

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

June 16, 2014

MINUTES

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

DIRECTORS Tom Johnston, General Employee Member
ABSENT:

STAFF Henry Solis, Chief Financial Officer
PRESENT: Lori Nemiroff, Assistant County Counsel
Julie Stallings, Retirement Operations Manager
Christina Stevens, Fiscal Manager
Stephanie Caiazza, Program Assistant
Chantell Garcia, Retirement Benefits Specialist

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

Chair Tracy Towner, called the Business Meeting of June 16, 2014, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Mr. Solis offered a correction to Item "IV.A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of May 2014", stating that the report should have included the effective date of May 2, 2014, for retiree Teri L. Norrdin.

MOTION: Approve the Agenda, as amended.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: T. Johnston

III. APPROVAL OF MINUTES

A. Disability Meeting of June 2, 2014.

MOTION: Approve the Minutes.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: T. Johnston

Abstain: Foy

IV. CONSENT AGENDA

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

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

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

MOTION: Approve the Consent Agenda.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: T. Johnston

END OF CONSENT AGENDA

V. STANDING ITEM

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

Ms. Nemiroff informed the Board that the proposed regulations set forth by CalPERS have been released for public comment, and will be distributed to the Board.

VI. ANNUAL INVESTMENT PRESENTATIONS

- A. Receive Annual Investment Presentation, Grantham, Mayo, Van Otterloo & Co. LLC, Tom Rosalanko, Portfolio Manager, and Lisa Stanton, Client Relationship Manager (30 Minutes).

Tom Rosalanko and Lisa Stanton were present on behalf of Grantham, Mayo, Van Otterloo & Co. LLC, to provide an organizational and investment performance update.

- B. Receive Annual Investment Presentation, Parametric Clifton, Justin Henne, Senior Portfolio Manager, and Ben Lazarus, Director, Institutional Relationships (30 Minutes).

Justin Henne and Ben Lazarus were present on behalf of Parametric Clifton to provide an organizational and investment performance update.

VII. INVESTMENT INFORMATION

- A. NEPC – Don Stracke, Senior Consultant, Allan Martin, Partner.

1. Receive and File Performance Report Month Ending May 31, 2014.

MOTION: Receive and file.

Moved by Henderson, seconded by Wilson.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: T. Johnston

2. Approval of Date for Summer Due Diligence Visits and Review of PIMCO Watch Status.

Mr. Stracke provided an update on PIMCO and recommended that the planned due diligence trips to Western and PIMCO be scheduled for July 29, 2014.

MOTION: Approve.

Moved by Goulet, seconded by Wilson.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: T. Johnston

Chair Towner appointed Mr. Wilson, Mr. Goulet, and Ms. McCormick to participate in the planned due diligence trips to Western and PIMCO.

3. Asset Allocation Update and Work Plan Discussion.

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

MOTION: Postpone the asset allocation update until the business meeting of July 21, 2014.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell,
Towner

No: -

Absent: T. Johnston

After further discussion, Mr. Stracke resolved to revise the work plan to include more education on credit.

The following motion was made:

MOTION: Postpone the work plan discussion until the business meeting of July 21, 2014.

Moved by Henderson, seconded by Goulet.

Vote: Motion carried.

Yes: Goulet, Hintz, Foy, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: T. Johnston

4. Receive Direct Lending Educational Discussion, White Oak Global Advisors, LLC, Barbara McKee, Managing Partner, Casey Jones, Managing Director, Marketing, and Dave Hackett, Partner and Head of Underwriting.

Barbara McKee, Casey Jones, and Dave Hackett were present on behalf of White Oak Global Advisors, LLC, to lead an educational discussion on direct lending.

Mr. Foy left the meeting at 11:08 a.m.

5. Discussion of Potential Investment Retreat Dates and Subjects.

Mr. Martin and Mr. Stracke provided information to the Board about potential topics for an off-site retreat. Chair Towner recommended that the Board postpone setting a date for the retreat until more progress can be made on filling vacant positions within the organization. Chair Towner requested that staff raise the subject again in September 2014.

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

MOTION: Postpone setting a date for the retreat until the business meeting of September 15, 2014.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Henderson, McCormick, Wilson, Sedell, Towner

No: -
Absent: T. Johnston, Foy

VIII. NEW BUSINESS

A. Approval of Hearing Officer Contracts.

MOTION: Approve.

Moved by Goulet, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: T. Johnston, Foy

B. Review of Ventura County Employees' Retirement Information System (VCERIS) Project Status Report, Month Ending May 2014.

MOTION: Receive and File.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried.

Yes: Goulet, Hintz, Henderson, McCormick, Wilson, Sedell, Towner

No: -

Absent: T. Johnston, Foy

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

Mr. Solis notified the Board that Debbie Downey, IT Manager at VCERA, resigned from her position to pursue another opportunity. He stated that the department will be utilizing the services of County IT.

XI. BOARD MEMBER COMMENT

Mr. Hoag updated the Board on the ongoing Retirement Administrator recruitment, stating that the contract from CPS was reviewed by the Personnel Review Committee at their meeting of June 6, 2014. The contract was later revised by CPS and submitted to Counsel for final review.

Other topics discussed at the June 6, 2014 Personnel Review Committee meeting were VCERA staff organizational structure, staffing and salaries, including the Investment Officer and Operations Manager positions. Mr. Hoag stated that the Personnel Review Committee will meet again to continue discussing the previous topics, as well as the newly vacant IT Manager position.

XII. ADJOURNMENT

The meeting was adjourned at 11:36 a.m.

Respectfully submitted,



HENRY SOLIS, Chief Financial Officer

Approved,



TRACY TOWNER, Chairman