VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

SEPTEMBER 20, 2010

MINUTES

DIRECTORS PRESENT:
Tracy Towner, Chair, Safety Employee Member
William W. Wilson, Vice Chair, Public Member
Don Hansen, Assistant Treasurer – Tax Collector
Peter C. Foy, Public Member
Albert G. Harris, Public Member
Joseph Henderson, Public Member
Karen Becker, General Employee Member
Robert Hansen, General Employee Member
Arthur E. Goulet, Retiree Member
Chris Johnston, Alternate Employee Member
Will Hoag, Alternate Retiree Member

DIRECTORS ABSENT:
None.

STAFF PRESENT:
Tim Thonis, Retirement Administrator
Henry Solis, Chief Financial Officer
Lori Nemiroff, Assistant County Counsel

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 September 20, 2010 to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Mr. Harris moved, seconded by Mr. R. Hansen, to approve the agenda.

Motion passed.

III. APPROVAL OF MINUTES

A. Disability Meeting of September 13, 2010.

Mr. Goulet offered a correction to page 6, Item V.C., that the second sentence of the fourth paragraph should read "...genetic predisposition does not matter *under the law*...".

Mr. Goulet moved, seconded by Mr. D. Hansen, to approve the Minutes for the Disability Meeting of September 13, 2010, as corrected.

Motion passed.

IV. CONSENT AGENDA

A. Regular and Deferred Retirements and Survivors Continuances for the Months of July and August 2010.

B. Statement of Plan Net Assets, Statement of Changes in Plan Net Assets, Summary of Investments and Cash Equivalents, Schedule of Investment Management Fees and Statement of Reserves for the Month Ended June 30, 2010.

C. Statement of Plan Net Assets, Statement of Changes in Plan Net Assets and Summary of Investments and Cash Equivalents for the Month Ended July 31, 2010.

D. Report of Checks Disbursed in July and August 2010.

E. Budget Summaries for the Months Ended June 30, 2010, Fiscal-Year 2009-10, and July 31, 2010, Fiscal-Year 2010-11.

F. BlackRock Asset Management Report for the U.S. Equity Index Fund, Extended Equity Market Fund, U.S. Debt Index Fund, ACWI EX-US Fund for the Month Ended August 31, 2010.

IV. CONSENT AGENDA (continued)

G. Real Estate Managers Quarterly Information.

1. Guggenheim

   a. Investment Summary for Period Ended June 30, 2010

2. Prudential

   a. Asset Summary, 2nd Quarter, 2010
   b. Mid-Year Update, June 30, 2010

3. RREEF

   a. Statement of Account for Quarter Ended June 30, 2010

4. UBS

   a. Transaction Detail for the Period April 1, 2010 – June 30, 2010
   b. Quarterly Outlook – Summer 2010

Mr. Henderson moved, seconded by Mr. Harris, to approve the Consent Agenda.

Motion Passed.

V. INVESTMENT INFORMATION

A. Reams Asset Management Annual Investment Presentation, Tom Fink.

Mr. Tom Fink was present from Reams Asset Management (Reams) to review Reams' organizational structure, investment philosophy and investment performance.

Mr. Fink discussed Reams' recent sale to Scout Investment Advisors and described how the marketplace seemed to prefer larger firms with deep financial resources. Mr. Fink noted that Reams would be an independent division and there would be no changes to the firm's investment process.

Mr. Vandolder requested clarification on the financial incentives offered to the senior members of the portfolio team.

V. INVESTMENT INFORMATION (continued)

A. Reams Asset Management Annual Investment Presentation. (continued)

In response, Mr. Fink discussed the 5-year employment agreements signed by Reams' investment professionals and the other incentives, such as the sharing of long-term profits, which had been offered to key investment professionals in the acquisition.

Mr. Fink stated that the primary reason that Reams sought to be acquired was the desire improve the distribution side of its business. Mr. Fink noted that assets under management at Reams have remained in the $10 billion range for a considerable period of time and Reams was looking to grow its business by improving distribution networks including seeking access to the 401(k)/deferred compensation marketplace.

Mr. Fink reviewed the portfolio's investment objectives and guidelines including the minimum average quality rating for the portfolio of "A".

Mr. Goulet questioned the reliance on credit ratings given the recent challenges faced by the agencies.

