



Oscar Peters
Retirement Administrator

**MINUTES OF THE BOARD OF RETIREMENT
SPECIAL MEETING**

March 22, 2004

Retirement Office Conference Room
3916 State Street, Suite 210
Santa Barbara, California 93105

1. ROLL CALL 3:30 P.M.

Members Present: Horsley, James, Kendig, Tedesco, Terris
Members Absent: Bobolia, Gallas, Gray
Alternates Present: Alderete, Coleman
Counsel: Czuleger
Clerk: Neustadt

PUBLIC COMMENT PERIOD

2. None

BOARD

3. Consider adopting the revised proposed model and administrative procedures for purchase of Additional Retirement Credit (AB 55).

MOTION: Leave 40 hour VCO assumption and do an annual review.

James/Terris Approved Yes: Horsley, James, Tedesco, Terris
No: Kendig
Abstain: Coleman
Absent: Gallas, Gray, Silsbury

Board requested that Mike Moehle of Mellon HRIS, the actuary, address the Board by conference call to discuss the impacts of changes to the model, salary assumptions and setbacks on actuary certification letter.

After discussing the impacts of various changes to the model and the validity of the actuarial certification letter the actuary agreed that the letter could stand as written if the model was amended to use a 5% salary inflation assumption, use the current actuarial tables, use all current mortality tables, and assume a 40 hour VCO at retirement.

MOTION: Do not use the 3 year setback

James/Kendig Approved Yes: Coleman, James, Kendig, Terris
No: Horsley, Tedesco
Absent: Gallas, Gray, Silsbury

MOTION: Rescind the direction for the true-up from the March 17th meeting; change salary assumption of 5.5% to 5%; use the current actuarial marriage assumptions and mortality assumptions, without additional setbacks; leave VCO @ 40 hrs in to be reviewed annually.

Kendig/Terris Approved Yes: Coleman, Horsley, James, Kendig, Tedesco, Terris
Absent: Gallas, Gray, Silsbury

Adjourned at 5:30 p.m.

ATTEST:

Joanna R. Neustadt

Chair