

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

SPECIAL MEETING

MAY 31, 2011

MINUTES

**DIRECTORS
PRESENT:**

Tracy Towner, Chair, Safety Employee Member
William W. Wilson, Vice Chair, Public Member
Steven Hintz, Treasurer – Tax Collector
Albert G. Harris, Public Member
Joseph Henderson, Public Member
Robert Hansen, General Employee Member
Chris Johnston, Alternate Employee Member
Will Hoag, Alternate Retiree Member

**DIRECTORS
ABSENT:**

Steve Bennett, Public Member
Karen Anderson, General Employee Member
Arthur E. Goulet, Retiree Member

**STAFF
PRESENT:**

Henry Solis, Interim Retirement Administrator
Lori Nemiroff, Assistant County Counsel

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 Towner called the Special Meeting of May 31, 2011 to order at 9:00 a.m.

II. **APPROVAL OF AGENDA**

Mr. Towner moved Item VI.A. before Item V.

Mr. Wilson moved, seconded by Mr. Harris, to approve the Agenda, as amended.

Motion passed.

III. **PUBLIC COMMENT**

None.

IV. **BOARD COMMENT**

None.

V. **OLD BUSINESS**

A. Update on Retirement Administrator Recruitment Process and Discussion of Proposed Compensation.

Ms. Nemiroff provided guidance on the Brown Act requirements for discussion of salary to be offered to a prospective employee. Ms. Nemiroff advised that if the Board wishes to set the salary of the Retirement Administrator, it must do so in open session, whereas if the Board wishes to designate a representative to conduct bona fide negotiations with the prospective Retirement Administrator on the Board's behalf; and the Board may meet in closed session to provide instruction to its negotiator.

Mr. Towner stated that the Board had received a counter-offer from Mr. Nelson, the Retirement Administrator candidate, outside the scope within which he was authorized to negotiate.

Mr. Hansen received clarification from Ms. Nemiroff that Mr. Towner, as the representative of the Board, had been given the authority to make an offer within the previously approved salary range, and that the Board could have more than one representative.

Mr. Johnston stated that it would be better to discuss the matter in closed session, as part of a negotiation strategy.

Mr. Hansen sought clarification regarding the significance of having the discussion in closed session, but stated that either a closed or open

V. OLD BUSINESS (continued)

- A. Update on Retirement Administrator Recruitment Process and Discussion of Proposed Compensation. (continued)

session would be acceptable to him.

Mr. Hintz moved, seconded by Mr. Harris, to have the discussion in open session.

Motion passed.

Mr. Towner distributed a letter sent by Mr. John Nicoll from the County of Ventura, Human Resources, and the offer of employment provided to Mr. Nelson.

Mr. Towner explained the supervisor differential, which is the common practice of the County to pay Supervisors at least 7.5% more than those whom he supervises, and the fact that Mr. Nelson's offer reflected that add-on.

Mr. Henderson had clarified the additional compensation is in the County's management resolution.

Mr. Towner stated the Board's initial offer was \$135,765, which included the base pay, supervisorial differential, and the education incentive, as stated in Mr. Nicoll's May 19, 2011 letter.

Mr. Towner stated that included in the offer to Mr. Nelson was an automobile allowance of \$375 per month, health care benefits, annual leave of 9.54 hours per week, 8 holidays and one floating holiday.

Mr. Hansen clarified that Mr. Towner worked with Ventura County Human Resources in making the offer.

Discussion was held concerning whether the Retirement Administrator would be considered a probationary employee who would not initially be entitled to a 7.5% supervisory differential. It was determined that, as an at-will appointee, the Retirement Administrator would not be a probationary employee and that it was within the Board's discretion to develop an offer that takes into account a supervisory differential.

Mr. Towner stated that the position is not eligible for annual leave redemption as a result of the recent moratorium imposed by the Board of Supervisors.

