

VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

BOARD OF RETIREMENT

BUSINESS MEETING

April 15, 2013

MINUTES

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

DIRECTORS None.
ABSENT:

STAFF Donald C. Kendig, Retirement Administrator
PRESENT: Henry Solis, Chief Financial Officer
Lori Nemiroff, Assistant County Counsel
Glenda Jackson, Program Assistant

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 April 15, 2013, to order at 9:00 a.m.

II. APPROVAL OF AGENDA

Staff requested the Agenda be amended to include updated Minutes pages (Master Pages 18 and 19), the addition of a letter from the County Executive Office to item VII.B. Pensionable Compensation, the addition of a letter from staff to item VII.A Adams Street Partners and the addition of site visit reports from Hewitt Ennisknupp to item VIII.E. Due Diligence Site Visits.

Mr. Goulet requested item VII.A. Old Business Adams Street Partners be moved before item VI.A. Investment Information.

Mr. Henderson requested item VII.B. Old Business Pensionable Compensation be moved before item VI.A. Investment Information.

MOTION: Mr. Goulet moved, seconded by Mr. Harris, to approve the Agenda as amended.

Motion passed unanimously. Judge Hintz absent for this item.

III. CLOSED SESSION

Closed Session - It is the intention of the Board of Retirement and Legal Counsel to Meet in Closed Session to Discuss Those Items Listed on Attachment A to This Agenda.

No reportable action taken.

Judge Hintz arrived at 9:10 a.m.

IV. APPROVAL OF MINUTES

A. Disability Meeting of April 1, 2013.

MOTION: Mr. Henderson moved, seconded by Mr. T. Johnston, to approve the minutes of April 1, 2013 as modified for the changes presented in the updated Master Page 18, Item D. Motion changing the word "granted" to "grant" and Master Page 19, Item C. add "was present" after the name Debra L. Wolfe and narrative changes for Item B. that were amended into the Agenda.

Motion passed unanimously.

V. 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. Regular and Deferred Retirements and Survivors Continuances for the Month of March 2013.
- B. Report of Checks Disbursed in March 2013.
- C. Asset Allocation as of March 31, 2013.
- D. Statement of Plan Net Assets, Statement of Changes in Plan Net Assets, and Investments & Cash Equivalents for the Month Ended January 31, 2013.
- E. Budget Summary – Year to Date as of March 2013, Fiscal-Year 2012-13.
- F. Quarterly Administrator Report for January 1, 2013 to March 31, 2013.

MOTION: Mr. Goulet moved, seconded by Mr. Henderson, to approve the Consent Agenda.

Motion passed unanimously.

END OF CONSENT AGENDA

VII. OLD BUSINESS

- A. Adams Street Partners.
 - 1. Letter from Trustee Goulet.
 - 2. Letter from Staff.

(The following items were received by the Board on March 18, 2013 and are provided again for reference as needed.)

- a. March 18, 2013 Presentation Slides & HEK Report – Adams Street Partners.
- b. March 18, 2013 Presentation Slides & HEK Report – The Common Fund.
- c. March 18, 2013 Presentation Slides & HEK Report – Portfolio Advisors.

VII. OLD BUSINESS (continued)

A. Adams Street Partners.

Following discussion by the Board, staff and Hewitt EnnisKnupp, the following motion was made:

MOTION: Mr. Towner moved, seconded by Judge Hintz, to direct Hewitt EnnisKnupp to provide a side-by-side comparison of the fees for the Board Meeting of May 6, 2013.

Motion passed unanimously.

B. Pensionable Compensation.

Received public comment from Matt Carroll, County of Ventura, County Executive Office.

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

MOTION: Mr. Towner moved, seconded by Mr. T. Johnston, to receive and file the letter from the County Executive Office.

Motion failed on a 5/4 vote with Mr. Foy, Mr. Harris, Mr. Henderson, Judge Hintz and Mr. Wilson voting no.

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

MOTION: Judge Hintz moved, seconded by Mr. Henderson, to continue the item until the Business meeting of May 20, 2013. Staff was directed to title the item "Pensionable Compensation: Review of the County of Ventura CEO Letter and Review of What Consists of Pensionable Compensation."

Motion passed with Mr. Goulet, Mr. Harris, Mr. T. Johnston and Mr. Towner voting no.

Mr. Henderson left the meeting at 10:17 a.m.

Mr. Goulet left the meeting at 10:25 a.m.

VI. INVESTMENT INFORMATION

- A. Annual Investment Presentation, Sprucegrove – Mark Shevitz. (30 minutes).

Mark Shevitz was present on behalf of Sprucegrove to present their annual investment presentation.

No Action Taken.

- B. GTAA/Risk Parity Search Report. Russ Charvonja, ChFC, CFP®, Esq. and Kevin Chen.

