

**TRANSCRIPTION OF RECORDED CALIFORNIA CITIZENS COMPENSATION  
COMMISSION HELD AT CITY HALL SACRAMENTO, CALIFORNIA  
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TRANSCRIBED BY: DONNA K. NICHOLS, RPR, CSR NO. 5660

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CHAIR DALZELL: -- member of the Commission sworn in. And absent, uh, her being sworn in we don't have a quorum. So in -- we expect that to happen within just a few minutes. So I know your time is valuable, I'm sorry. Um, we'll be live and on the air shortly.

(Pause)

CHAIR DALZELL: We're ready. Thank you for your -- thank you for the patience. I call the, uh, meeting of the California Citizens Compensation Commission to order. It is a public meeting to discuss and set state officer compensation.

Um, Madame Secretary, would you please call the roll.

MADAME SECRETARY: Tom Dalzell.

COMMISSIONER DALZELL: Present.

MADAME SECRETARY: Nancy Miller.

COMMISSIONER MILLER: Present.

MADAME SECRETARY: Anthony Barkett.

COMMISSIONER BARKETT: Present.

MADAME SECRETARY: Matina Kolokotronis.

COMMISSIONER KOLOKOTRONIS: Present.

MADAME SECRETARY: We have a quorum.

CHAIR DALZELL: Thank you.

Um, our -- our latest -- our latest member has joined us, Matina Kolokotronis. Welcome, uh, to this exercise in citizen leadership.

Um, for the first time since 2007 Charles Murray is not with us on the Commission. Uh, he served, um, well, and -- and honorably, and diligently for, uh, seven or eight meetings, and because of the health -- health of his wife has had to resign. But he -- he made a great contribution to what we're doing. And, uh, I -- I thank him for what he did and -- and we'll miss his, um -- his expertise and his, um, character.

Um, our first order of business is to, um, approve the Minutes from the June 20th, 2014, Commission meeting.

Is there a motion to, uh -- to approve them?

COMMISSIONER MILLER: So moved.

COMMISSIONER BARKETT: Second.

CHAIR DALZELL: Uh, those in favor?

(All commissioners saying aye)

CHAIR DALZELL: I afford a nothing vote.

The Minutes have been approved.

Um, we now come to the, uh, time for opening comments by Commission members. Uh, and -- you want to go first or last?

COMMISSIONER KOLOKOTRONIS: I can go first.

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CHAIR DALZELL: All right. Welcome to the club.  
You're up first, Commissioner Kolokotronis.

COMMISSIONER KOLOKOTRONIS: Um, I just want to thank you very much for your warm welcome and, um, just want to say that I'm honored to serve on this Commission. I take the responsibility very seriously. And I understand that it's our duty here to set a fair and just compensation for our, um, elected officials. So let's have a discussion and see where that ends up.

COMMISSIONER MILLER: Good morning, everyone. Is this on? Can you hear me? Okay, great.  
And I want to, uh, greet and welcome our new member, Matina Kolokotronis. I've known Matina for a number of years. It's -- it will be very, uh, I think enlightening to have her on our Commission.

And I want to say hello to my colleagues. We see each other once a year, and good to see you again. Uh, and, um, I am looking forward to our discussion today. Things seem better in our budget and our revenues for the State this year, so that always makes for a good discussion.

COMMISSIONER BARKETT: And I would also like to welcome Matina to the, uh, Commission, and, uh, look forward to a good discussion today. Thanks.

CHAIR DALZELL: I will -- will note for the record that we do not have a certification of a positive balance in the Special Fund for economic uncertainties from the Director of the Department of Finance, um, which limits our ability to act today if our inclination today were to vote for a salary increase.

However, um, I think that it would be possible if we were inclined to vote for a salary increase to, uh, so vote contingent upon receipt of the certification which typically -- typically comes later in the month of May.  
Am I standing corrected?

(Pause)

CHAIR DALZELL: So we were told it would be prudent but we were not required to wait. All right.

COMMISSIONER MILLER: Do you have a copy for all of us or --

MADAME SECRETARY: I will.

COMMISSIONER MILLER: Or just circulate it to us.  
That would be great.

CHAIR DALZELL: It's a legal opinion from 2011.  
In any event, um, we have, uh, material in front of us in -- in a binder which is all posted online.

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Ms. Baldwin, would -- would you please briefly identify the material that you've provided the Commission and posted online?