In response, Mr. Fink noted that Reams viewed credit ratings with a "grain of salt" and placed more weight on its own internal research when making investment decisions for the portfolio.

In terms of the market conditions in 2010, Mr. Fink discussed the market's volatility and the declining yields of 10-year Treasuries, the narrowing of corporate spreads in the first quarter that led to a decent market rally and the stellar year-to-date returns within the CMBS market.

Mr. Fink reviewed VCERA's investment performance and noted the annualized five year return of 7.90%, net of fees. Over the last three years, the Reams portfolio returned 10.67% and returns were 18.73% for the year ending June 30, 2010. Going forward, Mr. Fink warned not to expect fixed income returns on an absolute basis to approach these levels given the current interest rate environment.

In terms of the economy, Mr. Fink opined that there would not be a "double dip" recession and that economic growth would continue at a disappointing rate that would not significantly reduce unemployment. The slow pace of growth in the economy could be attributable to both government and consumer debt levels, according to Mr. Fink.

V. INVESTMENT INFORMATION (continued)

A. Reams Asset Management Annual Investment Presentation. (continued)

In terms of the portfolio, Mr. Fink discussed the overall defensive positioning including an average duration of 3.5 years, versus the benchmark's duration of 4.3 years, a 9% cash allocation and a 30% allocation to U.S. Treasuries.

Going forward, Mr. Fink expected the portfolio to yield approximately 3.1% and if active management could add 1% to the yield, then portfolio returns may be in the 4% range. Mr. Fink also cautioned that there could be negative absolute returns in the portfolio if interest rates rose appreciably.

Mr. Wilson requested and received clarification on the cash position and the other defensive measures that Reams may employ if interest rates began to rise appreciably.

Mr. Fink also cautioned that if rates remain at these historically low levels for an extended period, then the U.S. economy may begin to exhibit many of the same characteristics as the Japanese economy.

B. Loomis Sayles & Company Annual Investment Presentation, Stephanie Lord.

Ms. Stephanie Lord with Loomis Sayles & Company (Loomis) was present to discuss Loomis' organization, investment process, investment results and market outlook.

Ms. Lord reviewed the investment performance of VCERA's $100 million multi-sector full discretion account and noted the strong year-to-date performance of 9.81%, net of fees. The 2010 performance added to the 2009 performance of 37.64% and offset the 2008 performance of -19.71%, according to Ms. Lord. Since inception of the relationship in 2005, the Loomis portfolio has returned 7.09% on an annualized basis versus an annualized benchmark return of 6.50%.

In terms of attribution, Ms. Lord noted that a significant component of the outperformance relative to the benchmark was due to security selection in the U.S. Investment Grade sector.

Mr. Towner requested and received clarification regarding how the sector weights impacted the attribution analysis.

V. **INVESTMENT INFORMATION (continued)**

B. Loomis Sayles & Company Annual Investment Presentation. (continued)

Ms. Lord discussed the overall bond market environment and compared the expected GDP growth in different regions countries/regions around the world. Ms. Lord also discussed unemployment levels as measured by nonfarm payroll data and commented that unemployment levels today of 10.7% seem significantly worse than the 10.8% of 1982.

Mr. Foy questioned the composition and the calculations used in developing the nonfarm payroll data.

Mr. Goulet and Ms. Lord discussed the number of people who have stopped looking for employment and that a significant portion of the job losses in today's economy should be considered permanent.

Ms. Lord also reviewed the sovereign debt concerns of Ireland, Portugal and Italy, the adequacy of the European bank stress tests and the potential impact of these factors on the U.S. economy.

Mr. Wilson asked if Loomis expected there to be any defaults in Europe.

In response, Ms. Lord noted that Loomis expected Greece, Portugal and Ireland to restructure their sovereign debt.

Mr. Vandolder requested Ms. Lord discuss the global investment opportunities in fixed income.

Ms. Lord noted that one of Loomis' major themes going forward was an emphasis on global investing. Ms. Lord argued that investing globally provided Loomis with more flexibility and provided additional opportunities outside the U.S. market. Ms. Lord noted that the U.S. corporate bond market was highly correlated to the U.S. Treasury market and Loomis expected the Treasury market to negatively influence opportunities in the corporate sector.

