

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

DISABILITY MEETING

MARCH 8, 2021

MINUTES

**TRUSTEES
PRESENT:**

Mike Sedell, Chair, Public Member
Arthur E. Goulet, Vice-Chair, Retiree Member
Steven Hintz, Treasurer-Tax Collector
Aaron Grass, Safety Employee Member
Cecilia Hernandez-Garcia, General Employee Member
Kelly Long, Public Member
Tommie E. Joe, Public Member
Jordan Roberts, General Employee Member
Sim Tang-Paradis, Public Member
Robert Ashby, Alternate Safety Employee Member
Will Hoag, Alternate Retiree Member

**TRUSTEES
ABSENT:**

**STAFF
PRESENT:**

Linda Webb, Retirement Administrator
Lori Nemiroff, General Counsel
Henry Solis, Chief Financial Officer
Julie Stallings, Chief Operations Officer
Dan Gallagher, Chief Investment Officer
Leah Oliver, Chief Technology Officer
Josiah Vencel, Retirement Benefits Manager
Nancy Jensen, Retirement Benefits Specialist
Jess Angeles, Communications Officer
Chris Ayala, Program Assistant

PLACE:

In Accordance with the Governor's Executive Order N-29-20 (3), the Members of the Board will be participating via teleconference. Pursuant to Government Code §54954.3, members of the public, to the extent required by law, will have the opportunity to directly address the Board concerning the below mentioned business.

TIME:

9:00 a.m.

ITEM:

I. CALL TO ORDER

Chair Sedell called the Disability Meeting of March 8, 2021, to order at 9:03 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve.

Moved by Hintz seconded by Roberts

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

III. RECEIVE AND FILE PENDING DISABILITY APPLICATION STATUS REPORT

Ms. Webb informed the Board that staff would discuss with Trustee Goulet his suggestions regarding the formatting of the status report in the near future.

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

MOTION: Receive and File.

Moved by Goulet seconded by Long

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

IV. APPLICATIONS FOR DISABILITY RETIREMENT

A. Application for Nonservice and Service-connected Disability Retirement – Wise, Melissa S.; Case No. 19-005

1. Proposed Findings of Fact and Recommended Decision to Deny the Application for Nonservice and Service-connected Disability Retirement, filed by Hearing Officer Irene P. Ayala, dated January 24, 2021.
2. Hearing Notice, dated February 24, 2021.

Stephen Roberson, Attorney at Law, and Catherine Laveau were present on behalf of County of Ventura-Risk Management. Josiah Vencel and Nancy Jensen were present on behalf of VCERA. The applicant, Melissa S. Wise, was not present.

Mr. Roberson made a brief summary statement.

Trustee Joe noted that on January 21, 2021, Dr. Boone had administered 11 tests to the applicant, and the applicant had failed 10 of them. He asked what the tests were regarding.

Mr. Roberson explained that they were validity tests to determine if the applicant could perform to her true capabilities.

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

MOTION: Approve the Recommendation by the Hearing Officer to Deny the Application for Nonservice and Service-connected Disability Retirement.

Moved by Goulet seconded by Grass

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

- B. Application for Service-connected Disability Retirement – Ho, Edward M.; Case No. 19-026.
1. Employer's Statement of Position, submitted by County of Ventura-Risk Management, in support of the Application for Service-connected Disability Retirement, dated February 1, 2021.
 2. Supporting Documentation for Employer's Statement of Position.
 3. Application for Service-connected Disability Retirement, filed by Thomas J. Wicke, Attorney for Applicant, dated June 17, 2019.
 4. Hearing Notice, dated February 25, 2021.

Stephen Roberson, Attorney at Law, and Catherine Laveau were present on behalf of County of Ventura-Risk Management. Josiah Vencel and Nancy Jensen were present on behalf of VCERA. Thomas Wicke, Attorney at Law, was present on behalf of applicant, Edward M. Ho, who was not present.

Mr. Wicke made a brief summary statement.

Ms. Laveau also made a brief summary statement.

Trustee Goulet asked Ms. Laveau if Risk Management had investigated whether Mr. Ho may have had another occupation or hobby that might have caused or contributed to the applicant's condition.

