

County of Sonoma Board Resolution – Exhibit A
Independent Citizen’s Pension Committee Charter
Draft with Committee’s Proposed Changes

I. Background

In November 2011, the Sonoma County Board of Supervisors (“Board”) approved several policy goals and strategies to reduce Sonoma County’s pension system costs and ensure a fair, equitable, and sustainable local pension system. The Board approved three over-arching goals for pension reform: contain costs; maintain market competitiveness and workforce stability; and improve accountability and transparency. Under the goal of improving transparency, one of the strategies called for establishing an Independent Citizen’s Committee to review and propose policy changes to control pension costs. To that end, in September 2015, the Board established the former Independent Citizen’s Advisory Committee on Pension Matters, and appointed seven members.

On April 25, 2017 the Board established the Independent Citizens’ Pension Committee to provide public oversight and review of communication related to the County’s Pension management process.

II. Mission Statement

The mission of the Independent Citizen’s Pension Committee is to represent the best interests of the entire community in a non-partisan manner, while acting as a bridge for communication between the County and local residents on matters pertaining to the County’s pension costs and reform efforts.

III. Membership

- a. Appointments: The Committee shall consist of seven members appointed by majority vote of the Board of Supervisors, and nominated as follows:
 - i. The initial seven appointees shall be nominated by the co-chairs of the 2016-17 Pension Ad Hoc after conducting an open application process in compliance with the Maddy Act.
 - ii. Future Committee vacancies will be posted on the County’s Boards, Commissions, Committees & Task Forces list to comply with the Maddy Act, and interested individuals may submit an application for consideration. Applications will initially be reviewed by County Administrator staff for completeness and verification of the applicant’s eligibility. Applications will be forwarded to the presiding Chair and Vice Chair of the Board of Supervisors for review and possible interviews. Upon conclusion of the application process, member nominations will be presented to the full Board of Supervisors for approval.

b. Membership Requirements

Members shall meet the following criteria:

- Resident of Sonoma County;
- Accept the County’s Pension Reform Goals

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- Possess an aptitude for dealing with complex financial information; and
- Not an Employee of SCERA Participating Entities nor from entities eligible for reciprocating benefits.

c. Member Terms

The seven members appointed to the Committee will initially serve staggered terms of either two or three years. As the terms of the initial members expire, all new members will be appointed (or incumbents re-appointed) to a standard two-year term. All members shall serve at the pleasure of the Board of Supervisors and may be removed from office at any time by the Board.

- **Staggered Terms for Initial Members:** Three of the seven initial appointees, chosen at random, will serve an extended three-year term; the remaining four initial appointees will serve a standard two-year term.
 - **Standard Terms:** All members will hold office for a term of two-years, or until their successor is appointed. Individual members will not be subject to term limits; however, they must be reappointed by the Board upon expiration of their current term in order to continue serving on the committee.
- d. Replacements: In event of the death, resignation, or inability of any member of the Committee to serve, such condition shall be brought to the attention of the Board of Supervisors for appointment of a replacement. “Inability to serve” shall be determined by a majority vote of the Committee. If any member misses two consecutive regular meetings without a valid reason, the Board of Supervisors, through the County Administrator’s Office, shall be notified and requested to appoint a replacement. The replacement would finish the remaining term of the individual removed from the committee, and would not serve a full two-year term.
- e. Compensation: each member of the Committee shall be compensated \$75 per committee meeting attended. Compensation is based on Scope of Effort and Deliverables Section V. 4) Provide Pension Reform Suggestions to the Board of Supervisors Compensation requires completion and periodic updates of Ethics Training.

IV. Committee Duration

The Independent Citizen’s Pension Committee will be convened as an ongoing committee without a specified end date, unless terminated by majority vote of the Board of Supervisors.

