

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

February 3, 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
Glenda Jackson, Clerk of the Board
Angie Tolentino, Retirement Benefits Specialist
Donna Edwards, Retirement Benefits Specialist
Chantell Garcia, Retirement Benefits Specialist

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 February 3, 2014, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve the Agenda.

Moved by Henderson, seconded by T. Johnston.

Vote: Motion carried

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

No: -

Absent: Foy

III. APPROVAL OF MINUTES

A. Business Meeting of January 27, 2014.

Mr. Goulet requested that the Minutes be corrected on Master Page 4 to change Exhibit A of Item VI.2. to Exhibit A of Item VI.2.A.

MOTION: Approve the Minutes with correction.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

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

No: -

Absent: Foy

Abstain: Sedell

IV. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

MOTION: Receive and file the Report.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried

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

No: -

Absent: Foy

V. APPLICATIONS FOR DISABILITY RETIREMENT

- A. Consider Application for Service Connected Disability Retirement; James Waldron; Case No. 13-012.

Paul Hilbun was present representing the County of Ventura Risk Management. The applicant, James Waldron, was not present.

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

MOTION: Grant the applicant, James Waldron, a service connected disability retirement.

Moved by C. Johnston, seconded by Wilson.

Vote: Motion carried

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

No: -

Absent: Foy

Risk Management agreed to waive Preparation of Findings of Fact and Conclusions of Law.

- B. Consider Application for Service Connected Disability Retirement; Crystal S. Endicott; Case No. 09-21.

Derek Straatsma and Paul Hilbun were present representing the County of Ventura Risk Management. James E. Perero, Attorney at Law, was present representing the applicant. The applicant, Crystal S. Endicott, was absent.

Both parties declined to make statements.

The following Motion was made:

MOTION: Adopt the Hearing Officer's recommendation and grant the applicant, Crystal S. Endicott, a service connected disability retirement.

Moved by Wilson, seconded by T. Johnston.

Vote: Motion carried

Yes: Henderson, Hintz, C. Johnston, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Foy
Abstain: Goulet

- C. Consider Application for Non-Service and Service Connected Disability Retirement; David L. Gasaway; Case No. 12-002.

Stephen D. Roberson and Paul Hilbun were present representing the County of Ventura Risk Management. Steven R. Pingel, Attorney at Law, was present representing the applicant. The applicant, David L. Gasaway, was absent.

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

MOTION: Adopt the Hearing Officer's recommendation and grant the applicant, David L. Gasaway, a service connected disability retirement.

Moved by Wilson, seconded by T. Johnston.

Vote: Motion carried

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

No: -

Absent: Foy

- D. Consider Application for Non-Service and Service Connected Disability Retirement; Cynthia Ordway; Case No. 12-018.

Stephen D. Roberson and Paul Hilbun were present representing the County of Ventura Risk Management. Anthony Strauss, Attorney at Law, was present representing the applicant. The applicant, Cynthia Ordway, was present.

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

The following Motion was made:

MOTION: Adopt the Hearing Officer's recommendation and deny the applicant, Cynthia Ordway, a disability retirement.

Moved by Wilson, seconded by Henderson

Vote: Motion carried

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

No: McCormick

Absent: Foy

- E. Consider Application for Service Connected Disability Retirement; David J. Nadon; Case No. 11-008.

Stephen D. Roberson and Paul Hilbun were present representing the County of Ventura Risk Management. Anthony Strauss, Attorney at Law, was present representing the applicant. The applicant, David J. Nadon, was present.

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

MOTION: Deny the application for service connected retirement.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Henderson, Towner, Sedell, Wilson

No: Hintz, T. Johnston, McCormick

Absent: Foy

County of Ventura Risk Management was provided 30 days to prepare a proposed decision, including Findings of Fact and Conclusions of Law, and distribute to Applicant's Counsel and Board Counsel for review.

- F. Consider Petition for Reconsideration for Service Connected Disability Retirement; Alyson Kaye; Case No. 12-007.

Derek Straatsma and Paul Hilbun were present representing the County of Ventura Risk Management. The applicant, Alyson Kaye, was absent.

The Interim Retirement Administrator, read into the record an email on behalf of the applicant, Alyson Kaye. Both parties declined to make statements.

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

MOTION: Deny the Petition for Reconsideration.

Moved by Sedell, seconded by Wilson.

Vote: Motion carried

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

No: -

Absent: Foy

- G. Receive and File Letter of Resignation from Hearing Officer Shelley Kaufman.

The following Motion was made:

MOTION: Receive and file the Letter of Resignation.

Moved by Wilson, seconded by Goulet.

Vote: Motion carried

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

No: -

Absent: Foy

VI. COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Henry Solis entered the meeting.

- A. June 30, 2013 Comprehensive Annual Financial Report (CAFR).
RECOMMENDED ACTION: Approve.

