

FORM APPROVED
COUNTY COUNSEL

JUN 19 2007

BY: *[Signature]*

ROBERTS
PRINCIPAL DEPUTY
COUNTY COUNSEL

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

305



FROM: Human Resources Department

SUBMITTAL DATE:
June 19, 2007

SUBJECT: Early Retirement Service Credit under the California Public Employees' Retirement System (CAIPERS) for the Transportation and Land Management Agency's Building and Safety Department, County of Riverside.

RECOMMENDED MOTION:

1. Authorize the Transportation and Land Management Agency's Building and Safety Department, County of Riverside, to offer two years additional service credit to eleven (11) Building Inspector II's as described in Attachment 1;
2. Certify compliance with Government Code Sections 7507 and 20903, included as Attachments 2 and 3; and
3. On July 17, 2007 adopt Resolution 2007-331 to establish the window period in accordance with PERS requirements (Attachments 4 and 5).

BACKGROUND: Effective January 1, 2000, a new Government Code Section 20903 renewed the option to grant additional service credit under certain circumstances to agencies contracting with the California Public Employees' Retirement System (CalPERS).

[Signature]

Ronald W. Komers
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA

Current F.Y. Total Cost:	\$497,268.61	In Current Year Budget:	No
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/08

SOURCE OF FUNDS: Building & Safety Department Revenues

Positions To Be Deleted Per A-30:	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature]*
Steve P. Schubert

County Executive Office Signature

<input checked="" type="checkbox"/> Policy	<input checked="" type="checkbox"/> Policy
<input type="checkbox"/> Consent	<input type="checkbox"/> Consent
<input type="checkbox"/> Dept't Recomm.:	<input type="checkbox"/> Per Exec. Ofc.:

Prev. Agn. Ref.: | District: | Agenda Number:

3.40

BACKGROUND (continued)

It is requested that the Board of Supervisors authorize this retirement option for the Transportation and Land Management Agency's Building and Safety Department, County of Riverside, to extend the early retirement program to eleven (11) incumbents in the classification of Building Inspector II (class code 33232).

For the past six months, the Transportation and Land Management Agency's Building and Safety Department has experienced a consistent 40% decrease in permit activity from the previous year. Most of this decline is being felt in the tract housing market which has significantly reduced the work load in the department's Building Inspection Division. The number of permits now being issued mirrors the activity in the 1999/2000 fiscal year. In that fiscal year, the department employed 41 staff in the building inspection series, 18 building inspectors less than today. There is a need to reduce staff to a level comparable to that in the 1999/2000 fiscal year to bring staffing levels in line with the current work load.

This action is being proposed as an alternative to layoffs and has the support of the Transportation and Land Management Agency Director. Additionally, Human Resources continues to work with the Transportation and Land Management Agency and the Building & Safety Department to place employees anticipated to be affected by any reduction in staff in like positions throughout the County.

Detailed information regarding the department's staffing, eligible job classification for the early retirement option, and associated costs are included in Attachment 1. The estimate includes the cost of paying the value of employee's leave balances, should they elect to retire. Building Inspector II incumbents would be able to elect the early retirement credit so long as they meet the early retirement option eligibility requirements established by PERS, as listed in Attachment 1.

To implement this change, it is necessary to provide two certifications to PERS, as provided in Attachments 4 and 5. No earlier than two weeks after this public notice, this item must be returned to the Board's agenda for final adoption of the formal Resolution, Attachment 5. The first certification confirms that the cost of this benefit is being made public, and the second certification confirms the County's need to take this action, that payment will be made for the purchase of this benefit, and that the resulting vacancies will remain permanently unfilled.

This action can be paid in one of two ways: the estimated cost of \$497,269 can be paid in a lump sum to CalPERS, or it can be added to the County's actuarial accrued liability, which will result in an estimated employer contribution rate increase of 0.00475% for 20 years. Because the Building and Safety Department budget is revenue-based, it is recommended that the actual estimated cost be paid in a lump sum from departmental revenues.

