

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

FINANCE COMMITTEE MEETING

JUNE 15, 2023

MINUTES

**TRUSTEES
PRESENT:**

Arthur E. Goulet, Finance Committee Chair, Retired Member
Jordan Roberts, General Employee Member
Tommie E. Joe, Public Member

**TRUSTEES
ABSENT:**

**STAFF
PRESENT:**

Linda Webb, Retirement Administrator
La Valda Marshall, Chief Financial Officer
Amy Herron, Chief Operations Officer
Leah Oliver, Chief Technology Officer
Brian Owen, Sr. Information Technology Specialist
Michael Sanchez, Sr. Information Technology Specialist
Chris Ayala, Program Assistant

PLACE:

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

TIME:

11:00 a.m.

ITEM:

I. CALL TO ORDER

A. Roll Call.

Chair Goulet called the Finance Committee meeting of June 15, 2023, to order at 11:00 a.m.
Roll Call:

Trustees Present: Art Goulet, Tommie Joe, Jordan Roberts.

Trustees Absent: -

II. APPROVAL OF AGENDA

MOTION: Approve.

Moved by Roberts, seconded by Joe

Vote: Motion carried

Yes: Joe, Roberts, Goulet

No: -

Absent: -

Abstain: -

III. APPROVAL OF MINUTES

A. Finance Committee Meeting Minutes of May 15, 2023.

Chair Goulet noted a typo in the minutes for May 15th. The minutes incorrectly listed his title as, "Retiree Member", instead of, "Retired Member".

MOTION: Approve as Amended.

Moved by Roberts, seconded by Joe

Vote: Motion carried

Yes: Joe, Roberts, Goulet

No: -

Absent: -

Abstain: -

IV. OLD BUSINESS

A. Retiree Health Insurance Premium's Current Staff Eligibility Analysis.

RECOMMENDED ACTION: Receive and File.

1. Staff Letter by Chief Financial Officer.

2. Attachment A – Retiree Health Insurance Premium Coverage Analysis Result Summary.

3. Attachment A.1. – Retiree Health Insurance Premium Coverage Analysis Detail.

Chair Goulet stated at the last meeting he had requested that Ms. Marshall review which of VCERA's current employees would be eligible for the Retiree Health Insurance Premium benefit in the near future, and there was one identified. He then asked if the committee should recommend to the Board that the Retirement Administrator negotiate with the County of Ventura to not have them charge VCERA for the employee benefit at all or split the charge depending on how long the eligible retiree member had worked for the system, as opposed to working for the County itself.

Ms. Webb provided background on some of the discussions she had had with Shawn Atin, Assistant CEO/HR Director for the County of Ventura regarding the benefit. She explained that the County believed the cost of the benefit to VCERA was minimal, given VCERA's budget and did not feel that a change to the benefit was necessary. Therefore, the next step would be for the Board to extend the request to the County.

Trustee Joe said he felt the committee should bring the matter to the Board, so that they were aware of it, and to decide if they would like to proceed by making a formal request to the County.

Trustee Roberts remarked that he believed the County could be asked to pay for the portion of the benefit cost that was earned by the employee while they were employed with the County. However, considering the potential amount of time, effort, and cost it would take to fight for a change to the benefit, it may not be worth pursuing, given the fact that the benefit would only pertain to one employee. So, he believed they should bring the matter to the Board's attention so that they could decide on how to proceed.

MOTION: Bring the Item Back to Board of Retirement with a Recommendation that VCERA Continue to Pay the Retiree Health Care Premiums.

Moved by Roberts, seconded by Joe

Vote: Motion carried

Yes: Joe, Roberts

No: Goulet

Absent: -

Abstain: -

V. **NEW BUSINESS**

A. Fiscal Year 2022-23 Quarterly Financial Statements and Budget Summaries.

RECOMMENDED ACTION: Receive and File.

