

**SANTA BARBARA COUNTY  
EMPLOYEES' RETIREMENT SYSTEM**

3916 State Street Suite 210  
Santa Barbara, CA 93105

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

**Vincent P. Brown**  
Chief Executive Officer



**BOARD OF RETIREMENT**

Chair – Joni Gray  
Vice Chair – Zandra Cholmondeley  
Secretary - Vanessa Patterson  
Bernice James  
Donald Kendig  
Julie McCammon  
Ward Rafferty  
Al Rotella  
Frederick Tan  
Gail Marshall

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**MINUTES OF THE BOARD OF RETIREMENT**

**January 20, 2010**

**Riviera Ballroom, Canary Hotel  
31 West Carrillo Street  
Santa Barbara, California**

**ROLL CALL 8:44 a.m.**

Members Present: Cholmondeley, Gray, James, Kendig, McCammon,  
Rafferty, Rotella  
Members Absent: Patterson, Tan  
Alternate Present: Marshall  
Counsel: Blakeboro  
Clerk: Bignell

Chair Gray introduced Trustee Elect, Darryl Scheck.

Trustee Patterson arrived at 8:55 a.m., and Trustee Tan arrived at 9:00 a.m.  
Fiduciary Counsel, Harvey Leiderman arrived after noon. Trustee Marshall left at  
12:30 p.m., and Trustee McCammon left at 3:35 p.m.

CEO Vince Brown gave the Board an overview of the day's agenda.

**PUBLIC COMMENT**

There was no general public comment.

**BOARD**

1. Election of Officers:
  - a. Chair

**MOTION:** Elect Joni Gray as Chair.





International Equity Manager  
Eli Martinez, Investment Analyst, SBCERS—Moderator

Vince Brown requested that Allan Emkin also address issues raised by the Board.

6. SBCERS Asset Allocation: A View Through The R. V. Kuhns' Prism  
Sarah Bernstein, Principal, Pension Consulting Alliance  
Kay Ceserani, Vice President, Pension Consulting Alliance (formerly worked at R.V. Kuhns)  
Allan Emkin, Founder and Managing Director, Pension Consulting Alliance—Moderator

Vince Brown addressed issues raised by the Board.

The meeting adjourned at 4:56 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

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**MINUTES OF THE BOARD OF RETIREMENT**

**January 21, 2010**

**Riviera Ballroom, Canary Hotel  
31 West Carrillo Street  
Santa Barbara, California**

**ROLL CALL 9:08 a.m.**

Members Present: Gray, James, Kendig, McCammon, Patterson, Rotella, Tan  
Members Absent: Cholmondeley, Rafferty  
Alternate Present: Marshall  
Counsel: Blakeboro, Leiderman  
Clerk: Bignell

Trustee Cholmondeley arrived at 9:10 a.m., and Trustee Rafferty at 9:45 a.m.  
Trustee Rotella left at 12:00 p.m.

Trustee Elect Darryl Scheck introduced himself to the Board.

CEO Vince Brown gave a recap of the previous day and an overview of the current day's agenda.

**PUBLIC COMMENT**

The Board received public comment from Guy Kraines on the need to review investment consultant performance more rigorously.

**RETREAT**

7. SBCERS Asset Allocation Rebalancing Investment Policy Guidelines:  
Establishing a Framework to Rebalance the Portfolio During Volatile Economic  
Times and Market Turbulence  
Sarah Bernstein, Principal Pension Consulting Alliance

Arun Muralidhar, Chairman M<sup>Cube</sup> Investment Technologies  
Jay Ireland, President and CEO GE Asset Management  
Harvey Leiderman, Esq. Reed Smith LLP—Moderator

8. SBCERS Board Reaction to Panel Discussions

Vince Brown, CEO  
Sarah Bernstein, Principal, Pension Consulting Alliance  
Harvey Leiderman, Esq., ReedSmith LLP  
Alan Blakeboro, Esq., Reicker, Pfau, Pyle & McRoy

Vince Brown introduced the item and addressed issues raised by the Board.

Counsel Blakeboro addressed issues raised by the Board.

Chair Gray invited Trustees and staff around the table to present their reactions to the Retreat Panel Discussions.

Trustee Kendig suggested that Board Members forward any news articles causing them concern to the CEO, copy the Clerk of the Board, for consideration and possible distribution and/or response.

The Board expressed satisfaction with SBCERS Retreat 2010 new program format.

9. Changes to the SBCERS Investment Policies and Procedures: Where Does the Board Go Next?

Harvey Leiderman, Esq. Reed Smith LLP  
Sarah Bernstein, Principal Pension Consulting Alliance

Vince Brown introduced item and addressed issues raised by the Board.

Counsel Blakeboro and Sarah Bernstein addressed issues raised by the Board.

**MOTION:** Direct staff to begin recruitment for in house, full-time, Chief Investment Officer with Alliance Resource Consulting.

Kendig/Rafferty

Approved by roll call vote

Yes:	Gray, Kendig, McCammon, Patterson, Rafferty, Tan
No:	Cholmondeley, James
Absent:	Rotella

Chair Gray requested feedback from the Board for further deliberation.

Eli Martinez addressed issues raised by the Board.

**MOTION:** Direct that Chief Investment Officer (CIO) report to Chief Executive Officer (CEO), with the Charter as presented by Fiduciary Counsel as a starting point for the CIO's duties and Board involvement in recruitment and selection.

Kendig/Patterson

Approved by roll call vote

Yes: Gray, Kendig, McCammon,  
Patterson, Rafferty, Tan

No: Cholmondeley

Abstain: James

Absent: Rotella

10. Recap of Retreat and Next Steps  
Vince Brown, CEO SBCERS

**NO ACTION TAKEN**

The meeting adjourned at 4:04 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

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Chair

\_\_\_\_\_  
Secretary