V. OLD BUSINESS (continued)

A. Update on Retirement Administrator Recruitment Process and Discussion of Proposed Compensation. (continued)

Mr. Towner reported that in Mr. Nelson's counter-offer, he stated that when he factors in the cost of living, it is necessary to request coming in at midrange. Mr. Nelson also requested between \$3,000 and \$5,000 as a relocation expense reimbursement. Mr. Towner reported that Mr. Nicoll stated that it is not the County's policy to reimburse for relocation expenses.

Mr. Towner stated that midrange with benefits (educational incentive and health care flexible credit) would be \$158,000, without the automobile allowance.

Mr. Hintz suggested they offer less than the midrange salary, a \$140,000 base, and a \$3,000 one-time reimbursement for approved relocation expenses.

Mr. Wilson stated he was surprised that the County did not reimburse for relocation expenses, and that the reimbursement should be at least \$5,000 with a \$146,000 base salary, would be no supervisory differential.

Mr. Henderson suggested that the Board offer a base salary equal to \$146,000 less all of the add-ons, which would bring total compensation up to \$146,000, and a \$4,000 moving expense reimbursement.

Mr. Towner stated that he believed Mr. Nelson was thinking of the \$146,000 plus the add-ons.

Mr. Hintz stated the Board should offer a base salary of \$140,000, with estimated benefits of \$4,900 for educational incentives, \$4,500 for auto allowance, and \$7,100 in flex credits for a total salary of \$156,500; and \$4,500 for relocation expenses.

Mr. Hintz alternatively proposed an offer of \$130,000 base salary, an educational incentive of \$4,550, \$4,500 for auto allowance, and \$7,100 for flex credits, for a total salary of \$146,150.

Mr. Hintz received clarification that \$132,000 would be the lowest base amount that the Board can pay so that the supervisory differential does not have to be added.

Mr. Solis commented that should he receive a raise in November, Mr.

V. OLD BUSINESS (continued)

Update on Retirement Administrator Recruitment Process and Discussion of Proposed Compensation. (continued)

Nelson would then be eligible for a supervisorial differential.

Mr. Henderson stated that the Board offer \$146,000 to \$150,000 plus \$5,000 to relocate. The difference between a \$3,000 and a \$5,000 relocation reimbursement being de minimis in relation to the entire package.

Mr. Hintz clarified that if Mr. Solis received a pay raise the Board would not have to automatically raise Mr. Nelson's pay, if it was \$140,000.

Mr. Towner stated that an annual review is distributed in November and it is discussed in December to determine whether the Retirement Administrator is to receive a raise.

Ms. Nemiroff stated that the supervisory differential is discretionary.

Mr. Hintz moved, seconded by Mr. Johnston, to offer a base salary of \$140,000, an educational incentive of approximately \$4,900, a car allowance of approximately \$4,500, a flex credit worth approximately \$7,100, for a total salary of \$156,000; plus a one-time relocation expense reimbursement up to \$5,000.

Motion passed. Mr. Henderson voted no.

Mr. Towner stated he will report to Mr. Nelson what the Board has stated, and if Mr. Nelson comes back with a counter-offer Mr. Towner will return to the Board for further guidance.

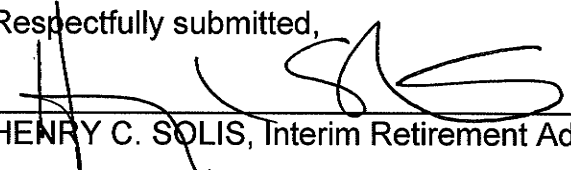
VI. CLOSED SESSION

As the Board elected to discuss in open session, under item V.A., the Appointment of a Public Employee; Retirement Administrator, the Board did not meet in closed session.

VII. ADJOURNMENT

There being no further items of business before the Board, Chairman Towner adjourned the meeting at 9:35 a.m. upon the motion of Mr. Henderson, seconded by Mr. Harris.

Respectfully submitted,


HENRY C. SOLIS, Interim Retirement Administrator

Approved,


TRACY TOWNER, Chairman