

MOTION BY SUPERVISOR MICHAEL D. ANTONOVICH

OCTOBER 12, 2010

On September 17, 2010 the Chief Executive Office (CEO) provided the Board of Supervisors with options for reforming the County pension system. According to that report, if the County were to adopt changes similar to those made by the State of California, the potential savings to the County could be over \$200 million annually.

The changes outlined in the report include:

- 1) Change the final compensation from highest average compensation for one year to three years for new employee;
- 2) Increase minimum retirement ages for Safety Plan B and General Plan D; and
- 3) Increase Employee Retirement Contributions for Current and New Employees.

Moreover, the Retiree Health Benefits plan costs' administered by Los Angeles County Employees Retirement Association (LACERA) are escalating at a rate greater than the amount set aside in the Trust Fund set up by the Board of Supervisors.

I, THEREFORE, MOVE that the Board of Supervisors direct the CEO to:

- 1) Begin negotiations with all County Unions to modify the current pension plan to include changes to the final compensation pay rate, increase the minimum retirement age and increase the contribution amount;
- 2) Report back to the Board with recommended changes to the Retiree Health plan which address the increased cost to the County; and
- 3) Provide updates on the progress of the negotiations every month until agreement is reached.

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MOTION

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