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Legislation Details (With Text)

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On agenda: 10/18/2016 **Final action:** 10/18/2016

Title: HEARING - Consider recommendations regarding the request that Santa Barbara County Employees' Retirement System (SBCERS) phase-in investment rate of return assumption changes, as follows: (EST. TIME: 30 MIN.)

a) Authorize the County Executive Officer (CEO) to sign and submit a letter, to the Board of Retirement of SBCERS, before it adopts the pension contribution rates for next Fiscal Year (FY), requesting that they consider the following changes to allow a gradual increase in anticipated pension costs:

i) A reduction to the assumed investment rate of return (ROR) on plan assets in FY 2017-2018 be no more than a 25 basis point reduction (from the current 7.5% to 7.25%); and

ii) Any additional reductions also be limited to 25 basis points (i.e., from 7.25% to 7%) per year and be implemented in FY 2020-2021 after the next experience study is performed; this would bring the ROR from 7.5% to 7.0% in 4 years;

b) Request that the Board of Retirement delay any decision on assumption changes until County staff has adequate time (approximately one month) to review the actuarial assumptions and impacts of such changes; or

c) Direct other action as appropriate; and

d) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378(b)(4), as government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY

Sponsors: COUNTY EXECUTIVE OFFICE, AUDITOR-CONTROLLER'S OFFICE

Indexes:

Code sections:

Attachments: 1. Board Letter, 2. Attachment A - CEO Letter to SBCERS re ROR Change, 3. Presentation, 4. Dollar Impact of ROR Changes

Date	Ver.	Action By	Action	Result
10/18/2016	1	BOARD OF SUPERVISORS	Acted on as follows:	Pass

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COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY