VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
SPECIAL MEETING
DECEMBER 13, 2017

MINUTES

DIRECTORS PRESENT: Tracy Towner, Chair, Alternate Safety Employee Member
William W. Wilson, Vice Chair, Public Member
Mike Sedell, Public Member
Robert Bianchi, Public Member
Maeve Fox, General Employee Member
Craig Winter, General Employee Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member
Ed McCombs, Alternate Public Member

DIRECTORS ABSENT: Steven Hintz, Treasurer-Tax Collector
Peter C. Foy, Public Member
Chris Johnston, Safety Employee Member

STAFF PRESENT: Linda Webb, Retirement Administrator
Lori Nemiroff, Assistant County Counsel
Henry Solis, Chief Financial Officer
Dan Gallagher, Chief Investment Officer
Julie Stallings, Chief Operations Officer
Shalini, Nunna, Retirement Benefits Manager
Vickie Williams, Retirement Benefits Manager
Stephanie Berkley, Retirement Benefit Specialist
Chris Ayala, Program Assistant

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

TIME: 9:30 a.m.
ITEM:

I. CALL TO ORDER

Chair Towner called the Special Meeting of December 13, 2017, to order at 9:30 a.m.

II. APPROVAL OF AGENDA

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

MOTION: Approve.

Moved by McCombs, seconded by Bianchi.

Vote: Motion carried
Yes: Bianchi, Fox, Goulet, McCombs, Sedell, Towner, Wilson, Winter
No: -
Absent: Foy, Hintz, Johnston

III. OLD BUSINESS

A. Report and Recommendations Regarding Pensionable Compensation under PEPRA and the Board of Retirement’s Resolution.

   To be provided following Board of Supervisors Action on Dec. 12, 2017.

   a. Recommended Adoption of Board Resolution Regarding “Similarly Situated Members of Group or Class of Employment”.

      i. Draft Resolution.

Ms. Webb told the Board that there were three (3) items under consideration: 1) a recommendation to adopt a Resolution for Similarly Situated Members of the Same Group or Class of Employment; 2) a recommendation to include Market-Based Premium Pay (MBPP) in pensionable compensation; and 3) a recommendation to exclude HCA Fiscal Premium Pay from pensionable compensation.

Ms. Webb provided background on these issues, explaining that the Board initially included MBPP in pensionable compensation in 2015. However, subsequent difficulties with publicly-available pay schedules and additional information made available after the initial Board action triggered staff to recommend reconsideration to exclude MBPP and for Counsel to opine that the developments resulted in a change of opinion from “within Board discretion” to “not within Board discretion” to include in pensionable compensation. Counsel’s opinion described at pathway to inclusion, at VCERA’s request, which was very specific.
Several postponements, and then communication and collaboration between the respective Counsels resulted in a reworking of Section 622 of the SEIU Memorandum of Agreement (MOA), which was subsequently approved by both the Board of Supervisors and SEIU.

Ms. Webb said that both staff and Counsel believed the new Section 622 governing the payment of MBPP rose to the level of meeting the necessary criteria, as it showed MBPP to be: 1) paid in cash to similarly situated members of the same group or class of employment; 2) paid for services rendered on a full-time basis; 3) paid only for services rendered during normal working hours; and 4) paid pursuant to a publicly available pay schedule.

Ms. Webb said the crux of previous disagreements kept circling back to the definition of "similarly situated members of the same group or class of employment." Therefore, staff and Counsel recommended adoption of the provided Resolution to clarify this definition.

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

**MOTION:** Approve Adoption of Board Resolution Regarding Similarly Situated Members of Group or Class of Employment.

Moved by Sedell, seconded by Bianchi.

Vote: Motion carried
Yes: Bianchi, Fox, Goulet, McCombs, Sedell, Towner, Wilson, Winter
No: -
Absent: Foy, Hintz, Johnston

b. Recommended Inclusion of Market-Based Premium Pay (MBPP) in Pensionable Compensation Following County Board of Supervisors Action.

i. Letter from HR Director Shawn Atin to Board of Supervisors.

ii. Section 622 of SEIU Resolution, Amended.

Ms. Webb repeated that the new Section 622 of the MOA allows staff and Counsel to recommend inclusion of MBPP in pensionable compensation.

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

**MOTION:** Approve Inclusion of Market-Based Premium Pay (MBPP) in Pensionable Compensation Following County Board of Supervisors Action.

Moved by Bianchi, seconded by Sedell.

Vote: Motion carried
Yes: Bianchi, Fox, Goulet, McCombs, Sedell, Towner, Wilson, Winter
No: -
Absent: Foy, Hintz, Johnston

2. Recommendation to Exclude HCA Fiscal Premium Pay from Pensionable Compensation.
   a. Staff Letter with Attachments.

Ms. Webb explained that the respective Counsels had conferred about this pay item as well, and while County Counsel had reminded VCERA Counsel that they are not in complete agreement about the underlying criteria themselves, he acknowledged the item was difficult to fit into VCERA’s criteria. Ms. Webb reminded the Board that no PEPPRA members were currently receiving this item, and that the County was aware of the pending recommendation to exclude it.

Shawn Atin, Assistant C.E.O. and Director of Human Resources for the County of Ventura, was present to discuss this item with the Retirement Board and staff. He requested that the Board postpone action on HCA Fiscal Premium Pay to allow the County time to review the pay item more thoroughly.

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

MOTION: Table to the Business Meeting in January 2018.

Moved by Bianchi, seconded by McCombs.

Vote: Motion carried
Yes: Bianchi, Fox, Goulet, McCombs, Sedell, Towner, Wilson, Winter
No: -
Absent: Foy, Hintz, Johnston

IV. PUBLIC COMMENT

None.

V. STAFF COMMENT

None.

VI. BOARD MEMBER COMMENT

Trustee Goulet said that he would still like to see a summary of the legal costs associated with the MBPP agenda item since 2015.

Ms. Webb replied that staff would provide a summary to Trustee Goulet.
VII. ADJOURNMENT

The meeting was adjourned at 9:41 a.m.

Respectfully submitted,

[Signature]

LINDA WEBB, Retirement Administrator

Approved,

[Signature]

TRACY TOWNER, Chairman