CHAIR DALZELL: -- the 2021 meeting of the California Citizens Compensation Commission. We meet today for the second year now remotely. But it is, nevertheless, a public meeting where we will discuss and set the compensation for certain State officials.

Can we call -- call the roll. Roll call.

FEMALE VOICE: Yes. Tom Dalzell.

CHAIR DALZELL: Present.

FEMALE VOICE: Margaret Wong.

COMMISSIONER WONG: Present.

FEMALE VOICE: Laura Horrocks.

COMMISSIONER HORROCKS: Present.

FEMALE VOICE: And Nichole Rice.

COMMISSIONER RICE: Present.

FEMALE VOICE: We have a quorum.

CHAIR DALZELL: All -- all here. Our -- our first order of business is to review and approve the Minutes from our May 28, 2020 -- the -- the transcript is included within the packet of materials that we've been provided. It is a transcript of 30 pages.

Does anybody have any corrections that they would like to suggest to the transcript?

Hearing none I -- I'm . . . the meeting.

Is there a second?

COMMISSIONER WONG: I'll second, Margaret Wong.
CHAIR DALZELL: All right. Shall we ask staff to call the -- the roll on -- on this motion?

FEMALE VOICE: Tom Dalzell.

CHAIR DALZELL: Yes.

FEMALE VOICE: Margaret Wong.

COMMISSIONER WONG: Yes.

FEMALE VOICE: Nichole Rice.

COMMISSIONER RICE: Yes.

FEMALE VOICE: Laura Horrocks.

COMMISSIONER HORROCKS: Yes.

CHAIR DALZELL: All right. With that we've approved our Minutes.

We are now ready for our opening comments. We then blend into our discussion. So I think that what we -- what we have to say we should probably try to get into our opening comments so that we can then discuss with each other (unintelligible).

Commissioner Rice to go first.

COMMISSIONER RICE: Thank you, Mr. Chair. I just wanted to start off and (unintelligible) thank you to the staff for preparing the (unintelligible) package which will (unintelligible). I, for one, am excited how (unintelligible) the State to get back on track in terms of opening back up the businesses safely, of course, for the legislature to (unintelligible), and for (unintelligible)
workers to get back to their regular lives.

I know we have a lot (unintelligible) with the vaccination rate, but everything seems to be pointing in the right direction in terms of California getting (unintelligible) on track and having a thriving economy once again.

It's also difficult to get my comments out. I hear myself echoing, so I will leave it there and (unintelligible).

CHAIR DALZELL: Sure. Thank you for your remarks.

Commissioner Horrocks.

COMMISSIONER HORROCKS: I will echo Commissioner Rice's gratitude for the fact that (unintelligible). While (unintelligible) excitement I (unintelligible) California and (unintelligible) start getting back to a more normal state. I think we have a lot (unintelligible) opportunity in front of us. And I'm also going to echo Commissioner Rice's comment about hearing the echo. So I will pass it to (unintelligible).

CHAIR DALZELL: Thank you.

Commissioner Wong.

COMMISSIONER WONG: Yes. (Unintelligible) is there any way that we can (unintelligible) the echo? Okay.

Anyway, I'm going to comment on the fact of (unintelligible) is the -- Tom -- Tom (unintelligible). And
I think that it's a good sign that the businesses are moving forward (unintelligible) life moving on and that (unintelligible) the biggest question is whether or not the standard of living is going -- rising, or stable, or (unintelligible). I think this is something that I want to (unintelligible) positive sign that things are moving forward and businesses are opening up. So I would think the normal is the -- is the direction that (unintelligible) going forward.

CHAIR DALZELL: Does that conclude . . .?

COMMISSIONER WONG: Yes, that concludes my comment.

We lost Tom.

CHAIR DALZELL: Oh, now -- now I hear you again, yeah.

Do you hear me?

COMMISSIONER WONG: Yes.

CHAIR DALZELL: Okay, great. So the last thing I said was to make sure that Commissioner Wong had concluded her opening comments that she has. I have a few.

No, I -- as I look at California, I'm remembering being in 11th grade . . . and the very famous first line is it was -- it was the best of times, it was the worst of times. And as Commissioners have noted, there are very good things happening in California right now. We have a -- a high vaccination rate, a low infection rate, a substantial
surplus in the State budget. That's all in the best of times.

The worst of times the economy took a big hit and more importantly we've lost . . . family and neighbors and -- and loved ones to the -- to the pandemic.

