

## Attachment A

### Independent Citizens' Pension Committee Meeting Minutes

Date: 03/07/2024

Time: 10:30 am

Location: Sonoma County Administrator's Conference Room

Present: Committee Members - Tony Withington, Bill Robotka, John Hadzess, Lilo Kangas, Peter Vranich

County Administrator's Office – Nick Klein, Joanna Lutman

Sonoma County Employees' Retirement Association – Cristina Hess

#### 1. **Call to Order**

Meeting called to order at 10:31 am by the Chair.

#### 2. **Chair Remarks**

There were no remarks from the Chair.

#### 3. **Approval of Agenda**

The March 7, 2024, agenda was reviewed and approved as presented. Vote: 4-0-1 (Pass)

#### 4. **Approval of December 7, 2023, Meeting Minutes**

Motion to approve prior meeting minutes. Vote: 4-0-1 (Pass)

#### 5. **Public comment on matters not on the agenda**

Ed Clites – Sonoma County Association of Retired Employees, Board of Directors

- Provided update regarding the County's Health Reimbursement Account (HRA) benefit.
- HRA funds are not invested and remain stagnant, not earning interest or dividends.
- Ed requested copies of the County's contract with the HRA plan administrator, P&A Group. The contract has been in place for 13 years and he could not find anything about investing employees' funds. Contract requires annual report to the County regarding interest.
- He requested more information from the County and is still waiting for a response as to whether employees are entitled to any gains on their accounts. He will keep the committee updated.

#### 6. **Review of Quarterly 2024 Meeting Dates**

The 2024 meeting dates were reviewed and approved.

#### 7. **County Administrator's Office (CAO) updates**

- As an outcome of the last round of collective bargaining negotiations between the County and labor unions, four unions (SEIU, Local 39, Sonoma County Prosecutors' Attorneys (SCPA), and Western Council of Engineers (WCE) have "reopener" side agreements to reconvene with the County starting in April 2024 to discuss pension cost sharing for legacy tier (pre-PEPRA) employees, pension COLAs, and other pension-related related topics.

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- Annual Pension Report presentation date moved to October 22, 2024, in order to accommodate changes to N. Klein's workload, which requires more focus on developing the County's budget between March and June.

#### 8. **Sonoma County Employees' Retirement Association (SCERA) updates**

- Julie Wyne is attending the California Association of Public Retirement Systems conference.
- Actuarial valuation and financial audit are currently underway. December 2023 valuation anticipated to be published in May.
- Retirement Board recently approved employee and employer retirement contribution rates for FY 2024-25, based on the December 2022 valuation.

#### 9. **Update from Pension Report Review Ad Hoc**

- P. Vranich has notes from his review of last year's pension report that he will share with both L. Kangas (other Ad Hoc member) and N. Klein. His observations are focused on making the report more readable and understandable to the public.
- Chair and N. Klein clarified that the two members of the Pension Report Review Ad Hoc can meet without Brown Act requirements since it's less than a quorum, but we must all be mindful to limit email exchanges to just these two members to avoid creating a serial meeting and avoid potential Brown Act violations.

#### 10. **Post-Employment Benefits research request scoping and committee charter (Topic moved up and discussed after public comment)**

- Chair and other committee members expressed concerns about other post-employment benefits (OPEB) for health being lackluster, primarily the HRA benefit for employees hired after 2009.
- Pensions are a vested and guaranteed benefit, but other post-employment benefits are not and subject to future labor agreements.
- Post-Employment health benefits have been an ongoing topic of discussion at the Joint Labor Management Benefits Committee (JMLBC) for many years.
- N. Klein clarified that the ICPC's by-laws and charter are currently limited to pensions as the subject matter. Proposed the following process steps if the ICPC members would like to expand the committee's scope (late revised in 2020), which realistically could take several months:
  1. Schedule a meeting with County Administrator (now County Executive as of April) to discuss expanding the charter to gauge possible support for the change.
  2. Committee members with staff support would need to draft the revised scope, charter, and by-laws.
  3. Staff would submit a board agenda item to obtain Board of Supervisors formal approval of the revised charter.
- Multiple committee members expressed interest in adding the post-employment benefits into the ICPC's scope and charter.
- P. Vranich inquired about other County commissions or venues that may already be dealing with OPEB, or that would be better suited to deal with the subject.
- N. Klein suggested that the JMLBC or Civil Service Commission would be the most logical bodies to discuss OPEB, although ultimately the benefits are subject to collective bargaining with labor unions.
- Chair Withington will reach out to N. Klein for assistance with scheduling a meeting with County Executive Rivera.

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#### **11. Committee open session discussion**

- Nothing to report.

#### **12. Proposed agenda topics for upcoming meeting**

- Summary of December 2023 Actuarial Valuation
- Report out of Chair's meeting with County Executive Rivera

#### **13. Tentative Next Meeting/Adjournment**

Committee adjourned at 11:42 am. Next meeting scheduled for Thursday, June 06, 2024.