Optional Early Retirement Credit

Eligible Departments/Classifications: Transportation and Land Management Agency's
Building & Safety department

<u>Class</u>	<u>Title</u>
33232	Building Inspector II

Timeline to Elect Benefit: 30 days (election must be made by August 15, 2007)

Eligible Retirement Dates: August 16, 2007 through November 13, 2007

<u>Estimated Costs for Eligible Employees:</u> (assumes all employees elect early retirement option).	PERS Service Credit Estimate	\$420,020.48
	Leave Balance Estimate	\$77,248.13
	Total	\$497,268.61

Projected Savings:

Positions to be deleted: Eleven (11) Building Inspector II's

Annual Salary/Benefit Savings: \$827,042.93

Employee Eligibility Requirements:

1. Employee must be 50 years old, with five or more years of service credit.
2. Retirement must take place within the 90 – 180 day window period specified by the County.
3. Employees who retire under this program cannot:
 - a. Receive any unemployment insurance payments during the specified period.
 - b. Be re-employed within the PERS system in any capacity, either under contract or any other basis including as a volunteer, without forfeiting the additional credit.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 7507**

I hereby certify that in accordance with Section 7507 of the Government Code
the future annual costs as determined by the System Actuary for the increase
in retirement benefit(s) have been made public at a public meeting of the

_____ of the
(governing body)

_____ of the
(public agency)

on _____ which is at least two weeks prior to the adoption of the
(date)

Resolution / Ordinance.

Clerk/Secretary

Title

Date _____

FORM APPROVED
COUNTY COUNSEL

JUN 19 2007

BY *Olden*

PRINCIPAL DEPUTY
COUNTY COUNSEL

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709

**CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20903**

In accordance with Government Code Section 20903 and the contract between the Public Employees' Retirement System, the Board of Supervisors of the County of Riverside hereby certifies that:

1. Because of an impending curtailment of, or change in the manner of performing service, the best interests of the agency will be served by granting such additional service credit.
2. The added cost to the retirement fund for all eligible employees who retire during the designated window period will be included in the contracting agency's employer contribution rate for the fiscal year that begins two years after the end of the designated period.
3. It has elected to become subject to Section 20903 because of impending mandatory transfers, demotions, and layoffs that constitute at least 1 percent of the job classification, department or organizational unit, as designated by the governing body, resulting from the curtailment of, or change in the manner of performing, its services.
4. Its intention at the time Section 20903 becomes operative is to keep all vacancies created by retirements under this section or at least one vacancy in any position in any department or other organizational unit permanently unfilled thereby resulting in an overall reduction in the work force of such department or organizational unit.

THEREFORE, the Board of Supervisors of the County of Riverside hereby elects to provide the benefits of Government Code Section 20903 to all eligible members who retire within the designated period, _____ through _____.

BOARD OF SUPERVISORS
OF THE
COUNTY OF RIVERSIDE

BY _____
Presiding Officer

Attest:

Clerk/Secretary

Date

FORM APPROVED
COUNTY COUNSEL

JUN 19 2007

BY

2yr certification-PA (Rev. 4/06) **ROBERT M. F. L. . . .**
PRINCIPAL DEPUTY
COUNTY COUNSEL

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
Actuarial and Employer Services Branch
Public Agency Contract Services
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (225-7377)

CERTIFICATION OF GOVERNING BODY'S ACTION

Resolution 2007-331

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

_____ of the
(governing body)

_____ (public agency)

on _____
(date)

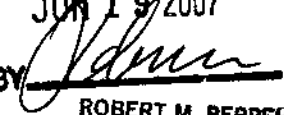
Clerk/Secretary

Title

FORM APPROVED
COUNTY COUNSEL

JUN 19 2007

BY



ROBERT M. PEPPER
PRINCIPAL DEPUTY
COUNTY COUNSEL

**BOARD OF SUPERVISORS
OF THE
COUNTY OF RIVERSIDE
RESOLUTION
TO
GRANT ANOTHER DESIGNATED PERIOD
FOR
TWO YEARS ADDITIONAL SERVICE CREDIT**

Resolution 2007-331

WHEREAS, the Board of Supervisors of the County of Riverside is a contracting Public Agency of the Public Employees' Retirement System; and

WHEREAS, said Public Agency desires to provide another designated period for Two Years Additional Service Credit, Section 20903, based on the contract amendment included in said contract which provided for Section 20903, Two Years Additional Service Credit, for eligible members;

NOW, THEREFORE, BE IT RESOLVED, that said Board of Supervisors does seek to add another designated period, and does hereby authorize this Resolution, indicating a desire to add a designated period from _____ through _____ for eligible _____ members in the _____.

Adopted and approved this _____ day of _____, _____.

BOARD OF SUPERVISORS
OF THE
COUNTY OF RIVERSIDE

BY _____
Presiding Officer

Attest:

Clerk/Secretary

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COUNTY COUNSEL

JUN 19 2007

BY 

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COUNTY COUNSEL