

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

May 18, 2015

MINUTES

DIRECTORS Tracy Towner, Chair, Alternate 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
Joseph Henderson, Public Member
Deanna McCormick, General Employee Member
Craig Winter, General Employee Member
Chris Johnston, Safety Employee Member
Arthur E. Goulet, Retiree Member
Will Hoag, Alternate Retiree Member

DIRECTORS None.
ABSENT:

STAFF Linda Webb, Retirement Administrator
PRESENT: Henry Solis, Chief Financial Officer
Dan Gallagher, Chief Investment Officer
Lori Nemiroff, Assistant County Counsel
Stephanie Caiazza, Program Assistant
Julie Stallings, Chief Operations Officer
Vickie Williams, Retirement Benefits Manager
Chantell Garcia, Retirement Benefits Specialist
David Rodriguez, Retirement Benefits Specialist
Nancy Jensen, Office Assistant

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 Towner called the Business Meeting of May 18, 2015, to order at 9:03 a.m.

II. APPROVAL OF AGENDA

Chair Towner proposed amending the agenda by tabling item "VI.A.1. Currency Hedging Investment Guideline Approval, Parametric Engineered Portfolio Solutions".

Chair Towner stated that the Board would hear the presentations under item "VI.A.3. GTAA Manager Search Interviews", but the vote would be postponed to a future meeting to allow time for consideration.

The following motion was made:

MOTION: Approve the agenda, as amended.

Moved by Henderson, seconded by Wilson.

Vote: Motion carried

Yes: Goulet, Foy, Johnston, Henderson, Sedell, Winter, McCormick,
Wilson

No: -

Absent: Hintz

III. APPROVAL OF MINUTES

A. Disability Meeting of May 4, 2015.

MOTION: Approve.

Moved by Henderson, seconded by Johnston.

Vote: Motion carried

Yes: Goulet, Foy, Johnston, Henderson, Sedell, Winter, McCormick,
Wilson

No: -

Absent: Hintz

IV. CONSENT AGENDA

- A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of April 2015
- B. Receive and File Report of Checks Disbursed in April 2015
- C. Receive and File Budget Summary for FY 2014-15 Month Ending April 30, 2015

MOTION: Approve the Consent Agenda.

Moved by Wilson, seconded by Henderson.

Vote: Motion carried

Yes: Goulet, Foy, Johnston, Henderson, Sedell, Winter, McCormick,
Wilson

No: -

Absent: Hintz

V. ACTUARIAL INFORMATION

- A. Final Approval of June 30, 2014 Actuarial Valuation Report with Corrections
 - 1. Recommendation to Board of Supervisors dated April 30, 2015
 - 2. Revised Actuarial Valuation and Review as of June 30, 2014

Trustee Hintz arrived at the meeting at 9:05 a.m.

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

MOTION: Adopt corrected June 30, 2014 Actuarial Valuation, ratify written recommendation to Board of Supervisors dated April 30, 2015 and authorize the Retirement Administrator to formally recommend the corresponding rates at the Board of Supervisors meeting on May 19, 2015.

Moved by Johnston, seconded by Wilson.

Vote: Motion carried

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

No: -

B. Actuarial Experience Study and Review of Economic Assumptions,
Continued from April 20, 2015 Business Meeting
Paul Angelo, FSA and John Monroe, ASA of Segal Consulting

1. Analysis of Actuarial Experience During the Period of July 1, 2011 through June 30, 2014
2. Review of Economic Actuarial Assumptions for the June 30, 2015 Actuarial Valuation

Paul Angelo and John Monroe of Segal Consulting presented these items via teleconference.

After the presentation by Segal Consulting, the Board received public comment from Michael Powers, County Executive Officer, and Paul Derse, County Chief Financial Officer.

After discussion by the Board, Segal Consultants, and Ventura County representatives, the following motion was made:

MOTION: Approve recommended assumption rate of 7.5%, continue assumption of administrative expenses funded implicitly (net of administrative expenses).

Moved by Hintz, seconded by Sedell.

Vote: Motion carried

Yes: Goulet, Henderson, Sedell, Winter, Hintz

No: Johnston, McCormick, Foy, Wilson

After further discussion by the Board, the following motion was made:

MOTION: Review the unfunded liability amortization policy at a future Board meeting.

Moved by Sedell, seconded by Hintz.

Vote: Motion carried

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

No: -

VI. INVESTMENT INFORMATION

- A. NEPC – Dan LeBeau, Consultant.

