



**Oscar Peters
Retirement Administrator**

**MINUTES OF THE BOARD OF RETIREMENT
REGULAR MEETING**

May 3, 2006

Board of Supervisors Hearing Room
511 E. Lakeside Parkway, Santa Maria

1. ROLL CALL 9:04 a.m.

Members Present: Bobolia, Doré, Gallas, James, Kendig, McCammon, Silsbury, Terris
Members Absent: Gray
Alternates: Bible, Bruns
Counsel: Czuleger
Clerk: Strong

Order of the agenda was changed as reflected herein. Brief recesses were taken.

PUBLIC COMMENT PERIOD

2. Oscar Peters introduced Lila Deeds, the new Assistant Retirement Administrator and the staff of the Santa Maria office: Julie Salley, Ramona DeWitte, Reneé Lynn, Kathy Hammons, Scott Dunlap, Eli Martinez, and Kimberly Thompson.

MINUTES

3. MOTION: Approve Minutes of Regular Board meeting of April 12, 2006 with changes to item 28 and item 20.
Terris/Gallas Approved by voice vote of all present

DISABILITIES

4. In the matter of the application for disability retirement of Connie Ricci DeSart: After the applicant addressed the Board the following action was taken:
MOTION: Refer the matter to a referee for an evidentiary hearing on all issues.
Kendig/Terris Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon, Silsbury, Terris
Absent: Gray

5. MOTION: Receive and file disability applicant status report
Kendig/Terris Approved by voice vote of all present

INVESTMENTS

6. Authorize the fund to use the Standish Mellon active cash fund for the cash reserves held by the custodian, Mellon Global Securities Services.

Terris/Bobolia Approved by voice vote of all present

7. Receive and file status report on search for real estate and private equity consultants and direct staff to continue due diligence and present a recommendation at the June Board meeting.

Terris/Bobolia Approved by voice vote of all present

BOARD

10. Receive and adopt Mission statement with revisions to read: 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.

Kendig/McCammon Approved by voice vote of all present

9. Discussion of Board Governance and Strategic Planning with Angela Antenore
MOTION: Schedule a special meeting for strategic planning after the regular monthly meeting for the afternoon of August 9th for planning and setting priorities and related actions.

Kendig/Gallas Approved by voice vote of all present

8. Discuss and resolve Trustee Communications policy facilitated by Angela Antenore
Deferred from April 12, 2006 meeting

Discussion resulted in direction from the Chair to continue to the July meeting.

11. MOTION: a.) Receive and file legal analysis of use of excess earnings to provide retiree health benefits, contained in the letter dated March 31, 2006 from Steefel, Levitt & Weiss to the Retirement Administrator

 b.) Receive and file the report

Terris/Silisbury Approved by voice vote of all present

12. Regarding report on meeting with CEO regarding Actuary's scope of work as related to Board of Supervisors proposed comparison of SBCERS/CALPERS *CONTINUED from April 12 agenda*

MOTION 1: Receive and file the report

Terris/Kendig Approved by voice vote of all present

MOTION 2: Direct the Retirement Administrator to request a copy of the information sent to CalPERS

Terris/Silisbury Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon, Silsbury, Terris

 Absent: Gray

MOTION 3: Direct the actuary for SBCERS and authorize action to monitor progress, offer to assist and closely monitor and provide a written request.

Language was changed to remove “direct” and state “authorize”

Terris/Silsbury Failed Yes: Kendig, McCammon, Silsbury, Terris
No: Bobolia, Doré, Gallas, James
Absent: Gray

MOTION 4: Direct Buck Consultants to provide a monthly written report that updates the Retirement Board of the progress which is to include identifying and explaining significant issues, especially any differences in assumptions and methods between CalPERS studies and the latest SBCERS actuarial valuation and the cost impact of those differences.

Terris/Kendig Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon,
Silsbury, Terris
Absent: Gray

Chair directed the Retirement Administrator to bring this item back next month to discuss the content of the application.

13. Reviewed and received comment on draft SBCERS budget for FY 2006/07. No action

14. MOTION: Adopt Resolution 2005/06 # 7 authorizing the Administrator to execute a Lease Agreement at 2400 Professional Parkway, Santa Maria for approximately 2,500 sq. feet of ground floor office space.

Terris/Gallas Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon, Terris
Absent: Gray, Silsbury (temporarily)

15. MOTION: Authorize the transfer of \$41,000 from undesignated budgeted funds to the appropriate line items of the administrative budget (2005/06) to cover moving expenses.

Terris/Bobolia Approved by voice vote of all present
Absent: Gray, Silsbury (temporarily)

16. MOTION: Receive and file SACRS Legislative committee report of April 21, 2006 meeting and direct the Administrator to post this report on the SBCERS website.

Gallas/Terris Approved by voice vote of all present

17. SACRS voting instruction to Board chair

b. Legislative issues

MOTION: Oppose AB1568 and direct the Retirement Administrator to send a memo to the sponsor of the bill

Kendig/Terris Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon,
Silsbury, Terris
Absent: Gray

MOTION: Oppose AB2171 unless modified and direct the Retirement Administrator to send a memo to the sponsor of the bill

Kendig/Bobolia Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon,

Silsbury, Terris
Absent: Gray

MOTION: Oppose AB2428 and direct the Retirement Administrator to send a memo to the bill's sponsor.

