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


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


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.


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.


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.


Mr. Vandolder reviewed the preliminary August performance report.

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

Motion passed.


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.


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,

VAN PERRIS, Administrator

Approved:

WILLIAM W. WILSON, Chair