



AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE Report on the Results of the Early Retirement Incentive Offering to Eligible Employees from August 26, 2009 Through December 23, 2009 and Adopt a Resolution amending the Position Allocation List to delete sixty-five positions		BOARD MEETING DATE February 2, 2010	AGENDA NUMBER 17
Dept: Contact: Extension:	Human Resources Donald W. Turko 784-2552	Supervisory District Number ALL	
Published Notice Required?		Yes _____	No <u> X </u>
Public Hearing Required?		Yes _____	No <u> X </u>

DEPARTMENTAL RECOMMENDATION:

Staff recommends that the Board of Supervisors:

- a. Receive the report regarding the results of the Early Retirement Incentive (ERI) offered to eligible County employees from August 26, 2009 through December 23, 2009 ;
- b. Adopt the attached resolution amending the Position Allocation List to delete the sixty-five positions as the results of the implementation of the Early Retirement Incentive Program

DISCUSSION/SUMMARY:

On August 11, 2009 the Board of Supervisors approved offering a designated window period of 120 calendar days from August 26, 2009 to December 23, 2009 to specific job classifications and departments as an early retirement incentive to reduce the size of the County workforce other than layoff. This offering, made pursuant to Government Code section 20903 granted two years of additional CalPERS service credit to participating eligible employees.

On August 25, 2009 the Board adopted the proscribed Resolution, designated the window period for participation and adopted certifications of the Board's actions pursuant to Government Code sections 7507 and 20903.

On August 27, 2009 and September 2, 2009 the County sponsored three workshops with CalPERS representatives to enable eligible employees to learn more about the ERI so they could make an informed decision regarding their retirement options. Of the 156 employees eligible for the ERI 110 attended the retirement workshops. At the conclusion of the window period 69 employees chose to exercise their retirement options pursuant to Government Code section 20903.

The attached position allocation resolution deletes 65 positions. This total is less than the total number of employees who exercised their right to retire during the window period because 4 of the positions were deleted by prior Board action on November 24, 2009. This fact is noted in the body of the position allocation resolution.

FINANCING:

As required by Government Code section 7507, the Board certified on August 25, 2009 that the estimated cost to the retirement fund of offering the ERI to all 156 eligible employees was \$8,776,269. The corresponding savings in salaries and benefits was \$37,690,337, generating a net savings of \$28,914,068 if all 156 eligible employees retired. The information provided to the Board at that time is listed below.

Retirement Plan	2-Year Salary Savings (Payroll)	2-Year Benefits Savings	Total 2-Year Salary & Benefits Savings
Miscellaneous	21,270,506	8,658,399	29,928,905
Safety	5,585,024	2,176,408	7,761,432
Totals	26,855,530	10,834,807	37,690,337

As a result of the 69 retirements attributed to the designated August 26, 2009 through December 23, 2009 window period, the following savings in salaries and benefits will result for fiscal years 2009/10, 2010/11, and 2011/12.

Retirement Plan	FY 2009/10 Savings (Salary and Benefits Minus Accrued Leave Payout)	FY 2010/11 Savings (Salary and Benefits)	FY 2011/12 Savings (Salary and Benefits)	Total Savings
Miscellaneous	2,161,971	7,734,868	7,734,868	17,631,707
Safety	204,069	1,266,582	1,266,582	2,737,233
Totals	2,366,040	9,001,450	9,001,450	20,368,940

The anticipated general fund share of the savings is \$1,027,080 for FY 2009/10, \$4,927,581 for FY 2010/11, and \$4,927,581 for FY 2011/12 for a total general fund savings of \$10,882,242.

In order to effectuate the savings which result from the ERI offering, it is necessary to take action to adopt the attached position allocation resolution to delete the sixty-five (65) identified positions.

ALTERNATIVES:

The Board could choose not to adopt this report and the attached resolution; however doing so would not meet the intent of the Board in implementing the ERI, and would not allow the County to realize the savings anticipated when adopting the ERI in August 2009.

OTHER AGENCY INVOLVEMENT:

The Human Resources Department worked with the County Administrator's Office and the Auditor-Controller's Office in preparing this report.

CAO RECOMMENDATION:

APPROVE DEPARTMENT
RECOMMENDATION

DEPARTMENT HEAD SIGNATURE:



Attachment A: Resolution, Pages 4 - 6