
*Annual Administrative Budget
For Fiscal Year Ending June 30, 2025
Proposed Budget*

Santa Barbara County Employees' Retirement System

About Santa Barbara County Employees' Retirement System

Santa Barbara County Employees' Retirement System (SBCERS) was established on January 1, 1944, and is administered by the Board of Retirement to provide service retirement, disability, death, and survivor benefits for County employees and contracting districts under the California State Government Code §31450 et seq., (County Employees' Retirement Law of 1937). Members include all permanent full and part-time employees of the County of Santa Barbara, the Santa Barbara County Superior Court, and the following ten special districts:

- Carpinteria Cemetery District
- Carpinteria-Summerland Fire Protection District
- Goleta Cemetery District
- Local Agency Formation Commission
- Mosquito & Vector Management District of Santa Barbara County
- Oak Hill Cemetery District
- Santa Barbara County Air Pollution Control District
- Santa Barbara County Association of Governments
- Santa Maria Cemetery District
- Summerland Sanitary District

The Board of Retirement is responsible for establishing policies governing the administration of the retirement plan and managing the investment of SBCERS' assets under authority granted by Article XVI of the Constitution of the State of California. SBCERS currently administers legacy and PEPRAs plans for all the Plan Sponsors.

SBCERS Mission

Santa Barbara County Employees' Retirement System is committed to fulfilling its fiduciary responsibility by providing the highest quality of service to all members and plan sponsors, and protecting promised benefits through prudent investing while ensuring reasonable expenses of administration.

SBCERS Daily Practice

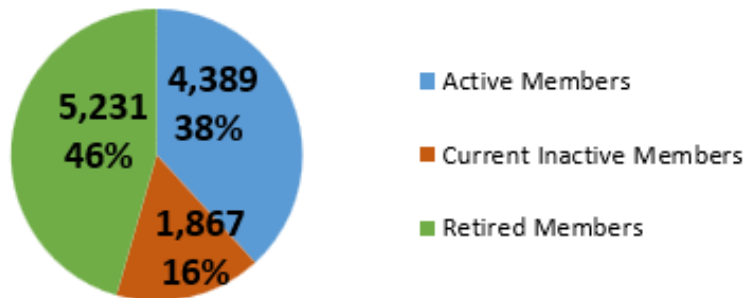
SBCERS staff strives daily for the highest quality of service that is compassionate and responsive, knowledgeable and forthright, and efficient and innovative. Staff employs compassion and responsiveness while assisting with complex retirement and health insurance decisions and actively responding with information that builds confidence and trust in SBCERS. SBCERS staff endeavors to empower members and co-workers in decision making, communicating honestly and clearly with all stakeholders. Efficiency and innovation are supported throughout all processes as SBCERS is open to new ideas and solutions and supports continuous and thoughtful process improvements.

Key Facts about SBCERS

Membership

As of the June 30, 2023 Actuarial Valuation, SBCERS oversaw the provision of retirement benefits for 11,487 members. The membership is comprised of 5,231 retirees, 1,867 deferred inactive and 4,389 active employees of plan sponsors. The average pay of an active member is \$97,600.00.

Membership

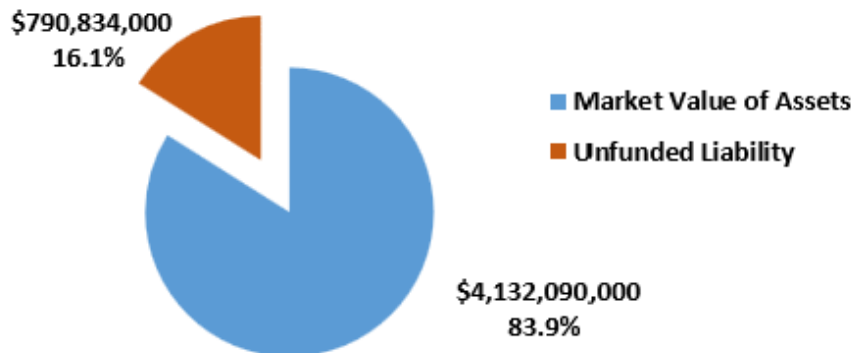


Financial Statistics

As of the June 30, 2023 Actuarial Valuation SBCERS had actuarial liabilities of approximately \$4,922,924,000. The market value of assets was \$4,132,090,000 and the resulting unfunded liability was \$790,834,000. SBCERS' funded ratio was calculated to be 83.9%. The resulting Net Employer Contribution Rate for SBCERS was 38.86% of payroll, net of Employee Cost Sharing, the Average Employee Contribution Rate was 7.96% and the actuarially estimated payroll for SBCERS was \$428,367,478.

