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July 21, 2009

Honorable Board of Supervisors
County of Riverside
Robert T. Andersen Administrative Center
4080 Lemon Street, 5th Floor
Riverside, CA 92501-3651

Subject: Implementation of Management Employee Furloughs

On April 7, 2009, the Board of Supervisors approved Management Resolution Number 2009-120, which permitted the County Executive Officer to implement a mandatory furlough plan for county employees in exempt management, confidential and other unrepresented groups. On June 23, 2009, management pay cuts were filed on agenda for FY 2009/2010. The cuts will be a combination of furloughs and benefit reductions.

A mandatory furlough plan for managers will be implemented effective August 13, 2009. Department heads will have the authority to determine the approaches that best meet their particular functions and needs.

Unrepresented managers will be scheduled to work 72 hours each pay period. Certain county departments and divisions will maximize efficiency by closing offices on furlough days; others will continue current service hours by staggering schedules. In many departments, managers will work nine-hour days and offices will be closed on Fridays. Represented employees in these departments will work 10-hour days. Scheduling for 24/7 operations (e.g., law enforcement and health facilities) will depend on service needs.

The county's unrepresented managers began making sacrifices since November 2008. Employer-paid deferred compensation contributions have been cut, sheriff's education reimbursements were discontinued, annual leave buy-down terms changed, and merit increases have been suspended resulting in a reduction of management pay of 4.5%. Mandatory furloughs of 20 days per year (eight hours per pay period for 20 pay periods)

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and \$100 per month Flexible Benefit Credit (and waiver) reduction will further cut management salaries 8.1% yielding a total average cut of 12.6%. Confidential clerical employees will receive a subsidy to offset the flex reduction.

Mandatory furloughs will affect every manager significantly. The county is fortunate that its managers have the dedication, flexibility and skill to lead by example during this difficult period.

We have discussed with department heads and agency directors our intent to close the County Administrative Centers on Fridays. This, and other details will be finalized over the next few weeks. A public information program is being developed to ensure the public is informed of changes to hours and locations of service, and that continuity of essential services is maintained.

IT IS THEREFORE RECOMMENDED THAT the Board of Supervisors receive and file this report, and the County Executive Officer implement a mandatory furlough plan for the 2009-10 fiscal year, in accordance with the concepts described above.

Sincerely,



BILL LUNA

County Executive Officer