Ms. Laveau replied that Risk Management had obtained the applicant's deposition and those issues were examined, and she believed that findings regarding that information was in the report, as well as being provided to the doctor.

Trustee Goulet asked that Risk Management provide a statement in future cases that referred to an applicant's other occupations or hobbies that could contribute to or cause an injury.

Ms. Laveau said that such a statement was in her report, but she would note to provide that information more clearly going forward.

Trustee Goulet also reported that currently a total knee replacement procedure was an out-patient surgery, which did not require overnight hospitalization.

Trustee Ashby noted that there was a typographical error on the retirement application regarding the applicant's spouse's birthday.

Chair Sedell said that the typographical errors regarding the applicant's date of the last day worked as well as the spouse's birth date would be corrected.

Trustee Roberts noted that Mr. Wicke said that staff had recommended granting the disability application, but it was actually County Risk Management that presented its position.

Regarding Trustee Goulet's earlier comment, Ms. Laveau confirmed that Risk Management's report stated on page 4 that the deposition transcript provided to the evaluating physician did address issues related to other occupations and hobbies that could have contributed to the applicant's disability.

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

MOTION: Approve Application for Service-connected Disability Retirement, As Amended, to Correct Applicant's Last Day Worked and Spouse's Birth Date

Moved by Roberts seconded by Grass

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

V. OLD BUSINESS

A. Appointment of Finance Committee.

RECOMMENDED ACTION: DETERMINE SCOPE OF FINANCE COMMITTEE, APPOINT TRUSTEES, AND DIRECT COMMITTEE TO RETURN WITH A DRAFTED CHARTER FOR FULL BOARD REVIEW AND APPROVAL.

1. Staff Letter.

2. Sample Committee Charter.

Ms. Webb said the Board had voiced interest for some time regarding the creation of a Finance Committee, which would serve as a standing committee. Therefore, staff had submitted a sample

charter, which listed a wide variety of tasks for the committee's review to determine which areas were most appropriate for the committee to oversee, in terms of their duties and responsibilities. Also, once the committee was appointed, they could return to the Board with a revised charter for adoption by the Board.

Trustee Goulet noted the recommendation from staff was that the Board would determine the scope of the responsibilities it would oversee, however he believed that trustees should be appointed to the committee and the Board should direct them to return with a draft charter for full Board review and approval.

Ms. Webb said that she believed that was reflective of staff's actual recommendation.

Chair Sedell said that he believed that the Board should provide some high level direction for the Finance Committee. He himself had many concerns about the broad list of potential responsibilities in the sample charter. He believed the finance committee should perform a more in-depth look at the budget and other financial items, and then submit to the entire Board any issues or concerns regarding the Plan's finances. The committee could also review the yearly budget with staff and work on any issues with it and ultimately submit those to the Board prior to its consideration for approval. He had seen other such committees go overboard by directing staff to do things differently apart from a Board's previous direction and creating more work for staff. He had also known of other Boards that had separate committees, where one would review the budget and another could review the auditing of the Plan, so that they could each devote more time to those tasks. Such auditing committees would also be involved with the selection of an auditor every 5 years, which was what these other organizations had done. Though he did not disagree with Trustee Goulet's suggestion, he still believed that the Board should provide some broad direction relating to the scope of the committee's duties.

Trustee Goulet said that he felt that he was in agreement with Chair Sedell, but he had not done a detailed review of the sample charter. The Board could direct the committee to review important financial issues, as well as being a part of the auditor selection, initial review of the Comprehensive Annual Financial Report (CAFR) and also coordinate with the auditor. There may also be some other minor things that the Trustees on the committee might believe should be included in their list of responsibilities as well.

Chair Sedell said that he agreed with Trustee Goulet and that the Board should provide the committee the broad direction he previously mentioned, but the committee members would also help to determine the scope of their responsibilities.

Trustee Joe then asked if the meetings held by the finance committee would be subject to the Brown Act, as referenced in the staff letter provided to the Board. If the committee were to be working with staff on the details of a budget, would that need to be an official open meeting.

