

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

Thursday, February 16, 2023

9:04 a.m.

In accordance with Retirement Board Resolution #156, adopted on September 23, 2021, and readopted January 26, 2023, the Sonoma County Employees' Retirement Association Retirement Board meeting was held virtually and in compliance with California Government Code section 54953(e).

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=m567d77300ace0d308e8b667734a55bb0>

2. Call-in:

1 (408) 418-9388

Meeting ID: 2487 121 7238

Password: 02162023

Presiding in the

Boardroom: Brian Williams, Chair

Present in the

Boardroom: Trustees Travis Balzarini, Amos Eaton, Greg Jahn, Erick Roeser, Joe Tambe, Tim Tuscany and Bob Williamson; Chief Executive Officer Julie Wyne, Assistant CEO/Chief Legal Counsel Cristina Hess, Member Services Manager Jackie Purter, Finance and Retiree Services Manager Cheryl Enold, and Administrative Aide Julia Smith

Present

via WebEx: Trustee Neil Baker (Alternate Retiree); Accountant III Susan Begun

Absent: Trustee Chris Coursey

Public comments were solicited prior to the meeting by emailing Julia.Smith@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.

I. CONSENT CALENDAR

All agenda items on the Consent calendar will be approved in a single motion unless a Trustee, staff member or member of the public requests separate action on a specific item.

A. Meeting Minutes – January 19, 2023, Retirement Board

Recommendation: Approve Consent Calendar item A.

A motion was made by Trustee Williamson, seconded by Trustee Roeser to approve the January 19, 2023, Retirement Board meeting minutes. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

II. REGULAR CALENDAR

A. Adoption of FY 2023/24 Contribution Rates

1. Resolution #162 Authorizing Adoption of Employee and Employer Contribution Rates for FY 2023/2024 for the County of Sonoma.

CEO Julie Wyne presented the fiscal year 2023/24 contribution rates and explained that the rates were from the December 31, 2021, actuarial valuation that the Board approved in May of 2022. Ms. Wyne further explained that the rates are reduced to account for Internal Revenue Code section 415 limitations on the amount of retirement benefits that can be paid from a defined benefit public pension plan since benefit amounts above the limit are paid by the employer and not by the pension plan. Trustees asked whether the contribution rates in the resolutions presented had to be approved or whether a different rate could be approved. Ms. Wyne explained that the time to question the contribution rates was when the actuarial valuation was being presented and approved, and that the Board had already approved these rates in May of 2022. She also advised the Board that deviating from the recommended contribution rates would require significant discussion and rationale.

Recommendation: Adopt Resolution #162.

A motion was made by Trustee Tambe, seconded by Trustee Williamson to adopt Resolution #162. The motion carried 7-1-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye

Mr. Tuscany Nay
Mr. Williams Aye
Mr. Williamson Aye

2. Resolution #163 Authorizing Adoption of Employee and Employer Contribution Rates for FY 2023/2024 for the Superior Court of California – County of Sonoma.

Recommendation: Adopt Resolution #163.

A motion was made by Trustee Tambe, seconded by Trustee Williamson to adopt Resolution #163. The motion carried 7-1-0-1 with voting as follows:

Mr. Balzarini Aye
Mr. Coursey Absent
Mr. Eaton Aye
Mr. Jahn Aye
Mr. Roeser Aye
Mr. Tambe Aye
Mr. Tuscany Nay
Mr. Williams Aye
Mr. Williamson Aye

3. Resolution #164 Authorizing Adoption of Employee and Employer Contribution Rates for FY 2023/2024 for the Sonoma Valley Fire District.

Recommendation: Adopt Resolution #164.

A motion was made by Trustee Tambe, seconded by Trustee Williamson to adopt Resolution #164. The motion carried 7-1-0-1 with voting as follows:

Mr. Balzarini Aye
Mr. Coursey Absent
Mr. Eaton Aye
Mr. Jahn Aye
Mr. Roeser Aye
Mr. Tambe Aye
Mr. Tuscany Nay
Mr. Williams Aye
Mr. Williamson Aye

B. Administrative Hearing Rules

Ms. Wyne highlighted the proposed amendments, indicated they were intended to clarify expectations from pension benefit Applicants, and advised Trustees that the amendments were reviewed by the County Counsel attorney assigned to handle SCERA's benefit appeal and disability retirement hearing cases.

Recommendation: Approve amendments to the Administrative Hearing Rules.

A motion was made by Trustee Tuscany, seconded by Trustee Williamson to approve amendments to the Administrative Hearing Rules. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

C. Board Education Policy Review

Ms. Wyne pointed out the addition of the Statement of Expectations.

Recommendation: Approve amendments to the Board Education Policy.

A motion was made by Trustee Tambe, seconded by Trustee Williamson to approve amendments to the Board Education Policy. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

D. Chief Executive Officer Performance Review Procedure

Ms. Wyne discussed the need to revise the procedure to remove the Administrative Benefits Committee review, as the full Board has expressed a desire to participate in the formal performance review process. Ms. Wyne noted additional revisions to clarify that the majority view of the CEO's performance should be captured in the formal review document that is presented to the CEO and placed in the CEO's personnel file. After discussion, which included the desire that minority opinions be communicated to the CEO, Ms. Wyne indicated she would return to a future meeting with further revisions.

E. CEO Salary Range Modification Process

Ms. Wyne explained Resolution #29, which contains a process for making changes to the CEO's salary range and acknowledged that the process is not currently followed due to changed relationships between the County and SCERA, thus necessitating Resolution #165. Trustees requested that the language from Resolution #29 regarding cost-of-living salary range changes given by the County of Sonoma to County Department Heads be included.

