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OFFICE OF THE CITY
OAKLAND

CITY OF OAKLAND
AGENDA REPORT

2009 MAR 11 PM 1:45

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Office of Personnel Resource Management
DATE: March 24, 2009

RE: **Follow-Up Informational Report on the Potential Costs or Benefits of the City's Voluntary Time Off Program (VTN) and the CalPERS Two Years Additional Service Credit Program ("Golden Handshake")**

SUMMARY

At its January 27, 2009 meeting, the Finance and Management Committee requested that the Personnel Department provide further analysis of implementing both a Voluntary Time Off Without Pay Program (VTN) and the CalPERS Two Years Additional Service Credit Program ("Golden Handshake"), in order to assess whether those programs could provide cost-saving budget alternatives to layoffs. Specifically, staff was directed to (1) discuss the current use of the Voluntary Time Off (VTN) program within the City; (2) provide a list of General Purpose Fund classifications and programs that could be considered for the Golden Handshake program; and (3) discuss financial differences between the Golden Handshake and the lump sum programs, including discussion of the long term and short term costs and benefits of the programs.

FISCAL IMPACT

Voluntary Time Off (VTN)

Over the past three years, the use of the VTN program saved the City **\$759,946 across all funds**. Factors that impact the potential for cost-savings with the Voluntary Time Off Program include:

- Departments use overtime to cover the absence of employees on VTN thereby increasing, rather than decreasing costs.
- Limited use by employees since the program is voluntary and they are already experiencing the financial effects of the mandatory business shutdown days.
- Economic hardships due to the downturn in the general economy which might make employees *less* likely to voluntarily take leave without pay.
- Increased participation may result in decreased productivity due to employee absence.
- While on VTN, all employee benefits are paid. When on non-VTN leave for more than 30 consecutive days, benefits are not paid by the City; premiums must be paid by the employee.
- With recent workforce reductions, managers have less flexibility in covering their staffing needs and may be more likely to deny requests in the future.

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Finance and Management Committee
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Based on discussions with all City departments, there is little likelihood that the VTN program can be used more extensively at this time. However, department directors will continue reviewing and approving VTN requests according to the currently established procedure as outlined in AI 511.

Golden Handshake

Offering the CalPERS Golden Handshake program as a retirement incentive could, in the short term, reduce the City's staffing costs while minimizing the potential for layoffs and give employees a voluntary means to participate in the City's budget reduction strategies. At the same time, it is important to understand that the two years of additional service credit awarded to employees who retire under the Golden Handshake results in an increase in the City's future payments to CalPERS, for a period of 20 years.

The actual increase is dependent upon how many employees take advantage of the Golden Handshake opportunity. There may also be an additional cost associated with the Golden Handshake if there is a surge in retirements (called an "experience loss") and the total number of retirements exceeds CalPERS actuarial assumptions for the fiscal year. If there were such a surge, CalPERS would increase the City's Employer Contribution Rate *in addition to the rate increase resulting from the Golden Handshake benefit*. According to CalPERS, an experience loss often occurs when the two years service credit is offered because some members retire who would have otherwise waited until later years.

The Port of Oakland and the City are considered one employer for the purposes of setting the employer rate each year. The City's FY 2007-2008 employer contribution to CalPERS for the miscellaneous employee group totaled approximately \$34.4 million (19.199% of the miscellaneous employee payroll). The Port's portion is calculated and paid separately. The current 2008-2009 rate for the miscellaneous group is 19.553% of the miscellaneous employee payroll and will increase to 19.588% on July 1, 2009, due to factors not related to the Golden Handshake program (mainly changes in the employee workforce and CalPERS investment losses).

If the City were to implement the Golden Handshake program as described below, the City's retirement rate would increase by 0.1442 percentage points. The increase would be effective two years after the end of the Golden Handshake program offering ("designated period"). If the Port does not participate in the Golden Handshake program with the City, steps will be necessary to segregate the increased cost for the City from the Port's portion so that they are not required to pay for a benefit they do not receive.

Attachment A illustrates the salary and benefits savings that can be realized by offering the Golden Handshake to the specific positions identified as eligible by City departments. The table also shows the estimated additional cost to the City resulting from the CalPERS rate increase.

- If retirement eligible employees assigned to the 70 positions identified for the Golden Handshake retire, the estimated **salary and benefits savings** would be **\$7,502,975**

annually across all funds. The General Purpose Fund portion is estimated at **\$7.1 million** annually.

- Using the formula provided by CalPERS, the **cost** to provide two years of additional service credits to the Golden Handshake-eligible group is **\$3,437,762**. The CalPERS employer rate would increase from **19.588%** to **19.732%**. The \$3,437,762. Additional Employer Contribution (or cost for the two years additional service credit) can be amortized over 20 years resulting in an estimated additional payment of **\$260,360** per year, **(\$113,635 of which is General Purpose Fund)** commencing two years after the end of the Golden Handshake "designated period". If fewer employees elect to accept the Golden Handshake, the salary and benefits savings would be less as will the increased CalPERS cost.

Alternative Voluntary Separation Program (VSP)

In June, 1994, the City offered an Early Retirement Incentive Program which allowed the first 225 employees 50 years of age with a minimum of five years of service credit as of July 1, 1994 a one-time opportunity to sign up for retirement over a ten-day period (June 13 through 24).

(Attachment B) The incentive benefit was:

- Lump sum payment of \$5,000
- \$225 per month, paid quarterly, for five years or until age 65, whichever is greater.
- Benefit payable to surviving spouse up to the number of years remaining on the payment commitment.
- Employee option to take a lump sum payment in July 1994 or January 1995.

Only twelve (12) employees took advantage of the opportunity. There is no information to indicate why participation was so low, however, it can be concluded that the incentive payout may not have been attractive.

Although the 1994 program was not as successful as the City would have hoped, the availability of a Voluntary Separation Program is still a viable way to provide incentives to eligible employees to retire and help relieve the burden of layoffs. Using an alternative Voluntary Separation Program (VSP) developed by the City will allow the flexibility to establish eligibility criteria that suits the City's operational needs, set the payout amount in line with budgetary considerations, establish a much shorter window to elect retirement, and offer it when desired without the need to go through the tedious CalPERS process each time. The one-time cost can be managed and is complete once paid as opposed to the need to budget annually over several years to cover the cost of the two years additional service credit under the CalPERS program.

While it is impossible to project the exact costs and savings of the VSP until a determination is made on the payout amount, and the exact number of participating employees is known, the costs and savings could be estimated.

If the program was offered to the employee classifications listed in Attachment A and all employees participated:

- the annual savings would be the same as under the Golden Handshake (7,502,975 for all funds and \$7,100,000 for the General Fund);
- the one-time upfront cost could range from \$700,000 (if a \$10,000 payout benefit is offered to all) to \$1,013,368 (if each employee received 20% of salary as a payout.).

Clearly the cost of the VSP program would be lower than that of the Golden Handshake. Depending on how the benefit is paid (lump sum or over 2-3 years) the cost to the City would be spread.

BACKGROUND

The City currently has a voluntary VTN program, through which employees may request time off without pay. It was created in the late 1980s for the specific purpose of saving City funds and provides employees the opportunity to take unpaid leave while retaining accruals and seniority. The VTN program offers monetary savings to the City, but requires careful scheduling of the workload.

The CalPERS Two Years Additional Service Credit program, commonly referred to as the "Golden Handshake", is an optional benefit through CalPERS established under California Government Code Section 20903, which allows contracted agencies to provide two additional years of service credit to members who retire during a designated window period because of impending mandatory transfers, layoffs, or demotions. The "Golden Handshake" program normally requires that positions eligible for the program are deleted or frozen after their incumbents retire, to ensure budgetary savings. The cost of the program translates into higher payments to CalPERS over a 20-year period that begin two years following the program implementation.

Other cities also reviewed and /or implemented alternatives to the "Golden Handshake" program, often called "Voluntary Separation Programs". Such programs usually offer a lump-sum payment to eligible employees willing to voluntarily separate from the City. Similar to the "Golden Handshake", normally positions from which eligible incumbents leave are frozen or deleted, although under "Voluntary Separation Programs" cities usually have more flexibility on the duration of the freeze and possible exemption. The cost of such programs is one-time, upfront (due to the lump-sum payments), as opposed to being spread over years under the CalPERS program.

