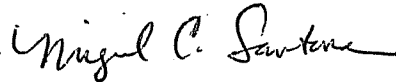


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: October 30, 2009

To: The Heads of All City Departments (Excluding DWP)

From: Miguel A. Santana, City Administrative Officer



Subject: **APPROVAL OF THE EARLY RETIREMENT INCENTIVE PROGRAM**

Today the Early Retirement Incentive Program (ERIP) was approved by the City Council and subsequently signed by the Mayor (C.F. 09-1320). The ERIP enrollment period will open at **8:00 a.m. on Monday, November 2, 2009, through 5:00 p.m. on Wednesday, December 16, 2009.** This Office requests that departments immediately implement the following practices regarding ERIP:

Website

The City's ERIP website is erip.lacity.org. The ERIP website contains the most current information about ERIP, including the ability to file the ERIP Election Form electronically, an ERIP benefits calculator, and updated frequently-asked-questions. Employees should also be encouraged to visit the ERIP website and access its resources and information.

Enrollment Period

Departments should notify its employees about the opening of the ERIP enrollment period. To assist departments in this effort, this Office has sent out an email communication to all City employees and has developed the attached flyer. It is requested that all departments post copies of the attached flyer throughout their respective work locations (e.g. community bulletin boards, break rooms, etc.)

Electronic Filing

Due to the anticipated high volume of filers, electronic submittal of the ERIP Election Form is encouraged. Departments should provide its ERIP eligible employees with resources to file (i.e. internet access, fax, scanner, etc.) the ERIP Election Form electronically. This may include setting up additional computers with internet access and answering questions on how to submit the ERIP Election Form electronically.

Filing On City Time

Whenever operationally feasible, ERIP eligible employees should be allowed to file the ERIP Election Form on City time if the employee requests to file during his or her normal work schedule. If an employee is authorized to file on City time, payroll code "HW" should be recorded on the employee's timesheet. In no event will an employee incur any overtime hours to file his or her ERIP Election Form.

Informational Booklet

A copy of the ERIP Informational Booklet is available on the ERIP Website and is attached to this document. This Office has ordered a limited number of hard copies for distribution. To request hard copies of the ERIP Informational Booklet, please contact the Employee Relations Division at (213) 978-7676.

Benefits Feedback

Departments received a tentative list of ERIP eligible employees, including an estimate of the ERIP group benefit level an employee would potentially qualify under. If an employee inquires about ERIP eligibility, including which ERIP group benefit level would most likely to him or her, then departments should inform the employee accordingly.

Defrayal Group

Operative November 8, 2009, the LACERS active employee retirement contribution rate for LACERS members hired prior to 1983 ("Defrayal Group") shall be adjusted to 6%. The Controller's Office has programmed PAYSR to ensure this change goes into effect. All Defrayal Group employees will realize the adjustment on their December 2, 2009 paycheck.

Retirement Priorities

City management determines the retirement dates for employees filing under ERIP. The goal of ERIP is to separate 2,400 civilian employees from the City's payroll and this Office estimates it will take approximately six months to accomplish this goal. To maximize the payroll savings generated by ERIP, departments are requested to base their retirement priorities on operational feasibility and to submit their retirement priorities to the CAO in three phases. Departments should utilize their tentative list of ERIP eligible employees to develop retirement priorities in accordance with the following schedule:

- Phase I: 6-week period from mid-December 2009 to end of January 2010
- Phase II: 6-week period from beginning of February 2010 to mid-March 2010
- Phase III: 6-week period from end of March 2010 to beginning of May 2010

Phase I of the above priority schedule should be submitted to the CAO no later than **Friday, November 13, 2009**. This ensures the CAO will be able to instruct the Los Angeles City Employees' Retirement System (LACERS) with the initial priority order of retirements. A separate document addressing the due dates for Phases II and III will be available at a future time.

Please direct any questions regarding this memorandum to Thomas Simonovski at (213) 978-7635 or Thomas.Simonovski@lacity.org.

MAS:TTS:mbg125

Attachments

cc: Mayor
City Council
Personnel Directors