

# **VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **BOARD OF RETIREMENT**

### **BOARD INVESTMENT RETREAT**

**OCTOBER 4, 2012**

#### **MINUTES**

**DIRECTORS** Tracy Towner, Vice Chair, Safety Employee Member  
**PRESENT:** Steven Hintz, Treasurer-Tax Collector  
Peter Foy, Public Member  
Albert G. Harris, 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** William W. Wilson, Chair, Public Member  
**ABSENT:** Joseph Henderson, Public Member

**STAFF** Donald C. Kendig, Retirement Administrator  
**PRESENT:** Henry Solis, Chief Financial Officer  
Lori Nemiroff, Assistant County Counsel

**PLACE:** Marriott Ventura Beach  
2055 East Harbor Boulevard  
Ventura, CA 93001

**TIME:** 9:00 a.m.

**TOPIC:**

#### **I. Introductions, Administrative Matters, and Review of Agenda**

Vice Chairman Towner called the Board Retreat of October 4, 2012 to order at 9:00 a.m.

II. **Macro Economics**

Mr. Foy entered the meeting.

Rob Arnott of Research Affiliates, LLC presented an update on macro economics.

III. **Is it Time to Become More Active in Rebalancing Decisions?**

Russ Charvonja of Hewitt Ennisknupp and Ben Lazarus of The Clifton Group gave a presentation on intelligent rebalancing.

The Board directed Hewitt Ennisknupp to return on December 17, 2012 with a proposal for a tactical rebalancing program and policy.

IV. **Working Lunch – UBS Global Asset Management - Inflation Risk Re-Examined**

Louis D. Finney of UBS Global Asset Management gave a presentation on inflation risk.

V. **A Range of “Alternatives”: CPI-Plus and Real & Absolute Return Strategies**

Adam L. Berger of Wellington Management gave a presentation on alternative investments and options.

Andrew Goldsmith of Tortoise Capital Advisors gave a presentation on MLPs.

The Board directed Hewitt Ennisknupp to return on November 19, 2012 with three or four risk models for Global Tactical Asset Allocations and MLP strategies.

VI. **Global Private Equity**

Russ Charvonja of Hewitt Ennisknupp gave a presentation on VCERA's private equity program, providing three options for building out the private equity allocation to the targeted 5 percent.

The Board directed Hewitt Ennisknupp to return on December 17, 2012 with more information on Option 1, additional fund-of-funds allocations every two years at \$150 million, along with specifics on what the fees would be for reinvesting with existing managers.

**VII. Board Member Reaction, Comment and Ideas for the Future**

The Board reviewed Hewitt Ennisknupp's sample monthly performance report and discussed options for improved reporting.

The Board directed staff to return with a presentation on the pros and cons of moving the Board meetings to the second and fourth Mondays of the month, along with other options.

The Board directed staff and Hewitt Ennisknupp to explore and develop a way to make monthly and other manager reports more accessible to Board members.

**VIII. Adjournment**

MOTION: Judge Hintz moved, seconded by Mr. T. Johnston, to adjourn the meeting.

Motion passed unanimously. Mr. Wilson and Mr. Henderson were absent.

The Retreat adjourned at 4:34 p.m.

Respectfully submitted,



DONALD C. KENDIG, CPA, Retirement Administrator

Approved,



WILLIAM W. WILSON, Chairman