VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

DECEMBER 19, 2011

MINUTES

DIRECTORS PRESENT:	Tracy Towner, Chair, Safety Employee Member William W. Wilson, Vice Chair, Public Member Steven Hintz, Treasurer-Tax Collector Albert G. Harris, Public Member Joseph Henderson, Public Member Robert Hansen, General Employee Member Tom Johnston, General Employee Member Arthur E. Goulet, Retiree Member Chris Johnston, Alternate Employee Member Will Hoag, Alternate Retiree Member
DIRECTORS ABSENT:	Steve Bennett, Public Member
STAFF PRESENT:	Henry Solis, Interim Retirement Administrator Lori Nemiroff, Assistant County Counsel Christina Stevens, Fiscal Manager
PLACE:	Ventura County Employees' Retirement Association Second Floor Boardroom 1190 South Victoria Avenue Ventura, CA 93003
TIME:	9:00 a.m.

ITEM:

I. **INTRODUCTION OF MEETING**

Chairman Towner called the Business Meeting of December 19, 2011, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Mr. Harris moved, seconded by Mr. Hansen, to approve the Agenda.

Motion passed.

III. CONSENT AGENDA

A. Regular and Deferred Retirements and Survivors Continuances for the Month of November 2011.

B. Report of Checks Disbursed in November 2011.

C. Asset Allocation as of November 2011.

D. Budget Summary for the Months Ended October 31, 2011, and November 30, 2011, Fiscal Year 2011-12.

E. BlackRock Asset Management Report for the U.S. Equity Index Fund, Extended Equity Market Fund, ACWI ex-US Fund, U.S. Debt Index Fund for the Month Ended November 30, 2011.

Staff stated there was a correction to the Regular and Deferred Retirements and Survivors Continuances for the Month of November 2011 report, the date of membership for Glen A. Kitzmann should be "01/07/91."

Mr. Harris moved, seconded by Mr. Hansen, to receive and file the items on the Consent Agenda, as amended.

Motion passed.

IV. INVESTMENT INFORMATION

A. RREEF America III Annual Investment Presentation, Jay Miller and Michelle Wells.

James W. Miller, Jr., Director, Portfolio Management, and Michelle C. Wells, Director, Americas Client Relations, were present on behalf of RREEF America REIT III ("RREEF") to review the firm's organization, investment results, investment strategy and outlook.

RREEF Real Estate had been investing in real estate for forty years on behalf of institutional clients and had $60 billion of strategies around the world with 600 employees in 22 locations, according to Ms. Wells. She stated that

IV. INVESTMENT INFORMATION (continued)

A. RREEF America III Annual Investment Presentation, Jay Miller and Michelle Wells. (continued)

RREEF is owned by Deutsche Bank Group which announced they anticipate, within the next six to twelve months, a sale of their asset management business due to liquidity requirements and the regulatory environment.

Ms. Wells reviewed the organization's talent structure, and highlighted the fact that while Tim Gonzales, CEO and Chair of the RREEF America REIT III Board of Directors, will be resigning and Todd Henderson, CIO, will be replacing him, the senior professionals of RREEF averaged over 14 years with the firm and over 27 years of industry experience. She stated while the transition period will be six months, Mr. Gonzales and Mr. Henderson had worked together for eight years, and that Marc Feliciano, who will replace Mr. Henderson had worked with Mr. Henderson for five or six years. Both Mr. Feliciano and Mr. Henderson were involved in RREEF America REIT III, according to Ms. Wells. Mr. Miller noted that Mr. Henderson had been the architect of the restructure of the fund as it came out of the recession.

Despite different ownership and leadership RREEF had shown strong performance as they worked through their strategic plan, and the performance for the 3, 5, 10, 20, and 30 year periods outperformed the index on the core side, declared Ms. Wells.

Even though they had downgraded their expectations due to the setback in the economy in the summer, in the major markets, apartments were well into recovery; the office market remained strong; and it is anticipated that the industrial market will be improving along with the general economy, opined Ms. Wells. She identified specific market factors that drove the high investor demand for core income producing stable assets including: the low cost of capital, healthy corporate and household balance sheets, volatility in the equity markets, and a lingering sense of caution.

Mr. Miller stated that the real estate market was acting not unlike the U.S. bond market; there was a flight to quality with the right product in the right market having received a greater share of interest. RREEF's strategy had been to take advantage of this and reduce their inventory in those markets, according to Mr. Miller. He stated that they were moving into an organized wind down.