Ms. Nemiroff replied that if the committee had ongoing jurisdiction over a particular subject matter, then it would qualify as a standing committee, versus an ad hoc committee that was constituted for a particular purpose or project, and was not long in duration, and more project based. Ad hoc committees were not subject to the Brown Act, where standing committees were, and one may notice that among the other retirement systems that had Audit Committees, Finance Committees or Budget Committees, those were standing committees and therefore, their meetings were subject to the Brown Act and were also open to the public.

Ms. Webb said that typically when there was standing committee, different committee members could still meet with staff on their own, but when the committee met as a whole it would be subject to the Brown Act.

Trustee Long remarked that after reviewing the sample draft charter for the committee, she agreed with Trustee Goulet and Chair Sedell that the committee should just oversee the areas that would be outlined by the Board, but not go as in depth in scope. She would prefer that VCERA's Finance Committee meet and then bring any issues they find to the Board to avoid having them work independently from the Board and refrain from acting without the Board knowledge.

Chair Sedell said that he agreed with Trustee Long and that the committee would not be authorized to act independently in any case, as all decisions would require Board approval, with which he believed Trustee Goulet would agree.

Ms. Webb also said that the committee would be bring all recommended actions to the Board for full Board approval. She also said that she did not believe that VCERA's Finance Committee would want to take on all of the items in the sample charter, as it had been intentionally broad to allow the Board to decide which responsibilities were appropriate for committee involvement.

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

MOTION: Approve the Establishment of the Finance Committee.

Moved by Hintz seconded by Ashby.

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

Chair Sedell then asked if there were any volunteers to join the Finance Committee.

Trustee Joe said he volunteered to join the Finance Committee.

Trustee Roberts also said he volunteered to join the Finance Committee.

Trustee Goulet also said he volunteered to join the Finance Committee.

Chair Sedell then appointed Trustee Joe, Trustee Roberts and Trustee Goulet to the Finance Committee as the chair.

VI. NEW BUSINESS

A. Mid-Year Budget Update for FY 2020-21.

RECOMMENDED ACTION: Receive and File.

1. Staff Letter by C.F.O., Henry Solis.

2. Attachment A.

3. Attachment B.

Mr. Solis presented the Mid-Year Budget for Fiscal Year 2020-21.

Chair Sedell noted that staff's recommended action for the item said, "If necessary, staff would return to the Board after year end, and if required, request appropriation adjustments between object levels to close out the year". He said currently the Retirement Administrator had the authorization to approve minor adjustments throughout the year and only major adjustments would need to be approved by the Board, so why would staff be required to come back to the Board to approve some minor adjustments.

Ms. Webb replied that the Board would approve the final budget, once it was complete, so even if staff made minor adjustments with her approval, the final budget would still return to the Board. Also, staff was planning to bring a few requests for allocations to the Board, in the new budget year, which will include a V3 system updates as well as programming. Further, some items would be brought back to the Board for transparency, even though she had authority to approve so that the Board was apprised of them.

Chair Sedell said that he just wanted to ensure that staff was not having to do extra work, while making sure that the Board was aware of changes to the budget.

Ms. Webb also said that the Finance Committee could also recommend some guidelines regarding budget presentations, such as when they were presented to the Board and who had the authority to approve these types of requests.

Mr. Solis remarked that another reason staff had traditionally brought these types of budget items to the Board for approval in the event of any unanticipated expenses that would require an explanation from staff and Board approval for the needed adjustments to the budget for those expenses.

Trustee Goulet said that he wanted to compliment Mr. Solis for a very good letter, which was really outlined everything well.

MOTION: Receive and File.

Moved by Ashby seconded by Tang-Paradis

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

B. Request for Hearing Regarding VCPFA Claims for Correction of Membership Dates Based on Alleged Pre-Membership Misclassification of Members as Seasonal/Intermittent Employees.

RECOMMENDED ACTION: Direct Staff to Investigate Facts and Circumstances of Intermittent Tenures and Report Back with Options for Response to Claims.

1. Staff Letter.
2. Letter from Law Offices of Ian Bondsmith, dated 2/3/21.
3. Response from VCERA General Counsel to Bondsmith, dated 3/2/21.

4. Letter from Law Offices of Ian Bondsmith to County CEO Powers, dated 3/2/2020.
5. County Response Letter County Labor Relations, dated 4/16/2020.

