

# VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## BOARD OF RETIREMENT

### DISABILITY & BUSINESS MEETING

MAY 20, 2024

#### MINUTES

**TRUSTEES** Aaron Grass, Chair, Elected Safety Member  
**PRESENT:** Jordan Roberts, Vice Chair, Elected General Member  
Taylor Dacus, Appointed Member  
Arthur E. Goulet, Elected Retired Member  
Sue Horgan, Treasurer-Tax Collector  
Tommie E. Joe, Appointed Member  
Kelly Long, Appointed Member  
Anthony Rainey, Appointed Member  
Donald Brodt, Alternate Appointed Member  
Maeve Fox, Alternate Elected Retired Member

**TRUSTEES** Greg Bergman, Elected General Member  
**ABSENT:**

**STAFF** Amy Herron, Retirement Administrator  
**PRESENT:** Lori Nemiroff, General Counsel  
Dan Gallagher, Chief Investment Officer  
La Valda Marshall, Chief Financial Officer  
Betsy Byrne, Chief Operations Officer  
Leah Oliver, Chief Technology Officer  
Erika Herincx, Retirement Benefits Manager  
Brian Owen, Sr. Information Technology Specialist  
Michael Sanchez, Sr. Information Technology Specialist  
Chris Ayala, Program Assistant

**PLACE:** Ventura County Employees' Retirement Association  
Second Floor, Boardroom  
1190 S. Victoria Avenue, Suite 200  
Ventura, CA 93003

**TIME:** 9:00 a.m.

**ITEM:**

**I. CALL TO ORDER**

A. Roll Call.

Chair Grass called the Business Meeting of May 20, 2024, to order at 9:00 a.m.

Roll Call:

Trustees Present: Donald Brodt, Taylor Dacus, Maeve Fox, Aaron Grass, Art Goulet, Sue Horgan, Tommie Joe, Kelly Long, Anthony Rainey, Jordan Roberts

Trustees Absent: Greg Bergman

**II. APPROVAL OF AGENDA**

Chair Grass said that he would like to move agenda item IV.C., "Application for Service-connected Disability Retirement—MacIntyre, Christopher; Case No. 21-032 (New Model) (Sheriff)," into the Consent Agenda since the County of Ventura had removed their objections. He also believed that Ms. Laveau may have some comments related to that, which he would like the Board to hear before agenda item V., "Investment Manager Presentations."

MOTION: Approve as Amended.

Moved by Rainey, seconded by Joe

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

**III. CONSENT AGENDA**

*Notice: Any item appearing on the Consent Agenda may be moved to the Regular Agenda at the request of any Trustee who would like to propose changes to or have a discussion on the item.*

- A. Approve Disability & Business Meeting Minutes of April 29, 2024.
- B. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of April 2024.
- C. Receive and File Report of Checks Disbursed in April 2024.
- D. Receive and File Pending Disability Application Status Report.
- E. Receive and File Fiscal Year 2023-24 Quarterly Budget Summaries and Financial Statements (Unaudited).
  1. Staff Letter from Chief Financial Officer.
  2. Budget Summaries.

3. Financial Statements.
- F. Receive and File Mid-Year Budget Update for Fiscal Year 2022-23
1. Staff Letter from Chief Financial Officer.
  2. Mid-Year Budget Summary for FY 2023-24.
- G. Application for Service-connected Disability Retirement – Zavala, Estella; Case No. 22-015 (New Model) (Probation).
1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated May 6, 2024.
  2. Supporting Documentation for Staff Recommendation.
  3. Application for Service-connected Disability Retirement, filed by Applicant, dated August 4, 2022.
  4. Hearing Notice, dated May 6, 2024.

Trustee Goulet provided some suggested corrections for agenda item, III.A., “Approve Disability & Business Meeting Minutes of April 29, 2024.’ He noted that on page 4, near the bottom of the page, starting with the sentence “Trustee Goulet,” the italicized quote should be changed to, “the law in effect at the time of retirement is the law that applies”. Additionally, on page 12, regarding the motion for the 3-Year Schedule of Fixed Fees and Hourly Billing rates for Actuarial Services with Segal Consulting, he believed he had abstained from that vote.

MOTION: Receive and File the Consent Agenda, with Amendments to item III.A.

