

City of Brisbane
Staff Report

To: Honorable Mayor and City Council

From: Senior Human Resources Analyst

Subject: Ordinance 539 – Required Additional Information Disclosure

Date: Meeting of July 6, 2009

Purpose: Provide City Council and the Public additional information related to the optional CalPERS retirement benefits.

Recommendation:

Accept report regarding affected positions and projected future annual costs.

Background: On June 15, 2009, Council introduced Ordinance 539 to add the following optional benefits offered by the California Public Employees' Retirement System (CalPERS): two years additional service credit benefit, commonly referred to as the "Golden Handshake," partial service retirement and an enhanced lump sum death benefit.

Discussion: Since the introduction of the ordinance, staff has been in contact with CalPERS regarding implementation and was informed that clarification of costs for the Golden Handshake is necessary to proceed. To meet this requirement, staff is disclosing CalPERS requested information in this report, as well as identifying the affected positions and designated period that the City will enact this provision.

Per Government Code Section 7507, there must be a 20-day period between the date the increase in retirement benefits costs are made public and the adoption of the final ordinance. Therefore, staff will bring this ordinance back on the July 27, 2009 agenda for Council to consider for final approval.

The designated period that eligible employees can opt to retire to receive the Golden Handshake is projected to be August 28, 2009 – November 30, 2009, based on adoption of the ordinance on July 27, 2009.

Fiscal Impact:

Staff is recommending the following positions for the Golden Handshake provision:

- 1 Public Works Maintenance Worker II – Building and Grounds Division
- 1 Lead Maintenance Worker – Sewer Division
- 1 Marina Maintenance Worker II

A total of three (3) employees are eligible to retire in the above mentioned positions. The total costs of PERS benefits for these three employees is \$138,059. The cost of this will be spread

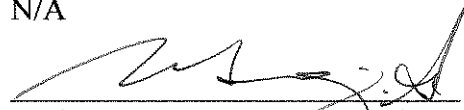
over a thirty year period. We will pay about \$4,601 a year in additional CalPERS payments for these positions.

Measure of Success:

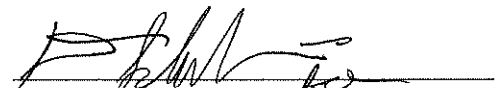
Number of people who use the program and the amount of annual savings derived from the program.

Attachments:

N/A



Senior Human Resources Analyst



City Manager