

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

MAY 16, 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, Retirement 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 May 16, 2005, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

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

Motion passed.

III. APPROVAL OF MINUTES

A. Disability Meeting of May 2, 2005.

Mr. Harris moved, seconded by Mr. Larroque, to approve the Minutes for the Disability Meeting of May 2, 2005.

Motion passed.

IV. CONSENT AGENDA

- A. Delta Asset Management Investment Report for the Month Ended April 30, 2005.
- B. Wasatch Advisors Investment Report for the Month Ended April 30, 2005.
- C. LSV Asset Management Investment Report for the Month Ended April 30, 2005.
- D. Capital Guardian Trust Company Investment Report for the Month Ended April 30, 2005.
- E. Sprucegrove Investment Management Investment Report for the Month Ended April 30, 2005.
- F. Western Asset Management Investment Report for the Month Ended April 30, 2005.
- G. Reams Asset Management Investment Report for the Month Ended April 30, 2005.
- H. Regular and Deferred Retirements and Survivors Continuances for the Month of April 2005.
- I. Report of Checks Disbursed in April 2005.

Mr. Harris moved, seconded by Mr. Larroque, to approve the Consent Agenda Items A through I.

Motion passed.

V. INVESTMENT INFORMATION

- A. Fixed Income Manager Presentations, Introduction by Kevin Vandolder, CFA, Ennis Knupp & Associates.

Mr. Vandolder reviewed the search process undertaken by the Board for a new core plus fixed income manager in order to increase the actively managed portion of the fixed income portfolio.

1. Barclays Global Investors, David Lissek, Principal, Client Relationship Officer, and Matt Tucker, Principal, Investment Strategist.

Mr. Lissek reviewed the Barclays Global Investors organization and Mr. Tucker provided the Board an overview of their investment process.

2. Loomis Sayles & Company, Matthew J. Eagan, CFA, Vice President, Portfolio Manager, and M. LeBaron Meyers, Vice President, Institutional Sales.

Ms. Meyers reviewed the Loomis Sayles organization and Mr. Eagan discussed their investment process.

3. PIMCO, Scott W. Martin, CFA, Vice President, and James A. Ramsay, CFA, Senior Vice President.

Mr. Ramsay provided an overview of the PIMCO organization and Mr. Martin discussed their investment process.

Mr. Vandolder advised the Board that Ennis Knupp would rank the candidates as Loomis Sayles first, with PIMCO and Barclays Global Investors ranked second and third.

Mr. Hansen moved, seconded by Mr. Harris, to select Loomis Sayles.

Motion passed.

- B. Sprucegrove Investment Management Semiannual Investment Presentation, John Watson, President, and Mark Shevitz, Director of Marketing.

Mr. Shevitz provided the Board an update on the Sprucegrove firm and Mr. Watson made a brief presentation covering performance.

V. INVESTMENT INFORMATION (Continued)

- C. Capital Guardian Trust Company Semiannual Investment Presentation, Michael Nyeholt, Vice President and Robert Ronus, Investment Specialist.

Mr. Nyeholt provided an update on the Capital Guardian organization and discussed investment performance. Mr. Ronus discussed the investment process. Mr. Nyeholt and Mr. Ronus focused on the under-performance of Capital Guardian and stated they felt performance would improve.

- D. EnnisKnupp & Associates, Kevin Vandolder and David Russell.

1. Investment Performance Report for the First Quarter 2005.

Mr. Vandolder reviewed the performance of the fund for periods ending March 31, 2005.

Mr. Hansen moved, seconded by Mr. Harris, to receive and file the Quarterly Performance Report.

Motion passed.

2. Memorandum Regarding Prudential Real Estate Investors Fee Changes.

Mr. Larroque moved, seconded by Mr. Harris, to receive and file the memorandum regarding the fee increase by Prudential Real Estate Investors.

Motion passed.

3. Memorandum Regarding Memorandum Regarding Securities Exchange Commission and California Attorney General Investigations of Capital Research & Management Company.

Mr. Harris moved, seconded by Mr. Hansen, to receive and file the memorandum regarding the investigations of Capital Guardian Research & Management Company.

Motion passed.

V. INVESTMENT INFORMATION (Continued)

D. EnnisKnupp & Associates, Kevin Vandolder and David Russell (Continued)

4. Preliminary Investment Performance for April 2005 (Distributed at Meeting).

Mr. Vandolder reviewed the preliminary investment performance report for April.

Mr. Harris moved, seconded by Mr. Hansen, to receive and file the Preliminary Performance Report for April 2005.

Motion passed.

E. Wellington Management Company Global Equity Mandate.
(Continued from Meeting of April 18, 2005)

- a. Review and Consideration of the Approval of Proposed Services Agreement and Investment Agreement.
- b. Review and Consideration of the Approval of Contract for Separate Account Management Services.
- c. Memorandum from EnnisKnupp & Associates Regarding Option of Redirecting Wellington Funding to Grantham, Mayo & Van Otterloo (GMO).

Mr. Wall moved, seconded by Mr. Henderson, to approve the Services Agreement and Investment Agreement with Wellington Management Company.

Motion passed.

VI. CLOSED SESSION

The Board adjourned into Closed Session pursuant to the provisions of Government Code Section 54956.9(a) to discuss one item of pending litigation; Worldcom, Inc. Securities Litigation.

In open session Ms. Nemiroff stated there would be no announcement.

VII. INFORMATIONAL

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

No action taken on Information Items.

VIII. PUBLIC COMMENT

Mr. Perris advised the Board that the resolution submitted to the State Association of County Retirement Systems by the Los Angeles County Employees' Retirement Association opposing the closure of defined benefit plans had passed. Ventura abstained from the vote as directed by the Board.

IX. BOARD MEMBER COMMENT

Mr. Matheney commended Ms. Nemiroff on her work in dealing with the Worldcom litigation.

X. ADJOURNMENT

There being no further business before the Board, Chairman Wilson adjourned the meeting at 11:55 a.m.

Respectfully submitted,

VAN PERRIS
Retirement Administrator

Approved:

WILLIAM W. WILSON
Chair