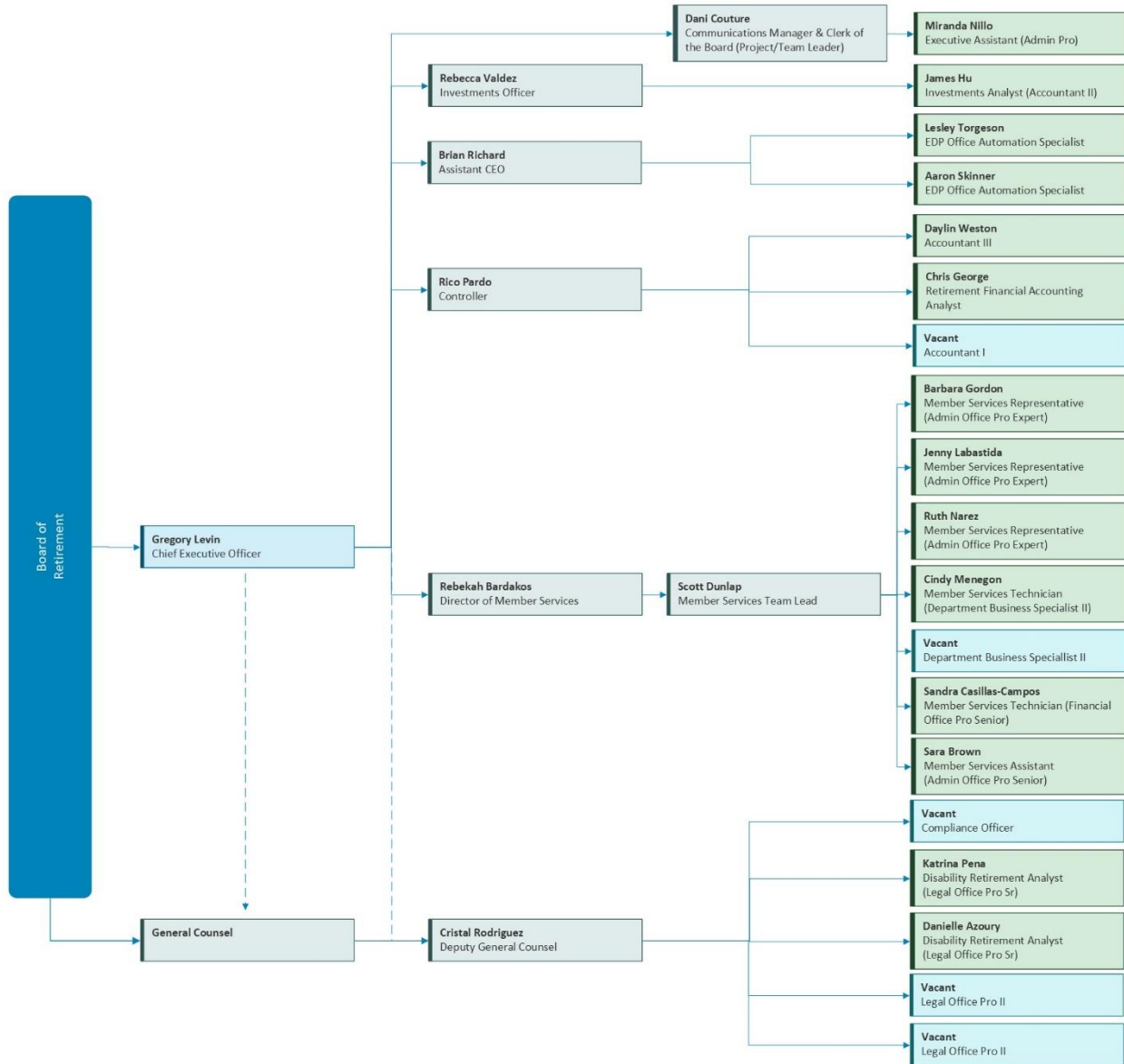
Actuarial Statistics

Total Liability of \$4,922,924,000



Organization of SBCERS

SBCERS maintains an office in the City of Goleta and an office in the City of Santa Maria. The day to day operations of SBCERS are managed by the Chief Executive officer (CEO).



Budgeted Positions

Job Class	Position Title (Civil Service)	Allocated Positions	Funded Positions	Funded Positions
		for the	for the	(Net Cost)
		Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
		June 30, 2025	June 30, 2025	June 30, 2025
000014	ACCOUNTANT I	1	1	\$ 61,454
000015	ACCOUNTANT II	1	1	\$ 151,199
000016	ACCOUNTANT III	1	1	\$ 156,595
007024	ADMIN PROFESSIONAL	1	1	\$ 138,837
007003	ADMN OFFICE PRO EXPERT	3	3	\$ 548,804
007030	ADMN OFFICE PRO SR	1	1	\$ 147,926
008004	ASST DEPT LDR-EXEC	2	1	\$ 317,230
002178	DEPT BUS SPEC II	2	2	\$ 321,668
008011	DEPT/CORP LDR-EXEC	2	1	\$ 405,804
002489	EDP OFFICE AUTO SPEC II	2	2	\$ 431,222
008015	ENTERPRISE LDR-GEN	3	3	\$ 787,656
007032	FINANCIAL OFFICE PRO SR	1	1	\$ 139,005
007005	LEGAL OFFICE PRO II	2	2	\$ 203,286
007035	LEGAL OFFICE PRO SR-RES	2	2	\$ 293,529
008007	PROG/BUS LDR-ATTY	1	1	\$ 329,954
008027	PROGRAM/BUS LDR-GEN	1	1	\$ 223,267
006654	RETIRE FIN & SYS ANALYST II	1	0	\$ -
006658	RETIREMENT FINANCIAL ACCT ANLST	1	1	\$ 191,456
008022	TEAM/PROJECT LDR-GEN	2	2	\$ 382,331
		30	27	\$ 5,231,223

Explanation of Position Changes

- One Retirement Financial Accounting Analyst position has been reclassified to an Accountant III position. This position will provide growth opportunity within the Accounting Division.
- One Financial Office Professional I position was reclassified to a Legal Office Professional II in the Disability Division. The Legal Office Professional II job description aligns more with the Division's actual needs and will help facilitate a more specific recruitment.
- One Financial Office Professional II position was reclassified to a Department Business Specialist II in the Member Services Division. The Department Business Specialist II job description aligns more with the Division's actual needs and will help facilitate a more specific recruitment and/or can provide growth opportunity within the Division.
- One Department/Corporate Leader-Executive position (working title = General Counsel) is being requested. This position is a growth opportunity within senior leadership and is a position that will report directly to the Board of Retirement. This position will need to be classified and created by the County after approval by the Board of Retirement. The Department/Corporate Leader - Executive classification is being used as a proxy for budget purposes.
- One Legal Office Professional II position is being requested for the Disability Division. This position is proposed to address a current case backlog in Disability. The backlog has been brought about due to the increasing case workloads that arise from an increase in the rate of Safety applications and the overall complexity of those applications.
- One Team/Project Leader-General (working title = Compliance Officer) is being requested. This position will perform compliance audits of the System's plan sponsors and will perform an internal audit function for SBCERS.