As part of RREEF's strategy they anticipated maintaining a $40 million cash position and making pro rata distributions beginning in 2013 when it was anticipated that the share price will be in the mid $60's, returning fifty cents on

IV. INVESTMENT INFORMATION (continued)

A. RREEF America III Annual Investment Presentation, Jay Miller and Michelle Wells. (continued)

the dollar, which is between the high of $140 per share and the low of $26.34 per share, asserted Mr. Miller.

While the trailing returns for the 12 months was very strong, 51%, returns were not anticipated to continue at this level but should be approximately 20% in the future, Mr. Miller opined.

Mr. Miller stated that their strategy entailed analyzing their maturing debt obligations, cash position, and liquidity. Accordingly, Mr. Miller stated that they were in a strong cash position and had reduced loan to value from 80% to 65%, having sold approximately $600 million dollars in assets and having closed another $170 million in the 4th quarter of 2011.

RREEF's strategy also included returning the Ontario Airport Center property to the bank; an extension on the Silicon Valley loan; and refinancing the Lomita, North Loop, and Broadway properties, stated Mr. Miller.

Mr. Miller asserted that they had pushed rents in leasing and sold a couple of vacant buildings and an apartment complex. He highlighted the Riverside Project wherein approximately 93% of the apartments were leased and 68 condo units had closed with 5 under contract, trading at $1,500 per foot with an expectation that later sales would be higher. He opined that RREEF will get all their money back on this project since construction costs were approximately $850 million.

Mr. Miller stated that the other project that had added value to the portfolio was The Domain project, a 170 acre mixed use project north of Austin that was cash flow positive to which they contributed the land and had a development partner fund the construction costs. He opined that it had an expected return on costs of 8% to 9%.

Mr. Wilson received clarification that absent the queue growing to over 40% which would trigger an automatic vote for liquidation resulting in a shorter sell off period, the queue will have no impact on the organized wind down, and it was at 33% and static.

Ms. Wells stated that several of the investors in the queue had determined that the costs of extricating themselves from the queue outweighed the benefits, given the fund was creating value, but they would be willing to leave the queue if it grew to over 40%.

IV. **INVESTMENT INFORMATION (continued)**

A. RREEF America III Annual Investment Presentation, Jay Miller and Michelle Wells. (continued)

Mr. Chris Johnston received clarification that RREEF is not selling assets to other retirement funds and that the changes in the Volcker rule will not impact sales, though such changes could limit Deutsche Bank from reinvesting certain proceeds.

B. Guggenheim Real Estate Investment Presentation, Karen McKeel Calby.

Karen McKeel Calby, Managing Director of Business Development and Client Service, was present on behalf of Guggenheim Real Estate Investment to provide a brief review of the organization, strategy, market conditions, and performance of the Guggenheim Real Estate PLUS Trust ("Guggenheim").

Ms. McKeel Calby stated that the management team remained unchanged since 2003, with one exception, and had $125 billion of assets under management.

Guggenheim's strategy was to focus on relative value across the real estate universe in the U.S. with allocations to both the public and private markets, according to Ms. McKeel Calby.

Ms. McKeel Calby stated that since the poor returns of April 2008 through March 2010 there had been a period of recovery, but when the returns were contrasted with the National Property Index ("NPI") Trend Line for the same period there was "room for improvement." She stated that the areas of recovery in the last year and a half had been in the high end top tier of the markets, specifically, well occupied buildings in locations such as New York, NY, San Francisco, CA, and Washington, D.C. She stated that these assets had a bond-like quality.

The Board could expect a good income return and modest appreciation over the long term and Guggenheim's strategy was based upon market assumptions that included a slow modest recovery, the absence of a double dip recession, a prolonged period of low interest rates, and global economic uncertainty dominating the landscape, according to Ms. McKeel Calby. With that in mind, Ms. McKeel Calby stated that Guggenheim will not aggressively pursue trophy properties due to the vulnerability of these properties to market changes, and the portfolio had 72% in private investments, which provided diversification to the portfolio, and was slightly underweight in the public investments at 28%.

IV. **INVESTMENT INFORMATION (continued)**

B. Guggenheim Real Estate Investment Presentation, Karen McKeel Calby. (continued)

Mr. Wilson received clarification that Guggenheim had sold properties that closed in the third quarter, for which they had received good offers during the second quarter, and they had made an estate sale acquisition on Beverly Drive, Beverly Hills, California which was underutilized.

