

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

423



FROM: Human Resources Department

SUBMITTAL DATE:
May 8, 2008

SUBJECT: Early Retirement Service Credit under the California Public Employees' Retirement System (CalPERS) for the Department of Environmental Health

RECOMMENDED MOTION:

1. Authorize the Department of Environmental Health to offer two years additional service credit to one (1) Senior Public Health Professional Engineer/Geologist as described in Attachment 1;
2. Certify compliance with Government Code Sections 7507 and 20903, included as Attachments 2 and 3; and
3. On June 17, 2008 adopt Resolution 2008-252 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 (PERS). This option was utilized by the Department of (continued on Page 2)

[Signature]

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

FINANCIAL DATA

Current F.Y. Total Cost:	\$144,065.00	In Current Year Budget:	No
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	07/08

SOURCE OF FUNDS: Building Permit Revenue

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

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature]*
Elizabeth J. Olson

County Executive Office Signature

- Policy
- Consent
- Policy
- Consent

Dept Recomm.:
Per Exec. Ofc.:

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

3.43

BACKGROUND (continued)

Purchasing and Fleet Services on October 31, 2001, Resolution 2000-292 and Transportation and Land Management Agency's Building and Safety Department on July 17, 2007, Resolution 2007-331. It is requested that the County Board of Supervisors authorize this retirement option for the Department of Environmental Health to extend the early retirement program to one (1) incumbent in the classification of Senior Public Health Professional Engineer/Geologist (class code 76826). This is a one person classification unique to the Environmental Resources Management department.

This action is being proposed as an alternative to layoff and has the support of the Director of Environmental Health. Due to the downturn in the building industry, fees from landfill disposal (tipping fees), septic system approvals, plan reviews and water well permits have decreased dramatically. As a result of a loss of \$2,369,800 in revenue, as well as increasing costs which are impacting the Land Use Program the department is eliminating the position of Senior Public Health Professional Engineer/Geologist.

The amount payable to CalPERS for the purchase of two years of Early Retirement Credit is \$75,777. The value of the employee's leave balances upon retirement is \$68,288. The total cost to the department is \$144,065. Detailed information regarding the eligible job classification for the early retirement option, and associated costs are included 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 the Early Retirement Credit this benefit, and that the resulting vacancy will remain permanently unfilled.

The cost of this action can be paid in one of two ways: the estimated cost of \$75,777 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 .00087% for 20 years. The Department of Environmental Health has proposed to pay these costs in a lump sum, without the use of general funds.

Optional Early Retirement Credit

Eligible Departments/Classifications: Department of Health (CHA)
Environmental Resources Management department

<u>Class</u>	<u>Title</u>
76826	Senior Public Health Professional Engineer/Geologist

Timeline to Elect Benefit: 30 days (election must be made by July 16, 2008)

Eligible Retirement Dates: July 17, 2008 through October 14, 2008

<u>Estimated Costs for Eligible Employees:</u> (assumes all employees elect early retirement option).	PERS Service Credit Estimate	\$75,777.00
	Leave Balance Estimate	\$68,288.00
	Total	\$144,065.00

Projected Savings:

Positions to be deleted: One (1) Senior Public Health Professional
Engineer/Geologist

Annual Salary Savings: \$103,803.85

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)

Attachment 2

**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
(public agency)

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

Resolution / Ordinance.

Clerk/Secretary

Title

Date _____

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

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

Resolution 2008-252

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

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

Resolution 2008-252

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