Kendig/Gallas Approved Yes: Bobolia, Doré, Gallas, James, Kendig, McCammon,
Silsbury, Terris
Absent: Gray

Directed the Retirement Administrator to send copies of the memos to SACRS

a. MOTION: Support Resolution to establish Ad Hoc committee to review nomination and election standards for SACRS officers
Terris/Silsbury Approved by voice vote of all present

18. MOTION: Receive and file report of Trustee Kendig on Council of Institutional Investors Spring meeting.
Terris/Bobolia Approved by voice vote of all present

19. Board comment on non-agenda items
Trustee McCammon thanked Oscar Peters for attending the DSA meeting and speaking to deputies on the new plans
Trustee Terris reported on the April 20th meeting of the Operations committee and setting date for the next committee meeting regarding revising Bylaws
Trustee Bible verified that the 401h committee meets again on May 5th.
Trustee Bobolia reported on discussions at the last 401h committee meeting and questions he has prepared for Geis.
Trustee Gallas reported that the Disability committee will meet May 19th

ADMINISTRATOR

20. Administrator's Report
a. Portfolio Status Report
b. Activities report

No action was taken on this item

21. Present items to Administrator for future agenda consideration
Items documented earlier in this report.

22. MOTION: Receive and file Retirement Report

| | <u>Name</u> | <u>Dept.</u> | <u>Service Credit</u> | <u>Sick Leave Credit</u> | <u>ARC</u> |
|-----|-------------------|-------------------|-----------------------|--------------------------|------------|
| | Margarita Aguirre | Public Health | 15.05080 | 0.00790 | |
| R | Virginia Ayala | Social Services | 20.33749 | 0.18363 | |
| D | Janet Bailes | Social Services | 21.06992 | 0.02437 | |
| D R | Maria Barragan | District Attorney | 2.30260 | 0.00863 | |

| | | | | | |
|-----|-------------------------|---------------------|----------|---------|------|
| | Sheryl Beckley | Social Services | 15.70026 | 0.00450 | 2 |
| | Michael Bennett | Fire | 33.33505 | 0.81575 | |
| D | Joanna Berman | Social Services | 8.78207 | 0.00315 | |
| | Alan Bolender | Probation | 28.79790 | 0.92091 | |
| | Marie Bonner | Social Services | 21.29193 | 0.43735 | |
| | Ruben Borjas | Public Works | 21.45102 | 0.13106 | |
| | Barbara Boston-Von Ache | P & D | 22.38211 | 0.01105 | |
| | William Cadam | Fire | 19.90299 | 0.57369 | |
| | Carlos Campos | Social Services | 31.54063 | 0.08732 | |
| | James Crow | District Attorney | 34.33021 | 0.10706 | |
| | Susan Detrick | Courts | 19.74937 | 0.08446 | |
| | Sylvia Dzukola | Fire | 16.33822 | 0.00903 | |
| | Russell Garrison | ADMHS | 16.99402 | 0.00087 | |
| D R | Timothy Hanson | Fire | 3.00446 | 0.00000 | |
| | Mark Hathaway | Fire | 29.11460 | 0.85461 | |
| | William Hinds | Fire | 31.47908 | 0.30149 | |
| | Dutch Holland | DRO | 5.29167 | 0.00000 | |
| | Bridget Hurtado | Public Health | 6.45474 | 0.00042 | |
| | Carlos Maza | Public Health | 11.27651 | 0.02109 | |
| | Richard Melton | Clerk-Recorder | 10.95860 | 0.32895 | |
| | Lois Mirarchi | Sheriff | 29.15750 | 0.46218 | |
| | James Murr | Auditor Controller | 28.89749 | 0.20051 | 4 |
| | Georgia Navarro | Public Works | 15.95094 | 0.02851 | |
| | Ramona Pennington | Public Health | 19.02488 | 0.00464 | |
| | Steven Plumer | District Attorney | 23.41255 | 0.03728 | |
| D R | Armando Ramos | Probation | 6.39606 | 0.11100 | |
| | James Rose | Child Support Svcs. | 14.71500 | 0.04499 | |
| | Micaela Sanchez | Public Health | 15.26759 | 0.00503 | |
| | Marilyn Satterthwaite | Public Health | 15.82980 | 0.02320 | |
| D R | Stephan Schinnerer | Human Resources | 15.11915 | 0.00000 | 5 |
| | Helen Sepulveda | Probation | 20.11031 | 0.23330 | |
| R | Duane Sikorski | APCD | 14.68969 | 0.06386 | |
| | Denise Sky | Social Services | 26.44004 | 0.53962 | |
| | Frank Stone | General Services | 42.79807 | 1.00000 | 1.25 |
| | Juliana Sveen | Public Health | 13.84223 | 0.47770 | |
| D R | Janet Trapp | DA Family Support | 6.63108 | 0.00000 | |
| | Joseph Ustick | Mental Health | 14.73996 | 0.01414 | 4 |
| | Rickey Wheeler | Parks | 32.80789 | 1.00000 | |
| | John Williams | Social Services | 13.08552 | 0.53157 | |

D=Deferred

R=Reciprocal

Gallas/Terris Approved by voice vote of all present

Adjourned at 1:40 p.m.

ATTEST:

Clerk of the Board of Retirement

Chair

Secretary