

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

JANUARY 7, 2013

AGENDA

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

TIME: 9:00 a.m.

ITEM:

- | | | |
|------|---|-----------------|
| I. | <u>INTRODUCTION OF MEETING</u> | Master Page No. |
| II. | <u>APPROVAL OF AGENDA</u> | 1 - 3 |
| III. | <u>APPROVAL OF MINUTES</u> | |
| | A. Business Meeting of December 17, 2012. | 4 - 11 |
| IV. | <u>PENDING DISABILITY APPLICATION STATUS REPORT</u> | 12 - 57 |
| V. | <u>APPLICATIONS FOR DISABILITY RETIREMENT</u> | |
| | A. Application for Non-Service and Service Connected Disability Retirement; David L. Gasaway, Case No. 12-002. | 58 - 68 |
| | 1. Letter from Stephen D. Roberson, Attorney at Law, dated December 6, 2012. | |
| | 2. Applicant's objection to Respondent's letter, Submitted by Steven R. Pingel, Attorney at Law, dated December 11, 2012. | |

V. APPLICATIONS FOR DISABILITY RETIREMENT (continued)

- A. Application for Non-Service and Service Connected Disability Retirement; David L. Gasaway, Case No. 12-002. (continued)
 - 3. Respondent's objection to Applicant's letter, Submitted by Stephen D. Roberson, dated December 19, 2012.
 - 4. Hearing Notice.

- B. Application for Service Connected Disability Retirement; Mark B. Lopez, Case No. 09-036. 69 - 78
 - 1. Petition for Reconsideration, Submitted by Marshall W. Graves, Attorney at Law, dated December 7, 2012.
 - 2. Applicant's response to Respondent's Petition for Reconsideration, Submitted by Steven R. Pingel, Attorney at Law, dated December 11, 2012.
 - 3. Hearing Notice.

VI. OLD BUSINESS

- A. Pensionable Compensation under the California Public Employees' Pension Reform Act (CalPEPRA). 79 - 87

- B. Election Policy Review, Board Member Terms, and Proposed Election Schedule 88 - 90

- C. Request to Attend Brown Armstrong Client Update – H. Solis. 91 - 92

VII. NEW BUSINESS

- A. Establishment of Personnel Committee (PC) for the performance review of the Retirement Administrator. 93

- B. Request to Attend the CALAPRS Trustees Round Table – Trustee A. Goulet. 94

- C. Request to Attend the CALAPRS Trustees Round Table – Retirement Administrator 95

VIII. PUBLIC COMMENT

IX. BOARD MEMBER COMMENT

X. ADJOURNMENT

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

DECEMBER 17, 2012

MINUTES

DIRECTORS
PRESENT: William W. Wilson, Chair, Public Member
Tracy Towner, Vice Chair, Safety Employee Member
Peter C. Foy, Public Member
Arthur E. Goulet, Retiree Member
Albert G. Harris, Public Member
Steven Hintz, Treasurer-Tax Collector
Joseph Henderson, Public Member
Tom Johnston, General Employee Member
Chris Johnston, Alternate Employee Member
Will Hoag, Alternate Retiree Member

DIRECTORS
ABSENT: Robert Hansen, General Employee Member

STAFF
PRESENT: Donald C. Kendig, Retirement Administrator
Henry Solis, Chief Financial Officer
Lori Nemiroff, Assistant County Counsel
Chantell Garcia, Retirement Benefits Specialist
Glenda Jackson, 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. INTRODUCTION OF MEETING

Chairman Wilson called the Business Meeting of December 17, 2012, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Mr. Goulet requested item IV.G. Hewitt EnnisKnupp Authorization to Share VCERA Performance Data, be removed from Consent Agenda and placed under item V. INVESTMENT INFORMATION.

Staff recommended that Agenda item VII.B. Pensionable Compensation under the California Public Employees' Pension Reform Act (CalPEPRA) be amended to include the addition of a letter submitted by Michael Powers, County Executive Officer, in support of adoption of a pensionable compensation resolution.

