

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

May 5, 2014

MINUTES

DIRECTORS Tracy Towner, Chair, Safety Employee Member
PRESENT: William W. Wilson, Vice Chair, Public Member
Steven Hintz, Treasurer-Tax Collector
Joseph Henderson, Public Member
Mike Sedell, Public Member
Tom Johnston, General Employee Member
Deanna McCormick, General Employee Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member
Chris Johnston, Alternate Safety Employee Member

DIRECTORS Peter C. Foy, Public Member
ABSENT:

STAFF Tim Thonis, Interim Retirement Administrator
PRESENT: Lori Nemiroff, Assistant County Counsel
Henry Solis, Chief Financial Officer
Donna Edwards, Retirement Benefits Specialist
Chantell Garcia, Retirement Benefits Specialist
Stephanie Caiazza, Program Assistant

PLACE: Ventura County Employees' Retirement Association
Second Floor Boardroom
1190 South Victoria Avenue
Ventura, CA 93003

TIME: 9:00 a.m.

ITEM:

I. CALL TO ORDER

Chairman Towner called the Disability Meeting of May 5, 2014, to order at 9:02 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve the Agenda.

Moved by Hintz, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

III. APPROVAL OF MINUTES

A. Business Meeting of April 21, 2014.

MOTION: Approve the Minutes.

Moved by Goulet, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

IV. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

MOTION: Receive and file the Report.

Moved by Goulet, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

Mr. Goulet offered his congratulations to Ms. Nemiroff regarding VCERA's successful defense of the Gallagher appeal.

V. APPLICATIONS FOR DISABILITY RETIREMENT

A. Application for Non-Service Connected Disability Retirement; Brinda K. Marinis; Case No. 12-044.

Paul Hilbun and B. Derek Straatsma, Attorney at Law, were present representing the County of Ventura Risk Management. Applicant was not present.

Risk Management declined to make a statement.

MOTION: Adopt the Hearing Officer's recommendation and deny the applicant, Brinda K. Marinis, a non-service connected disability retirement.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- B. Application for Service Connected and Non-Service Connected Disability Retirement; Jorge Sotelo; Case No. 12-024.

Paul Hilbun was present representing the County of Ventura Risk Management. The applicant, Jorge Sotelo, was present.

After statements by both parties and discussion by the Board, the following Motion was made:

MOTION: Adopt the Hearing Officer's recommendation and deny the applicant, Jorge Sotelo, a non-service connected disability retirement.

Moved by Sedell, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- C. Application for Service Connected Disability Retirement; Sylvia Torres; Case No. 13-008.

Paul Hilbun and B. Derek Straatsma, Attorney at Law, were present representing the County of Ventura Risk Management. The applicant, Sylvia Torres, was not present.

Risk Management declined to make a statement.

The following Motion was made:

MOTION: Adopt the Hearing Officer's recommendation and deny the applicant, Sylvia Torres, a service connected disability retirement.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: Foy

- D. Application for Service Connected Disability Retirement; Susan A. Chavez; Case No. 13-009.

Paul Hilbun and Stephen D. Roberson, Attorney at Law, were present representing the County of Ventura Risk Management. The applicant, Susan A. Chavez, was not present.

Staff provided background information and recommended that the Board consider the Service Connected Disability Application withdrawn, without prejudice.

Following a statement by Mr. Roberson and discussion by the Board, the following Motion was made:

MOTION: Adopt Staff's recommendation and consider the Service Connected Disability Application withdrawn, without prejudice.

Moved by Goulet, seconded by T. Johnston.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: Foy

- E. Application for Service Connected Disability Retirement; Lillian Thomas, Case No. 04-051.

Paul Hilbun and John I. Gilman, Attorney at Law, and were present representing the County of Ventura Risk Management. Laurence D. Grossman, Attorney at Law, was present representing the applicant.

Both parties stated that they had no objection to the recommendation that the Board consider the Service Connected Disability Application withdrawn,

with prejudice.

After discussion by the Board, the following Motion was made:

MOTION: Adopt the Hearing Officer's recommendation and recommendation from Staff to consider service connected disability retirement application withdrawn, with prejudice.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- F. Application for Service Connected Disability Retirement; Hillberg, Donald;
Case No. 10-028.

Paul Hilbun and B. Derek Straatsma, Attorney at Law, and were present representing the County of Ventura Risk Management. Laurence D. Grossman, Attorney at Law, was present representing the applicant. The applicant, Donald Hillberg, was also present.

