

**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
Joseph Gallas
Julie McCammon
Harriet Miller
Vanessa Patterson
Shawn Terris
Ronald Bruns
Frederick Tan

**MINUTES OF THE BOARD OF RETIREMENT
REGULAR MEETING
August 27, 2008
Board of Supervisors' Hearing Room
511 East Lakeside Parkway
Santa Maria, California**

ROLL CALL 9:04 a.m.

Members Present: Bobolia, Gallas, Gray, James, Kendig, McCammon, Terris
Members Absent: Miller, Patterson
Alternates Present: Tan
Alternates Absent: Bruns
Counsel: Blakeboro, Leiderman
Clerk: Bignell

Trustee Patterson arrived at 9:10 a.m. Trustee Bruns arrived at 10:15 a.m.

PUBLIC COMMENT

Chair James suggested a change to the order in which Closed Sessions and Item 12 would be heard.

MOTION: Reverse the order of Closed Sessions, and move Item 12 to follow the last Closed Session.

Gray/Gallas Approved by unanimous voice vote of all present.
Absent: Miller

Administrator announced that the International Real Estate training referred to in Item 17, had been moved from September 24, 2008, to October 22, 2008, at the request of PCA Real Estate Advisors.

Trustee Gray introduced prospective Board of Retirement Appointee, Tim Bennett, President, Board of Trustees, Allan Hancock College, and Business Representative, International Brotherhood of Electrical Workers (IBEW) Local 413.

MINUTES

1. Approve Minutes:

- a. Special Board meeting of May 27, 2008
- b. Regular Board meeting of May 28, 2008
Continued from July 23, 2008
- c. Special Board meeting of June 20, 2008
- d. Special Board meeting of June 27, 2008
- f. Special Board meeting of August 15, 2008

MOTION: Adopt Minutes of Special Board meetings of May 27, 2008, June 20, 2008, June 27, 2008, and August 15, 2008; and adopt Minutes of Regular Board meeting of May 28, 2008.

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

- e. Regular Board meeting of July 23, 2008

MOTION: Continue the Minutes of Regular Board meeting of July 23, 2008, until September 24, 2008.

Gray/Gallas Approved by unanimous voice vote of all present.
Absent: Miller

Chair James requested that any Trustee with concerns about minutes email staff and copy Trustee Kendig with their changes.

Trustee Gray suggested limiting future minutes to reflect agenda item titles, motions, and the votes.

CONSENT

- C-1. Receive and file Hearing Officer Deborah Wissley's granted request for extension to September 3, 2008 of her jurisdiction in which to complete the evidentiary hearing in the disability retirement matter of Joseph Doderio.
- C-3. Receive and approve report regarding amendment in Board counsel contract.
- C-4. Adopt Retirement Report.

	<u>Name</u>	<u>Dept.</u>	<u>Service Credit</u>	<u>Sick</u> <u>Leave Credit</u>	<u>ARC</u>
	Dixie Love	Social Services	16.08822	0.00767	
	Frances Acker	Public Health	6.79729	0.00670	
GH	David Allen	County Counsel	25.80066	0.54925	
	Robert Almy	Public Works	19.58030	0.68711	
	John Baker	Sheriff	17.66878	0.41907	
	Jerry Cornell	Sheriff	29.88643	0.67795	

	Patricia Davis-Orr	Probation	27.16361	0.18760	
	Carmen Garcia	Probation	6.08403	0.06264	
D	Cynthia Gracey	Sheriff	10.36577	0.44288	
	Maria-Cristina King	Social Services	21.37412	0.43583	5.00000
	Nira Lanir	Public Health	15.57189	0.37269	
R	Patrick McKinley	District Attorney	39.13071	1.00000	
	Steven Moeller	Sheriff	30.69401	0.56715	2.00000
R GH	Enrique Sanchez	County Counsel	30.32363	0.63272	
Dis	Patricia Scharli	Courts	17.46541	0.00000	
GH	Maryann Slutzky	County Counsel	17.33357	0.34168	
R	Maria Vargas	Social Services	22.89497	0.12724	

D=Deferred
R=Reciprocal
Dis=Disability
GH=Golden Handshake

Item C-2 was pulled from Consent agenda and discussed separately after Travel Item 13 B at Chair James' request.

MOTION: Approve Consent Agenda Items C-1, C-3, and C-4.