MOTION: Judge Hintz moved, seconded by Mr. Goulet, to approve the agenda as modified.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

III. APPROVAL OF MINUTES

A. Disability Meeting of December 3, 2012.

Mr. Goulet requested the following correction:

Master Page No. 4, under Directors Present, add "Albert G. Harris, Public Member."

MOTION: Mr. Harris moved, seconded by Mr. Henderson, to approve the minutes of December 3, 2012 as corrected.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

IV. CONSENT AGENDA

THE FOLLOWING ITEMS ARE ANTICIPATED TO BE ROUTINE AND NON CONTROVERSIAL. CONSENT ITEMS WILL BE APPROVED WITH ONE MOTION IF NO MEMBER OF THE BOARD WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND TRANSFERRED TO THAT SECTION OF THE AGENDA DEEMED APPROPRIATE BY THE CHAIR.

A. Regular and Deferred Retirements and Survivors Continuances for the Month of November 2012.

IV. **CONSENT AGENDA (continued)**

- B. Report of Checks Disbursed in November 2012.
- C. Asset Allocation as of November 2012.
- D. Statement of Plan Net Assets, Statement of Changes in Plan Net Assets, and Investments & Cash Equivalents for the Month Ended August 31, 2012.
- E. Budget Summary – Year to Date as of October 2012, Fiscal-Year 2012-13.
- F. Private Equity Fee Invoicing Requests.

MOTION: Mr. Goulet moved, seconded by Mr. Harris, to approve the Consent Agenda Items IV.A. - F.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

END OF CONSENT AGENDA

V. **INVESTMENT INFORMATION**

- A. RREEF America III Annual Investment Presentation, Jay Miller and Michelle Wells. (30 minutes)

Jay Miller and Michelle Wells were present on behalf of RREEF America III to review the firm's organization, investment results for VCERA's accounts, investment process, and outlook.

No Action Taken.

- B. Hewitt EnnisKnupp, Russ Charvonja, ChFC, CFP, Esq. Kevin Vandolder, CFA, and Kevin Chen.

- 1. Monthly Manager Performance Report, November 2012.

MOTION: Mr. Goulet moved, seconded by Mr. Harris, to receive and file the Monthly Manager Performance Report for November 2012.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

V. INVESTMENT INFORMATION (continued)

2. Highlights and Research, December 2012.

Russ Charvonia, of Hewitt EnnisKnupp, provided an oral private equity update to the Board.

No Action Taken.

a. Securities Lending Report

MOTION: Judge Hintz moved, seconded by Mr. Harris, to receive and file the Securities Lending Report.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

b. Revised Tactical Rebalancing Policy Proposal

The Policy will be found in the Investment Policy Statement (IPS) once the IPS is finalized.

MOTION: Judge Hintz moved, seconded by Mr. Henderson, to approve the Revised Tactical Rebalancing Policy Proposal.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

c. Liquid Alternative Strategies (Global Tactical Asset Allocation (GTAA), Real Return and Risk Parity)

Hewitt EnnisKnupp will invite one representative manager from each strategy to present an educational presentation to the Board on its respective strategy.

d. RV Kuhns Peer Report Memo

e. Fixed Income Benchmarking and Tactical vs. Passive Memo

f. Investment Policy Statement (IPS) and Manager Guidelines

Mr. Goulet requested that the item be continued so that he can provide comments to Hewitt EnnisKnupp for incorporation prior to the next hearing of this item.

V. INVESTMENT INFORMATION (continued)

The Chair directed that staff continue Item V.B.2.f. Investment Policy Statement (IPS) and Manager Guidelines to the next business meeting.

- g. Fiscal Cliff
- h. Capital Market Assumptions
- i. Medium Term Views

MOTION: Mr. Harris moved, seconded by Mr. C. Johnston, to receive and file items V.A.5. c., d., e., g., h., and i.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

Mr. Wilson recognized Kevin Vandolder for his superb service to the Board of Retirement. Russ Charvonja thanked Kevin Vandolder for his work.