Recommendation: Adopt Resolution #165.

A motion was made by Trustee Tambe, seconded by Trustee Williamson to adopt Resolution #165, including the language from Resolution #29 regarding cost-of-living salary range changes given by the County of Sonoma to County Department Heads. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

F. COLA Policy Discussion Update

Ms. Wyne advised the Board that she met virtually with County Administrator Christina Rivera, Interim Human Resources Director Janell Crane, Employee Relations Manager Jeremia Mills, and Administrative Analyst Nikolas Klein to discuss SCERA's COLA policy discussion and formation of an Ad Hoc Committee, and ask whether there was information SCERA could gather in advance of meeting with these County representatives to discuss the COLA Program, SCERA's reserve policies and the County's COLA policy stance. Ms. Wyne indicated that a discussion of providing a targeted COLA to those deemed most in need occurred which included a discussion about the difficulty with that program design because need was a very difficult thing to define. County Administrator Rivera requested some actuarial cost studies related to an Ad Hoc Purchasing Power COLA, in addition to requesting that the meeting with the SCERA Ad Hoc Committee occur after labor negotiations were completed, as the COLA Program is an issue that is being actively bargained.

Members of the public Bill Robotka and Stuart Martin spoke in favor of a COLA, pointing out the length of time since the last purchasing power COLA and the hardship faced by many retirees, especially those that have been retired the longest with lower benefit amounts.

Member of the public Jana Blunt spoke about the COLA policy discussion and its potential impact on negotiations.

G. Trustee/Staff Training & Conferences

Notify Julia Smith if you plan to attend any future event. Please note, if out of state travel to attend a conference is not approved in the Budget separate approval from the Board must be obtained prior to attending the conference.

1. Sonoma County Economic Development Board, 2023 Economic Perspective, January 26, 2023, 7:30 – 9:30 a.m., Doubletree Hotel, Rohnert Park, CA. Trustees Balzarini and Eaton reported that the state of the county address provided by Supervisor Coursey was uplifting and very inclusive, especially for marginalized population groups. They concurred that the economic outlook provided by Dr. Nickelsburg was in line with what PIMCO shared with the SCERA Board in January.
2. CALAPRS General Assembly, March 4 to 7, 2023, Monterey Marriott, Monterey, CA. Trustees Tuscany, Williams, and Williamson are attending.
3. CALAPRS Advanced Principles of Pension Governance for Trustees 2023, March 29 to 31, 2023, UCLA Meyer and Renee Luskin Conference Center, Westwood, CA. Trustee Eaton is attending.
4. SACRS Spring Conference, May 9 to 12, 2023, Paradise Point Resort & Spa, San Diego, CA. Trustees Eaton and Williams are attending.

H. Communications

1. Service Retirements
2. Updated Normal Cost Sharing Letter for County Fiscal Year 2023-2024
3. Updated Normal Cost Sharing Letter for Sonoma Valley Fire District 2023-2024
4. SACRS February 2023 Legislative Update

III. GENERAL DISCUSSION ITEMS

Opportunity was given to advise the Board of new matters and for Trustees 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.

IV. PUBLIC COMMENT

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

The Board of Retirement moved into Executive Session and closed the meeting to all attendees who were not necessary for the determination of disability retirements. While the meeting was closed, the meeting microphone was muted and the camera turned off so those attendees did not hear or see the meeting.

V. EXECUTIVE SESSION

A. Executive Session. Meeting closed pursuant to Government Code Section 54957(b) to consider the employment status and evaluation of performance of a SCERA member or members as concerns eligibility for a disability retirement.

Disability Committee Chair Williams reported on recommendations made by the Committee at the February 16, 2023, meeting:

1. RUBEN MARTINEZ, Lieutenant filed 06/02/22 for a service connected disability retirement.

A motion was made by Trustee Williamson, seconded by Trustee Balzarini to deny the application of Ruben Martinez, Lieutenant, for a service connected disability retirement. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

2. MAUREEN SHABAZZ, general member who retired effective 06/20/18 with a service retirement. On December 22, 2022, Ms. Shabazz submitted a request that her retirement be suspended and that she be reinstated per Government Code section 31680.4. She has been offered the position of a Behavioral Health Clinician Associate with the County of Sonoma.

A motion was made by Trustee Eaton, seconded by Trustee Williamson to grant the application for reinstatement of Maureen Shabazz, per Government Code section 31680.4. The motion carried 8-0-0-1 with voting as follows:

Mr. Balzarini	Aye
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Mr. Coursey	Absent
Mr. Eaton	Aye
Mr. Jahn	Aye
Mr. Roeser	Aye
Mr. Tambe	Aye
Mr. Tuscany	Aye
Mr. Williams	Aye
Mr. Williamson	Aye

The Board of Retirement moved out of Executive Session, turned the microphone and camera back on, and reopened the meeting to all WebEx attendees.

VI. EXECUTIVE SESSION REPORT OUT

Chair Williams reported the Board unanimously denied the application of Ruben Martinez, Lieutenant, for a service connected disability retirement. The Board also unanimously granted the application for reinstatement of Maureen Shabazz, per Government Code section 31680.4.

VII. 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.

Investment Committee
February 23, 2023
8:30 a.m.

Disability Committee
March 23, 2023
8:30 a.m.

Board Meeting
March 23, 2023
9:00 a.m.

VIII. ADJOURNMENT

With no further business to conduct, the meeting adjourned at 10:51 a.m.

IX. APPROVAL

The above minutes from the February 16, 2023, Retirement Board meeting were approved at the Retirement Board meeting on March 23, 2023.

BRIAN WILLIAMS, CHAIR