Ms. Webb related that the original claim was directed to the County of Ventura from Mr. Bondsmith who was representing the Ventura County Professional Firefighters' Association (VCPFA). The claim was regarding 16 employees and their previous seasonal/intermittent employment status. Later, VCERA had also received a letter from Mr. Bondsmith where he asserts that the Board had a mandatory duty to investigate the County's seasonal/intermittent classification of those employees. Mr. Bondsmith also asserts that the Board had an obligation to make an independent determination on the proper definition of seasonal and intermittent classifications. As Ms. Nemiroff's letter to Mr. Bondsmith indicated, it was staff's position that while the Board had the purview to investigate, they did not believe that it had a mandatory obligation to do so, or that the Board was required to adopt its own definition of those terms. Traditionally, VCERA had accepted the employee classification given by the employer, but in light of Mr. Bondsmith's questions, staff would be reviewing VCERA's own Member Sworn Statements to see if there were any clear issues with the classification status of those members. So, as Ms. Nemiroff's letter indicated, staff's recommendation was to have staff investigate the facts and documents, which the County had provided. Staff also believed that the County should discuss the matter further with Mr. Bondsmith, staff believed that the issue was with the County and how they designated the classification for those employees. Lastly, Mr. Bondsmith and a couple of representatives from the County had requested to make a public comment on the issue.

Mr. Bondsmith, Attorney at Law, commented on behalf of the Ventura County Professional Firefighters' Association (VCPFA). He explained that the issue was that the Fire Department had been using Fire Control Workers or hand crews to perform various tasks for the Fire Department. For example, they have needed two, 20-person hand crews, with many of them hired as intermittent employees. The contention was the Fire Department's need for year-around employees was greater than the number of regular employees, and as a result there have been several employees who have been misclassified as being intermittent. This was due to the fact that the nature of the work that the County needed was not intermittent work, but was in fact work that required year-around employees. As a result, the claim that VCERA had an independent duty to investigate was based on the County Employees Retirement Law (CERL) and VCERA's own bylaws, that stated that in cases of doubt of whether an employee was eligible to be a member, the VCERA Board shall decide, and the Board's own bylaws mirror that language. Given that Ms. Nemiroff's letter, which he received the previous week, indicated that the VCERA staff was willing to engage in an investigation, he did not feel it was necessary to quibble over whether VCERA had a mandatory duty because the fact was that if VCERA's staff was willing to investigate the matter, he did not feel it was important of the Board to make that determination. However, he did believe that the Board could provide some guidance to the standard by which intermittent employment should be determined. Again, it was their position that intermittent employment was not based on a classification that the County gave, but whether or not that the work that employee was performing was in fact intermittent work. Although the CERL and the VCERA bylaws themselves did not define what intermittent work was, what was clear from those sources as well as the County's rules themselves, was that the nature of the work was periodic and fluctuating work, not work that was continuous on a year to year basis. Referencing the exhibit he provided, Mr. Bondsmith noted there were several members who worked consecutive years as intermittent employees before they were converted to regular employment status, and they have since worked for decades as regular fire control workers since. There were long term workers who have had their retirement service credit truncated because for the first number of years of their employment they were improperly classified as intermittent. While Ms. Nemiroff's letter indicated that she believed that VCERA did have the authority to investigate, what was not clear was whether she believed that VCERA had the authority

to enroll these employees notwithstanding the County's agreement, as her letter continually stated that if the County agreed that the employees were misclassified, then VCERA would make the change. His position was that under the authorities that were outlined in his letter, VCERA not only had the duty to review the issue, but also the authority to make the change, if in fact that it was found that the employees were misclassified, according to CERL and VCERA's bylaws.

Ms. Nemiroff said that she did believe that the VCERA Board has the authority to enroll the employees in question at an early membership date, if it were found that there was some abuse of the intermittent designation and that the employee should have been classified as, "regular employed"; however she also believed that VCERA needed to conduct a more thorough investigation before VCERA could come to such a conclusion.

