

THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: June 10, 1980

In re: Terminating the Applicability
of Certain Provisions of the
County Employees Retirement
Law of 1937

RESOLUTION

WHEREAS, pursuant to Government Code Section 31483, this Board may, by resolution, terminate the applicability of particular provisions of the County Employees Retirement Law of 1937 which it has, by resolution, previously made applicable to members of the Stanislaus County Employees Retirement Association, provided that the resolution terminating applicability of such provisions shall apply only as to employees whose services commence after a given future date; and

WHEREAS, by resolution dated August 17, 1971, Government Code Section 31462.1, relating to the definition of final compensation, was adopted and made applicable to members of the Stanislaus County Employees Retirement Association; and

WHEREAS, by resolution dated June 16, 1964, as amended by resolution dated June 19, 1973, Section 31641.95 of the Government Code, relating to making certain sections of the Government Code applicable in order to permit members to make contributions for service rendered to other public agencies, was adopted and made applicable to members of the Stanislaus County Employees Retirement Association; and

WHEREAS, by resolution dated April 2, 1974, Section 31676.12 of the Government Code, relating to additional benefits for miscellaneous members, was adopted and made applicable to members of the Stanislaus County Employees Retirement Association; and

WHEREAS, by resolution dated December 9, 1975, Sections 31621.5 and 31639.5 of the Government Code, relating to the normal rate of contribution, were adopted and made applicable to members of the Stanislaus County Employees Retirement Association; and

WHEREAS, by resolution dated December 9, 1975, pursuant to Section 31873 of the Government Code, this Board elected to pay one-half the cost of the contributions which would otherwise be assessed to the individual members of the Stanislaus County Employees Retirement Association; and

WHEREAS, the Board finds that in order to reduce the cost of the retirement system to the County, it is necessary and proper to terminate the applicability of such provisions and the benefits granted thereby, as to members of the Stanislaus County Employees Retirement Association whose services commence after June 30, 1980;

NOW, THEREFORE, BE IT RESOLVED that the applicability of the following provisions be, and the same hereby are, terminated as to members of the Stanislaus County Employees Retirement Association whose services commence after June 30, 1980:

1. The applicability of Section 31462.1 of the Government Code is terminated and the provisions of Section 31462 of the Government Code shall apply;

2. The applicability of Section 31641.95 of the Government Code and the applicability of Sections 31470.7, 31478, 31479, 31480, 31641.1, 31641.2, 31641.3, 31641.4, 31641.8 and 31641.9 of the Government Code are terminated;

3. The applicability of Government Code Section 31676.12 is terminated and the provisions of Section 31676.1 of the Government Code shall apply;

4. The applicability of Sections 31621.5 and 31639.5 is terminated and Sections 31621 and 31639.25 of the Government Code shall apply.

5. The applicability of the election, pursuant to Section ³¹⁶³⁰~~31873~~ of the Government Code, to pay one-half of the cost of the contributions which would otherwise be assessed to the individual members of the Stanislaus County Employees Retirement Association, is terminated, and the individual members of the Stanislaus County Employees Retirement Association whose services commence after June 30, 1980, shall pay all of the costs of the contributions which are otherwise required to be assessed to them.

BE IT FURTHER RESOLVED that effective July 1, 1980, there shall be two classes of members of the Stanislaus County Employees Retirement Association; Tier I shall be comprised of members of the Stanislaus County Employees Retirement Association whose services commence on or before June 30, 1980, and Tier II shall be comprised of members of the Stanislaus County Employees Retirement Association whose services commence on and after July 1, 1980.

Upon motion of Supervisor Ulm, seconded by Supervisor Simon, the foregoing resolution was passed and adopted at a regular meeting of the Board of Supervisors of the County of Stanislaus, State of California, this 10th day of June, 1980, by the following called vote:

AYES: Supervisors: Ulm, Simon, Paul, and
Chairman Condit

NOES: Supervisors: Terry

ABSENT: Supervisors: None

ATTEST:

LLOYD R. BROUILLARD, Clerk of
the Board of Supervisors of
the County of Stanislaus,
State of California

By _____



31676.12

Stanislaus County

Chief Administrative Officer

D-13
P. O. Box 3404
Modesto, California
95353
(209) 526-6333

June 10, 1980

To: Board of Supervisors
From: Chief Administrative Officer
Subject: Modification of Provisions of the Retirement
Law of 1937

Attached is a proposed resolution that would modify the present retirement system as it would apply to employees hired after June 30, 1980. These changes are proposed as a way to reduce future costs of maintaining the retirement system and would not affect present employees in any way.

The changes to the system were suggested by Mr. deCamp after a thorough actuarial study by the firm of Coates, Herfurth, & England.

The resolution will make the following changes apply to new employees:

1. Change the final compensation base from average of highest 12 months' salary to the average of highest 36 months' salary.
2. Presently, the county pays one-half of the members' retirement contribution. This would be eliminated.
3. Presently, the county pays one-half of the members' contribution to cost-of-living. This would be eliminated.
4. Under present retirement formulas, retirement age 57 equals 2% of final average salary multiplied by years of service. The age factor in the formula would be changed to age 61.
5. Permission to receive retirement credit from most any kind of public service would be limited to that service performed under a reciprocal system.

Although it is difficult to make exact predictions, the actuary believes the following annual savings are a conservative estimate if all of the changes are made.

Board of Supervisors
Modification of Retirement Law of 1937
June 10, 1980

Page Two

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| 1st year | \$ 70,000 |
| 2nd year | 140,000 |
| 3rd year | 210,000 |
| 4th year | 290,000 |
| 5th year | 370,000 |
| 10th year | 700,000 |
| 15th year | 1,071,000 |
| 20th year | 1,500,000 |

As you can see, as old members leave the system and new members come in, the annual savings increase at an accelerated rate.

