

# **VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

## **BOARD OF RETIREMENT**

### **BUSINESS MEETING**

**APRIL 18, 2005**

### **MINUTES**

**DIRECTORS  
PRESENT:**

William W. Wilson, Chair, Public Member  
Tracy Towner, Vice Chair, Safety Employee Member  
Lawrence L. Matheney, Treasurer, Ex-officio Member  
Albert G. Harris, Public Member  
Joseph Henderson, Public Member  
Robert Hansen, General Employee Member  
Jim Wall, General Employee Member  
Wayne Larroque, Retiree Member  
Chris Johnston, Alternate Employee Member  
Vern Markley, Alternate Retiree Member

**DIRECTORS  
ABSENT:**

Judy Mikels, Public Member

**STAFF  
PRESENT:**

Van Perris, Administrator  
Tim Thonis, 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 Wilson called the Business Meeting of April 18, 2005, to order at 9:00 a.m.

**II. APPROVAL OF AGENDA**

Mr. Matheney moved, seconded by Mr. Harris, to approve the Agenda.

Motion passed.

**III. APPROVAL OF MINUTES**

A. Disability Meeting of April 4, 2005.

Mr. Larroque moved, seconded by Mr. Harris, to approve the Minutes for the Disability Meeting of April 4, 2005.

Motion passed.

**IV. CONSENT AGENDA**

- A. Delta Asset Management Investment Report for the Month Ended March 31, 2005.
- B. Wasatch Advisors Investment Report for the Month Ended March 31, 2005.
- C. LSV Asset Management Investment Report for the Month Ended March 31, 2005.
- D. Barclays Global Investors Report for the U.S. Equity Index Fund, Extended Equity Market Fund and U.S. Debt Index Fund for the Month Ended March 31, 2005.
- E. Capital Guardian Trust Company Investment Report for the Month Ended March 31, 2005.
- F. Sprucegrove Investment Management Investment Report for the Month Ended March 31, 2005.
- G. Western Asset Management Investment Report for the Month Ended March 31, 2005.
- H. Reams Asset Management Investment Report for the Month Ended March 31, 2005.
- I. Regular and Deferred Retirements and Survivors Continuances for the Month of March 2005.

**IV. CONSENT AGENDA (Continued)**

- J. Statement of Plan Net Assets, Statement of Changes In Plan Net Assets, Summary of Investments and Cash Equivalents, Statement of Reserves and Schedule of Investment Management Fees for the Month Ended March 31, 2005.
- K. Report of Checks Disbursed in Mach 2005.
- L. Budget Summary as of March 31, 2005, Accounting Period 9, Fiscal Year 2004-05.

Mr. Matheney moved, seconded by Mr. Harris, to approve the Consent Agenda Items A through L.

Motion passed.

**V. INVESTMENT INFORMATION**

- A. Prudential Real Estate Advisors, Update on Separate Property Account; Update on PRISA Fund; Increase In Base Management Fee.

Mark Oczkus was present from Prudential Real Estate Advisors. Mr. Oczkus provided a status report on the sale of the Fullerton Business Center, the pending sale of the Parkway Tower office building and the disposition schedule for the Courthouse Plaza and Scientific Park property. Mr. Oczkus reviewed the performance of the PRISA Fund and the increase in the base management fee schedule.

- B. EnnisKnupp & Associates, Kevin Vandolder and Mary Bates.

- 1. Core Plus Fixed Income Manager Candidate Review.

Mr. Vandolder addressed their recommendation to reduce the passively managed portion of the fixed income allocation from 33% to 25% by either retaining an additional active manager or providing additional funding to Western and Reams. Managers reviewed were PIMCO, Loomis Sayles and Barclays Global Investors.

Mr. Harris moved, seconded by Mr. Hansen, to invite all three firms to make a presentation to the Board.

Motion passed.

**V. INVESTMENT INFORMATION (Continued)**

**B. Ennis Knupp & Associates (Continued)**

**2. Research Update on Capital Guardian and Watch List Recommendation.**

Mr. Vandolder discussed their recommendation to place Capital Guardian on the manager watch list.

Mr. Matheney moved, seconded by Mr. Hansen, to place Capital Guardian on the manager watch list.

Motion passed.

**3. Preliminary Investment Performance for March 2005.**

Mr. Vandolder reviewed the March 2005 performance report.

Mr. Larroque moved, seconded by Mr. Harris, to receive and file the March 2005 preliminary investment performance report.

Motion passed.

**C. Approval of Investment Management Agreements:**

**1. Wellington Management Company.**

Mr. Matheney moved, seconded by Mr. Harris, to approve the Investment Agreement with Wellington conditioned upon their agreement to change the law governing the agreement from the Commonwealth of Massachusetts to California.

Motion passed.

**2. Grantham, Mayo & Van Otterloo & Company.**

Mr. Matheney moved, seconded by Mr. Wall, to approve the Investment Agreement with Grantham, Mayo & Van Otterloo & Company conditioned upon their agreement to change Section 10. (a) of the agreement covering the time for notification of termination/resignation from sixty days to thirty days and changing Schedule A of the Client Mandate From to eliminate the use of fixed income securities.

Motion passed.

**VI. NEW BUSINESS**

- A. Request from Robert R. Orellana to be Reinstated Into Active Retirement System Membership Pursuant to the Provisions of Government Code Section 31680.4.

Mr. Matheney moved, seconded by Mr. Harris, to approve the request from Robert Orellana to be reinstated into active retirement system membership.

Motion passed.

**VII. CLOSED SESSION**

The Board of Retirement adjourned into Closed Session pursuant to the provisions of Government Code section 54956.9 to discuss one item of pending litigation; WorldCom Inc. Securities litigation.

In open session Ms. Nemiroff stated no announcement was required.

**VIII. INFORMATIONAL**

- A. Publications (Available in Retirement Office)
1. Institutional Investor
  2. Pensions and Investments
- B. Letter From Stephen H. Silver, Attorney at Law, to John Nicoll, Chief Deputy Executive Officer, Regarding Tier II COLA for Attorneys Represented by the Criminal Justice Attorneys' Association of Ventura County.

Mr. Larroque moved, seconded by Mr. Wall, to receive and file this item.

Motion passed.

**IX. PUBLIC COMMENT**

None

**X. BOARD MEMBER COMMENT**

Mr. Towner commented on the agenda for the upcoming SACRS Conference and the sessions that will be held on the defined benefit/defined contribution issue.

**XI. ADJOURNMENT**

There being no further items of business before the Board, Chairman Wilson adjourned the Business Meeting of April 18, 2005 at 11:30 a.m.

Respectfully submitted,

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VAN PERRIS  
Retirement Administrator

Approved:

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WILLIAM W. WILSON  
Chair