In February and March 2009, the Personnel Department followed up with all City departments to analyze the current use of VTN and explore ways to promote further use of the program; and to explore the feasibility of offering a Golden Handshake or alternative Voluntary Separation programs in their departments.

Voluntary Time Off (VTN)

The City's Voluntary Time Off Without Pay Program (VTN) is described in Administrative Instruction 511, which is attached to this report *Attachment C*. The program allows employees

to request up to 60 days of unpaid leave in a calendar year with required approvals. The program has been in effect for many years and was last revised in February 2008.

VTN usage and savings potential was discussed with the City's Department Directors in February 2009, and also presented to the City Council in the January 27, 2009 report. Over the past three and one half years, employees have used VTN for a total of 20,225.52 hours representing savings of \$759,946 across all funds.

| <u>Year</u> | <u>Hours</u> | <u>Salary Savings</u> |
|---------------|------------------|-----------------------|
| FY05/06 | 9752.10 | 358,599.12 |
| FY06/07 | 4462.70 | 173,402.57 |
| FY07/08 | 2868.57 | 113,335.69 |
| FY08/09 | 3142.15 | 114,609.04 (to date) |
| Totals | 20,225.52 | 759,946.42 |

Department Directors reported that they presently make every effort to approve requests for VTN and believe they are already authorizing its use to the extent possible. They further report rarely, if ever, having to deny a request within the guidelines detailed in Administrative Instruction 511.

There were concerns raised about initiating a campaign to encourage further use of VTN at this time in light of the mandatory shutdown and difficulties in scheduling workload with employees working less due to the shutdown and VTN.

CalPERS's Golden Handshake

Discussions with Directors and City Administration revealed that they were supportive of having some form of retirement incentive program as a means to meet staff reduction mandates and do so without having to impose the full brunt of layoffs.

Department Heads were given a list of classifications by department that includes retirement eligible employees (*Attachment D*). Directors were instructed to review the list provided and identify classifications or work units where retirements might help them with their workforce planning or restructuring efforts. (CalPERS requires indefinite freeze / elimination of positions vacated by participating employees.) *Sworn classifications were specifically exempted from consideration.*

A total of 70 positions were identified by departments as eligible; these are detailed in *Attachment E*. The cost to offer the Golden Handshake to eligible individuals in the identified classifications and potential short-term savings are provided in *Attachment A* and discussed in further detail in the Fiscal Impact section of this report.

As reported previously, the Golden Handshake benefit has been used by other municipalities (e.g., City of Hayward, Santa Clara County) as a way of encouraging retirement-eligible employees to retire to help create cost-savings and avoid or minimize layoffs. If the City were to offer the Golden Handshake benefit, it would likely encourage employees who are near retirement to take advantage of the benefit, and would create some short term cost savings resulting from those retirements. If the positions that are vacated by Golden Handshake retirements remain permanently vacant as prescribed by CalPERS, the City would realize the full value of salary plus employee benefits savings for the first two years after implementation. However, after the second year, the City will be required to begin payments to CalPERS at a higher rate, thereby reducing future savings realized for those positions. Additionally, implementing the Golden Handshake would limit flexibility in filling the vacated positions as described above.

Alternative Voluntary Separation Program (VSP)

The CalPERS program requires an extensive amount of preparation to implement and is very restrictive. Not only must the contract be amended to allow for implementation (which can take up to 90 days to complete), CalPERS requires a specific plan that details the classifications/work units/departments impacted to be approved by them prior to allowing the retirement window to be opened. Further, the retirement window must be open for no less than 90 days. It allows for little, if any, change to the plan after it is established and approved without going through the process again.

On the other hand, a Voluntary Separation Program is a more flexible alternative to the CalPERS Golden Handshake because the parameters of the program are developed by the City, including the payout amount, window period to elect retirement, and eligibility criteria. Although the up front cost may be great (depending on the payout formula), it would be a one-time expense and not ongoing as is the case with the CalPERS Golden Handshake. To help illustrate the advantages and disadvantages of both the CalPERS Golden Handshake and an Alternative Voluntary Separation Program, a matrix has been prepared as *Attachment F*.

KEY ISSUES AND IMPACTS

The two years additional service credit optional benefit offered by CalPERS is designed to give employers another option to meet mandatory workforce reductions. An alternative voluntary separation program would serve the same purpose. The use of any type of retirement incentive program, be it the Golden Handshake or an in-house voluntary separation program, requires the City to conduct a thorough analysis of its operational needs so that classifications are not vacated through retirement that will adversely impact the City's ability to meet service needs. Losing

institutional knowledge becomes more of an issue with retirements than layoffs because presumably the more knowledgeable employees are those who have been in the organization longer. This can result in greater stress for the remaining staff as they learn new tasks and assume additional responsibilities.

If Council were to act immediately, the process of implementing the Golden Handshake would take nearly one year from when Council first authorizes implementation through expiration of the window in which employees would to retire (90-180 days). **Cost savings would be realized no sooner than late FY2009/2010.**

The CalPERS policy states that the positions vacated through retirement of eligible employees who opt for two years additional service credit or at least one vacancy in any position in any department or other organization *must remain permanently unfilled thereby resulting in an overall reduction in the workforce*. Ideally, the City would opt to keep vacant the level position that was vacated and not substitute lower level positions. Doing so diminishes savings. If these types of programs are to be genuinely cost-saving, vacancies created must remain unfilled and ideally will be eliminated.

Offering an alternative Voluntary Separation Program could happen **as early as July 2009**, and could be done to impact the current budget process. In the meantime, retirement-eligible employees are likely to delay their retirement pending a Council decision on whether or not to offer a retirement incentive benefit.

The City can anticipate that eligible employees who are less than age 55 will not elect to retire with two years additional service credit under the CalPERS program because they will not receive 2.7 percent of their final compensation per year of service as detailed in the CalPERS Benefits Factors table (*Attachment G*). They will receive 2.000 percent at age 50 through 2.665 at age 54. If an alternative voluntary separation program is offered, age would probably still be a factor since the incentive payment does not impact their PERS retirement calculation. The people most likely to take advantage of the Golden Handshake or a voluntary separation program are people who would retire anyway – employees who are more than 55 years old and have more than 25 years of service.

When authorizing VTN, management must plan carefully considering the impact on their ability to meet service needs and insure that employees approved for the leave remain uncompensated during the leave period. Further, no additional pay should be authorized to other staff that may be required to fill in.

SUSTAINABLE OPPORTUNITIES

There are no direct economic, environmental, or social equity opportunities arising out of the information discussed in this report.

DISABILITY AND SENIOR CITIZEN ACCESS

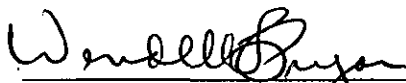
The information presented in this report does not impact disability and senior citizen access.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that City Council accept this informational report regarding the potential costs or cost-savings that may result from the Voluntary Time Off Without Pay (VTN) Program, CalPERS Retirement Incentive program (Golden Handshake), and an alternative Voluntary Separation Program (VSP), and provide direction to staff regarding possible implementation of the Golden Handshake or VSP.

If the Council finds that it may consider offering the CalPERS Two Years Additional Service Credit program some time in the future, a resolution must be adopted. The resolution only amends the City's contract with CalPERS to allow future participation in the Golden Handshake program; the City's retirement costs will not be increased until after the actual implementation.

