



CITY OF SALINAS

FINANCE COMMITTEE STAFF

DATE: October 5, 2020

DEPARTMENT: HUMAN RESOURCES DEPARTMENT

FROM: MARINA HORTA-GALLEGOS, HUMAN RESOURCES DIRECTOR

TITLE: RETIREMENT INCENTIVE AND VOLUNTARY TIME-OFF UPDATE

RECOMMENDED MOTION:

No motion is required for this item.

DISCUSSION:

This report provides an update on the Retirement Incentive and Voluntary Time-Off programs. On June 9, 2020, the City Council approved the implementation of the Retirement Incentive and Voluntary Time-Off programs for eligible employees. The purpose of these programs was to help reduce the economic impact of COVID-19 by minimizing the need for mandatory furloughs, employee concessions, or layoffs.

The Retirement Incentive provided for City paid health insurance or the monthly cash equivalent at the current level of an employee's coverage up to the PERS Choice premium rate for employees retiring within a specified timeframe. The Voluntary Time-Off program provided for a variation of unpaid time off not to exceed an equivalent of eight (8) hours per pay period or an annual fiscal year maximum of twenty-six (26) days. The Voluntary Time-Off program excludes employees subject to mandatory staffing of 24/7 operations requirements.

FISCAL AND SUSTAINABILITY IMPACT:

The City anticipated a minimum savings of at least \$150,000 in FY 20-21 for the Retirement Incentive. Eight (8) applications are being processed and staff fully expects these savings to be achieved in the first quarter of FY 20-21. With regard to the Voluntary Time-Off program, three (3) applications were received, staff anticipate that interest in the program will increase with the exhaustion of the Families First Coronavirus Response Act which expires on December 31, 2020.

ATTACHMENTS:

None.