



Oscar Peters
Retirement Administrator

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

February 18, 2004

Board of Supervisors Conference Room
County Administration Building
105 East Anapamu Street 4th Floor
Santa Barbara, California 93101

1. ROLL CALL 9:00 a.m

Members Present: Bobolia, Gallas, Gray, Horsley, Kendig, Tedesco, Terris
Members Absent: James, Silsbury
Alternates: Alderete, Coleman, Hagen

Let the record show that in the absence of Ms. James, Mr. Hagen voted. Ms. James arrived at 9:26 a.m. and voted thereafter. Ms. Terris was absent from 9:08 – 9:10 a.m. Board recessed briefly at 10:18 a.m.

PUBLIC COMMENT PERIOD

2. Trustee Gray discussed attending RREEF conference February 5th and 6th which was also attended by Alternate Trustee Coleman. Trustee Kendig gave information on a fiduciary training college he will submit a request to attend and suggested others may be interested in enrolling before March 1st to save on fees.

MINUTES

3. MOTION: Approve Minutes of Regular Board meeting of January 28, 2004
Terris/Gray Approved by voice vote of all present with Hagen abstaining

INVESTMENTS

4. MOTION: Receive and accept 4th Quarter Report from Allan Emkin of Pension Consulting Alliance for the period ended December 31, 2003.
Terris/Gallas Approved by voice vote of all present

BOARD

5. MOTION: Formally appoint Mellon Global Securities Services as Master Custodian and direct the Retirement Administrator to execute the appropriate documents.

Tedesco/Terris Approved by voice vote of all present

6. MOTION: Reappoint Nasif, Hicks, Harris & Co. for independent auditor services for fiscal years ending June 30 2004, 2005, & 2006 and authorize the Retirement Administrator to execute the contract.

James/Kendig Approved by voice vote of majority with Terris voting No

7. MOTION: Approve a 2.5% cost of living adjustment to allowances for retirees and beneficiaries, effective April 1, 2004.

Bobolia/James Approved by voice vote of all present

8. MOTION: Receive and file Mid-year Budget Status report

Terris/James Approved by voice vote of all present

9. Review draft budget for FY 2004-05 *No action taken on this item*

10. MOTION: Adopt Resolution approving service agreement with County Counsel for \$135 per hour.

Bobolia/Tedesco Approved Yes: Bobolia, Gallas, Gray, Horsley, James, Tedesco
No: Kendig, Terris

11. Chair appointed to Operations Committee for 2004: James, Gallas, Coleman

12. MOTION: Submit for Board approval a letter of concern from the Board of Retirement to 3 grocery companies currently in contract disputes with unions.

Terris/Kendig Not approved Yes: Gallas, James, Kendig, Terris
No: Bobolia, Gray, Horsley, Tedesco

MOTION: Revise letter to take out references to "fair", delete last paragraph, send letter as read into the record by Gray, as quoted: "It has come to our attention that your company is currently engaging in negotiations with the UFCW. We wish to express our deep concern regarding the status of these negotiations and we encourage you to resolve them expeditiously. Santa Barbara County Employees' Retirement System (SBCERS) currently owns approximately \$_____ worth of equity shares in your company. We are a long-term shareowner and we contribute a stable base of capital to your corporation. We feel the inability to successfully negotiate an agreement is having a negative impact on the value of our investment in your corporation. We have a fiduciary responsibility to invest in a manner that ensures a stable and growing rate of return for our System in order to meet the demands of our own financial obligations to our beneficiaries. Therefore, we urge you to give this your immediate attention."

Signed by Chair on behalf of Board of Retirement. Sent to Safeway, Kroger, and Albertson.

Terris/James Approved Yes: Gallas, Gray, Horsley, James, Kendig, Terris
No: Bobolia, Tedesco

Absent: Silsbury

DISABILITIES

13. MOTION: Increase Referee compensation from \$100 to \$125 per hour
Terris/Tedesco Approved by voice vote of all present

14. Review process for evaluation of referees. *No action was taken on this item*

15. In the matter of the application of Andrew Lapidus:

MOTION: Consider Summary of the Evidence, Findings of Fact, Conclusions of Law and Recommendation of the referee and any timely filed objections and approve and adopt the recommendation to deny a service-connected disability retirement.

Gallas/Bobolia Approved Yes: Bobolia, Gallas, Gray, Horsley, James, Kendig, Tedesco, Terris

Absent: Silsbury

16. MOTION: Accept Disability Applicant Status report and grant extensions as requested.

Kendig/Tedesco Approved by voice vote of all members with Gallas abstaining

ADMINISTRATOR

17. Administrator's Report *accepted with no action*

- a. Portfolio Status Report
- b. Administrator Activities Report

18. Present items to Administrator for future agenda consideration

- 1) private real estate speaker at Fall retreat
- 2) private equity
- 3) insurance details at March meeting (deductibles)
- 4) RFP for member communications
- 5) Agendize AB55 for March meeting
- 6) All day meeting for March for asset/liability modeling

19. MOTION: Receive and file Retirement Report

	<u>Name</u>	<u>Retirements Dept.</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>
	Sharon Chance	General Services	19.93955	0.04324
	Frances Daniels	Public Health	24.55071	0.06550
D	Terri Greening-Pellicori	Social Services	5.19694	0.00230
	Marc Levine	Child Support	22.83734	0.73910
R	Pennie Oakes	District Attorney	0.89789	0.00024
	Margaret Ortiz	Superior Court	11.72639	0.01315

David Ota	General Services	27.05966	0.41333
Mark Ream	Sheriff	19.29317	0.77497
Jean Robertson	Public Health	10.21385	0.00199
William Santoro	ADMH	13.97580	0.00212
Rebecca Tell	Superior Court	14.38858	0.00143
Carmen Torres	Superior Court	26.66082	0.26935
Consuelo Vargas	Public Health	20.22785	0.01664
Sharron Wallace	Child Support	24.22706	0.21251
Joanne Wilkins	General Services	33.68604	0.22926
Sheila Ybarra	Sheriff	15.86203	0.37568

James/Terris Approved by voice vote with Gallas abstaining

Adjourned at 12:02 p.m.

ATTEST:

Clerk of the Board of Retirement

Chair

Secretary