

COUNTY OF SONOMA AGENDA ITEM SUMMARY REPORT			Clerk of the Board Use Only Meeting Date Held Until ____/____/____ ____/____/____	
			Agenda Item No: Agenda Item No: _____ _____	
Department: Human Resources			() 4/5 Vote Required	
Contact: Lynne Durrell	Phone: (707) 565-3565	Board Date: August 11, 2009	Deadline for Board Action: August 11, 2009	
Agenda Short Title: Extension of eligibility period of existing Early Retirement Option (ERO) Program to October 5, 2009.				
Requested Board Action: Concurrent Resolution approving an extension of the eligibility period of the existing Early Retirement Option Program to October 5, 2009 for certain bargaining units.				
Concurrent Resolution authorizing an extension of the eligibility period of the existing ERO Program to October 5, 2009 for employees covered by the Salary Resolution No. 95-09 26.				
Resolution authorizing an extension of the eligibility period of the existing ERO Program to October 5, 2009 for Salary Resolution No. 95-09 26, for employees of Sonoma County Agricultural Preservation and Open Space District.				
CURRENT FISCAL YEAR FINANCIAL IMPACT				
<u>Expenditures</u>			<u>Add'l Funds Requiring Board Approval</u>	
Estimated Cost \$			Contingencies \$ (Fund Name:)	
Amount Budgeted \$			Unanticipated Revenue \$ (Source:)	
Other Avail Approp \$ (Explain below)		_____	Other Transfer(s) \$ (Source:)	
Additional Requested: \$		_____	Add'l Funds Requested: \$	
Explanation (if required): Costs will continue to be covered by funds already allocated in department salary accounts. Minor costs may be incurred in the form of future SCERA unfunded liability, however additional cost savings will be realized from mitigated unemployment payments for laid off employees.				
Prior Board Action(s): 9-15-92 Board provided policy direction regarding an "early retirement: option. 10-6-92 Board approved 2 years service credit ERO (1) Program from 10/15 – 12/31/92 2-9-93 Board approved 2 years service credit ERO (2) Program from 4/1- 9/27/93 11-30-93 Board approved 2 years service credit ERO (3) Program from 12/1/93- 5/30/94 6/21/94 Board approved 2 years service credit ERO (4) Program from 12/1/93 to 5/30/94 6/16/09 Board approved ERO Program for Salary Resolution from 6/15/09 – 8/24/09 6/23/09 Board approved ERO Program for SEIU, ESC, IUOE (Local 39), SCLEA, and SCLEMA 8/4/2009 Board approved additional job classifications for ERO window June 16 – Aug 24 2009				
Alternatives – Results of Non-Approval: An increased number of County employees will be laid off.				

Background:

The County continues to be faced with significant budget shortfalls resulting in the deletion of authorized positions, and layoffs have been necessary to meet required budget goals. Meanwhile, departments reliant on State funding are beginning to realize the full impacts of the recently approved State budget. Some departments will require additional position cuts in order to meet their newly adjusted budgets.

In an effort to mitigate effects of involuntary layoffs on departments and employees, the County authorized an Early Retirement Option (ERO) Program in June 2009, to encourage voluntary retirements of employees where staffing deletions are occurring. County departments have requested an extension to the current ERO Program sunset date, currently set for August 24, 2009, in order to accommodate newly required staffing deletions.

At this time, Human Resources would like to extend the ERO Program end date to October 5, 2009, in order to accommodate further staffing cuts resulting from reductions in State funding.

The Early Retirement Option (ERO) program was proposed as part of an overall County plan to mitigate the need for layoffs of employees in a department. Employees in an affected job class who are eligible for retirement may be offered a salary incentive to take advantage of an early retirement program. An ERO Program is designed to encourage voluntary attrition which will mitigate involuntary layoffs. The approved ERO Program for 2009 includes a sliding payment incentive which is funded through existing resources in affected departments.

ERO incentives may only be offered in job classifications and quantities requested by departments, subject to Program provisions (Attachment A), and approved by the Board of Supervisors. Eligible job classifications must also belong to employee organizations that have signed a Letter of Agreement indicating that their membership is eligible to participate. A revised version of the ERO Program titled "Early Retirement Option Program 2009-10 (Revised)", is incorporated into this Board item as Attachment A. The revised Program document has extended the sunset date to October 5, 2009, and outlined the incentive amount to be paid for each additional pay period included in the Program.

Subject to approval of the extension by the Board, County departments have requested that the ERO incentive be approved for the attached, additional job classifications, in the quantities noted, with the continued goal of mitigating the lay off of County employees (Attachment B). Human Resources will file an additional Board agenda items as department budgets reductions are identified.

Attachments: Three Resolutions, Attachment A (Early Retirement Option Program 2009-10 Revised), Attachments B (job classifications).

On File With Clerk:

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote:

Background (continued):

Cost:

The cost of ERO salary incentives are paid by departments out of existing budget revenues and are partially offset by costs that are mandatory for layoff employees that would not be incurred. There is also an estimated minor impact to the County's retirement unfunded liability that is included in the June 16, 2009 action item.

Recommendation:

Concurrent Resolution approving an extension of the eligibility period of the existing Early Retirement Option Program to October 5, 2009 for certain bargaining units.

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