So what do we do here? I would remind my fellow Commissioners several things that I mention each -- each meeting. The first is the -- the amount of money that we're tasked with -- with looking at or talking about as a percentage of the State budget is not statistically significant. It -- it makes no difference in . . . State spends. In practice with the legislators it does not effect the budget at all because the -- each house has a -- a certain amount that they get and whether the salaries go up or down they still get that amount and it gets spent. It doesn't change the lump sum amount.

And, lastly, what we do is not the end of the line. Last year we took action. We approved an increase. And, yet, almost every . . . officer voluntarily returned or did not take I think $10,000 of their salary for the year in light of the sacrifices that other State employees were making.

So there -- there is a -- a symbolic value to what we do. But this is really not about saving money, it's -- it's about what is the appropriate thing to do in -- in light of
what's going on.

We know that . . . four point two percent increase they will have the money that was reduced reinstated. And on top of that they will be getting a four point two percent increase.

So those -- those are the cards that we have been dealt in terms of the economy, the budget, the -- the affect of what we do.

That concludes my opening comments. We now move into a -- into a -- into a . . .

Is there anybody who would like to take us to the next step of -- of what we should do in light of -- of all that -- all that we know is going on?

COMMISSIONER WONG: Commissioner, do you -- do you mind (unintelligible) increasing four point two percent moving forward? I could hardly hear you.

CHAIR DALZELL: That is what the State employees who are not subject to our jurisdiction will receive is a four point two percent increase. That might be a -- because of that it might be appropriate. But I'm not at this point saying that it is or making a motion that it is. I was only showing that data that -- that we had.

Commissioners, are -- are we all still here?

COMMISSIONER WONG: We -- (unintelligible) I am here.

CHAIR DALZELL: All right.
COMMISSIONER HORROCKS: (Unintelligible) I am still here.

Thank you Commissioner Wong for making that clarification, asking the clarifying question of Commissioner Dalzell.

I think you have (unintelligible) out a good point but I think (unintelligible) for the State employees which we technically are talking about here today (unintelligible) elected folks who are (unintelligible) California. I would be supportive of increasing the salary (unintelligible) too.

But due to more common (unintelligible) my fellow (unintelligible) where I (unintelligible) your motion.

COMMISSIONER RICE: Commissioner Rice. Would you repeat the suggested increase? I'm still getting a (unintelligible).

COMMISSIONER HORROCKS: It is four point two percent.

COMMISSIONER RICE: Four point two.

COMMISSIONER HORROCKS: Four point two percent.

COMMISSIONER RICE: Thank you.

COMMISSIONER HORROCKS: Absolutely.

COMMISSIONER RICE: My comment, four point two percent, it seems a little high given the current state of the economy and the cost of living increase expected to be at one point three percent as opposed to the suggested (unintelligible) and four point two. However, if that's
consistent with the expected increase for the rest of the employees, that's definitely something to consider.

CHAIR DALZELL: Commissioner Wong.

COMMISSIONER WONG: (Unintelligible) what Commissioner Horrocks and Commissioner Rice is (unintelligible) talking about. Four point two is on the high side. I -- I -- but I believe that one point three may be on the low side. So my personal view is to (unintelligible) four point two (unintelligible) point two percent.

COMMISSIONER RICE: Thank you Commissioner Wong for making the recommendation of the one point three. I think that (unintelligible) that is (unintelligible) increase for the year. I do think four point (unintelligible) is high, but somewhere in the two point five (unintelligible) to three percent range is pretty standard in the increases that I've seen that are (unintelligible) this year.

CHAIR DALZELL: You know, I'm -- I'm wondering what is the -- what is the rationale for treating legislators and constitutional officers less favorably than every other State employee remembering that every other State employee gets a -- a pension that legislators do not get. And also remembering that as a result of the cuts in wages during the recession of legislators, the salary of legislators right now is barely what it was -- it's barely reached the point
where it was ten years ago. It's recovered.

At a time when State employees had furloughs it did not have the effect of reducing their base salary so that when the economic times improved, they reverted to their old salaries to getting all of it . . . did not revert because they'd actually seen cuts.

So my -- my sense is that given the difficult times in which they are serving -- and I think that the -- the good job that they're doing -- I mean, California has a lot to be proud of and . . . certainly played a role in our high vaccination rate and our low infection rate and, really, a budget that unlike many states and like local jurisdictions is -- is really -- our treasury's in good shape.

So I would -- I mean, we don't have a motion yet, but I personally would -- would support and -- and think that the four point two percent that every other State employee is getting is appropriate for the . . .

