

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA DECLARING A MANDATORY UNPAID FURLOUGH FOR CITY EMPLOYEES DURING FISCAL YEAR 2010-2011 AND APPROVING A GENERAL FURLOUGH CLOSURE SCHEDULE FOR CERTAIN CITY OFFICES

WHEREAS, the City of Santa Barbara is facing serious economic hardships;

WHEREAS, in response to these constraints, there is an ongoing critical need to reduce expenditures;

WHEREAS, a mandatory unpaid work furlough is a viable method for achieving savings through reduction of hours paid to employees;

WHEREAS, it is in the City's best interest to support and encourage such a program;

WHEREAS, in accordance with the provisions of various labor agreements and other employment policies the City may implement an unpaid furlough for Fiscal Year 2010-2011 upon the declaration by Council Resolution that a reduction in workforce is necessary for economic reasons and that a mandatory unpaid work furlough should be implemented; and

WHEREAS, a closure of many offices to the public is the most effective way to absorb the unpaid furlough time off and to minimize its effect on operations during the remainder of the year.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA that a reduction in workforce for Fiscal Year 2010-2011 is necessary for economic reasons, that a mandatory unpaid work furlough should be implemented, and that:

1. Participation in the furlough program is mandatory for employees in the following employee groups:
 - The City Administrator and the City Attorney,
 - Other unrepresented management employees, with the exception of Fire Battalion Chiefs,
 - Supervisory Bargaining Unit employees,
 - General Bargaining Unit employees,
 - Confidential employees, and
 - Such other employee groups as Council may later apply it to by Ordinance or Resolution.

2. The amount of the unpaid furlough for each employee shall be:
 - Unless otherwise provided, 5% of the employee's regular hours and a corresponding prorated amount for part-time employees; or
 - For the Police Chief, Fire Chief, Deputy Police Chief, and Deputy Fire Chief 3.5% of the employee's regular hours, or
 - Such alternate furlough amount as provided by the City Council by Resolution or Ordinance, or under a valid applicable labor agreement with a recognized employee organization.
3. The furlough shall be conducted according to the Mandatory Furlough Plan, attached hereto as Exhibit A and incorporated herein by reference, or such alternate plan contained in a valid applicable labor agreement with a recognized employee organization.
4. The City Administrator is authorized to close any non-essential City offices and operations in order to achieve the furlough as reflected on the schedule contained in Exhibit B or on such alternate dates as the City Administrator may deem appropriate.

**CITY OF SANTA BARBARA
FISCAL YEAR 2011
MANDATORY UNPAID FURLOUGH PLAN
(Dated June 15, 2010)**

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I. Purpose

The purpose of this mandatory unpaid work furlough plan is to:

- Allow the City to address anticipated revenue shortfalls and increased expenses in Fiscal Year 2011 while minimizing the need for service cuts and staff layoffs; and
- Establish, in advance, a clear and understandable method to mitigate the impacts of a work furlough on affected employees.

II. Definitions

"Work furlough" refers to one or more hours of required unpaid leave taken on a consecutive or intermittent basis.

III. Application

1. This policy applies to such employee groups as Council may apply it to by Ordinance or Resolution.
2. Nothing in this plan shall restrict the right of the City to make permanent reductions in workforce, nor to otherwise reduce work hours for economic reasons, as authorized under the Santa Barbara City Charter, including but not limited to Sections 1007 and 1008, and the Santa Barbara Municipal Code. However, the City acknowledges that such alternate work reductions may trigger a separate duty to meet and confer with the City's recognized labor organizations about such decision(s) and/or the effects of such decisions on employees.

IV. Declaration and Scheduling of Mandatory Work Furlough

1. Implementation: This Mandatory Furlough Plan will be implemented at the level of 104 hours (5%), prorated for part-time employees.

