

PRESS RELEASE



FOR IMMEDIATE RELEASE

Contact: Shaun Gayle
City Spokesperson
City of Miramar
954-495-3644

CITY OF MIRAMAR ANNOUNCES 8-HOUR PER WEEK FURLOUGHS FOR ALL FULL TIME EMPLOYEES STARTING JUNE 11

MIRAMAR, FL (Monday, May 18, 2020) – The City of Miramar announced that each of its approximately 1,000 employees will be furloughed 8 hours per week as a result of the impact of the COVID-19 pandemic. The time furloughs affect all full-time employees including City Administration.

City employees received a memo on May 13th regarding details of the time furloughs, which consist of 8 hours each week per employee from June 11, 2020 to December 9, 2020. The exceptions are part time, as needed employees and interns.

However, City Manager Vernon Hargray clarified that the furloughs are in place for three months, through the end of fiscal year FY20 (September 30, 2020). The 3-month furloughs will realize a savings of \$3.8 million to the city and is one of 7 different solutions the City is implementing to overcome the \$23 million shortfall in FY20, as a result of the coronavirus.

Mr. Hargray noted that the 7 steps the City is taking through September 30, 2020 to overcome the FY20 shortfall gives the City time to map out a plan for the first quarter of FY21 (October to December) and beyond.

Mr. Hargray continued, “City employees are like family and they are our most valuable assets. My primary objective is to protect everyone from layoffs, including our First Responders. In fact, our First Responders will be the first to be tested at the new walk-up Community Based Testing Site at the Vernon E. Hargray Youth Enrichment Center, during the week of May 18th.”

Hargray explained, “City revenues have dramatically declined as a result of the economic impact brought on by the coronavirus. As we work to protect the health and safety of our community, we had to make some difficult decisions about the City’s finances and our workforce, to protect

the financial stability of the City. We will continue to monitor the situation and make the necessary adjustments while making our employees and residents a priority.”

The revenue loss for the City is estimated to be \$23 million and is due primarily to a decline in ad valorem taxes and utility fees, intergovernmental local and state taxes, franchise fees and fees from facility rentals and childcare as outlined below:

- Approximately \$6 million in ad valorem taxes and utility fees
- \$4 million loss in intergovernmental local and state taxes
- Nearly \$2 million loss in franchise fees,
- \$5 million loss in community services – such as parks, senior services, childcare, afterschool programs like summer camps, cultural arts and facility rentals
- \$4 million loss in miscellaneous fees such as interest earnings and sale of land – Block 2 at Miramar Town Center

To overcome the \$23 million shortfall, the City implemented 7 different solutions, which include:

- A FEMA reimbursement for Hurricane Dorian of \$2.3 million
- 2 Loans Secured:
 - Economic Development Fund Loan of \$1.7 million
 - Utility Fund Loan of \$3 million
- Position Vacancy Freeze of \$2 million
- Reduction of operating costs by 15%, which is close to \$5 million in savings
- Unassigned reserved fund of \$5.6 million
- A savings of \$3.8 million in Fiscal Year 2020 for the 8 hours per week furloughs (June 11th to September 30th)

City administration will continue to monitor the situation and its impact to the City for the next few months. Prior to the 8-hour-per-week furloughs, City administration also implemented additional saving measures, such as — freeze on promotions, cuts to travel and training costs, delayed or modified projects.

Fiscal year 2021 will bring its own financial challenges and the City will continue to assess critical operations, and programs to evaluate any additional cost-savings options and suggestions while ensuring that the City’s most important and critical functions continue.

The furlough is a reduction of hours over this period of time and does not affect employee’s rights inclusive of health and pension benefits. For questions regarding Miramar’s furlough, please visit MiramarFL.gov/Furloughs.