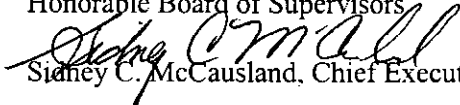


COUNTY OF SAN MATEO  
INTER-DEPARTMENTAL CORRESPONDENCE

August 26, 2003

To: Honorable Board of Supervisors  
From:   
Stanley C. McCausland, Chief Executive Officer, SamCERA  
Subject: Adoption of amended Safety Contribution Rates for Fiscal Year 2003-2004

RECOMMENDATION:

The Board of Retirement recommends that the Board approve a Resolution adopting the amended Safety Contribution Rates for Fiscal Year 2003-2004.

BACKGROUND: The Resolution sets forth the statutory requirements.

Mercer completed the Triennial Experience Study and the Actuarial Valuations for June 30, 2002 and submitted recommendations for the next year's contribution rates for the Boards adoption on April 22<sup>nd</sup>.

At the time the valuation was completed, the Deputy Sheriff's had not completed their negotiations with the County.

Subsequently, both parties agreed to stop the employer's nonrefundable pick-up of 15% of the members' contribution. The rates originally submitted by Mercer and adopted by the Board included the employer's 15% pick-up of the employee's contribution.

Mercer has provided a new set of interpolated contribution rates that reflect the agreement reached by the Deputy Sheriffs' and the County of San Mateo.

DISCUSSION: The Resolution incorporates the amended Employer and Employee contribution rates. Staff entered the correct rates into PIPS as soon as the omission was recognized. Adoption of the resolution will ratify staff's implementation of the correct rates.

FISCAL IMPACT: The new rates reduce the County's costs marginally, while increasing Safety Members' entry-age-based contributions by 15%.

**RECOMMENDED**

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**COUNTY MANAGER**