

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BOARD OF RETIREMENT**

**BUSINESS MEETING**

**December 15, 2014**

**MINUTES**

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

**DIRECTORS** Vacant, General Employee Member  
**ABSENT:**

**STAFF** Henry Solis, Chief Financial Officer  
**PRESENT:** Lori Nemiroff, Assistant County Counsel  
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 December 15, 2014, to order at 9:00 a.m.

**II. APPROVAL OF AGENDA**

MOTION: Approve the Agenda.

Moved by Goulet, seconded by McCormick.

Vote: Motion carried.

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

No: -

**III. APPROVAL OF MINUTES**

A. Business Meeting of November 17, 2014.

MOTION: Approve the Minutes.

Moved by Sedell, seconded by Johnston.

Vote: Motion carried.

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

No: -

B. Disability Meeting of December 1, 2014.

MOTION: Approve the Minutes.

Moved by McCormick, seconded by Johnston.

Vote: Motion carried.

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

No: -

**IV. CONSENT AGENDA**

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

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

C. Receive and File Budget Summary for FY 2014-15 Month Ending October 31, 2014.

D. Receive and File Budget Summary for FY 2014-15 Month Ending November 30, 2014.

- E. Receive and File Statements of Fiduciary Net Position, Statements of Changes in Fiduciary Net Position, Investments & Cash Equivalents, and Schedules of Investment Management Fees for the Periods Ending September 30, 2014 and October 31, 2014.

MOTION: Approve the Consent Agenda.

Moved by Goulet, seconded by Hintz.

Vote: Motion carried.

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

No: -

**END OF CONSENT AGENDA**

**V. STANDING ITEM**

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

Ms. Nemiroff stated that there was nothing new to report on Pensionable Compensation and PEPRA at this time.

**VI. INVESTMENT MANAGER PRESENTATIONS**

- A. Receive Annual Investment Presentation, BlackRock, Anthony Freitas, Managing Director, Laura Champion, Vice President, and Cara Barr, Director. (30 Minutes)

Laura Champion and Cara Barr were present on behalf of BlackRock to provide an organizational and investment performance update.

- B. Receive Annual Investment Presentation, RREEF, Jay Miller, Director, Portfolio Manager, and Nolan Olsen, Director, Global Client Group. (30 Minutes)

Jay Miller and Nolan Olsen were present on behalf of RREEF to provide an organizational and investment performance update.

**VII. INVESTMENT INFORMATION**

- A. NEPC – Allan Martin, Partner

- 1. Receive and File Preliminary Performance Report Month Ending November 30, 2014

Mr. Towner announced that Allan Martin and Daniel LeBeau will represent NEPC in future business meetings.

MOTION: Receive and file.

Moved by Henderson, seconded by Goulet.

Vote: Motion carried.

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

No: -

2. Memorandum from NEPC on PIMCO and Sprucegrove, dated December 15, 2014

MOTION: Receive and file.

Moved by Henderson, seconded by Wilson.

Vote: Motion carried.

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

No: -

3. Global Asset Allocation Review and Asset Allocation Update

Mr. Martin discussed several alternatives for the Board to consider should it decide to reduce VCERA's public equity allocation. Alternative asset categories discussed included GTAA (Global Tactical Asset Allocation), Credit Strategies, Risk Parity, and increasing VCERA's existing private equity allocation. NEPC is expected to have a specific proposal for VCERA's review by late January, or early February.

MOTION: Receive and file.

Moved by Wilson, seconded by Goulet.

Vote: Motion carried.

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

No: -

4. Selection of Legal Firm to Review Pantheon Global Secondary Fund V Documents

MOTION: Engage Foley & Lardner to accomplish necessary legal review of Pantheon's Global Secondary Fund V. investment documents.

Moved by Wilson, seconded by Goulet.

Vote: Motion carried.

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

No: Johnston

**VIII. ACTUARIAL INFORMATION**

A. GASB 67 Presentation: John Monroe, Segal Consulting Presenting via Teleconference

1. Segal Consulting's GASB 67 Report

Mr. Monroe presented Segal Consulting's initial review of the required GASB 67 Report.

MOTION: Approve.

Moved by Henderson, seconded by McCormick.

Vote: Motion carried.

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

No: Johnston

B. Receipt and Distribution of June 30, 2014 Actuarial Information

MOTION: Receive and file.

Moved by Henderson, seconded by Sedell.

Vote: Motion carried.