Matthew Smith Assistant County Counsel for Ventura County responded on behalf of the County of Ventura. He said he had read Ms. Nemiroff's letter, and while he agreed with most of it, as to her last point he did not necessarily agree that VCERA had the ability to appoint the employees in question, notwithstanding the County's determination or to appoint to membership, because employment with the County was by statute. Also, there was a definition within the Personnel Rules that defined what a regular employee was, and if someone did not meet that definition, they were not a regular employee. Membership in VCERA was premised on someone being a "regular employee" and a regular County employee was someone who held an allocated full-time or part-time fixed position within the County budget and excluded, among others, extra-help, fixed-term and intermittent employees. The County had established limits for itself on intermittent employees, but within the general definition of an intermittent employee, those limits were dependent on what the County wanted to do with its intermittent employees, and the consequences for exceeding that had to do with the Auditor-Controllers ability to pay the individual. However, those limits did not establish whether an individual was an intermittent employee or not because if the County hired someone as an intermittent employee for temporary or sporadic work, then that was an intermittent employee. Even if the County exceeded its own limits on employee work hours, that did not turn an intermittent employee into a regular employee, because again, they would have to meet the statutory definition, so there was no de facto regular employee. Therefore, he believed that as VCERA went forward with its investigation, they should keep those principles in mind. VCERA had relied on County determinations regarding employee classifications, which is appropriate because it was the County who appointed its employees and set the terms of the employment. Lastly, the County's staff was fully cooperative and willing to work with VCERA's staff during the investigation and if there were any questions that arose during the process both he and the Labor Relations staff were available.

Trustee Goulet asked why the claim was not filed a long time ago, as none of the issues were recent. He had to believe that the affected individuals knew or should have known that had not received credit for their time as Fire Control Workers, and they should have filed the claim back then.

Ms. Webb replied that in terms of the timing, Mr. Bondsmith may be the best person to address why he brought that action at this time.

Mr. Bondsmith said that while he understood Trustee Goulet's question, but he felt that it was one more that related to remedy rather than the issue at hand. He assumed that he was bringing up the issue, because he believed that it could be barred by, Laches, however, he believed Ms. Nemiroff's letter indicated that there was a continuing duty on the part of the Board that members who were entitled to be enrolled, were enrolled. All he could say was that the issue was brought to his attention and that they were raising the issue with the Board now and the Board had a continuing

duty to ensure that members and those people who were entitled to retirement benefits received the statutory benefits which they were entitled.

Chair Sedell said that the best thing may be to ask staff to continue that line of questioning as part of the investigation.

Trustee Roberts asked Mr. Smith how Fire Control Workers were currently classified.

Mr. Smith said that unfortunately he was not the best person to answer that question, but he believed that the Fire Department staff, or the Labor Relation staff would be able to provide that information to him.

Trustee Long noted that the second recommendation by staff requested that the County of Ventura engage further with the impacted members and their counsel to examine the issue. She then asked if the County would then report back to VCERA or would VCERA be engaged in those discussions as well.

Ms. Webb said that VCERA staff could not direct County staff to engage further with the impacted members, they could only encourage them to. As for VCERA staff's part, they would certainly be asking questions as part of the investigation and Mr. Curnow and his staff had been very forthcoming by providing documents that VCERA staff had requested. Whether or not the County wanted to engage separately with the other parties out of the process, was something entirely up to them, which was why VCERA staff used the word "encouraged." VCERA staff's role was to review the documents in the investigation, ask any follow up questions with the County and meet with them if necessary, and then report back to with their findings and provide options on how they could proceed from there.

Trustee Long said that she appreciated that, as she also had concerns that were similar to Trustee Goulet's in regard to the issues were in the past and why were they just coming to the County and the Board with them now.

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

MOTION: Adopt Staff's Recommendation for the Board to Direct Staff to Investigate the Facts and Circumstances of Intermittent Tenures and Report Back with Options for Responses to the Claim.

Moved by Ashby seconded by Joe

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

C. Review of 2020 Board Member Education Compliance.

RECOMMENDED ACTION: Approve.

