

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

March 17, 2014

MINUTES

DIRECTORS William W. Wilson, Vice Chair, Public Member
PRESENT: Steven Hintz, Treasurer-Tax Collector
Peter C. Foy, Public Member
Joseph Henderson, Public Member
Mike Sedell, Public Member
Tom Johnston, General Employee Member
Deanna McCormick, General Employee Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member
Chris Johnston, Alternate Employee Member

DIRECTORS Tracy Towner, Chair, Safety Employee Member
ABSENT:

STAFF Tim Thonis, Interim Retirement Administrator
PRESENT: Henry Solis, Chief Financial Officer
Lori Nemiroff, Assistant County Counsel
Chantell Garcia, Retirement Benefits Specialist
Chris Ayala, Office Assistant
Stephanie Caiazza, Office Assistant

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

TIME: 9:00 a.m.

ITEM:

I. CALL TO ORDER

Vice Chair William W. Wilson, called the Business Meeting of March 17, 2014, to order at 9:01 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve the Agenda.

Moved by Sedell, seconded by Henderson.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

III. APPROVAL OF MINUTES

A. Disability Meeting of March 3, 2014.

MOTION: Approve the Minutes.

Moved by Hintz, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

Abstain: Foy

IV. CONSENT AGENDA

A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of February 2014.

B. Receive and File Report of Checks Disbursed in February 2014.

- C. Receive and File Budget Summary for FY 2013-14 Month Ending February 2014.

MOTION: Approve the Consent Agenda.

Moved by Sedell, seconded by Henderson.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

END OF CONSENT AGENDA

V. STANDING ITEM

- A. Receive an Oral Update on Pensionable Compensation and PEPRA.

Lori Nemiroff reported the posted agenda for the next CalPERS Pension and Health Benefits Committee meeting contained an item on pensionable compensation and that the committee aims to present draft regulations to their board in April.

Ms. Nemiroff proceeded to inform the Board that a tentative decision was issued on the AB197 consolidated cases. Due to ambiguity in the law prior to AB197, on-call and stand-by pay issues will be determined by the individual circumstances of each system and each board. Ms. Nemiroff stated that the decision will be a topic of discussion at the upcoming Manatt conference, after which she will provide a more detailed update to the Board.

VI. ANNUAL INVESTMENT PRESENTATIONS

- A. Annual Investment Presentation, Harbour Vest – Jeffrey Keay, Managing Director, Aris Hatch, Principal (30 Minutes).

Jeffrey Keay and Aris Hatch were present on behalf of Harbour Vest to discuss their annual investment results.

- B. Annual Investment Presentation, Adams Street Partners – Scott Hazen, CFA-Partner and Katherine Wanner, Partner (30 Minutes).

Scott Hazen and Katherine Wanner were present on behalf of Adams Street Partners to discuss their annual investment results.

- C. Annual Investment Presentation, Pantheon – Matt Garfinkle, Partner, Sprague Von Stroh, Vice President (30 Minutes).

Matt Garfinkle and Sprague Von Stroh were present on behalf of Harbour Vest to discuss their annual investment results.

VII. INVESTMENT INFORMATION

Tim Thonis entered the meeting at 10:50 a.m.

- A. NEPC – Don Stracke, Senior Consultant.

1. Receive and File Preliminary Performance Report, Month Ending February 28, 2014.

MOTION: Receive and File.

Moved by Hintz, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

2. Receive and File Private Equity Overview.

MOTION: Receive and File.

Moved by Hintz, seconded by Henderson.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

3. Receive and File Asset Allocation- II.

After discussion by the Board and Don Stracke, the following motion was made:

MOTION: Receive and File.

Moved by Henderson, seconded by T. Johnston.

Vote: Motion carried.
Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick,
Sedell, Wilson
No: -
Absent: Towner

4. PIMCO Update.

MOTION: Receive and File.

Moved by Goulet, seconded by McCormick.

Vote: Motion carried.
Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick,
Sedell, Wilson
No: -
Absent: Towner

B. VCERA – “Watch List” Discussion – PIMCO

After discussion by the Board, Staff, and Don Stracke, the following motion was made:

MOTION: Place PIMCO on “Watch List”, with no quiet period, and receive monthly updates in accordance with the Investment Policy Statement.

Moved by C. Johnston, seconded by Goulet.

Vote: Motion carried.
Yes: Foy, Goulet, Hintz, T. Johnston, McCormick, Sedell, Wilson
No: Henderson
Absent: Towner

VIII. OLD BUSINESS

A. Ventura County Employees’ Retirement Information System (VCERIS)
Recommendation to Increase Data Conversion Hours – Vitech.

1. Recommend Approval for Vice Chairman to sign letter to Vitech (Item #2).
2. Request for Additional Data Conversion Assistance.

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

MOTION: Authorize Vice Chairman to sign letter to Vitech approving additional data conversion assistance.

Moved by Goulet, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

Mr. Goulet commented that he is awaiting Brian Colker's correction of the payment schedule.

IX. NEW BUSINESS

A. VCERIS Monthly Report – February 2014.

MOTION: Receive and File.

Moved by Henderson, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

B. Review Draft Executive Search Firm Request for Proposal – Personnel Review Committee.

MOTION: Approve the Draft Executive Search Firm Request for Proposal, with Will Hoag listed as the main contact.

Moved by Henderson, seconded by Hintz.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

C. Authorization to Attend PIMCO Institute 2014, June 5th – 6th and June 9th – 13th.

Staff recommended approval of the authorization for Henry Solis to attend.

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

MOTION: Approve Mr. Solis' attendance at the PIMCO Institute 2014.

Moved by Goulet, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell,
Wilson

No: -

Absent: Towner

D. IRS Tax Determination Letter Update: Next Steps.

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

MOTION: Receive and File.

Moved by T. Johnston, seconded by Henderson.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell,
Wilson

No: -

Absent: Towner

After further discussion, the following motion was made:

MOTION: Draft a letter of support for AB2473 to the Committee on Public Employees, Retirement, and Social Security.

Moved by Goulet, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell,
Wilson

No: -

Absent: Towner

E. Recommendation to Approve PEPRA Annual Compensation Limit.

Staff provided background information and recommended approval for Option C.

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

MOTION: Approve policy Option "A"- Annual Board Adoption of the PEPRA Compensation Limits.

Moved by Goulet, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

F. Distribution of Recommended Ballot; SACRS Election – Spring Conference.

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

MOTION: Approve the Recommended Slate of Directors.

Moved by C. Johnston, seconded by T. Johnston.

Vote: Motion carried.

Yes: Foy, Goulet, Henderson, Hintz, T. Johnston, McCormick, Sedell, Wilson

No: -

Absent: Towner

X. INFORMATIONAL

A. SACRS Spring Conference – Draft Agenda.

XI. PUBLIC COMMENT

None.

XII. STAFF COMMENT

The Interim Retirement Administrator reminded the Board that Form 700's must be submitted by April 1, 2014.

Ms. Nemiroff informed the Board of a small claims action filed against VCERA by Michael Koevenig, stating that she had drafted a notice for dismissal and that the Interim Retirement Administrator and a representative from Risk Management will attend the hearing on March 28, 2014.

XIII. BOARD MEMBER COMMENT

None.

XIV. ADJOURNMENT

The meeting was adjourned at 11:56 p.m.

Respectfully submitted,



TIM THONIS, Interim Retirement Administrator

Approved,



TRACY TOWNER, Chairman