Moved by Joe, seconded by Horgan

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

#### **IV. APPLICATIONS FOR DISABILITY RETIREMENT**

- A. Application for Service-connected Disability Retirement—Myers, Christopher; Case No. 18-015 (Old Model) (Sheriff).
1. Staff Letter from General Counsel.
  2. Court’s Ruling on Submitted Matter, filed by Judge Mark Borrell, dated March 15, 2024.
  3. Judgment Granting Peremptory Writ of Mandamus, filed by Judge Mark Borrell, dated April 11, 2024.
  4. Peremptory Writ of Mandamus, filed by Christine Holm, Deputy Clerk, dated April 16, 2024.

5. Hearing Notice, dated May 1, 2024.
6. Application for Service-connected Disability Retirement, filed by Applicant, dated May 9, 2018.

Lori Nemiroff, Attorney at Law, was present on behalf of VCERA. Stephen Roberson, Attorney at Law, was present on behalf of the County of Ventura, Risk Management. Joseph W. Rose, Attorney at Law, was present on behalf of the applicant, Christopher Myers.

Ms. Nemiroff provided a brief summary statement.

Mr. Roberson provided a brief summary statement.

Mr. Rose provided a brief summary statement.

MOTION: Implement Superior Court Peremptory Writ of Mandate In Matter of: Christopher Myers v. Board of Retirement of the Ventura County Employees' Retirement Association, et al.; Ventura County Superior Court Case No. 56-2022-00355110-Cu-00566579- Cu-Wm-Vta.

Moved by Long, seconded by Goulet

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

- B. Application for Service-connected Disability Retirement—Sauer, Richard; Case No. 18-020 (Old Model) (Fire).
  1. Employer's Statement of Position, submitted by County of Ventura-Risk Management, in support of the Application for Service-connected Disability Retirement, dated January 29, 2024.
  2. Supporting Documentation for Employer's Statement of Position.
  3. Application for Service-connected Disability Retirement, filed by Thomas Wicke, Attorney for Applicant, dated July 23, 2018.
  4. Hearing Notice, dated April 30, 2024.

Erika Herincx was present on behalf of VCERA. Carol Kempner, Attorney at Law, was present on behalf of the County of Ventura, Risk Management. Thomas J. Wicke, Attorney at Law, was present on behalf of the applicant, Richard Sauer.

Ms. Herincx provided a brief summary statement.

Ms. Kempner provided a brief summary statement.

Mr. Wicke provided a brief summary statement.

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

MOTION: Grant the Service-Connected Disability Retirement, Effective February 4, 2019.

Moved by Roberts, seconded by Goulet

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

C. Application for Service-connected Disability Retirement—MacIntyre, Christopher; Case No. 21-032 (New Model) (Sheriff).

1. Staff Recommendation to Grant the Application for Service-connected Disability Retirement, dated May 3, 2024.
2. County of Ventura-Risk Management's Response to VCERA's Preliminary Recommendation, Catherine Laveau, dated November 2, 2023.
3. Supporting Documentation for Staff Recommendation.
4. Application for Service-connected Disability Retirement, filed by Applicant's Attorney, Thomas Wicke, dated August 31, 2021.
5. Hearing Notice, dated May 6, 2024.

The disability retirement application for Christopher MacIntyre was moved to the Consent Agenda as part of the Approval of Agenda at the beginning of the meeting. The items on the Consent Agenda were then approved by the Board. At the conclusion of the Disability Retirement Application items, public comment on this case was heard from Catherine Laveau, County Risk Management.

Ms. Laveau stated that the County of Ventura wanted to raise a point that they believed there was an opportunity to increase the collaboration and understanding between the County of Ventura and VCERA, specifically related to Mr. McIntyre's disability retirement case. Within the recommendation, there was an indication by one of the physicians that Mr. MacIntyre had from the onset of his worker's compensation claim been denied treatment, which had an adverse outcome on his medical condition; however, for the first nine months of his worker's compensation claim, no treatments were denied to the applicant. The element that was not fully balanced within the recommendation was the idea that the County had provided information to counter that there was any delay. So, in the supplemental inquiries to VCERA's Independent Medical Evaluation (IME) as well as the final recommendation, the follow-up questions related to the idea that these delays were certain and factually deemed to be correct, although the County had provided counter information. She believed the most important thing for the County to let the Board know was that even when VCERA subpoenaed records regarding the County's worker's compensation records, the records would be partial because there would be privileged information, and therefore the understanding may be incomplete as to the worker's compensation case. She also had the opportunity to speak with Ms. Herron this morning about this issue and they both think it was an area where communications and understanding could be improved.

Additionally, as the County had previously requested but was not granted, they continued to believe that if the County had the opportunity to see VCERA's IME reports as part of the process, it would reduce some of the objections, delays, and misunderstandings. Therefore, the County would continue to ask the Board to consider making that part of the process.

