



**Santa Barbara County Employees Retirement System
2006 Winter Retreat
December 20 & 21, 2006**

Royal Scandinavian Inn ■ 400 Alisal Road ■ Solvang ■ CA 93464 ■ (805) 688-8000

*The Santa Barbara County
Employees' Retirement System
is committed to*

- *fulfilling its fiduciary responsibility by providing the highest quality of service to all members and plan sponsors; and*
- *protecting promised benefits through prudent investing; and*
- *ensuring reasonable expenses of administration.*

AGENDA

Persons desiring to speak on any matter must complete and deliver to the Clerk the form available at the conference room entrance.

Wednesday, December 20, 2006

Board, Staff, & Consultants

9:00 a.m. 1. ROLL CALL

2. RECEIVE PUBLIC COMMENT

9:05 3. PERFORMANCE ATTRIBUTION DISCUSSION OF SBCERS PORTFOLIO

PCA: Attribution Report (vs. policy portfolio)
PCA: Attribution Memo (vs. SACRS peers)

9:30 4. LIABILITY-DRIVEN INVESTING and ITS RELEVANCE TO SBCERS

PCA

10:15 5. RECAP OF IMPLEMENTATION OF 2005 RETREAT INITIATIVES

PCA

10:30 BREAK

Board, Staff, Consultant & Managers

10:45 6. DOMESTIC EQUITY MANAGER ROUNDTABLE

Introduction: PCA (manager structure, active/passive, style exposures, added value trend, risk trend)

10 minutes

Alliance Bernstein (Large Value)
Alliance Bernstein (Russell 1000 Index)
OFFII (Small Growth)
Dimensional Fund Advisors (Small Value)
Invesco (Enhanced Index)
Starbuck Tisdale (Growth)

5 minutes each

Discuss outlook for domestic equity markets, next 12 months, next 3 years

20 minutes

11:45	LUNCH		
1:00 p.m.	7.	INTERNATIONAL EQUITY MANAGER ROUNDTABLE	
		Introduction: PCA (manager structure, active/passive, style/mandate exposures, added value trend, risk trend)	10 minutes
		Boston Company (Emerging Markets) Pyramis (Active EAFE Growth) New Star Asset Management State Street Global Advisors (EAFE + Canada Index)	5 minutes each
		Discuss outlook for international equity markets, next 12 months, next 3 years	20 minutes
1:45	BREAK		
2:00	8.	FIXED INCOME MANAGER ROUNDTABLE	
		Introduction: PCA (manager structure, active/passive, style/mandate exposures, added value trend, risk trend)	10 minutes
		Reams Asset Management (Active Core +) STW (Active Core) Julius Baer Investment Management (Active Core +)	5 minutes each
		Discuss outlook for fixed income markets, next 12 months, next 3 years	20 minutes
2:45	BREAK		
3:00	9.	REAL RETURN MANAGER ROUNDTABLE	
		Introduction: PCA (manager structure, active/passive, style/mandate exposures, added value trend, risk trend)	5 minutes
		Arden Asset Management RREEF	5 minutes each
		Discuss outlook for real estate and absolute return markets, next 12 months, next 3 years	30 minutes
3:45	10.	SUMMARY DISCUSSION OF CAPITAL MARKET OUTLOOKS AND MARKET TRENDS (all managers)	
		Introduction: PCA	
4:30	11.	Q & A AND END	
5:30	RECEPTION AND DINNER		

AGENDA

Persons desiring to speak on any matter must complete and deliver to the Clerk the form available at the conference room entrance.

Thursday, December 21, 2006

Board, Staff & Consultants

9:00 a.m. 12. ROLL CALL

13. RECEIVE PUBLIC COMMENT

9:05 14. THIRD QUARTER 2006 INVESTMENT PERFORMANCE REPORT

PCA

9:15 15. PRESENTATION on FIXED INCOME DERIVATIVE INSTRUMENTS

PCA, Reams, Mellon

10:15 BREAK

10:30 16. PRESENTATION OF 2007 PRIVATE EQUITY INVESTMENT STRATEGY

Hamilton Lane

11:30 17. PRESENTATION ON ELIMINATING the SHORT-ONLY CONSTRAINT

PCA

NOON LUNCH
