



# District Retirement Incentive Program

BART Board of Directors

April 8, 2021



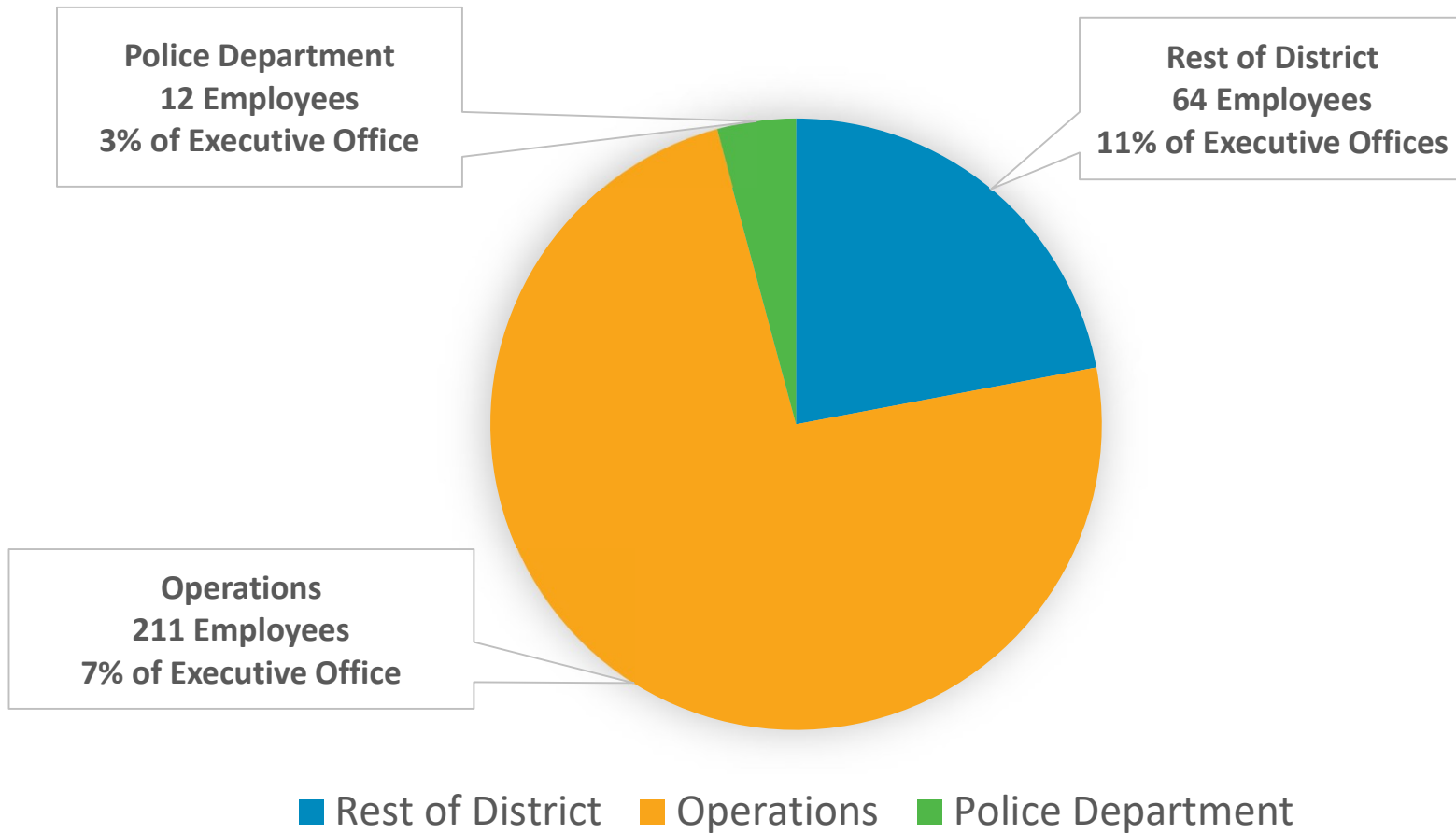
# District Retirement Incentive Program Recap

- Approximately 1,650 BART employees eligible to retire by March 21, 2021 (40% of total BART employees).
  - **Eligible to Retire:** 50 years of age (52 for PEPRA\* Non-Safety) with at least 5 years of service at BART or CalPERS.
- **Incentive:** 1 week of base pay per full year of BART service, capped at 20 years, with an additional 4 weeks of base pay.
- Incentive pay deposited into Retirement Accounts

# DRIP Timeline

TIMELINE	ACTION	UPDATE
<b>November 19, 2020</b>	Board Approval	Implementation
<b>November 23-December 18, 2020</b>	Interest Application Filing Period	474
<b>December 23, 2020-February 8, 2021</b>	Release and Separation Agreement	291
<b>February 9-February 15, 2021</b>	Revocation Period	4
<b>February 16, 2021</b>	Confirmation -total DRIP Participants	287
<b>March 21, 2021</b>	Final Processing of DRIP Retirements	287

# DRIP Participation District Overview



# DRIP Participation by Executive Office

Executive Office	Total Population on 3/21/2021	DRIP Eligible Employees	DRIP Participants	% of Total Population
Capitol Corridor	20	9	0	0%
Design and Construction	64	32	10	16%
District Secretary	7	2	1	14%
Finance	94	55	9	10%
General Counsel	21	10	4	19%
General Manager	52	17	5	10%
Independent Police Auditor	3	0	0	0%
Inspector General	3	2	0	0%
Office of Administration	141	54	13	9%
Office of External Affairs	42	18	3	7%
Office of the CIO	63	34	6	10%
Operations	3204	1313	211	7%
Performance & Budget	40	17	9	23%
Planning & Development	47	23	4	9%
Police	354	60	12	3%
<b>Grand Total</b>	<b>4155</b>	<b>1646</b>	<b>287</b>	<b>7%</b>

## DRIP Participation by Bargaining Unit

Bargaining Unit	Total Population on 3/21/2021	DRIP Eligible Employees	DRIP Participants	% of Total Population
AFSCME, Local 3993	419	205	43	10%
ATU, Local 1555	936	408	44	5%
BART Police Managers Assn	56	9	2	4%
BART Police Officers Assn	291	49	10	3%
Non-Represented Employees	584	210	48	8%
SEIU, Local 1021- Prof Chapter	175	78	24	14%
SEIU, Local 1021 - CI & Maint	1694	687	116	7%
<b>Grand Total</b>	<b>4155</b>	<b>1646</b>	<b>287</b>	<b>7%</b>

# DRIP FY21 Costs and Savings

## Operating and capital positions

DRIP Participants	One-Time Incentive Costs	FY21 Salary + Benefits Savings	FY21 Net Costs
287	\$14.1M	\$10.2M	\$3.9M

# DRIP Implementation

- **Frequent communication with Executive Offices, managers, union leaders, and employees**
- **Backfill considerations**
  - Consider staging/timing of filling vacant positions
  - Potential to upgrade or flex employees
  - Consider 7 Point Plan
    - Re-assign or re-train staff wherever possible to fill critical gaps created by departures
    - Fill critical capital budget vacancies with operating staff wherever possible
    - Load shed service dependent staff to capital projects to accelerate capital program delivery
- **Next step: GM to evaluate backfill requests**



# Summary

- Backfill approved positions
- FY22 savings target: \$20M-\$25M
  - From Operating and Capital positions
- September service change will require frontline backfills which could reduce savings

