

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION
BOARD OF RETIREMENT
BOARD RETREAT & BUSINESS MEETING
SEPTEMBER 25, 2023

MINUTES

TRUSTEES
PRESENT:

Mike Sedell, Chair, Public Member
Arthur E. Goulet, Vice-Chair, Retired Member
Sue Horgan, Treasurer-Tax Collector
Jordan Roberts, General Employee Member
Cecilia Hernandez-Garcia, General Employee Member
Kelly Long, Public Member
Tommie E. Joe, Public Member
Aaron Grass, Safety Employee Member
Robert Ashby, Alternate Safety Employee Member

TRUSTEES
ABSENT:

Will Hoag, Alternate Retired Member

STAFF
PRESENT:

Rick Santos, Interim Retirement Administrator
Amy Herron, Chief Operations Officer
Lori Nemiroff, General Counsel
Dan Gallagher, Chief Investment Officer
La Valda Marshall, Chief Financial Officer
Leah Oliver, Chief Technology Officer
Josiah Vencel, Retirement Benefits Manager
Brian Owen, Sr. Information Technology Specialist
Michael Sanchez, Sr. Information Technology Specialist
Chris Ayala, Program Assistant

PLACE:

Ventura Beach Marriott
Emma Wood Ballroom
2055 E. Harbor Blvd.
Ventura, CA 93001

TIME:

9:00 a.m.

ITEM:

I. INTRODUCTION & APPROVAL OF AGENDA

Mike Sedell, Chair

A. Roll Call.

Chair Sedell called the Board Retreat & Business Meeting of September 25, 2023, to order at 9:03 a.m.

Roll Call:

Trustees Present: Robert Ashby, Aaron Grass, Art Goulet, Cecilia Hernandez-Garcia, Sue Horgan, Tommie Joe, Kelly Long, Mike Sedell

Trustees Absent: Will Hoag, Jordan Roberts

B. Approval of Agenda.

MOTION: Approve.

Moved by Joe, seconded by Grass

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Sedell

No: -

Absent: Roberts

Abstain: -

Trustee Roberts arrived at the meeting at 9:14 a.m., after the vote on the agenda item.

II. CONSENT AGENDA

A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of July 2023.

B. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of August 2023.

C. Receive and File Report of Checks Disbursed in July 2023.

D. Receive and File Report of Checks Disbursed in August 2023.

E. Approve Disability Meeting Minutes for September 11, 2023.

Trustee Goulet motioned to approve the Consent Agenda.

Trustee Horgan requested that agenda item, VII.E., "Approve Disability Meeting Minutes for September 11, 2023", be pulled from the Consent Agenda because she would be abstaining from voting on that item, since she was not present at that meeting.

Trustee Goulet then revised his motion to only approve Consent Agenda items, A through D.

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

MOTION: Approve Consent Agenda Items, A – D.

Moved by Goulet, seconded by Horgan

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: -

Abstain: -

MOTION: Approve Consent Agenda Items, E.

Moved by Goulet, seconded by Joe

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Joe, Long, Roberts, Sedell

No: -

Absent: -

Abstain: Horgan

III. PRESENTATION: “FEWER LOSERS, OR MORE WINNERS?”

Howard Marks, Co-Chairman, and Founding Principal of Oaktree Capital Management.

Mr. Gallagher introduced Mr. Howard Marks, Co-Chairman, and Founding Principal of Oaktree Capital Management.

Mr. Marks provided a presentation to the Board entitled, “Fewer Losers, or More Winners”.

The Board took a break at 10:06 a.m., after the presentation.

The Board returned from break at 10:33 a.m.

IV. PRESENTATION: “THE TRANSFORMATIVE YEAR AHEAD: GEOPOLITICS AND THE 2024 U.S. ELECTIONS”

Frank Kelly, Founder & Managing Partner, Fulcrum Macro Advisors LLC, and Sr. Political Strategist for DWS.

Mr. Gallagher introduced Mr. Frank Kelly, Founder & Managing Partner of Fulcrum Macro Advisors LLC, and Sr. Political Strategist for DWS.

Mr. Kelly provided a presentation to the Board entitled, “The Transformative Year Ahead: Geopolitics and the 2024 U.S. Elections”.

V. INVESTMENT INFORMATION

VCERA – Dan Gallagher, Chief Investment Officer.

NEPC – Allan Martin and Rose Dean.

A. \$20 Million Commitment to Bridge Debt Strategies Fund V.
RECOMMENDED ACTION: Approve.

1. Staff Letter by Chief Investment Officer.
2. Joint Fund Recommendation Report from NEPC.
3. Bridge Debt Strategies Fund V Presentation: Dean Allara, and Andrew Ahmadi.

Mr. Gallagher provided a brief overview of Bridge's Debt Strategies Fund V investment opportunity and summarized the joint recommendation by him and NEPC for their proposed investment commitment.

Mr. Martin introduced Rose Dean from NEPC, who recently joined the VCERA Investment Consultant team at NEPC.

Ms. Dean then provided a more in-depth review of the joint recommendation for a \$20 Million Commitment to Bridge Debt Strategies Fund V.

After discussion by the Board, staff, and Investment Consultants, the following motion was made:

MOTION: Approve a \$20 Million Commitment to the Bridge Debt Strategies Fund V, and Subject to Successful Contract Negotiations, Authorize the Board Chair, or the Retirement Administrator or in the Absence of Both the Chief Investment Officer to Approve and Execute the Required Documentation.