- C. Hewitt EnnisKnupp Authorization to Share VCERA Performance Data. (Originally item IV.G of the Consent Agenda)

MOTION: Mr. T. Johnston moved, seconded by Mr. Towner, to authorize the Administrator to send a letter to Hewitt EnnisKnupp directing Hewitt EnnisKnupp to share VCERA performance data with M^{cube}.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

VII. OLD BUSINESS

The Board agreed to move item VII.B. Pensionable Compensation under the California Public Employees' Pension Reform Act (CalPEPRA) to before the hearing of item VI. ACTUARIAL INFORMATION.

- B. Pensionable Compensation under the California Public Employees' Pension Reform Act (CalPEPRA).

Received public comment from Stephen Silver, Attorney at Law; Paul Derse, County Executive Office; Ramon Rubalcava, SEIU; Craig Winter, SEIU, Karianne R. Steele, Associate of Weinberg, Roger & Rosenfeld; and David Grau, Ventura County Taxpayers Association.

VII. OLD BUSINESS (continued)

- B. Pensionable Compensation under the California Public Employees' Pension Reform Act (CalPEPRA). (continued)

The Board discussed Board Counsel interpretation Option 2, which is an interpretation of Government Code (GC) Section 7522.34 that includes skills-based and service-based pay items, on top of base pay, that are not specifically excluded per subdivision (c) of GC Section 7522.34.

MOTION: Mr. Towner moved, seconded by Mr. T. Johnston, to tentatively adopt Board Counsel interpretation Option 2 pending a 60-day waiting period.

Motion passed. Mr. Hansen absent. Mr. C. Johnston voting. Mr. Foy, Mr. Harris, Mr. Henderson, Mr. Wilson voting no.

MOTION: Mr. Goulet moved, seconded by Mr. T. Johnston, directing the Administrator to send a letter to Christine Cohen, Auditor-Controller, requesting her office to sequester the difference between base pay only and base pay plus special compensation items, except the ones specifically excluded per subdivision (c) of GC Section 7522.34.

Motion passed. Mr. Hansen absent. Mr. C. Johnston voting. Mr. Foy, Mr. Harris, Mr. Henderson, Mr. Wilson voting no.

VI. ACTUARIAL INFORMATION

- A. June 30, 2012 Actuarial Valuation.
1. June 30, 2012 Actuarial Valuation Report.
 2. Three-year Phase-in of Employer Contribution Rates.

MOTION: Mr. Goulet moved, seconded by Mr. T. Johnston, to acknowledge the receipt of the June 30, 2012, Actuarial Valuation Report and Three-year Phase-in of Employer Contributions Memo and to direct staff to notify all employee organizations recognized by Ventura County, including said reports

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

VI. **ACTUARIAL INFORMATION** (continued)

- B. Special Actuarial Study for the California Public Employees' Pension Reform Act (CalPEPRA).

Judge Hintz left the meeting at 12:52 p.m. and returned to the meeting at 12:55 p.m.

Mr. Towner left the meeting at 12:55 p.m. and returned to the meeting at 12:56 p.m.

Mr. T. Johnston left the meeting at 1:11 p.m. and returned to the meeting at 1:15 p.m.

MOTION: Mr. Goulet moved, seconded by Judge Hintz, to receive, file and adopt the recommended rates contained within the special actuarial study for CalPEPRA and to direct staff to distribute the study to all employee organizations recognized by Ventura County.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

VII. **OLD BUSINESS**

- A. Election Policy Review, Board Member Terms, and Proposed Election Schedule.

Judge Hintz left the meeting at 1:26 p.m. and returned at 1:28 p.m.

Final policy adoption was subject to a 30-day comment period. The correction to the Safety Member terms will be made during the succeeding terms, allowing incumbents to complete their current terms. The correction to the General Member term filled by Mr. Hansen will be corrected with the upcoming election in February.

MOTION: Mr. Henderson moved, seconded by Mr. T. Johnston, to approve and adopt the Election Policy Review, Board Member Terms, and Proposed Election Schedule.

