

SANTA BARBARA COUNTY BOARD AGENDA LETTER



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

Agenda Number:
Prepared on: 6/10/02
Department Name: Treasurer-Retirement Admin
Department No.: 065
Agenda Date: 6/25/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Gary L. Feramisco
Treasurer-Retirement Administrator

STAFF CONTACT: Bernice James
x2998

SUBJECT: Resolution Adopting Government Code Section 31522.2

Recommendation(s):

That the Board of Supervisors:

Adopt a resolution to make Government Code Section 31522.2 applicable in Santa Barbara County. This code section allows the Board of Retirement to appoint an administrator that is not subject to County civil service.

Alignment with Board Strategic Plan:

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The recommendation is primarily aligned with Goal No. 3 - a strong, professionally managed county organization.

Executive Summary and Discussion:

Effective July 1, 2000, the Santa Barbara County Employees' Retirement System separated from the County General Fund by the adoption of Government Code Sections 31522.1 and 31580.2.

Government Code Section 31580.2 requires the Board of Retirement to annually adopt a budget that covers administration expenses of the retirement system with the earnings of the retirement fund. The expense incurred in any year shall not exceed eighteen-hundredths of 1 percent of the total assets of the retirement system. With over \$1 billion in assets the Santa Barbara County Employees' Retirement System had grown to the point that it was economically practicable to operate under this code section. As a result, the Board of Retirement adopted its first annual budget in the 2000-2001 fiscal year.

Government Code Section 31522.1 grants the Retirement Board the authority to establish job classifications and salary compensation as required to accomplish the necessary work of the board. Employees hired by the Retirement Board are considered county employees for purposes of the protections and limitations imposed by the civil service rules of the county and are included in the salary ordinance or resolution adopted by the Board of Supervisors.

The Santa Barbara County Treasurer has functioned as the Retirement Administrator since the retirement system's formation on January 1, 1944. The administration of the system has become increasingly more complex and requires full time attention. The Board of Retirement is now requesting that your Board adopt Government Code Section 31522.2 that allows the appointment of an independent administrator by the Board of Retirement. The person appointed will be a county employee, but not be subject to county civil service or merit system rules. This type of appointment is consistent with that of county department heads.

Mandates and Service Levels:

Adoption of Government Code Section 31522.2 will provide an opportunity for increased service levels.

Fiscal and Facilities Impacts:

The salary of the retirement administrator will be negotiated between the retirement board and applicants after a recruitment has been completed. The salary will be included in the administrative budget adopted by the retirement board.

Special Instructions: Please forward a copy of the minute order and signed Resolution to the Retirement Office, Room 301.

Concurrence:

Santa Barbara County Board of Retirement