MADAME SECRETARY: I will, thank you.

In the first section of the binder there's the Agenda for today's meeting. There's the Public Meeting Notice that's posted.

The next section shows the meeting Minutes from the June 20th, 2014, meeting.

The next section is the Resolution from that June 20th, 2014, meeting.

The next section in the binder shows salary survey information.

The next section shows executive management salary information such as exempt appointees or -- and the judges.

The next section is a salary history of civil service, um, salaries, um, whether they be going up or down since 2010.

The next section is -- was information provided by the Assembly and the Senate, the legislative bodies, um, with, um, the members' per diem usage.

And the next section is retirement, um, benefits information, a comparison that the, um, legislature -- legislative staff does for us, um, comparing California to New York.

And then the last section is health benefit information for the legislative officers.

CHAIR DALZELL: Thank you.

And -- and as we have done in the past, the salary survey information includes both salaries from other states. And further back in the -- in the packet, um, as directed by our enabling statute information with respect to salaries for, uh, cities and counties, um, in Los -- in -- in California, uh, five different counties, uh, five cities and, uh, seven counties.

Um, all right. Before we proceed with, uh, further Commission discussion and possible adoption of Resolution setting compensation, uh, is there any, uh, public testimony? Is there anybody who would like to make a statement, uh, to the Commission?

MADAME SECRETARY: No one has signed up for public testimony.

CHAIR DALZELL: All right. Then we will move on to, uh, Commission discussion and adoption of Resolution setting compensation.

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I'd like to make a -- a few observations. One is that, um, you know, anecdotally there is a -- a healthy surplus in the -- in the State budget. And I've been asked by several reporters whether in my mind that invites, um, more generous than usual, uh, salary increases. And my answer is that it does not. That, um, in -- in my opinion the fact that there is a -- appears to be a generous surplus is almost a -- almost irrelevant to what we're doing. Um, our -- our job is not to spend money, our job is to set salaries. And the -- when there is a deficit, um, I think we have an obligation, uh, as a matter of -- if nothing -- in nothing else, of symbolism to recognize that. By the fact that there's a -- a surplus, I don't think that -- that the reverse is true, that we then go out. And, um, Commissioner Kolokotronis, one thing that we've learned over the last several years is that what we do here is -- symbolic might be too -- not the -- the perfect word, but it has almost no effect on the budget of the State of California because there are set budgets for the -- the Assembly and the Senate and they live within those budgets. So an increase in salary does not increase the budget. A decrease in salary does not decrease the budget. So, really, what we're doing is fairness both in terms of compensation and in -- in terms of symbolism. And the fact that there's a -- a budget, um, surplus, for me that's not a green light let's go spend money. Let's -- let's do what we would otherwise do.

Um, and I -- I would observe that, um, today in 2015 the -- the salaries of State officers are still 83.6 percent of what they were in -- in 2007. Um, and, uh, whereas, uh, State employees had their earnings reduced by furlough and by personal leave. Uh, their salaries or their wages were not cut. And so once the furloughs and leave programs were over, uh, they were back where they had been before the furloughs and -- and the personal leave.

Where here, this Commission made a series of cuts to the salaries that today leave, um, State officers at 83.6 percent of where they were in 2007.

Um, and I'd also observe that the data that we get from the counties and cities continues to show a -- a -- a big discrepancy between how much people are paid on the local level in many cases, not all, and at least in large counties, and how much they're paid in Sacramento.

And I personally don't think that that means that Sacramento is paid too little. It may well mean that on the local level, uh, we're being too generous.

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Those are my initial comments.

Do you have any specifically on -- on -- on -- on salary or what you think we might be doing today?

COMMISSIONER KOLOKOTRONIS: Obviously I'm totally new to this. But I -- and I bring some fresh eyes to the issue, right. And I think that you're right that the surplus is great for the State but it doesn't mean that we should go on a spending spree. Uh, and I think what we need to do is take a reasonable and just look at what they're being paid. And I think the, um, significant thing is the 2007, uh, salaries and that we're only at 83.6 percent today to that. So we should examine that and see where we want to go.

CHAIR DALZELL: Go ahead.

COMMISSIONER MILLER: I just can't tell in this light here. Am I on?

MADAM SECRETARY: Yes.

COMMISSIONER MILLER: Sorry.