Motion passed unanimously. Mr. Hansen absent. Mr. C. Johnston voting.

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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<http://www.ventura.org/vcera>

January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: PENSIONABLE COMPENSATION UNDER THE CALIFORNIA PUBLIC EMPLOYEES' PENSION REFORM ACT (CalPEPRA)

Dear Board Members:

Recommendation

Staff recommends that your Board receive and file this staff report and attachments.

Background

This matter was brought to the Board on December 3, 2012, and after hearing testimony and having Board discussion, the item was tabled to December 17, 2012. After hearing additional testimony and having extensive Board discussion at the December 17, 2012 Business meeting, the Board tentatively adopted Board Counsel interpretation Option 2, which is an interpretation of Government Code (GC) Section 7522.34, which includes skills-based and service-based pay items, on top of base pay, that are not specifically excluded per subdivision (c) of GC Section 7522.34, pending a 60-day waiting period. The waiting period was provided to allow for additional time to see how other plans, especially CalPERS, from which this GC Section's language was derived, would interpret the new legislation.

Discussion

On December 27, 2012, CalPERS issued the attached Circular Letter along with the attached schedule of 'Pensionable Compensation' Items for new PEPPRA public agency and school members (Schedule). The Circular Letter provides good content for a potential VCERA resolution and the attached Schedule is a potential format VCERA can use for listing compensation items, in contrast to a more detailed earnings code list.

**PENSIONABLE COMPENSATION UNDER THE CALIFORNIA PUBLIC
EMPLOYEES' PENSION REFORM ACT (CalPEPRA)**

January 7, 2013

Page 2 of 2

Board Counsel and staff will provide a further update to the Board during the meeting and staff recommends that you receive and file this staff report and attachments.

I would be happy to answer any questions you may have.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator

Attachments



California Public Employees' Retirement System
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (or **888-225-7377**)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 200-062-12
Distribution: V, VI, XII, XVI
Special:

Circular Letter

December 27, 2012

TO: PUBLIC AGENCIES, AGRICULTURAL DISTRICTS, COUNTY SUPERINTENDENT OF SCHOOLS AND INDIVIDUAL SCHOOL DISTRICTS

SUBJECT: PUBLIC EMPLOYEES' PENSION REFORM ACT OF 2013 – PENSIONABLE COMPENSATION AND BENEFIT ENHANCEMENTS

The purpose of this Circular Letter is to provide further information regarding CalPERS current interpretation of "pensionable compensation" and "benefit enhancements" subject to the provisions of the Public Employees' Pension Reform Act of 2013 (PEPRA) and related Public Employees' Retirement Law (PERL) amendments in Assembly Bill (AB) 340.

PENSIONABLE COMPENSATION

For new members, as defined by Government Code (G.C.) Section 7522.04(f), "pensionable compensation" must meet the following four criteria as provided in G.C. Section 7522.34(a):

- Pay is part of the normal monthly rate of pay or base pay.
- Pay is paid in cash to similarly situated members of the same group or class of employment.
- Pay is for services rendered during normal working hours.
- Pay is paid pursuant to publicly available pay schedules.

G.C. Section 7522.34(c) also provides what cannot be included in "pensionable compensation" for new members. For example, "pensionable compensation" does not include monies paid to new members for bonuses, uniform allowance, overtime allowance or reimbursement for housing and vehicles, or any ad hoc or one-time payments. Please refer to G.C. Section 7522.34(c) for additional forms of compensation that are not considered "pensionable compensation" under PEPRA; the items listed above are only some of the most commonly reported items by employers.

CalPERS interpretation of the types of compensation that may be reported as "pensionable compensation" for CalPERS contracting agencies, provided those items meet the four criteria above, are attached to this letter. This list of "pensionable compensation" will be implemented on January 1, 2013, for new PEPRA public agency and school members. As discussed below, CalPERS intends to propose implementing

regulations to, among other things, include this list of items that may be reported as “pensionable compensation” for contracting agencies.