Ms. Lord reviewed the portfolio's characteristics as of August 31, 2010 in comparison to the hybrid benchmark and summarized that the portfolio was positioned for recovery. Specifically, Ms. Lord discussed the longer duration of the portfolio relative to the benchmark (5.92 years versus 4.20 years) and the higher yield (5.66% versus 4.21%) as characteristics of this positioning.

V. INVESTMENT INFORMATION (continued)

B. Loomis Sayles & Company Annual Investment Presentation. (continued)

Mr. R. Hansen noted that the Federal Reserve was not expected to raise interest rates prior to April 2011, and asked Ms. Lord what would be a driver that would force the Federal Reserve to raise rates prior to that date.

Ms. Lord responded that a deflationary shock could be the impetus to cause the Federal Reserve to change rates.

C. EnnisKnupp & Associates, Kevin Vandolder and Eric Kuhl.

1. Monthly Investment Performance Update, July and August 2010.

2. Monthly Manager Updates/Summary, July and August 2010.

   a. Sprucegrove
   b. Capital Guardian
   c. Artio
   d. GMO
   e. Acadian
   f. Western
   g. Reams
   h. Loomis Sayles

Mr. Vandolder noted the yields on 10-year Treasuries and Dow Jones Index stocks were approximately equal and opined that this may be an inflexion point to move more assets into equities.

As of August 31, 2010, VCERA's assets were approximately $2.75 billion, according to Mr. Vandolder. During August, Western Asset Management saved value against the domestic equity benchmark during a negative month, GMO provided protection in the global equity portfolio and the total fixed income portfolio outperformed relative to the benchmark. For the first two months of the fiscal year, VCERA's portfolio returned 3.1% according to Mr. Vandolder.

3. Highlights and Research Report, September 2010.

   a. Open-End Core Real Estate Funds Update Memorandum
   b. Reams Organizational Update Memorandum
   c. EnnisKnupp 2010 Client Conference Presentations: Day One
   d. EnnisKnupp 2010 Client Conference Presentations: Day Two

V. **INVESTMENT INFORMATION (continued)**

C. EnnisKnupp & Associates. (continued)

e. EK Research: *Build America Bonds: Taxable Municipal Debt in Fixed Income Portfolios, July 2010*
f. An Overview of the Dodd-Frank Wall Street Reform and Consumer Protection Act
g. Hewitt EnnisKnupp: Background Information and Integration Plan

Mr. Vandolder provided an update on recent activity within the core commingled real estate fund sector. In summary, Mr. Vandolder stated that many pension plans were rebalancing their investment portfolios and were providing additional capital to core real estate funds, exit queues were declining in size as plans were no longer overweight to real estate and overall performance in the sector would be driven by improving employment numbers.

Staff provided an update on VCERA's status within the UBS Trumbull Property Fund investor queue.

In terms of the Reams Asset Management acquisition, Mr. Vandolder opined that the acquisition was good for both UMB Bank and for Reams Asset Management, that the acquisition was structured in such a manner that key investment professionals were incented to stay with the organization for at least five years and there were no expected changes in the investment process resulting from the ownership change.

Briefly, Mr. Vandolder noted that the EnnisKnupp client conference was well attended by participants representing some $3 trillion in institutional assets.

Finally, Mr. Vandolder discussed key facts related to the Hewitt acquisition of EnnisKnupp and noted that the transaction closed on September 2, 2010. Mr. Vandolder stated that the Hewitt/EnnisKnupp acquisition provided the new organization with a global footprint, increased capacity and numerous other organizational benefits. Going forward, Mr. Vandolder noted that he would be relocating to Norwalk, Connecticut, and the only remaining uncertainty going forward was the Aon Insurance merger with Hewitt.

Mr. Vandolder offered his view on the Forbes.com article titled "Is Ennis Knupp selling its Soul" and stated that the distinguishing characteristics of EnnisKnupp's culture would remain intact and would not be affected by Hewitt's acquisition.

V. INVESTMENT INFORMATION (continued)

C. EnnisKnupp & Associates. (continued)

Mr. Wilson requested and received clarification on the combined organization's name.

4. Market Update – Second Quarter 2010.

Commentary on the market environment was provided in the review of second quarter performance.

5. Performance Report – Second Quarter 2010.

Mr. Vandolder reviewed the market environment during the second quarter and focused his comments on how Federal Government programs such as the various stimulus packages, housing credits for homebuyers and "cash for clunkers" have impacted GDP numbers since the third quarter of 2009. Mr. Vandolder also reviewed statistics related to unemployment, housing starts and interest rates. Specifically, Mr. Vandolder stated that we may seeing a "jobless" recovery, that new homes were not being built due to excess supply and that banks were able to thrive in this low interest rate environment.

