

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: County Counsel
Urgent _____ Routine X
CEO Concurs with Recommendation YES X NO _____
(Information Attached)

BOARD AGENDA # *E-1
AGENDA DATE December 17, 2002
4/5 Vote Required YES _____ NO X

SUBJECT: APPROVAL TO ADOPT A RESOLUTION MAKING GOVERNMENT CODE SECTION 31625.3 TITLED "MEMBERS HAVING CREDIT FOR 30 YEARS SERVICE; NONDEDUCTION OF CONTRIBUTIONS; ADOPTION BY COUNTIES" APPLICABLE AND OPERATIVE IN STANISLAUS COUNTY.

STAFF RECOMMENDATIONS:

ADOPT A RESOLUTION MAKING GOVERNMENT CODE SECTION 31625.3 TITLED "MEMBERS HAVING CREDIT FOR 30 YEARS SERVICE; NONDEDUCTION OF CONTRIBUTIONS; ADOPTION BY COUNTIES" APPLICABLE AND OPERATIVE IN STANISLAUS COUNTY.

FISCAL IMPACT:

This action will have no fiscal impact on the current budget as the budgetary assumptions approved by the Board of Supervisors included cessation of employee contributions after 30 years of service and the payment of 1/2 rates to Tier IV employees. There are currently 282 Tier IV members who could potentially benefit from the payment of 1/2 rates, however, it is difficult to quantify how these 1/2 rate payments will affect the County in the future as it is unknown how many of these employees will in fact work beyond 30 years.

BOARD ACTION AS FOLLOWS:

No. 2002-1004

On motion of Supervisor Simon, Seconded by Supervisor Caruso
and approved by the following vote,
Ayes: Supervisors: Paul, Blom, Simon, Caruso, and Chairman Mayfield
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) _____ Denied
- 3) _____ Approved as amended

MOTION:

Christine Ferraro

APPROVAL TO ADOPT A RESOLUTION MAKING GOVERNMENT CODE
SECTION 31625.3 TITLED "MEMBERS HAVING CREDIT FOR 30
YEARS SERVICE; NONDEDUCTION OF CONTRIBUTION; ADOPTION
BY COUNTIES" APPLICABLE AND OPERATIVE IN STANISLAUS
COUNTY

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DISCUSSION: Currently, employees who are members of the Stanislaus County Employees' Retirement Association who were hired prior to March 7, 1973, and who have 30 years service, cease making employee contributions into the retirement system, which gives the employee additional disposable income.

On January 1, 2000, a new law was added which allowed those employees hired after March 7, 1973, to benefit by ceasing to make contributions for retirement after 30 years of service. However, this benefit could not be given to employees until the Board of Supervisors, by majority vote, adopted Government Code Section 31625.3.

The County is approaching the 30 year period for a number of employees hired after March 7, 1973. In order to rectify any inequity and avoid any disparate or discriminatory practice, it is recommended that the Board of Supervisors adopt Government Code Section 31625.3.

It should be noted that without the adoption of this code section, there would be an inequity whereby safety members and persons hired prior to March 7, 1973, would no longer make contributions after 30 years of service, but all general members hired after March 7, 1973, would have contributions withheld from their paychecks, even after they reach 30 years of service.

Additionally, since it was assumed by County personnel that all employees already benefitted from this 30 year cessation in retirement contributions, the costs have been included and approved in the County's budget and the adoption of this code section is necessary to align the legal requirements with County practice.

POLICY
ISSUE:

Government Code Section 31625.3 is not operative in Stanislaus County until the Board of Supervisors adopts a resolution by majority vote making the section applicable in this county.

STAFFING
IMPACT:

None.

May 14, 1974

Members Present: Frank Russo, Maurice Quesnel, Wesley Hall, Earl Petersen, Steve Hossli, C. R. Ulsh, Joe Lockhart, James Franzen, Lynn Wood and Frank deCamp

Members Absent : None

Motion made by F. L. deCamp and seconded by Dick Ulsh approving the Service-Connected Disability application of Oscar Bailey Heard in accord with the effective date of March 23, 1974 requested and the unmodified option under Section 31760.1 of the Government Code selected by the retiring member.

Motion carried.

Motion made by Earl Petersen and seconded by Maurice Quesnel approving the Service Retirement application of Conrad B. Coldwell in accord with the effective date of June 1, 1974 requested under Section 31671 of the Government Code and the unmodified option under Section 31760.1 of the Government Code selected by the retiring member.

Motion carried.

Motion made by Wesley Hall and seconded by Joe Lockhart approving the Deferred Retirement application of Melba L. Amador to be effective May 4, 1974.

Motion carried.

Motion made by James Franzen and seconded by Earl Petersen approving the death benefit of Robert E. Draper payable to Neva Draper his wife, and beneficiary, in the amount of \$47.27.

Motion carried.

Motion made by Wesley Hall and seconded by James Franzen approving the purchase of the following securities:

\$50,000	South Central Bell Telephone Co.	@ 7.375% Int.
	Mature 8-1-12	Yield 8.48% ✓
\$25,000	Caterpillar Tractor Co.	@ 8.60% Int.
	Mature 5-1-99	Yield 8.60% ✓
\$50,000	Pennsylvania Power & Light Co.	@ 9 1/4% Int.
	Mature 4-1-04	Yield 9.36% ✓
\$50,000	General Electric Co.	@ 8 1/2% Int.
	Mature 5-1-04	Yield 8.50% ✓

Motion carried.

Motion made by James Franzen and seconded by Wesley Hall approving the inclusion of the City of Ceres into the Stanislaus County Employees' Retirement Association as of July 1, 1974.

Motion carried.

Motion made by James Franzen and seconded by Maurice Quesnel granting Retirement Board concurrence to the Stanislaus County Auditor's established procedure in interpreting Section 31625.2 of the Government Code, whereby in the case of a retirement association member having thirty years of continuous service, the following contributions shall cease:

1. Member's retirement contribution.
2. Member's cost of living contribution.
3. County's retirement contribution on behalf of the member concerned.
4. County's cost of living contribution on behalf of the member concerned.

Motion carried.


Statement of the retirement system for April, 1974.

Members, 1951; Retired, 342; Disability Retired, 50; Survivors Benefits, 8; Deferred Retirements, 82.

Cash on Hand, \$405,654.51; Securities Owned: Bonds, \$17,334,000.00; Common Stock, \$3,924,987.07.

New Members, 7; Terminations, 19; Retired this Month, None; Retired Members Death, 0; Active Members Death, None; Inactive, 35.

Respectfully submitted,


F. L. deCamp - Secretary
Board of Retirement
Stanislaus County

Approved as to form:



Stanislaus County Counsel