If you wish to make these changes, you should adopt the attached proposed resolution to be effective July 1, 1980.

THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: November 4, 1980

In Re: Retirement Tier
Classification

80-1826
RESOLUTION

WHEREAS, by resolution dated June 10, 1980, this Board established Tier I and Tier II of the Stanislaus County Employees Retirement Association based on whether an employee's "services commence" on or after July 1, 1980; and

WHEREAS, such resolution does not specify whether any persons with active County service on or before June 30, 1980 who are reemployed or reinstated on or after July 1, 1980, are in Tier I or in Tier II; and

WHEREAS, this Board desires to clarify the matter by specifying what was intended at the time such resolution was adopted;

NOW, THEREFORE, BE IT RESOLVED that the resolution of this Board dated June 10, 1980, establishing Tier I and Tier II of the Stanislaus County Employees Retirement Association, be, and the same hereby is, amended by adding the following paragraph thereto:

"BE IT FURTHER RESOLVED that the services of a reemployed or reinstated person shall be deemed to commence on or before June 1, 1980, and such person shall be a member of

Tier I if on the date of reemployment or reinstatement:

(1) The person is a qualified member of the Stanislaus County Retirement Association;

(2) The person's contributions to the Stanislaus County retirement fund have remained continuously on deposit in the retirement fund since termination of his or her prior period of active service; and

(3) The person has had one or more periods of active Stanislaus County service which commenced on or before June 30, 1980.

The services of any other reemployed or reinstated person, including but not limited to a person who redeposits withdrawn contributions into the Stanislaus County retirement fund upon his or her reentrance into active County service, shall be deemed to commence on the date of reemployment, and such person shall be a member of Tier II of the Stanislaus County Employees Retirement Association if the date of reemployment is on or after July 1, 1980."

BE IT FURTHER RESOLVED that the foregoing addition to the Board's resolution of June 10, 1980 is a declaration of the intent of the Board of Supervisors when the resolution was adopted and does not constitute a change in the meaning of such resolution.

Upon motion of Supervisor Paul, seconded by Supervisor Ulm, the foregoing resolution was passed and adopted at a regular meeting of the Board of Supervisors of the County of Stanislaus, State of California, this 4th day of November, 1980, by the following called vote:

AYES: Supervisors: Terry, Ulm, Simon, Paul, and
Chairman Condit

NOES: Supervisors: None

ABSENT: Supervisors: None

ATTEST:

LLOYD R. BROUILLARD, Clerk of
the Board of Supervisors of
the County of Stanislaus,
State of California

By _____

**THE BOARD OF SUPERVISORS
OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

In re: Making Applicable the Provisions of Government Code Section 31676.12 to All Miscellaneous Members of the Stanislaus County Employees Retirement Association Effective July 1, 1974, or on the 1st Day of the Month Following the Adoption of the Final Budget, Whichever is Later

Date: April 2, 1974

RESOLUTION

WHEREAS, in accordance with the Memorandum of Understanding entered into with the Stanislaus County Employees' Association and approved by this Board on September 4, 1973, the Board of Retirement informed all Miscellaneous Members of the Retirement Association of anticipated increased benefits and costs if Government Code Section 31676.12 were adopted by this Board; and

WHEREAS, the Board of Retirement conducted a poll of all of said Miscellaneous Members, reported to this Board on October 17, 1973, wherein it was shown that 88.37% of 70.07% of all members voting were in favor of adoption of Section 31676.12 and 11.63% were against; and

WHEREAS, at the regular meeting of this Board on October 30, 1973, this Board approved in principle the adoption of Section 31676.12 contingent upon an actuarial survey to determine the County cost and funds were appropriated therefor; and

WHEREAS, the actuarial surveys have been completed and copies filed with the Clerk of this Board, together with a summation

prepared by F. L. deCamp, Secretary of the Board of Retirement; and

WHEREAS, at the regular meeting of the Board of Retirement held on March 12, 1974, it was moved, seconded and carried, with no dissenting vote, that the Board of Retirement recommend to this Board that Section 31676.12 be made applicable, as of July 1, 1974, to all Miscellaneous Members of the Stanislaus County Employees Retirement Association;

NOW, THEREFORE, BE IT RESOLVED that Section 31676.12 of the Government Code shall be applicable to all Miscellaneous Members of the Stanislaus County Employees Retirement Association, effective July 1, 1974, or on the 1st day of the month following the adoption of the Final Budget, whichever is later, predicated upon the Board of Retirement of said Association authorizing the following:

1. The interest assumption rate to be increased from $4\frac{1}{4}\%$ to 5%.
2. The rate of interest paid on members' contributions to be increased from $4\frac{1}{4}\%$ to 5%.
3. The increased County liability be amortized over thirty years in accordance with Section 31453.5 of the Government Code.
4. The excess over 1% of total retirement fund assets in the surplus reserve account to be used to defray the increased County liability under Section 31676.12 of the Government Code.

Upon motion of Supervisor Arakelian, seconded by Supervisor Franzen, the foregoing resolution was passed and adopted at a regular meeting of the Board of Supervisors of the County of Stanislaus, State of California, this Second

day of April, 1974, by the following called vote:

AYES: Supervisors: Arakelian, Ulm, Vander Wall, Franzen,
and Chairman Paul.

NOES: Supervisors: None

ABSENT: Supervisors: None

ATTEST:

STEVE R. NELSON, County Clerk and
ex officio Clerk of the Board of
Supervisors of the County of
Stanislaus, State of California

By LLOYD R. BROUILLARD
Deputy