

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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**Oscar Peters
Retirement Administrator**



BOARD OF RETIREMENT

Chair - Donald Kendig
Vice Chair – Bernice James
Secretary - Kate Silsbury
George Bobolia
Joseph Gallas
Joni Gray
Julie McCammon
Ted Tedesco
Shawn Terris
Robert Bible
Pauline Coleman

MINUTES OF THE BOARD OF RETIREMENT

REGULAR MEETING

July 13, 2005

WISTERIA ROOM – CASA NUEVA BLDG.
260 N. SAN ANTONIO RD.
SANTA BARBARA, CALIFORNIA 93110

1. ROLL CALL 9 a.m.

Members Present: Bobolia, Gallas, James, Kendig, McCammon, Silsbury, Tedesco, Terris
Member Absent: Gray
Alternates: Bible, Coleman
Counsel: Czuleger, Blakeboro
Clerk: Strong

Let the record show that Ms. Silsbury left at 12:41 p.m. Order of the agenda was changed as recorded herein.

2. Closed Session Conference with Legal Counsel – Anticipated Litigation

MOTION: Allow clerk to remain in the room during closed session item.

Tedesco/McCammon Approved by voice vote of majority

No: Terris

Absent: Gray

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code: Three potential cases

No reportable action taken

Closed Session pursuant to Government Code Section 54957 attended by Board only

Public Employee Performance Evaluation regarding the Retirement Administrator

No reportable action taken

Brief recess from 10:26-10:37 a.m.

PUBLIC COMMENT PERIOD

3. None

13. Board Comment Period:

Trustee James distributed draft of agenda policy & procedures and requested comments within two weeks for possible Operations Committee review

Trustee Terris distributed an Opal investment group invitation

Trustee Terris suggested Operations committee develop a customer satisfaction survey

Trustee James requests other Board member to submit suggestions to committee for survey

Direction to Administrator to email reminders to Board members on comments on 2 items

Trustee Gallas invites members to attend Santa Barbara County Fair opening today

Closed comments at 10:48 a.m.

MINUTES

4. MOTION: Clarification to item 16, missing “customer satisfaction survey included in newsletter”. Approve Minutes of Regular Board meeting of June 8, 2005 with that addition.

Terris/Gallas Approved by voice vote of all present

Absent; Gray

INVESTMENTS

5. MOTION: Approve the renegotiated fees with State Street Global Advisors for the EAFE Index portfolio and Alliance Capital Management for the Russell 1000 index.

James/Tedesco Approved by voice vote of all present

Absent; Gray

6. Review the proposed Draft agenda of September workshop and offer comments to the Administrator and PCA

No action taken on this item. Suggestions were to avoid having disability matters on agenda if possible; have a brief introduction of various alternative investment classes; detail strategies being recommended by PCA; allow one hour for asset allocation discussion; start at 8 or 8:30 a.m. on Thursday since out-of town members will be staying at the hotel

DISABILITIES

TIME CERTAIN OF 11 A.M. all items were considered in open hearing

14. In the matter of the application for disability retirement of Diane Abbott:

MOTION: Grant the request of the referee to extend jurisdiction to October 31, 2005.

James/Gallas Approved by voice vote of all present

Absent; Gray

15. In the matter of the application for disability retirement of Tricia Ochoa:

After considering remarks of applicant’s attorney, Russell Ghitterman, Board took the following action

MOTION: Consider Proposed Findings of Fact, Conclusions of Law and Recommended Decision of the referee, along with the timely filed objections; and approve and adopt the referee's recommendation to deny the application for service-connected disability retirement.

Tedesco/James Approved Yes: Bobolia, James, Kendig, Bible, Silsbury, Tedesco, Terris
No: Gallas
Abstain: McCammon (was involved as supervisor)
Absent: Gray

16. In the matter of the application for disability retirement of Linda Austin:
Let the record show that Mr. Gallas excused himself during the discussion. After considering remarks of applicant's counsel, Mark Singer and response of Board counsel Alan Blakeboro, the following action was taken:

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

Terris/Bobolia Approved Yes: Bobolia, James, Kendig, McCammon, Silsbury, Tedesco, Terris
Absent: Gallas, Gray

17. In the matter of the application for disability retirement of Patricia Weiland:

MOTION: Adopt the Findings of Fact, Conclusions of Law and Decision setting the effective date of the service-connected disability retirement benefit as August 26, 2002.