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

No: -

**IX. OLD BUSINESS**

A. Oral Update from Chair on Cost Estimate to File Amicus Brief in the SDCERA v. County of San Diego Case

Chair Towner reported that attorney Harvey Leiderman of Reed Smith LLP estimated the cost of filing an amicus brief in the SDCERA v. County of San Diego case to be \$15,000-25,000, depending on the approach and scope of

the brief. Mr. Leiderman advised the Board to postpone any action until the trial record is more developed.

MOTION: Table this item until April 2015.

Moved by Sedell, seconded by Goulet.

Vote: Motion carried.

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

No: -

**B. Oral Update from Chair on General Counsel Position**

Chair Towner informed the Board that his letter on the General Counsel position salary would appear on the correspondence agenda for the Board of Supervisors' meeting of December 16, 2014.

Mr. Goulet distributed copies of the job descriptions for Senior Civil Attorney and General Counsel- Retirement, noting the differences in salary and duties.

**X. NEW BUSINESS**

**A. Receive and File VCERIS Project Monthly Report –November 2014**

Mr. Towner stated that the change orders associated with the recently adopted VCERIS Transmittal Implementation Timeline will be on the agenda for the Board's January 5, 2014 meeting.

Mr. Foy left the meeting at 11:53 a.m.

MOTION: Receive and file.

Moved by Henderson, seconded by Wilson.

Vote: Motion carried.

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

No: -

Absent: Foy

**B. Recommendation to Approve Trustee McCormick's Attendance at the 2015 Pension Bridge Conference, April 7 – 8, 2015, San Francisco, CA**

Mr. Goulet requested his attendance to be considered as well.

MOTION: Approve Trustee McCormick and Trustee Goulet's attendance at the 2015 Pension Bridge Conference.

Moved by Wilson, seconded by Johnston.

Vote: Motion carried.

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

No: -

Absent: Foy

- C. Recommendation to Approve Board Member Travel to NEPC Public Fund Workshop, January 12 – 13, 2015, Tempe, AZ

MOTION: Approve.

Moved by Johnston, seconded by McCormick.

Vote: Motion carried.

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

No: -

Absent: Foy

- D. Consideration of Proposed CERL Legislation Drafted by Trustee Goulet

Received public comment from Pamm Fair, Coordinator SEIU 721.

After Board discussion, the following motion was made:

MOTION: Table this item until the business meeting of January 26, 2014, to allow time for the County Executive Office to respond, and to receive input from Mr. Leiderman of Reed Smith LLP.

Moved by Henderson, seconded by Sedell.

Vote: Motion carried.

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

No: -

Absent: Foy

- E. Recommendation to Approve Application for Reinstatement to Active Membership Pursuant to GC 31680.4 & 31680.5 – Cynthia Cattle

1. Letter from Staff
2. Letter from Cynthia Cattle

3. Offer of Employment
4. Medical Clearance

Mr. Goulet stated that the medical clearance was insufficient because the doctor's note should specify that the clearance was based on a medical examination. Mr. Goulet also stated that the applicant should provide a written statement certifying that no unemployment benefit was received.

Mr. Goulet proposed obtaining a legal opinion from outside counsel regarding the assignment of retirement plan and tier upon reinstatement.

After Board discussion, the following motion was made:

MOTION: Continue this matter to allow time to consult outside counsel regarding the assignment of retirement plan and tier, and to allow time for Applicant to submit further documentation of medical clearance and provide written certification that no unemployment benefit was received.

Moved by Goulet, seconded by McCormick.

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

After further discussion, the following motion was made:

MOTION: Continue this matter until the disability meeting of January 5, 2014, to allow time for Applicant to submit further documentation of medical clearance and provide written certification that no unemployment benefit was received.

Moved by Goulet, seconded by Sedell.

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



X. INFORMATIONAL

- A. Invitation to Winter Forum on Real Estate Opportunity & Private Fund Investing, January 21 – 23, 2015, at Laguna Beach, CA
- B. 2015 Americas Real Assets Client Conference, Deutsche Asset & Wealth Management, March 17-19, 2015, Dana Point, CA

XI. PUBLIC COMMENT

None.

XII. STAFF COMMENT

None.

XIII. BOARD MEMBER COMMENT

Trustee Hintz reported that he did not attend the Pacific States Institutional Investor Forum 2014 in San Francisco.

Mr. Towner welcomed incoming Retirement Administrator Linda Webb to VCERA, and thanked her for attending the board meeting.

XIV. ADJOURNMENT

The meeting was adjourned at 12:17 p.m.

Respectfully submitted,



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TIM THONIS, Interim Retirement Administrator

Approved,



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TRACY TOWNER, Chairman