Gray/Gallas Approved by unanimous voice vote of all present.
Absent: Miller

INVESTMENTS

2. Receive March 31, 2008, Alternative Investment Review from Hamilton Lane.

Paul R. Yett, Managing Director, and Matthew Silverio represented Hamilton Lane, presented the report and addressed issues raised by the Board.

Trustee Gallas requested a list of partnerships in the top quintile.

Trustee Kendig requested that Lexington report to the Board at least once a year.

Trustee Gray complimented Mr. Yett on his skill and ability in presenting information and answering questions.

NO ACTION TAKEN

3. Receive "Watch" Status Update for The Boston Company Emerging Markets Value Account (TBC EM) from Pension Consulting Alliance (PCA).

Sarah Bernstein, Principal, PCA, introduced item and addressed issues raised by the Board. Neil Rue, Managing Director, PCA, also addressed issues raised by the Board.

Trustee Patterson requested that PCA include performance data on top quartile managers in the next Emerging Markets report.

Trustee Gray requested literature on the effectiveness of placing money managers on watch status.

MOTION: Receive PCA's "Watch" Status Report for The Boston Company and maintain its current watch status, with review again in 3-6 months.

MOTION: Receive and file the Disability Applicant Status Report.

Terris/Kendig

Approved by unanimous voice vote of all present.

Absent: Gray, Miller

Conference with Legal Counsel -- Existing Litigation, *Patricia Weiland v. SBCERS* (Government Code Section 54956.9(a)).

OPEN MEETING

Counsel Blakeboro summarized the Closed Session actions taken on the Disability Items 7 – 11 as listed above, and also announced that no reportable action was taken in the Weiland matter.

Trustee Gray returned to the hearing room.

CLOSED SESSION

(12:49 p.m. – 1:43 p.m.)

Public Employment -- Consider Appointment of Retirement Administrator (Government Code Section 54957(b)(1))

CLOSED SESSION

(1:45 p.m. – 3:05 p.m.)

Trustee Gray recused herself and left the hearing room.

Conference with Legal Counsel -- Existing Litigation, *County of Santa Barbara v. Board of Retirement* (Government Code Section 54956.9(a)).

OPEN MEETING

Counsel Blakeboro announced that with regard to the Appointment of Retirement Administrator Closed Session, the Board took action to terminate its contract with EFL Associates. Mr. Blakeboro also announced that with regard to the Existing Litigation Closed Session, no reportable action was taken.

BOARD

12. Continue current method of paying the retired member health subsidy for the September 1, 2008, payroll.

Trustee Gray was absent during this Item.

MOTION: Continue current method of paying the retired member health subsidy for the September 1, 2008, payroll.

Administrator introduced item and addressed issues raised by the Board.

MOTION: Accept the County's proposed arrangement for funding the cost of recent Golden Handshakes and accept full payment anytime prior to the end of the current fiscal year.

Terris/Gray Approved by unanimous voice vote of all present.
Absent: Miller

15. Consider and approve legislative proposals for submission to SACRS for possible inclusion in the 2009 Legislative Platform.

Assistant Administrator introduced item and addressed issues raised by the Board.

MOTION: Approve Definition of Surviving Spouse for Group Insurance Benefits legislative proposal for submission to SACRS for possible inclusion in the 2009 Legislative Platform.

Terris/Patterson Approved by unanimous voice vote of all present.
Absent: Miller

MOTION: Approve Minor Update to Code References in Article 15.6 legislative proposal for submission to SACRS for possible inclusion in the 2009 Legislative Platform.

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

ADMINISTRATOR

16. Receive and file Administrator's Report:
- a. Portfolio Status Report
 - b. Private Equity Status Report
 - c. Department Operations

NO ACTION TAKEN

17. Board Presentations for next month
- a. International Real Estate training deferred to October at the request of PCA Real Estate
 - b. Domestic Equity Review (1 hour)
 - c. Lexington Private Equity Report
 - d. PanAgora and Lord Abbett presentations
 - e. AllianceBernstein presentation
 - f. Place PCA on "Watch" status

- g. Consider appointment of Harvey Leiderman as Investment Counsel
- h. Request that staff attend CALAPRS Administrators Retreat
- i. Special Meeting 9/18 or 9/19

The meeting adjourned at 4:00 p.m.

ATTEST:

Clerk

Chair

Secretary