**V. INVESTMENT MANAGER PRESENTATIONS**

- A. Receive and File Annual Investment Presentation from Bridgewater - Clark Thiemann and Alex Smith.

**RECOMMENDED ACTION: Receive and file.**

Clark Thiemann and Alex Smith reported Bridgewater's organizational changes, discussed the firm's investment outlook, portfolio strategy, composition, and investment portfolio performance, and responded to trustee questions.

MOTION: Receive and File.

Moved by Rainey, seconded by Joe

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

- B. Receive and File Annual Investment Presentation from PIMCO - Kevin Gray, Andy Mark, Neal Reiner, Catherine Roddy, and Preeyam Ghandi.

**RECOMMENDED ACTION: Receive and file.**

Kevin Gray, Andy Mark, Neal Reiner, Catherine Roddy, and Preeyam Ghandi reported PIMCO's organizational changes, discussed the firm's investment outlook, portfolio strategy, composition, and investment portfolio performance, and responded to trustee questions.

MOTION: Receive and File.

Moved by Long, seconded by Goulet

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

After the vote on the agenda item, the Board took a break at 10:10 a.m.

The Board returned from a break at 10:22 a.m.

**VI. INVESTMENT INFORMATION**

VCERA – Dan Gallagher, Chief Investment Officer.

NEPC – Rose Dean, and Daniel Hennessy.

- A. Asset Allocation Recommendations.

**RECOMMENDED ACTION: Approve.**

1. Staff Letter from Chief Investment Officer.

2. 2024 Asset Allocation Recommendation – NEPC.

Mr. Gallagher noted that the Asset Allocation Recommendations agenda item was provided for the Board's consideration and that Ms. Dean would provide a presentation to the Board.

Ms. Dean then presented the 2024 Asset Allocation Recommendation to the Board.

MOTION: Approve Staff's Recommendation to Approve the Asset Allocation Recommendations Mix, Ranges, and Benchmarks as Presented in the Attached Exhibit A.

Moved by Rainey, seconded by Dacus

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

**VII. OLD BUSINESS**

A. Alameda Implementation Status Update.

**RECOMMENDED ACTION: Receive and File.**

Ms. Byrne provided a summary of the Alameda Implementation Status Update report to the Board for consideration.

Trustee Goulet and Trustee Rainey both expressed interest in seeing a Gantt chart and critical path for the project. Ms. Herron replied that staff could provide that along with an update on the timeline next month.

Chair Grass said that the Board would then hear public comments from an individual who had requested to provide public comments before the Board.

Roberta Griego, First Vice-President of Retired Employees Association of Ventura County (REAVC), provided public comment. Ms. Griego noted that REAVC was providing a letter to the Board in response to agenda item VII.A. of the March 25, 2024, VCERA Board meeting. REAVC continued to disagree with the Board's interpretation of the California Supreme Court's Alameda Decision. They were disappointed not to have had discussion with VCERA representatives to focus on resolving the matter, other than these public presentations. As they continue to await the Supreme Court's decision in light of the California Court's acceptance of the petition to review the case, they requested that the Board immediately stop implementation of the pension calculation policy changes. This would avoid any need for expensive and time-consuming revisions and repeated re-calculations. They felt that there was a lot of money being spent, which they believed belonged to the retirees.

Trustee Horgan said that if it became clear at some point that the Board should consider a contingency plan, she would expect that staff would bring that to the Board at that time so they could consider all of the information that had been provided.

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

MOTION: Receive and File.

Moved by Goulet, seconded by Joe

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -  
Absent: Bergman  
Abstain: -

After the vote on the agenda item, the Board took a break at 11:15 a.m.

The Board returned from a break at 11:25 a.m.

**VIII. NEW BUSINESS**

A. Adopt an Interest Rate to be Applied to Underpaid Benefits Resulting from Alameda-Related Corrections.

**RECOMMENDED ACTION: Adopt.**

1. Staff Letter from Retirement Administrator.

Ms. Herron provided an overview of the agenda item to the Board for discussion and consideration.

MOTION: Approve Staff's Recommendation to Adopt Interest Rate of 7.9% to be Applied to Underpaid Benefits Resulting from Alameda Related Corrections.

Moved by Joe, seconded by Rainey

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

B. Renewal of Hearing Officer Contracts for Fiscal Year 2024-25.

**RECOMMENDED ACTION: Authorize.**

1. Staff Letter from Retirement Administrator.
2. Proposed Contract (Redline).
3. Proposed Contract (Clean).

Ms. Herron presented the agenda item to the Board for discussion and their consideration.