Staff provided background information and recommended that the matter be set for hearing on June 2, 2014, pursuant to Government Code 31534(b).

After statements by both parties and discussion by the Board, the following Motion was made:

MOTION: Adopt the recommendation from Staff to set Disability Hearing on June 2, 2014, pursuant to Government Code 31534(b), with the allowance of additional time if necessary to obtain transcripts and review the documentation.

Moved by Wilson, seconded by Sedell.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

VI. OLD BUSINESS

A. Receive an Oral Update from Personnel Review Committee.

Mr. Hoag informed the Board that five proposals had been received to date, and he will schedule a meeting of the Personnel Review Committee to review the proposals and select a firm to conduct the recruitment of the Retirement Administrator Position.

After discussion by the Board, the following motion was made:

MOTION: Grant authority to the Personnel Review Committee, with the involvement of the Chair, to select an executive search firm and issue a contract not to exceed \$32,000, including expenses.

Moved by Sedell, seconded by Goulet.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

Mr. Towner mentioned that, for the purpose of providing continuity for VCERA staff, the Interim Retirement Administrator is now working a reduced number of hours so as not to exceed the 960 work-hour limit pursuant to GC 31680.6 before the end of June.

B. Hearing Officer Panel Recommendations.

Staff provided background on the candidates and recommended that the Board offer Hearing Officer contracts to Ms. Nancy Beardsley, Mr. Humberto Flores, and Mr. Robert Klepa.

After discussion by the Board, the following motion was made:

MOTION: Adopt the recommendation from Staff and offer Ms. Beardsley, Mr. Flores, and Mr. Klepa Hearing Officer contracts through June 30, 2015.

Moved by Wilson, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

C. Recommendation to Adopt a 50:50 Employer Contribution Rate Structure for Certain Employee Labor Groups.

1. Letter from County of Ventura, received May 5, 2014.
2. Staff Letter with Attachment.
3. Draft Letter to Board of Supervisors Recommending Employer and Employee Contribution Rates; FY 2014/15

After discussion by the Board and Staff, the following motion was made:

MOTION: Follow the recommendation from Staff and adopt Option #2 and the associated Exhibits C & D from the December 9, 2013, Segal Consulting Letter titled "Ventura County Employees' Retirement Association Options for Allocating the Cost Associated with the Cessation of Member Contributions After 30 Years of Service for Non-PEPRA Tiers".

Moved by Sedell, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: Foy

After further discussion about Item 3, the following motion was made:

MOTION: Submit the letter to the Board of Supervisors, with a minor change in wording to reflect that this letter will be sent as a response to Item 1, which was received on May 5, 2014.

Moved by Sedell, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: Foy

VII. NEW BUSINESS

A. Board Member Report on Pension Bridge Conference; Arthur E. Goulet and Deanna McCormick.

Mr. Goulet provided a summary of the conference.

MOTION: Receive and File.

Moved by T. Johnston, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- B. Authorization to Attend the Brown Armstrong Audit, GAAP and GASB Update, May 29 – 30, 2014, Bakersfield, California.

Staff recommended the Board authorize Ms. Christina Stevens, Fiscal Manager, to attend the Brown Armstrong Audit, GAAP and GASB Update.

After discussion by the Board, the following Motion was made:

MOTION: Approve authorization for Ms. Stevens to attend the Brown Armstrong Audit, GAAP and GASB Update, May 29 – 30, 2014, in Bakersfield, California.

Moved by Hintz, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

- C. Recommendation to Utilize Linea Solutions Resources for VCERIS (PAS) Project.

After discussion by the Board and Staff, the following Motion was made:

MOTION: Approve authorization for the Interim Retirement Administrator to resource the Subject Matter Expert component of the ADP-RIS data conversion with Linea Solutions for an amount not to exceed \$80,000 with termination period of December 31, 2015.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Hintz, T. Johnston, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: Foy

VIII. INFORMATIONAL

- A. Invitation to Attend Real Estate Investment Workshop – Deutsche Asset & Wealth Management; Chicago, IL, June 3 – 4, 2014.

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

The Interim Retirement Administrator informed the Board that he and Mr. Towner provided a briefing on VCERA to the Ventura County Grand Jury on Friday, May 2, 2014.

XI. BOARD MEMBER COMMENT

None.

XII. ADJOURNMENT

The meeting was adjourned at 10:08 a.m.

Respectfully submitted,



TIM THONIS, Interim Retirement Administrator

Approved,



TRACY TOWNER, Chairman