

Background:

In response to budget shortfalls and the imminent lay off of County employees, the Board of Supervisors, in June 2009, adopted the Early Retirement Option (E.R.O.) Program 2009-10 which enabled County departments to offer an early retirement incentive in approved job classifications as a way to mitigate the lay off of employees in impacted allocations.

The E.R.O. Program proved to be a successful tool for many departments. The Board approved the offering of 88 E.R.O. incentives; 53 employees accepted the E.R.O. incentive, thereby preventing the lay off of an equal number of employees.

To participate in the E.R.O. Program, Departments agreed to abide by the rules, terms and conditions of the Board approved E.R.O. Program. Included in the plan provisions is a Department condition requiring the deletion of an allocated job classification, in either the impacted classification or a closely related classification, for each accepted E.R.O. incentive. The purpose of this condition is to allow the County to recoup the cost of the retirement incentive (unfunded liability) by requiring the position be deleted for a period of two years. In cases of urgency or business necessity, departments may re-institute allocations before the end of the two year period if their business case is approved by the County Administrator's Office (C.A.O.).

In most cases, departments deleted allocations that were approved by the Board as part of the 5% and 15% budget reduction plans, or in their final budget process. Some departments required additional position deletions after the final budget process had been completed. E.R.O. incentives were approved by the Board and offered in these classifications prior to the allocations being deleted so as to expedite the E.R.O. offers and allow employees to meet the retirement window ending October 5, 2009.

The C.A.O.'s office requested that Human Resources reconcile departments' allocations to ensure that County departments have met all E.R.O. Program conditions and requirements; that Human Resources maintains an accurate accounting of department allocations; and Human Resources with a record of classifications that may not be restored for two years (unless specifically approved by the C.A.O.'s office).

Human Resources offered to assist County departments in removing any remaining allocations that are subject to the two year E.R.O. deletion rule. This Board item is a result of those conversations and requests from Departments for Human Resources to combine these into a single Board item on behalf of County departments.

Attachments: Resolution, Attachment A.

On File With Clerk: None.

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Board Action (If other than "Requested")

Vote: