



Program #10030 - Employee Retention Incentive Payments - Year 3 FY 2025 Proposed

Department: Nondepartmental **Program Contact:** Jeff Renfro
Program Offer Type: Operating **Program Offer Stage:** Proposed
Related Programs:
Program Characteristics: New Request, One-Time-Only Request

Executive Summary

In FY 2023, several large bargaining units completed successor bargaining. These new contracts featured retention incentives that would be paid out as two lump-sum payments. The Chair chose to extend the retention incentives to most County employees. The specific details of the payments differ by bargaining unit. The first retention incentive payments were paid out in FY 2023. A second round of payments were made in FY 2024. This program offer covers what should be the final round of retention incentive payments for bargaining units that have recently closed successor bargaining.

Program Description

The majority of Multnomah County employees entered FY 2023 with an open labor contract. Successor bargaining for all bargaining units included proposals meant to increase employee retention. The final agreements for each bargaining unit included retention incentives, paid out as two lump-sum payments. The specifics of the payments differ by bargaining unit, but AFSCME Local 88 retention incentives are an FY 2023 payment of 2% of employee pay with a minimum of \$2,500 and an FY 2024 payment of 1% of employee pay with a minimum of \$2,000.

In part to reward Multnomah County employees for the extraordinary level of work provided during the Pandemic and to increase retention, the Chair chose to extend retention incentive payments to most County employees. The first payment was made in FY 2023. American Rescue Plan (ARP) resources were used to pay the retention incentives for eligible employees. A second round of payments were made in FY 2024.

This program offer budgets the final retention incentive payments, to be paid out in July 2024. The final payment will be covered by one-time-only General Fund and American Rescue Plan (ARP) resources.

Performance Measures

| Measure Type | Performance Measure | FY23 Actual | FY24 Budgeted | FY24 Estimate | FY25 Target |
|--------------|--|-------------|---------------|---------------|-------------|
| Output | Number of employees receiving retention incentive payment. | N/A | N/A | N/A | 107.50 FTE |
| Outcome | % of employee receiving payment on time. | N/A | N/A | N/A | 100% |

Performance Measures Descriptions

Performance Measure #1 based on the number of FTE still in successor bargaining when the budget was calculated.

Revenue/Expense Detail

| | Adopted General Fund | Adopted Other Funds | Proposed General Fund | Proposed Other Funds |
|------------------------|-------------------------|------------------------|--------------------------|-------------------------|
| Program Expenses | 2024 | 2024 | 2025 | 2025 |
| Personnel | \$0 | \$0 | \$287,000 | \$500,000 |
| Total GF/non-GF | \$0 | \$0 | \$287,000 | \$500,000 |
| Program Total: | \$0 | | \$787,000 | |
| Program FTE | 0.00 | 0.00 | 0.00 | 0.00 |

| Program Revenues | | | | |
|----------------------|------------|------------|------------|------------------|
| Intergovernmental | \$0 | \$0 | \$0 | \$500,000 |
| Total Revenue | \$0 | \$0 | \$0 | \$500,000 |

Explanation of Revenues

Federal American Rescue Plan (ARP) Direct County Funding - \$500,000

Significant Program Changes

Last Year this program was: