

**SANTA BARBARA COUNTY  
EMPLOYEES' RETIREMENT SYSTEM**

3916 State Street Suite 210  
Santa Barbara, CA 93105

Phone (805) 568-2940  
Fax (805) 560-1086

**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  
Shawn Terris  
Ronald Bruns  
Frederick Tan

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**AGENDA OF THE BOARD OF RETIREMENT**

**March 26, 2008**

**Wisteria Room at Casa Nueva  
260 N. San Antonio Rd.  
Santa Barbara, California**

*The Santa Barbara County Employees' Retirement System is committed to:*

- *fulfilling its fiduciary responsibility by providing the highest quality of service to all members and plan sponsors; and*
  - *protecting promised benefits through prudent investing; and*
    - *ensuring reasonable expenses of administration.*

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, or if translation assistance is requested, please contact the Clerk of the Board of Retirement at 805-568-2940.*

*Persons desiring to speak on any matter must complete and deliver to the Clerk the form available at the conference room entrance. Matters not listed on the agenda may be addressed at the public comment period.*

Roll Call at **9:00 a.m.**

**CLOSED SESSION**

*Closed Sessions are not open to the public.*

**Conference with Legal Counsel -- Anticipated Litigation (Government Code Section 54956.9(b)) .**

**PUBLIC COMMENT**

Receive public comment

**3 minutes**

## MINUTES

1. Approve Minutes:
  - a. Regular Board meeting of January 23 and 24, 2008.
  - b. Special Board meeting of January 29, 2008  
*Continued from February 27, 2008*
  - c. Regular Board meeting of February 27, 2008

5 minutes

## CONSENT AGENDA

5 minutes

- C-1. Receive and file the Disability Applicant Status Report.
- C-2. Timothy Lacefield, Applicant for Disability Retirement: Receive and approve applicant's request for a service retirement, pending final determination of his entitlement to disability retirement.
- C-3. Receive copies of correspondence regarding Retiree Health Insurance Subsidies:
  - a. March, 13, 2008, letter from County Executive Officer and Auditor-Controller to Retirement Board and Retirement Administrator.
  - b. March 17, 2008, reply to County Executive Officer and Auditor-Controller from Board Counsel.
- C-4. Adopt resolution recognizing the Santa Barbara County Retired Employees' Association (RESBC) as the organization that represents retired employees of the County of Santa Barbara.
- C-5. Adopt Retirement Report.

	<u>Name</u>	<u>Dept.</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
D	Joanna Burghardt-Laina	Planning	7.23075	0.01483	
D R	John Burke	District Attorney	0.82568	0.02070	
D	Peter Dean	Treasurer	22.57506	0.34538	
	Stanley Freedman	Sheriff	12.70795	0.16364	
D	Jacqueline Jeffers	Social Services	7.69972	0.09069	
R	Elizabeth Kasehagen	Public Health	23.66212	0.36517	
	Coleen Lund	Parks	23.16261	0.30741	
	Thomas Martinez	Carp/Smmrln Fire	32.49622	0.36896	
	Stephen Shane Stark	County Counsel	21.14280	0.85906	
Dis	Renee Wright-Edman	Probation	15.64161	0.00049	

D=Deferred  
R=Reciprocal  
Dis=Disability

## BOARD

2. Regarding disposition of the Health Coverage Reserve:
  - a. Effective July 1, 2008, cease payment of retiree health subsidies, at which time the County will commence payment of such subsidies.
  - b. Effective June 30, 2007, eliminate the Health Coverage Reserve and reallocate the associated assets into three new reserves as follows:
    1. Retired Member Benefit Reserve of \$78,030,416, to be treated as Valuation Assets;
    2. Supplemental Cash Benefit Reserve of \$8,100,000 to be treated as Non-Valuation Assets.
    3. 2007-08 Health Benefit Reserve of \$7,000,000 to be treated as Non-Valuation Assets.
  - c. Request the System's Actuary to amend the June 30, 2007, valuation report accordingly and develop revised employer contribution rates for July 1, 2008, based on the resulting increase in Valuation Assets.

30 minutes

## INVESTMENTS

3. Receive report from due diligence site visits and presentations from Emerging Market Equity Manager finalists, and make selection.
  - a. Batterymarch Financial Management
  - b. PanAgora Asset Management
  - c. Wellington Management
  - d. State Street Global Advisors (SSgA)

1 hour, 45 minutes

4. Adopt the Institutional Shareholders Services public fund guidelines as proxy policy.

10 minutes

## BOARD

5. Authorize asset liability study to be conducted by Pension Consulting Alliance and EFI Actuaries as proposed.

10 minutes

## DISABILITIES

### TIME CERTAIN OF 1:30 PM

*Disability matter shall be considered in CLOSED HEARING. Interested parties may request these matters to be discussed in a session open to the public. CONFIDENTIAL REPORTS are distributed only to the Board.*

6. Joseph Dodero, Applicant for Service-Connected Disability Retirement:  
Consider all the pertinent information, and deny the application of Joseph Dodero for service-connected disability retirement, subject to timely requested hearing.  
*Continued from January 29, 2008, and February 27, 2008*

15 minutes
  
7. Fernando Ramirez, Applicant for Service-Connected Disability Retirement:  
Consider all the pertinent information, and deny the application for service-connected disability retirement for ineligibility due to termination for cause, subject to timely requested hearing.  
*Continued from February 27, 2008*

15 minutes

## BOARD

8. Adopt revised Guidelines for the purpose of interpreting and applying Government Code Section 31724 in the determination of disability effective dates, which:
  - a. Define “regular compensation” as the last day the member received compensation for working in his or her regular position.
  - b. Provide for a presumption that members who are unable to ascertain permanence as of their last day of regular compensation be entitled to an early filing date, while reserving the Board’s discretion to consider the reasonableness of an applicant’s delay in exceptional circumstances.
  - c. Continue the method currently utilized by staff (“compression”) to accomplish an equitable offset for compensation received after the disability effective date.
  - d. Continue and make explicit staff’s existing policy of taking into consideration Labor Code Section 4850 pay in establishing an effective date of benefits, but not taking into consideration other payments made pursuant to Division 4 of the Labor Code, such as temporary total disability benefits.

20 minutes
  
9.
  - a. Accept and file Operations Committee report;
  - b. Select EFL Associates as the Retirement System’s Retirement Administrator recruiter and authorize the Committee Chair to enter into a contract with EFL Associates not to exceed \$55,000, and

- c. Delegate the initial review of Retirement Administrator candidates to the Committee with finalists interviewed by the full Board. 15 minutes
- 10. Nominate and/or approve slate of candidates for SACRS 2008-09 Officers 10 minutes

### ADMINISTRATOR

- 11. Receive and file Administrator's Report:
  - a. Portfolio Status Report
  - b. Private Equity Status Report
  - c. Commission Recapture Report
  - d. Department Operations15 minutes
- 12. Present items to Administrator for future agenda consideration.

Next regular meeting date is April 23, 2008
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