

\$25 MILLION DEFICIT

# County orders furloughs for 500

Unpaid time off for mostly  
top, mid-level managers  
expected to save \$4M

*Budget*

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SANTA CRUZ — County administrators announced plans Tuesday to reduce salary expenses by furloughing nearly 500 employees, most in top and mid-level management positions.

In a letter to labor negotiators, county Personnel Director Michael McDougall said select workers will be directed to work 156 fewer hours without pay next fiscal year — the equivalent of six hours every two weeks — starting July 1.

"It is unfortunate that I must now notify you," McDougall writes.

The move, which will save an estimated \$4 million, is the biggest yet in the county's effort to confront a projected \$25 million budget deficit next year. It also follows a Sentinel report earlier this month that documented substantial pay hikes for top administrators last year and invoked widespread community criticism.

Employees slated for furlough include 93 top executives and elected officials, 215 mid-level managers, 112 correctional officers and 45 attorneys and inspectors with the District Attorney's Office, according to the Personnel Department.

Employees represented by the county's largest labor union, Service Employees International Union, are not affected. Their contract requires any unpaid time off be negotiated.

County Supervisor Neal Coonerty, among those scheduled for furlough, says it's important he and others at the top make the

## FURLOUGHES

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first sacrifices during bad budget years.

"We're hoping to show some leadership in taking these cuts," he said.

The nationwide recession has left the county with reduced property tax revenues and less state funding, while expenses have grown.

The Personnel Department confirmed Tuesday that negotiations with other labor groups, including SEIU, are under way and temporary layoffs for those employees is up for consideration, too.

Without further employee concessions, McDougall said, layoffs are inevitable for the county's nearly 2,400-person work force. Employee groups already targeted for furloughs would be exempt, he said.

"We're trying to get out there in front of things and do what we can," said McDougall, who is less than a year on the job. "Believe me, no one wants to be doing this, certainly not the new personnel director."

County administrators, in order to balance a roughly \$382 million budget, already have frozen hiring and overtime and directed 20 percent reductions for every department from Public Works to the Sheriff's Office.

A final plan for budget reductions is expected next month.