

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

NOVEMBER 20, 2023

AGENDA

TRUSTEES

PRESENT:

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

TRUSTEES

ABSENT:

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
Josiah Vencel, Retirement Benefits Manager
Brian Owen, Sr. Information Technology Specialist
Michael Sanchez, Sr. Information Technology Specialist
Chris Ayala, Program Assistant

PLACE:

Ventura County Employees' Retirement Association
Second Floor, Boardroom
1190 S. Victoria Avenue, Suite 200
Ventura, CA 93003

TIME:

9:00 a.m.

ITEM:

I. CALL TO ORDER

A. Roll Call.

Chair Sedell called the Disability Meeting of November 20, 2023, to order at 9:00 a.m.

Roll Call:

Trustees Present: Donald Brodt, Aaron Grass, Art Goulet, Cecilia Hernandez-Garcia Will Hoag, Sue Horgan, Tommie Joe, Kelly Long, Anthony Rainey, Jordan Roberts, Mike Sedell

Trustees Absent: -

II. APPROVAL OF AGENDA

Trustee Goulet noted that he had questions regarding the estimated cost for the related to agenda item for the CTO to attend the Gartner CIO Leadership Forum on February 26 – 27, 2024.

Chair Sedell said that since Ms. Oliver was in attendance the Board could discuss the item following the approval of the agenda.

MOTION: Approve Agenda, Excluding Item VII.B., "Authorization for Chief Technology Officer to Attend the Gartner CIO Leadership Forum, February 26-27, 2024, in Phoenix, Arizona", which the Board would Discuss Next After the Approval of the Agenda.

Moved by Long, seconded by Joe

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

After the vote on the agenda item, the Board advanced to item VII.B., "Authorization for Chief Technology Officer to Attend the Gartner CIO Leadership Forum, February 26-27, 2024, in Phoenix, Arizona",

III. CONSENT AGENDA

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

B. Approve Disability Meeting Minutes of November 6, 2023.

MOTION: Approve Consent Agenda.

Moved by Goulet, seconded by Joe

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

IV. INVESTMENT MANAGER PRESENTATIONS

- A. Annual Investment Presentation from BlackRock: Grant Dechert, Kit Donovan, and Daphne Tai.

Grant Dechert, Kit Donovan, and Daphne Tai reported BlackRock's investment outlook, and portfolio strategies, composition, and VCERA's investment portfolio performance net of fees across five separate commingled index funds, and then responded to trustee questions.

V. INVESTMENT INFORMATION

VCERA – Dan Gallagher, Chief Investment Officer.

NEPC – Allan Martin and Rose Dean.

- A. \$30M Commitment to Pantheon Credit Opportunities Fund III.

RECOMMENDED ACTION: Approve.

1. Staff Letter by Chief Investment Officer.
2. Joint Fund Recommendation Report from NEPC.
3. Pantheon Credit Opportunities Fund III Presentation: Iain Jones.

Mr. Gallagher stated that both he and NEPC were jointly recommending a \$30 million commitment to Pantheon's Credit Opportunities Fund III which they believed had a very compelling investment thesis. The Board approved a \$50 million commitment to Fund II last year, which as of June 30 was reporting a 32% net Internal Rate of Return and a 1.35 multiple of Total Value of Paid in Capital. Additionally, Pantheon did not manage a primary private credit fund, so they were not viewed as a competitor to many on the sell side which expands their buy-side opportunity set.

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

MOTION: Approve a Commitment of \$30 Million to Pantheon Credit Opportunities Fund III, and Direct Staff and Counsel to Negotiate the Necessary Legal Documents; and Subject to Successful Contract Negotiations, Authorize the Board Chair, or the Retirement Administrator or if Both are Unavailable the Chief Investment Officer to Approve and Execute the Required Documentation.

Moved by Rainey, seconded by Goulet

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

- B. Third Quarter 2023 Investment Performance Report.
RECOMMENDED ACTION: Receive and File.

Ms. Dean presented the Third Quarter 2023 Investment Performance Report to the Board.

MOTION: Receive and File.

Moved by Horgan, seconded by Joe

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

- C. Monthly Investment Performance Report for the Period Ending October 31, 2023.
RECOMMENDED ACTION: Receive and File.

Ms. Dean then presented the Monthly Investment Performance Report for the Period Ending October 31, 2023 to the Board.

MOTION: Receive and File.

Moved by Horgan, seconded by Roberts

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

VI. OLD BUSINESS

- A. Alameda Implementation Status Report.
RECOMMENDED ACTION: Receive and File.

Ms. Herron provided a status report on the Alameda Decision Implementation project.

MOTION: Receive and File.

Moved by Roberts, seconded by Joe

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

VII. NEW BUSINESS

- A. 2024 Calendars of Investment Presentations and of Investment On-Site Due Diligence Meetings.

RECOMMENDED ACTION: Approve.

1. Staff Letter from Chief Investment Officer.
2. Proposed Investment Presentations Calendar for 2024.
3. Proposed Due Diligence Calendar for 2024.

MOTION: Approve the Proposed 2024 Calendars for Investment Presentations and Investment Onsite Due Diligence and Authorize Necessary Expenditures in Accordance with the Board's Adopted Travel Policy and Budget.

Moved by Joe, seconded by Hernandez-Garcia

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

After the vote on this agenda item, the Board advanced to item, VII.C., "Creation of an Ad-Hoc Benefit and Compensation Committee for 2024".

