



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:** Auditor-Controller and  
Santa Barbara County  
Employees Retirement  
System  
**Department No.:** 061, 810  
**For Agenda Of:** May 16, 2017  
**Placement:** Departmental  
**Estimated Time:** 20 Minutes  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department Theodore A. Fallati, CPA x 2100  
Directors Gregory Levin, CPA x2585  
Contact Info: Theodore A. Fallati, CPA x 2100  
Gregory Levin, CPA x2585

**SUBJECT:** Other Post-Employment Benefits (OPEB) June 30, 2016 Valuation

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**County Counsel Concurrence**

As to form: N/A

Other Concurrence: CEO

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- a. Receive and file a report from the Santa Barbara County Employees Retirement System regarding the June 30, 2016 Actuarial Valuation for the County's Other Post-Employment Benefits (OPEB) plan;
- b. Determine that this action is not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical effect on the environment.

**Summary Text:**

This is the first actuarial valuation completed for the County's OPEB plan since the County adopted an OPEB funding policy in March of 2016. That policy set the annual funding level at 4% of pensionable compensation and implemented a 19 year amortization period for the unfunded liability. Since the policy adoption, the County has also closed the plan to any new employees.

Topics to be addressed include:

- Current Plan Benefits
- Roles and Responsibilities
- Benefit Distribution
- Accounting Changes
- Contributions and Performance Factors
- Key Assumptions
- Current Financial Position

Next in plan administration steps include:

- The County amending the plan document for changes including stopping the benefit for new County employees and current bargaining agreements.
- The County to initiate process for closing the plan to all new employees of the eight other participating member employers.

**Background:** The County maintains an Other Post-Employment Benefits Plan that provides a medical benefit to its employees in their retirement. In November of 2008 the County adopted the 401 (h) regulations and entered into an agreement with the Santa Barbara County Employees Retirement System (SBCERS) to administer the plan.

Eight other local government employers also participate in the plan.

**Fiscal and Facilities Impacts:**

Budgeted: Contributions are budgeted annually

**Attachments:**

Presentation

June 30, 2016 SBCERS OPEB Actuarial Valuation

**Authored by:**

Theodore Fallati, Auditor-Controller

Gregory Levin, SBCERS Chief Executive Officer

**CC:**

Mona Miyasato, CEO

Jeff Frapwell, Budget Director

Lori Gentles, HR Director