



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Employees' Retirement System
Department No.: 810
For Agenda Of: 4/17/07
Placement: Administrative
Estimated Time: 10 Minutes on 4/24/07
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Oscar Peters, Retirement Administrator, 568-2998
Director(s) Shane Stark, County Counsel, 568-2950
Bob Nisbet, General Services Director, 568-2626
Contact Info: Lila Deeds, 568-2941
Martin McKenzie, 568-2950

SUBJECT: **Set Hearings to Consider an Ordinance to adopt Government Code Section 31725.5**

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

- a) Set a hearing for April 24, 2007, to consider the introduction (First Reading) of an ordinance adopting Government Code Section 31725.5, allowing for a change of position in lieu of disability retirement allowance for members eligible to retire for nonservice-connected disability. The ordinance will add Section 27-51 to Article IV of Chapter 27 of the Santa Barbara County Code.
- b) Set a hearing for May 1, 2007, to consider the adoption (Second Reading) of an ordinance adopting Government Code Section 31725.5, allowing for a change of position in lieu of disability retirement allowance for members eligible to retire for nonservice-connected disability.

Summary Text:

The County Employees' Retirement Law provides for disability retirement benefits for members who are permanently incapacitated for the performance of their duties. The law further enables a member who is disabled due to a service-connected injury or illness, in lieu of receiving the disability retirement allowance, to accept an offer of an alternative position that is compatible with the employee's medical restrictions and receive a supplemental disability allowance in an amount equal to the difference between the compensation rates of the two positions. This allows employees who are willing and able to

continue County employment in a different capacity to do so while retaining the compensation level of their original position.

Currently this provision applies only to members who are eligible to retire for service-connected disability. However, there is a permissive Government Code section that, if adopted by Board of Supervisors' ordinance, will provide the same opportunity for alternative employment to employees with nonservice-connected disabilities. Of the twelve disability retirements granted on average each year, approximately 39% are for nonservice-connected disabilities. The Board of Retirement, County Counsel, and Risk Management jointly recommend that this permissive section be made applicable to members of the Santa Barbara County Employees' Retirement System. The Board of Retirement and County staff believe it is mutually beneficial for the employee, the employer and the Retirement System to create, wherever possible, the opportunity for disabled employees to continue as productive members of the County workforce and maintain their earning ability. Staff further recommends that the new provision be applicable to individuals who retired for nonservice-connected disabilities prior to the effective date of the ordinance, as specifically allowed by Government Code Section 31725.5.

Background:

The Board of Retirement voted to recommend the adoption of Government Code Section 31725.5 to the Board of Supervisors.

Fiscal Analysis:

There are no costs associated with adoption of Government Code Section 31725.5. Adoption, rather, will provide an opportunity for cost savings in future disability retirement costs.

Attachments:

Proposed Ordinance

Authored by:

Lila Deeds, Assistant Retirement Administrator

cc:

All Special District Employers participating in SBCERS
Bernice James, Chair, Board of Retirement
Joseph C. Gallas, Chair, Retirement Board Disability Committee