Ms. McKeel Calby highlighted the fact that their decision to underrate REITS added approximately 60 bps to the portfolio, and that this and other changes had resulted in net returns of approximately 10%. She stated that it took time to reposition the portfolio and Guggenheim's goals for the end of the 4^{th} quarter 2011 were 28% public investment with little development in the portfolio; 45% leverage for the entire portfolio; an increase in retail property and apartment space resulting in the year ending in the 12% to 15% return range.

Mr. Harris received clarification that the 45% leverage, which was at the high end of the 35-50% range, was in relation to the entire portfolio, while the direct property debt was 51%.

C. Hewitt ennisknupp, Kevin Vandolder.

1. Monthly Manager Update, November 2011.

   a. Monthly Investment Update
      Monthly Manager Updates
   b. Sprucegrove
   c. Artio
   d. Hexavest
   e. Walter Scott
   f. GMO
   g. Acadian
   h. Western
   i. Reams
   j. Loomis Sayles
   k. K2

Mr. Vandolder of Hewitt ennisknupp ("HEK") stated that the Preliminary Manager Highlights section of the Monthly Manager Update report included two alert items: the Fund's fixed income component underperformed the Barclays Aggregate Bond Index by 70 basis points; and while the K2 Advisors' currency mandate outperformed for the month,

IV. **INVESTMENT INFORMATION (continued)**

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

1. Monthly Manager Update, November 2011. (continued)

they were placed on the Watch List for November due to the level of uncertainty in the currency market, and their performance.

Mr. Vandolder stated that every equity manager saved value for the month of November; and the portfolio was still above $3 billion. He stated that the U.S. Equity funds were almost fully indexed except for Western Index Plus which was essentially a bond portfolio overlaying the S&P 500 to add some value; all the Non-U.S. Equity funds saved value, as well.

The recessionary environment downside protection offered by Walter Scott, and GMO was reflected in their outperforming the benchmark for the month, according to Mr. Vandolder. He highlighted the three year returns, a reward for the Board's patience, with the exceptions of Acadian and Artio.

With regard to the fixed income, Mr. Vandolder stated that the managers saw little value in U.S. government debt and avoided it in their portfolios, so they underperformed in November. However, the medium term market views indicate that Western and Loomis will outperform the index funds with their growing exposure to government debt, opined Mr. Vandolder.

Mr. Vandolder declared that K2 Advisors' twelve month return had been bad, and it had been very difficult to anticipate the market movements which had resulted in irrational movements in currencies.

2. Highlights and Research Report, December 2011.

   a. Economic and Market Environment
   b. Monthly Summary of Medium Term Views – November 2011

Mr. Vandolder stated that the markets were vacillating daily between panic and euphoria. He reiterated his judgment that VCERA should retain its current equity position, and that the Asset Liability Study would substantiate his assertion. He stated that the price to earnings ratio had never been this low in his life time, and interest rates had been in a three decade long decline. HEK had encouraged clients to shorten their interest rate exposure, according to Mr. Vandolder.

IV. **INVESTMENT INFORMATION (continued)**

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

Mr. Vandolder stated that the real estate market had rebounded handsomely, and he did not anticipate that the prospective action by the Deutsche Bank Group would impact the wind down of RREEF nor did the portfolio have any significant equity exposure.

Mr. Hintz received clarification regarding the reasons for the retirement of Tim Gonzales of RREEF.

Mr. Goulet received clarification that HEK had 42-44% confidence that VCERA can make an 8% return. Mr. Vandolder distinguished his projections from that of the actuary based upon the inflation rate HEK used when compared to that used by the actuary, and stressed that their respective real rates of return were comparable.

Mr. Wilson received clarification that with the Asset Liability Study presentation HEK will provide an alternative asset allocation model, that of three buckets. Mr. Vandolder stated that while most investors use the Mean-Variance Optimization Model he was going to suggest the use of buckets that will include a real return bucket, a stable return bucket, and an assets sensitive to inflationary conditions bucket. Mr. Vandolder opined that while the allocation to equities probably won't change, the amount allocated to global equities and private equities will continue to evolve, which would result in the need for more staff resources due to greater complexity in investment guidelines.

c. Non-U.S. and Global Equity Structure Review

Mr. Vandolder stated that the emerging markets component of Artio's fund led to Artio's poor performance which led to the Boards' collective disappointment with the manager.