So I appreciate the, uh, comments of the Chair and of Ms. Kolokotronis. And I, um, -- I've been on the Commission for two years, and when I first came on, there were, um, different members. And at that point in time there was a difference of opinion about how, um -- what methodology we should use to approach, um, salary increases. And at that time there was a very strong opinion on the Commission that you did track how the -- how government budget was doing with how you were paying your top executives. And -- and we heard that -- um, uh, I heard that the first year and I heard that the second year. So I'm glad to see that -- that, um, we -- we talk about what methodology that we're looking at.

Because I agree with you, um, uh, Mr. Chair, that -- that, uh, while the -- the budget doesn't have -- our setting the salaries doesn't impact the budget. How the budget is doing is a perception issue, and -- and, um, we are setting, um, the salaries of those that govern, are at the top of our government structure.

And so there is this -- this, um, uh, argument between, um, should the salaries be -- be set -- if the government is doing well, should they be higher, and if government's doing poorly, should they be cut.

So, um, always when I'm on this Commission I look at it a little bit because that's what I inherited was that -- that philosophy because their salaries were cut so dramatically during the lean years. And we're -- we're still not back to parity, we're not close to parity. So I -- I look to that -- um, that's always in the

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back of my mind of trying to, um, reconcile that with what, um, our job is here today which -- which is really to look at other factors which are what other local governments and state governments are paying.

So, um, today, uh, I think we do know that the State is in a much better financial position than it was in prior years. We know we're still behind what the, um, legislature and constitutional officers and Governor were making in, um, 2007. And that will -- both those things will go into my decision today. Thank you.

CHAIR DALZELL: Commissioner Barkett.

COMMISSIONER BARKETT: Um, I would agree with just about everything that was said, uh, by the past Commission members.

A few things I would add is I came on also two years ago. And I think the important thing for us to kind of discuss and revisit is that in 2007 or 2008, you know, the -- the put -- the State put the, uh, employees on furlough. And that's what effectively reduced their pay. And I believe, as the Chair mentioned, it did not change their salaries. So once they went off furlough their salaries went back to where they -- they were. This Commission reduced the -- the salaries based on that same formula.

So there's been kind of this effort since I've been on -- I'm not saying there's an effort to get back to that point, but it seems like that is where the momentum is heading because it seems that the rest of the State went -- State employees went back to their previous salaries, yet all the elected officials, uh, have not.

So I think a discussion is warranted about what we think is reasonable, uh, compensation for each one of these elected officials, uh, separate from treating them as a group. In the past we've only been on here -- I've only been on here two years, but it seems like we go, you know -- either keep it straight, up two percent, up five percent. And I would prefer that we kind of have, uh, a discussion about what we think those salaries should be and then from there -- I know our -- everybody has varying times on, the, uh, Commission. It's not as if we get an increase every year.

But then maybe we're able to look back every two years or three years. And part of that, seeing how the State is doing. Because I'm a little uncomfortable with the idea that, boy, if the State has a little bit of a surplus every year that, you know, we're inclined to give a, uh --

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we're inclined to give a increase. Yet, if they don't, are we going to take that two percent or three percent back the next year. I don't think that's really the way to do it. I'd rather have a meaningful discussion about what these salaries should be.

And to that end I have a few -- a few thoughts that, um, I'll just throw out for discussion. And, um, one is I think that our governor relative -- not specific to this governor, but relative to other governor -- governors in the magnitude of our State is underpaid at -- at 170 -- 177,000. So I look at some of the other, uh -- the other, uh, states and, uh, the number that I come up with is in the 190 to 200,000 of what would be a base. It was still less than it was in -- in two thousand, uh, seven, yet, um, I think that is a fair and reasonable number considering we're the most populous and economically powerful state. And I think it's the most complex job.

Two hundred thousand's also half what the president gets paid, just kind of an anecdotal, kind of, note. You compare it to other -- as you said, L.A. supervisors and stuff it's still -- still less. But I agree with you that many local, uh, officers are overpaid. So with -- with that in mind -- that's kind of my number for the governor.

The Attorney General, the same thing at 154. I mean, you know, DAs around the -- the -- the State are getting paid 250. So that doesn't mean that, you know, that's a number, but I see that more like one -- 175.

Now, with the -- with the assembly and the -- and the -- and the Senate, I'm probably a little less generous. And I know we've had this discussion before that the whole per diem thing is not within our purview, but it is other money that they receive. And, uh, it does supplement their income in some way, so I would be less -- uh, less generous with, um -- with those.

