

**SANTA BARBARA COUNTY  
EMPLOYEES' RETIREMENT SYSTEM**

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**Vincent P. Brown**  
Chief Executive Officer



**BOARD OF RETIREMENT**

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

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**MINUTES OF THE BOARD OF RETIREMENT  
March 24, 2010  
Board of Supervisors' Hearing Room  
105 E. Anapamu St., 4<sup>th</sup> Floor  
Santa Barbara, California**

**ROLL CALL 9:01 a.m.**

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

Trustee Tan arrived at 9:27 a.m. and voted on behalf of Trustee Cholmondeley pursuant to Government Code Section 31520.3(b) due to alternate Marshall's absence from the meeting

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

**CONSENT**

- C-1. Janice Cioppa: Grant applicant's request for a service retirement, pending final determination of her entitlement to disability retirement.
- C-2. William Buskirk, service-connected disability retirement applicant: Receive and approve Hearing Officer Catherine Harris' request for an extension of jurisdiction in which to complete the hearing in this matter up to and including July 23, 2010, due to delays in setting a hearing date while Applicant attempted to secure legal counsel.
- C-3. Receive and file Trustee Education and Travel Report for Calendar Year 2009.  
*Continued to April 28, 2010 for correction*

C-4. Adopt Retirement Report.

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
GH	Roberta Acuna	Social Services	20.19058	0.00116	
GH	Marie Albarran	Public Health	26.86219	0.35210	
R	Nancy Albee	Public Health	0.20619	0.00652	
GH	Ernai Alexander	Sheriff	31.56212	0.47912	
	Robert Allen	Public Defender	11.32636	0.70434	
GH	Karen Atkins	Public Defender	33.72868	0.37338	
GH	Helen Atkinson	Probation	14.48712	0.22268	
GH	Larry Austin	Parks	34.59559	0.89957	
GH	Karl-Franz Baas	Social Services	21.94844	0.68627	
GH	Catherine Bednar	Human Resources	13.75789	0.22933	
GH	Gregory Benton	ADMHS	16.12656	0.40346	
GH	Gary Boyd	ADMHS	19.99954	0.01235	
GH	Ted Breiner	General Services	31.21900	0.58637	
GH	Gregory Bristol	Treasurer-Tax Collector	26.78525	0.60882	
	Michael Broughton	APCD	22.59665	0.00797	
R GH	Connie Bumann	Public Health	13.84013	0.00052	
GH	Jeani Callan	ADMHS	10.04962	0.01300	
GH	Kevin Carey	Public Defender	21.02672	0.02593	
GH	Guillermina Carrell	Social Services	22.35631	0.23166	
GH	Brenda Castillo	County Executive Office	20.70263	0.61809	1.00000
GH	Patricia Compton	Treasurer-Tax Collector	23.32309	0.51396	
GH	Lynne Dantzer	ADMH	32.49275	0.05662	
	Angelina DeGuzman	ADMHS	10.27111	0.00179	
GH	Yvonne Duvall	Public Health	32.06422	0.26056	
	Beth English	Probation	18.14317	0.07162	1.16670
D R	Jerrold Epstein	Sheriff	0.35321	0.00046	
D R	Gary Erbeck	Public Health	13.55654	0.35861	
GH	Mary Erikson	Social Services	18.57420	0.21861	
GH	Latricia Faulkner	Social Services	41.52215	0.04287	
GH	Marcia Featherston	Probation	28.70759	0.07750	
R GH	Lupe Fonceca	Social Services	20.23232	0.00181	
R GH	Chris Fukagawa	Public Health	15.01054	0.28409	
GH	Anthony Furino	Clerk-Recorder-Assessor	26.54911	0.22264	5.00000
R	George Gingras	Sheriff	33.01046	0.99665	
GH	William Grimm	Probation	13.33747	0.37414	
GH	Dennis Grindell	District Attorney	22.85592	0.55877	
GH	Vern Guggenmos	Public Works	29.94207	0.21062	
GH	John Haines	Public Works	34.26138	0.37243	
GH	Wells Hall	Public Health	20.86720	0.62084	
GH	Eric Hanson	District Attorney	35.45123	0.63743	

D=Deferred  
R=Reciprocal  
GH=Golden Handshake

C-4. Adopt Retirement Report (Cont'd.).

