

RESOLUTION NO. 071736

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

*** * * * ***

RESOLUTION (1) TERMINATING THE APPLICABILITY OF GOVERNMENT CODE SECTION 31664.1 TO SPECIFIED SAFETY MEMBERS OF THE COUNTY RETIREMENT SYSTEM; AND (2) MAKING THE EMPLOYEE SHARE OF COST TO FUND COST OF LIVING ADJUSTMENTS FOR RETIREMENT BENEFITS AND GOVERNMENT CODE SECTIONS 31664 AND 31664.2 APPLICABLE TO SPECIFIED SAFETY MEMBERS OF THE COUNTY RETIREMENT SYSTEM EFFECTIVE JANUARY 8, 2012

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, presently safety benefits for employees in the Sheriff's department are in safety Plan 1, Plan 2 or modified Plan 2 (also known as Plan 4) are calculated in accordance with Government Code section 31664.1; and

WHEREAS, on June 10, 2003, this Board adopted Resolution 066004 which, effective July 6, 2003, terminated the safety retirement benefits under Government Code section 31664 and implemented the retirement benefit under Government Code section 31664.2 and further provided that effective January 1, 2005, the benefits under Government Code section 31664.2 would be terminated and the safety retirement benefit under Government Code section 31664.1 would be implemented; and

WHEREAS on June 7, 2011, this Board approved a resolution making Government Code section 31485.10 effective. Section 31485.10 (a) provides that the Board by resolution can make any retirement benefits effective for some, but not all,

071736

general and safety members and may provide a different formula for calculation of retirement benefits, by making different retirement formula sections contained in County Employees Retirement Law ("CERL") applicable to any subgroup of members within a membership classification; and

WHEREAS, on June 7, 2011, this Board terminated the applicability of Government Code section 31664.1 only as to those probation safety members hired on or after July 10, 2011, and for those probation safety members implemented Government Code sections 31664 and 31664.2 in order for these members to have the ability to elect to receive benefits under either section 31664 or section 31664.2; and

WHEREAS, this Board now desires to terminate the applicability of Government Code section 31664.1 as to all other non probation safety members hired on or after January 8, 2012, and instead (a) implement Government Code section 31664.2 for those safety members covered by the Memorandum of Understanding between the County of San Mateo and Deputy Sheriff's Association; and (b) implement section 31664 and section 31664.2 for those safety members who are covered by the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants and those safety members in the Management Sheriff's sub unit who are covered by the resolution setting forth the benefits for safety management; and

WHEREAS, Government Code section 31678.2 permits this Board to adopt a resolution specifying that any section of CERL prescribing a formula for calculation of retirement benefits be applicable to service credit earned on and after the date specified

in the resolution, which date may be earlier than the date of the resolution, and permits this Board and the employee representatives to enter into a memorandum of understanding that requires members of the employees retirement association to pay all or part of the contributions by a member or employer, or both, that would have been required if the section or sections specified in this resolution as adopted by the Board had been in effect during the period of time designated in the resolution; and

WHEREAS, for the above listed safety members hired on or after January 8, 2012, who receive benefits under Government Code section 31664.2, this Board desires that 31664.2 be applicable to safety service back to the date of employment with the County of San Mateo effective January 8, 2012 and for those members to share the cost of that benefit as set forth in this resolution; and

WHEREAS, representatives of this Board have met and conferred with representatives of the recognized employee bargaining group representing non-probation members about proposed changes to the retirement benefits provided to these employees, and the Board and the employee representatives have executed a memorandum of understanding agreeing to the changes to retirement benefits and required contributions with the employee organization representing employees in the non-probation safety retirement plan; and

WHEREAS, the above-referenced memoranda of understanding and resolutions provided that employees subject to said memoranda and resolutions who were hired on or after July 10, 2011, would pay up to 50% of the cost of living adjustment as determined by SamCERA; and

WHEREAS, for the purposes of consistency and administration with the above-referenced retirement plan tier changes, the employee share of cost to fund the cost of living adjustment for retirement benefits for those safety employees covered by the Memorandum of Understanding between the County of San Mateo and Deputy Sheriff's Association; and those safety members covered by the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants and those in the Management Sheriff's sub unit should apply only to those safety members hired on or after January 8, 2012; and

