



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY MANAGER

**File #:** 16-135

Board Meeting Date: 5/16/2017

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** John L. Maltbie, County Manager

**Subject:** Adoption of Amended Employer and Member Retirement For Certain Contribution Rates for FY 2017-18.

### **RECOMMENDATION:**

Adopt a resolution amending the rates set for employer and member contributions for the San Mateo County Employees' Retirement Association for certain members for FY 2017-18 in accordance with Government Code Sections 31453 and 31454.

### **BACKGROUND:**

Government Code Section 31453 requires the Board of Retirement to conduct periodic actuarial valuations of the retirement system and to recommend contribution rates to the Board of Supervisors. Section 31454 requires the Board of Supervisors, not later than 90 days after the beginning of the immediately succeeding fiscal year, to adjust the rates of interest, the rates of contributions of all members of all participating employers in accordance with the recommendations of the Board of Retirement.

On March 28, 2017, the Board of Supervisors set all employer and member contribution rates for FY 2017-18 based on the 2016 Actuarial Valuation prepared by Milliman, Inc. ("Milliman"), the Board of Retirement's actuary. After the 2016 Actuarial Valuation was prepared, the San Mateo County Superior Court implemented changes to require all Court employee members to contribute 50% of the retirement COLA costs, so that the Court would no longer pick up 100% of the applicable member COLA contributions.

### **DISCUSSION:**

On April 18, 2017, Milliman recommended to the Board of Retirement that certain adjustments be made to the rates regarding Superior Court employees. The Board of Retirement now recommends the amended employer and employee contribution rates as set forth in the attached resolution. These amended rates reflect the shifting of a portion of the COLA costs from the Superior Court (i.e., employer) to Court employees. The amended rates have been previously communicated to Court fiscal staff.

The resolution has been reviewed and approved by County Counsel as to form and content.

Approval of this resolution contributes to the Shared Vision 2025 outcome of a Collaborative Community by maintaining the appropriate level of contributions to the retirement fund.

**FISCAL IMPACT:**

There is no County fiscal impact as this concerns Superior Court employees.

cc: Rodina Catalano, Court Executive Officer