



MENDOCINO COUNTY BOARD OF SUPERVISORS
ONLINE AGENDA SUMMARY

BOARD AGENDA # 4(g)

- Arrangements for public hearings and timed presentations must be made with the Clerk of the Board in advance of public/media noticing
- Agenda Summaries must be submitted no later than *noon* Monday, 15 days prior to the meeting date (along with electronic submittals)
- Send 1 complete original single-sided set and 1 photocopy set – Items must be signed-off by appropriate departments and/or Co. Co.
Note: If individual supporting document(s) exceed 25 pages each, or are not easily duplicated, please provide 7 hard-copy sets)
- Transmittal of electronic Agenda Summaries, records, and supporting documentation must be emailed to: bosagenda@co.mendocino.ca.us
- Electronic Transmission Checklist: Agenda Summary Records Supp. Doc. If applicable, list other online information below
- Executed records will be returned to the department within one week. *Arrangements for expedited processing must be made in advance*

TO: Board of Supervisors **DATE:** January 20, 2016

FROM: Board of Retirement **MEETING DATE:** February 2, 2016

DEPARTMENT RESOURCE/CONTACT: Dr. James Wilbanks **PHONE:** 463-4328 Present On Call

Consent Agenda Regular Agenda Noticed Public Hearing Time Allocated for Item: N/A

■ AGENDA TITLE: Adoption of Retirement Association Rates for Fiscal Year 2016-17

■ PREVIOUS BOARD/BOARD COMMITTEE ACTIONS: Actuarial reports are submitted annually for acceptance and approval of contribution rates by the Board of Supervisors.

■ SUMMARY OF REQUEST: Segal Consulting prepared an Actuarial Valuation and Review for the Mendocino County Employee’s Retirement Association (MCERA) as of June 30, 2015 (attached). The study was presented to the Board of Supervisors during the Joint Meeting of the Board of Retirement and the Board of Supervisors on January 19, 2016. The Board of Retirement adopted the recommended rates on December 2, 2015 and forwards a recommendation for the Board of Supervisors (GC Section 31453 (a)) to set the employer and employee contribution rates for Fiscal Year (FY) 2016-17 as computed and recommended by Segal. Employer and member contribution rates are summarized by tier on page “iv” of the report with further detail provided in Section 2 (pages 15-20). The aggregate recommended employer and employee contribution rates for FY 2016-17 are 32.55% and 9.86%, respectively. The total actuarially determined employer contributions, calculated using an illustrative payroll of \$58.1 million, are estimated to be \$18,912,000. The decrease in the employer rate and the increase in the employee rates are mainly due to the increase in the employees in the PEPRAs tiers. Roughly \$11.5 million in market gains are deferred (Section 2, page 5) due to the Retirement Board’s practice of smoothing market gains and losses to reduce contribution rate volatility. These market gains will be recognized over the next four years.

- SUPPLEMENTAL INFORMATION AVAILABLE ONLINE AT:** www.co.mendocino.ca.us/retirement
- ADDITIONAL INFORMATION ON FILE WITH THE CLERK OF THE BOARD (CHECKED BY COB IF APPLICABLE):**

FISCAL IMPACT:			
Source of Funding	Current F/Y Cost	Annual Recurring Cost	Budgeted in Current F/Y
County, Courts, Cemetery District	Estimated to be \$18,912,000 gross cost	N/A	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

■ SUPERVISORIAL DISTRICT: 1 2 3 4 5 All **■ VOTE REQUIREMENT:** Majority 4/5ths

■ RECOMMENDED ACTION/MOTION: Adopt Retirement Association Rates for Fiscal Year 2016-17.

■ ALTERNATIVES: Government Code Section 31454 (a) states that the Board of Supervisors shall “adjust ... rates of contributions of members, and county and district appropriations in accordance with (emphasis added) the recommendation of the board (of retirement)...”

■ CEO REVIEW (NAME): Alan D. Flora, Assistant CEO **PHONE:** 463-4441

RECOMMENDATION: Agree Disagree No Opinion Alternate Staff Report Attached

BOARD ACTION (DATE: _____): Approved Referred to _____ Other _____

RECORDS EXECUTED: Agreement: _____ Resolution: _____ Ordinance: _____ Other _____