WHEREAS pursuant to Government Code sections 7507 and 31516, enrolled actuaries employed by Milliman Inc. performed valuations and provided a statement of the actuarial impact upon the future annual costs of the change in retirement benefits associated with the termination of Government Code section 31664.1 for new safety members hired on or after January 8, 2012 and the implementation of Government Code sections 31664 and 31664.2 for those members, and those future annual costs were made public at the meeting of the Board of Supervisors on July 12, 2011;

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that

- A. Government Code section 31664.1 will not be applicable to the following safety members hired on or after January 8, 2012: those covered by the Memorandum

of Understanding between the County of San Mateo and Deputy Sheriff's Association; and those safety members covered by the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants and those in the Management Sheriff's sub unit.

- B. Government Code sections 31664.2 is applicable to safety members who are covered by the Memorandum of Understanding between the County of San Mateo and Deputy Sheriff's Association hired on or after January 8, 2012. All such members shall share in the cost of the retirement benefits as follows:
1. Employees with more than 15 years of County service or who are ages 45 or older will contribute 4.5% of compensation earnable.
 2. Employees with 5 to 15 years of County service will contribute 3.5% of compensation earnable.
 3. Employees with 0 to 5 years of County service will contribute 3% of compensation earnable.
 4. The above additional percentages of compensation earnable shall be collected by way of payroll deductions. This cost sharing contribution will not be reduced by employer pick-up of employee retirement contributions. This cost sharing contribution will not be reduced for employees with 30 years of service. In all other ways, this cost sharing contribution will be treated in the same manner and will be subject to the same provisions in the CERL and *SamCERA* regulations as other employee contributions.
- C. Government Code sections 31664 and 31664.2 will become applicable safety members hired on or after January 8, 2012 who are covered under the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants and those covered by the resolution setting forth the benefits for safety management. These new non-probation safety members will have the ability to elect to receive benefits under either Government Code section 31664 or section 31664.2.
1. Any such new safety member failing to make an election within 60 days from date of hire shall be deemed to have elected safety retirement benefit consistent with Government Code section 31664. All elections are permanent decisions and shall be irrevocable. Any employee who has elected, or is deemed to have elected, a benefit plan and who terminates his or her employment and is later reemployed shall not be entitled to change his or her election upon that reemployment.
 2. For those safety members who elect to receive benefits under Government Code section 31664.2, section 31664.2 shall be applicable to all safety service back to the date of employment with the County of San Mateo effective January 8, 2012 and those members shall share the cost of implementing that benefit by contributing the following additional contributions from payroll deductions:

(a) Those safety members in the Management Sheriff's sub unit and covered by the safety management resolution shall contribute an additional 5% of compensation earnable.

(b) Those non-probation safety members covered by the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants shall contribute an additional 4% of compensation earnable.

(c) This cost sharing contribution will not be reduced by employer pick-up of employee retirement contributions. This cost sharing contribution will not be reduced for employees with 30 years of service. In all other ways, this cost sharing contribution will be treated in the same manner and will be subject to the same provisions in the CERL and *SamCERA* regulations as other employee contribution

D. The implementation date of the employee share of cost to fund the cost of living adjustment for retirement benefits for those safety employees covered by the Memorandum of Understanding between the County of San Mateo and Deputy Sheriff's Association; and those safety members covered by the Memorandum of Understanding between the County of San Mateo and Organization of Sheriff's Sergeants and those in the Management Sheriff's sub unit hired on or after January 8, 2012, is hereby ratified.

* * * * *

Regularly passed and adopted this 13th day of December, 2011.

AYES and in favor of said resolution:

Supervisors:

DAVE PINE

CAROLE GROOM

DON HORSLEY

ROSE JACOBS GIBSON

ADRIENNE J. TISSIER

NOES and against said resolution:

Supervisors:

NONE

Absent Supervisors:

NONE

Carole Groom

*President, Board of Supervisors
County of San Mateo
State of California*

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the President of the Board of Supervisors.



*Rebecca Romero, Deputy
Clerk of the Board of Supervisors*

071736