

Approved: [Signature]
Deputy Court Judge

Attachment 1

Date: 9/9/15

**Sonoma County Board of Supervisors Response to
Sonoma County Pension Reform Grand Jury Report**

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SONOMA

SEP 10 2015

FINDINGS

We agree with these finding(s):

BY [Signature]
Deputy Clerk

F1: The information related to pensions is daunting and difficult for the lay person to understand.

F2: The County, its employees, and retirees are well served by the Retirement Association.

F3: Sonoma County, with the assistance of new State laws and good-faith bargaining with employees, has made strides towards reducing unfunded pension liabilities.

F4: Periodic comprehensive update reports on pension reform are valuable tools for gauging the progress of reducing the unfunded liability.

F5: A standard method of measuring performance would help citizens gauge the progress of County's goal of pension reform and funding pension liabilities.

F6: Including annual payments toward the County's pension obligation bonds is a more accurate measurement of the financial health of the pension system.

F7: Actuarial predictions cannot anticipate extreme market volatility, which may result in investment losses and increased unfunded liabilities.

RECOMMENDATIONS

R1: The Office of the County Administrator publish a yearly Pension Reform Update.
The recommendation has and will continue to be implemented.

R2: The Office of the County Administrator continue to include the annual payment toward pension obligation bonds in its measurement of the County's ability to meet its future pension obligations.

The recommendation has and will continue to be implemented.