

NEWS RELEASE From Mayor Dean DePiero

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PARMA PREPARES FURLOUGH PLAN FOR CITY EMPLOYEES

(PARMA) – The City of Parma will begin a non-union employee furlough plan starting June 1 in an attempt to avoid layoffs while making-up for a projected \$2.4 million income tax shortfall in its budget. The furloughs will total 16 days per non-union employee, representing one day for each pay period from now until the end of the year.

Mayor Dean DePiero says the city is in the assessment mode now, engaging in furlough talks with representatives of nine city unions while meeting with all city departments to stress the need to limit overtime, emergency purchases and other cost-cutting measures.

"I'm trying to keep people working, avoid layoffs and be fiscally responsible to our employees and our residents," said Parma Mayor Dean DePiero. "This is really tough for me because I feel responsible to the good people who work for the city. These folks are more than just employees, but after crunching the numbers I have no alternative."

Mayor DePiero stressed the furloughs will be equitable. Besides hourly workers, the plan includes all elected officials, members of Parma City Council and department heads. The city will be meeting with union members in the coming days in the hopes of negotiating a voluntary furlough plan that would begin July 1.

Parma City Council passed a \$44 million budget for 2009, \$3 million less than 2008, anticipating a significant drop in revenue. But Parma Treasurer Anthony Zielinski says the projected shortfall in income tax revenue through the end of the year has grown to nearly \$2 and a half million.

"Estimating and projecting the revenue figures in this economy is a daily task," said Zielinski. "We are taking a realistic approach after looking at the city's tax revenue reductions in March and April. We don't need a crystal ball to see the downward trend. Mayor DePiero and I are doing all we can as quickly as possible to help stabilize our budget."

The City of Parma has approximately 550 employees.