

**CASS COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING**

June 23, 2022

The Cass County Board of Commissioners met in special session on Thursday, June 23, 2022, in Commissioner Chambers. Due to COVID-19 concerns, public participation was offered via Zoom.

Chair Dyes called the meeting to order at 5:00 p.m. Commissioner Marchetti provided the Invocation. Commissioner Laylin led the Pledge of Allegiance to the Flag of the United States of America.

Clerk/Register Monica McMichael called roll:

COMMISSIONERS PRESENT: Ryan Laylin, Annie File, Skip Dyes, Roseann Marchetti, Robert Benjamin, Mike Grice and Jeremiah Jones.

COMMISSIONERS ABSENT: None.

STAFF PRESENT: Deputy County Administrator Matthew Newton and Clerk/Register Monica McMichael.

INTRODUCTION OF VISITORS

Visitors present introduced themselves.

PUBLIC COMMENT

Information Technology Employee James DeJong stated that he understood why the defined benefit pension had to go. He went on to state that he wanted the 4% Health Care Savings Plan.

Chief Deputy Treasurer Paulette Johnson urged commissioners to accept the recommendation from the elected officials that placed 4% into the retirement plan instead of the health care savings plan. She went on to provide reasons why it benefitted the employees to do so.

Probate Register Kelley James-Jura asked the board to push back the effective date of the change in retirement in order to give employees time to plan.

Prosecutor Fitz asked that elected officials be allowed to speak during agenda item discussion.

APPROVAL OF THE AGENDA

Commissioner Grice moved, seconded by Commissioner Marchetti, to approve the June 23, 2022, Cass County Board of Commissioner's Agenda. Motion to approve the agenda carried by voice vote.

NEW BUSINESS

Non-Union Employee Retirement – Judge Bealor explained the proposed recommendation provided by the committee comprised of Judge Bealor, Sheriff Behnke, Treasurer Anderson, Clerk/Register

McMichael, Administrator Carmen, Deputy Finance Director Moore, Chair Dyes and Vice Chair Grice. Discussion followed.

Commissioner Grice moved, seconded by Commissioner File, to approve the Cass County Elected Officials' & Administration 6/17/22 Recommendation to Cass County BOC regarding non-elected Non-Union Employees' Transition from DB to DC as amended to include the Health Care Savings Plan with a 4% county contribution and a 3% employee contribution beginning October 1, 2022. Also, to offer an employer contribution of 12% to a defined contribution retirement plan to be increased by 1% on the first of each year up to a total of 15% on January 1, 2025. Discussion followed.

Commissioner Laylin moved, seconded by Commissioner File, to amend the motion to remove the required 3% Health Care Savings Plan employee contribution. The Chair instructed the Clerk to call roll:

Yes (2): Commissioners File and Laylin.
No (5): Commissioners Jones, Grice, Dyes, Marchetti and Benjamin.

Motion to amend failed by roll call vote.

Commissioner Benjamin moved, seconded by Commissioner Laylin, to table the original motion until Deputy Finance Director Becky Moore could attend a board meeting to answer questions. Discussion followed.

The Chair instructed the Clerk to call roll:

Yes (5): Commissioners Jones, Laylin, Marchetti, Benjamin and File.
No (2): Commissioner Grice and Dyes.

Motion to table carried by roll call vote.

ADJOURNMENT

Commissioner Laylin moved, seconded by Commissioner Jones, to adjourn. Motion carried by voice vote.

The meeting adjourned at 6:19 p.m.

Approved: _____
Date

Chair Skip Dyes

Monica McMichael, Clerk/Register

**Cass County Elected Officials' & Administration 6/17/22 Recommendation to Cass County BOC regarding
Non-Union Employees' Transition from DB to DC**

		Rationale
DB Freeze	09/30/22	DB will be frozen the day before the transition to the DC
Transition date to DC	10/01/22	New MERS rates go into effect on 10/1/22
Employer Contribution to DC**	10/1/22, 12% + 4% (HSP for other groups) = total 16% 1/1/23, 13% + 4% (HSP for other groups) = total 17% 1/1/24, 14% + 4% (HSP for other groups) = total 18% 1/1/25, 15% + 4% (HSP for other groups) = total 19%	Consistent w/ other employees moving to DC and Recognizes Non-Union employees' role in the county
Employee Contribution to DC**	Employee contribution of 5%-10% (one time election ***)	Allows flexibility of contribution based on needs
Health Care Savings Plan (HCSP)	In lieu of Health Care Savings Plan, additional Employer contribution goes into DC as set forth above	Amount the Employer would put into the HCSP is put in DC
Transition bonuses for move from DB to DC (Longevity related)	5 years of current service or less: \$2,000 6-10 years of current service: \$4,000 11-15 years of current service: \$6,000 16-20 years of current service: \$8,000 21 plus years of current service: \$10,000	To increase FAC Consistent w/ what other employees have received This provides employees with a lump sum payment****
Annual Longevity pay for employees at step 9	Increased to \$500	To recognize longevity
Wages	minimum 3% increase on January 1st of each year through 12/31/27; then reevaluated in 2026 by Elected Officials, County Admin., & BOC	Provides more certainty
COVID Bonus to be paid on 9/30/22 for current employees who started employment anytime during 2020 or prior to 2020	\$1,000 per person to be paid on 9/30/22	To recognize lack of % increase in 2021, increase FAC & provide employees a lump sum payment*****
Enhanced Enrollment Bonus to be paid on 9/30/22 to current employees with a MERS projected retirement date between now and 9/30/37 and who started with the County before 1/1/2021	\$4,000 per eligible person to be paid on 9/30/22	Because longer term employees have less time to contribute to a DC, this provides a lump sum payment***** & increases FAC

Cass County Elected Officials' & Administration 6/17/22 Recommendation to Cass County BOC regarding Non-Union Employees' Transition from DB to DC

		Rationale
ETO/Vacation Payout	Increase annual ETO Payout from 40 to 60 hours	Provides option for increased lump sum payment***
		Vacation payout not provided to encourage employees to use vacation time for employee wellness

****The Employer/Employee Contribution rates will continue through 12/31/2041, unless rate changes are proposed & agreed upon by Elected Officials, Admin., & BOC, to provide certainty.**

*****Employees may wish to discuss this one time election with their financial advisor due to the potential complexity based upon each employee's individual situation.**

******All lump sum payments can be put by an employee pretax into a 457 account to build additional retirement benefits or taken as a taxable distribution as elected by the employee.**

NOTE: Employees will be offered at least one 457 plan choice for voluntary participation with no contribution by the employers.

NOTE: vesting in the DC plan is immediate; employees not fully vested in the DB plan at the time of freeze can use time in the DC plan as credit toward DB vesting.

NOTE: The Employer agrees to make available to employees financial/investment education and advice through Mission Square or other professionals not less than twice per year.

This recommendation represents the collective efforts, collaboration, and development of consensus among the County leadership team comprised of county elected officials and leaders including County Administrator Jeff Carmen, Deputy Administrator Matt Newton, Becky Moore, Prosecutor Victor Fitz, Clerk/Register Monica McMichael, Treasurer Hope Anderson, Sheriff Rick Behnke, and Chief Judge Carol Montavon Bealor, in consultation with the Judges, our employees, and Cass County Board of Commissioners' Chair Skip Dyes and Vice-Chair Mike Grice, all of whom put in considerable time and effort to find common ground on this complex and important matter that impacts our workforce and the community we serve.