No Action taken.

- C. GTAA Finalist Presentation, GMO – John Allen, Ben Inker. (30 minutes).

John Allen and Ben Inker were present on behalf of GMO for a GTAA finals presentation.

No Action Taken.

- D. GTAA Finalist Presentation, PIMCO – David Blair, Rob Arnott, Ashish Tiwari. (30 minutes).

David Blair, Rob Arnott, and Ashish Tiwari were present on behalf of PIMCO for a GTAA finals presentation.

- G. GTAA and Risk Parity Funding Decision – Hewitt EnnisKnupp, Russ Charvonja, ChFC, CFP®, Esq. and Kevin Chen.

Following discussion by the Board, staff and Hewitt EnnisKnupp, the following motion was made:

MOTION: Mr. Harris moved, seconded by Mr. T. Johnston, to select PIMCO.

Motion passed. Mr. Goulet and Mr. Henderson absent for this item.

(No allocation amount provided.)

Following discussion by the Board, staff and Hewitt EnnisKnupp, the following motion was made:

MOTION: Judge Hintz moved, seconded by Mr. Foy, to allocate 100% of the 7% allocation to Bridgewater.

Motion passed. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting no.

VI. INVESTMENT INFORMATION (continued)

- E. Risk Parity Finalist Presentation, Bridgewater – Joel Whidden. (30 minutes).

Joel Whidden was present on behalf of Bridgewater for a Risk Parity finals presentation.

No Action Taken.

- F. Risk Parity Finalist Presentation, BlackRock – Ked Hogan, Vincent de Martel, Tony Freitas. (30 minutes).

Ked Hogan, Vincent de Martel, and Tony Freitas were present for a Risk Parity finals presentation.

No Action Taken.

- H. Hewitt EnnisKnupp, Russ Charvonia, ChFC, CFP, Esq. and Kevin Chen.

1. Monthly Manager Performance Report, March 2013.
2. Highlights and Research, April 2013.
 - a. New Manager Contracts Review Update.
 - b. Western Asset Management Update.
 - c. Prudential Update.
 - d. Securities Lending Market Update.
 - e. HEK Client Webcast and Blog.

MOTION: Mr. Harris moved, seconded by Mr. T. Johnston, to receive and file the Monthly Manager Performance Report, March 2013 and Highlights and Research, 2013.

Motion passed unanimously. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting.

VIII. NEW BUSINESS

- A. Manatt Public Pension Fund Fiduciary Forum – Written and Oral Reports.

1. Report from Trustee McCormick.

VIII. NEW BUSINESS (continued)

B. Principles of Pension Management Report – Written Report.

1. Report from Trustee McCormick.

MOTION: Judge Hintz moved, seconded by Mr. T. Johnston, to receive and file the Manatt Public Pension Fund Fiduciary Forum Report and Principles of Pension Management Report from Trustee McCormick.

Motion passed unanimously. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting.

C. Request to Attend the Brown Armstrong Client Update – Retirement Administrator and Accounting Officer.

1. Registration and Information Sheet.

MOTION: Judge Hintz moved, seconded by Mr. Harris, to approve the Request to Attend the Brown Armstrong Client Update.

Motion passed unanimously. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting.

D. Request to Attend the NAPPA 2013 Legal Education Conference – Board Counsel.

1. Conference Brochure.

MOTION: Mr. Harris moved, seconded by Mr. T. Johnston, to approve the Request to Attend the NAPPA 2013 Legal Education Conference.

Motion passed unanimously. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting.

E. Due Diligence Site Visits of State Street Global Advisors, Pantheon, and RREEF – Written and Oral Reports.

1. Report on State Street Global Advisors Site Visit – Henry Solis, CPA, CIA, CFO.

MOTION: Mr. T. Johnston moved, seconded by Mr. Hoag, to receive and file the Report on State Street Global Advisors Site Visit.

Motion passed unanimously. Mr. Goulet and Mr. Henderson absent for this item. Mr. Hoag voting.

IX. PUBLIC COMMENT

The Retirement Administrator announced he is in escrow for a property within a mile of the office.

X. BOARD COMMENT

Mr. Hoag announced that Retirement Administrator evaluation forms were distributed to Trustees to accommodate the merit increase that is coming and to provide more time to complete the evaluation forms.

XI. HONORARY RECOGNITION

F. Farewell Trustee Harris (Time Approximate: 1:30 p.m.)

1. Plaque Text

Received public comment from Michael Powers, County Executive Officer, County of Ventura. The Chair presented a plaque to Mr. Harris. All present congratulated him.

XII. ADJOURNMENT

The meeting was adjourned at 1:33 p.m.

Respectfully submitted,



DONALD C. KENDIG, CPA, Retirement Administrator

Approved,



WILLIAM W. WILSON, Chairman