Moved by Grass, seconded by Long

Vote: Motion carried

Yes: Grass, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: Goulet

Absent: -

Abstain: -

B. \$75 Million Commitment to HarbourVest Partners Infrastructure Opportunities Fund III.
RECOMMENDED ACTION: Approve.

1. Staff Letter by Chief Investment Officer.
2. Joint Fund Recommendation Report from NEPC.
3. HarbourVest Partners Infrastructure Opportunities Fund III Presentation: Mike Dean, Abby Rayner, and Teri Noble.

Mr. Gallagher provided a brief overview of HarbourVest's Infrastructure Opportunities Fund III investment opportunity and summarized the joint recommendation by him and NEPC for their proposed investment commitment.

MOTION: Approve a \$75 Million Commitment to HarbourVest Partners Infrastructure Opportunities Fund III; and Subject to Legal Review, Authorize the Board Chair, or the Retirement Administrator, or in the Absence of Both, the Chief Investment Officer, to Approve and Execute the Required Documentation.

Moved by Roberts, seconded by Grass

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: -

Abstain: -

C. \$25 Million Commitment to Pantheon Global Infrastructure Fund IV.

RECOMMENDED ACTION: Approve.

1. Staff Letter by Chief Investment Officer.
2. Joint Fund Recommendation Report from NEPC.
3. Pantheon Global Infrastructure Fund IV Presentation: Iain Jones.

Mr. Gallagher provided a brief overview of Pantheon's Global Infrastructure Fund IV investment opportunity and summarized the joint recommendation by him and NEPC for their proposed investment commitment.

MOTION: Approve an Investment Commitment of \$25 Million to Pantheon Global Infrastructure Fund IV; and Subject to Successful Legal Review, Authorize the Board Chair, or the Retirement Administrator, or in the Absence of Both the Chief Investment Officer to Approve and Execute the Required Documentation.

Moved by Horgan, seconded by Goulet

Vote: Motion carried

Yes: Grass, Goulet, Hernandez-Garcia, Horgan, Joe, Long, Roberts, Sedell

No: -

Absent: -

Abstain: -

The Board took a lunch break at 12:00 p.m.

The Board returned from break at 1:03 p.m.

VI. PRESENTATION: "POLICY BOARD: FIDUCIARY GOVERNANCE EDUCATION"

Ashley Dunning, VCERA Fiduciary Counsel, Nossaman

Chair Sedell introduced Ms. Ashley Dunning, VCERA's Fiduciary Counsel from Nossaman LLP.

Ms. Dunning, provided a presentation to the Board entitled, "Policy Board: Fiduciary Governance Education".

Ms. Dunning said that the Board should consider conducting a *Board Self-Assessment* and then as a follow up they could assess the other aspects of the Board's governance as a policy board.

Chair Sedell said the Board should discuss the topic at their next Board meeting in October.

Trustee Grass left the meeting at 2:12 p.m., after the presentation by Ms. Dunning.

VII. NEW BUSINESS

A. NEPC Investment Performance Reports.

RECOMMENDED ACTION: Receive and File.

1. Second Quarter 2023 Performance Report for Period Ending June 30, 2023.
2. Monthly Performance Report Month Ending July 31, 2023
3. Monthly Performance Report Month Ending August 31, 2023

Ms. Dean provided a brief economic overview of the market environment.

Trustee Long left the meeting at 2:31 p.m., before the vote on the item.

Mr. Martin presented to the Board the 2nd Quarter 2023 Performance Report, for the Period Ending June 30, 2023, the Monthly Performance Report Month Ending, July 31, 2023, and the Monthly Performance Report Month, Ending August 31, 2023.

MOTION: Receive and File.

Moved by Horgan, seconded by Joe

Vote: Motion carried

Yes: Ashby, Goulet, Hernandez-Garcia, Horgan, Joe, Roberts, Sedell

No: -

Absent: Grass, Long

Abstain: -

VIII. INFORMATIONAL

None.

IX. PUBLIC COMMENT

None.

X. STAFF COMMENT

Mr. Santos asked for more guidance on how the Board would like staff to proceed with coordinating the Board's self-assessment. He noted that the project was not something that could be done quickly and asked if the Board intended to conduct the self-assessment themselves or engage with a vendor that specialized in this area.

Chair Sedell said that he would suggest 2 tracks, one that was focused on the items that Ms. Dunning discussed, and the other track encompassing the Board's delegation of authority in other areas of the organization. He believed both tracks could be completed in one day, therefore, he directed that Mr. Santos present some options for the Board to consider.

XI. **BOARD MEMBER COMMENT**

Trustee Hernandez-Garcia said that she enjoyed this year's Board Retreat and received a lot of important information from the presentations. Therefore, she would like to thank staff for putting the event together.

Chair Sedell remarked that it was one of the best Board Retreats that he's attended, in the 10 years that he's been on the Board. He also commended the Board members for their attendance.

XII. **ADJOURNMENT**

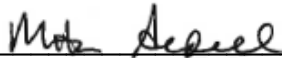
The Chair adjourned the meeting at 2:44 p.m.

Respectfully submitted,



RICHARD SANTOS, Interim Retirement Administrator

Approved,



MIKE SEDELL, Chair