2. Scheduling of Furlough: The City will have the sole authority to schedule the furlough periods, and such decisions shall not be subject to grievance or appeal.
 - a) General Furlough Closure: The City will observe a General Furlough Closure, during which many City offices and operations will be closed.
Many employees in operations that are subject to the General Furlough Closure, and in other operations, will be scheduled to take furlough time off during these furlough closure dates. However, some employees will be scheduled to work during such closure periods based on City operational needs, or by mutual agreement between the employee and the employee's supervisor.
 - b) Furlough Time Off Bank: Any furlough hours not scheduled to be taken as part of a General Furlough Closure shall become part of an employee's furlough time off bank. Employees will be scheduled to take the furlough time off at another time after July 1, 2010 but before June 18, 2011. Such time off shall be scheduled on the same terms as vacation under the applicable Memorandum of Understanding or other City policy.
 - c) Rescheduling Furlough Time Off: If an employee is not able to take furlough time off as originally scheduled, the furlough hours will become part of the employee's Furlough Time Off Bank and will be rescheduled as provided in subsection "b" above. Supervisors will be encouraged, where practicable, to make reasonable efforts to avoid disruption to employees if scheduled furlough time off must be rescheduled (e.g. by finding qualified volunteers). However, this may not always be possible.
3. Application to Work Groups and Positions:
 - a) Although this plan may be applied uniformly to all employees Citywide, the City may also apply this policy differentially to all or some work groups or positions at its discretion. Such decisions shall not be subject to grievance or appeal. For example:
 - (1) The City may decide not to furlough certain work groups or positions because they are performing essential or contracted functions, because compensation is paid from restricted funding sources, or for any other business reason.
 - (2) The City may also decide to furlough some work groups or positions at different times or for different durations than other work groups or positions for any business reason.
4. Application to Voluntary Hours Reduction Requests: Once a mandatory furlough is declared for Fiscal Year 2011 under this plan, employees who offered to voluntarily reduce their hours to part-time under the "Part-Time Work" Policy or to take an unpaid leave of absence under the "Leave of Absence Without Pay, Non-Medical Reasons" Policy during Fiscal Year 2011 will be

provided an opportunity to rescind their voluntary part-time schedule or unpaid leave request.

5. Work During Furlough: No employee may perform work for the City during the furlough period unless authorized by management.

V. Effect of Mandatory Work Furlough on Employee Pay

1. Pay Reduction: The period of furlough time off will be unpaid. Furlough time off will be tracked under a separate unpaid hours code.
2. Non Exempt Employees- Pay Mitigation Plan:
 - a) For non-exempt employees, the wage loss from the mandatory furlough will be distributed evenly over the full fiscal year. Effective the first full pay period in Fiscal Year 2011, beginning on June 19, 2010, a bi-weekly deduction will be made from employee compensation in an amount equivalent to 1/26th of the total unpaid mandatory furloughed time through the end of the last pay period of Fiscal Year 2011, ending on June 17, 2011.
 - b) Mutual Reimbursement:
 - (1) For employees in active paid status as of the beginning of the fiscal year who terminate employment within the fiscal year:
 - (a) If, at the time of termination, the reduction in pay exceeds the furlough time off taken, the employee will be entitled to pay for the difference.
 - (b) If, at the time of termination, furlough time off taken exceeds the reduction in pay, the employee will need to reimburse the City for the difference in pay.
 - (2) An employee who is hired or otherwise enters active paid status after the beginning of the fiscal year will be scheduled for furlough time off and will have his or her pay reduced by an amount equivalent to 1/26th of the total furloughed time for the first 26 pay periods of employment. The employee will be subject to the same mutual reimbursement provisions in Section (1) above, if the employee terminates employment before the 26 pay periods are complete.
 - (3) An employee who is on unpaid status for any other reason at any point during the fiscal year will, upon return to active paid status, be scheduled to make up any furlough hours not taken and will continue to have his or her pay reduced by an amount equivalent to 1/26th of the total furloughed time until 26 full pay periods of reduction have been achieved. The employee will be subject to the same mutual reimbursement provisions in Section (a) above, if the employee terminates employment before the 26 pay periods

are complete.