For classic members, please refer to California Code of Regulations (CCR) Section 571 for a list of special compensation items that may be reported. Employers should continue to report both pay rate and all reportable special compensation under CCR 571 as PEPRAs do not impact reportable compensation for classic members.

BENEFIT ENHANCEMENTS

G.C. Section 7522.44(a) specifies that “any enhancement to a public employee’s retirement formula or retirement benefit adopted on or after January 1, 2013, shall apply only to service performed on or after the operative date of the enhancement and shall not be applied to any service performed prior to the operation date of the enhancement.”

Circular Letter #200-055-12, stated CalPERS would develop a list of those existing optional benefits that CalPERS considers to be retirement “benefit enhancements” and therefore subject to the restrictions of PEPRAs. The proposed list of existing optional benefit provisions is as follows:

- G.C. Section 21427 – Improved Nonindustrial Disability Allowance
- G.C. Section 21547.7 – Alternate Death Benefit for Local Fire Members Credited with 20 or More Years of Service
- G.C. Section 21548 – Pre-Retirement Option 2W Death Benefit
- G.C. Sections 21624, 21626, 21628 – Post-Retirement Survivor Allowance
- G.C. Section 21151 – Industrial Disability Retirement for Local Miscellaneous Members
- Miscellaneous Member Classifications Optionally Reclassified to Safety by Amendment to the Contract

See the document [Optional Benefits Listing](#) on CalPERS On-Line for details on the benefit provisions listed above.

Please note that pursuant to G.C. Section 7522.44(d) “an increase to a retiree’s annual cost-of-living adjustment within existing statutory limits shall not be considered to be an enhancement to a retirement benefit.”

2013 REGULATORY PROCESS

In 2013, CalPERS will propose implementing regulations to clarify its interpretation of “publicly available pay schedules” and “benefit enhancements” as the terms apply to new members, and to provide a list of items that may be reported as “pensionable compensation” for contracting agencies to the extent those items meet the four criteria above. It is important to note that as the proposed regulations proceed through the regulatory process, some changes, including the items contained in the attached list, may be required. CalPERS will provide information on the proposed regulations as it becomes available.

Circular Letter No.: 200-062-12
December 27, 2012
Page 3

CalPERS will continue to develop the program changes and interpretations for terms necessary to administer the provisions required by PEPRA. We recommend that you continue to refer to the [Pension Reform Impacts](#) page on CalPERS On-Line at www.calpers.ca.gov for the latest PEPRA updates.

In addition, a new online training class is available for employers. *my|CalPERS Changes Due to the Public Employee's Pension Reform Act of 2013 (PEPRA)* reviews important changes to the my|CalPERS system based on PEPRA provisions. To enroll in online training, log in to in [my|CalPERS](#) and select the **Education** tab.

If you have any questions, please call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

KAREN DeFRANK, Chief
Customer Account Services Division

Enclosure

[Pensionable Compensation Items – New PEPRA Public Agency and School Members](#) (PDF, 31 KB)

“Pensionable Compensation” Items – New PEPR Public Agency and School Members

CalPERS interpretation of the types of compensation that may be reported as “pensionable compensation” for CalPERS contracting agencies, provided those items meet the criteria contained in Government Code Section 7522.34(a), are listed below. CalPERS will initiate the regulatory process in 2013 to provide this list of items that may be reported as “pensionable compensation” for contracting agencies. More information on the proposed regulations will be provided to you as it becomes available.

In the meantime, the proposed list of “pensionable compensation” items below will be implemented, and can be reported on January 1, 2013, for new PEPR public agency and school members. It is important to note that as the proposed regulations proceed through the regulatory process, some changes, including the items contained in this list, may be required.