1. Staff Letter.

2. Board Education Compliance Report for 2020.

Ms. Webb explained that the Trustee Education report was an annual reporting requirement, though the trustee education requirements were on a 2-year basis, and sometimes this was confusing. So, at times it may appear that a trustee was behind on training, when in fact that may be on a good pace to complete their 2-year training requirement. Also, staff did conduct some initial training for the new Trustees and staff will be going back to review the number of hours as they should be credited and included. Also, the SACRS Spring Conference was coming up quickly and two of the required courses for trustee training would be offered, so she encouraged the trustees who needed to take those courses to register. Lastly, if any of the Trustees had taken any other training that was not reflected, to please report that to staff so that those hours would be credited, because the training could be self-reported.

MOTION: Approve.

Moved by Long seconded by Tang-Paradis

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

D. SACRS 2021 Spring Voting Proxy.

1. Staff Letter.

Ms. Webb said every SACRS Conference included a business meeting where the 20 CERL systems were represented, so each board traditionally appointed a Voting Proxy to represent their system and vote at the meeting. The Board could appointee the voting proxy from among those attending the conference. She herself would be in attendance and was willing to be appointed as the voting proxy as well if needed.

Chair Sedell asked if there were any volunteers among the Board members to serve as the Voting Proxy.

Trustee Hoag said that he believed that he would be attending that meeting and would be willing to serve as the Voting Proxy for the Board.

Ms. Webb then said that she would be willing to serve as a backup for Trustee Hoag.

Chair Sedell then appointed Trustee Hoag as the Voting Proxy and Ms. Webb as a backup.

E. Ad Hoc Compensation Review Committee Progress Report and Proposed Request for Proposal.

RECOMMENDED ACTION: Approve.

1. Letter from Ad Hoc Compensation Review Committee.

2. Proposed Request for Proposal.

Ms. Webb said that the Ad Hoc Compensation Review Committee had been appointed by the Board to review the compensation for the 5 senior staff who reported to the Board. Trustee Goulet was the Chair of that committee and she deferred to him to present the materials that had been provided to the Board.

Trustee Goulet explained that the committee was requesting authorization from the Board to issue a Request for Proposal (RFP) for a compensation study. They had prepared a proposed RFP which was submitted to the Board along with a letter from the committee, though he wanted to point out an error in the letter. He said in the 2nd paragraph, it read, "*We received no comments for improvement of the scope of work*", and he should have read, "*We received suggestions and corrections or improvements for the RFP, but no substantial comments to change the scope*". Also, he and the committee thought that it would be beneficial to have staff review the RFP to ensure that what they hoped to see accomplished would be. He then said that he would entertain any comments the Board had or a motion to approve the item.

Chair Sedell noted that he was impressed by how professional the RFP looked, though it implied a much broader scope than just a market-based analysis. Also, the RFP referenced a fee of \$35,000, as the maximum amount, but he was unsure how the committee had arrived at that amount. He recognized 3 of the 4 firms that were chosen to receive the RFP, and asked how those 4 were chosen and if there were other firms that should be considered.

Trustee Goulet replied that the committee had come up of the list of the 4 firms after consulting with other retirement systems. He also did not expect to receive any other proposals since the RFP was only going to be sent to the 4 recommended firms. As for the fee amount, \$35,000 was the maximum, but he estimated that the fee would most likely be under \$30,000, but they would not know until they received the proposals from the firms.

Chair Sedell then asked if the committee had a recommendation for how frequently the Board should conduct a market-based study for those 5 executive managers.

Trustee Goulet replied that he believed that the Board's policy stated that the Board should conduct one every 3 years.

Ms. Nemiroff noted that in the VCERA Management Resolution that was adopted by the Board stated that the Board "shall endeavor" every 3 years to have a study conducted. The Board was welcome to change that guideline, but that was what the Resolution currently said.

MOTION: Approve.

Moved by Ashby seconded by Roberts

Vote: Motion carried

Yes: Grass, Goulet, Hintz, Joe, Long, Roberts, Tang-Paradis, Ashby, Sedell

No: -

Absent: Hernandez-Garcia

Abstain: -

VII. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code section 54956.9(a)) Name of Case: Ventura County Employees' Retirement Association v. County of Ventura, et. al, Case No.: VENCI00546574.

Chair Sedell said that they had already discussed the informational item during the SACRS Voting Proxy item, and suggested that the Board hear Public Comment, Staff Comment and Board

Member Comments before going into Closed Session, without formally modifying the agenda formally, if the Board had no objection.

