MINUTES

DIRECTORS  Tracy Towner, Chair, Safety Employee Member
PRESENT:  William W. Wilson, Vice Chair, Public Member
          Steven Hintz, Treasurer-Tax Collector
          Peter C. Foy, Public Member
          Tom Johnston, General Employee Member
          Deanna McCormick, General Employee Member
          Arthur E. Goulet, Retiree Member
          Will Hoag, Alternate Retiree Member

DIRECTORS  Joseph Henderson, Public Member
ABSENT:  Mike Sedell, Public Member
          Chris Johnston, Alternate Employee Member

STAFF  Tim Thonis, Interim Retirement Administrator
PRESENT:  Henry Solis, Chief Financial Officer
          Lori Nemiroff, Assistant County Counsel
          Glenda Jackson, Program Assistant
          Chantell Garcia, Retirement Benefits Specialist

PLACE:  Ventura County Employees’ Retirement Association
        Second Floor Boardroom
        1190 South Victoria Avenue
        Ventura, CA 93003

TIME:  9:00 a.m.

ITEM:
I.  CALL TO ORDER

Chairman Towner called the Business Meeting of January 27, 2014, to order at 9:00 a.m.
II. APPROVAL OF AGENDA

MOTION: Approve the Agenda.

Moved by McCormick, seconded by Hintz.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

III. APPROVAL OF MINUTES

A. Disability Meeting of January 6, 2014.

MOTION: Approve the Minutes.

Moved by McCormick, seconded by Wilson.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

IV. CONSENT AGENDA

The Interim Administrator commented on Item C. Asset Allocation and stated a minor correction was needed to the Total Column.

A. Approve Regular and Deferred Retirements and Survivors Continuances for the Month of December 2014.


MOTION: Approve the Consent Agenda with correction to Item C.

Moved by Hintz, seconded by T. Johnston.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

END OF CONSENT AGENDA

V. STANDING ITEM

A. Receive an Oral Update on Pensionable Compensation and PEPRA.

Board Counsel attended the CALAPRS Roundtable in Burbank on Friday and learned from CALPERS representatives that regulations on pensionable compensation were scheduled to be presented to the CALPERS Board in March. Board Counsel further provided an update on the ruling issued related to litigation on AB197.

No action taken.

VI. ACTUARIAL INFORMATION

A. Review and Approval of Annual Actuarial Report as of June 30, 2013; The Segal Company; Paul Angelo and John Monroe.


2. Three-year Phase-in of Employer Contribution Rates.

3. Options for Allocating the Cost Associated with Cessation of Member Contributions After 30 Years of Service for Non-PEPRA Tiers.

Paul Angelo and John Monroe of The Segal Company to review the June 30, 2013 Actuarial Valuation Report and address questions.

After discussion by the Board, Staff and The Segal Company, the following motion was made:

Moved by Goulet, seconded by Foy.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

After further discussion by the Board, Staff and The Segal Company, the following Motion was made:

MOTION: Receive and File Item VI.A.3. Options for Allocating the Cost Associated with Cessation of Member Contributions After 30 Years of Service for Non-PEPRA Tiers.

Moved by Goulet, seconded by Hintz.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

VI. INVESTMENT INFORMATION

A. NEPC – Don Stracke, Senior Consultant.


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

MOTION: Receive and file Items VII.A.1, VII.A.2, and VII.A.3.

Moved by Wilson, seconded by T. Johnston.
4. Provide Guidance to NEPC and Staff Regarding Preferred Strategy for Tactical Rebalancing.

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

**MOTION:** Consider Option One - Conduct a search to identify and retain a tactical rebalancing vendor to provide direction to Parametric Clifton regarding tactical tilts for the portfolio.

Moved by Foy, seconded by T. Johnston.

Vote: Motion carried  
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson  
No: -  
Absent: Henderson, Sedell  
Abstain: -  


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

**MOTION:** Receive and File the Policy Manual.

Moved by T. Johnston, seconded by Wilson.

Vote: Motion carried  
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson  
No: -  
Absent: Henderson, Sedell  
Abstain: -  

Mr. Goulet and Ms. McCormick will work with NEPC to review the Investment Policy.

6. Adoption of New Liquid Alternatives Benchmark.

After discussion by the Board and NEPC, the following motion was made:
MOTION: Adopt the recommendation of NEPC to change the benchmark of the Liquid Alternatives asset class from the Wells Fargo MLP Index to CPI +4%.

Moved by Wilson, seconded by Hintz.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -


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

MOTION: Receive and File the Memo,

Moved by Goulet, seconded by Hintz.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -


No action taken.

VIII. OLD BUSINESS

A. Approval of Appointments to Personnel Committee.

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

MOTION: Approve the appointments of Will Hoag, Chris Johnston and Mike Sedell to the Personnel Committee.

Moved by Wilson, seconded by T. Johnston.

Vote: Motion carried
IX. NEW BUSINESS

A. Approval of Business Objectives; January – June 2014.

After discussion by the Board and Interim Retirement Administrator, the following motion was made:

**MOTION:** Approve the Business Objectives.

Moved by Goulet, seconded by McCormick.

Vote: Motion carried
Yes: Goulet, Hintz, T. Johnston, McCormick, Towner, Wilson
No: -
Absent: Henderson, Sedell
Abstain: -

B. Discussion Regarding Board of Retirement Alternate Public Member.

Richard Shimmel, Executive Director, Ventura County Deputy Sheriff’s Association addressed the Board on behalf of the Coalition of Ventura County Unions regarding Items IX.B. and X.A.

After Board discussion, the following motion was made:

**MOTION:** Recommend that the Ventura County Board of Supervisors consider legislation to add an alternate Public Member to the Board of Retirement, and if interested, VCERA’s Board of Retirement may provide sample legislation.

Moved by Wilson, seconded by Hintz.

Vote: Motion carried
Yes: Foy, Goulet, Hintz, McCormick, Towner, Wilson
No: T. Johnston
Absent: Henderson, Sedell
Abstain: -
X. INFORMATIONAL
   A. Notice of Intention to Circulate Petition – Committee for Pension Fairness.
   B. SACRS Board of Director Elections.
   C. Pension Bridge Annual Conference; April 22-23, 2014
   D. Walter Scott Travel Lecture Series.
   E. Walter Scott Change Notice – Ian Clark.
      No action taken.

IX. PUBLIC COMMENT
   None.

X. STAFF COMMENT
   None.

XI. BOARD MEMBER COMMENT
   Chair Towner updated the Board on the status of the recruitment for a new Retirement Administrator.

   Mr. Goulet requested that a Request for Authorization to attend the Pension Bridget Annual Conference be placed on the next Board meeting agenda.

XII. ADJOURNMENT
   The meeting was adjourned at 12:02 p.m.

      Respectfully submitted,

      TIM THONIS, Interim Retirement Administrator

      Approved,

      TRACY TOWNER, Chairman