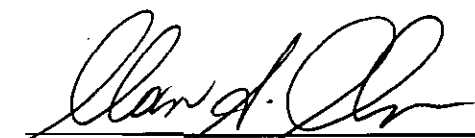
Respectfully submitted,



Wendell Pryor, Director
Office of Personnel Resource Management

Prepared by:
Yvonne S. Hudson, HR Manager
Retirement and Benefits

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:



Office of the City Administrator

Item: _____
Finance and Management Committee
March 24, 2009

**Follow-Up Information Report on the Potential Costs or Benefits of the City's
Voluntary Time Off Program (VTN) AND THE CalPERS Two Years Additional
Service Credit Program ("Golden Handshake") – March 24, 2009**

List of Attachments

| | |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Attachment A | City of Oakland Cost for (1) CalPERS Two Years Additional Service Credit and Voluntary Separation Program |
| Attachment B | Early Retirement Incentive Program-July 1, 1994 |
| Attachment C | Administrative Instruction 511 – Voluntary Time Off Without Pay (VTN) |
| Attachment D | Retirement Eligible Employees by Department and Classification |
| Attachment E | Classifications by Department for Golden Handshake/Alternative Voluntary Separation Program Consideration |
| Attachment F | Advantages/Disadvantages of CalPERS 2-Years Additional Services Credit (Golden Handshake) and Alternative Voluntary Separation Program Retirement |
| Attachment G | CalPERS Benefit Factors Table |

CITY OF OAKLAND
(1) CalPERS Two Years Additional Service Credit
(Golden Handshake)
Additional Employer Contributions FY 2009-2010
and
(2) Cost for Voluntary Separation Program

| Department | Classifications Eligible to Participate | Annual Salary | Total Budgeted Cost (Includes Benefits of 61.15%) | Golden Handshake Program | | Voluntary Separation Program | | | | |
|----------------------------------------|-----------------------------------------|-------------------|---------------------------------------------------|-------------------------------------------------------------------------|------------------|------------------------------|-------------------|-------------------|-------------|--|
| | | | | Employer Contributions to CalPERS for 2 Years Additional Service Credit | | Based on Salary Only | | Flat Payout | | |
| | | | | @ 10% | @ 20% | @ 10% | @ 20% | up to \$10K | up to \$20K | |
| City Clerk | | | | | | | | | | |
| City Clerk Total: None | | | | | | | | | | |
| City Attorney | | | | | | | | | | |
| City Attorney Total: None | | | | | | | | | | |
| Personnel | | | | | | | | | | |
| | HR Analyst, Principal | 112,186 | 180,787 | 80,774 | 11,219 | 22,437 | 10,000 | 20,000 | | |
| Personnel Total: | | \$ 112,186 | \$ 180,787 | \$ 80,774 | \$ 11,219 | \$ 22,437 | \$ 10,000 | \$ 20,000 | | |
| Finance Management Agency (FMA) | | | | | | | | | | |
| | Accountant II | 73,788 | 118,909 | 48,700 | 7,379 | 14,758 | 10,000 | 20,000 | | |
| | Accountant III - 3 | 255,595 | 411,891 | 168,893 * | 25,559 | 51,119 | 30,000 | 60,000 | | |
| | Accounting Supervisor | 96,879 | 156,121 | 89,753 | 9,688 | 19,376 | 10,000 | 20,000 | | |
| | Storekeeper II - 2 | 118,936 | 191,665 | 77,903 * | 11,894 | 23,787 | 20,000 | 40,000 | | |
| | Parking Meter Repair Worker | 56,680 | 91,340 | 40,810 | 5,668 | 11,336 | 10,000 | 20,000 | | |
| | Tax Representative II - 3 | 221,364 | 356,728 | 140,935 * | 22,136 | 44,273 | 30,000 | 60,000 | | |
| FMA Total: | | \$ 823,242 | \$ 1,326,655 | \$ 646,794 | \$ 82,324 | \$ 164,648 | \$ 110,000 | \$ 220,000 | | |

Note:

* This amount represents the total additional contributions of multiple positions in the same classification with different age group and cost factors.

CITY OF OAKLAND
(1) CalPERS Two Years Additional Service Credit
(Golden Handshake)
Additional Employer Contributions FY 2009-2010
and
(2) Cost for Voluntary Separation Program

| Department | Classifications Eligible to Participate | Annual Salary | Total Budgeted Cost (includes Benefits of 61.15%) | Golden Handshake Program | Voluntary Separation Program | | | |
|---------------------------------|-----------------------------------------|---------------------|---------------------------------------------------|-------------------------------------------------------------------------|------------------------------|-------------------|-------------------|-------------------|
| | | | | Employer Contributions to CalPERS for 2 Years Additional Service Credit | Based on Salary Only | | Flat Payout | |
| | | | | | @10% | @20% | up to \$10K | up to \$20K |
| | | | | | 10% | 20% | \$ 10,000.00 | \$ 20,000.00 |
| Oakland Police Dept. | | | | | | | | |
| | Accountant III | 85,198 | 137,297 | 61,343 | 6,520 | 17,040 | 10,000 | 20,000 |
| | Administrative Analyst II - 4 | 303,761 | 489,511 | 208,078 * | 30,376 | 60,752 | 40,000 | 80,000 |
| | Administrative Assistant I - 4 | 203,034 | 327,189 | 139,586 * | 20,303 | 40,607 | 40,000 | 80,000 |
| | Animal Control Officer - 2 | 108,826 | 175,372 | 71,280 * | 10,883 | 21,765 | 20,000 | 40,000 |
| | Crossing Guard, PPT - 2 | 74,006 | 119,261 | 48,474 * | 7,401 | 14,801 | 20,000 | 40,000 |
| | Neighborhood Svs. Coordinator - 4 | 262,375 | 422,817 | 176,447 * | 26,237 | 52,475 | 40,000 | 80,000 |
| | Office Assistant II | 43,700 | 70,422 | 31,464 | 4,370 | 8,740 | 10,000 | 20,000 |
| | Police Services Technician II - 13 | 724,402 | 1,167,373 | 495,938 * | 72,440 | 144,880 | 130,000 | 280,000 |
| | Program Analyst III | 83,511 | 134,578 | 80,128 | 8,351 | 16,702 | 10,000 | 20,000 |
| | Ranger | 76,898 | 123,920 | 49,983 | 7,690 | 15,380 | 10,000 | 20,000 |
| | Reproduction Offset Operator | 45,377 | 73,124 | 29,495 | 4,538 | 9,075 | 10,000 | 20,000 |
| | Oakland Police Dept. Total: | \$ 2,011,086 | \$ 3,240,865 | \$ 1,372,214 | \$ 201,109 | \$ 402,217 | \$ 340,000 | \$ 680,000 |
| Oakland Fire Dept. | | | | | | | | |
| | Emergency Planning Coordinator | 79,734 | 128,491 | 47,043 | 7,973 | 15,947 | 10,000 | 20,000 |
| | Fire Suppression District Inspector | 65,582 | 105,686 | 43,284 | 6,558 | 13,116 | 10,000 | 20,000 |
| | Office Assistant II | 43,700 | 70,422 | 31,464 | 4,370 | 8,740 | 10,000 | 20,000 |
| | Oakland Fire Dept. Total: | \$ 189,016 | \$ 304,599 | \$ 121,781 | \$ 18,902 | \$ 37,803 | \$ 30,000 | \$ 60,000 |
| Public Work Agency (PWA) | | | | | | | | |
| | Project Manager | 105,119 | 169,399 | 75,685 | 10,512 | 21,024 | 10,000 | 20,000 |
| | PWA Total: | \$ 105,119 | \$ 169,399 | \$ 75,685 | \$ 10,512 | \$ 21,024 | \$ 10,000 | \$ 20,000 |
| Contracting Dept. | | | | | | | | |
| | Receptionist | 42,432 | 68,379 | 30,551 | 4,243 | 8,486 | 10,000 | 20,000 |
| | Contracting Dept. Total: | \$ 42,432 | \$ 68,379 | \$ 30,551 | \$ 4,243 | \$ 8,486 | \$ 10,000 | \$ 20,000 |

Note:

* This amount represents the total additional contributions of multiple positions in the same classification with different age group and cost factors.