Budget Financial Schedules

Administrative Budget

The Administrative budget is the budget for the operating fund of SBCERS. This fund collects the contributions of plan sponsors and employees which are used to disburse beneficiary payments and amounts necessary to finance the operation of SBCERS. The operating fund of SBCERS is held in the Santa Barbara County Treasury and invested by the Treasurer-Tax Collector. The administrative budget reflects only the cash flows of SBCERS' operating fund and accordingly does not include the revenues and expenses related to the Fair Market Value gains and losses from SBCERS' investment portfolio and investment fees paid net of earnings for which SBCERS does not make payment from the operating fund. Revenues from use of money and property in this budget are limited to dividends and interest, gains and losses from the funds deposit balance and funds that were deposited in the operating fund via transfer from SBCERS' investment portfolio. For a full accounting of the Assets, Liabilities, Additions, Deductions and Changes in Net Position Restricted for Benefits of SBCERS, readers are encouraged to download our Annual Comprehensive Financial Report (ACFR) located at www.sbcers.org.

Budget Summary

	Actuals Fiscal Year Ending June 30, 2023	Approved Budget Fiscal Year Ending June 30, 2024	Estimated Actuals Fiscal Year Ending June 30, 2024	Proposed Budget Fiscal Year Ending June 30, 2025	Proposed Budget to Est Actual	Proposed Budget to PY Budget
Additions						
Use of Money and Property	\$ 60,371,239	\$ 56,270,000	\$ 43,689,183	\$ 75,700,000	73%	35%
Charges for Services	184,150	150,000	155,872	150,000	-4%	0%
Contributions	195,829,617	198,200,000	211,050,892	214,438,000	2%	8%
Total Additions	\$ 256,385,006	\$ 254,620,000	\$ 254,895,947	\$ 290,288,000	14%	14%
Deductions						
Salaries and Benefits	\$ 3,939,293	\$ 4,738,560	\$ 4,647,642	\$ 5,750,844	24%	21%
Services and Supplies	3,978,775	4,492,626	3,917,206	4,716,906	20%	5%
Benefit Payments	234,693,147	244,135,705	245,786,370	257,941,514	5%	6%
Other Charges	12,039	16,277	3,101	33,698	987%	107%
Total Deductions	\$ 242,623,254	\$ 253,383,168	\$ 254,354,318	\$ 268,442,962	6%	6%
Change in Net Position	\$ 13,761,752	\$ 1,236,832	\$ 541,628	\$ 21,845,038		

Full page version of schedule included at end of book.

Current year estimated actuals (Est. Actual) include actual amounts through April 30, 2024 plus estimates to the end of the fiscal year.

Additions

	Actuals Fiscal Year Ending June 30, 2023	Approved Budget Fiscal Year Ending June 30, 2024	Estimated Actuals Fiscal Year Ending June 30, 2024	Proposed Budget Fiscal Year Ending June 30, 2025	Proposed Budget to Est Actual	Proposed Budget to PY Budget
Use of Money and Property						
3380 Interest on Funds in County Treasury	\$ 371,239	\$ 270,000	\$ 689,183	\$ 700,000	2%	159%
3381 Distributions from Investment Pool	60,000,000	56,000,000	43,000,000	75,000,000	74%	34%
Total Use of Money and Property	\$ 60,371,239	\$ 56,270,000	\$ 43,689,183	\$ 75,700,000	73%	35%
Charges for Services						
5746 Administrative Revenue	\$ -	\$ -	\$ -	\$ -	--	--
5909 Miscellaneous Revenue	184,150	150,000	155,872	150,000	-4%	0%
Total Charges for Services	\$ 184,150	\$ 150,000	\$ 155,872	\$ 150,000		
Contributions						
5770 Plan Sponsor Contributions	\$ 157,305,631	\$ 160,000,000	\$ 169,591,328	\$ 172,800,000	2%	8%
5771 Member Contributions	38,523,986	38,200,000	41,459,563	41,638,000	0%	9%
Total Contributions	\$ 195,829,617	\$ 198,200,000	\$ 211,050,892	\$ 214,438,000	2%	8%
Total Additions	\$ 256,385,006	\$ 254,620,000	\$ 254,895,947	\$ 290,288,000	14%	14%

Management Discussion and Analysis of Additions

Total Use of Money and Property is kept consistent with the estimated actuals. Contributions from plan sponsors are expected to remain relatively level compared to the prior year actuals and have been budgeted accordingly.

Deductions - Personnel

	Actuals Fiscal Year Ending June 30, 2023	Approved Budget Fiscal Year Ending June 30, 2024	Estimated Actuals Fiscal Year Ending June 30, 2024	Proposed Budget Fiscal Year Ending June 30, 2025	Proposed Budget to Est Actual	Proposed Budget to PY Budget
Salaries and Benefits						
6100 Regular Salaries	\$ 2,531,516	\$ 2,975,919	\$ 2,732,315	\$ 3,364,982	23%	13%
6200 Extra Help	11,809	74,359	106,708	170,342	60%	129%
6210 Trustee Fees	1,400	-	400	1,400	250%	--
6300 Overtime	6,705	7,980	5,391	6,500	21%	-19%
6400 Retirement Contribution	886,635	1,031,560	956,901	1,142,101	19%	11%
6402 EE Pickup Retirement Contribution	(35,459)	(37,598)	(37,952)	(40,817)	8%	9%
6450 Supplemental Ret Contribs	1,850	2,122	2,159	2,697	25%	27%
6475 Retiree Medical OPEB	107,028	121,685	124,951	132,440	6%	9%
6500 FICA Contribution	142,590	168,322	154,439	204,589	32%	22%
6550 FICA/Medicare	35,635	43,242	39,684	51,006	29%	18%
6575 Social Security Alternative	150	690	1,576	2,555	62%	270%
6600 Health Insurance Contribution	212,046	308,202	253,868	364,017	43%	18%
6605 Employee Health Clinic	5,713	6,978	5,060	7,436	47%	7%
6610 Life & Disability Insurance	7,474	7,299	7,847	7,855	0%	8%
6650 Flex & Commuter Benefits	-	-	90	90	0%	--
6900 Workers' Comp	24,200	27,800	27,800	29,190	5%	5%
6990 Accrued Salaries & Benefits	-	-	266,404	304,462	14%	--
Total Salaries and Benefits	\$ 3,939,293	\$ 4,738,560	\$ 4,647,642	\$ 5,750,844	24%	18%

Management Discussion and Analysis of Personnel Deductions

Regular Salaries are estimated to increase 13% over prior year budget. The increase is primarily due to the request to add two funded positions (Legal Office Professional II and Team Project Leader-General or Compliance Officer) as well as the regular increases related to negotiated cost of living increases and merit (step) increases, payroll tax, benefit costs, and insurance costs. Cost of living and merit increases are subject to County negotiations but are expected to be higher than they have been in past years due to inflation. Additionally, the County's new management classification structure has also resulted in increased personnel budget, largely due to the fact that merit increases to managers have been deferred for several years.

