

RESOLUTION NO. 2008-134

Adopted by the Sacramento City Council

March 4, 2008

VOLUNTARY SEPARATION PROGRAM

BACKGROUND

- A. The City of Sacramento is facing a revenue shortfall in fiscal year 2009 which will result in a reduction in service and layoffs of career employees.
- B. In an effort to mitigate the impact of layoff on career employees the City is implementing a variety of efforts to assist employees in finding alternative employment in and out of the City.
- C. The proposed Voluntary Separation Program (VSP) is similar to one adopted in 1993 by the City Council which was successful in creating 100 vacancies.
- D. The VSP has been presented to the recognized employee organizations and the three largest unions have agreed to this program

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. To implement the Voluntary Separation Program terms and conditions attached as Exhibit A.
- Section 2. To immediately apply those terms to unrepresented employees and employees represented by recognized employee organizations which have agreed to the terms of the Program.
- Section 3. To apply those terms to employees represented by a recognized employee organization which later agrees to those terms as enacted.
- Section 4. The City Manager is authorized to release and appropriate to the various City department budgets up to \$7 million in reserves to offset department costs related to employee VSP severance.

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- Exhibit A Rules and Procedures of the Voluntary Separation Program

Adopted by the City of Sacramento City Council on March 4, 2008 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk

**VOLUNTARY SEPARATION PROGRAM
RULES AND PROCEDURES**

The following rules and procedures shall govern the application and implementation of the Voluntary Separation Program:

1. Information will be distributed to Department Heads for posting on employee bulletin boards on March 5, 2008 and to employees with paychecks on March 11, 2008.
2. The Departments of Human Resources and Labor Relations are designated to administer the Program.
3. The open window period for participation is March 5, 2008 to and including March 28, 2008.
4. Participation is voluntary for full-time career, exempt management and confidential/administrative employees with five (5) years of continuous City service are eligible. Employees with ten (10) years will be reviewed first and if needed any additional applicants will be considered.
5. The City Manager or Appointing Authority may offer the Program to individual employees on or before March 28, 2008.
6. Employees may request to participate by submitting a completed Employee Request Form to Human Resources by March 28, 2008.
7. Employees who elect to participate may rescind their application seven days after approval by the City or May 1, 2008, whichever is later.
8. The severance benefit shall be calculated based on full-time continuous City service, rounded to the nearest year, times the weekly base salary, up to a maximum of fifty thousand dollars (\$50,000).
9. Any payment under the Program shall not be included as compensation for purposes of SCERS or PERS. The severance payment may be applied to deferred compensation.
10. Employees who are approved for VSP must leave City employment by the date specified by the operating department and no later than December 31, 2008.
11. In the event there are more employees than the number of voluntary separation slots available, ties or excess requests shall be resolved in favor of the employee with the most seniority, utilizing the service date identified in #8 above.
12. The City Manager or Appointing Authority is the final authority in selecting participants. The Human Resources Department will notify selected applicants of the approval or denial of their requests, calculate the years of service, salary and severance benefit applicable, and notify Payroll of the benefit due the employee and the date it is to be paid.
13. The Human Resources Department will have the employee sign the necessary agreement, waiver and release forms.
14. Employees who accept severance pay may not be eligible for unemployment insurance, are not eligible for recall rights, and waive their reemployment rights with the City pursuant to the Rules and Regulations of the Civil Service Board.
15. Upon acceptance of the severance payment offer, the employee agrees to sever any and all rights to City employment, including but not limited to, seniority, layoff, bumping, and/or recall rights, and any appeal rights to any loss of property rights. This severance and waiver shall be effective upon receipt and acceptance of the severance payment. The severance of employment is not a disciplinary action.