CITY OF OAKLAND
 (1) CalPERS Two Years Additional Service Credit
 (Golden Handshake)
 Additional Employer Contributions FY 2009-2010
 and
 (2) Cost for Voluntary Separation Program

| Department | Classifications Eligible to Participate | Annual Salary | Total Budgeted Cost (Includes Benefits of 61.15%) | Golden Handshake Program | | Voluntary Separation Program | | | |
|-----------------------------------------------------------|-----------------------------------------|---------------------|---------------------------------------------------|-------------------------------------------------------------------------|-------------------|------------------------------|-------------------|---------------------|-------------|
| | | | | Employer Contributions to CalPERS for 2 Years Additional Service Credit | | Based on Salary Only | | Flat Payout | |
| | | | | @ 10% | @ 20% | @ 10% | @ 20% | up to \$10K | up to \$20K |
| Dept. of Information Technology (DIT) | | | | | | | | | |
| | Human Resources Sys. Analyst, Senior | 101,757 | 163,982 | 87,160 | 10,176 | 20,351 | 10,000 | 20,000 | |
| | Manager, Information Systems | 135,012 | 217,572 | 87,758 | 13,501 | 27,002 | 10,000 | 20,000 | |
| | Information Systems Supervisor | 117,802 | 189,839 | 88,352 | 11,780 | 23,560 | 10,000 | 20,000 | |
| | Microcomputer Sys Specialist II - 3 | 251,174 | 404,767 | 169,124 * | 25,117 | 50,235 | 30,000 | 60,000 | |
| | Microcomputer Systems Specialist III | 101,757 | 163,982 | 88,142 | 10,176 | 20,351 | 10,000 | 20,000 | |
| | Project Manager | 123,698 | 199,340 | 89,083 | 12,370 | 24,740 | 10,000 | 20,000 | |
| | Project Manager III | 165,758 | 267,119 | 109,400 | 16,576 | 33,152 | 10,000 | 20,000 | |
| | System Analyst I | 65,429 | 105,439 | 42,529 | 6,543 | 13,086 | 10,000 | 20,000 | |
| | System Analyst III - 3 | 305,271 | 491,945 | 205,549 * | 30,527 | 61,054 | 30,000 | 60,000 | |
| | Telecommunications Sys Engineer - 2 | 203,514 | 327,963 | 146,530 * | 20,351 | 40,703 | 20,000 | 40,000 | |
| DIT Total: | | \$ 1,571,174 | \$ 2,531,947 | \$ 1,071,806 | \$ 157,117 | \$ 314,235 | \$ 150,000 | \$ 300,000 | |
| Parks & Recreation | | | | | | | | | |
| | Public Service Representative | 50,759 | 81,797 | 32,993 | 5,076 | 10,152 | 10,000 | 20,000 | |
| | Zoo Keeper | 48,630 | 78,368 | 35,014 | 4,863 | 9,726 | 10,000 | 20,000 | |
| Parks & Recreation Total: | | \$ 99,389 | \$ 160,165 | \$ 68,007 | \$ 9,939 | \$ 19,878 | \$ 20,000 | \$ 40,000 | |
| Library | | | | | | | | | |
| Library Total: | | None | | | | | | | |
| Museum | | | | | | | | | |
| Museum Total: | | None | | | | | | | |
| Department of Human Services (DHS) | | | | | | | | | |
| | Senior Center Director | 62,440 | 100,623 | 36,840 | 6,244 | 12,488 | 10,000 | 20,000 | |
| | Administrative Assistant I | 50,759 | 81,797 | 33,501 | 5,076 | 10,152 | 10,000 | 20,000 | |
| DHS Total: | | \$ 113,199 | \$ 182,420 | \$ 70,340 | \$ 11,320 | \$ 22,640 | \$ 20,000 | \$ 40,000 | |
| Community Economic & Development Agency (CEDA) | | | | | | | | | |
| CEDA Total: | | None | | | | | | | |
| GRAND TOTAL: | | \$ 5,066,842 | \$ 7,502,975 | \$ 3,437,762 | \$ 506,684 | \$ 1,013,368 | \$ 700,000 | \$ 1,400,000 | |

Note:

* This amount represents the total additional contributions of multiple positions in the same classification with different age group and cost factors.

CITY OF OAKLAND
(1) CalPERS Two Years Additional Service Credit
(Golden Handshake)
Additional Employer Contributions FY 2009-2010
and
(2) Cost for Voluntary Separation Program

Summary of Costs

| | |
|------------------------------------------------------------------------------------------------------------------------|----------------------|
| (1) Additional Golden Handshake Costs: | |
| Total Number of Classifications Eligible to Participate From Above: | 70 |
| Employer Contribution Rate for Miscellaneous Members Effective July 1, 2009: | 19.5880% |
| Increase in Employer Contribution Rate: | <u>0.1442%</u> |
| Revised Misc. Employer Contribution Rate: | 19.7322% |
| | |
| Approximate 2009-2010 Annual Payroll (All Funds): | \$ 180,492,450 |
| 20-Year Amortization Factor, as provided by CalPERS: | 13.24 |
| Estimated Annual Increase in PERS Employer Contributions using 20year amortization factor of 13.24(all funds) : | \$ 260,360.07 |
| Estimated Annual Increase - General Purpose Fund: | \$ 113,635.52 |
| | |
| (2) Additional Voluntary Separation Program Cost: | |
| Option A - For every \$10,000 in payout, the one-time maximum cost is: | \$ 700,000 |
| Option A - For every \$20,000 in payout, the one-time maximum cost is: | \$ 1,400,000 |
| | |
| Option B - For every 10% of annual salary payout, the one-time maximum cost is: | \$ 506,684 |
| Option B - For every 20% of annual salary payout, the one-time maximum cost is: | \$ 1,013,368 |

Note:

* This amount represents the total additional contributions of multiple positions in the same classification with different age group and cost factors.

City of Oakland

Early Retirement Incentive Program

Target Group:

The first 225 employees 50 years of age with minimum five years of service credit as of July 1, 1994

Employees who have applied for retirement and have a retirement date after June 30, 1994, may sign up for the early retirement incentive program **PROVIDED** they change retirement date to June 30, 1994.

Proposed Benefit:

Benefit structure is as follows:

* Lump sum payment of \$5,000.

*\$225 per month, paid quarterly for five years or until age 65, whichever is greater.

Benefit payable to surviving spouse up to # years remaining on payment commitment.

*Employee has option to take lump sum in July or January.

When:

Employee has one time opportunity to sign up for retirement during the period of June 13 through June 24, 1994 to be eligible for the benefit. **BENEFIT WILL BE LIMITED TO THE FIRST 225 WHO SIGN UP!**

Employee must retire to receive benefit.

Marketing:

All employees in target group will receive written information/invitation to participate.

Orientation Sessions will be held for target group. sessions will be conducted at the museum, Service center, Police Building, and 505 - 14th street. City Manager will explain the proposal and why the City thinks its important to offer and how it benefits the individual.

Process:

Employee must submit a completed retirement application to retirement and risk Management no later than the close of business on **JUNE 24, 1994**. Employee must also complete **RETIREMENT INCENTIVE AGREEMENT**. **ONLY THE FIRST 225 EMPLOYEES SUBMITTING THE REQUIRED APPLICATION AND AGREEMENT WILL BE ELIGIBLE TO RECEIVE THE EARLY RETIREMENT INCENTIVE.**

Lump sum payments will be issued by July 15, 1994, or January 6, 1995, depending on retiree's choice. monthly checks and lump sum checks will be issued by the City's finance Department. payments are taxable with finance issuing 1099's to retirees at the end of the calendar year.

Lakeside Park Garden Center - Oakland, CA
Thursday, June 9, 1994 - 6:00 p.m.

A special meeting of the Oakland City Council was held on the above date. Opening with the Pledge of Allegiance, the meeting was convened at 7:50-p.m.

Upon call of the roll, the following members answered their names: Councilmembers Bayton, De La Fuente, Jordan, Miley and Vice Mayor Spees - 5. ABSENT: Councilmembers Moore, Ogawa, Woods-Jones and Mayor Harris - 4.

CITY OFFICIALS NOTED PRESENT

Craig Kocian, City Manager
Joyce Hicks, Assistant City Attorney
Ceda Floyd, City Clerk
Gwen George, City Clerk Office Representative

VICE MAYOR SPEES PRESIDING

City Council met between 5:00 p. m. and 6:30 p.m. in Closed Session.

City Attorney reported that no final decisions were reached during Closed Session.

PUBLIC HEARINGS

1. 7:31 p.m. - A Public Hearing on Master Fee Schedule Changes
 - 1.1 An Ordinance Amending Ordinance Number 9336 C.M.S. (Master Fee Schedule), as Amended, to Modify and Establish Fees Assessed by the Offices of the City Clerk, Finance, Public Works, Planning and Building, and Parks and Recreation and the Departments of Police, Fire, Museum, and Library

COUNCILMEMBER MOORE NOTED PRESENT AT 7:56 P.M.

COUNCILMEMBER WOODS-JONES NOTED PRESENT AT 8:10 P.M.

