




**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/Human Resources
Department No.: 064
For Agenda Of: 7/6/10
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Susan Paul, Assistant CEO/HR Director, 568-2817 
Contact Info: Dennis Marshall, County Counsel, 568-2950
Jeri Muth, Assistant HR Director, 568-2816

SUBJECT: *Implement Provisions of CEO's Contract: Two -Year Retirement Service Credit*

County Counsel Concurrence

As to form: Select_Concurrence

Other Concurrence: Select_Other

As to form: Select_Concurrence

Auditor-Controller Concurrence

As to form: Select_Concurrence

Recommended Actions:

In accordance with County Ordinance Number 3829 and provisions of the County Executive Officer's contract that the Board of Supervisors, adopt a resolution authorizing two (2) years additional retirement service credit for the County Executive Officer to be effective November 1, 2010 upon his acceptance of the incentive by July 13, 2010 and with a retirement date of October 31, 2010.

Summary Text:

In September 2009, the County offered a two-year service credit retirement incentive to employees in all job classifications in all County departments who were at least age 60 and otherwise eligible to retire. The purpose of the retirement incentive was to assist the organization in achieving cost savings. At the time the incentive was offered, County Executive Officer (CEO) Michael F. Brown was eligible and notified the Board of Supervisors that he was electing to accept the two-year service credit incentive. Subsequently, due to the projected budgetary complexities in the Fiscal Year 2010-2011 Budget, the Board requested that Mr. Brown delay his retirement for the purpose of dealing with the budget and related issues. On December 8, 2009, the Board of Supervisors amended Mr. Brown's employment contract (attached amendment) which included the provision that Mr. Brown delay his

retirement until October 31, 2010 and that prior to this date, the County would offer Mr. Brown the two-year retirement service credit as provided in Government Code §31641.04. The incentive is to be effective November 1, 2010.

The purpose of this Board item is implement the terms of Mr. Brown's employment contract and offer a two-year service credit retirement incentive from July 7, 2010 to July 13, 2010 with a retirement date of October 31, 2010 and an effective date of the incentive of November 1, 2010.

Background:

Government Code Section 31641.04 provides the Board of Supervisors the authority to offer additional service credit, not to exceed two (2) years, to eligible employees when the Board determines that it is to the benefit of the County. The Government Code also requires the Board of Supervisors to adopt the provision by Ordinance prior to offering additional service credit. Government Code Section 31641.04 was adopted by Ordinance No. 3829 on February 27, 1990. Additionally, as required, the County must transmit to the retirement fund an amount equal to the actuarial equivalent of the difference between the allowance the employee receives after the additional service credit and the amount he/she would have received without the additional service credit. The cost for Mr. Brown's retirement incentive has been calculated by the actuary of the Santa Barbara County Employees Retirement System as \$164,512.25.

The open period for electing to accept the incentive would be July 7, 2010 to July 13, 2010, as established by approval of the attached Resolution. Mr. Brown's effective retirement date would be November 1, 2010.

Fiscal Analysis: The cost for Mr. Brown's retirement incentive was included in the costs calculated by the SBCERS actuary as part of the 2009 Retirement Incentive Program and will be transferred to SBCERS from the budget of the County Executive Office.

Special Instructions: Return one signed copy of the resolution to Andrea Johnson in CEO/Human Resources and an additional signed copy to Lila Deeds at SBCERS

Attachments:

- 1) Resolution
- 2) County Executive Officer Employment Contract

cc: Michael F. Brown, County Executive Officer
Bob Geis, Auditor-Controller
Dennis Marshall, County Counsel
Vincent Brown, CEO, SBCERS

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
SANTA BARBARA, STATE OF CALIFORNIA

In the Matter of Implementing Retirement Service)
Credits for Certain County Employees Pursuant to) Resolution No. 10-
Government Code § 31641.04)
_____)

WHEREAS, Government Code § 31641.04 provides that when the Board of Supervisors, by resolution, determines that because of an impending curtailment of service or change in the manner of performing service, savings of money, or other economic benefit resulting to the county, the best interests of the county would be served, a member shall be eligible to receive additional service credit; and