V. Scope of Effort and Deliverables

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The following scope for the Independent Citizen’s Pension Committee is intended to improve accountability and transparency of the County’s pension reporting, and provide a way for the County to engage citizens in the process of developing and refining its pension reform strategies:

1. Review and Provide Feedback on the County’s “State of the Retirement System” Report: County staff will work with SCERA to improve upon past pension reports and develop a comprehensive annual “State of the Retirement System” report that is informative, understandable, and accessible to members of the public. The State of the Retirement System report will be published annually). Staff will provide an advanced copy of the report to the Committee’s review sub-group members prior to publication. Sub-group Committee members, on behalf of the whole committee, will have the opportunity to review and evaluate the report’s contents for accuracy and clarity, ask questions of staff, and provide feedback or suggestions for additional content and copy edits to improve readability and transparency.
2. Review Relevant County and SCERA Reports and Materials: When the following recurring reports and documents are published and made available for review by the general public, they will concurrently be provided to committee members for informational purposes:
 - County’s Comprehensive Annual Financial Report (CAFR);
 - County’s Annual Fiscal Year Recommended and Adopted Budget Books;
 - County’s Annual Fiscal Year Citizen’s Report;
 - County’s Annual State and Federal Legislative Platform;
 - County’s executed labor agreements and Govt. Code 31515.5 disclosure documents;
 - SCERA’s Annual Actuarial Valuation of the Retirement System;
 - SCERA’s Comprehensive Annual Financial Report; and
 - SCERA’s Popular Annual Financial Report.
3. Annual Presentation to the Board of Supervisors: The Committee shall present an annual update to the Board of Supervisors during the months of April or May. This deliverable would take the form of a short board report and presentation, and would not be a formal, comprehensive written report. The timing of the Board update is intended to give the committee sufficient time to review relevant County reports, while also minimizing disruption caused by potential turnover of committee members every other summer due to term expirations. The committee’s annual Board updates shall cover the following topics:
 - a. Meetings conducted, presentations received, workgroups formed, and other relevant activities of the committee;
 - b. Independent analysis of trends and key takeaways observed in the State of the Retirement System report and other County and SCERA publications;
 - c. Innovative pension reform strategies to contain costs being pursued in other local or state jurisdictions that could be applicable to the County; and
 - d. Synopsis of relevant news articles, academic studies, publications, legislative developments, or other items of interest pertaining to pension plans and reform efforts

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4. Provide pension reform suggestions to the Board of Supervisors: the Committee will study, analyze, and evaluate reform initiatives that may have an application towards the County’s over-arching goals for pension reform: contain costs; maintain market competitiveness and workforce stability; and improve accountability and transparency

Consistent with the mission of the Committee and its status as an advisory body, the information communicated in its annual update shall be fair, constructive, and objective. Any and all pension reform strategies developed through the efforts of the Committee shall be advisory only to the Board of Supervisors. Following the Committee’s annual updates, the Board would not be obligated to pursue any policy changes. Further, to the extent the Board of Supervisors authorizes the delivery of pension reform strategies developed through this effort, the implementation of such strategies will be subject to State law and the County’s labor relations policies and procedures. In this regard, the Committee will have no authority or involvement in the applicable labor relations process.

5. Committee Support and Resources

The Independent Citizen’s Pension Committee will receive administrative meeting support from the County Administrator’s Office, with as-needed analytical support provided by subject matter experts from departments, such as: the County Administrator’s Office, Human Resources, Auditor-Controller-Treasurer-Tax Collector, County Counsel, and the Sonoma County Employees’ Retirement Association. County staff will not be allowed to direct the committee’s work in any way, because it reports directly to the Board of Supervisors in an advisory capacity. Given the committee’s scope (refer to Section V. above), it is not expected to utilize services from outside consultants or contractors (i.e., analytical, actuarial, or legal).

The County will create a dedicated webpage for the committee to post relevant information, such as: meeting calendar, charter, bylaws, contact information, meeting agendas, approved meeting minutes, annual reports to the Board, membership rosters, and other Maddy book information.