Type	Reportable Special Compensation Items
Incentive Pay	<ul style="list-style-type: none"> • Dictation/Shorthand/Typing Premium • Longevity Pay • Marksmanship Pay • Master Police Officer • Physical Fitness Program
Educational Pay	<ul style="list-style-type: none"> • Applicator’s Differential • Certified Public Accountant Incentive • Educational Incentive • Emergency Medical Technician Pay • Engineering Registration Premium • Government Agency Required Licenses • International Conference of Building Officials (ICBO) Certificate • Mechanical Premium (Brake Adjustment License, SMOG Inspector License) • National Institute of Automotive Service Excellence (NIASE) Certificate • Notary Pay • Paramedic Pay • Peace Officer Standard Training (POST) Certificate Pay

Continued on next page

“Pensionable Compensation” Items – New PEPR Public Agency and School Members, Continued

Type	Reportable Special Compensation Items
Educational Pay, Continued	<ul style="list-style-type: none"> • Reading Specialist • Recertification Certificate • Special Class Driver’s License Pay • Undergraduate/Graduate/Doctoral Credit
Special Assignment Pay	<ul style="list-style-type: none"> • Accountant Premium • Administrative Secretary Premium • Aircraft/Helicopter Pilot Premium • Asphalt Work Premium • Audio Visual Premium • Auditorium Preparation Premium • Bilingual Premium • Branch Assignment Premium • Canine Officer/Animal Premium • Cement Finisher Premium • Circulation Librarian Premium • Computer Operations Premium • Confidential Premium • Contract Administrator Coordinator Premium • Crime Scene Investigator Premium • Critical Care Differential Premium • D.A.R.E. Premium • Detective Division Premium • Detention Services Premium • DUI Traffic Officer Premium • Extradition Officer Premium • Fire Inspector Premium • Fire Investigator Premium • Fire Prevention Assignment Premium • Fire Staff Premium • Flight Time Premium • Float Differential Premium • Front Desk Assignment (Jail) • Fugitive Officer Premium • Gang Detail Assignment Premium • Grading Assignment Premium

Continued on next page

“Pensionable Compensation” Items – New PEPR Public Agency and School Members, Continued

Type	Reportable Special Compensation Items
Special Assignment Pay, Continued	<ul style="list-style-type: none"> • Hazard Premium • Heavy/Special Equipment Operator • Height Premium • Housing Specialist Premium • Juvenile Officer Premium • Lead Worker/Supervisor Premium • Library Reference Desk Premium • Gas Maintenance Premium • Plumber Irrigation System Premium • Refuse Collector Premium • Street Lamp Replacement Premium • MCO Instructor Premium • Motorcycle Patrol Premium • Mounted Patrol Premium • Narcotic Division Premium • Paramedic Coordinator Premium • Park Construction Premium • Park Maintenance/Equipment Manager Premium • Parking Citation Premium • Patrol Premium • Police Administrative Officer • Police Investigator Premium • Police Liaison Premium • Police Polygraph Officer • Police Records Assignment Premium • Rangemaster Premium • Refugee Arrival Cleanup Premium • Safety Officer Training/Coordinator Premium • Sandblasting Premium • School Yard Premium • Search Pay Premium • Severely Disabled Premium • Sewer Crew Premium • Shift Differential

Continued on next page

“Pensionable Compensation” Items – New PEPRA Public Agency and School Members, Continued

Type	Reportable Special Compensation Items
Special Assignment Pay, Continued	<ul style="list-style-type: none">• Solo Patrol Premium• Sprinkler and Backflow Premium• Tiller Premium• Tire Technician Premium• Traffic Detail Premium• Training Premium• Tree Crew Premium• Utility Meter Premium• Utilities Systems Operation Premium• Water Certification Premium
Statutory Items	<ul style="list-style-type: none">• Fair Labor Standards Act (FLSA)• Holiday Pay

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January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: ELECTION POLICY REVIEW, BOARD MEMBER TERMS, AND PROPOSED ELECTION SCHEDULE

Dear Board Members:

Background

On November 5, 2012, your Board 1) tentatively adopted an updated election policy, taking into account adjustments in Board Member terms and providing for a 30-day comment period, and 2) directed staff to notify the unions, recognized retiree organizations, and the County regarding the tentative election policy and proposed change to trustee terms. On December 17, 2012, your Board affirmed the updated election policy. On December 19, 2012, Mr. Hintz announced the retirement of Mr. Hansen, effective December 22, 2012, leaving the third position on the Board of Retirement vacant.

