

**CITY COUNCIL**

Meeting Date: February 7, 2006

**DATE OF PREPARATION: January 27, 2006**

**TO: Mayor and City Council**

**FROM: William Way, Jr., City Manager**  
**Michelle Schafer, Human Resources Manager**

**SUBJECT: Golden Handshake**

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The City of California City has decided to offer a PERS 2-year Golden Handshake Early Retirement Incentive to all eligible employees. Six employees have accepted the offer.

PERS requires that the cost of this incentive be presented in a public meeting in addition to a resolution being adopted with the time period that the offer will be available to employees.

The departments that have eligible employees are Police, Fire, Public Works, City Clerk, Airport, Park and Recreation, and Planning. At this time, 1 police dept. employee, 1 fire dept. employee, 1 city clerk employee, and 3 public works employees have chosen to accept the offer. The resolution states all eligible departments, thus allowing other eligible employees to accept offer within the designated 90-day period if they so choose.

The PERS cost for the 6 employees to take this offer will be reflected in the City's PERS rates in 2 years. The miscellaneous rate will increase by 0.003% and the safety rate will increase by 0.005%. Other costs involved with this offer are payouts totaling \$171,700 in accumulated leave.

The offering of this incentive will reflect a personnel cost savings of \$177,680 within the first full fiscal year (this includes replacing 5 of the 6 employees with lower paid positions). In addition, our leave bank (unfunded liability) will be reduced by about 6000 hours.

**Recommendation:** Accept cost and adopt resolution opening 90-day period for retirement with 2-year Golden Handshake.

**Fiscal Impact:** As noted

**Environmental Impact:** None

NB4.

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALIFORNIA  
CITY TO GRANT ANOTHER DESIGNATED PERIOD FOR TWO YEARS  
ADDITIONAL SERVICE CREDIT**

**WHEREAS**, the City Council of the City of California City 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 City Council does seek to add another designated period, and does hereby authorize this Resolution, indicating a desire to add a designation period from February 8, 2006 through May 8, 2006 for eligible Safety and Miscellaneous members in the Police, Fire, Finance, and Public Works, City Clerk, Park and Recreation, Planning, and Airport Departments.

**Passed, approved, and adopted** this 7<sup>th</sup> day of February, 2006 by the following vote:

Ayes:

Nays:

Absent:

Abstain:

City Council of the  
City of California City

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Mayor-Larry Adams

ATTEST:

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Helen Dennis- City Clerk