

**VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BOARD OF RETIREMENT**

**BUSINESS MEETING**

**SEPTEMBER 19, 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  
Judy Mikels, Public Member  
Joseph Henderson, Public Member  
Robert Hansen, General Employee Member  
Wayne Larroque, Retired Member  
Chris Johnston, Alternate Employee Member  
Vern Markley, Alternate Retired Member

**DIRECTORS**  
**ABSENT:** Karen Becker, General Employee 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 September 19, 2005, to order at 9:00 a.m.

Mr. Wilson presented a plaque to Jim Wall in recognition of his service on the Board of Retirement.

**II. APPROVAL OF AGENDA**

Mr. Harris moved, seconded by Ms. Mikels, to approve the Agenda.

Motion passed.

**III. APPROVAL OF MINUTES**

A. Disability Meeting of September 12, 2005.

Mr. Harris moved, seconded by Ms. Mikels, to approve the Minutes for the Disability Meeting of September 12, 2005.

Motion passed.

**IV. CONSENT AGENDA**

THE FOLLOWING ITEMS ARE ANTICIPATED TO BE ROUTINE AND NON CONTROVERSIAL. CONSENT ITEMS WILL BE APPROVED WITH ONE MOTION IF NO MEMBER OF THE BOARD WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND TRANSFERRED TO THAT SECTION OF THE AGENDA DEEMED APPROPRIATE BY THE CHAIR

- A. Delta Asset Management Investment Report for the Month Ended August 31, 2005.
- B. Wasatch Advisors Investment Report for the Month Ended August 31, 2005.
- C. LSV Asset Management Investment Report for the Month Ended August 31, 2005.
- D. Capital Guardian Trust Company Investment Report for the Month Ended August 31, 2005.
- E. Sprucegrove Investment Management Investment Report for the Month Ended August 31, 2005.
- F. Western Asset Management Investment Report for the Month Ended August 31, 2005.

**IV. CONSENT AGENDA (Continued)**

- G. Reams Asset Management Investment Report for the Month Ended August 31, 2005
- H. GMO Investment Management Review for the Month Ended August 31, 2005.
- I. Wellington Management Company Investment Report For the Month Ended August 31, 2005.
- J. Prudential Real Estate Investors Second Quarter Performance Reports for the PRISA Fund and Separate Property Assets Under Management.
- K. Regular and Deferred Retirements and Survivors Continuances for the Month of August 2005.
- L. Statement of Plan 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 Months Ended June 30, 2005 and July 31, 2005.
- M. Report of Checks Disbursed in August 2005.
- N. Budget Summary for the Month Ended June 30, 2005, Fiscal-Year 2004-05 (Final).
- O. Budget Summaries for the Months Ended July 31 and August 31, Fiscal-Year 2005-06.

Ms. Mikels moved, seconded by Mr. Harris, to approve the Consent Agenda Items A through O.

Motion passed.

**V. INVESTMENT INFORMATION**

- A. Reams Asset Management Annual Investment Presentation, Thomas M. Fink, CFA, Managing Director.

Mr. Fink provided an update on the Reams organization, reviewed the investment objectives and guidelines, performance and provided a summary of the fixed income market.

**V. INVESTMENT INFORMATION (Continued)**

- B. Barclays Global Advisors Annual Investment Presentation; Lee Wanie, Principal.

Lee Wanie provided an update on the BGI organization and reported on the VCERA investment in the Equity Index Fund, U.S. Debt Index Fund and Extended Equity Market Fund.

- C. Western Asset Management Annual Investment Presentation; Joe Carieri, Senior Client Executive.

Joe Carieri provided an update on the Western Asset Management organization, discussed their investment process and reviewed performance.

- D. EnnisKnupp & Associates, Kevin Vandolder, CFA, Principal.

- a. Quarterly Investment Performance Review for Periods Ending June 30, 2005.

Mr. Vandolder reviewed performance for periods ending June 30, 2005.

Mr. Harris moved, seconded by Ms. Mikels, to receive and file this report.

Motion passed.

- b. Preliminary Performance Review as of August 31, 2005.

Mr. Vandolder reviewed the preliminary August performance report.

Ms. Mikels moved, seconded by Mr. Harris, to receive and file this report

Motion passed.

- c. Memorandum-Capital Guardian Watch List Status.

Mr. Vandolder provided an update on Capital Guardian and recommended the Board continue to retain this firm.

Mr. Harris moved, seconded by Ms. Mikels, to approve the recommendation from EnnisKnupp to retain Capital Guardian while keeping them on the Watch List and review this situation further at year-end.

Motion passed.

**V. INVESTMENT INFORMATION (Continued)**

D. EnnisKnupp & Associates (Continued)

d. Memorandum-Wellington On-Site Meeting.

Mr. Vandolder reviewed the memorandum on the Wellington on-site visit.

e. Memorandum-Reams On-Site Due Diligence.

Mr. Vandolder reviewed the memorandum on the Reams on-site visit.

f. Re-Visiting EnnisKnupp's Capital Market Expectations.

Mr. Vandolder reviewed the memorandum on EnnisKnupp's capital market expectations.

Mr. Harris moved, seconded by Ms. Mikels, to receive and file this item.

Motion passed.

g. Board Retreat Agenda.

Mr. Vandolder reviewed the agenda for the upcoming Board Retreat.

**VI. NEW BUSINESS**

A. Strategic Information Technology Plan Prepared by Linea Solutions, Inc., Akio Tagawa, President, and Brian Colker, Vice President.

Mr. Tagawa and Mr. Colker summarized the study and reviewed a number of specific recommendations regarding the replacement of the RDBS system with a new benefits administration system, implementing an electronic document managing system, development of a business continuity plan and the eventual retention of a business analyst.

Ms. Mikels moved, seconded by Mr. Hansen, to adopt the recommendations proposed by Linea Solutions and direct staff to move forward with the development of a plan for implementation.

Motion passed.

**VI. NEW BUSINESS (Continued)**

- B. Board Meeting and Presentation Schedule for 2006.

Approved.

- C. Appointment of SACRS Voting and Alternate Delegates.

Ms. Mikels moved, seconded by Mr. Larroque, to appoint Karen Becker as the voting delegate and Mr. Goulet as the alternate voting delegate.

Motion passed.

**VII. INFORMATIONAL**

- A. Publications (Available in Retirement Office)

1. Institutional Investor
2. Pensions and Investments

**VIII. PUBLIC COMMENT**

Mr. Perris advised the Board that the Governor had signed the bill to amend the provisions for the payment of the vested \$108.44 supplemental benefit so that any member first hired on or after January 31, 2006, will have to accrue five years service with the County or contracting district member of VCERA.

**IX. BOARD MEMBER COMMENT**

None.

**X. ADJOURNMENT**

There being no further items of business before the Board, Chairman Wilson adjourned the meeting at 11:40 a.m.

Respectfully submitted,

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VAN PERRIS, Administrator

Approved:

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WILLIAM W. WILSON, Chair