

Bond Case Briefs

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Los Angeles County Employees Retirement Association v. County of Los Angeles

Court of Appeal, Second District, Division 7, California - June 24, 2024 - Cal.Rptr.3d - 2024 WL 3100166

County employee retirement association brought action against county, seeking declaratory relief and a writ of mandate requiring county board of supervisors to include the employment classifications and salaries for association employees in the county's employment classifications and salary ordinance.

The Superior Court denied association's request for declaratory relief and its petition for a writ of mandate.

Association appealed.

The Court of Appeal held that:

- County employee retirement board had the authority to hire the personnel it deemed necessary to fulfill the board's fiduciary responsibility for administration of the system, including the number and type of personnel and their compensation;
- Constitutional provision giving county employee retirement board plenary authority over the county retirement system did not conflict with county's home rule authority; and
- County board of supervisors had a mandatory statutory duty to include in county classifications and salary ordinance the employment classes and compensation adopted by retirement association board for their employees.

County employee retirement board had the authority to hire the personnel the board deemed necessary or appropriate to fulfill the board's fiduciary responsibility for investment of moneys and administration of the system; that authority included determining the number and type of personnel required to do the job, as well as their compensation, and could not be overruled by the county board of supervisors.

Constitutional provision giving county employee retirement board plenary authority and fiduciary responsibility over the county retirement system did not conflict with county's home rule authority; the county employee retirement board provision was more recently enacted, more specific, and applied "notwithstanding any other provisions of law or this Constitution to the contrary," and thus county employee retirement board's authority carved out an exception to county's authority to establish classifications and fix compensation for county employees.

County board of supervisors had a mandatory statutory duty to include in county classifications and salary ordinance the employment classes and compensation adopted by the county employee retirement association board for their employees; retirement association board had the exclusive authority to appoint staff as required to accomplish the necessary work of the board, to determine job responsibilities, reporting relationships, and salaries for its employees, to create their own

budgets, and to charge administrative expenses against their earnings, and the board of supervisors had no knowledge of or supervisory authority over the necessary work of the retirement board, and no control over retirement board's budget.

Statute stating that county employee retirement board appointments "shall be county employees" does not give county board of supervisors authority to classify and establish salaries for retirement system employees; retirement system employees are made county employees by statute for the limited purpose of participating in the retirement system and receiving county fringe benefits unless other benefits are established by the retirement system board.