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

MOTION: Approve Staff's Recommendation to Authorize the Retirement Administrator to Renew and Execute Fiscal Year 2024-2025 Contracts for the Five Listed Members of VCERA's Hearing Officer Panel.

Moved by Roberts, seconded by Horgan

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -



- C. Assign a New Hearing Officer for Disability Case #20-023; Geoff Bruton to with a New 270-Day Deadline of February 14, 2025.

**RECOMMENDED ACTION: Assign.**

1. Staff Letter from Retirement Administrator.
2. Report to Board Re Lapse of Hearing Officer's Jurisdiction, by Hearing Officer Deborah Z. Wissley, dated April 25, 2024.

Ms. Herron presented the agenda item to the Board for discussion and consideration.

Ms. Nemiroff asked if anyone had comments regarding the item.

Mr. Roberson stated that the applicant's counsel's wife had developed a serious medical condition, and he requested some continuances which the Hearing Officer had granted. Then it was determined that the case was being continued again and Ms. Wissley did not want to continue on the case. The only thing he wanted to confirm was that the parties would have the right to file petitions for reassignment when a new hearing officer was selected.

Ms. Nemiroff said yes, she had determined that according to the disability hearing procedures, similar to a brand-new disability case assignment, each party would have the reassignment rights.

Mr. Roberson replied that that would be fine.

MOTION: Approve Staff's Recommendation to Assign a New Hearing Officer for Disability Case #20-023; Geoff Bruton With a New 270-Day Deadline of February 14, 2025.

Moved by Joe, seconded by Horgan

Vote: Motion carried

Yes: Dacus, Goulet, Horgan, Joe, Long, Rainey, Roberts, Grass

No: -

Absent: Bergman

Abstain: -

**IX. INFORMATIONAL**

A. None.

**X. PUBLIC COMMENT**

None.

**XI. STAFF COMMENT**

Ms. Herron provided an update on a few recruitments. VCERA had a new Communications Officer, Anikka Abbott, who started today. The Investment Officer recruitment was still in progress, and Mr. Gallagher was working on finishing up the review of the 100-plus resumés that were received after the initial review by County HR, and the first round of interviews should be scheduled soon. Lastly, she wanted to update the Board on the upcoming General Member Election for Trustee Roberts' seat. Both she and Mr. Ayala had worked on a proposed election calendar for the County Elections Office, and they said that the process could not start until after the November Election due to staffing constraints. Therefore, the seat would not be filled until February 2025, rather than January. The only other option would be for VCERA staff to run the election themselves using an outside vendor, which

had never been done before, and so staff was recommending to not go down that path at this time considering all of the other work items that VCERA staff currently have on their plate.

Mr. Gallagher said that he had two things that he wanted to mention. First, he wanted to remind the Board about the upcoming Due Diligence Visit in San Francisco. He planned to visit UBS in the morning and then BlackRock in the afternoon on June 4<sup>th</sup>, so if any of the Board members were interested in attending, please let him know at their earliest convenience. Second, he wanted to ask the Board if any of the Board members were interested in attending a Due Diligence visit with him to Boston, MA to visit with any NEPC and Loomis-Sayles, to also let him know. These visits would be scheduled for August 5<sup>th</sup> and August 6<sup>th</sup>.

**XII. BOARD MEMBER COMMENT**

Trustee Horgan commented that she had attended her first-ever State Association of California Retirement Systems (SACRS) Spring Conference, which was delightful and informative.

Trustee Long thanked Ms. Herron for leading them to the SACRS Spring Conference. It was a great opportunity to get to know the other Board members and staff that attended. Also, she believed Mr. Gallagher had done a fabulous job presenting, and many people spoke highly of him. Additionally, she heard many of the lawyers at the conference speak highly of Ms. Nemiroff. It was nice to hear how VCERA's staff was valued outside the office. She also thanked Ms. Oliver for her work as the President of PRISM, which was a lot of work. She was happy for the team that VCERA has.

Chair Grass said that concerning some comments that came up today related to the Christopher McIntyre case, staff did not receive clear direction on agendizing these types of old model cases. So, he felt that going forward, in situations where there were no objections to a disability retirement case or where objections had been removed, staff should have them placed on the Consent Agenda, similar to the new model cases. Trustee Long said that she agreed with that direction.

**XIII. ADJOURNMENT**

The Chair adjourned the meeting at 11:42 a.m.

Respectfully submitted,

  
\_\_\_\_\_  
AMY HERON, Retirement Administrator

Approved,

  
\_\_\_\_\_  
AARON GRASS, Chair