

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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BOARD OF RETIREMENT

Chair – Bernice James
Vice Chair – Joni Gray
Secretary - Donald Kendig
George Bobolia
Paul Doré
Joseph Gallas
Julie McCammon
Kate Silsbury
Shawn Terris
Robert Bible
Ronald Bruns

**Oscar Peters
Retirement Administrator**

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

June 7, 2006

**COASTAL ROOM, EMPLOYEES UNIVERSITY
267 Camino del Remedio
Santa Barbara, California 93110**

1. ROLL CALL 9:05 a.m.

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

Let the record show that Ms. Gray arrived at 9:18 a.m. Brief recesses and a lunch break 12:20-12:40 p.m. Order of agenda was heard as reflected herein.

PUBLIC COMMENT PERIOD

2. None

MINUTES

3. MOTION: Approve Minutes of Regular Board meeting of May 3, 2006 with changes to Item 12, 2nd motion, add “county application”; 3rd motion add “as stated in item 25 today”; vote on item 17b. Terris voted “no”.

Terris/Kendig Approved by voice vote of all present

CONSENT

Items 8 & 9 were pulled for discussion and considered in sequence of agenda.

MOTION: 4) Approve Authorize the Administrator to execute the documents transferring the active EAFE portfolio from Fidelity Management Trust Company to Pyramid Global Advisors;

13 a & b Consider and approve request of trustee Kendig and reimburse for reasonable expense to attend and speak at the Pension Bridge Alternatives Conference in Los Angeles on September 25-26, 2006 along with any other interested trustees and reimburse for reasonable expense, and to attend Market Makers conference at Laguna Niguel June 25-28;

21) receive and file Disability Applicant Status Report

Terris/Kendig Approved by voice vote of all present

INVESTMENTS

5. MOTION: Receive and file Quarterly Investment Performance Report for period ended March 31, 2006.

Terris/Gallas Approved by voice vote of all present
Absent: McCammon, Silsbury

X-agenda: MOTION: Add to agenda for discussion putting Pyramis on probation
Terris/Kendig Approved by voice vote

x-agenda MOTION: Place Pyramis on watch due to high level organizational changes
Gray/Kendig Approved by voice vote

6. MOTION: Accept update on real return manager search and schedule three finalists to be interviewed at July 12 meeting. Amended by seconder to “with addition of cash growth chart”.

Terris/Kendig Approved by voice vote of all present
Absent: McCammon, Silsbury

7. MOTION: Select Pension Consulting Alliance as real estate consultant; schedule interviews for July 12th meeting with four private equity consultants: Franklin Park, Hamilton Lane, PCG and Meketa; direct the Administrator to issue RFP for general consultant.

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

BOARD

8. Confirm that SBCERS will offer health insurance benefits for domestic partners of retirees under the same partnership criteria established by the County for access to health insurance

MOTION: Refer to outside counsel Steefel, Levitt, & Weiss and authorize trustee Bobolia to write a brief.

Gray/Kendig Approved by voice vote of all present

Time certain of disability items resulted in later consideration of agenda Board items
Order of Disability items was changed to accommodate applicant’s counsel.

DISABILITIES

TIME CERTAIN OF 11 A.M.

16. In the matter of the application for disability retirement of Linda Gatz: After hearing remarks of applicant’s counsel, Mark Singer the following action was taken:

MOTION: Refer the application for service-connected disability retirement for a hearing on all issues

Gallas/Terris Approved by voice vote
No: Doré
Absent: McCammon, Silsbury

17. In the matter of the application for disability retirement of Dominique Gilbert:

MOTION: Grant the application for a service-connected disability retirement, subject to the timely request for a hearing.

Terris/Bobolia Approved by voice vote
Absent: McCammon, Silsbury

20. In the matter of the application for disability retirement of Darin Siegel: Maria Novatt represented the Probation Department as counsel.

MOTION: Consider all the pertinent information and deny the application for service-connected disability retirement due to ineligibility

Terris/Gallas Approved by voice vote
Absent: McCammon, Silsbury

14. **CLOSED SESSION** pursuant to Government code section 54956.9(a)

Re: Application for disability retirement of Barbara Andrews, discussion of pending litigation by Alan Blakeboro

OPEN session: Re-consideration of prior denial of service-connected disability retirement and take appropriate action

MOTION: Based on additional subsequent medical reports, grant the application for service-connected disability retirement.

Terris/Gallas Approved by voice vote of all present
Absent: McCammon, Silsbury

Considered in CLOSED hearing:

18. In the matter of the application for disability retirement of Jose Cruz:

MOTION: After considering the Proposed Findings of Fact, Conclusions of Law and Recommended Decision of the referee along with the timely filed objections and approve and adopt said report to deny the application for service-connected disability retirement.

Gallas/Bobolia Approved by voice vote of all present
Absent: McCammon, Silsbury

19. In the matter of the application for disability retirement of Adria Di Maria:

MOTION: Consider all the pertinent information and grant the application for nonservice-connected disability retirement, subject to the timely request for a hearing.

Terris/Gray Approved by voice vote of all present
Absent: McCammon, Silsbury

15. In the matter of the application for disability retirement of Dianne Abbott: Consider the Second Supplemental Report of the referee along with any timely filed objections and

approve and adopt said report to deny the application for service-connected disability retirement.

MOTION: Defer consideration to July at the request of applicant's counsel.

Terris/Kendig Approved by voice vote of all present
Absent: McCammon, Silsbury

BOARD

9. Make a finding that compensation received for standby duties will constitute compensation earnable and be included in final compensation.

MOTION: Defer with instructions to staff *portion in parentheses was proposed and withdrawn* (to come back with a list of pay codes for County and districts considered compensation earnable and proposed earning codes for affected Special Districts and give notice to Districts of actuarial cost of codes prospectively for districts and cost of employer related cost by sponsor)

Kendig/Terris Approved by voice vote of all present
Absent: McCammon, Silsbury

10. Review, revise as appropriate

MOTION: Adopt the budget for Fiscal Year 2006-07 and the enabling resolutions.

Kendig/Bobolia Approved by voice vote of all present
Absent: McCammon, Silsbury

11. MOTION: Adopt an administrative cleanup legislative proposal; direct the Administrator to communicate the proposal to the SACRS Legislative committee via the prescribed SACRS process and forms; direct the Administrator to communicate with the publisher of the "2006 Law book" that the emphasis added formatting has been erroneously removed and section 31663 is not current, and; direct the Administrator to report to the Board of Retirement what permissive laws have been adopted by the County or System.

Kendig/Terris Approved by voice vote of all present
Absent: McCammon, Silsbury

12. Consider appointments to SACRS Nomination Review Ad Hoc committee

No action was taken on this item due to trustee Terris already being a member

ADMINISTRATOR

22. Receive and file Administrator's Report
- Portfolio Status Report
 - Report on requests for CALPERS Study
 - Open enrollment mailings
 - Department Activities report

23. Present items to Administrator for future agenda consideration
No additional items were presented.

Secretary