VERIP and Classified RIF

DISCUSSION:

Targeted Retirement Incentive – GCPC, Employee Retirement For Classified Employees:
The proposed incentive has been designed for Voluntary Early Retirement Incentive Program (VERIP) eligible classified employees in positions that are paygrade 16 and higher whose retirement will not impair the essential functions of their department. This proposal provides an extended opportunity for those employees to apply for VERIP benefits and to elect one of the following options:

Option 1: Lump sum payment equivalent to 20% of current salary.
Considerations: May be desirable for individuals who wish to receive a one-time lump sum payment.

Option 2: Monthly payments, the total of which is equivalent to one week of pay for every full year of service with Albemarle County up to 20% of current salary. The number of months would be determined by the County.
Considerations: Would allow for the continuation of income while transitioning to retirement.

Option 3: Extend continuation of the full Board medical contribution toward health insurance an additional three years or to age 65 (whichever comes first) in addition to the current VERIP benefit.
Considerations: Addresses concerns for employees ages 60 and younger regarding the "gap" that may exist between VERIP coverage and eligibility for Medicare (which occurs at age 65).

To be eligible for the targeted incentive an employee would need to meet the VERIP eligibility criteria, must apply for VERIP by March 15, 2010 and retire by June 30, 2010. The Superintendent would consider whether the employee's position can be eliminated without impacting the critical functions of the organization.

For Teachers:
The proposed incentive would provide a one-time lump sum payment of $7500. Teachers, also, would need to meet the VERIP eligibility criteria.

Separation Benefits - GCPAA, Classified Employee Reduction in Force
To assist classified employees impacted by a reduction in force in transitioning from division employment, separation benefits are proposed as follows:

1) Separation Pay: Pay would be paid for a period as defined below:

Length of Service:	**Separation Pay Period:**
Less than Two Years	Two weeks of pay
Two Years and above	One week of pay for every full year of service up to a maximum of 12 weeks

2) Insurance Contribution: For employees enrolled in the medical and dental plans, the Board contribution will continue for the duration of the separation pay period.

BUDGET IMPACT:
Based on the savings in regard to staffing costs, staff projects a long term cost savings. Neither the targeted retirement incentives nor the separation benefits will be authorized unless the Board of Supervisors appropriates adequate funds for these programs.

RECOMMENDATIONS:
Staff recommends adoption of the attached amended Personnel Policies, GCPC-AP and GCPAA-AP.