3. Exempt Employees

- a) Exempt employees will be considered non-exempt employees under the Fair Labor Standards Act (FLSA) guidelines in any FLSA workweek in which one or more hours of unpaid furlough time off occurs (See 29 CFR 541.710(b)). Such employees will be eligible for hourly pay for any work performed during that FLSA workweek, just as non-exempt employees would be. Such employees may also be eligible for overtime compensation during any such FLSA workweek according to applicable FLSA guidelines. For purposes of this provision only, the FLSA workweek of an otherwise exempt employee will be the City's standard FLSA workweek, beginning and ending at midnight on Friday night, regardless of the employee's regular work schedule.
- b) Exempt Employees- Pay Mitigation Plan: Exempt employee pay will be reduced under the same Pay Mitigation Plan outlined for non-exempt employees in Section V.2, above.
 - (a) The City and the affected bargaining units agree that is our mutual good faith interpretation of 29 CFR 541.710(b) that the City may implement a pay mitigation plan for exempt employees without affecting the exempt status of such employees under the FLSA to a greater degree than expressed in Section V.3(a), above.
 - (b) If the City receives an opinion from the U.S. Department of Labor or other binding legal authority that indicates that the pay mitigation plan for exempt employees further affects the exempt status of such employees, the City will promptly notify the affected represented bargaining units and the parties will reopen negotiations within 30 days of such notice to determine an alternate method of furlough pay deductions that will preserve such employees' exempt status.
 - (c) Management employees must sign an agreement to participate in the Pay Mitigation Plan, otherwise the full pay deductions will be taken in the pay period(s) in which the furlough time off actually occurs.

VI. Benefits During a Mandatory Work Furlough

- 1. Health, Life, and Cafeteria Plan Benefits: An employee shall receive continued medical, dental, vision, life insurance, and cafeteria plan benefits, including any City contribution, at the level the employee would have received absent the work furlough. Employees will be responsible for the same employee contributions to these benefits that they would have made absent the work furlough.

2. Retirement: To the extent allowable by CalPERS, and in compliance with any restrictions imposed by CalPERS, the City will ensure that retirement benefits will not be adversely impacted as a result of the furlough and related reduction in hours and/or salary.
3. Other Benefits: Other benefits may be reduced as required under normal benefit rules related to work schedule or unpaid leave. Such benefits include, but are not limited to: disability insurance or SDI/PFL contributions, Medicare contributions, etc.
4. Paid Leave Accrual: Employees will receive the same vacation, sick leave, personal leave, and management leave accruals they would have received absent the work furlough.
5. Legal Holidays: Employees on a work furlough shall receive legal holiday pay as follows:
 - a) Employees in classifications entitled to accrue holiday credit will continue to receive the same holiday credit.
 - b) For employees who do not accrue credit, where a legal holiday is observed during a period of work furlough, the employee will be paid hours for that holiday at the same level employee would have received absent the work furlough. In other words, that holiday will not count as an unpaid furlough day. For employees on a 9/80 or 4/10 schedule, the employee may be required to use accrued paid leave banks to make up the full paid holiday, as usual.
6. Use of Paid Leave: An employee will not be permitted to use accrued paid leave banks (vacation, sick leave, compensatory time, personal or management leave) during the unpaid furloughed hours.
7. Vacation Accruals: Management will make every reasonable effort to work with employees to avoid loss of vacation accruals or personal leave due to encroachment on accrual caps or time limits for use.
8. Standby and Call-back: An employee may be assigned to call-back or standby during a work furlough as provided under the applicable labor agreement or City policy. An employee called-back to active paid work during the unpaid furlough period will be required to take equivalent additional unpaid furlough during the remainder of the fiscal year.
9. Service & Seniority: Furlough shall not count as a break in City service and shall not affect seniority or eligibility for merit increases.
10. Schedule Changes: While an employee is on a furlough, schedule changes will be subject to the requirements of the applicable labor agreement
11. Overtime: Employees will only be eligible for overtime premium that they would have received absent the reduction in work hours (i.e., for over 40 hours in a workweek).