COMMISSIONER WONG: This is Margaret Wong. I believe I just heard Commissioner (unintelligible) comment and (unintelligible). I think that we have to find (unintelligible) why the -- you know, the officials have to (unintelligible) public employees are getting. And I always look at the (unintelligible) of what we -- (unintelligible) State. And also (unintelligible) public employees are being paid for.
So I agree with Commission -- what Commissioner Dalzell was talking about, we should at least (unintelligible) public employees (unintelligible) percent.

COMMISSIONER RICE: This is Commissioner Rice. Sorry, did I -- (unintelligible) heard that. I keep hearing a really bad echo.

This is Commissioner Rice. I appreciate Chair Dalzell's comments about the lack of (unintelligible) retirement. That is something that I find interesting in reading over this (unintelligible) report (unintelligible) taking into consideration.

Also, we know that the legislature is going to be opening back up. We know that (unintelligible) is going to be opening back up to the public. We know that there is still a great chance to become infected with COVID when you are working in a facility that (unintelligible) with access to. We can treat them as essential workers and I would agree that we should -- can you still hear me?

CHAIR DALZELL: Yes.

COMMISSIONER WONG: Yes.

COMMISSIONER RICE: Thank you. I can't hear myself any longer.

And I think that we should move forward with the same percentage that the employees are receiving, the four point two percent.
I would make a formal motion for that increase at this time.

COMMISSIONER HORROCKS: I will second that motion.

Do we need to take a formal vote?

CHAIR DALZELL: Yeah, I -- I mean, have we -- have we moved towards a consensus that -- if so, if it seems like we're at a consensus or close to a consensus is there a motion to increase the -- the salaries of legislators and the constitutional officers by four point two percent?

COMMISSIONER RICE: This is Commissioner Rice. I did make that motion.

CHAIR DALZELL: Okay.

COMMISSIONER RICE: And I believe Commissioner Horrocks seconded the motion.

CHAIR DALZELL: All right. So then yes. Let's call -- let's --

(Speaking over each other).

CHAIR DALZELL: (Unintelligible) yeah, public testimony comes now. So could we describe, please, what anybody from the public should do if they have a comment to make now?

MALE VOICE: At this point if someone attending would like to make a comment then, just raise your hand and you can (unintelligible) would like to hear comments.

COMMISSIONER WONG: Perhaps you could
(unintelligible) raise your hand.

MALE VOICE: So officially I do not see
(unintelligible) in this (unintelligible) meeting from
the -- from the public at this point.

CHAIR DALZELL: All right. So that's the -- we
will -- all -- although the period for public testimony is
identified in a specific place in the Agenda we do have
to -- briefly have to go across -- go over the staff reports
and then we'll get to the -- to the vote.

I'm not sure that we're doing things in the best
order. But that's the way I've always done it.

The staff reports, we all have a -- we have a binder
that we . . . the contents and it's all available on the
Commission's website.

The first material is the Resolution from 2020.

We then have a comparison of State elected officials
from California, Texas, New York, Florida, Illinois,
Pennsylvania, Ohio, actually -- et cetera, et cetera,
through the states. (Unintelligible) that salary survey.
And this is information that we've had in our packet
although the -- the initiative that created us does not
include that as something we should look at. We've looked
at it and found it informative.

Then we have a salary survey of California city
elected officials. And as we have seen in the past, we see
that . . . the elected officials, be they -- the equivalent of our constitutional officers or city councils as the equivalent of our legislators, our -- our -- at least in the big cities and big counties a -- considerably more than State people.

We then have the data for city officials, county officials. We have school district superintendents paid considerably more than the -- the State equivalent. Superior court judge salary reports, this is something we are directed to -- to look at as a -- as -- as part of the initiative that created us. And the judicial branch is compensated . . . or legislative.

And then we have exempt salary chart, State Civil Service adjustment report that shows the minus last year. That's going to be reinstated.

Legislators, where we see that we don't have pensions from our legislators. And the summary of our constitutional and legislative officer benefits, summary of superior court benefits, the certification of the positive balance in the Special Fund for economic concern which is the condition precedent to us increasing it.

So as always, you know, this is really . . . and without whom we could not do our job. You know, we -- we meet for an hour a year or so, and behind the scenes they're doing a lot of work for us. So thank you for that.
Do any of the Commissioners have any comments on the staff report?

COMMISSIONER WONG: I (unintelligible) in the past. I've seen a chart that gives us a rundown of the (unintelligible) of compensation, but I don't see that this year. Is that something that we can get (unintelligible)?