Terris/Silsbury Approved by voice vote of majority present
No: Gallas, James
Absent: Gray

18. In the matter of the application for disability retirement of James Means:

Grant the request of applicant's counsel to defer consideration to the August 10, 2005 meeting because he is unable to attend today's meeting.

Gallas/Terris Approved by voice vote of all present
Absent: Gray

19. In the matter of the application for disability retirement of Irma Castro:

MOTION: Adopt the Findings of Fact, Conclusions of Law and Decision granting a nonservice-connected disability retirement.

Gallas/Terris Approved by voice vote of all present
Absent: Gray

20. In the matter of the application for disability retirement of Donald Glasgow:

MOTION: Grant the application for service-connected disability retirement.

Terris/James Approved by voice vote of all present
Absent: Gray

21. In the matter of the application for disability retirement of Natalia Ivleva-Alexander:

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

Terris/Gallas Approved by voice vote of all present
Absent: Gray

22. MOTION: Accept the Disability Applicant Status Report.

James/Terris Approved by voice vote of all present
Absent: Gray

INVESTMENTS

7. MOTION: Adopt a policy of requiring all investment managers participate in the annual Board retreat; establish a policy of having all contracts reviewed for reasonableness of fees and service triennially.

Tedesco/James Approved by voice vote of all present
Absent: Gray

BOARD

8. Trustees who are members of the retirement system declared their interest in the matter as a non-interest and participating in the vote were Bobolia, James, Kendig, McCammon & Terris.

MOTION: Reconsider and ratify May 4, 2005 adoption of resolutions and regulations establishing a 401(h) plan to provide retired health insurance subsidies; approve implementation of and adopt the attached resolution establishing a retired health insurance plan Internal Revenue Code 401(h).

Bobolia/Terris Approved by majority of those present
Abstain: Silsbury, Tedesco
Absent: Gray

9. MOTION: Appoint Ennis Knupp + Associates as Board consultant for the services and fees proposed to conduct a Self-Evaluation, and direct the Administrator to execute the appropriate documents.

Tedesco/McCammon Approved by voice vote of all present
Absent: Gray

10. Consider expanded attendance at CII and authorize travel expense.
Trustee Terris indicated a intention to attend .

11. MOTION: Approve proposed response to County Grand Jury recommendations with revisions suggested at today's meeting. Requested that a copy of the executed transmittal be forwarded to all trustees.

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

12. Receive and file Trustee Terris' report of the SACRS Legislative Committee
 Gallas/James Approved by voice vote of all present
 Absent: Gray, Silsbury

ADMINISTRATOR

23. Administrator's Report
 a. Portfolio Status Report
 b. Departmental Operations report
 c. Staffing Report
 MOTION: Receive and file Administrator's Report
 Gallas/James Approved by voice vote of all present
 Absent: Gray, Silsbury

24. Present items to Administrator for future agenda consideration
 None

25. Retirement Report

		<u>Retirements</u>		<u>Sick</u>
		<u>Dept.</u>	<u>Service Credit</u>	<u>Leave Credit</u>
<u>Name</u>				
D R	Timothy Bible	Health	0.97741	0.00000
D	Catherine Eilertson	Public Health	12.37516	0.00101
	Joseph Pueringer	Parks	17.07321	0.02203

D=Deferred
 R=Reciprocal
 MOTION: Receive and file
 Gallas/Bobolia Approved by voice vote of all present
 Absent: Gray, Silsbury

Adjourned at 12:59 p.m.

ATTEST:

 Clerk of the Board of Retirement

 Chair

 Secretary
 Board of Retirement
 Minutes 7/13/05