- B. Authorization for Chief Technology Officer to Attend the Gartner CIO Leadership Forum, February 26-27, 2024, in Phoenix, Arizona.

RECOMMENDED ACTION: Approve.

1. Staff Letter from Chief Technology Officer.
2. Gartner CIO Leadership Forum Agenda.

Trustee Goulet said that although the Staff Letter indicated that there was no registration fee for the conference, there would be a \$3,500 cost for travel expenses. Therefore, he would like a little clarification on why the travel expense was so high, given that it was for a 2-day conference.

Ms. Oliver said that it was an oversight, since after looking at the cost for attending last year's conference was less than \$2,000. So, she did not anticipate that it would go over \$2,000.

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

MOTION: Approve Staff's Recommendation for Authorization for Chief Technology Officer to Attend the Gartner CIO Leadership Forum, February 26-27, 2024, in Phoenix, Arizona, with an Amendment to a Date Correction in the Staff Letter of December 18, 2023 to November 20, 2023 of when Staff Would Respond to Questions, and a Cost of Up to \$2,000.

Moved by Long, seconded by Rainey

Vote: Motion carried

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

No: -

Absent: -

Abstain: -

After the vote on the agenda item, the Board returned to item, III., "Consent Agenda".

C. Creation of an Ad-Hoc Benefit and Compensation Committee for 2024.

1. Staff Letter from Interim Retirement Administrator.

Chair Sedell said that the staff letter stated that the Board needed to conduct Compensation and Benefits Study for the 5 district employees of VCERA. Therefore, the Board needed to appoint an Ad-Hoc Committee to oversee this task.

Chair Sedell noted that Trustee Goulet had already indicated to him that he would like to volunteer to be the Chair of that committee. Trustees Rainey and Grass also volunteered to join the committee.

Chair Sedell then appointed Trustees Rainey and Grass as members, and Goulet as Chair of the Ad-Hoc Benefits and Compensation Committee.

Chair Sedell then said that since the Board would likely adjourn the meeting from Closed Session, unless there was anything to report, he would like to have the Board consider items, IX., X., XI., XII., before the Board entered into their Closed Session meeting.

The Board then advanced to item IX., "Informational".

VIII. CLOSED SESSION

A. It is the intention of the Personnel Review Committee to Meet in Closed Session, Pursuant to Government Code Section 54957(b)(1), to Discuss the Following Item.

1. Public Employee Appointment.
Title: Retirement Administrator.

The Board entered the Closed Session meeting at 10:22 a.m., where they would adjourn the meeting from.

IX. INFORMATIONAL

None.

X. PUBLIC COMMENT

None.

XI. STAFF COMMENT

Ms. Nemiroff noted that Trustee Ashby had separated his employment with the County of Ventura on November 19, 2023, and so his position on the Board was considered vacant.

Mr. Ayala provided a report to the Board regarding the Special Election for the Alternate Safety Member seat. He explained that the Elections Office had indicated that they would be unable to conduct the election until August 2024, since they would be busy with the Presidential Election.

Trustee Roberts asked if there was an alternative to having the election be conducted by the County of Ventura's Elections Office.

Ms. Nemiroff noted that the Board was not required to use the Elections Office to conduct the election, so staff could look into other options.

Chair Sedell said that he knew of companies that specialized in conducting elections for certain organizations, but they could be costly, but it was something that staff could look into and report back to the Board on.

Mr. Santos said that staff had also discussed conducting the election themselves, however, it would take a lot of work and there would need to be various checks and balances, if VCERA would be counting the votes internally. However, he felt that it was not critical if the Board decided to wait until August to fill the alternate safety member seat.

Mr. Gallagher provided a verbal report on a Due Diligence Visit, with Trustee Hernandez-Garcia on November 2 – 3, 2023. They had conducted on-site due diligence visits with core real estate manager, Prudential (PGIM) as well as their Private Equity Consultant, Abbott Capital Management, and met with company managements, investment, operations, IT, compliance, legal, acquisitions/disposition, portfolio managers, asset managers, property managers and found personnel to be forthcoming and answered all of their questions. He added that they found no due diligence concerns.

Trustee Hernandez-Garica said that it was a very eye-opening experience for her. They were able to meet with numerous personnel during their visits, as well as a tour of their facilities.

Mr. Santos said that he also wanted to remind the Board that the next Board meeting was on December 4th and there would be some discussion on where VCERA was currently and where they were headed. Ms. Dunning would also be presenting the next phase of the Board Governance plan.

Trustee Roberts then asked for a meeting invitation or reminder to be sent.

XII. BOARD MEMBER COMMENT

Trustee Goulet said that he would like to discuss the Alternate Safety Member issue further, since he believed it was important to fill that seat because the alternate was necessary to voting on disability retirement applications that were related to the Fire Personnel.

Chair Sedell said that staff could then bring the item back at the next meeting to discuss the issue further and consider alternatives for conducting the election.

Mr. Santos then suggested that they schedule the item to come back to the Board at the December 18th meeting, instead of the December 4th meeting.

Chair Sedell said that he was fine with that.

The Board then said that the Board would now be entering into Closed Session, where they would adjourn from.

After hearing Board Member Comments, the Board returned to agenda item VIII., "Closed Session.

XIII. ADJOURNMENT

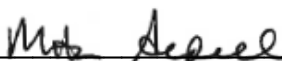
The Chair adjourned the meeting at the conclusion of the Closed Session.

Respectfully submitted,



RICHARD SANTOS, Interim Retirement Administrator

Approved,



MIKE SEDELL, Chair