MAYOR HARRIS NOTED PRESENT AT 8:10 P.M.

MAYOR HARRIS NOTED ABSENT AT 8:18 P.M.

Upon reading of the item the City Clerk opened the Public Hearing.

Staff Report and public testimony was accepted into the record.

EARLY RETIRMENT INCENTATIVE PAY - JULY 1, 1994

| NAME | INVOICE NO. |
|---------------------|--------------------|
| Adelaida J. Agpasan | 27593 |
| Elizabeth J. Sharp | 38685 |
| Dennis A. Murphy | 34979 |
| Herbert Lofton | 33340 |
| John Lambert | 31748 |
| Patricia Holston | 29888 |
| Paul R. Hoisington | 29876 |
| Calvin M. Daniels | 26238 |
| Walter Bahr | 23018 |
| John Nichols | 35403 |
| Herbye K. White | 41582 |
| Mickey Karpas | 31172 |

CITY OF OAKLAND



ADMINISTRATIVE INSTRUCTION

| | | | |
|------------------|--------------------------------------|------------------|-------------------|
| SUBJECT | Voluntary Time-Off Without Pay (VTN) | NUMBER | 511 |
| REFERENCE | | EFFECTIVE | February 15, 2008 |
| SUPERSEDE | None | | |

I. PURPOSE

The purpose of this Administrative Instruction is to establish a uniform procedure for submitting, approving and processing requests for Voluntary Time-Off Without Pay (VTN) from eligible represented and unrepresented employees.

VTN was created in the late 1980's as an opportunity for employees to take unpaid leave in situations where the employee would not otherwise take unpaid leave. The use of VTN was for the specific purpose of saving City funds.

II. POLICY

The City of Oakland provides eligible employees with the opportunity to save the City funds by taking VTN. The employee may request the use of VTN for up to sixty (60) regularly scheduled work days in a calendar year. VTN must be taken in increments of full work days.

Employees may not use VTN during any period of legally entitled unpaid leave such as FMLA (Family and Medical Leave Act), CFRA (California Family Rights Act), and/or PDL (Pregnancy Disability Leave) in which case the use of VTN does not result in cost savings but instead results in significant increased costs to the City. Subject to operational needs, the request for VTN shall not be unreasonably denied.

The City has a pay code with the letter designation "VTN" that is to be used to accomplish a voluntary leave of absence. When the pay code VTN is coded on an employee's time card for periods of unpaid voluntary leave, the employee's benefits (including insurance and leave accruals) continue, and the employee continues to accrue seniority during the period of unpaid leave.

III. DEFINITIONS

Term

Eligible Employee

Definition

All unrepresented and represented full-time and permanent part-time employees. Represented employees should refer to their respective

Memorandum of Understanding for terms and conditions that may supersede this policy.

VTN

Voluntary Time-Off Without Pay (VTN) is for the specific purpose of accomplishing an unpaid voluntary leave of absence to save City funds without adversely impacting the affected employee's benefits and seniority.

With the approval of the department head, an eligible employee may take up to fifteen (15) regularly scheduled work days per calendar year using VTN. The department head shall have the right to determine and schedule the day(s) used for VTN.

At the discretion of the City Administrator, an eligible employee may be permitted to take more than fifteen (15) and up to a maximum of sixty (60) continuous VTN days in a calendar year.

IV. PROCEDURES

Responsible Party

Employee

Action

1. Specifies desired full day(s) to take VTN, and submits a request to his/her supervisor in advance.
2. Using the code "VTN", records the day(s) approved as Voluntary Leave-Without Pay on the weekly timecard.

Department Head

1. Responds to the employee's request to use VTN within ten (10) business days.

Department/Agency
Payroll Representative

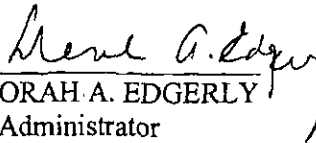
1. Assures the employee's weekly timecard is correctly coded to reflect use of VTN.
2. Records the Voluntary Time-Off Without Pay taken in TAMS (Time and Management System).

Personnel HRIS/Payroll Division /

1. Checks that coding of the Voluntary Time-Off Without Pay has been correctly recorded and that its use is reflected in the employee's paycheck for that period.

V. ADDITIONAL INFORMATION

If the provisions of this Administrative Instruction are in conflict with the provisions of a current memorandum of understanding, the memorandum of understanding shall be controlling without further action. For further information contact Employee Relations at 238 - 3112.


DEBORAH A. EDGERLY
City Administrator



REQUEST FOR VOLUNTARY LEAVE WITHOUT PAY (VTN) TO SAVE CITY FUNDS

_____ Department Name

I request _____ full work days of Voluntary Leave Without Pay.
(number of days)

Date(s) of Leave: _____

Employee Name: _____
(please print)