The Board then advanced to item, IX., "Staff Comment" since there were no objections by the rest of the Board.

After hearing staff comments, the Board withdrew into Closed Session at 10:36 a.m., after announcing they would be adjourning out of Closed Session, as there would be no announcements at its conclusion.

VIII. INFORMATIONAL

A. SACRS Spring Conference 2021 – Conference Information.

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

Ms. Webb reminded the Board that the April meeting was a combined meeting, which typically longer than a typical meeting. She also corrected her earlier statement regarding how staff was calculating retirements in regard to flex credit. While staff was including the flex credit in their calculations for retiring members, an additional calculation was provided to the member so that they were aware of what their benefits may be without the inclusion of the flex credit, given the pending litigation on the matter which may be resolved differently in the future. As for the estimates, staff was providing them to members without the inclusion of flex credit, and a note was included to inform members that the item was being litigated.

Ms. Webb also informed the Board that VCERA would be mailing out Annual Statements to its members soon and that the statements had certain required items that must be included in them, such as the amount of accumulated contributions. In the past, VCERA had been providing benefit projections based on the members' final average compensation. However, this year she had directed staff not to include those projections because the pension administration system was still programmed to include not only flex credit, but all of the PEPRA exclusion pay items. Thus, the projections would be overstated, and it would be imprudent to send them as members could rely on those figures for planning. Staff had communicated this decision to the County, and they had voiced concerns on the disclaimer language in the statement, as the statement traditionally combined the VCERA annual statement with that of the County's 401k and 457 plans. Therefore, staff would be setting up a meeting with the County to discuss their concerns.

Ms. Webb also announced VCERA's Chief Operations Officer, Julie Stallings, had announced she would be retiring in April. She had been with VCERA for quite a long time and had more than 30 years of County service. As some the Board members may recall, she had taken the lead on the Pension Administration System project and oversaw VCERA Operations staff. While it would be a difficult to lose her, staff wished her the best and Ms. Webb asked that the Board join her in congratulating Ms. Stallings and wishing her the best. Lastly, because the COO was such a key position in the organization, staff would be returning to the Board to discuss the steps for filling that vacancy.

Chair Sedell remarked that Ms. Stallings was highly regarded and had done a great job for VCERA and the Board was very appreciative of that. The Board had always had a certain comfort level

knowing that she was taking care of VCERA's members, and he could not recall any member complaints because of the work she done.

Ms. Webb said that Ms. Stallings was a very collaborative team member, well respected by her staff and also a very caring manager. Considering all of the things that staff have had to go through in the last few years, such as implementing a new pension system database, office remodel, COVID, and changes in retirement benefits, Ms. Stallings had helped her staff navigate through all of that very well, and again she would be sorely missed.

Trustee Ashby thanked Ms. Stallings for all of her support since he had been on the Board. She had always been available to answer questions and she would be sorely missed. He had known her for quite a few years, and she would be very hard to replace.

Trustee Goulet said he wanted to express his appreciation for the good work she had done for the many years that he had been on the Board.

Trustee Long expressed her thanks to Ms. Stallings. She said that Ms. Stallings had been very dedicated in looking out for the employees and she appreciated her efforts on behalf of all of the employees.

Trustee Roberts said that while they had not worked together for very long, he appreciated all of the work her and the staff had accomplished over that last year, especially with COVID and the uncertainty that it brought, and so he appreciated her dedication and many years of service.

Trustee Hoag said that he had known Ms. Stallings for many years, and she had done a very good job for VCERA.

Chair Sedell again thanked Ms. Stallings for the great work she had done, as well as her service to the County.

Following the vote on the item, the Board returned to agenda item VII.A., "Closed Session".

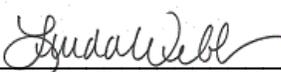
XI. BOARD MEMBER COMMENT

None.

XII. ADJOURNMENT

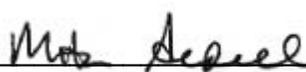
The Chairman adjourned the meeting from closed session at 10:36 a.m.

Respectfully submitted,



LINDA WEBB, Retirement Administrator

Approved,



MIKE SEDELL, Chair