1. Currency Hedging Investment Guideline Approval, Parametric Engineered Portfolio Solutions

During item "II. Approval of Agenda", the agenda was amended to table this presentation and discussion until a future Board meeting.

2. Securities Lending Review
 - a. NEPC Securities Lending Program Update
 - b. State Street Presentation

Richard Blackman was present on behalf of State Street Corporation to provide an overview of the securities lending program.

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

MOTION: Receive and file.

Moved by Henderson, seconded by McCormick.

Vote: Motion carried

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

No: -

3. GTAA Manager Search Interviews

During item "II. Approval of Agenda", the agenda was amended to table the vote on this item until a future Board meeting.

- a. Bridgewater

Joel Whidden, Senior Client Advisor, and Patrick Dimick, Senior Portfolio Strategist, presented on behalf of Bridgewater Associates, LP.

- b. PIMCO

David J. Blair, Senior Vice President, Robert Arnott, founder and Chairman of Research Affiliates, and Mark A. Romano, Executive Vice President, presented on behalf of PIMCO Investments LLC.

c. Standard Life

Tam McVie, Investment Director – Absolute Return Investment Specialist, Peter Schmole, Director, US Business Development presented on behalf of Standard Life Investments.

4. Presentation of Investment Performance Report Quarter Ending March 31, 2015.

Trustee Foy and Trustee Sedell left the meeting at 12:11 p.m.

The following motion was made:

MOTION: Receive and file.

Moved by Wilson, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Johnston, Henderson, Winter, McCormick, Hintz, Wilson

No: -

Absent: Foy, Sedell

5. Preliminary Performance Report Month Ending April 30, 2015

The following motion was made:

MOTION: Receive and file.

Moved by Henderson, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Johnston, Henderson, Winter, McCormick, Hintz, Wilson

No: -

Absent: Foy, Sedell

VII. NEW BUSINESS

A. Quarterly Administrator Report for January – April, 2015.

The following motion was made:

MOTION: Receive and file.

Moved by Johnston, seconded by McCormick.

Vote: Motion carried

Yes: Goulet, Johnston, Henderson, Winter, McCormick, Hintz,
Wilson

No: -

Absent: Foy, Sedell

B. Ventura County Employees' Retirement Information System (VCERIS)
Pension Administration Project

1. VCERIS Project Monthly Status Report

MOTION: Receive and file.

Moved by Henderson, seconded by Hintz.

Vote: Motion carried

Yes: Goulet, Johnston, Henderson, Winter, McCormick, Hintz,
Wilson

No: -

Absent: Foy, Sedell

C. Oral Update on VCERA's General Counsel Position

Chair Towner confirmed that the market based survey on the General Counsel position was completed, and may appear on an upcoming Ventura Board of Supervisors meeting agenda.

Chair Towner reported that he testified in front of the Assembly Committee on Public Employees, Retirement, and Social Security in support of VCERA's sponsored legislation, AB1291. Chair Towner stated that he plans to return to Sacramento in June when the bill is heard before the Senate PERS Committee.

X. **INFORMATIONAL**

A. Adams Street Client Conference, June 2-3, 2015, Chicago, IL.

B. CALAPRS Trustees' Roundtable, June 12, 2015, Burbank, CA.

XI. **PUBLIC COMMENT**

None.

XII. STAFF COMMENT

The Board was introduced to VCERA staff members Vickie Williams, Retirement Benefits Manager, Nancy Jensen, Office Assistant, and David Rodriguez, Retirement Specialist.

Mr. Solis informed the Board that new software was available to improve the distribution and management of Board documents.

Ms. Webb requested that the Board use their County email addresses for Board related email when possible.

XIII. BOARD MEMBER COMMENT

Trustee Hoag reported that he had unintentionally violated the Quiet Period when his dining party at SACRS joined another group, which he later learned included representatives from Standard Life. He stated that Ms. Nemiroff was assisting him in correcting the situation, so that any of his dining costs covered by Standard Life are reimbursed.

The Board congratulated Trustee Goulet for being elected Secretary of the SACRS Board of Directors.

XIV. ADJOURNMENT

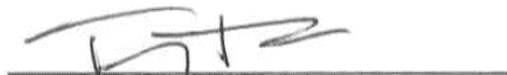
The meeting was adjourned at 12:28 p.m.

Respectfully submitted,



LINDA WEBB, Retirement Administrator

Approved,



TRACY TOWNER, Chairman