

**SONOMA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
ACTUARIAL RETIREMENT BOARD MEETING MINUTES**

Thursday, May 5, 2022

9:02 a.m.

In accordance with Retirement Board Resolution #156, adopted on September 23, 2021 and readopted April 21, 2022, the Sonoma County Employees' Retirement Association Actuarial Retirement Board meeting was held virtually and in compliance with California Government Code section 54953(e) 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=m8cd49306ab0ec230ce6d99c897675efe>

2. Call-in:

1 (408) 418-9388

Meeting ID: 2491 194 1946

Password: 05052022

Presiding via

WebEx: Brian Williams, Chair

Present

via WebEx: Trustees Neil Baker (Alternate Retiree), Amos Eaton, and Joe Tambe; Member Services Manager Jackie Purter and Accountant III Susan Begun

Present in the

SCERA Boardroom: Trustees Travis Balzarini, Chris Coursey, Erick Roeser, Tim Tuscany, and Bob Williamson; Chief Executive Officer Julie Wyne, Assistant CEO/Chief Legal Counsel Cristina Hess, Finance and Retiree Services Manager Cheryl Enold, and Retirement Analyst Rebecca Gay

Also present

via WebEx: Paul Angelo and Andy Yeung (of Segal Consulting)

Absent: Trustee Greg Jahn

Public comments were solicited prior to the meeting by emailing [Rebecca.Gay@sonoma-county.org](mailto: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.

Brian Williams, Chair

Bob Williamson, Vice Chair

I. REGULAR CALENDAR

A. Actuarial Topics

1. Actuarial Valuation and Review as of December 31, 2021 – Actuaries Paul Angelo and Andy Yeung of Segal Consulting presented the SCERA Actuarial Valuation for the Year Ended December 31, 2021.

Chief Executive Officer Julie Wyne commended Actuaries Paul Angelo and Andy Yeung from Segal Consulting on the longstanding relationship with SCERA not only for the annual actuarial valuations but also on special studies and knowledge of SCERA's history, which has proven extremely valuable. Mr. Angelo and Mr. Yeung presented the December 31, 2021 actuarial valuation noting SCERA's funded status and explaining the difference between the market value and valuation value funding percentages. The impact from the experience study change in assumptions was discussed including reference to offsetting gains resulting in a modest increase in both employer and employee contribution rates.

Trustees and the actuaries engaged in discussion about the negative contingency reserve including its history and purpose and impact on the ability to recommend a cost of living adjustment to the Board of Supervisors. It was decided that Segal would prepare an analysis of the reserve and provide policy options for the Board's consideration for presentation at a future Board meeting.

**Recommendation:** Accept the Actuarial Valuation for the Year Ended December 31, 2021.

A motion was made by Trustee Williamson, seconded by Trustee Balzarini to accept the Actuarial Valuation for the Year Ended December 31, 2021. The motion carried 8-0-0-1 with voting as follows:

AYES

NAYS

ABSTAIN

ABSENT

Mr. Balzarini

Mr. Jahn

Mr. Coursey

Mr. Eaton

Mr. Roeser

Mr. Tambe

Mr. Tuscany

Mr. Williams  
Mr. Williamson

2. GAS 67 valuation report for the plan year ended December 31, 2021 – Actuaries Paul Angelo and Andy Yeung of Segal Consulting presented the SCERA GAS 67 valuation report for the Year Ended December 31, 2021.

Mr. Angelo presented the GAS 67 report and noted that the purpose of the report is to define the Net Pension Liability for financial reporting purposes and not for funding purposes. He indicated that the Net Pension Liability is equal to the market value of assets.

**Recommendation:** Accept the GAS 67 valuation report for the Year Ended December 31, 2021.

A motion was made by Trustee Williamson, seconded by Trustee Tambe to accept the GAS 67 valuation report for the Year Ended December 31, 2021. The motion carried 8-0-0-1 with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Balzarini			Mr. Jahn
Mr. Coursey			
Mr. Eaton			
Mr. Roeser			
Mr. Tambe			
Mr. Tuscany			
Mr. Williams			
Mr. Williamson			

3. Summary Analysis of System Experience

Ms. Wyne presented a multi-year review of retirement system key metrics including items impacting the Unfunded Actuarial Accrued Liability (UAAL) and funded ratio, significant actuarial gains/losses, investment experience, market stabilization reserve amortization/forecast, and key demographic information.

## II. GENERAL DISCUSSION ITEMS

Opportunity was given to advise Board of new matters and for Board members to ask questions for clarification, provide information to staff, request staff to report back on a matter or to direct staff to place a matter on a subsequent agenda.

Trustees discussed the unique nature of SCERA with its Ad Hoc COLA program and how that program has a disproportionate effect on those Pre-Plan A and PEPRA members with lower benefit amounts. There was appreciation expressed for the decision to obtain an analysis of the negative contingency reserve policy options and for the comprehensive and useful reporting both from the actuary and the CEO.

III. PUBLIC COMMENT

Opportunity was given for public comment on non-agenda items within the jurisdiction of the Retirement Board.

There were no public comments.

IV. NOTICE OF NEXT MEETINGS

All meetings are held at SCERA in the Board Room at 433 Aviation Boulevard, Suite 100, Santa Rosa, CA, or virtually via WebEx unless otherwise noted.

Disability Committee  
May 19, 2022  
8:30 a.m.

Retirement Board  
May 19, 2022  
9:00 a.m.

Investment Committee  
May 26, 2022  
8:30 a.m.

V. ADJOURNMENT

With no further business to conduct, the meeting adjourned at 10:50 a.m.

VI. APPROVAL

The above minutes from the May 5, 2022 Actuarial Retirement Board Meeting were approved at the Retirement Board Meeting on May 19, 2022.

BRIAN WILLIAMS, CHAIR