MINUTES

DIRECTORS PRESENT: Tracy Towner, Chair, Safety Employee Member
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 ABSENT: Vacant, General Employee Member

STAFF PRESENT: Henry Solis, Chief Financial Officer
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.


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

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


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 Cantle

1. Letter from Staff
2. Letter from Cynthia Cantle
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,

[Signature]

TIM THONIS, Interim Retirement Administrator

Approved,

[Signature]

TRACY TOWNER, Chairman