Mr. Vandolder stated that the portfolio's allocations were within policy limits and, from an attribution analysis perspective, the portfolio's actual return was 300 basis points (3%) greater than VCERA's policy portfolio for the year ending June 30, 2010. Specifically, VCERA's active fixed income managers were the greatest contributors to the portfolio's outperformance with the global equity and real estate portfolios detracting from overall relative performance.

Mr. Vandolder commented that Acadian Asset Management's performance was beginning to improve on a relative basis during the first and second quarters of 2010 due to overweighting certain emerging markets and superior stock selection in small and medium capitalization firms.

Mr. Vandolder also commented on the impressive returns offered by all of VCERA's fixed income managers and noted the volatility of Western Asset Management's ratio of cumulative wealth chart on page 60 of the report. The chart illustrated, according to Mr. Vandolder, Western Asset Management's investment returns over time relative to a passive strategy and one could see that Western Asset Management's returns have been very volatile, especially over the last several years.

V. **INVESTMENT INFORMATION (continued)**

C. EnnisKnupp & Associates. (continued)

Mr. Johnston questioned why VCERA continued to utilize Acadian Asset Management due to their significant underperformance and high management fee structure.

Mr. Vandolder offered that Acadian Asset Management had managed assets for less than three years and VCERA typically provided active managers with a five year time frame to demonstrate their capabilities. Mr. Vandolder cited examples, including VCERA's relationship with Reams Asset Management, where VCERA was rewarded with superior performance after exhibiting patience with an investment manager who underperformed during the initial periods of the relationship.

Mr. Vandolder and Mr. Johnston discussed the overall merits of quantitative investing and in conclusion, Mr. Vandolder offered to provide a competitive review of global equity managers in December.

Mr. Wilson requested and received clarification regarding whether return history was available for periods prior to 1994.

Mr. Wilson moved, seconded by Mr. Harris, to receive and file EnnisKnupp items 1.-5.

Motion passed.

D. Adams Street Partners Quarterly Performance Review dated July 21, 2010.

Mr. R. Hansen moved, seconded by Mr. Harris, to receive and file Adams Street Partners' Quarterly Performance Review.

Motion passed.

E. Staff Analysis of the Acadian and Artio Investment Mandates Versus the Passive Alternative.

Staff provided a brief overview of the analysis that focused on the unrealized dollar loss associated with Acadian's and Artio's underperformance relative to the passive benchmark.

V. INVESTMENT INFORMATION (continued)

E. Staff Analysis of the Acadian and Artio Investment Mandates Versus the Passive Alternative. (continued)

M. Harris moved, seconded by Mr. R. Hansen, to receive and file staff's analysis of Acadian and Artio versus the Passive Alternative.

Motion passed.

VI. NEW BUSINESS

A. Considerations for the Renewal of the STAR COLA Benefit.

1. Letter from Staff.
2. Notification Provided Pursuant to Government Code Section 31592.5.

Staff stated that the current STAR COLA resolution was expiring as of September 30, 2010, there was limited funding remaining in the Reserve and there had been no excess earnings as of June 30, 2010, to provide additional funding to the STAR COLA Reserve. Staff noted the STAR COLA benefit had been paid to eligible recipients since 1997 and there were currently 395 members receiving the benefit.

Staff reviewed three options for the Board's consideration as 1) allow the benefit to expire as of September 30, 2010; 2) adopt a new resolution to extend the benefit payments through July 2011 based upon the July 7, 2010 Segal Company STAR COLA Reserve funding analysis, and 3) consider temporarily transferring $4.5 million from the $27.50 Reserve to add to the existing STAR COLA Reserve and adopt a new resolution that continues the benefit for an additional 48 months.