WHEREAS, the Board of Supervisors has by Ordinance 3829 (Santa Barbara County Code § 27-50), effective March 29, 1990, adopted the provisions of Government Code § 31641.04; and

WHEREAS, due to the significant Fiscal Year 2008-2009 and Fiscal Year 2009-2010 budget challenges, in September 2009 the County of Santa Barbara Board of Supervisors offered a retirement incentive to all County employees age 60 or older who were otherwise eligible to retire which allowed the County to rebalance staffing and operate more effectively within available funding; and

WHEREAS, County Executive Officer accepted the retirement incentive at that time; and

WHEREAS, the Santa Barbara County Board of Supervisors in order to retain the County Executive Officer for the completion of the Fiscal Year 2010-2011 Budget, by contract amendment with the County Executive Officer agreed to retain his services until October 31, 2010 and agreed to reopen the retirement incentive offer for his specific position prior to his retirement; and

WHEREAS, the Board of Supervisors has determined to offer two years of credited service for the position of County Executive Officer, as provided by the Government Code; and

WHEREAS, any member who qualifies for the additional service credit and who subsequently re-enters County employment shall forfeit the service credit acquired pursuant to this resolution unless the reentry is a result of a temporary callback limited to a maximum of 960 hours of service in any one year; and

WHEREAS, Resolutions 08-211 and 08-252 should be amended to reflect temporary callback hours are limited to a maximum of 960 hours of service in any one year.

NOW THEREFORE, BE IT AND IT IS HEREBY ORDERED AND RESOLVED, that the Board of Supervisors hereby adopts the following:

1. The County Executive Officer shall be granted a two-year retirement service credit pursuant to Government Code § 31641.04 upon notification to the retirement system and CEO/Human Resources by July 13, 2010 of his retirement from County service effective October 31, 2010. The two-year retirement service credit shall coincide with and become effective on November 1, 2010.
2. The County shall transmit to the County Retirement Fund an amount determined by the Board of Retirement which is equal to the actuarial equivalent of the difference between the allowance an eligible member receives after receipt of service credit pursuant to Government Code § 31641.04 and the amount he/she would have received without such credit. The transfer to the County Retirement Fund shall be made in a manner and time period acceptable to the County and the Board of Retirement

PASSED AND ADOPTED by the Santa Barbara County Board of Supervisors, State of California, this 6th day of July 2010, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Janet Wolf
Chair, Board of Supervisors

ATTEST
Michael F. Brown
Clerk of the Board

By _____

Approved as to Form:
Dennis Marshall
County Counsel

By 

Approved as to Accounting Form
Robert W. Geis, C.P.A.
Auditor-Controller

By 

AMENDMENT TO AGREEMENT FOR SERVICES OF COUNTY
EXECUTIVE OFFICER


The County of Santa Barbara (County) and Michael F. Brown (Brown), County Executive Officer, mutually agree to amend the June 26, 2007, Agreement for Services of County Executive Officer, as follows:

10. RETIREMENT CONTRIBUTION. County will pay a \$172.30 contribution per bi-weekly pay period to Brown's share of the cost of the retirement benefit that is provided to Department Heads, as provided in Resolution 04-358§ 15(D), or successor resolution.


RETIREMENT CONTRIBUTION - RETIREMENT INCENTIVE. Notwithstanding any other provision of this agreement to the contrary, Brown will retire from County service effective October 31, 2010. Prior to the effective date, County will offer Brown the two (2) year early retirement incentive as provided in Government Code § 31641.04. The two (2) year early retirement incentive shall coincide with and become effective on November 1, 2010.

This amended agreement is entered into on December 8, 2009.

County of Santa Barbara




Joseph Centeno, Chair,
Board of Supervisors



Michael F. Brown, County
Executive Officer

Attest:



Michael F. Brown
Clerk of the Board
By: Deputy

Approved as to Form:
Dennis A. Marshall
County Counsel



Approved as to Accounting Form:
Robert W. Geis
Auditor Controller

