



Office of the City Manager

INFORMATION CALENDAR

June 27, 2017

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Teresa Berkeley-Simmons, Budget Manager, City Manager's Office

Subject: Voluntary Time Off Program For FY 2018

INTRODUCTION

As a citywide cost-saving measure, the City Manager is designating 16 Voluntary Time Off (VTO) days in FY 2018 and authorizing certain City offices and non-essential services to temporarily close for those days.

CURRENT SITUATION AND ITS EFFECTS

The proposed 16 VTO dates will fall on a schedule similar to FY 2017, with City offices generally closing on every second Friday, with additional days closed the last week in December 2017 (December 26 - December 29). The following are the proposed VTO dates:

Date (2017)	Day	Date (2018)	Day
July 14	Friday	January 12	Friday
August 11	Friday	February 9	Friday
September 8	Friday	March 9	Friday
October 13	Friday	April 13	Friday
November 9	Thursday	May 11	Friday
December 8	Friday	June 8	Friday
December 26	Tuesday		
December 27	Wednesday		
December 28	Thursday		
December 29	Friday		
	10 days (2017)		6 days (2018)

**Please note that Friday, November 10, 2017 is the observed Veteran's Day holiday.*

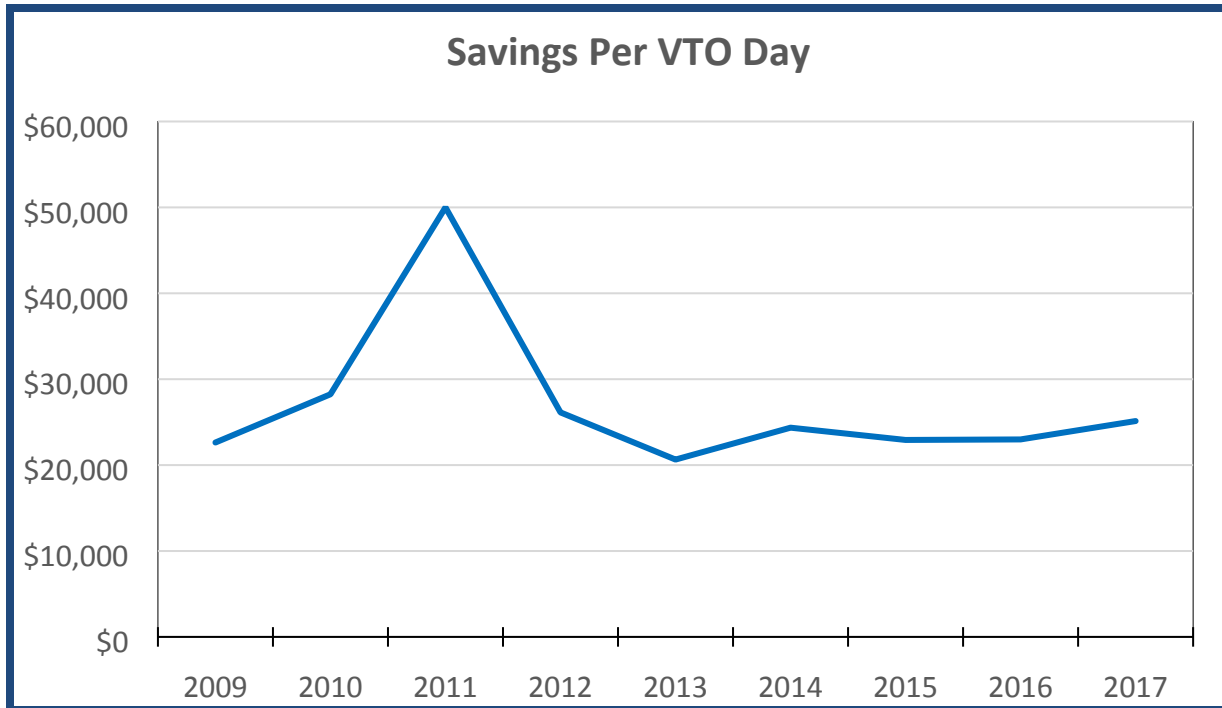
The purpose of VTO days is to generate savings to help balance the budget. The program is projected to achieve a savings of \$402,070 on an all funds basis in FY 2017. For that reason, the VTO program will continue in FY 2018.

Voluntary Time Off Salary Savings

Fiscal Year	Number of VTO Days	Base Salary Savings	Savings Per VTO Day
2009	14	\$ 316,823	\$ 22,630
2010	19	\$ 536,660	\$ 28,245
2011	29	\$ 1,450,126	\$ 50,004
2012	28	\$ 731,723	\$ 26,133
2013	28	\$ 578,044	\$ 20,644
2014	16	\$ 389,706	\$ 24,357
2015	16	\$ 366,853	\$ 22,928
2016	16	\$ 367,821	\$ 22,989
2017	16	\$ 402,070*	\$ 25,129

*Annualized projection

Although we plan to continue the VTO program in FY 2018, we will reevaluate the VTO program again for FY 2019. As shown in the chart below, the savings generated from the VTO program have significantly declined since FY 2011, however, savings appear to have slightly increased in FY 2017.



In FY 2017 staff considered the impact that the VTO days had on City services. It was determined that the VTO days were, in general, not having a significant detrimental effect on the City's ability to provide quality services. Inconveniences to residents were mitigated in several ways, including keeping the 311 Customer Call Center open on VTO days, adjusting due dates for fines, and posting clear signs in advance of closure dates. In addition, many services remain open on VTO days including Police, Fire, Public Works Zero Waste, Senior Centers, Rent Board, Libraries, and the Animal Shelter.

BACKGROUND

The concept for a VTO program was proposed in 2004 by the labor unions representing non-sworn employees as an alternative to a mandatory closure of City offices ("furloughs") and staff layoffs. The VTO program designates certain days City offices are closed to the public while allowing staff to take paid or unpaid leave, or voluntarily report to work. The VTO closures have permitted staff to reduce their vacation leave balances, and eliminate the costly past practice of buying back vacation leave balances, which in turn has allowed the City to reduce its cost to pay out accrued vacation leave upon an employee's separation from employment. It has also been used by departments to help them reach their annual target savings.

Service Impacts: The VTO program has generated minimal complaints from the public regarding the office closures and reduced services. Many key services remain open to the public including Police, Fire, Public Works Zero Waste, Senior Centers, Rent Board, Libraries, and the Animal Shelter, while other services can be provided on a callback basis.

During VTO days, customer service counters at the Finance Customer Service Center and Permit Service Center are closed. When Customer Service Center offices are closed and access to the drop box for Finance Customer Service payments is cut off, customers are redirected through signage to the Rent Board Office at 2125 Milvia Street. When the Permit Service Center is closed, building inspection services continue to be available to the public when City approvals are required for time-sensitive projects. The City will continue to notify the public of City VTO closure dates through public noticing, the press, voicemail messages, and signs.

ENVIRONMENTAL SUSTAINABILITY

VTO days may reduce vehicle miles traveled associated with City employees' work commute. Otherwise there are no identifiable environmental effects or opportunities associated with the subject of this report.

POSSIBLE FUTURE ACTION

We are continuing the VTO program in FY 2018. However, we will reassess the economic impact as well as the cost benefit to the public of continuing these temporary closures of City offices for FY 2019.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Cost savings are achieved on an annual basis from the VTO program. Since FY 2009, annual cost savings ranging from just over \$300,000 to just under \$1.5 million have been achieved from the VTO program.

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