12. Probationary Period: Probationary periods shall not be affected by a mandatory furlough.
13. Limits on Benefit Continuation: Special benefit continuation under this furlough plan is available only to employees during their mandatory unpaid furlough period(s). Otherwise, employees are covered by benefit continuation under other City policies, including the City's applicable Leave Without Pay policies.

CITY OF SANTA BARBARA FY 2011 FURLOUGH CLOSURE SCHEDULE

FACILITY	OFFICES	DECEMBER HOLIDAY CLOSURE DATES	OTHER CLOSURE DATES
City Hall 735 Anacapa Street	Administration Mayor & Council Offices City Clerk & Human Resources Finance Administration Billing, Licenses/Permits Payroll & Risk Management Information Systems	Standard Holiday Closure • Monday, December 19th, 2010 through Friday, December 31, 2010	Standard Additional Closure Dates • Wednesday November 24, 2010 • Two Fridays: July 2, 2010 and January 14, 2011
Airport Administration Bldg 601 Firestone Road	Airport Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Fire Station 1 121 W. Carrillo Street	Fire Administrative Office	Standard Holiday Closure Dates	Standard Additional Closure Dates
Parks & Recreation Office 620 Laguna Street	Department Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Parks Office 402 Ortega Street	Parks Office	Standard Holiday Closure Dates	Standard Additional Closure Dates
P.W. and C.D. Bldg. 630 Garden Street	Community Development Counters Public Works Counters	Standard Holiday Closure Dates	Standard Additional Closure Dates
City Attorney's Office 740 State #201	City Attorney Administration	Standard Holiday Closure Dates	Standard Additional Closure Dates
Downtown Parking 1221 Anacapa Street	Downtown Parking Admin. Office Environmental Services	Standard Holiday Closure Dates	Standard Additional Closure Dates
City Libraries 40 E. Anapamu Street	Library Administration Central Library Eastside Library	Modified Holiday Closure: Tuesday, December 21 through Monday, January 3, 2011 (already closed Mondays)	Alternate Additional Days: • Tuesday November 23 and Wed November 24, 2010 • One Friday: July 2, 2010
County Libraries	Carpinteria, Goleta, Montecito and Solvang Libraries	Offices Open as Usual	Offices Open as Usual
Police Department 215 E. Figueroa Street	Police Chief's Offices Police Counters	Offices Open as Usual	Offices Open as Usual
Waterfront Admin. Bldg 132 #A Harbor Way	Waterfront Administration (Harbor Patrol Counter 24 hrs.)	Offices Open as Usual	Offices Open as Usual
Carrillo Recreation Center 100 E. Carrillo Street	Active Adults, Youth Activities, Teen Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]
Franklin Community Center 1136 E. Montecito Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]
Westside Community Center 423 W. Victoria Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented or special programs]	Standard Additional Closure Dates [Except as rented or special programs]

**CITY OF SANTA BARBARA
FY 2011 FURLOUGH CLOSURE SCHEDULE**

FACILITY	OFFICES	DECEMBER HOLIDAY CLOSURE DATES	OTHER CLOSURE DATES
Louise Lowry Davis Center 1232 De La Vina Street	Community Center Programs	Standard Holiday Closure Dates [Except as rented]	Standard Additional Closure Dates [Except as rented]
Cabrillo Pavilion/Bathhouse 1118 East Cabrillo Blvd.	Cultural Arts/Facilities Aquatics/Sports/Adaptive Program	Standard Holiday Closure Dates [Except as rented]	Standard Additional Closure Dates [Except as rented]

Closure dates subject to change based on operational needs.

For additional Counter, Office, and Operations Hours: Visit our website at: www.santabarbaraca.gov , or call (805) 564-0611.

Date: June 16, 2010

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