



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 21-122, **Version:** 1

Adopt a Resolution to:

- a. Direct and Authorize the Auditor-Controller Amend FY 2020-21 Adopted Budget increasing appropriations Clerk/Recorder (001-1180-8004-ACR002) by \$89,425 to make an operating transfer from the General Fund to Clerk/Recorder restricted fund (027-1180-8004-ACR003), funded by a release of \$89,425 from Electronic Recording Delivery System (ERDS) restricted fund (BSA 001-3041-ERDS); (4/5 vote) and
- b. Direct and Authorize the Auditor-Controller to amend FY 2020-21 Adopted Budget by increasing appropriations Clerk/Recorder (027-1180-8004-ACR003) by \$89,425, funded by a \$89,425 operational transfer in from the General Fund Clerk/Recorder (001-1180-8004-ACR002) to pay Invoice No. 1 of the California Electronic Recording Transaction Network Authority (CERTNA). (4/5 vote)

RECOMMENDATION:

It is recommended that the Board of Supervisors approve this resolution to:

- a. Direct and Authorize the Auditor-Controller Amend FY 2020-21 Adopted Budget increasing appropriations Clerk/Recorder (001-1180-8004-ACR002) by \$89,425 to make an operating transfer from the General Fund to Clerk/Recorder restricted fund (027-1180-8004-ACR003), funded by a release of \$89,425 from Electronic Recording Delivery System (ERDS) restricted fund (BSA 001-3041-ERDS); (4/5 vote) and
- b. Direct and Authorize the Auditor-Controller to amend FY 2020-21 Adopted Budget by increasing appropriations Clerk/Recorder (027-1180-8004-ACR003) by \$89,425, funded by a \$89,425 operational transfer in from the General Fund Clerk/Recorder (001-1180-8004-ACR002) to pay Invoice No. 1 of the California Electronic Recording Transaction Network Authority (CERTNA). (4/5 vote)

SUMMARY/DISCUSSION:

CERTNA will no longer be using the San Bernardino County Employee Retirement Agency (SBCERA) to provide retirement coverage for its employees. On June 30, 2020 San Bernardino County Recorder withdrew from CERTNA and joined SECURE, the Statewide Electronic Courier Universal Recording Environment, to use SECURE's electronic recording portal of like sized counties in Southern California. SBCERA requires that an agency providing retirement coverage for their employees through its agency have an office located in San Bernardino County. CERTNA's Director and Technical Director used to work out of an office located in the San Bernardino County Recorder's Office. Now that the San Bernardino County Recorder is no longer a member of CERTNA we no longer have an office located in San Bernardino County and its employees do not reside in San Bernardino County. CERTNA will be seeking alternative retirement options for its employees effective July 1, 2021.

SBCERA's Actuary computed a \$2,525,121.00 cost to CeRTNA for Termination of Services. CeRTNA computed each Member County's portion of the cost based on usage and Member County years with CeRTNA. Monterey County Recorder's portion due to CeRTNA is \$89,425.

In FY 2019-20, Fund 027 was established to serve as the repository and appropriation unit for the County Clerk/Recorder's restricted revenue in accordance with GASB 33. These funds are restricted by law under law by

GC 27361.4 (a), GC 27361 (c), GC 27397, and H&S 103625 (h) solely for the use of the County Clerk/Recorder's Office for modernization, micrographics, vital record, and electronic recording delivery system expenses. Restricted Fund balance prior to FY 2019-20 remains in the General Fund, but must be expended from Fund 027 in accordance with GASB 33.

OTHER AGENCY INVOLVEMENT:

SBCERA's Actuary provided the cost to CeRTNA for Termination of Services. CeRTNA computed each Member County's portion for Termination of Services with SBCERA and provided each Member County with an invoice. This request was supported by the Budget Committee at its June 30, 2021 meeting.

FINANCING:

There is no impact to the General Fund. The CERTNA Invoice for \$89,425 will be paid by ERDS restricted funds in accordance to GASB 33.

Prepared by: Alicia R. Sotelo, Assistant County Clerk/Recorder, ext 6693

Approved by: Stephen L. Vagnini, Assessor-County Clerk/Recorder, ext 5803

Attachment:

CeRTNA Invoice #1 to Monterey County Recorder
Resolution