1. Staff Letter by Chief Financial Officer.
2. Financial Statements.
3. Budget Summaries.

Ms. Marshall presented the Quarterly Financial Statements and Budget Summaries for Fiscal Year 2022-23.

Chair Goulet said there were a few line items that caught this attention, which pertained to the fees paid to Investment Managers, particularly Walter Scott, HarbourVest, VWH Partners, Vitruvian and

Flex Point. He explained that the percentage of the fees seemed high relative to the amount of the portfolio that they each manage.

Ms. Marshall said that she did not have the amount of the fees that VCERA was required to pay according to the contract with these investment managers, so she would have to research the issue and get back to him with the information.

Chair Goulet was concerned with the amount that VCERA was paying for the hosting of the retirement data system.

Ms. Oliver reminded the committee that Trustee Goulet had initially asked Ms. Oliver to look into alternatives to VSG hosting of VCERA's Pension Administration System to reduce costs. There were some obstacles to this, and moving the hosting environment could also disrupt the Alameda Implementation Project, and would also be a major project. Another consideration was that the Pension Administration System would be at the end of its life in 10 years, so there were a number of factors that needed to be considered, but she would be providing a report to the Board, with recommendations in the near future regarding these issues.

Chair Goulet noted the Staff Letter that was included with the materials did not have a recommendation from staff to the Board regarding the Quarterly Financial Statements and Budget Summaries, and there were a couple of typos that needed to be corrected.

MOTION: Approve the staff letter, with Amendments and Recommend to the Board of Retirement they Receive and File.

Moved by Roberts, seconded by Joe

Vote: Motion carried

Yes: Joe, Roberts, Goulet

No: -

Absent: -

Abstain: -

B. Review of Draft Fiscal Year 2023-2024 Proposed Budget.

RECOMMENDED ACTION: Adoption.

1. Staff Letter by Chief Financial Officer.
2. Proposed Budget for Fiscal Year 2023-24.
3. Budget Presentation by Chief Financial Officer.

To be Provided.

Ms. Marshall presented the Proposed Budget for Fiscal Year 2023-24. She pointed out that on page 2 of the staff letter, in the second paragraph, there was a typo which stated that there was an increase of 5 Full-Time Equivalentents (FTE's) over the previous fiscal year, which would be corrected to list 4 Full-Time Equivalentents.

Chair Goulet noted an increase in the line item for *Technology – V3 Software*.

Ms. Oliver explained that the increase in the line item was related to reporting software for the V3 Retirement Administration System, to allow staff to run various reports, including one for the Alameda

Implementation project. Additionally, the increased cost in the line item was also related to a number of enhancements to the V3 software that staff was making because of the Alameda Implementation.

Chair Goulet proposed that staff add a separate line item to accommodate the enhancements to V3 due to the Alameda Implementation.

Ms. Marshall said staff would add a column with a corresponding total budget that's related to Alameda projected costs, as well as noting which costs were associated with Consulting Services and Reporting Solutions.

MOTION: Recommend the Board of Retirement Adopt the Proposed Fiscal Year 2023-2024 Budget, with the Noted Clarifications.

Moved by Roberts, seconded by Joe

Vote: Motion carried

Yes: Joe, Roberts, Goulet

No: -

Absent: -

Abstain: -

Trustee Roberts left the meeting at 12:15 p.m., after the vote.

Trustee Roberts returned to the meeting at 12:19 p.m.

VI. PUBLIC COMMENT

None.

VII. STAFF COMMENT

None.

VIII. COMMITTEE MEMBER COMMENT

Trustee Roberts thanked staff for all of the hard work that they had done.

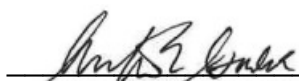
Ms. Webb commended Ms. Marshall for her work on the budget.

Chair Goulet said Ms. Marshall was a pleasure to work with.

IX. ADJOURNMENT

The Chair adjourned the meeting at 12:45 p.m.

Approved,



ART GOULET, Finance Committee Chair