6. Spending Authority and Travel

1. The Committee will request County funds for specific purposes. The committee will not have authority to enter into any contracts or agreements for goods or services. No travel is authorized without prior approval from the County Administrator’s Office.
2. Upon Committee members’ request, IRS established mileage rate reimbursement will be accepted for Committee business within the county.

7. Committee Rules and Procedures

- a. Bylaws: Shortly after the initial meeting of the ICPC, its members must draft and approve the committee’s bylaws. Upon committee approval, the bylaws must be submitted to the Board of Supervisors for approval. Future amendments or revisions to the bylaws must also be approved by both the committee and the Board of Supervisors.

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- b. Records Retention Schedule: The committee must adhere to the County Clerk of the Board’s Document Retention Schedule for Advisory Board Files in compliance with the requirements set forth in County of Sonoma Administrative Policy 6-1: Policy for Records Retention, Storage & Destruction. The records retention schedule defines the Committee’s retention, storage, and disposition of records, in accordance with administrative, legal, audit, and historical requirements.
- c. Brown Act: All meetings and all deliberations of the ICPC shall be open to the public and shall be governed by the Ralph M. Brown Act (Government Code Section 54950, *et seq.*).
- d. Quorum and Recommendations: Four of seven committee Members must be present at any given meeting to constitute a quorum. No action or advisory recommendation of the ICPC shall be valid unless a majority of all the members concur.
- e. Voting: Each member of the ICPC shall be entitled to one vote. A member may abstain from voting in cases of conflict of interest, in which case he or she shall state what the conflict is and recuse themselves from discussion of the item. No proxies shall be permitted. All votes shall be public and properly recorded.
- f. Conduct of Meetings: Meetings of the committee shall be conducted in an orderly fashion. The Committee may refer to “Robert’s Rules of Order” for assistance in developing procedures to ensure orderly conduct.
- g. Presiding Officer: The chair, or the vice chair in the chair’s absence, shall preside over all meetings of the ICPC. In the case of absence of both the chair and the vice-chair, the chair pro tem shall preside.
- h. Agendas: The chair shall be responsible for setting the agenda of each meeting of the ICPC. The County Administrator shall assign staff to attend, as needed. County Administrator staff shall post the agenda for each meeting of the ICPC at the Board of Supervisors office at least 72 hours in advance of the meeting per Brown Act requirements.
- i. Meeting Minutes: The minutes of each meeting of the ICPC shall include a copy of the agenda, the official public record of the meeting, and shall indicate any actions taken by the committee.
- j. Meeting Frequency: It is anticipated that the ICPC will convene between six (6) to nine (9) meetings per year. The ICPC may form individual workgroups comprised of a subset of members (less than a quorum) to accomplish specific tasks. The smaller workgroups would not be subject to Brown Act requirements and may meet more frequently.
- k. Meeting Location: All meetings and deliberations of the full ICPC shall be held in a County building easily accessible to the public. This requirement does not apply to smaller workgroups meetings of less than a quorum.

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- l. Ethics: Committee members are expected to adhere to high ethical standards in the conduct of their duties. Such conduct requires that Committee members: be independent, impartial and fair in their judgment and actions; comply with both the letter and the spirit of laws and policies affecting operations of the Committee; and conduct public deliberations and processes openly in an atmosphere of respect and civility. Committee members are expected to complete required Ethics training before receiving compensation as described in Section III.e and section V. 4.
- m. Representation of the Committee: Committee members would not be authorized to represent, speak, or act on behalf of the Committee as a whole unless so authorized by the Committee.
- n. Conflicts of Interest: Committee members are prohibited from using their official positions to influence decisions in which they have a financial interest, or an organizational responsibility, or where they have a personal relationship that would constitute a conflict of interest. Committee members should avoid taking any action that could be construed, or create the appearance of, using public office for personal gain, including use of the title of Committee Member or other County resources to obtain or promote personal interests and/or businesses.

8. Stakeholders

- Board of Supervisors
- All County residents
- County employees, employee labor groups, and retirees and employees participating in the pension system
- Sonoma County Employees’ Retirement Association
- Sonoma County Association of Retired Employees