I didn't know that we're going to go into detail of all those today, but, um, I think some type of increase, uh, is warranted. If we wanted to go through every one, we'd probably be here a long time to kind of go through -- through each one. So I get it that the easier way is to go up or down a few percent for everybody. But my opinion is that some of the -- the State officers deserve a little bit higher raise than the Assembly and the, uh, Senate.

CHAIR DALZELL: Yeah, I -- I have no objection to spend -- to spending whatever time we need to spend. I do have a -- a different concern. And that is that we are operating on the bare minimum here of only four members of

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the Commission. And I think that, uh, you know, when I -- when I look and see that the Attorney General of the -- of the State of California is -- is paid less than the district attorney and, uh, all seven counties that we have in front of us, there's -- there's certainly a question there.

Um, but I think that that might be a -- because it's a restructuring rather than an adjustment. I think -- I think it's a restructuring that probably has a lot of merit. It may be something that's better handled, um, when we are a full -- a fuller body than we are now. I mean if -- if other commissioners have an appetite, uh, for those two offices, I -- I would -- I would -- I would defer. But I mean I really think that the more, um, eyes and minds we have involved in that debate --

COMMISSIONER BARKETT: I -- and I would -- we would do it for every one. I was just using those as an example because they're the -- probably the most high profile I would say of -- of the two.

CHAIR DALZELL: I think that that relook instead of just putting a percentage on top of what he have is a -- is a good idea and I think it would be better accomplished with --

COMMISSIONER BARKETT: More people.

CHAIR DALZELL: -- with more -- with more people.

COMMISSIONER BARKETT: Yes. I -- I don't disagree.

COMMISSIONER KOLOKOTRONIS: So I'm -- you're suggesting a different thing for the governor and the other officials. But is there a percentage, or you want to look at every single one separately?

COMMISSIONER BARKETT: Uh, to have the meaningful discussion I think we have to look at every one separately. I think we'd have to -- we'd have to do that. Um, I was just giving my comments on those two -- on those two particular offices. I wrote down numbers for -- for, uh, you know, each -- each office.

But I agree with the Chair that it's probably -- considering there's only four of us this is probably not the best time to do it. I -- I was the lone dissenting vote even to a modest raise last time. And part of the reason was that I think we were getting in to this, uh -- what I -- what I felt was this idea of, oh, we have a -- we have a surplus, therefore, there's going to be some kind of increase instead of having this full discussion about what we think the salaries should be.

Because I think there's a sense that what happened in 2007 needs to somehow be corrected and was -- and they were

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treated, uh, not the same as the rest of the -- the State employees. And even though I might be the only one specifically saying that, I hear that from the -- the Commission members and there's this kind of hidden -- uh, not hidden, but kind of momentum to kind of get back to that point.

And I'd rather have the discussion, you know, clearly and be clear about what we think those should be instead of just every year if we come back, oh, there's a little bit, oh, three percent, four percent, and then it gets -- we've set the precedent that -- which I don't want to set is that there should be an increase every year. Yet, I do think there's catching up to do, if that makes sense.

CHAIR DALZELL: Yeah, I -- my arithmetic tells me that it would take a 19.6 percent increase to get back up where we are -- we were in 2007. And I would be completely shocked if there's any appetite at all on this Commission for a 19.6 increase as -- as fair as it may sound to get back to 2007.

COMMISSIONER BARKETT: Yeah, and I'm --

CHAIR DALZELL: And -- and I think that one lesson that we learned from all of this is that the approach taken with State employees was probably a more reasoned one, which is a reduction of earnings without a reduction of salary. And I don't know whether that was considered, and I don't know how you would do it with legislators because you can't really furlough them.

Um, but in -- in any event . . .

COMMISSIONER MILLER: Um --

CHAIR DALZELL: Commissioner Miller.

COMMISSIONER MILLER: Yes, thank you.

I was just -- I -- I really would like to have that discussion at some point. But I think because you're talking about some significant increases to a particular position that has ramifications in the press, it does -- in -- in the public, mainly. So I would like to, um, advertise a little bit as we are through the -- through this discussion.

Maybe the next time we meet next year, maybe we will have that kind of discussion and people can understand that we are going to be talking about fundamental base -- where is our base line and where should it be given not only what happened in 2007 with all the significant reduction but also just comparatively when we're looking around at some of these other local salaries.