Employee Job Title: _____

Employee Signature: _____ Date: _____

APPROVED BY: _____ Date: _____
Department Head

**APPROVED BY: _____ Date: _____
City Administrator

** Required for leave periods exceeding a total of 15 work days per calendar year.

Retirement Eligible Employees By Department and Classification

| Count | | |
|------------------------------|------------------------------------|-----------|
| DEPT | JOB TITLE | Total |
| 00 - Council | City Council PSE-51 | 2 |
| | City Councilmember's Assistant | 1 |
| | Public Service Employee 51 | 1 |
| | Senior Council Policy Analyst | 1 |
| 00 - Council Total | | 5 |
| 01 - Mayor | Admin Assistant to the Mayor | 1 |
| | Mayor's PSE 14 | 2 |
| 01 - Mayor Total | | 3 |
| 02 - CAO | Accountant III | 1 |
| | Administrative Assistant II | 1 |
| | Administrative Assistant II (CONF) | 1 |
| | Assist to the City Administrator | 1 |
| | Budget & Operations Analyst III | 1 |
| | Complaint Investigator II | 1 |
| | Equal Opportunity Specialist | 1 |
| | Exec Dir to Public Ethics Comm | 1 |
| | Executive Assistant | 1 |
| | 02 - CAO Total | |
| 03 - City Clerk | Executive Assistant | 1 |
| 03 - City Clerk Total | | 1 |
| 04 - OCA | Accountant II | 1 |
| | City Attorney, Assistant | 2 |
| | Claims Investigator II | 1 |
| | Claims Investigator III | 1 |
| | Deputy City Attorney III | 1 |
| | Deputy City Attorney IV | 8 |
| | Deputy City Attorney V | 3 |
| | Exec Asst to Asst City Attorney | 1 |
| | Legal Admin Assistant, Supervising | 1 |
| | Legal Administrative Assistant | 7 |
| | Legal Support Supervisor | 1 |
| | Manager, Legal Admin Services | 1 |
| | Open Government Coordinator | 1 |
| | Paralegal | 4 |
| | Public Service Representative | 1 |
| Special Counsel | 1 | |
| 04 - OCA Total | | 35 |
| 05 - Personnel | Benefits Analyst | 1 |
| | Employee Assist Svcs Coordinator | 1 |
| | Human Resource Analyst, Principal | 1 |
| | Public Service Representative | 1 |
| 05 - Personnel Total | | 4 |
| 08 - FMA | Account Clerk III | 1 |
| | Accountant II | 2 |
| | Accountant III | 5 |
| | Accounting Supervisor | 1 |
| | Accounting Technician | 2 |
| | Budget & Operations Analyst III | 1 |
| | Cashier | 1 |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|----------------------------|-----------------------------------|-----------|
| 08 - FMA | Collections Officer | 1 |
| | Controller | 1 |
| | Disability Benefits Coordinator | 1 |
| | Exec Asst to Agency Director | 1 |
| | Human Res Operations Tech, Senior | 1 |
| | Human Res Operations Technician | 1 |
| | Human Res Systems Analyst, Senior | 1 |
| | Human Resource Oper Supervisor | 1 |
| | Manager, Revenue | 1 |
| | Parking Control Technician | 1 |
| | Parking Control Technician, PPT | 2 |
| | Parking Enforcement Supervisor I | 2 |
| | Parking Meter Collector | 3 |
| | Parking Meter Repair Worker | 3 |
| | Performance Audit Manager | 1 |
| | Public Service Representative | 3 |
| | Revenue Assistant | 2 |
| | Revenue Operations Supervisor | 1 |
| | Storekeeper II | 4 |
| | Storekeeper III | 2 |
| | Systems Accountant III | 1 |
| Tax Auditor II | 3 | |
| Tax Enforcement Officer II | 4 | |
| Tax Representative II | 5 | |
| 08 - FMA Total | | 59 |
| 10 - OPD | Accountant III | 1 |
| | Administrative Analyst II | 4 |
| | Administrative Assistant I | 4 |
| | Animal Control Officer | 2 |
| | Criminalist III | 1 |
| | Crossing Guard, PPT | 2 |
| | Deputy Chief of Police (PERS) | 1 |
| | Exec Asst to Agency Director | 1 |
| | Lieutenant of Police (PERS) | 4 |
| | Manager, Crime Laboratory | 1 |
| | Neighborhood Services Coordinator | 4 |
| | Office Assistant II | 1 |
| | Police Communications Dispatcher | 8 |
| | Police Communications Supervisor | 2 |
| | Police Evidence Technician | 3 |
| | Police Officer (PERS) | 24 |
| | Police Property Specialist | 2 |
| | Police Records Specialist | 24 |
| | Police Records Supervisor | 2 |
| | Police Services Technician II | 13 |
| | Program Analyst III | 1 |
| | Ranger | 1 |
| | Reproduction Offset Operator | 1 |
| | Sergeant Of Police | 1 |
| Sergeant of Police (PERS) | 9 | |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|-----------------------------|-------------------------------------|------------|
| 10 - OPD Total | | 117 |
| 20 - OFD | Administrative Assistant I | 1 |
| | Administrative Assistant II | 2 |
| | Administrative Services Manager I | 1 |
| | Assistant Chief of Fire Department | 1 |
| | Assistant Fire Marshal-Non Sworn | 1 |
| | Battalion Chief | 5 |
| | Captain of Fire Department | 26 |
| | Emer Medical Svcs Coordinator | 1 |
| | Emergency Planning Coordinator | 2 |
| | Engineer of Fire Department | 24 |
| | Exec Asst to Agency Director | 1 |
| | Fire Communications Dispatcher | 4 |
| | Fire Communications Dispatcher, Sr | 2 |
| | Fire Communications Supervisor | 1 |
| | Fire Fighter | 28 |
| | Fire Investigator | 2 |
| | Fire Prevent Bureau Inspect, Civil | 1 |
| | Fire Protection Engineer | 1 |
| | Fire Safety Education Coordinator | 1 |
| | Fire Suppression District Inspector | 1 |
| | Hazardous Materials Inspector II | 1 |
| | Lieutenant of Fire Department | 8 |
| | Management Assistant | 1 |
| Office Assistant II | 1 | |
| Office Manager | 1 | |
| Payroll Personnel Clerk III | 1 | |
| 20 - OFD Total | | 119 |
| 30 - PWA | Accountant I | 1 |
| | Accountant II | 1 |
| | Accountant III | 1 |
| | Administrative Analyst I | 1 |
| | Administrative Assistant I | 3 |
| | Administrative Assistant II | 1 |
| | Arboricultural Inspector | 1 |
| | Assist Director, Pub Works Agency | 2 |
| | Auto Equipment Mechanic | 3 |
| | Auto Equipment Painter | 1 |
| | Blacksmith Welder | 1 |
| | Carpenter | 1 |
| | City Architect, Assistant | 1 |
| | Clean Community Supervisor | 1 |
| | Concrete Finisher | 1 |
| | Construction & Maintenance Mechanic | 3 |
| | Construction & Maintenance Supv I | 2 |
| | Custodial Services Supervisor I | 1 |
| | Custodian | 18 |
| | Custodian, PPT | 3 |
| | Electrical Engineer II | 1 |
| Electrical Engineer III | 1 | |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|------------------------------|-------------------------------------|------------|
| 30 - PWA | Electrical Painter | 2 |
| | Electrician | 6 |
| | Electro-Mechanical Machinist | 1 |
| | Environmental Services Intern | 1 |
| | Equipment Parts Technician | 2 |
| | Equipment Services Superintendent | 1 |
| | Equipment Supervisor | 1 |
| | Exec Asst to Agency Director | 1 |
| | Gardener Crew Leader | 1 |
| | Gardener II | 1 |
| | Heavy Equipment Mechanic | 5 |
| | Heavy Equipment Operator | 3 |
| | Heavy Equipment Service Worker | 2 |
| | Heavy Equipment Supervisor | 1 |
| | Irrigation Repair Specialist | 3 |
| | Litter/Nuisance Enforcement Officer | 3 |
| | Maintenance Mechanic | 3 |
| | Manager, Building Services | 2 |
| | Manager, Equipment Services | 1 |
| | Museum Guard | 2 |
| | Office Assistant II | 1 |
| | Painter | 3 |
| | Park Equipment Operator | 5 |
| | Park Supervisor I | 3 |
| | Parkland Resources Supervisor | 1 |
| | Payroll Personnel Clerk III | 3 |
| | Plumber | 2 |
| | Project Manager | 1 |
| | Public Service Representative | 2 |
| | Public Works Maintenance Worker | 20 |
| | Public Works Operations Manager | 1 |
| | Public Works Supervisor I | 3 |
| | Recycling Specialist | 2 |
| | Sewer Maintenance Leader | 8 |
| | Sewer Maintenance Worker | 6 |
| | Sign Maintenance Worker | 3 |
| | Stationary Engineer | 6 |
| | Street Maintenance Leader | 19 |
| | Street Sweeper Operator | 9 |
| | Support Services Supervisor | 1 |
| Traffic Painter | 4 | |
| Training & Public Svcs Admin | 1 | |
| Tree High Climber | 1 | |
| Tree Trimmer | 1 | |
| Tree Worker Driver | 1 | |
| 30 - PWA Total | | 198 |
| 41 - Contracting | Administrative Assistant II | 1 |
| | Administrative Services Manager I | 1 |
| | Contract Compliance Officer | 1 |
| | Exempt Limited Duration Employee | 1 |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|------------------------------------|-------------------------------------|-----------|
| 41 - Contracting | Job Developer | 1 |
| | Office Assistant II | 2 |
| | Receptionist | 2 |
| | Support Services Supervisor | 1 |
| 41 - Contracting Total | | 10 |
| 46 - DIT | Database Administrator | 2 |
| | Electronics Technician | 1 |
| | Human Res Systems Analyst, Senior | 1 |
| | Information Systems Supervisor | 1 |
| | Manager, Information Systems | 1 |
| | Microcomputer Systems Spec III | 1 |
| | Microcomputer Systems Specialist I | 2 |
| | Microcomputer Systems Specialist II | 3 |
| | Operations Support Specialist | 1 |
| | Project Manager | 1 |
| | Project Manager II | 2 |
| | Project Manager III | 1 |
| | Reproduction Offset Operator | 1 |
| | Systems Analyst I | 1 |
| | Systems Analyst III | 3 |
| | Systems Programmer III | 2 |
| Telecommunication Systems Engineer | 2 | |
| Telephone Services Specialist | 3 | |
| 46 - DIT Total | | 29 |
| 50 - OPR | Accountant III | 1 |
| | Facility Security Assistant | 1 |
| | Facility Security Assistant, PPT | 1 |
| | Gardener Crew Leader | 1 |
| | Park Attendant, PPT | 2 |
| | Payroll Personnel Clerk III | 1 |
| | Public Service Representative | 1 |
| | Recreation Center Director | 4 |
| | Recreation General Supervisor | 1 |
| | Recreation Leader II, PPT | 4 |
| | Recreation Program Director | 1 |
| | Recreation Specialist I, PPT | 2 |
| | Recreation Specialist II, PPT | 2 |
| | Recreation Supervisor | 1 |
| | Zoo Keeper | 1 |
| 50 - OPR Total | | 24 |
| 61 - Library | Curator of History, Chief | 1 |
| | Deputy Director, Housing | 1 |
| | Director of Library Services | 1 |
| | Executive Assistant | 1 |
| | Librarian I | 2 |
| | Librarian II | 16 |
| | Librarian II, PPT | 2 |
| | Librarian, Senior | 6 |
| | Librarian, Supervising | 3 |
| | Librarian, Supervising PPT | 1 |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|-----------------------------|-------------------------------------|-----------|
| 61 - Library | Library Aide | 1 |
| | Library Aide, PPT | 6 |
| | Library Assistant | 10 |
| | Library Assistant, Senior | 6 |
| | Library Asst, PPT | 1 |
| | Literacy Assistant, Senior | 2 |
| | Museum Project Coordinator | 1 |
| | Office Assistant II | 2 |
| 61 - Library Total | | 63 |
| 62 - Museum | Chief Conservator | 1 |
| | Curator of Aquatic Biology, Assoc | 1 |
| | Curator of Art, Chief | 1 |
| | Curator of Art, Senior, PPT | 1 |
| | Curator of Education, Chief | 1 |
| | Curator of History, Associate | 1 |
| | Custodian | 1 |
| | Gardener Crew Leader | 1 |
| | Gardener II | 1 |
| | Graphics Design Coordinator | 1 |
| | Museum Curatorial Specialist | 1 |
| | Museum Guard | 6 |
| | Museum Interpretive Specialist, Art | 1 |
| | Museum Security Guard IV | 1 |
| | Preparator | 1 |
| | Program Analyst I, PPT | 1 |
| | Registrar | 2 |
| | 62 - Museum Total | |
| 63 - Marketing | Administrative Services Manager II | 1 |
| | Cable TV Operations Chief Engineer | 1 |
| | Cable TV Producer | 1 |
| | Cable TV Station Manager | 1 |
| | Program Analyst II, PPT | 1 |
| 63 - Marketing Total | | 5 |
| 75 - DHS | Administrative Assistant I | 2 |
| | Case Manager II | 3 |
| | Case Manager, Supervising | 1 |
| | Custodian | 2 |
| | Office Assistant II | 1 |
| | Senior Center Director | 4 |
| 75 - DHS Total | | 13 |
| 78 - DHS | Administrative Assistant I | 1 |
| | Administrative Assistant II | 1 |
| | Cook III | 1 |
| | Early Childhood Center Director | 11 |
| | Early Childhood Instructor | 23 |
| | Family Advocate | 6 |
| | Food Service Worker | 4 |
| | Head Start Driver Courier | 3 |
| | Head Start Nutrition Coordinator | 1 |
| | Headstart Program Coordinator | 3 |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|-----------------------|-------------------------------------|-----------|
| 78 - DHS | Housing Development Coordinator III | 1 |
| 78 - DHS Total | | 55 |
| 88 - CEDA | Account Clerk III | 1 |
| | Accountant I | 2 |
| | Accountant II | 2 |
| | Accountant III | 3 |
| | Administrative Analyst I | 1 |
| | Administrative Assistant I | 5 |
| | Administrative Assistant II | 3 |
| | Administrative Services Manager I | 1 |
| | Administrative Services Manager II | 2 |
| | Arboricultural Inspector | 1 |
| | Architectural Associate (Field) | 2 |
| | Assist Director, Pub Works Agency | 1 |
| | Chief of Party | 2 |
| | Community Dev Prgm Coordinator | 2 |
| | Construction Inspector (Field) | 6 |
| | Construction Inspector Sup (Field) | 1 |
| | Construction Inspector, Sr (Field) | 7 |
| | Construction Inspector, Sr (Office) | 2 |
| | Construction Inspector, Sup II | 1 |
| | Deputy Director/Building Official | 1 |
| | Deputy Director/City Planner | 1 |
| | Development/Redevelopment Prgm MGR | 1 |
| | Drafting Technician, Int (Office) | 1 |
| | Employment Services Supervisor | 1 |
| | Engineer, Assistant II (Office) | 4 |
| | Engineer, Civil (Office) | 8 |
| | Engineer, Civil Supv (Office) | 3 |
| | Engineer, Transportation Supv | 1 |
| | Engineering Technician II (Office) | 3 |
| | Exec Asst to Agency Director | 1 |
| | Hearing Officer | 1 |
| | Housing Development Coordinator III | 1 |
| | Management Assistant | 3 |
| | Manager, Inspection Services | 1 |
| | Monitoring & Evaluation Supervisor | 1 |
| | Office Assistant II | 2 |
| | Office Manager | 1 |
| | Permit Technician II | 2 |
| | Planner II, Design Review | 1 |
| | Planner IV | 3 |
| | Principal Inspection Supv | 3 |
| | Process Coordinator II | 3 |
| | Process Coordinator III | 1 |
| | Program Analyst II | 1 |
| | Program Analyst III | 1 |
| | Project Manager II | 1 |
| | Public Service Representative | 4 |
| | Rehabilitation Advisor III | 1 |