Mr. Vandolder stated that two alternative scenarios were being presented to the Board. The first scenario would defund Artio and fund the index fund, the BlackRock ACWI ex-U.S. IMI fund, lowering the total Non-U.S. equity active risk from 2.00 to 1.79, and raising the total portfolio active risk from 1.63 to 1.70. The second scenario would defund Artio and fund Sprucegrove and Hexavest equally, raising the total Non-U.S. equity active risk from 2.00 to 2.48, and raising the total portfolio active risk from 1.63 to 1.66.

IV. **INVESTMENT INFORMATION (continued)**

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

Mr. Chris Johnston received clarification that these were just two of many possible scenarios.

Mr. Goulet received clarification that while Mr. Vandolder had not made a recommendation on how to proceed he would be comfortable with either scenario one or two, but that scenario one would be more cost effective.

Mr. Wilson received clarification that VCERA will lose emerging market exposure.

Mr. Goulet received clarification that VCERA can hire a dedicated emerging market manager but it would be expensive, and HEK preferred that such a manager receive broad mandates or that VCERA be invested in an emerging market index fund; however, all these outcomes were complex and difficult to implement.

Mr. Harris received clarification that a cost will be incurred to exit the fund and since these are not separate accounts it will be shared by all the investors, approximately 20 to 30 basis points, and VCERA would be out of the market for approximately three days. Mr. Vandolder stated that VCERA could use an overlay strategy to maintain exposure but the legal documents and complexity would be too onerous for VCERA.

Mr. Chris Johnston stated that VCERA had incurred costs as the other investors exited the fund. Mr. Vandolder stated he was aware of prominent defections.

Mr. Vandolder offered that the Board could: employ the simplest strategy and move the funds to BlackRock ACW ex-U.S. IMI Fund, scenario one, and reevaluate the strategy at the time of the Asset Liability Study; the Board could retain Artio on the Watch List; or, the Board could move the funds to Sprucegrove and Hexavest, scenario two.

Mr. Wilson received clarification that the Artio mandate was small relative to the portfolio.

Mr. Harris received clarification that it would take approximately one week to reallocate the funds to BlackRock, and the transaction could be completed within a month.

IV. **INVESTMENT INFORMATION (continued)**

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

Mr. Hintz moved, seconded by Mr. Harris, to discharge Artio and allocate the funds evenly between Sprucegrove, Walter Scott and Hexavest.

Motion passed.

Mr. Vandolder recapitulated the reasons for Acadian in the portfolio.

Mr. Vandolder offered two scenarios for the Board's consideration. In the first scenario, the total global equity active risk in the current portfolio would increase from 4.20 to 4.75, while the total portfolio active risk would decrease from 1.63 to 1.56 if the Board chose to defund Acadian and fund GMO, stated Mr. Vandolder. He stated that if the Board chose to defund Acadian and fund the MSCI ACWI Index Fund then the total global equity active risk would decrease from 4.20 to 2.51, while the total portfolio active risk would increase from 1.63 to 1.67.

Mr. Vandolder stated that, unlike Artio, nothing has changed with Acadian since they were funded.

Mr. Wilson stated that what had changed since the Board considered hiring Acadian was the market. He stated that their strategy did not work well in a volatile market.

Mr. Vandolder concurred that Acadian's backward looking view to determine a future looking outcome was difficult given the high volatility of the market, but noted the manager only had a three-year tenure with VCERA.

Mr. Goulet expressed his concern regarding placing the entire amount in a single firm, GMO, and stated he preferred that the Board reallocate the funds to an index fund as a placeholder, assuming the Board looks for another global equity manager. Mr. Vandolder stated that the index fund would be a temporary placeholder.

Mr. Wilson stated that he liked Acadian, until he looked at their three-year performance.

Mr. Vandolder stated the fees should come down.

IV. INVESTMENT INFORMATION (continued)

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

Mr. Hintz moved, seconded by Mr. Wilson, to discharge Acadian and place the money in the MSCI ACWI Index Fund.

Motion passed.

d. Adams Street Update

Mr. Vandolder stated he had responded to Ms. Nemiroff's inquiries in early October regarding the SEC investigation of Matt Crisp, a prior partner at Adams Street. Mr. Vandolder proffered that at the time of the due diligence investigation, prior to presenting Adams Street to the Board, Adams Street had disclosed to HEK that an employee had been discharged from Adams Street for violating their Integrity Policy, but HEK had been assured that at no time did the employee steal. Mr. Vandolder stated that while he was disappointed it was not more fully disclosed, Adams Street answered the questions relatively truthfully as Mr. Crisp was not under investigation until 2011.