Um, and then that allows us to have a full complement

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of board members as well as public notice so people that are opposed or supportive can -- can come and talk. Because we have had a lot of public dialogue in the past when we've, um -- uh, when we've kind of, um, showcased an idea that we might have that then comes up at the next meeting and we get a lot of public letters and -- and comments. So I would love to have that discussion next year hopefully when we have a full complement. So I think it would be a good discussion to have.

COMMISSIONER KOLOKOTRONIS: Um, I would agree with, uh, Commissioner Miller that we need just more information and more time. I'm obviously completely new to this so that's -- that's something I have an appetite for right now and I think it would just -- be get -- more -- we need more research and more information.

CHAIR DALZELL: Yeah. All right, so I think there's consensus there. But I'll say that I think that Commissioner Barkett's suggestion that instead of -- with the constitutional officers instead of tweaking the numbers that we have let's try a blank slate and say, well, in -- what do we think these are worth, or what -- wrong way to say it. Um . . . What -- what do we think is a -- is a fair salary and how do we get there from -- from here. Um, start -- start there rather than where are we and how much are we going to increase it.

Um, so I would -- I -- I am all for, um, a restructuring, um, in our meeting next year. And I'll note that in 2006 the Commission voted an 18 percent raise to the constitutional officers, two percent raise to legislators, and in 2007 a five percent for constitutional officers, and 2.75 percent to some constitutional officers and the legislature.

Um, and so there is, um -- there's some precedent, although that's -- I think that what you're suggesting is -- is smarter and more sophisticated. It's not just saying these get this percent these get this percent. What should the -- given what district attorneys are making, what should the Attorney General make. Um, and I think that that is a -- a discussion that we can put the public on notice that we intend to have in a year.

Um, and I -- and I think that with a full Commission we should have a full debate on, uh, the delta between 2007 and 2015 and the delta between counties, cities, and state. Um, although I think that I would have to hear a lot to be convinced that we should move to compete with counties and -- and -- and cities. I think that they probably would

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be well served to, um, look at themselves.

Um, well, is there -- are there any thoughts on a more modest, um, approach to -- have -- having identified some pretty big issues, that we want to address next year any, thoughts on, um, how to proceed this year, what we want to do, um, in light of, uh, the data that we have in front of us?

COMMISSIONER MILLER: I -- I just have one question, and that has to do with the benefits issue. I know we've, um, not, um, addressed that as a separate, um, motion in the past, as I recall. But if I could just -- could someone just explain where we are -- and maybe, Mr. Chair, you know on terms of the benefit contribution.

CHAIR DALZELL: Well, I believe that last year we brought the benefits back to where they had been before the cuts. No? Are we still below? Thank you.

MR. COBB: Um, we've brought the benefits from -- they had been at the -- the low point at a -- the health benefits at a 20 percent reduction in dental and vision at 18 percent reduction. We brought that up to ten percent across the board and at the 2013 meeting, so for the 2014 plan year. And so we left it the same last year for 2015. So we're still at ten percent reduction.

CHAIR DALZELL: So legislators and constitutional officers are paying -- the State is contributing ten percent less from them than they do for managerial State employees?

MR. COBB: Correct?

COMMISSIONER MILLER: Thank you. I'm, uh -- I -- I want to just talk a little bit about that. I -- I think that we didn't address it last year because we were, um, a little bit concerned about, uh -- I was just looking at the Minutes really quickly from -- we were concerned about whether we were really moving forward to a fiscal -- a more fiscal, um, uh -- more fiscal stability last year. I think we -- we were waiting to see if the trend was going to continue in that direction. And I think it certainly has. So I -- and I want to hear from my commissioners before -- I was about to make a motion, but before I do I'd like to have a little discussion about the benefits and what we -- what we -- what we're thinking there.

CHAIR DALZELL: Well, I mean, my -- my memory was false. I -- I -- I thought that we'd gotten back to treating, uh, State officers the same as we treat managerial employees. And, uh, I'm not convinced that there's a good reason to -- to treat State officers differently than treating managerial employees, uh, for the purposes of

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benefits.

Opinions?

COMMISSIONER KOLOKOTRONIS: All news to me, but, um, I'm surprised that they're not closer to managerial employees. I might have -- you know, where we are.

COMMISSIONER BARKETT: Yeah, I would agree.

