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FOR IMMEDIATE RELEASE

COUNTY VACATION CASH OUTS WILL NOT OVEREXTEND RETIREMENT FUND

SAN BERNARDINO, Calif. (February 14, 2007) — In a February 13th *Press Enterprise* article entitled “Board Hears Goals for County Budget,” the Chief Financial Officer Dean Arabatzis was quoted as saying, “If workers 50 years of age or older, who have at least 30 years, were to retire and cash out their banked vacation time, it could cost the County between \$6 million and \$7 million.”

While it is true that the County may owe substantial monies due to the various approved Memoranda of Understanding (MOUs) governing cash outs, the San Bernardino County Employees' Retirement Association (SBCERA) only allows the amount of vacation a member can accrue in one year as part of the compensation earnable/retirement allowance calculation. In addition, this accrual is understood and factored in to the establishment of contribution rates throughout an employee's career. Therefore, there is no additional impact to the retirement system due to the large banks of vacation that many baby boomers have amassed over their careers; it is a one-time County employer liability versus ongoing liability.

The San Bernardino County Employees' Retirement Association (SBCERA) provides its members and their beneficiaries with retirement and related benefits and services which they have earned, commensurate with their years of service and compensation. The Board of Retirement's responsibilities and functions are governed by the applicable provisions of the California Government Code, along with the bylaws and regulations of SBCERA.

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