



## AGENDA REPORT

**Meeting Date:** April 5, 2011  
**Item Number:** F-9  
**To:** Honorable Mayor & City Council  
**From:** Sandra Olivencia-Curtis, Assistant Director of Administrative Services   
**Subject:** ACCEPTANCE OF THE OFFER FROM THE BEVERLY HILLS FIREMAN'S ASSOCIATION (FIREFIGHTER'S ASSOCIATION) TO DEFER THEIR 2010 SALARY ADJUSTMENT TO FUND THE CANCELATION OF THE THREE REMAINING FURLOUGH DAYS  
**Attachments:** 1. None

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### RECOMMENDATION

Accept the offer from the Beverly Hills Firefighter's Association to defer their 2010 salary increase of 3.04% until August 13, 2011.

Cancelation of the scheduled three days (24 hours) of furlough in FY 2010-11.

### INTRODUCTION

The memorandum of understanding (MOU) between the City of Beverly Hills and the Beverly Hills Fireman's Association would have granted a raise of 3.04% effective September 25, 2010. The Firefighter's Association has offered to defer this raise to fund the cost of the planned three days of furloughs scheduled in 2011 for April 1<sup>st</sup>, May 6<sup>th</sup>, and June 3<sup>rd</sup>.

## **DISCUSSION**

As part of the Fiscal Year 2010-11 budget process, the City Council directed the implementation of up to ten days (total 80 hours) of furlough as part of the multi-pronged approach to reduce expenditures and address the budget gap. Salary cost savings per day was estimated to be approximately \$94,000 for the General Fund (including Internal Service Fund charges) and additional savings were realized in Enterprise Funds since employees in other funds were also furloughed.

Certain groups of employees were exempted from the furloughs including sworn employees (Fire and Police), certain revenue generating classifications, as well as classifications deemed to be essential for the delivery of critical services. Employees were furloughed in December 2010 for 40 hours. An additional 40 hours of furloughs were scheduled for 2011 but the first two days (16 hours) had previously been canceled per City Council direction. The remaining three days (24 hours) of furloughs were projected to generate approximately \$280,000 in savings to the General Fund.

The Firefighter's Association has offered to defer their negotiated salary increase which will allow the City to realize approximately \$280,000 in General Fund savings and thus help avoid the planned furloughs for both General Fund and non-General Fund employees. This means that the salary increase for members of the Firefighter Association members which was to be effective on September 25, 2010 will now be implemented on August 13, 2011 to generate approximately \$280,000 in needed savings to the General Fund.

## **BUDGET/FISCAL IMPACT**

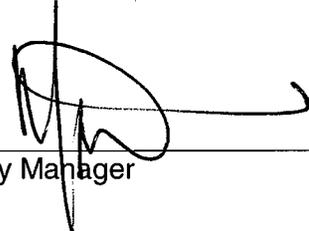
No direct cost impact to the City. The value of this offer is approximately \$280,000 for the General Fund. However, since employees will be on the job and not on furlough, approximately 10,000 hours of productivity will not be lost which translates into additional services to the businesses and residents of the City.

  
Sandra Olivencia-Curtis

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Human Resources

Mahdi Aluzri



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Assistant City Manager