Mr. Vandolder opined that he felt comfortable with the investment in Adams Street.

Mr. Towner inquired as to whether the questions to the next potential candidate that would come before the Board had been updated. Mr. Vandolder stated that he was not a private equity researcher but that HEK does go through those discussions and Mr. Crisp's departure was down played.

Mr. Goulet stated that Adams Street had been evasive and received clarification that the appropriate follow-up questions may have been embedded in the due diligence process, but not documented.

Ms. Nemiroff asserted that Adams Street stated in a recent telephone conversation that they had reported Mr. Crisp to the SEC, and that a question regarding any reporting made to regulatory agencies might be added to HEK's due diligence process. Mr. Vandolder stated he suspected more vigorous cross examination would not have led to Adams Street becoming more forthcoming.

Mr. Goulet stated that HEK should have asked how the Adams Street Integrity Policy was violated, and any evasiveness should have been

IV. INVESTMENT INFORMATION (continued)

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

reported to the Board. Mr. Vandolder stated that the information did not percolate up to his level.

Mr. Towner stated that there were questions asked for which Adams Street did not provide answers.

Mr. Goulet received clarification that while HEK did not unequivocally know that no money was stolen, Adams Street had made a positive affirmation to that effect.

e. RREEF Update
f. PIMCO Investment Guidelines Update

A discussion ensued regarding the increasing complexity of the investment agreements, due diligence process, and the need for additional resourcing in this area.

Mr. Goulet stated that there had been some discussion regarding whether HEK should provide management services, which would be inconsistent with the role assigned to HEK by the Board. Mr. Vandolder stated that this would depend upon the definition of, "management." Mr. Vandolder stated that some large public entities work with a variety of consultants as the asset classes and implementations become more complex.

Mr. Goulet stated that he did not want to change the relationship with HEK and create a conflict of interest.

Mr. Vandolder stated that evaluating and hiring investment consultants was similar to evaluating and hiring investment managers.

Mr. Hintz moved, seconded by Mr. Harris, to receive and file C.1., C.2.a, C.2.b., C.2.d., C.2.e., and C.2.f.

Motion passed.

Mr. Goulet offered a number of corrections to the "PIMCO Global Bond (unhedged) Investments objectives (Drafted November 2011)" document.

Mr. Goulet stated that the terms, "Fund," and "Funds," on pages one and two and the term, "Manager," as used throughout the document, should be

IV. **INVESTMENT INFORMATION (continued)**

C. Hewitt ennisknupp, Kevin Vandolder. (continued)

2. Highlights and Research Report, December 2011. (continued)

defined; the abbreviations throughout the document, for example, "CDOs, CLOs and CBOs," should be deciphered.

Mr. Goulet stated that in the first incomplete paragraph at the top of page 4, it stated, "PIMCO will notify Ventura County…," should state, "PIMCO will notify VCERA…;" in the Reporting Requirements section on page 4, the first complete paragraph and should state, "…compliance with guidelines shall be included.;" in the Reporting Requirements section on page 4, the second paragraph, the term, "manager" should be capitalized; in the Reporting Requirements section on page 4, the third complete paragraph the term, "investment" should be expunged, and the word, "manager" should be capitalized.

Mr. Goulet stated that the second line under the title, "Fee Schedule" on page 5, should reflect the date the document will be signed; the first complete sentence in the Fee Schedule, on page 5, the term "Trustee's Fund" should be defined.

Mr. Goulet expressed his discomfort with the final sentence in the second paragraph, on the Fee Schedule, on page 5, which stated, "…the market price shall be determined…at the direction of the Manager."

Mr. Vandolder stated that the term "good faith" addressed Mr. Goulet's concerns, but the Board may direct that other language be added to the document.

Mr. Goulet received clarification that the terms, "custodian" and "trustee" were used interchangeably within the document, but the language could be clarified.

Mr. Goulet sought clarification regarding the issue of income tax withholding provisions in the document. Mr. Vandolder opined that it indemnified the Manager, and it was a complex issue and he was not able to offer legal advice.

V. NEW BUSINESS

A. Recommendation to Hire Outside Counsel; Global Fixed Income Agreement with Loomis Sayles and PIMCO.

Mr. Vandolder stated that HEK looked at specific issues such as liquidity, and the legal issues in the contracts had continued to grow in volume and complexity over time. Mr. Vandolder noted that the Loomis Sayles contract was even more complex.