From a fiduciary perspective, staff noted that when considering option #1, the Board needed to take into consideration the impact on STAR COLA recipients of allowing the benefit to expire. The letters received from STAR COLA recipients and any oral testimony received at the meeting would be sources for considering the impact. In consideration of option #2, staff discussed the benefits of extending the STAR COLA through July 2011, based upon existing funding in the STAR COLA Reserve and also discussed the impact of utilizing the existing STAR COLA funding to establish a portion of VCERA's 1% Contingency Reserve. Finally, staff discussed the risks associated with considering a transfer from the existing $27.50 Reserve, option #3, including the impact on $27.50 benefit recipients from losing the benefit in the future, the probability of there being

VI. **NEW BUSINESS (continued)**

A. Considerations for the Renewal of the STAR COLA Benefit. (continued)

future excess earnings given the current financial conditions and the costs to the plan sponsor of using excess earnings to replenish assets transferred from the $27.50 Reserve.

In conclusion, staff recommended the Board adopt option #2 and extend the STAR COLA benefit through July 2011 based upon the existing funding in the STAR COLA Reserve.

Mr. R. Hansen moved, seconded by Mr. Henderson, to approve staff's recommendation (option #2) to adopt a new resolution to extend the STAR COLA benefit payments through July 2011.

Ron Janes was in attendance on behalf of the Retired Employees Association of Ventura County. Mr. Janes stated that many of the STAR COLA recipients were too ill to attend and he was present to speak on their behalf. Mr. Janes commented that REAVC concurred with staff's recommendation and requested the Board choose option #2 to extend the STAR COLA benefit through July 2011, using the assets that have already been committed to the Reserve. Mr. Janes offered many compelling reasons to continue the benefit including the desperate circumstances of those receiving the STAR COLA. In particular, the STAR COLA recipients are the oldest and most vulnerable of VCERA's retirees with two-thirds of the 395 remaining recipients being more than 80 years old. Mr. Janes noted that the group is rapidly diminishing; many are not able to work, much less attend a Board meeting or even write a letter. Mr. Janes also noted that the median STAR COLA benefit of $237 represents 25% of the monthly benefit for most recipients. According to Mr. Janes, certain STAR COLA recipients had lost up to 60% of their purchasing power to inflation and they did not benefit from any adjustments in their retirement benefits, such as from the Ventura Decision. Additionally, most STAR COLA recipients were retired before benefits such as flexible benefit credits for employees, employer paid pick-ups of employee retirement contributions and 401(k) and/or 457 options were made available to employees to supplement their pensions. In conclusion, Mr. Janes reiterated his request that the Board choose option #2 and reconsider the issue in six months to determine if the benefit could be extended further.

Mr. John Cannizzaro, a STAR COLA recipient, was present and stated that, as the "kid of the bunch", losing the STAR COLA benefit would cut his pension by 20%; however, there were other recipients who would lose up to

VI. NEW BUSINESS (continued)

A. Considerations for the Renewal of the STAR COLA Benefit. (continued)

50% of their pensions if the STAR COLA was taken away. Mr. Cannizzaro stated his realization, along with other retirees, that the benefit could be extinguished and expressed his appreciation should the Board continue the benefit.

Mr. Wilson expressed his desire to extend the benefit and also his concern about what could happen in July with the expectation that there would not be excess earning available. Mr. Wilson questioned what staff's recommendation would be at that time and stated that if the recommendation would be to pursue an avenue similar to option #3 and use funds from the $27.50 Reserve, perhaps it would be best for the approval to take place now.

Mr. Hansen clarified that his motion did not include future reconsideration of the STAR COLA benefit. Mr. Henderson rescinded his second of the motion. Mr. Foy seconded the motion as amended.

Mr. Goulet commented that Mr. Janes made some very valid points regarding what was included in the final compensation figures for the STAR COLA recipients at the time of their retirement, and how the calculation of final compensation had changed since that time. Mr. Goulet noted that the April 2008 STAR COLA resolution froze the benefit group although there was differing interpretations over which COLA bank would be utilized to pay the benefit. Mr. Goulet expressed hope that the Board would consider a transfer from the $27.50 Reserve to continue the STAR COLA benefit, as the $27.50 supplemental benefit was a very minor portion of the benefits of current retirees.

Mr. Foy stated the importance of remembering the Board's responsibility to consider the benefit to all pensioners going forward. Mr. Foy noted that the increase in the employer's contribution that would result from a transfer from the $27.50 Reserve affects many members outside the STAR COLA recipients as it could translate to lost jobs, salary increases, etc. Mr. Foy commented that allowing the benefit to continue until July 2011 afforded STAR COLA recipients ten months to make adjustments in preparation for the expiration of the benefit.

Motion passed. Mr. Goulet, Mr. Wilson and Mr. Towner against the motion.

