

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

132



**FROM:** Human Resources Department

**SUBMITTAL DATE:**  
June 8, 2007

**SUBJECT:** Actuarial Consulting Services Agreement with Gabriel, Roeder, Smith and Company for the 401(a) Retirement Plan for Part-Time and Temporary Employees.

**RECOMMENDED MOTION:** That the Board of Supervisors ratify and approve the agreement with Gabriel, Roeder, Smith and Company for an actuarial review and valuation of the 401(a) Retirement Plan for Part-Time and Temporary Employees as of June 30, 2005 and June 30, 2006.

**BACKGROUND:** The County of Riverside Part-Time and Temporary Employees' Retirement Plan was effective April 1, 1999, and was designed to comply with the requirement of the Omnibus Budget Reconciliation Act of 1990 to provide an alternative pension for certain governmental employees not covered by Social Security or another pension plan. It is designed to qualify under the safe harbor provided by that law, which is a defined benefit plan comparable in benefit structure to Social Security retirement benefits (consisting of a minimum of a life annuity beginning at age 65 equal to 2% of career earnings, immediately vested).

(continued on page 2)

Ronald W. Komers  
Asst. County Executive Officer/Human Resources Dir.

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	Not to exceed \$25,000	<b>In Current Year Budget:</b>	YES
	<b>Current F.Y. Net County Cost:</b>	-0-	<b>Budget Adjustment:</b>	NO
	<b>Annual Net County Cost:</b>	Not to exceed \$25,000	<b>For Fiscal Year:</b>	2006/07

<b>SOURCE OF FUNDS:</b> Pension Trust Fund: 50000-1132100000-525440	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE  
BY:   
County Executive Office Signature Steve P. Schubert

Dept't Recomm.:  
 Per Exec. Ofc.:  
 Consent  
 Policy  
 Consent  
 Policy

**Prev. Agn. Ref.:** Aug. 10, 2004, 3.44 | **District:** | **Agenda Number:**

**3.10**

### **Background continued**

The retirement plan is self-administered by the County and funded by employee and employer contributions.

A Request for Proposal (RFP) was prepared by the County in 2004 and sent to 10 actuarial firms. Based on the results of the responses, Gabriel, Roeder, Smith and Company (GRS) was awarded a renewable four-year contract to perform annual actuarial reviews. The annual actuarial review is based on generally accepted actuarial principles and practices. The objectives of the review are to determine if plan assets and contributions are sufficient for the County to provide prescribed benefits for each benefit plan year.

In August 2004, the Board approved the agreement for GRS to perform an actuarial review and valuation for the plan years 2004-05 and 2005-06. GRS has now completed the actuarial review and valuation for the benefit plan years 2005-06 and 2006-07 based on data as of June 30, 2005 and June 30, 2006, respectively.

The total amount of the agreement for the 2005-06 and 2006-07 actuarial reviews is not to exceed \$50,000 (not to exceed \$25,000 for each valuation listed above).