Andrew Paulden, Brown & Armstrong, presented the CAFR.

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

MOTION: Approve the CAFR with minor technical corrections to be made.

Moved by Goulet, seconded by McCormick.

Vote: Motion carried

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

No: -

Absent: Foy

VII. OLD BUSINESS

- A. Hearing Officer Recommendation. **RECOMMENDED ACTION: Approve.**

After an update by the Interim Retirement Administrator and recommendation to enter into a contract with Catherine Harris as a Hearing Officer, the following Motion was made:

MOTION: Approve the contract with Catherine Harris.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

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

No: -

Absent: Foy

VIII. NEW BUSINESS

- A. VCERA Cost-of-Living Adjustments as of April 1, 2014. **RECOMMENDED ACTION: Approve.**

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

MOTION: Approve the Cost-of-Living Adjustments as of April 1, 2014.

Moved by Henderson, seconded by T. Johnston.

Vote: Motion carried

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

No: -

Absent: Foy

- B. Request to Attend Pension Bridge Conference – Trustee Goulet.
RECOMMENDED ACTION: Approve.

MOTION: Approve the Request to Attend.

Moved by Wilson, seconded by Hintz.

Vote: Motion carried

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

No: -

Absent: Foy

IX. PENSION ADMINISTRATION SYSTEM (PAS) PROJECT

- A. Oral Update from Interim Retirement Administrator on the VCERIS (PAS) Project.

The Interim Retirement Administrator provide an update to the Board.

No Action Taken.

- B. Quarterly Pension Administration System (PAS) Report – Brian Colker, Linea Solutions. **RECOMMENDED ACTION: Receive and File.**

1. Quarterly Status Report.
2. VITECH Payment Schedule.

Brian Colker, Linea Solutions, provided the quarterly report and the VITECH payment schedule to the Board.

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

MOTION: Receive and File the Quarterly Status Report and VITECH Payment Schedule.

Moved by Hintz, seconded by Wilson.

Vote: Motion carried

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

No: -

Absent: Foy

- C. Recommendation to Utilize Linea Solutions Resources for VCERIS (PAS) Project. **RECOMMENDED ACTION: Approve.**

The Interim Retirement Administrator reviewed cost options for project resources and recommended utilizing a Linea Solutions resource at a cost of \$63.00 per hour through August 2015.

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

MOTION: Approve the utilization of a Linea Solutions Resource.

Moved by Sedell, seconded by T. Johnston.

Vote: Motion carried

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

No: -

Absent: Foy

Trustee Goulet requested a not-to-exceed limit included in the contract for utilization of the Linea Solutions Resource.

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

MOTION: Approve the inclusion of the not-to-exceed limit..

Moved by Sedell, seconded by Hintz.

Vote: Motion carried

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

No: -

Absent: Foy

X. INFORMATIONAL

- A. Manatt, Phelps & Philips Public Pension Fund Fiduciary Forum, March 27-28, 2014 – San Francisco, CA.
- B. Letter from County of Ventura Auditor-Controller's Office RE Tax Treatment of Per Diem (Stipend) Payments.

XI. PUBLIC COMMENT

None.

XII. STAFF COMMENT

The Interim Retirement Administrator reported that VCERA received a favorable determination letter and compliance statement from the Internal Revenue Service. Hanson Bridgett will follow-up shortly with VCERA on the next steps.

XIII. BOARD MEMBER COMMENT

Trustee C. Johnston updated the Board on his attendance at the NEPC Conference he attended in Tempe, Arizona. He gave it favorable reviews. He stated that NEPC will offer a conference in May to be held in Boston. Orange County CIO working on co-investment idea where any groups could co-invest, not being limited to '37 Act counties, in different investment areas. He suggested a representative from VCERA attend the semi-finals to be held in Orange County on February 20-21 with finalist selections to be held on March 5.

Trustee Goulet commented on the Auditor-Controller Per Diem (Stipend) Payments. Henry Solis, CFO, responded to Trustee Goulet's comments. Discussion ensued on travel claims.

Trustee McCormick indicated she would like to attend the Pension Bridge Conference in San Francisco on April 22 & 23, 2014.

Trustees Goulet, Henderson, T. Johnston, McCormick, Sedell and Wilson indicated they would like to attend the Manatt, Phelps and Phillips Fiduciary Forum. Chair Towner indicated that preference will be given to those Trustees who have not attended prior Forums. Staff will prepare the appropriate Board letter for the February 24, 2014 Board meeting.

Chair Towner reminded the Board that when speaking to the media that views expressed by Board Members are self-expressed and not expressions on behalf of the Board of Retirement.

IV. ADJOURNMENT

The meeting was adjourned at 11:15 a.m.

Respectfully submitted,



TIM THONIS, Interim Retirement Administrator

Approved,



TRACY TOWNER, Chairman