Third Position Term and General Member Election Schedule

Previously, the Board chose to delay adjustment to Mr. Hansen's term until after completion of the current term. With the unexpected vacancy in Mr. Hansen's term, the delay in term adjustment is no longer necessary, and the succeeding term can now be adjusted to begin on January 1.

Announcements of the election were mailed out December 7 and petitions were made available December 19, 2012 through January 4, 2013. A revised announcement, reviewed by the Chair, Mr. Wilson, was mailed out on December 27, 2012, announcing the earlier start date of the position. In addition, staff provided Elections with the revised announcement on December 21, 2012, in order to alert any interested candidate requesting a petition of the earlier start date.

**ELECTION POLICY REVIEW, BOARD MEMBER TERMS,
AND PROPOSED ELECTION SCHEDULE**

January 7, 2013

Page 2 of 2

Per the attached updated election schedule, the counting of ballots was moved from February 25 to February 21, 2013, to allow for the receipt of the certified election results and swearing in of the newly elected Board Member on February 25, 2013. This is the earliest possible date due to the turnaround time for ballot printing, and for allowing a sufficient amount of time to vote.

Appointment and Election of Trustees Policy and Board Member Terms

As currently written, the Appointment and Election of Trustees Policy and Board Member Terms does not need any modifications for the changes to the third position's modified term or election schedule.

Recommendation

Staff recommends that the Board: 1) Adjust the third position's term to end December 31, 2012, with a succeeding term start date of January 1, 2013; and 2) Adopt the adjusted election schedule.

I would be happy to answer any questions you may have.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator

Attachment

--- **UPDATED** ---

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
RETIREMENT BOARD ELECTION CALENDAR FOR A MODIFIED GENERAL MEMBER TERM
COMMENCING **FEBRUARY 21, 2013 (AS MODIFIED)** AND ENDING DECEMBER 31, 2015
FOR THE THIRD MEMBER OF THE BOARD

(Election Date is February 19, 2013)

Monday, November 26, 2012 – Retirement Department notifies Elections of upcoming election.

- DEC. 6** Elections Announcements to be ready by VCERA for mass mailing.
- DEC. 7** Announcement of General Member Election to be distributed by U.S. mail to all eligible General Members.
- DEC. 19** Nomination Petitions will be available from the Elections Division of the Ventura County Clerk & Recorder at 8:00 a.m.
- DEC. 27** Updated Announcement of General Member Election to be distributed by U.S. mail to all eligible General Members. (Announces change in start date from April 6, 2013, to February 21, 2013 and swearing in on February 25, 2013.)
- JAN. 4** Nomination Petitions must be returned to Elections. (Deadline 5:00 p.m.)
- JAN. 8** Retirement staff to conduct random alpha drawing at 9:00 a.m. in the Board Room (1190 S. Victoria Ave., Suite 200, Ventura, CA) to determine order of placement of names on ballot, and to notify Elections by email.
- JAN. 14** Elections to Provide Candidate Statements and Voting Instructions to Retirement for printing.
- JAN. 16** Retirement Department to request voter list and mailing labels of eligible general member personnel after pay period 13-01.
- JAN. 23** Retirement staff to deliver voter listings, mailing labels and envelopes to Elections.
- FEB. 1** Official ballots, Instructions for Voting and Candidate Statements to be distributed by U.S. mail to all eligible General Members.
- FEB. 12** Elections to begin signature verification process. Assistance to be provided by Retirement Association in cases where member does not have signature on file with Elections.
- FEB. 19** Last day for voted ballots to be returned to Elections. (Deadline 5:00 p.m.)
- FEB. 21** Voted ballots to be counted by Elections at 9:00 a.m. (800 S. Victoria Avenue, Ventura, CA, 93009) and the election results to be certified by Elections. Modified three-year term commences.
- FEB. 25** Certified election results to be received by the Board of Retirement.
- FEB. 25** Swearing in of newly elected.

