

**SONOMA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
ADMINISTRATIVE-BENEFITS COMMITTEE MEETING MINUTES**

Tuesday, May 18, 2021

9:02 a.m.

In accordance with Executive Orders N-25-20 and N-29-20 the May 18, 2021 Sonoma County Employees' Retirement Association's Administrative-Benefits Committee meeting was held virtually through WebEx Meetings.

Individuals interested in participating in the meeting were invited to join using one of the following methods:

1. WebEx meeting application via computer, tablet or smartphone:

<https://sonomacounty.webex.com/sonomacounty/j.php?MTID=m1a09e7cfdec9bab0b291be8c204f0b45>

2. Dial in:

Dial 1 (408) 418-9388

Meeting ID: 187 465 9530

Password: 05182021

Presiding in the SCERA

Boardroom: Bob Williamson, Chair

Committee Members and SCERA staff present

via WebEx: Trustees Neil Baker (Alternate Retiree - voting), Travis Balzarini, and Brian Williams; Assistant Chief Executive Officer Kelly Jenkins, Chief Investment Officer Jim Failor, and Finance and Retiree Services Manager Cathy Austin

SCERA staff present in the SCERA

Boardroom: Chief Executive Officer Julie Wyne, Department Analyst Rebecca Gay and Administrative Aide Julia Smith

Absent: Trustees Susan Gorin and Tim Tuscany

Public comments were solicited prior to the meeting by emailing Rebecca.Gay@sonoma-county.org. Members of the public that joined the WebEx meeting via the app or dial in were provided opportunity to submit live public comment for each agenda item after the Board and staff provided their comments.

Committee members are Neil Baker (Retiree Alternate), Travis Balzarini, Susan Gorin, Tim Tuscany, Brian Williams and Bob Williamson.

I. MINUTES APPROVAL

Approval of the April 22, 2021 Minutes

Recommendation: Approve the April 22, 2021 Minutes.

A motion was made by Trustee Williams, seconded by Trustee Balzarini, to approve the April 22, 2021 minutes. The motion carried 4-0-0-1 with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baker			Ms. Gorin
Mr. Balzarini			
Mr. Williams			
Mr. Williamson			

II. BENEFITS/OPERATIONS TOPICS

A. Succession Planning discussion

Chief Executive Officer Julie Wyne discussed the impending retirement of the Assistant Chief Executive Officer and the need to reimagine the position in order to fill both the legal needs and the operational management needs of SCERA at this time. The Assistant CEO has been providing legal analysis of numerous matters under the oversight of the CEO, as the CEO is licensed to practice law in California and the Assistant CEO is licensed in other states. This has provided significant benefit to SCERA in handling day to day legal matters and more complicated contract review and tax compliance. Ms. Wyne noted an error in the accompanying memo referring to the proposed salary range for the position, which should have been Chief Deputy County Counsel, not Deputy County Counsel, as the former has management requirements.

Ms. Wyne also discussed the retirement plans of the Senior Investment Officer in about a year and requested support for the addition of an Investment Officer or Investment Analyst position to hire at least six months prior to the planned retirement date in order to benefit from training by the Chief Investment Officer together with the Sr. Investment Officer prior to his retirement. Discussion ensued over job functions in the event the Sr. Investment Officer delayed retirement plans and it was noted that the Investment Officer or Analyst would have sufficient work to justify the position. Finally, Ms. Wyne noted that several staff members, including all of the management staff, were eligible to retire now although none have given any indication of doing so.

Recommendation: A motion was made by Trustee Baker, seconded by Trustee Williams to recommend the creation of a combined Chief Legal Counsel and Assistant CEO position and the addition of an Investment Analyst or Officer position in the

timeframe outlined by the CEO to the full Board. The motion carried 4-0-0-1 with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baker			Ms. Gorin
Mr. Balzarini			
Mr. Williams			
Mr. Williamson			

B. Comparable Agencies discussion

Ms. Wyne provided the history behind the selection of comparable agencies for SCERA specific positions, like the Retirement Administrator, which we call Chief Executive Officer, the Chief Investment Officer and other retirement specific jobs, noting the initial selection of the agencies used by SCERA when the first Administrator was appointed. The initial agencies included some cities and counties without an independent retirement system and, consequently, the results were diluted because there was no comparable Retirement Administrator position. SCERA migrated to using independent retirement systems. Ms. Wyne noted that during the latest salary survey she met with an Ad Hoc Committee consisting of Trustees Baker and Williamson to narrow down the criteria for designating truly comparable agencies, which consisted of system asset size, number of full-time staff, number of members and number of separate investment mandates. Twelve comparator agencies were identified and the Committee agreed that these twelve represent valid comparison agencies.

III. GENERAL DISCUSSION MATTERS

Opportunity to advise the Administrative-Benefits Committee of new matters and for Committee members to ask questions for clarification, provide information to staff, request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

Trustee Williams reported the informal evaluation of CEO Julie Wyne has been completed and the feedback was positive. Trustees thanked Ms. Wyne for her leadership. Ms. Wyne thanked the Board noting that she feels very fortunate to work with such a dedicated team and acknowledging a request to further discuss ESG focused investing. Ms. Wyne further indicated that staff planned to include an ESG panel in the October 2021 Planning Session.

IV. PUBLIC COMMENT

Opportunity for public comment on non-agenda items within the jurisdiction of the Administrative-Benefits Committee.

There were no public comments.

V. NEXT MEETING

TBD

VI. ADJOURNMENT

With no further business to conduct, the meeting adjourned at 9:48 a.m.

VII. APPROVAL

The above minutes from the May 18, 2021 Administrative-Benefits Committee meeting were approved at the Administrative-Benefits Committee meeting on April 22, 2022.

BOB WILLIAMSON, CHAIR