSSION

Given the difficult financial situation the City faces in Fiscal Year 2021 (FY 21), and to avoid even further layoffs and reduction of services to the community, the City Manager has asked all City employees to participate in generating one-time savings in the amount of \$11 million for FY 21. While still at the bargaining table with employee associations, these savings will likely result in up to 26 days of work furloughs, amounting to a 10 percent reduction in wages. Given the sacrifices being made by City employees, it is fitting the City Manager also participate in the work furlough program. The City Manager is still expected to be available in the event of an emergency or other situation that cannot be reasonably delayed to a non-furlough day.

This matter was reviewed by Deputy City Attorney Erin M. Weesner-McKinley and Budget Analysis Officer Julissa José-Murray on August 17, 2020.

TIMING CONSIDERATIONS

City Council action is requested on August 25, 2020.

FISCAL IMPACT

The City Manager's participation in the work furlough program for 26 days would result in an approximate savings of \$31,182, of which \$24,946 would accrue to the General Fund Group and \$6,236 to other funds. In general, a 26-day furlough represents a 10 percent loss of pay for employees. Implementing the furloughs citywide will likely require the closure of City services one day every two weeks, resulting in loss of service to the community and overall impact on organizational capacity by 10 percent. This recommendation to amend Employment Agreement No. 35514 will have a minimal impact on staffing and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "T.B. Modica". The signature is written in a cursive, flowing style.

THOMAS B. MODICA
CITY MANAGER