

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to the City's greying workforce.

Recommendation for Council action:

NOTE and FILE the October 20, 2015 Controller report relative to the City's greying workforce.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On February 17, 2016, your Committee considered an October 20, 2015 Controller report relative to the City's greying workforce. According to the Controller, next year approximately 37 percent of the City's civilian workforce will be eligible to retire. By 2018, 46 percent will be eligible. Besides the inevitable pension-related implications, this rapid greying of the City's civilian workforce represents a potentially troublesome staffing challenge for City administrators. In some City departments, such as the Information Technology Agency, 58 percent of the workforce will be retirement eligible by 2018. The Department of General Services, which handles a wide variety of multi agency chores such as purchasing and fleet and building maintenance, is not far behind: 57 percent of its current workforce will be retirement-eligible.

This aging of the workforce has been exacerbated by the City's imposition of a general hiring freeze in the wake of the Great Recession. Although the freeze came with a centrally "managed hiring" process that doled out exception, it has had the effect of limiting an Influx of younger workers. 15 years ago, the average civilian worker employed by the City was 44 years old; now that typical worker is 45 and nearly one in three of the City's civilian workers is 55 or older.

However, the Controller noted that this is not to say that all of these workers will retire soon; it is to say that they are eligible and in the coming years, quite likely to do so. Most City civilian workers are eligible to retire early at age 55 if they have at least ten years of service. "Normal" retirement eligibility begins at age 60 but in practice, the average retirement age for most City civilian workers is 62 (the national norm is 64 for men and 62 for women).

Police officers and firefighters tend to retire earlier; the average ages in recent years has been 57.8 years and 55.5 for police officers and firefighters, respectively. The Fire and Police Pension System of the City of Los Angeles forecasts that losses more than ten percent of the City's current 9,507 police officers will retire in the next five years, and that 15 percent of the City's current 3,220 firefighters will retire in the next five years.

Representatives from the Controller's office presented an overview of their findings and answered questions from the Committee members. After consideration and having provided an opportunity for public comment, the Committee moved to note and file the October 20, 2015 Controller report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KORETZ:	YES
RYU:	YES
HARRIS-DAWSON:	YES
ARL	

2/17/16

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**