COMMISSIONER MILLER: So I would like to make a motion. Uh, and I would like to have, uh, two parts to the motion. The first part is that we grant a three percent increase on compensation. Second part of the motion is that we, uh, achieve parity, uh, with the contribution -- or maybe a better way of saying that is that we bring the contribution back to equal to that of managerial employees.

CHAIR DALZELL: I'm going to divide -- I'm going to divide the two-part motion into two different motions and begin with the -- uh, the -- the -- the motion for, uh, three percent, uh, annual salary increase for State officers.

And your motion is to treat the constitutional officers and the members of the legislature equally, a three percent salary increase?

COMMISSIONER MILLER: That's correct.

CHAIR DALZELL: All right. Is there a second for that motion?

COMMISSIONER KOLOKOTRONIS: I'll second.

CHAIR DALZELL: All right.

Is there any discussion?

All right, could you poll -- poll the Commission because -- you know, I -- I have followed the practice of not voting unless my vote is required to, uh, break a tie or to create a, uh -- a -- a majority.

MADAME SECRETARY: You'd like me to restate the motions?

CHAIR DALZELL: If you -- is that your way of telling me I was awkward, clumsy --

MADAME SECRETARY: Not at all.

CHAIR DALZELL: -- inarticulate?

MADAME SECRETARY: Not at all. Okay --

COMMISSIONER MILLER: That would be very helpful to restate.

MADAME SECRETARY: Okay, so the first motion was to grant a three percent increase across the board, correct?

COMMISSIONER MILLER: Correct.

CHAIR DALZELL: Salary increase for all State officers.

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MADAME SECRETARY: For all State officers.

COMMISSIONER MILLER: Yes. That's correct.

MADAME SECRETARY: So if you'd like to take a vote.  
Anthony Barkett.

COMMISSIONER BARKETT: Yes.

MADAME SECRETARY: Nancy Miller.

COMMISSIONER MILLER: Yes.

MADAME SECRETARY: Matina Kolokotronis. Sorry.

COMMISSIONER KOLOKOTRONIS: For the record, it's  
Kolokotronis.

MADAME SECRETARY: Kolokotronis?

COMMISSIONER KOLOKOTRONIS: Yes.

MADAME SECRETARY: Motion carried.

CHAIR DALZELL: In the -- in the event that, um, we  
have some ambiguity as to whether we need a -- a, uh, a  
majority of -- of those here or a majority of the full  
position, and to -- to avoid any ambiguity I will vote yes  
making it a four nothing vote. So that motion carries.  
Your second, uh -- the second motion as I understand  
it, Commissioner Miller, is that the, uh, State contribution  
toward monthly, uh, premiums for, um, medical and hospital  
care as well as dental, vision, long-term disability, life  
insurance, and Employee Assistance Programs will be equal to  
that provided to State employees who are designated  
managerial, um, under the Government Code. Is that correct?

COMMISSIONER MILLER: That's correct. But I want to  
check with staff that that's an appropriate way to, um,  
state that motion.

Is there any ambiguity when we say State managerial  
staff? We're trying to -- I'm trying to bring them to  
parity.

MR. COBB: Um, the way we stated in the Resolution  
that it would be, um -- that it would be, um, the  
contribution amounts that are made for State employees who  
are designated managerial under Section 18801.1 of the  
Government Code.

COMMISSIONER MILLER: So I will amend my motion to  
reflect what the gentleman just stated. Thank you.

CHAIR DALZELL: All right, is there a second for that  
motion?

COMMISSIONER BARKETT: Yes. Second.

CHAIR DALZELL: Any discussion on that motion?

COMMISSIONER BARKETT: I -- I just have a clarifying  
question.

The way this reads, it says State contributions  
towards monthly premiums shall be reduced ten percent, uh,

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from the amounts made for State employees.

So -- I'm kind of a numbers guy. So in -- if a -- a managerial employee has to contribute \$1,000, does the, uh -- do the State officers contribute 900 --

CHAIR DALZELL: No.

COMMISSIONER BARKETT: -- for that same benefit or --

CHAIR DALZELL: No. They pay -- they -- they contribute more. It's the State contribution that is reduced. So you look -- if the State is paying \$1,000 for a managerial employee to receive medical, the State would pay 900 and the State -- the State officer -- it focuses on the State -- the State payment rather than the employee payment. And is there a copay?

COMMISSIONER BARKETT: Yeah, that's -- that's what I want.

CHAIR DALZELL: From -- is there a copay for managerial for premiums?