Deductions - Operations

	Actuals Fiscal Year Ending June 30, 2023	Approved Budget Fiscal Year Ending June 30, 2024	Estimated Actuals Fiscal Year Ending June 30, 2024	Proposed Budget Fiscal Year Ending June 30, 2025	Proposed Budget to Est Actual	Proposed Budget to PY Budget
Services and Supplies						
7005 Advertising / Marketing Expense	\$ 59,108	\$ 68,135	\$ 62,830	\$ 71,542	14%	5%
7050 Communicatons and Copiers	42,327	78,089	34,724	78,089	125%	0%
7060 Food	8,812	9,085	9,258	9,539	3%	5%
7110 Director's Fees	9,000	12,500	8,160	12,500	53%	0%
7124 Software Maintenance	472,827	517,743	506,196	598,275	18%	16%
7322 Consulting Services	1,876,804	1,895,686	1,875,457	1,952,557	4%	3%
7325 Other Professional Services	237,438	500,000	383,589	520,000	36%	4%
7362 Tenant Improvements & Maint	17,470	59,754	15,704	53,779	242%	-10%
7450 Office Supplies	294,233	71,913	73,462	75,509	3%	5%
7451 Postage	59,748	54,680	63,455	62,882	-1%	15%
7457 IT Software Purchase < \$100K	61,269	82,530	47,735	114,227	139%	38%
7473 Disab-Investigations	140,121	182,464	96,090	182,464	90%	0%
7508 Legal Services	375,782	482,620	321,288	482,620	50%	0%
7580 Rent	163,848	268,055	286,638	299,097	4%	12%
7669 County Overhead - Cost Alloc	21,252	31,945	26,858	33,542	25%	5%
7730 Investment Related Trvl Costs	86,593	140,252	37,265	100,252	169%	-29%
7732 Training & Related Travel	52,143	37,175	68,498	70,034	2%	88%
Total Services and Supplies	\$ 3,978,775	\$ 4,492,626	\$ 3,917,206	\$ 4,716,906	20%	5%

Deductions - Benefit Payments, Other Charges and Other Uses

	Actuals Fiscal Year Ending June 30, 2023	Approved Budget Fiscal Year Ending June 30, 2024	Estimated Actuals Fiscal Year Ending June 30, 2024	Proposed Budget Fiscal Year Ending June 30, 2025	Proposed Budget to Est Actual	Proposed Budget to PY Budget
Benefit Payments						
7740 Retirement - Benefit Payments	\$ 231,606,947	\$ 241,526,425	\$ 242,632,239	\$ 254,810,378	5%	5%
7741 Retirement - Refunds to Member	2,496,398	1,987,200	2,470,580	2,384,640	-3%	20%
7742 Retirement - Death Benefits	589,803	622,080	683,550	746,496	9%	20%
Total Benefit Payments	\$ 234,693,147	\$ 244,135,705	\$ 245,786,370	\$ 257,941,514	5%	6%
Other Charges						
7889 Physical Security	\$ 3,396	\$ 3,497	\$ -	\$ 3,602	--	3%
7892 Information Technology	2,230	8,920	-	8,920	--	0%
7893 Motor Pool Charges	6,413	3,860	3,101	21,176	583%	449%
Total Other Charges	\$ 12,039	\$ 16,277	\$ 3,101	\$ 33,698	987%	107%
Total Deductions	\$ 242,623,254	\$ 253,383,168	\$ 254,354,318	\$ 268,442,962	6%	6%
Net Impact	\$ 13,761,752	\$ 1,236,832	\$ 541,628	\$ 21,845,038		
Total Administrative Expenses Net of Benefit Payments		\$ 9,247,463	\$ 8,567,949	\$ 10,501,448	23%	14%

Management Discussion and Analysis of Services, Supplies, Benefit Payments and Other Charges Deductions

- Services and supplies, overall, are proposed to increase approximately 5% over prior year. A baseline inflation increase of 5% is generally projected but is offset by changes in other expense categories.
 - There is a 16% increase in Software Maintenance from prior year budget for a firewall upgrade.
 - There is a 15% increase in Postage primarily to cover the increased printing and mailing costs for Member Statements, 1099Rs, and the Popular Annual Financial Report (PAFR).
 - There is a 38% increase in IT Software Purchases < \$100K due to the purchase of a Case Management program as well as Annual Comprehensive Financial Report (ACFR) and Budget development software. The Case Management program will be utilized to track cases from open to close in the Disability Division and to track SBCERS' membership as they enter into the Member Services workflow. The ACFR and Budget development software will help create significant efficiencies in producing and reviewing these documents as well as promote accuracy throughout the documents.
 - There is an 88% increase in Training & Related Travel. The budget was increased to more closely match actuals to cover staff training, travel, and educational resources.
 - In a conservative approach, there was either a budget reduction or no change from prior year to current year budget in the following expense categories:
 - Communications and Copiers
 - Director's Fees
 - Tenant Improvements & Maintenance
 - Disability-Investigations
 - Legal Services
 - Investment Related Travel Costs
- Benefit payments are expected to increase 5% due to a 3% COLA awarded to retirees effective May 1, 2024, an increased rate of retirement, and new retirees earning higher benefit levels than older retirees.
- In Other Charges, there is a 449% increase in Motor Pool Charges. This increase is to reflect the retirement of the SBCERS vehicle and to obtain a replacement vehicle. The anticipated total net cost of the vehicle will be \$17.2K which includes the cost of the vehicle offset by replacement dollars already collected and now applied to the purchase as well as new replacement dollars being collected.
- There were no write offs of debt (without prior Board of Retirement approval) to report during the prior fiscal year.

