

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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**Oscar Peters
Retirement Administrator**



BOARD OF RETIREMENT

Chair – Bernice James
Vice Chair – Joni Gray
Secretary - Donald Kendig
George Bobolia
Paul Doré
Joseph Gallas
Julie McCammon
Harriet Miller
Shawn Terris
Ronald Bruns

**MINUTES OF THE BOARD OF RETIREMENT
REGULAR MEETING
June 27, 2007
Wisteria Room at Casa Nueva
260 N. San Antonio Rd.
Santa Barbara, California**

ROLL CALL 9:03 a.m.

Members Present: Doré, Gallas, Gray, James, Kendig, McCammon,
Miller, Terris
Member Absent: Bobolia
Alternate Absent: Bruns
Counsel: Blakeboro
Clerk: Bignell

PUBLIC COMMENT

No Public Comment.

MINUTES

1. Approve Minutes of Regular Board meeting of May 23, 2007.

Trustee Terris noted, with Chair James concurring, that the second motion related to Item 9(c) should include the amounts \$46 million, \$31 million and \$9 million that were distributed.

MOTION: Approve the Minutes of regular Board meeting of May 23, 2007, with amendment.

Terris/Gallas Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

EX-AGENDA

Such request is justified by Government Code Section 54954.2(b)(2) which provides:

“Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than a two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision(a).”

MOTION: Hear the matter today as the next agenda item.

Gallas/Gray Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

Request By Trustee Terris for Approval of Speaking Engagement Prior to Next Board Meeting.

Administrator and Board Counsel addressed issues raised by the Board.

Chair James directed staff to return with a memo producing legal opinion and Board policy on accepting reimbursement for expenses related to speaking engagements.

MOTION: Accept offer from Information Management Network to pay all of Trustee Terris' expenses to attend and speak at the New England Public Employees Retirement System (NEPERS) Conference from July 18-19, 2007.

Gallas/Kendig Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

CONSENT AGENDA

- C-1. Receive and file the Disability Applicant Status Report.
- C-2. Adopt the Findings of Fact, Conclusions of Law and Decision granting Mark E. Williams a service-connected disability retirement.
- C-3. Receive information from SACRS regarding the determination of the Normal Retirement Age, which is referred to in the Federal Pension Protection Act of 2006.
- C-4. Adopt Retirement Report.

	<u>Name</u>	<u>Dept.</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
D	Ralph Ables	General Services	10.44540	0.09937	
R	Anne Cody	Public Health	17.70431	0.026538	
D R	Steven Escoboza	Public Health	4.82624	0.24933	
D	Ilana Farbman	Public Health	9.96803	0.00491	
D	Michael Herrigel	Sheriff	10.15719	0.00029	
	Jacqueline Laprad	Public Health	14.34228	0.10152	1.8333
	James Michalak	Fire	28.00704	0.19423	

C-4. Adopt Retirement Report. (Cont'd)

	<u>Name</u>	<u>Dept.</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
	Susan Montgomery	Sheriff	16.39507	0.03087	3.8333
	Mark Olmstead	Fire	29.51782	0.53376	
R	Susan Robledo	Social Services	0.45677	0.00828	

D=Deferred
R=Reciprocal

Administrator noted that retiree Steven Escoboza had been listed in the Retirement Report twice, once in May, and again in June.

Trustee Terris requested that the Board pull Item C-3 for discussion.

Chair James requested that the Board pull Item C-1 for discussion.

Board Counsel addressed issues raised by the Board.

Regarding Item C-1, Chair James referred the issue of suspending disability retirement applicants' cases to the Disability Committee.

Regarding Item C-3, Trustee Terris noted that SACRS' Board of Directors had been advised SACRS' and Orange County tax attorneys believe that IRS guidelines for "Normal Retirement Age" prohibit looking at safety and non-safety as separate plans.

MOTION: Approve the Consent Agenda.

Kendig/Gray Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

INVESTMENTS

2. Receive presentation and update from Hamilton Lane.

Paul Yett and Matthew Silverio represented Hamilton Lane.

NO ACTION

DISABILITIES

4. Natalia Ivleva-Alexander, applicant for Service-Connected Disability Retirement (deceased):

Consider the Findings of Fact and Recommendation of the referee, along with any timely filed objections, and approve and adopt the recommendation to grant the application for service-connected disability retirement.

BOARD

8. Consider and adopt the Department budget and personnel resolution for fiscal year 2007-08.

Administrator addressed issues raised by the Board.

MOTION: Adopt the Department budget and personnel resolution for fiscal year 2007-08 as presented.

Kendig/McCammon Approved by unanimous voice vote of all present.

Absent: Bobolia, Bruns

13. Receive and file report regarding legal services used by the Board.

Trustee Miller stated for the record her preference for independent staff counsel.

NO ACTION

9. Confirm and adopt the findings of Board actions concerning retired members request to distribute excess earnings to provide an Ad Hoc COLA adjustment and to provide an increase in the cash allowance and retired health insurance offset.

Board Counsel addressed issues raised by the Board.

Deputy County Counsel Marie LaSala brought the following two objections regarding findings 9BC to the Board. The proposed COLA distribution was not factored into the rate presented to and approved by the County Board of Supervisors; and the proposed COLA distribution would increase the plans sponsor's [County] contribution obligation.

Administrator addressed issues raised by the Board.

Chair James summarized corrections to the findings 9A. With title under 7(1) Consumer Price Index for All Urban Consumers, "Los Angeles-Riverside-Orange County, CA" is added; and under 7(2) the word "initial" retirement allowance is inserted.

MOTION: Approve the confirmation and adoption of findings of Board actions for 9A with amendments.

Terris/Kendig Approved by unanimous voice vote of all present.

Absent: Bobolia, Bruns

Trustee Terris brought a correction to the findings 9BC. The roll call vote should include the one abstention and read "6-2-1."

MOTION: Approve the confirmation and adoption of findings of Board actions for 9BC with amendment.

Terris/Kendig Approved by unanimous voice vote of all present.

Absent: Bobolia, Bruns

10. Receive legal opinion on Board's independence in retaining actuaries.
Revised from May 23, 2007.

Board Counsel and Administrator addressed issues raised by the Board.

NO ACTION

11. Authorize an actuarial experience study for the four-year period ending June 30, 2007.

MOTION: Authorize an actuarial experience study by Milliman for the four-year period ending June 30, 2007.

Terris/Miller Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

12. Receive and file actuarial information in relation to safety retirement benefits previously granted by the Board of Supervisors.

Administrator and Assistant Administrator addressed issues raised by the Board.

MOTION: Send a letter to the Board of Supervisors confirming that employer contribution rates would be increasing in 2008 based on the adoption of safety retirement benefits previously granted.

Miller/Kendig Approved by unanimous voice vote of all present.
Absent: Bobolia, Bruns

14. Consider funding for Trustee Terris' participation in SACRS business in her role as President.

Trustee Terris addressed issues raised by other members of the Board.

MOTION: Authorize and reimburse all reasonable travel related expenses for any and all SBCERS trustees' services to SACRS.

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

MOTION: SBCERS bill SACRS for everything that Trustee Terris does.

Gray/McCammon Withdrawn

15. Present items to Administrator for future agenda consideration.

Trustees Gray and McCammon expressed an interest in receiving electronic agenda packets as an item for future consideration.

NO ACTION

The meeting adjourned at (12:37 p.m.)

ATTEST:

Clerk

Chair

Secretary