

EL CERRITO CITY COUNCIL MINUTES

SPECIAL JOINT CITY COUNCIL AND FINANCIAL ADVISORY BOARD (FAB) MEETING SEPTEMBER 27, 2022 – 6:00 p.m.

City Council Members:

Mayor Gabe Quinto
Mayor Pro Tem Lisa Motoyama · Councilmember Janet Abelson
Councilmember Paul Fadelli · Councilmember Tessa Rudnick

Financial Advisory Board Members:

Chair Farhad Farahmand
Member Ruth Cazden · Member William Ktsanes
Member Dick Patterson · Member Kimberly White

Meeting Location:

Council Chambers, 10890 San Pablo Avenue
El Cerrito, CA 94530

Consistent with the Brown Act as amended by AB 361 (2021), members of the City Council, staff, presenters and the public may participate in-person at the location listed above, or remotely via zoom. **In-person attendance will be limited to available seats and designated accessible spaces only (no standing room) with chairs spaced to encourage social distancing. Masks are strongly recommended.**

Interested individuals can also participate or view the City Council meeting as follows:

1. Cable T.V. Broadcast on KCRT Channel 28
2. Livestream Online at www.el-cerrito.org/CouncilMeetingMaterials
3. Via Zoom (*Closed captioning available*):
<https://us06web.zoom.us/j/88518790170?pwd=RHJESSE9iRE15Q1BsM2dreEs4UTJVZz09>
Dial in: 1-408-638-0968 **Meeting ID: 885 1879 0170 Password: 932349**

Each period for public comment will be announced. Public Comments may be submitted one of the following ways **and are limited to items on the agenda only:**

1. In-person by submitting a request to speak to the City Clerk.
2. Via Zoom using the "Raise Hand" icon to request to speak. If joining by phone, dial *9 to "raise your hand", and when prompted by the host, *6 to unmute/mute.
3. Via email to cityclerk@ci.el-cerrito.ca.us. Email must contain in the subject line **Public Comments – Not on Agenda or Public Comments – Agenda Item #.**

To ensure City Council receives your written comments prior to taking action, they must be received by **3:00 p.m. the day of the meeting**. All written comments received by this deadline will be provided to the City Council and posted online in advance of the meeting. Comments received after the deadline will be provided to the City Council and included with supplemental materials after the meeting. No written comments will be read into the record.

6:00 P.M. ROLL CALL - CONVENE SPECIAL JOINT CITY COUNCIL/FINANCIAL ADVISORY BODY MEETING

Mayor Quinto called the meeting to order at 6:03 p.m.

City Council Present In-Person: Mayor Quinto, Mayor Pro Tem Motoyama, Councilmember Fadelli **City Council Present Remotely:** Councilmember Rudnick **Absent:** Councilmember Abelson

Financial Advisory Board Present Remotely: Chair Farahmand, Vice Chair Ktsanes, Member Cazden, Member Patterson, Member White **Absent:** None

1. TELECONFERENCE AND PUBLIC COMMENT INSTRUCTIONS

2. PLEDGE OF ALLEGIANCE TO THE FLAG OR OBSERVATION OF A MOMENT OF SILENCE

3. PRESENTATIONS

A. CalPERS Unfunded Accrued Liability (UAL)

Action Proposed: Receive and file a presentation from CalPERS on the method of calculation and projected unfunded liability for the City of El Cerrito's pension obligations.

Contact: Tony Cuny, ASA, MAAA, Senior Pension Actuary, CalPERS; Kerry J. Worgan FSA, FCIA, MAAA, Supervising Pension Actuary, CalPERS; Sandra Dalida, Finance Director/Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding discount rate reductions, clarification on methodology for projection of normal costs, unfunded accrued liability (UAL), is change in UAL since last report a typical variation, difference between entry age accrued liability and present value of benefits, variation in 2041 projected Base Employer Rate on Path Forward - Safety Plans, contributions to 2026 start of decline in Base Employer Rate, last time plan was 100% funded. No public comments.

Action: Received and filed

4. STUDY SESSION

A. Section 115 Trust Study Session

Action Proposed: Conduct a study session with NHA Advisors regarding options for funding a Section 115 Trust and provide staff direction.

Contact: Craig Hill, Managing Principal, NHA Advisors; Roy Kim, Associate, NHA Advisors; Matt DeFilippis, Analyst, NHA Advisors; Sandra Dalida, Finance Director/Treasurer, Finance Department

Presentation and Discussion: Presenters and staff responded to comments and questions raised by members of the council regarding additional discretionary payments options for advanced payments, five year projections, necessary budget modifications to fund, state auditor's view of a trust as an asset and effect on bond rating, exercising caution, flexibility of funding options, defining a provider with IRS Private Letter ruling, if a financial reason to complete the process by year end, is the projected earning rate guaranteed, timeline for implementation, amount of investment to make the trust worthwhile, 10 year forecast as part of a recommended general fund reserve policy, clarification on use of funds from a 115 trust to pay UAL.

No public comments.

Action: Received and filed

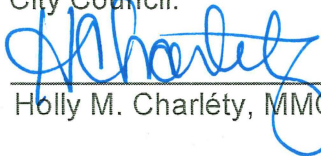
5. ADJOURN SPECIAL JOINT CITY COUNCIL/FINANCIAL ADVISORY BODY MEETING

The special meeting adjourned at 7:53 PM



Gabe Quinto, Mayor

This is to certify that the foregoing is a true and correct copy of the minutes of the City Council meeting of September 27, 2022 as approved by the El Cerrito City Council.



Holly M. Charléty, MMC, City Clerk