Attachment A: SBCERS Administrative Limit

Calculation of Limit

	Actuarial Valuation For Fiscal Year Ending June 30, 2022	Actuarial Valuation For Fiscal Year Ending June 30, 2023	Change
Actuarial Accrued Liability	\$ 4,713,760,000	\$ 4,922,924,000	\$ 209,164,000
Gov. Code 31580.2(a)(1) Factor	0.21%	0.21%	-
Maximum Allowed Administrative Costs	\$ 9,898,896	\$ 10,338,140	\$ 439,244
Administrative Expenses Subject to Limit	\$ (6,035,765)	\$ (7,089,650)	\$ (1,053,885)
Un-utilized Portion of Administration Limit	\$ 3,863,131	\$ 3,248,490	\$ (614,640)

Calculation of Amounts Subject to Limit

	Approved Budget For Fiscal Year Ending June 30, 2024	Approved Budget For Fiscal Year Ending June 30, 2025	Change
Total Budgeted Administrative Expenses	\$ 9,247,463	\$ 10,501,448	\$ 1,253,985
Less Amounts Excluded Per Gov. Code 31596.1:			
Investment and Actuarial Consulting Services & Legal	(1,895,686)	(1,952,557)	(56,871)
Investment Team Salaries	(566,567)	(637,567)	(71,000)
Information Technology	(609,193)	(721,422)	(112,229)
Investment Travel	(140,252)	(100,252)	40,000
Total Excluded Expenses	(3,211,698)	(3,411,798)	(200,100)
Total Budgeted Administrative Expenses Subject to the Limit	\$ 6,035,765	\$ 7,089,650	\$ 1,053,885

Government Code Section 31580.2

(a) In counties in which the board of retirement, or the board of retirement and the board of investment, have appointed personnel pursuant to Section 31522.1, 31522.5, or 31522.7, the respective board or boards shall annually adopt a budget covering the entire expense of administration of the retirement system which expense shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed the greater of either of the following:

(1) Twenty-one hundredths of 1 percent of the accrued actuarial liability of the retirement system.

(2) Two million dollars (\$2,000,000), as adjusted annually by the amount of the annual cost-of-living adjustment computed in accordance with Article 16.5 (commencing with Section 31870).

(b) Expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.

Government Code Section 31596.1

The expenses of investing its moneys shall be borne solely by the system. The following types of expenses shall not be considered a cost of administration of the retirement system, but shall be considered as a reduction in earnings from those investments or a charge against the assets of the retirement system as determined by the board:

(a) The costs, as approved by the board, of actuarial valuations and services rendered pursuant to Section 31453.

(b) The compensation of any bank or trust company performing custodial services.

(c) When an investment is made in deeds of trust and mortgages, the fees stipulated in any agreement entered into with a bank or mortgage service company to service such deeds of trust and mortgages.

(d) Any fees stipulated in an agreement entered into with investment counsel for consulting or management services in connection with the administration of the board's investment program, including the system's participation in any form of investment pools managed by a third party or parties.

(e) The compensation to an attorney for services rendered pursuant to Section 31607 or legal representation rendered pursuant to Section 31529.1.

RESOLUTION OF THE BOARD OF RETIREMENT
SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM
COUNTY OF SANTA BARBARA, CALIFORNIA

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RESOLUTION ADOPTING THE )  
ADMINISTRATIVE BUDGET FOR ) Resolution 2024-01  
THE FISCAL YEAR 2024-25 )

WHEREAS, the County Employees' Retirement Law of 1937 governs operations of the Santa Barbara County Employees' Retirement System; and

WHEREAS, the Board of Retirement of the Santa Barbara County Employees' Retirement System (SBCERS) is the Governing Board of SBCERS; and

WHEREAS, Government Code §31580.2 vests authority in the Board of Retirement to annually adopt a budget covering the entire expense of administration of the retirement system, which expense shall be charged against the earnings of the retirement fund; and,

WHEREAS, Government Codes §31580.2 and require that the expense incurred in any year shall not exceed the higher of (a) 21 basis points (21/100 of 1%, or 0.21%) of the actuarial accrued liability of the retirement system, or (b) \$2 million; and

WHEREAS, on June 30, 2023, the retirement fund had an actuarial accrued liability of \$4,922,924,000 and twenty-one-hundredths of one percent of this amount is \$10,338,140 which is the statutory limit on the 2024-2025 administrative budget; and

WHEREAS, the Chief Executive Officer has recommended a budget for the next fiscal year, which the Board has reviewed and revised as necessary;

NOW, THEREFORE, IT IS HEREBY RESOLVED that

1. The Board hereby adopts the following administrative budget of \$7,089,650 to cover the entire expense of administration of the retirement system after exclusions for fiscal year 2024-2025 which expense shall be charged against the earnings of the retirement fund in accordance with Government Code §31580.2:

2. The Chief Executive Officer is hereby authorized to implement the expenditure of funds authorized by this approved Budget.

3. The Chief Executive Officer is hereby authorized to enter into agreements to disburse the funds on behalf of the Board for expenditures which are in accordance with this adopted budget.