Mr. Hansen moved, seconded by Mr. Wilson, to retain Thomas A. Hickey III, with Foley Lardner, to assist staff in reviewing the offering memorandum and other associated documentation related to the global fixed income investments with PIMCO and Loomis Sayles, and negotiate any required side letter(s) to address various issues of concern and mitigate risks.

Motion passed.

B. Hewitt ennisknupp 2012 Fee Schedule Proposal.

Mr. Hanson moved, seconded by Mr. Wilson, to approve the Hewitt ennisknupp 2012 Fee Schedule Proposal.

Motion passed.

Mr. Henderson sought clarification from the other Board Members as to the reasoning for the increase in fees.

Mr. Towner stated that HEK had an increased work load because VCERA did not have a Retirement Administrator. He stated that the Board needed to do some due diligence work with regard to HEK because HEK had changed since the Board hired them, and their emphasis seemed to have moved to money management rather than investment consulting.

Mr. Hintz and Mr. Goulet concurred.

Mr. Wilson stated that the slight increase in fee was a performance bonus and he was impressed with how low the fee was for the amount of work.

Mr. Goulet stated that instituting a due diligence process was not a criticism of Mr. Vandolder's performance, but addressed Mr. Goulet's concerns in HEK regarding the changes since the acquisition of the company.

Staff stated that he would investigate using Cortex to perform the task.

V. **NEW BUSINESS (continued)**

B. Hewitt ennisknupp 2012 Fee Schedule Proposal. (continued)

Mr. Goulet stated he would like it to be a separate agenda item at the next Business Meeting.

C. Amendment to Trustee Communication Policy.

Mr. Goulet offered corrections to the draft amended Ventura County Employees' Retirement Association, Trustee Communications Policy.

Mr. Towner stated that he heard the tape of the meeting wherein the discussion regarding the Trustee Communication Policy occurred and that he was against any changes at this time. He stated that the policy was instituted so that when the Board confronted issues, the policy could offer guidance and the time to change the policy was after the issue had passed. He stated he was not against a change in the policy with an overall audit of governance but he did not agree with selectively changing a certain policy for a given situation.

Mr. Wilson sought clarification as to when the policies were to be reviewed.

Ms. Nemiroff stated that the policy itself provided the period in which it would be reviewed.

Mr. Wilson stated he thought the policies had been coming up for review on a consistent basis.

Mr. Tom Johnston received clarification that the original adoption dates were on the policies. He stated that both the adoption date and the review dates should be on the policies.

Ms. Nemiroff stated that the policy was designed so that the history section could be updated to reflect any amendments, but it had apparently been left off the document.

Mr. Goulet stated that he thought the policy was ambiguous and that several of the Board Members had already made reservations to go to the Rose Parade at the invitation of Western Asset.

Mr. Goulet moved, Mr. Hansen seconded, to adopt the revised policy, as amended.

Motion failed. Opposed included Mr. Towner, Mr. Tom Johnston, Mr. Wilson, and Mr. Harris.

V. NEW BUSINESS (continued)

C. Amendment to Trustee Communication Policy. (continued)

Mr. Goulet sought clarification on how to deal with the ambiguity.

Mr. Towner stated that he did not believe an ambiguity existed.

Mr. Wilson stated that the Board Members could observe the quiet period as they had always done.

D. June 30, 2011 Actuarial Valuation.

The Chair received confirmation that the Actuarial report, as per settlement agreement, would be provided to all County of Ventura labor organizations after today's meeting.

VI. INFORMATIONAL

A. CALAPRS 2012 Program Calendar.

B. Manatt Public Pension Fund Fiduciary Forum, March 22-23, 2012, San Francisco.

C. RREEF Real Estate Americas Client Conference, February 28-29, 2012, San Francisco.

D. The Pension Bridge Annual Conference, April 10-11, 2012, San Francisco.

E. Publications (Available in Retirement Office)

1. Institutional Investor
2. Pensions and Investments

VII. PUBLIC COMMENT

None.

VIII. BOARD MEMBER COMMENT

None.

IX. CLOSED SESSION

The Board of Retirement adjourned into a Closed Session to discuss the appointment of a public employee: Retirement Administrator, pursuant to the provisions of Government Code Section 54957 (b) (1), and the Board adjourned in Closed Session.

Respectfully submitted,

HENRY C. SOLIS, Interim Retirement Administrator

Approved,

WILLIAM W. WILSON, Chairman