VI. NEW BUSINESS (continued)

B. Request from Marty Robinson, County Executive Officer, that VCERA Provide Retirees with the Ability to Direct Charitable Donations from Monthly Retirement Allowances.

Mr. Goulet moved, seconded by Mr. R. Hansen, to approve the County Executive Office's request relating to monthly retirement deductions for charitable donations from retirees.

Motion passed.

C. Recommendation to Hire Subic & Associates, Inc. to Assist in Redesign of VCERA Office Space.

Mr. Goulet requested that article 4.D. of the contract with Subic be stricken as VCERA should own the work product upon completion of the project.

Staff noted that reimbursement of the cost associated with hiring Subic would be requested during lease negotiations with M.F. Daily.

Mr. R. Hansen moved, seconded by Mr. Harris, to hire Subic & Associates, Inc. (Subic) to assist with the redesign of VCERA's office space with an amendment to the contract to strike article 4.D.

Motion passed.

D. Conference Report: Program for Advanced Trustee Studies at Harvard Law School – Ms. Karen Becker.

Mr. R. Hansen moved, seconded by Mr. Goulet, to receive and file the Conference Report.

Motion passed.

E. Request to Attend NCPERS Public Safety Employees Pension and Benefits Conference, October 10-13, 2010, Palm Springs.

Mr. Johnston withdrew his request to attend the NCPERS Conference.

VI. NEW BUSINESS (continued)

F. SACRS Request for Letter in Support of SACRS' Position on GASB Preliminary Views.

Staff recommended sending a letter in support of SACRS' view that the GASB Preliminary View for pension account changes may lead to confusion among financial statement readers in how pension plans measure funding and expense pension costs, how useful the new information may be to decision makers and how the proposed solutions to address inter-period equity challenges may not be adequately addressed within the Preliminary Views.

Mr. Wilson moved, seconded by Mr. Harris, to authorize the Chair to sign the letter in support of SACRS' position on GASB Preliminary Views.

Motion passed.

G. Administrator's Quarterly Travel Report.

Mr. Harris moved, seconded by Mr. Goulet, to receive and file the Administrator's Quarterly Travel Report.

Motion passed.

VII. CLOSED SESSION

The Board of Retirement Adjourned into a Closed Session to Discuss Ventura County Taxpayers' Association; and Richard Thomson, v. Ventura County Employees' Retirement System, Case No. 56-2010-00381336-CU-WM-VTA, Pursuant to the Provisions of Government Code Section 54956.9 Subdivision (a) – Existing Litigation.

In open session, Ms. Nemiroff announced that the Board had taken action to authorize and direct Counsel to send a letter to the Ventura County Taxpayers' Association, with a copy to the newspaper, confirming and reiterating VCERA's commitment to follow whatever final decision is issued in the Bee v. SCERS public records act case that is pending before the Appellate Court. The reason for the letter being an attempt to reduce costs for the system and the taxpayers as a whole, to resolve the matter and stay the matter pending the final decision in the SCERS case.

VIII. INFORMATIONAL

A. Publications (Available in Retirement Office)
   1. Institutional Investor
   2. Pensions and Investments

B. Letter from James Flick, Western Asset Management, Regarding WAMCO's Response to Financial Crisis.

C. Summary of Pantheon Ventures 2010 Symposium.

D. *Is "Conflict-Free" EnnisKnupp Selling Its Soul?* – Forbes.com.

E. *The Worst Movie Ever* – Artio Global Investors.

F. Institutional Investor's 2010 Roundtable for Consultants and Investors, October 6-8, 2010, Chicago.

G. Correspondence from Acadian Asset Management Regarding Appointment of Joshua S. White as a Portfolio Manager.

Mr. Goulet moved, seconded by Mr. Harris, to receive and file Informational Items A.-G.

Motion passed.

IX. PUBLIC COMMENT

None.

X. BOARD MEMBER COMMENT

Mr. Towner encouraged all Board members to review the governance policy regarding speaking to the press.

XI. ADJOURNMENT

There being no further items of business before the Board, Vice-Chairman Wilson adjourned the meeting at 12:15 p.m., upon the motion of Mr. Foy, seconded by Mr. D. Hansen.

Respectfully submitted,

TIM THONIS, Retirement Administrator

Approved,

TRACY TOWNER, Chairman