PASSED AND ADOPTED by the Board of Retirement of the Santa Barbara County Employees' Retirement System, this 26th day of June, 2024, by the following vote:

Ayes:

Noes:

Abstention:

Absent:

Chair of the Board of Retirement

ATTEST:

Clerk of the Board of Retirement

APPROVED AS TO FORM:

Board Counsel

APPROVED AS TO CONTENT:

Chief Executive Officer

RESOLUTION OF THE BOARD OF RETIREMENT  
 SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM  
 COUNTY OF SANTA BARBARA, CALIFORNIA

RESOLUTION AUTHORIZING POSITION )  
 ALLOCATION FOR SANTA BARBARA ) Resolution 2024-02  
 COUNTY EMPLOYEES' RETIREMENT )  
 SYSTEM EFFECTIVE JULY 1, 2024 )

WHEREAS, The County Employees' Retirement Law of 1937 governs the operations of the Santa Barbara County Employees' Retirement System; and,

WHEREAS, the administrative expense of managing the system is the responsibility of the Board to be funded from the assets of the plan; and

WHEREAS, the System uses employees of classifications established by the County and approved by the Board of Supervisors; and

WHEREAS, the Board has on June 26, 2024, adopted a budget that in part provides for salaries and benefits established for County employees;

NOW, THEREFORE, IT IS HEREBY RESOLVED that effective June 26, 2024, the Board of Retirement authorizes the numbers and classifications of positions as follows:

**Budgeted Positions**

| Job Class | Position Title (Civil Service)  | Allocated Positions<br>for the<br>Fiscal Year Ending<br>June 30, 2025 |
|-----------|---------------------------------|-----------------------------------------------------------------------|
| 000014    | ACCOUNTANT I                    | 1                                                                     |
| 000015    | ACCOUNTANT II                   | 1                                                                     |
| 000016    | ACCOUNTANT III                  | 1                                                                     |
| 007024    | ADMIN PROFESSIONAL              | 1                                                                     |
| 007003    | ADMN OFFICE PRO EXPERT          | 3                                                                     |
| 007030    | ADMN OFFICE PRO SR              | 1                                                                     |
| 008004    | ASST DEPT LDR-EXEC              | 2                                                                     |
| 002178    | DEPT BUS SPEC II                | 2                                                                     |
| 008011    | DEPT/CORP LDR-EXEC              | 2                                                                     |
| 002489    | EDP OFFICE AUTO SPEC II         | 2                                                                     |
| 008015    | ENTERPRISE LDR-GEN              | 3                                                                     |
| 007032    | FINANCIAL OFFICE PRO SR         | 1                                                                     |
| 007005    | LEGAL OFFICE PRO II             | 2                                                                     |
| 007035    | LEGAL OFFICE PRO SR-RES         | 2                                                                     |
| 008007    | PROG/BUS LDR-ATTY               | 1                                                                     |
| 008027    | PROGRAM/BUS LDR-GEN             | 1                                                                     |
| 006654    | RETIRE FIN & SYS ANALYST II     | 1                                                                     |
| 006658    | RETIREMENT FINANCIAL ACCT ANLST | 1                                                                     |
| 008022    | TEAM/PROJECT LDR-GEN            | 2                                                                     |
|           |                                 | 30                                                                    |

PASSED AND ADOPTED by the Board of Retirement of the Santa Barbara County Employees' Retirement System, this 26th day of June, 2024, by the following vote:

Ayes:

Noes:

Absent:

Chair of the Board of Retirement

ATTEST:

Clerk of the Board of Retirement

APPROVED AS TO FORM:

Board Counsel

APPROVED AS TO CONTENT:

Chief Executive Officer

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# *Budget Schedules in Larger Format*

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## Budget Summary

|                               | Actuals<br>Fiscal Year<br>Ending<br>June 30, 2023 | Approved<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2024 | Estimated<br>Actuals<br>Fiscal Year<br>Ending<br>June 30, 2024 | Proposed<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2025 | Proposed<br>Budget to<br>Est Actual | Proposed<br>Budget to<br>PY Budget |
|-------------------------------|---------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------|------------------------------------|
| <b>Additions</b>              |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| Use of Money and Property     | \$ 60,371,239                                     | \$ 56,270,000                                                | \$ 43,689,183                                                  | \$ 75,700,000                                                | 73%                                 | 35%                                |
| Charges for Services          | 184,150                                           | 150,000                                                      | 155,872                                                        | 150,000                                                      | -4%                                 | 0%                                 |
| Contributions                 | 195,829,617                                       | 198,200,000                                                  | 211,050,892                                                    | 214,438,000                                                  | 2%                                  | 8%                                 |
| <b>Total Additions</b>        | <b>\$ 256,385,006</b>                             | <b>\$ 254,620,000</b>                                        | <b>\$ 254,895,947</b>                                          | <b>\$ 290,288,000</b>                                        | <b>14%</b>                          | <b>14%</b>                         |
| <b>Deductions</b>             |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| Salaries and Benefits         | \$ 3,939,293                                      | \$ 4,738,560                                                 | \$ 4,647,642                                                   | \$ 5,750,844                                                 | 24%                                 | 21%                                |
| Services and Supplies         | 3,978,775                                         | 4,492,626                                                    | 3,917,206                                                      | 4,716,906                                                    | 20%                                 | 5%                                 |
| Benefit Payments              | 234,693,147                                       | 244,135,705                                                  | 245,786,370                                                    | 257,941,514                                                  | 5%                                  | 6%                                 |
| Other Charges                 | 12,039                                            | 16,277                                                       | 3,101                                                          | 33,698                                                       | 987%                                | 107%                               |
| <b>Total Deductions</b>       | <b>\$ 242,623,254</b>                             | <b>\$ 253,383,168</b>                                        | <b>\$ 254,354,318</b>                                          | <b>\$ 268,442,962</b>                                        | <b>6%</b>                           | <b>6%</b>                          |
| <b>Change in Net Position</b> | <b>\$ 13,761,752</b>                              | <b>\$ 1,236,832</b>                                          | <b>\$ 541,628</b>                                              | <b>\$ 21,845,038</b>                                         |                                     |                                    |



