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Oscar Peters
Retirement Administrator



Board Chair - Norm Horsley
Vice Chair - Donald Kendig
Secretary - Kate Silsbury
George Bobolia
Joseph Gallas
Joni Gray
Bernice James
Ted Tedesco
Shawn Terris
Scot Alderete
Pauline Coleman

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

May 19, 2004

Retirement System Conference Room
Santa Barbara County Employees' Retirement System Office
3916 State Street Suite 210
Santa Barbara, California 93105

I. ROLL CALL 9 a.m.

Members Present: Bobolia, Gallas, Horsley, James, Kendig, Silsbury, Tedesco, Terris
Member Absent: Gray
Counsel: Lavayen, Blakeboro
Clerk: Strong

Let the record show that Ms. Gray arrived at 9:03 a.m. Order of hearing the agenda was changed as recorded herein. Board recessed briefly at 10:47 a.m.

PUBLIC COMMENT PERIOD

Trustee Terris spoke about a letter from the State Controller regarding purchase of stocks at the advertised price. Administrator Peters responded that he had referred the letter to investment managers with one responding so far. Trustee Terris also pointed out that Trustee Tedesco has been appointed by the Governor to the committee studying the County split and has been elected chair by the committee. Trustee Terris thanks the Board for voting her to the position of secretary of the SACRS board and comments on the meeting of that board giving kudos to the disability workshop chaired by Annette Paladino.

MINUTES

2. MOTION: Approve Minutes of Regular Board meeting of April 21, 2004 with changes of taking out the word "Retirement" in item 4 relating to the contract with Superior Court. Items 7, 10, & 21 had directions to Administrator. Does the majority of the Board want the detail of those directions in the minutes? Discussion decided 'no'.
Kendig/Bobolia Approved by voice vote of all present

INVESTMENTS

3. Quarterly Performance Report for period ended March 31, 2004 by Allan Emkin of Pension Consulting Alliance

DISABILITIES

14. In the matter of the application for disability retirement of Daniel Wilson:

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

Terris/Silisbury Approved by voice vote of all present

11. In the matter of the application for disability retirement of Donna Bobbitt:

MOTION: Use the last day of regular compensation as effective date of the service connected disability retirement granted at the December 17, 2003 meeting.

James/Bobolia Approved Yes: Bobolia, Gallas, James, Silsbury, Terris

No: Horsley, Tedesco

Abstain: Gray, Kendig

12. In the matter of the application for disability retirement of James Finley:

MOTION: After considering Summary of the Evidence, Findings of Fact, Conclusions of Law and Recommendation of the referee and approve and adopt the recommendation to grant a service-connected disability retirement.

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

No: Terris

13. In the matter of the application for disability retirement of Sharon Boyd:

MOTION: Remove the case from the current hearing process; and grant the application for service-connected disability retirement.

Terris/James Approved by voice vote of all present

Absent: Gallas excused himself for this matter

15. In the matter of the application for disability retirement of Jack Carrillo:

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

Terris/Bobolia Approved by voice vote of all present

16. MOTION: Accept the Disability Applicant Status Report.

Terris/Silisbury Approved by voice vote of all present

BOARD

4. MOTION: Approve Care Counsel to provide services to retirees and authorize execution of contract. Amended motion to acknowledge dropping EAP for retirees.

Bobolia/Terris Approved by voice vote of all present

5. MOTION: Approve joint representation agreement for 415 Replacement plan and authorize the Retirement Administrator to execute the agreement.
James/Kendig Approved by voice vote of all present

6. Review and comment on Draft budget for FY 2004-05. *No action. Direction to Administrator*

7. Consider revised procedures for the election of Employee Members of the Board for the term ending December 31, 2007; and direct the Administrator to proceed accordingly.
MOTION: Find a qualified outside vendor to administer the 2004 Board elections and return to the Board with a list of vendors and proposed procedures.

Terris/Gray Approved by voice vote of all present

8. Discussion of Board Communications Policy *No action*

9. MOTION: Receive and file report of Trustee Terris on Investment Institute of April 28-30, 2004 in Phoenix Arizona.
Kendig/James Approved by voice vote of all present

ADMINISTRATOR

17. Administrator's Report

- a. Report from Grand Jury
The Board directed the administrator to draft a revised response.
- b. Retiree Health Insurance communications
- c. Portfolio report –
- d. Activities report –
- e. AllianceBernstein proxy policy
- f. Council of Institutional Investors

The Board directed the administrator to return with a recommendation for action at a future meeting.

18. Present items to Administrator for future agenda consideration

- 1) Agendize Lincoln Capital to remove from watch
- 2) Have PCA report on BIAM
- 3) Cost allocation bill proposal of Trustee Kendig
- 4) Membership proposal on Council of Institutional Investments
- 5) Consultant present asset/liability study

19. MOTION: Receive and file Retirement Report
Terris/Gallas Approved by voice vote with Silsbury abstaining

Adjourned at 12:19 p.m.

ATTEST:

Clerk of the Board of Retirement

Chair

Secretary