



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: CEO
Department No.:
For Agenda Of: 5-25-10
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Michael F. Brown, County Executive Officer
Contact Susan Paul, Assistant CEO/HR Director - 568-2817
Info: Bob Geis, Auditor-Controller – 568-2100
SUBJECT: Adoption of FY 2010-2011 Retirement Rates

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: No

Recommended Actions:

That the Board of Supervisors, pursuant to Government Code Section 31454, adopt the Fiscal Year 2010-2011 employer contribution rates recommended by the Santa Barbara County Employees Retirement System (SBCERS) actuary and approved by the Board of Retirement on November 18, 2009 to be effective on July 1, 2010, or for the payroll cycle in which that date occurs.

Summary Text:

The proposed action will set an overall employer contribution rate of 28.88%. This is an increase from the Fiscal Year 2009-2010 rate of 23.3%.

Background:

The Board of Retirement (BOR) sets the funding policy for the Santa Barbara County Employees Retirement System (SBCERS). Included in the funding policy is the employer's contribution rate. On May 6, 2010, the County received correspondence from the SBCERS Chief Executive Officer confirming the County's FY 2010-2011 employer contribution rate of 28.88% and requesting that the Board of Supervisors adopt the new rate. As required, the rate was adopted by the BOR on November 18, 2009. The referenced correspondence is attached.

The recommended rate is based on the June 30, 2009 actuarial valuation prepared by the Retirement System's actuary and reflects an increase in the employer contribution rate (from 23.3% to 28.88%).

Fiscal and Facilities Impacts:

Budgeted: Yes. The change in contribution rates reflects an increase in cost to the County of approximately \$19.2 million and will become effective July 1, 2010.

Staffing Impacts:

None.

Attachments:

May 6, 2010 Correspondence from SBCERS

June 30, 2009 Actuarial Valuation – copies available at the Clerk of the Board

cc: Dennis Marshall, County Counsel
Vincent Brown, CEO, SBCERS



Santa Barbara County Employees' Retirement System

Vincent Brown, Chief Executive Officer

May 6, 2010

Michael F. Brown
County Executive Officer
County of Santa Barbara
105 E. Anapamu Street
Santa Barbara, CA 93101

RE: Adoption of 2010-11 Employer Contribution Rates

Dear Mr. Brown:

I am writing to request that the Board of Supervisors adopt the employer contribution rates for 2010-11 pursuant to Government Code Section 31454.

As you know, an actuarial valuation was conducted by the Retirement System's actuary as of June 30, 2009, which recommended an overall employer contribution rate increase from 23.3% to 28.88%. The Board of Retirement took action at their November 18, 2009, meeting to receive the valuation and recommend the change in contribution rates to be effective July 1, 2010.

We appreciate your assistance in placing the adoption of the rates before the Board of Supervisors. Please let us know if we can be of assistance.

Sincerely,

A handwritten signature in blue ink that reads "Vincent P. Brown".

Vincent P. Brown
Chief Executive Officer

cc: Susan Paul, Assistant CEO/Human Resources Director