



MWD
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

April 7, 1994

To: Board of Directors (Organization & Personnel Committee--Action)
From: General Manager
Subject: Early Retirement Program

Report

During the discussion of the proposed Early Retirement Incentive Program at last month's meeting of your committee, it was noted that some sample calculations of the benefits which would be provided by the program might be of benefit to committee members. The attached page provides a number of such examples, illustrating the amount which would be received as a monthly benefit paid by the Public Employees' Retirement System (PERS) and the lump-sum payable by Metropolitan (referred to on the chart as "Two Year Equivalent Sum". We have included examples where the individuals have PERS service which is split between Metropolitan and another agency under PERS to show how the benefits would be calculated.

Also for your information, the associations representing Metropolitan's employees have expressed a request that the Early Retirement Program not be limited to the first 160 applicants as is stated in the letter presented to you today. In order to preserve management's ability to ensure that the program will not result in organizational problems caused by too many individuals retiring during this short period of time, a modification to the program could be discussed with the associations. This modification would provide that if more than 160 eligible employees apply for the program, and if the immediate inclusion of all applicants will disrupt Metropolitan's operation, Metropolitan will permit the 160 employees with the greatest lengths of service to receive both components of the program, and meetings will be held with the associations to decide how the additional applicants would be able to take advantage of the program.


John R. Wodraska

BL/as

PROPOSED EARLY RETIREMENT INCENTIVE PROGRAM

<u>TITLE</u>	<u>AGE</u>	<u>YEARS OF SERVICE</u>	<u>MONTHLY PAY</u>	<u>MONTHLY PERS BENEFIT</u>	<u>TWO YEAR CREDIT MONTHLY INCREASE</u>	<u>TWO YEAR EQUIVALENT SUM</u>
Chemist	62	3 yrs. at MWD 17 yrs. at other PERS Agency	4,712	2,141	214	0*
Office Services Assistant II	51	8	2,876	266	66	16,783
Senior Clerk	65	6	2,800	406	135	25,375
O & M Supervisor	57	20	4,983	1,644	164	37,366
Senior Accountant	67	29	4,590	3,219	222	39,368
Engineer	57	28	6,189	2,859	204	46,479
Assistant Division Manager	55	30	8,476	3,712	247	58,538
Senior Engineer	60	15 yrs. at MWD 15 yrs. at Other PERS Agency	7,077	4,246	283**	60,409**

* Minimum of five years of service required to receive lump-sum payment from Metropolitan.

** No impact on either monthly or lump-sum entitlement as a result of "split" PERS service.
This employee would receive same incentive as if all service were at Metropolitan.