

## STAFF REPORT AND FISCAL IMPACT NOTE

Legislation No: R-30-18

First Reader Date: 6-18-18

Note Date: 7-17-18

**Legislation Title:** Hiring Freeze

**Description:** For the purpose of imposing a hiring freeze on non-critical positions in the City of Annapolis, effective upon the adoption of this Resolution through June 30, 2019.

**Analysis of Fiscal Impact:** This resolution imposes a hiring freeze on non-critical positions from the date of adoption through the end of fiscal year 2019.

The third "whereas" clause states that the hiring freeze would save the City more than \$1.6 million. However, this amount represents the salaries and benefits for all vacancies as of May 30, 2018, the month-end immediately preceding the resolution's introduction. Approximately \$630,000 of the \$1.6 million is for a vacant department director position, for sworn police personnel, and for uniformed firefighters and paramedics, positions that are not frozen under this resolution. Further, other vacancies that were not explicitly frozen by the City Council's budget amendments have since been filled.

We cannot predict the fiscal impact of this hiring freeze as we cannot determine which positions will become vacant during the year or whether those positions that become vacant will fall into any of the stated exceptions. The stated exceptions are department or office heads, seasonal employees at Recreation and Parks or the Harbormaster, sworn police, firefighters and paramedics, or other positions "deemed critical to public safety or the delivery of essential services." Since exemptions for unspecified positions not mentioned above must be approved by a simple majority vote of the City Council, we presume it will be the City Manager's determination as to whether a position is critical to public safety or the delivery of essential services.

We will provide to you at the public hearing a current list of vacancies.

*Prepared by T. Sutherland, City Manager*