

EARLY SEVERENCE INCENTIVE SAVINGS ANALYSIS

12/04/09

Early Severence Incentive Retirements	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
MA Step 30	\$ 81,656	\$ 81,656	\$ 81,656	\$ 82,473	\$ 83,297	\$ 84,130	\$ 84,972	\$ 86,246	\$ 87,540	\$ 88,853
PAK A Fringes	17,869	18,762	19,700	20,685	21,720	22,806	23,946	25,143	26,401	27,721
FICA	6,247	6,247	6,247	6,309	6,372	6,436	6,500	6,598	6,697	6,797
Retirement	14,241	14,649	15,057	15,620	16,193	16,776	17,368	18,060	18,769	19,494
Total Compensation	\$ 120,012	\$ 121,314	\$ 122,661	\$ 125,087	\$ 127,582	\$ 130,148	\$ 132,786	\$ 136,047	\$ 139,406	\$ 142,865
# of Retirements	50.0	-	-	-	-	5.0	5.0	5.0	5.0	5.0
Normal Retirement Savings	\$ 6,000,620	\$ -	\$ -	\$ -	\$ -	\$ 650,738	\$ 663,931	\$ 680,236	\$ 697,028	\$ 714,325
Annualized Savings	\$ 6,000,620	\$ 6,065,706	\$ 6,133,026	\$ 6,254,375	\$ 6,379,114	\$ 7,158,115	\$ 7,967,166	\$ 8,843,071	\$ 9,758,397	\$ 10,714,877

Replacements	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
BA Step 3	\$ 43,703	\$ 43,703	\$ 43,703	\$ 44,140	\$ 44,581	\$ 45,027	\$ 45,478	\$ 46,160	\$ 46,852	\$ 47,555
PAK A Fringes	17,869	18,762	19,700	20,685	21,720	22,806	23,946	25,143	26,401	27,721
FICA	3,343	3,343	3,343	3,377	3,410	3,445	3,479	3,531	3,584	3,638
Retirement	7,622	7,840	8,059	8,360	8,667	8,978	9,296	9,666	10,045	10,434
Total Compensation	\$ 72,537	\$ 73,649	\$ 74,806	\$ 76,562	\$ 78,378	\$ 80,256	\$ 82,198	\$ 84,500	\$ 86,882	\$ 89,347
# of Replacements (Layoffs)	35.0	(12.0)	(10.0)	(9.0)	(8.0)	3.0	4.0	4.0	4.0	4.0
First Year Cost of Replacements	\$ 2,538,794	\$ (883,787)	\$ (748,056)	\$ (689,061)	\$ (627,026)	\$ 240,768	\$ 328,793	\$ 338,000	\$ 347,527	\$ 357,387
Second Year Cost of Replacements	-	2,659,560	(925,840)	(789,430)	(727,131)	(661,630)	254,040	348,116	357,835	367,890
Third Year Cost of Replacements	-	-	2,818,067	(988,235)	(842,499)	(775,887)	(705,879)	271,954	372,598	382,933
Fourth Year Cost of Replacements	-	-	-	3,006,667	(1,054,217)	(898,615)	(827,440)	(755,395)	290,982	398,602
Fifth Year Cost of Replacements	-	-	-	-	3,231,119	(1,132,682)	(965,296)	(891,929)	(814,094)	313,525
Sixth Year Cost of Replacements	-	-	-	-	-	3,825,267	(1,339,690)	(1,145,010)	(1,057,061)	(963,960)
Seventh Year Cost of Replacements	-	-	-	-	-	-	4,114,936	(1,446,506)	(1,236,069)	(1,140,904)
Eighth Year Cost of Replacements	-	-	-	-	-	-	-	4,607,921	(1,619,161)	(1,383,047)
Ninth Year Cost of Replacements	-	-	-	-	-	-	-	-	4,722,553	(1,659,657)
Tenth Year Cost of Replacements	-	-	-	-	-	-	-	-	-	4,840,665
Total	\$ 2,538,794	\$ 1,775,773	\$ 1,144,170	\$ 539,941	\$ (19,754)	\$ 597,221	\$ 859,464	\$ 1,327,150	\$ 1,365,112	\$ 1,513,436

**EARLY SEVERENCE INCENTIVE
SAVINGS ANALYSIS**

12/04/09

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Additional Costs										
Early Severence Incentive	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	-	-	-	-	-
Unemployment Costs	-	112,944	94,120	84,708	75,296	-	-	-	-	-
	<u>\$ 500,000</u>	<u>\$ 612,944</u>	<u>\$ 594,120</u>	<u>\$ 584,708</u>	<u>\$ 575,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Net Savings with Incentive										
Annualized Retirement Savings	\$ 6,000,620	\$ 6,065,706	\$ 6,133,026	\$ 6,254,375	\$ 6,379,114	\$ 7,158,115	\$ 7,967,166	\$ 8,843,071	\$ 9,758,397	\$ 10,714,877
Staff Replacement Cost	(2,538,794)	(1,775,773)	(1,144,170)	(539,941)	19,754	(597,221)	(859,464)	(1,327,150)	(1,365,112)	(1,513,436)
Additional Costs	<u>(500,000)</u>	<u>(612,944)</u>	<u>(594,120)</u>	<u>(584,708)</u>	<u>(575,296)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Retirement Savings With Early Severence Incentive	<u>\$ 2,961,825</u>	<u>\$ 3,676,989</u>	<u>\$ 4,394,735</u>	<u>\$ 5,129,726</u>	<u>\$ 5,823,572</u>	<u>\$ 6,560,894</u>	<u>\$ 7,107,703</u>	<u>\$ 7,515,920</u>	<u>\$ 8,393,285</u>	<u>\$ 9,201,442</u>

Cumulative Savings \$ 60,766,091