## Additions

|                                           | Actuals<br>Fiscal Year<br>Ending<br>June 30, 2023 | Approved<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2024 | Estimated<br>Actuals<br>Fiscal Year<br>Ending<br>June 30, 2024 | Proposed<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2025 | Proposed<br>Budget to<br>Est Actual | Proposed<br>Budget to<br>PY Budget |
|-------------------------------------------|---------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------|------------------------------------|
| <b>Use of Money and Property</b>          |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 3380 Interest on Funds in County Treasury | \$ 371,239                                        | \$ 270,000                                                   | \$ 689,183                                                     | \$ 700,000                                                   | 2%                                  | 159%                               |
| 3381 Distributions from Investment Pool   | 60,000,000                                        | 56,000,000                                                   | 43,000,000                                                     | 75,000,000                                                   | 74%                                 | 34%                                |
| <b>Total Use of Money and Property</b>    | <b>\$ 60,371,239</b>                              | <b>\$ 56,270,000</b>                                         | <b>\$ 43,689,183</b>                                           | <b>\$ 75,700,000</b>                                         | <b>73%</b>                          | <b>35%</b>                         |
| <b>Charges for Services</b>               |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 5746 Administrative Revenue               | \$ -                                              | \$ -                                                         | \$ -                                                           | \$ -                                                         | --                                  | --                                 |
| 5909 Miscellaneous Revenue                | 184,150                                           | 150,000                                                      | 155,872                                                        | 150,000                                                      | -4%                                 | 0%                                 |
| <b>Total Charges for Services</b>         | <b>\$ 184,150</b>                                 | <b>\$ 150,000</b>                                            | <b>\$ 155,872</b>                                              | <b>\$ 150,000</b>                                            |                                     |                                    |
| <b>Contributions</b>                      |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 5770 Plan Sponsor Contributions           | \$ 157,305,631                                    | \$ 160,000,000                                               | \$ 169,591,328                                                 | \$ 172,800,000                                               | 2%                                  | 8%                                 |
| 5771 Member Contributions                 | 38,523,986                                        | 38,200,000                                                   | 41,459,563                                                     | 41,638,000                                                   | 0%                                  | 9%                                 |
| <b>Total Contributions</b>                | <b>\$ 195,829,617</b>                             | <b>\$ 198,200,000</b>                                        | <b>\$ 211,050,892</b>                                          | <b>\$ 214,438,000</b>                                        | <b>2%</b>                           | <b>8%</b>                          |
| <b>Total Additions</b>                    | <b>\$ 256,385,006</b>                             | <b>\$ 254,620,000</b>                                        | <b>\$ 254,895,947</b>                                          | <b>\$ 290,288,000</b>                                        | <b>14%</b>                          | <b>14%</b>                         |

## Deductions - Personnel

|                                        | Actuals             | Approved            | Estimated           | Proposed            |            |            |
|----------------------------------------|---------------------|---------------------|---------------------|---------------------|------------|------------|
|                                        | Fiscal Year         | Fiscal Year         | Fiscal Year         | Fiscal Year         | Proposed   | Proposed   |
|                                        | Ending              | Ending              | Ending              | Ending              | Budget to  | Budget to  |
|                                        | June 30, 2023       | June 30, 2024       | June 30, 2024       | June 30, 2025       | Est Actual | PY Budget  |
| <b>Salaries and Benefits</b>           |                     |                     |                     |                     |            |            |
| 6100 Regular Salaries                  | \$ 2,531,516        | \$ 2,975,919        | \$ 2,732,315        | \$ 3,364,982        | 23%        | 13%        |
| 6200 Extra Help                        | 11,809              | 74,359              | 106,708             | 170,342             | 60%        | 129%       |
| 6210 Trustee Fees                      | 1,400               | -                   | 400                 | 1,400               | 250%       | --         |
| 6300 Overtime                          | 6,705               | 7,980               | 5,391               | 6,500               | 21%        | -19%       |
| 6400 Retirement Contribution           | 886,635             | 1,031,560           | 956,901             | 1,142,101           | 19%        | 11%        |
| 6402 EE Pickup Retirement Contribution | (35,459)            | (37,598)            | (37,952)            | (40,817)            | 8%         | 9%         |
| 6450 Supplemental Ret Contribs         | 1,850               | 2,122               | 2,159               | 2,697               | 25%        | 27%        |
| 6475 Retiree Medical OPEB              | 107,028             | 121,685             | 124,951             | 132,440             | 6%         | 9%         |
| 6500 FICA Contribution                 | 142,590             | 168,322             | 154,439             | 204,589             | 32%        | 22%        |
| 6550 FICA/Medicare                     | 35,635              | 43,242              | 39,684              | 51,006              | 29%        | 18%        |
| 6575 Social Security Alternative       | 150                 | 690                 | 1,576               | 2,555               | 62%        | 270%       |
| 6600 Health Insurance Contribution     | 212,046             | 308,202             | 253,868             | 364,017             | 43%        | 18%        |
| 6605 Employee Health Clinic            | 5,713               | 6,978               | 5,060               | 7,436               | 47%        | 7%         |
| 6610 Life & Disability Insurance       | 7,474               | 7,299               | 7,847               | 7,855               | 0%         | 8%         |
| 6650 Flex & Commuter Benefits          | -                   | -                   | 90                  | 90                  | 0%         | --         |
| 6900 Workers' Comp                     | 24,200              | 27,800              | 27,800              | 29,190              | 5%         | 5%         |
| 6990 Accrued Salaries & Benefits       | -                   | -                   | 266,404             | 304,462             | 14%        | --         |
| <b>Total Salaries and Benefits</b>     | <b>\$ 3,939,293</b> | <b>\$ 4,738,560</b> | <b>\$ 4,647,642</b> | <b>\$ 5,750,844</b> | <b>24%</b> | <b>18%</b> |

