

**COMPENSATION POLICIES TASK FORCE  
MINUTES**

Ed McCombs, Chairperson

Bart Bleuel, Co-Deputy Chairperson, Randolph Hinton, Co-Deputy Chairperson

Vern Alstot	Ramon De La Rosa	Jim Monahan
Neal Andrews	Quinn Fenwick	Richard Newsham
Eric Burton	Sylvia Lopez	John Snowling
Ben Davis	Frank Maxim	Ed Summers

**SEPTEMBER 28, 2009**

The Compensation Policies Task Force met in regular session at the Police/Fire Headquarters' Training Room, 1425 Dowell Drive, Ventura, at 3:37 p.m.

**ROLL CALL**

Present: Glen Albright, Vern Alstot, Neal Andrews, Bart Bleuel, Eric Burton, Ben Davis, Ramon De La Rosa, Quinn Fenwick, Randolph Hinton, Frank Maxim, Ed McCombs, Jim Monahan, Richard Newsham, John Snowling, Ed Summers

Absent: None

Chairperson McCombs called the meeting to order.

**PUBLIC COMMUNICATIONS**

Andy Soter spoke.

**TASK FORCE BUSINESS**

2. **Review Data and Begin the Development of a Report to the City Council** (This item taken out of sequence)

Chairperson McCombs asked all Task Force members to express their opinions about next steps moving forward with the development of a report for the full City Council. Most members provided feedback to Chairperson McCombs and a lengthy discussion ensued regarding the various feedback provided. The following is the list of key points identified during the discussion that will need further discussion:

## **COMPENSATION**

- a. Define competitiveness:
  - (1) Does competitiveness equal comparability?
  - (2) What alternatives are there to comparable city studies?
  - (3) Competitiveness can be a red herring:
    - (a) Define quality of service we want; and
    - (b) Retention only relevant factor.
- b. What is a fair salary? Total compensation must be centered on a number.
- c. Comparable data is used to negotiate with. We are not at top—have been behind for years.
- d. Must factor in Social Security when comparing costs.

## **RETIREMENT**

- a. Need more information from CalPERS.
- b. We need an economic forecast—what can we afford?
  - (1) Long-term future, 20-30 years; and
  - (2) Greater longevity and long-term contribution impact.
- c. What is sustainable?
  - (1) Define City's ability to pay; and
  - (2) Build up reserve with CalPERS when we are "super" funded and don't spend elsewhere.
- d. Consider public perception.
- e. Problem will be much greater in the future than it is today.
- f. Cannot afford CalPERS termination costs.
- g. Need to create two tiers.
- h. Need to increase our understanding of the impact and hidden costs of a two-tier system:
  - (1) Especially on lowest paid workers—most of who can't retire before age 65, if then.
- i. Why be first and have lowest compensated retirement group?
- j. Not all employees take advantage of retirement (leave early).
- k. Our society has a mobile work force and pensions stimulate staying within an organization.

## **OVERRIDING CONSIDERATIONS**

- a. Public perception:
  - (1) Private sector has largely transitioned to defined contribution from defined benefit; and
  - (2) Public anger based on its perceptions—doesn't matter whether it is true or false.

- b. Don't rush the process.
- c. Is there really a long-term problem?
- d. Do we need to make a change? (CalPERS does not seem to be in trouble.)
- e. Get the relevant facts out:
  - (1) Average annual current retiree payments:
    - (a) \$14,000 - Miscellaneous
    - (b) \$38,000 - Safety

Chairperson McCombs asked for feedback from Task Force members regarding the establishment of a subcommittee consisting of one public member, one Councilmember and three representatives for the various union groups. The Task Force members were not in agreement at this time to break out into a subcommittee. No action was taken.

Chairperson McCombs suggested the Task Force meet on a Saturday for four hours in order to allow for more time to work through the data that has been provided and to compile information for the report to Council. Not all Task Force members were available on a Saturday, therefore, it was decided that the next meeting would be held on a Friday when City Hall is closed. The next meeting will be held October 9, 2009, at 1:00 p.m. at the Police/Fire Headquarters training room, if available.

Chairperson McCombs moved to approve that he provide Council with a verbal presentation on the status of the work effort of the Compensation Policies Task Force in October. Member Summers seconded. Motion carried.

1. **Minutes** (This item taken out of sequence)

Recommendation: Approve Minutes of Task Force meeting of September 22, 2009.

Action:

Co-Deputy Chair Bleuel moved to approve the minutes as presented. Member Monahan seconded. Motion carried.

**TASK FORCE AND STAFF COMMUNICATIONS**

None.

**ADJOURNMENT**

The meeting was adjourned at 5:10 p.m.

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Vickie Poliquin, Administrative Secretary