Retirement Eligible Employees By Department and Classification

| DEPT | JOB TITLE | Total |
|------------------------|--------------------------------------|--------------|
| 88 - CEDA | Rehabilitation Paint Technician | 1 |
| | Specialty Combination Insp, Senior | 3 |
| | Specialty Combination Inspector | 21 |
| | Storekeeper II | 1 |
| | Support Services Supervisor | 1 |
| | Surveying Technician, Sr (Field) | 1 |
| | Traffic Engineering Tech, Senior (O) | 1 |
| | Urban Economic Analyst III | 2 |
| | Urban Economic Analyst IV, Projects | 3 |
| | Urban Economic Coordinator | 1 |
| 88 - CEDA Total | | 136 |
| Grand Total | | 908 |

Classifications By Department for Golden Handshake/Alternative Voluntary Separation Program Consideration

| DEPARTMENT | CLASSIFICATION | WORK UNIT | SALARY |
|------------------------|-----------------------------------------|-----------------------|------------|
| Parks and Recreation | Public Service Representative | Admin Unit | 50,758.50 |
| | Zoo Keeper | Admin Unit | 48,630.40 |
| Information Technology | Human Resources Systems Analyst, Senior | | 101,757.12 |
| Information Technology | Manager, Information Systems | | 135,011.99 |
| Information Technology | Information Systems Supervisor | | 117,802.44 |
| Information Technology | Microcomputer Systems Specialist II | | 83,724.71 |
| Information Technology | Microcomputer Systems Specialist II | | 83,724.71 |
| Information Technology | Microcomputer Systems Specialist II | | 83,724.71 |
| Information Technology | Microcomputer systems Specialist III | | 101,757.12 |
| Information Technology | Project Manager | | 123,698.41 |
| Information Technology | Project Manager III | | 165,757.68 |
| Information Technology | Systems Analyst I | | 65,429.40 |
| Information Technology | Systems Analyst III | | 101,757.12 |
| Information Technology | Systems Analyst III | | 101,757.12 |
| Information Technology | Systems Analyst III | | 101,757.12 |
| Information Technology | Telecommunications Systems Engineer | | 101,757.12 |
| Information Technology | Telecommunications Systems Engineer | | 101,757.12 |
| Museum | None | | 0.00 |
| Contracts | Receptionist | | 42,432.00 |
| Human Services | Senior Center Director | Senior Services Admin | 62,440.31 |
| | Administrative Assistant I | Senior Services Admin | 50,758.50 |
| Library | None | | 0.00 |
| Human Resources | HR Analyst, Principle | Recruitment & Class | 112,185.84 |
| FMA | Accountant II | Accounting | 73,788.00 |
| FMA | Accountant III | Accounting | 85,198.33 |
| FMA | Accountant III | Accounting | 85,198.33 |
| FMA | Accountant III | Accounting | 85,198.33 |
| FMA | Accounting Supervisor | Accounting | 96,879.47 |
| FMA | Storekeeper II | Accounting | 59,467.80 |
| FMA | Storekeeper II | Accounting | 59,467.80 |
| FMA | Parking Meter Repair Worker | Parking | 56,680.00 |
| FMA | Tax Representative II | Revenue | 73,788.00 |
| FMA | Tax Representative II | Revenue | 73,788.00 |

| | | | | Attachment E | |
|---------------|------------------------------|--|-----------|--------------|--|
| OPD | Program Analyst III | | 83,511.13 | | |
| OPD | Ranger | | 76,897.60 | | |
| OPD | Reproduction Offset Operator | | 45,376.50 | | |
| City Clerk | None | | 0.00 | | |
| City Attorney | None | | 0.00 | | |
| CEDA | None | | 0.00 | | |