## Deductions - Operations

|                                      | Actuals<br>Fiscal Year<br>Ending<br>June 30, 2023 | Approved<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2024 | Estimated<br>Actuals<br>Fiscal Year<br>Ending<br>June 30, 2024 | Proposed<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2025 | Proposed<br>Budget to<br>Est Actual | Proposed<br>Budget to<br>PY Budget |
|--------------------------------------|---------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------|------------------------------------|
| <b>Services and Supplies</b>         |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 7005 Advertising / Marketing Expense | \$ 59,108                                         | \$ 68,135                                                    | \$ 62,830                                                      | \$ 71,542                                                    | 14%                                 | 5%                                 |
| 7050 Communicatons and Copiers       | 42,327                                            | 78,089                                                       | 34,724                                                         | 78,089                                                       | 125%                                | 0%                                 |
| 7060 Food                            | 8,812                                             | 9,085                                                        | 9,258                                                          | 9,539                                                        | 3%                                  | 5%                                 |
| 7110 Director's Fees                 | 9,000                                             | 12,500                                                       | 8,160                                                          | 12,500                                                       | 53%                                 | 0%                                 |
| 7124 Software Maintenance            | 472,827                                           | 517,743                                                      | 506,196                                                        | 598,275                                                      | 18%                                 | 16%                                |
| 7322 Consulting Services             | 1,876,804                                         | 1,895,686                                                    | 1,875,457                                                      | 1,952,557                                                    | 4%                                  | 3%                                 |
| 7325 Other Professional Services     | 237,438                                           | 500,000                                                      | 383,589                                                        | 520,000                                                      | 36%                                 | 4%                                 |
| 7362 Tenant Improvements & Maint     | 17,470                                            | 59,754                                                       | 15,704                                                         | 53,779                                                       | 242%                                | -10%                               |
| 7450 Office Supplies                 | 294,233                                           | 71,913                                                       | 73,462                                                         | 75,509                                                       | 3%                                  | 5%                                 |
| 7451 Postage                         | 59,748                                            | 54,680                                                       | 63,455                                                         | 62,882                                                       | -1%                                 | 15%                                |
| 7457 IT Software Purchase < \$100K   | 61,269                                            | 82,530                                                       | 47,735                                                         | 114,227                                                      | 139%                                | 38%                                |
| 7473 Disab-Investigations            | 140,121                                           | 182,464                                                      | 96,090                                                         | 182,464                                                      | 90%                                 | 0%                                 |
| 7508 Legal Services                  | 375,782                                           | 482,620                                                      | 321,288                                                        | 482,620                                                      | 50%                                 | 0%                                 |
| 7580 Rent                            | 163,848                                           | 268,055                                                      | 286,638                                                        | 299,097                                                      | 4%                                  | 12%                                |
| 7669 County Overhead - Cost Alloc    | 21,252                                            | 31,945                                                       | 26,858                                                         | 33,542                                                       | 25%                                 | 5%                                 |
| 7730 Investment Related Trvl Costs   | 86,593                                            | 140,252                                                      | 37,265                                                         | 100,252                                                      | 169%                                | -29%                               |
| 7732 Training & Related Travel       | 52,143                                            | 37,175                                                       | 68,498                                                         | 70,034                                                       | 2%                                  | 88%                                |
| <b>Total Services and Supplies</b>   | <b>\$ 3,978,775</b>                               | <b>\$ 4,492,626</b>                                          | <b>\$ 3,917,206</b>                                            | <b>\$ 4,716,906</b>                                          | <b>20%</b>                          | <b>5%</b>                          |

## Deductions - Benefit Payments, Other Charges and Other Uses

|                                                              | Actuals<br>Fiscal Year<br>Ending<br>June 30, 2023 | Approved<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2024 | Estimated<br>Actuals<br>Fiscal Year<br>Ending<br>June 30, 2024 | Proposed<br>Budget<br>Fiscal Year<br>Ending<br>June 30, 2025 | Proposed<br>Budget to<br>Est Actual | Proposed<br>Budget to<br>PY Budget |
|--------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------|------------------------------------|
| <b>Benefit Payments</b>                                      |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 7740 Retirement - Benefit Payments                           | \$ 231,606,947                                    | \$ 241,526,425                                               | \$ 242,632,239                                                 | \$ 254,810,378                                               | 5%                                  | 5%                                 |
| 7741 Retirement - Refunds to Member                          | 2,496,398                                         | 1,987,200                                                    | 2,470,580                                                      | 2,384,640                                                    | -3%                                 | 20%                                |
| 7742 Retirement - Death Benefits                             | 589,803                                           | 622,080                                                      | 683,550                                                        | 746,496                                                      | 9%                                  | 20%                                |
| <b>Total Benefit Payments</b>                                | <b>\$ 234,693,147</b>                             | <b>\$ 244,135,705</b>                                        | <b>\$ 245,786,370</b>                                          | <b>\$ 257,941,514</b>                                        | <b>5%</b>                           | <b>6%</b>                          |
| <b>Other Charges</b>                                         |                                                   |                                                              |                                                                |                                                              |                                     |                                    |
| 7889 Physical Security                                       | \$ 3,396                                          | \$ 3,497                                                     | \$ -                                                           | \$ 3,602                                                     | --                                  | 3%                                 |
| 7892 Information Technology                                  | 2,230                                             | 8,920                                                        | -                                                              | 8,920                                                        | --                                  | 0%                                 |
| 7893 Motor Pool Charges                                      | 6,413                                             | 3,860                                                        | 3,101                                                          | 21,176                                                       | 583%                                | 449%                               |
| <b>Total Other Charges</b>                                   | <b>\$ 12,039</b>                                  | <b>\$ 16,277</b>                                             | <b>\$ 3,101</b>                                                | <b>\$ 33,698</b>                                             | <b>987%</b>                         | <b>107%</b>                        |
| <b>Total Deductions</b>                                      | <b>\$ 242,623,254</b>                             | <b>\$ 253,383,168</b>                                        | <b>\$ 254,354,318</b>                                          | <b>\$ 268,442,962</b>                                        | <b>6%</b>                           | <b>6%</b>                          |
| <b>Net Impact</b>                                            | <b>\$ 13,761,752</b>                              | <b>\$ 1,236,832</b>                                          | <b>\$ 541,628</b>                                              | <b>\$ 21,845,038</b>                                         |                                     |                                    |
| <b>Total Administrative Expenses Net of Benefit Payments</b> |                                                   | <b>\$ 9,247,463</b>                                          | <b>\$ 8,567,949</b>                                            | <b>\$ 10,501,448</b>                                         | <b>23%</b>                          | <b>14%</b>                         |