



Meeting Date
07/24/13
Agenda Item
#10

July 24, 2013

To: Board of Retirement

From: Ad Hoc Compensation Committee

Re: Compensation Study and Management Resolution

Recommendation: See items 1 through 4 below

Background: In December 2011, CCCERA commenced legal action against the County regarding rights and responsibilities with reference to CCCERA staff. A Settlement Agreement ("Agreement") was recently signed by both parties and approved by the court, resolving the lawsuit between CCCERA and the County over salaries and other benefits for retirement staff. As a result of this Agreement, the Board of Retirement has the authority to make the recommended changes listed below.

The Ad hoc Compensation Committee¹ met following the July 10, 2013 Board meeting and makes the follow recommendations:

1. The Committee recommends inclusion of all Retirement unrepresented positions in the County's upcoming unrepresented Management Resolution for all salary adjustments. Any salary changes made as a result of the Management Resolution will be reviewed as part of the total compensation study currently in progress.
2. The Committee recommends the implementation of a vacation sell back for all unrepresented employees hired or promoted to an unrepresented position after April 1, 2011, on a prospective basis, as follows:
 - a. Unrepresented Retirement employees hired after April 1, 2011 may sell back 1/3 of their annual vacation accrual to the employer once every 13 months. The committee noted that this would allow unrepresented Retirement employees to forgo 1/3 of their annual vacation and spend additional time as needed in their position at CCCERA.
3. The Committee recommends implementation of a 5% certification differential for any unrepresented Retirement employee with the following active certifications:
 - a. Chartered Financial Analyst (CFA)
 - b. Associate of the Society of Actuaries (ASA)

¹ The Committee is comprised of Board members Hast (Chair), Phillips, Telles and Allen.

4. The Committee recommends implementation of 2.5% certification differential for any unrepresented Retirement employee with the following certifications:
 - a. Certified Employee Benefit Specialist (CEBS)

Note: only one certification differential may be applied per unrepresented Retirement position.

The Committee acknowledges that CCCERA is currently in the process of conducting an independent compensation study for all Retirement job classifications. The Committee recommendations listed above, if approved, will be taken into account as part of the total salary and benefits package considered in connection with the compensation study.

The Committee will meet to review the completed compensation study for all positions and make further recommendations to the Board after the review process.