**ADVANTAGES/DISADVANTAGES OF CalPERS 2-YEARS ADDITIONAL SERVICE CREDIT (GOLDEN HANDSHAKE)
AND ALTERNATIVE VOLUNTARY SEPARATION PROGRAM RETIREMENT**

| CalPERS 2 Years Additional Service Credit (Golden Handshake) | | City Alternative Voluntary Separation Program (VSP) | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Advantages | Disadvantages | Advantages | Disadvantages |
| Employees would have an opportunity to voluntarily retire earlier with two additional years of service credit. | City must amend its contract with CalPERS to allow the benefit to be offered. Amendment process may take up to 90 days. | The City can develop the program to meet its specific requirements i.e. payout amount, window period, amount of time vacated positions must remain vacant, etc. and not be bound by the rules required under the PERS program. | If more people than anticipated elect to leave, operations in some areas may be significantly impacted. If fewer than anticipated employees take advantage of the program, its costs may not justify the benefits. |
| City will be able to eliminate or freeze positions from which eligible employees retire. | City may lose extensive institutional knowledge through retirement of long term employees in the classifications that are offered the benefit. | There is no need to modify the PERS contract to implement a voluntary separation program. | |
| City may reduce the number of layoffs and the risk of bumping is lessened if individuals retire from identified classifications. | Costs may be greater if the City exceeds the actuarial estimate of retirements for the year. Experience Loss will occur. | May reduce the number of layoffs and the risk of bumping is lessened if individuals retire from identified classifications. | Implementation of the VSP will not avoid layoffs given the size of the projected deficit. |
| Payment for the cost of the two years service credit is spread over a 20year period, and does not start until two years after the close of the Golden Handshake "election window". | Additional costs to the City will be in place for a period of 20 years. | Payout can be established to best suit budgetary needs—for example, one lump sum, quarterly over one year or 2 payments over 24 months. | Program may require large up-front pay out. |

| CalPERS 2 Years Additional Service Credit (Golden Handshake) | | City Alternative Voluntary Separation Program (VSP) | |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Advantages | Disadvantages | Advantages | Disadvantages |
| Offering two additional years of service credit promotes good employer employee/union relations. | Implementation of the Golden Handshake will not avoid layoffs given the size of the projected deficit. In addition, due to the time needed to implement the program (per CalPERS's requirements), the incentive can only be offered beginning FY 2010-11, therefore requiring layoffs in FY 2009-10. | Employees taking advantage of the program will have access to funds immediately and payout will not impact retirement pension payments. | Large payout if done in one lump sum may create tax concerns for employees who will also receive payout of excess vacation and/or sick leave upon separation. (This could be addressed by giving employees payout over a 2-year period.) |
| Offering such a benefit may allow the City to re-evaluate and improve classification structure, workflow and service delivery. | Because the City and Port are combined in the Miscellaneous employee rate, payment of the rate increase resulting from implementing the Golden Handshake must be coordinated with the Port to avoid charging them for a benefit they did not receive. | Offering a financial incentive to retire would offset some of the losses employees may have experienced in their alternative retirement savings such as deferred compensation plans. | The City must find one-time funds for the upfront payout. |
| | | The City can realize annual salary plus benefits savings annually from the positions deleted / frozen after voluntary separations, less the upfront payout. | |
| | | Management may be able to fill positions vacated by VSP after a shorter period of time as opposed to keeping them permanently vacant. | |

| CalPERS 2 Years Additional Service Credit (Golden Handshake) | | City Alternative Voluntary Separation Program (VSP) | |
|-------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------|
| Advantages | Disadvantages | Advantages | Disadvantages |
| Potential <u>Annual Savings</u> : \$7.5 million | Potential <u>Total Cost</u> : \$3.4 million | Potential <u>Annual Savings</u> : \$7.5 million | Potential <u>Total Cost</u> : \$0.7 million to \$1.0 million |

2.7 percent

BENEFIT FACTORS

Attachment G

The chart below shows how the benefit factor increases for each quarter year of age from 50 to 55.

| Age at Retirement | Exact Year | ¼ Year | ½ Year | ¾ Year |
|-------------------|------------|--------|--------|--------|
| 50 | 2.000 | 2.035 | 2.070 | 2.105 |
| 51 | 2.140 | 2.175 | 2.210 | 2.245 |
| 52 | 2.280 | 2.315 | 2.350 | 2.385 |
| 53 | 2.420 | 2.455 | 2.490 | 2.525 |
| 54 | 2.560 | 2.595 | 2.630 | 2.665 |
| 55+ | 2.700 | — | — | — |

PERCENTAGE OF FINAL COMPENSATION

2.7^{percent}
@55

| Age | 50 | 51 | 52 | 53 | 54 | 55+ |
|------------------|----------------------------------|-------|-------|-------|-------|--------|
| Benefit Factor | 2.00 | 2.14 | 2.28 | 2.42 | 2.56 | 2.70 |
| Years of Service | Percentage of Final Compensation | | | | | |
| 5 | 10.00 | 10.70 | 11.40 | 12.10 | 12.80 | 13.50 |
| 6 | 12.00 | 12.84 | 13.68 | 14.52 | 15.36 | 16.20 |
| 7 | 14.00 | 14.98 | 15.96 | 16.94 | 17.92 | 18.90 |
| 8 | 16.00 | 17.12 | 18.24 | 19.36 | 20.48 | 21.60 |
| 9 | 18.00 | 19.26 | 20.52 | 21.78 | 23.04 | 24.30 |
| 10 | 20.00 | 21.40 | 22.80 | 24.20 | 25.60 | 27.00 |
| 11 | 22.00 | 23.54 | 25.08 | 26.62 | 28.16 | 29.70 |
| 12 | 24.00 | 25.68 | 27.36 | 29.04 | 30.72 | 32.40 |
| 13 | 26.00 | 27.82 | 29.64 | 31.46 | 33.28 | 35.10 |
| 14 | 28.00 | 29.96 | 31.92 | 33.88 | 35.84 | 37.80 |
| 15 | 30.00 | 32.10 | 34.20 | 36.30 | 38.40 | 40.50 |
| 16 | 32.00 | 34.24 | 36.48 | 38.72 | 40.96 | 43.20 |
| 17 | 34.00 | 36.38 | 38.76 | 41.14 | 43.52 | 45.90 |
| 18 | 36.00 | 38.52 | 41.04 | 43.56 | 46.08 | 48.60 |
| 19 | 38.00 | 40.66 | 43.32 | 45.98 | 48.64 | 51.30 |
| 20 | 40.00 | 42.80 | 45.60 | 48.40 | 51.20 | 54.00 |
| 21 | 42.00 | 44.94 | 47.88 | 50.82 | 53.76 | 56.70 |
| 22 | 44.00 | 47.08 | 50.16 | 53.24 | 56.32 | 59.40 |
| 23 | 46.00 | 49.22 | 52.44 | 55.66 | 58.88 | 62.10 |
| 24 | 48.00 | 51.36 | 54.72 | 58.08 | 61.44 | 64.80 |
| 25 | 50.00 | 53.50 | 57.00 | 60.50 | 64.00 | 67.50 |
| 26 | 52.00 | 55.64 | 59.28 | 62.92 | 66.56 | 70.20 |
| 27 | 54.00 | 57.78 | 61.56 | 65.34 | 69.12 | 72.90 |
| 28 | 56.00 | 59.92 | 63.84 | 67.76 | 71.68 | 75.60 |
| 29 | 58.00 | 62.06 | 66.12 | 70.18 | 74.24 | 78.30 |
| 30 | 60.00 | 64.20 | 68.40 | 72.60 | 76.80 | 81.00 |
| 31 | 62.00 | 66.34 | 70.68 | 75.02 | 79.36 | 83.70 |
| 32 | 64.00 | 68.48 | 72.96 | 77.44 | 81.92 | 86.40 |
| 33 | 66.00 | 70.62 | 75.24 | 79.86 | 84.48 | 89.10 |
| 34 | — | 72.76 | 77.52 | 82.28 | 87.04 | 91.80 |
| 35 | — | — | 79.80 | 84.70 | 89.60 | 94.50 |
| 36 | — | — | — | 87.12 | 92.16 | 97.20 |
| 37 | — | — | — | — | 94.72 | 99.90 |
| 38 | — | — | — | — | — | 102.60 |