CHAIR DALZELL: Well, you're right, we have it from last year, so we can get out last year's binder and know what we did last year. But that ... that's -- that's what instructs us that we've barely gotten back up to the levels that existed 12 years ago. But I agree with Commissioner Wong that it is -- would be good to include that.

COMMISSIONER WONG: Yes.

CHAIR DALZELL: Any -- any ... staff reports?

All right, so we have -- and absent any public testimony -- has anybody raised their hand digitally to speak?

MALE VOICE: Not at this point.

CHAIR DALZELL: All right. Good.

So we will -- we have a motion, we have a second to increase the salaries of constitutional and legislators -- constitutional officers and legislators by four point two percent.

MALE VOICE: Tom, I'm not sure if you're talking right now. We do have a question that came in. Let me know
when you would like to address this.

CHAIR DALZELL: Go ahead. We'll do it before we take a vote.

ANGELINA: Tom, this is -- this is Angelina (phonetic).

CHAIR DALZELL: Yes.

ANGELINA: I just wanted to make a quick comment about the four point two percent that you mentioned. (Unintelligible) agreement (unintelligible) employees is (unintelligible) point five five percent (unintelligible) salary increase. So I just wanted to -- to make that note.

CHAIR DALZELL: Well, never mind everything I said. I -- I -- I remain comfortable with four point two percent. ... grand pitch for treating legislators and executive officers the same as other State employees. I'm -- I'm happy with the four point two. If anybody wants to suggest four point five five instead, we can I guess -- in a parliamentary sense we can modify the motion or vote this down and have a new one. But I -- I remain happy with four point two percent.

COMMISSIONER WONG: I support that position.

COMMISSIONER RICE: And I, Nichole Rice, as the motion maker also support that position.

COMMISSIONER HORROCKS: I support that as well.

CHAIR DALZELL: All right. So was it Angelina who
had her hand raised or was there somebody from the public?

   MALE VOICE: There is from the public --
   CHAIR DALZELL: Okay.

   MALE VOICE: -- asking if the materials from the binder are available on the website.
   CHAIR DALZELL: Typically they . . . answer that question.

   FEMALE VOICE: The reports are available (unintelligible) after the meeting.

   CHAIR DALZELL: All right. So that answers that question.

   Are we ready to -- to -- to vote, have the -- the call on the vote?

   All right, let's call the vote.

   FEMALE VOICE: Tom Dalzell.
   CHAIR DALZELL: Yes.

   FEMALE VOICE: Margaret Wong.
   COMMISSIONER WONG: Yes.

   FEMALE VOICE: Nichole Rice.
   COMMISSIONER RICE: Yes.

   CHAIR DALZELL: And Laura Horrocks.
   COMMISSIONER HORROCKS: Yes.

   CHAIR DALZELL: The motion has been approved by all members of the Commission. And speaking for myself, and I -- I think probably for the other Commission . . . change
in things what we have just done does not preclude
legislators or executive officers, constitutional officers,
from doing as they did last year which is foregoing part of
their salary in -- in -- in keeping with what's going on.

But I believe that our work here is done. And next
year -- next year in person I hope . . . that -- we -- we
have this hour together that's only possible because of the
really good and difficult work that you do. So thank you.

Any other parting remarks from Commissioners?

COMMISSIONER WONG: (Unintelligible) in person and
thank you for the team (unintelligible) all the work
(unintelligible).

CHAIR DALZELL: Yeah.

COMMISSIONER RICE: Thank you again to the staff.
This is Nichole Rice. Thank you to my fellow Commissioners
for dealing with technical difficulties and also
(unintelligible) as well. I'm also hoping that we can
resume in person if safe to do so next year.

CHAIR DALZELL: Yeah.

COMMISSIONER HORROCKS: (Unintelligible) this is
Commissioner Horrocks. Thank you everyone for the work that
goes into putting into the binder, and hosting this meeting,
and it's great to see everyone today.

CHAIR DALZELL: With all that I will adjourn this
meeting and wish everybody good health and good economy.
And I guess we click our red Xs and say goodbye until next year.

COMMISSIONER WONG: Thank you.

COMMISSIONER RICE: Thank you.

COMMISSIONER HORROCKS: Thanks everyone.

COMMISSIONER WONG: Goodbye.

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CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

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I, DONNA K. NICHOLS, a Certified Shorthand Reporter in and for the State of California, duly commissioned and a disinterested person, certify;

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That the statements of all parties made on the digital recording were thereafter transcribed into typewriting by me to the best of my ability;

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Dated: JULY 13, 2021

DONNA K. NICHOLS, RPR
STATE OF CALIFORNIA
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