MR. COBB: Um, yes. There's a contribution formula. What -- for the health benefits it -- they take the weighted average premium of the four health plans with the largest enrollment. And the State contributes 85 percent of that average -- weighted average premium, um, for self-only coverage and 80 percent of the weighted average premium for, uh, dependent coverage. There's a formula.

And so there is always, you know, roughly a 15 percent, um --

CHAIR DALZELL: Contribution, copay.

MR. COBB: -- copayment, if you like, share of premium on the part of the employee.

CHAIR DALZELL: And we -- we do have some information on this, on the health benefits tab in our -- in our binder. All right, does that answer your question?

COMMISSIONER BARKETT: Uh, yes. But let me kind of -- kind of restate it then.

So -- so if we are not going to require this ten percent, uh, reduction, that would slightly change that 85 percent, uh --

MR. COBB: No. What we do is we take that contribution that's based on that 85/80 formula. That's what the State managers get. What we do pursuant to the ten percent reduction, um, for the officers is we compute a reduced contribution rate. And that's what the officers receive is . . . If we were to take the ten percent reduction away, they would receive what the managerial employees receive.

COMMISSIONER BARKETT: Oh, that's a --

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CHAIR DALZELL: All right?

COMMISSIONER BARKETT: That's fine, yeah. That's fine.

CHAIR DALZELL: All right. Any further discussion among the Commission?

Again, would you please poll the Commission.

MADAME SECRETARY: Matina Kolokotronis.

COMMISSIONER KOLOKOTRONIS: Yes.

MADAME SECRETARY: Nancy Miller.

COMMISSIONER MILLER: Very good job. Yes.

MADAME SECRETARY: Anthony Barkett.

COMMISSIONER BARKETT: Yes.

MADAME SECRETARY: Tom Dalzell.

CHAIR DALZELL: Yes.

All right, is there any further discussion or -- or business?

I think we've identified what we would like to accomplish next year. And let's try to remember that next year, which is -- it's your idea, so you got to remember it. Let's, um -- so looking -- it's a real hard look at the constitutional officers. Um, and -- and then contemplating for, perhaps, more for the legislature than for the constitutional officers the delta between today and 2007 and the delta between, uh, State and counties. Um, but I -- I think that that's a -- a -- a good discussion to have next year.

And -- and, Governor Brown, if you're listening, let's have three more people here on -- on the Commission, please.

COMMISSIONER MILLER: I do too. Do we -- do you need or do we need -- do we think we need any further information for that discussion? What -- what would you like to see?

COMMISSIONER KOLOKOTRONIS: I think we would need a lot more information, right. We'd like to see more resource, more, you know, salaries, comparisons. You know.

CHAIR DALZELL: Right. I -- I -- the way -- the way the, uh -- the information requests have worked in the past is a single commissioner asking Debbie, uh, to gather information gets it gathered. Uh, and, um, so -- And, actually, I suggest we do it today. I mean, not on -- not on the record, by while this is fresh in your minds. Um, you know, every day that passes, um, we think about other things.

But what -- I mean, you are the compensation person, uh, compensation seat on the -- on the -- on the Commission and I'm sure that you're going to have some ideas we have

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not thought of what to look at.

COMMISSIONER KOLOKOTRONIS: Yeah. Okay.

CHAIR DALZELL: And I'll tell -- I'll tell you it has been a -- the enabling statute does mention -- the -- the private sectors as appropriate to look at. And, you know, I think that the Commissioners in -- in the past of all political stripe have thought that that was not a -- a very useful or relevant, um, comparison. Um, but if you think that there's something to be learned by comparing constitutional officers with, um, private sector, we can do that.

COMMISSIONER KOLOKOTRONIS: Okay.

COMMISSIONER MILLER: So thank you. So after the meeting I'll talk with you, um, Ms. Baldwin, about information I'd like to see. Thank you.

CHAIR DALZELL: Any further discussion?

Um, the Commission will prepare the Resolution as adopted today with a three percent salary increase and parity with managerial officers -- uh, managerial employees for benefit contributions, uh, and we will execute it in series. Um, and we will see each other in a year. Thank you.

I -- I close the meeting.

COMMISSIONER KOLOKOTRONIS: Thank you.

COMMISSIONER MILLER: Thank you.

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CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

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Dated: JULY 21, 2015

/s/ DONNA K. NICHOLS, RPR  
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