

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

April 21, 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
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 Joseph Henderson, Public Member
ABSENT:

STAFF Tim Thonis, Interim Retirement Administrator
PRESENT: Henry Solis, Chief Financial Officer
Lori Nemiroff, Assistant County Counsel
Chantell Garcia, Retirement Benefits Specialist
Stephanie Caiazza, Program Assistant
Julie Stallings, Retirement Operations Manager
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. CALL TO ORDER

Chair Tracy Towner, called the Business Meeting of April 21, 2014, to order at 9:02 a.m.

II. APPROVAL OF AGENDA

MOTION: Approve the Agenda.

Moved by Hintz, seconded by McCormick.

Vote: Motion carried.

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

No: -

Absent: Henderson

III. APPROVAL OF MINUTES

A. Disability Meeting of April 7, 2014.

MOTION: Approve the Minutes.

Moved by Goulet, seconded by Wilson.

Vote: Motion carried.

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

No: -

Absent: Henderson

Abstain: Foy

IV. CONSENT AGENDA

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

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

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

MOTION: Approve the Consent Agenda.

Moved by Wilson, seconded by Goulet.

Vote: Motion carried.

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

No: -

Absent: Henderson

END OF CONSENT AGENDA

V. STANDING ITEM

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

Ms. Nemiroff provided an update on several PEPRA litigation cases, AB197, and various pension initiatives. Ms. Nemiroff stated that one PEPRA cleanup bill is pending, and that she and Mr. Goulet are working on provisions in the bill legislation that need clarification.

VI. ANNUAL INVESTMENT PRESENTATIONS

- A. Receive Annual Investment Presentation, Sprucegrove Investment Management, Peter Ellement, Co-President and Senior Portfolio Manager, and Mark Shevitz- Fairhaven Partners (30 Minutes).

Peter Ellement and Mark Shevitz were present on behalf of Sprucegrove Investment Management to discuss their annual investment results.

VII. INVESTMENT INFORMATION

- A. NEPC – Don Stracke, Senior Consultant, and Lynda Dennen, Senior Consultant.

1. Receive and File Preliminary Performance Report, Month Ending March 31, 2014.
2. Receive and File Pimco Watch List Report
3. Receive and File Manager Guideline Violation Letter from PIMCO.

MOTION: Receive and file items 1-3, and consider again at future meetings.

Moved by Foy, seconded by Sedell.

Vote: Motion carried.

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

No: -

Absent: Henderson

4. Asset Liability Study.

Don Stracke and Lynda Dennen were present on behalf of NEPC to discuss their Asset Liability Study.

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

MOTION: Receive and file, and consider again at future meetings.

Moved by Goulet, seconded by McCormick.

Vote: Motion carried.

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

No: -

Absent: Henderson

VIII. NEW BUSINESS

A. Application for Reinstatement to Active Membership Pursuant to GC 31680.4 & 31680.5 - Carlotta Barnes

1. Letter from Staff.
2. Request for Additional Data Conversion Assistance.
3. Offer of Employment.
4. Medical Clearance.

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

MOTION: Approve reinstatement of Carlotta Barnes to active membership pursuant to GC 31680.4 & 31680.5

Moved by Wilson, seconded by Hintz.

Vote: Motion carried.

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

No: -

Absent: Henderson

B. Authorization to Attend National Association of Public Pension Attorneys (NAPPA) Conference, June 25-27, 2014, Nashville, Tennessee.

1. Letter from Staff.

2. NAPPA 2014 Legal Education Conference Announcement.

Staff recommended approval of the authorization for Ms. Nemiroff to attend the NAPPA conference.

MOTION: Approve.

Moved by Hintz, seconded by T. Johnston.

Vote: Motion carried.

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

No: -

Absent: Henderson

C. VCERIS Monthly Report – March 2014.

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

MOTION: Receive and file.

Moved by Goulet, seconded by Hintz.

Vote: Motion carried.

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

No: -

Absent: Henderson

IX. INFORMATIONAL

A. Adams Street IPO Announcement.

B. CalPERS Study on Economic Impacts in California.

- C. Reason Foundation Pension Reform Actuarial Analysis.
- D. SACRS Memo on Sustaining Public DB Plans.
- E. Loomis Sayles Announcement of President and CFO.
- F. SACRS Dinner Invitation from Eaton Vance and Hexavest.

X. PUBLIC COMMENT

None.

XI. STAFF COMMENT

The Interim Retirement Administrator announced that Stephanie Caiazza was promoted to Program Assistant and will be involved with the Board of Retirement's meetings and events.

Next, he stated that the County of Ventura had yet to submit a written recommendation in favor of a 50:50 cost allocation option for legacy members for the Board of Retirement's consideration, leaving little time for the Board to take action before it is considered by the Board of Supervisors on or before May 15, 2014.

The Interim Retirement Administrator then informed the Board that he and Mr. Towner will meet with the Ventura County Grand Jury on May 2, 2014. Staff will provide an update on this topic at the May 5, 2014 board meeting.

Lastly, the Interim Retirement Administrator stated that his 960 work-hour limit pursuant to GC 31680.6 may be reached before the business meeting of May 19, 2014.

XII. BOARD MEMBER COMMENT

Mr. Hoag provided the Board with an update of the ongoing Retirement Administrator recruitment, stating that one executive search firm contacted him in response to the Request for Proposal and indicated that they are preparing to send a proposal.

Mr. Towner said that the recruitment should be discussed at the board meeting on May 5, 2014.

Members of Board discussed their experiences attending the Blackrock due diligence trip and the Manatt Fiduciary Forum. Attendees were in agreement that although both events were informative and worthwhile, attendees could benefit from further involvement in the planning of the itineraries on upcoming due diligence visits. This will ensure that more time is spent covering topics that are of interest to the Board.

XIII. ADJOURNMENT

The meeting was adjourned at 11:23 a.m.

Respectfully submitted,



TIM THONIS, Interim Retirement Administrator

Approved,



TRACY TOWNER, Chairman