



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Managers Office/Clerk of the Board



Date: June 6, 2012
Board Meeting Date: June 26, 2012
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: John Maltbie, County Manager

Subject: Early Retirement Cost

RECOMMENDATION:

Accept actuarial certification of cost to grant early retirement option with one year of additional service credit for certain classifications within the Information Services Department, Human Services Agency and Health System.

BACKGROUND:

Due to reduced funding levels in FY 2012-2013, departments are proposing the elimination of filled positions in order to balance their budgets. In an effort to decrease the overall impact of these position eliminations, a resolution implementing Government Code Section 31641.04 (granting early retirement) for specific County classifications, will be recommended for your adoption on July 10, 2012.

DISCUSSION:

Pursuant to Government Code Sections 31516, 7507 and 31641.04, the actuarial certification of the cost to provide the early retirement option is being presented for your review at least two weeks prior to the adoption of the resolution.

Eleven (11) employees representing five (5) classifications in the Information Services Department, Human Services Agency and Health System have elected the early retirement option. These employees will receive an additional one-year of service credit in the calculation of their pension benefits. The increase in pension benefits will vary person to person but past calculations have resulted in approximately a 3.5% increase.

These early retirements will result in the elimination of 11 positions, thereby reducing the likely number of employees at-risk of lay-offs by 11.

FISCAL IMPACT:

The cost to grant early retirement to the 11 employees is \$218,651. Based on the assumption that each one of the 11 employees would have worked for one more year if there was no early retirement incentive, there will be a resulting salary and benefits savings of approximately \$646,088. This is based on annual salary and benefits at a cost of approximately \$864,739.

Attachments:

- Early Retirement Cost by Classification
- Actuarial Certification

Classification		Early Retirement Cost
Advisory Systems Engineer	Employee 1	\$39,479.34
Fiscal Office Assistant II	Employee 1	\$17,328.07
Fiscal Office Specialist	Employee 1	\$17,225.38
Fiscal Office Specialist	Employee 2	\$20,412.54
Fiscal Office Specialist	Employee 3	\$13,989.21
Fiscal Office Specialist	Employee 4	\$19,328.80
Medical Office Assistant II	Employee 1	\$16,737.55
Medical Office Assistant II	Employee 2	\$18,609.16
Patient Services Assistant II	Employee 1	\$20,063.86
Patient Services Assistant II	Employee 2	\$19,149.34
Patient Services Assistant II	Employee 3	\$16,328.06
TOTAL COST		\$218,651.31