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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<http://www.ventura.org/vcera>

January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: REQUEST TO ATTEND THE BROWN ARMSTRONG CLIENT UPDATE

Dear Board Members:

I request your approval for Henry Solis to attend Brown Armstrong's annual client governmental accounting and audit update (Save the Date summary attached). Your Board authorized my attendance at the December 3, 2013, Board meeting.

The update is scheduled for January 17-18, 2013, will provide 16 hours of continuing education toward the maintenance of his Certified Public Accountant license, and will be held in Bakersfield, CA. The estimated cost for his participation will be approximately \$600 for hotel, program registration and travel-related costs.

I would be pleased to respond to any questions you may have on this matter.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator

Attachment

SAVE THE DATE

Brown Armstrong's *New* annual conference for clients showcasing the most current and up to date practices and techniques for your organization.

Topics in different tracks will include:

- The newest standards for financial reporting for businesses and not for profits
- The brand new audit opinions
- Business Ethics and Regulations
- Why you need to understand your information technology controls
- The latest in taxes and the "fiscal cliff"
- What makes a strong governing board / board of directors
- What is going on in the economy and Sacramento
- A chance to ask the experts from Brown Armstrong on topics that interest you

BROWN ARMSTRONG
Certified Public Accountants

Two days and two tracks of continuing professional education
(16 hours)

January 17th and 18th, 2013 - Doubletree Hotel, Bakersfield

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

1190 South Victoria Avenue, Suite 200
Ventura, CA 93003-6572
(805) 339-4250 • Fax: (805) 339-4269
<http://www.ventura.org/vcera>

January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: ESTABLISHMENT OF PERSONNEL REVIEW COMMITTEE

Dear Board Members:

The Retirement Administrator Performance Evaluation Policy requires that an ad hoc Personnel Review Committee be established at the beginning of each year. Members of the last committee in 2011 were Judge Hintz (chair), Mr. Chris Johnston and Mr. Will Hoag.

Please appoint three Trustees to serve on this committee and designate a Chair.

Please see the Retirement Administrator Performance Evaluation on our Board Governance web page via the link below for more information:

http://portal.countyofventura.org/portal/page/portal/VCERA/Board_Governance/RetirementAdministratorPerformanceEvaluationPolicy-20120910.pdf

I would be happy to answer any questions you may have at the January 28, 2013 business meeting.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator

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January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

SUBJECT: REQUEST TO ATTEND THE CALIFORNIA ASSOCIATION OF PUBLIC RETIREMENT SYSTEMS (CALAPRS) TRUSTEES ROUND TABLE, SAN JOSE, CA – February 8, 2013

Dear Board Members:

Mr. Arthur Goulet is requesting authorization to attend the CALAPRS Trustees Round Table in San Jose, CA. The Round Table is scheduled for February 8, 2013 with the estimated cost for Mr. Goulet's will not likely exceed \$500 including air fare, session registration and other travel-related expenses.

Please consider Mr. Goulet's request, along with the request of any other interested trustee, at the time of considering this item.

I would be happy to respond to any questions you may have on this matter.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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January 7, 2013

Board of Retirement
Ventura County Employees' Retirement Association
1190 South Victoria Avenue, Suite 200
Ventura, CA 93003

**SUBJECT: REQUEST TO ATTEND THE CALIFORNIA ASSOCIATION OF PUBLIC
RETIREMENT SYSTEMS (CALAPRS) ADMINISTRATORS ROUND
TABLE, SAN JOSE, CA – JANUARY 25, 2013**

Dear Board Members:

I request authorization to attend the CALAPRS Administrators Round Table in San Jose, CA. The Round Table is scheduled for January 25, 2012 with the estimated cost not likely to exceed \$500 including air fare, session registration and other travel-related expenses.

I would be happy to respond to any questions you may have on this matter.

Sincerely,



Donald C. Kendig, CPA
Retirement Administrator