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
GH	Angelina Hebron	Social Services	21.10965	0.03722	
D	Alissa Hummer	Board of Supervisors	17.39221	0.29327	
R GH	Mary Johnston	Public Defender	11.00717	0.28649	
GH	Marlan Jones	Planning/Development	14.38513	0.01053	
GH	Carolyn Karnauskas	Social Services	37.80608	0.80264	
GH	Charlene Keeling	ADMHS	17.57969	0.28495	
R GH	Ronald Large	Sheriff	18.73731	0.32642	0.58333
GH	Frances Leu	Sheriff Custody	20.78429	0.31917	5.00000
GH	Constance Lewis	General Services	19.40114	0.03689	
GH	Frances Malinoff	Public Health	19.41189	0.44917	
GH	Mary Lou Markley	Sheriff	22.42144	0.04081	
R	Michael Matlock	Sheriff	4.49063	0.00000	
GH	John McMillin	General Services	27.00518	0.33427	
GH	Joan McDonough	Fire	21.59367	0.21990	
GH	Dawn McGrew	Public Health	23.91155	0.23945	
GH	Richard Merrifield	Public Health	38.57883	0.75258	
GH	Francisco Montes	ADMHS	13.61044	0.18395	1.00000
GH	Mark Mooney	Sheriff Coroner	26.39330	0.27342	
R GH	Clayton Neilson	Sheriff	12.80560	0.41744	
R	David Ortega	Fire	26.03778	0.66233	
GH	Maria Ortega	Public Health	21.03218	0.02732	
GH	Sylvia Parrino	ADMHS	17.78812	0.25529	
GH	Olivia Pico	Sheriff Custody	21.20902	0.10667	
GH	Theresa Pruitt	Planning/Development	18.90312	0.01944	
GH	Nancy Ramirez	Public Defender	15.08821	0.00519	
R	Nancy Rasmussen	Human Resources	4.22232	0.15839	
GH	Dale Richards	Public Health	22.69597	0.35633	
GH	Judy Salgado	Clerk-Recorder-Assessor	14.67342	0.00106	
GH	Alex Sanchez	Parks	14.28255	0.00197	
GH	Laverne Slonaker	Sheriff	28.07480	0.66023	
GH	Alma Smith	General Services	31.85031	0.10149	
GH	Margaret Smith	Probation	17.15441	0.07504	
GH	Pamela Smith	Clerk-Recorder-Assessor	37.45209	0.24884	3.00000
GH	Paul Smith	Probation	19.50900	0.06920	
	Christie Stanley	District Attorney	29.45331	0.35368	
GH	Pam Stowe	Public Health	32.24875	0.04740	
GH	Duncan Thomas	Social Services	31.24913	0.46129	
GH	Anne Thompson	General Services	13.65448	0.23134	
GH	Juan Vazquez	General Services	20.73222	0.37087	
GH	Cuppy Wallace	Sheriff	22.17453	0.01564	

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Considered alternatives for meeting projected workload and adopt procedure for agenda setting and forwarded the issue to the Operations Committee, giving trustees an additional opportunity to submit comments to the Committee.

Chair Gray directed staff to prepare a Board agenda Three Month Look Ahead and Three Month Look Back flow chart.

**NO ACTION TAKEN**

3. Receive presentations from the Small Cap Growth finalists, receive finalist report from PCA and select a Small Cap Growth Manager from the finalists.

- a. Columbus Circle Investors

Clifford G. Fox, Senior Managing Director/Portfolio Manager, Stephen J. Weeks, Senior Vice President, Client Servicing/Marketing Officer; gave an overview of their company, made their presentation and addressed issues raised by the Board.

- b. Frontier Capital Management Co.

James A. Colgan, Vice President, Portfolio Manager, Leigh Anne Yoo, vice President, Institutional Marketing/Client Relations; gave an overview of their company, made their presentation and addressed issues raised by the Board.

- c. Eagle Asset Management

Bert Boksen, Managing Director, Portfolio Manager, Ron W. Pond, Senior Vice President, Institutional Sales/Consulting Relations; gave an overview of their company, made their presentation and addressed issues raised by the Board.

Kay Ceserani opened the discussion and addressed issues raised by the Board.

**MOTION:** Select Eagle Asset Management as the System's Small Cap Growth Manager.

James/Rotella	Failed by roll call vote
	Yes: Gray, James, McCammon, Rotella
	No: Kendig, Rafferty, Scheck, Tan
	Abstain: Patterson
	Absent: Cholmondeley

Sarah Bernstein, Vince Brown and Eli Martinez addressed issues raised by the Board.

**MOTION:** Select Eagle Asset Management as the System's Small Cap Growth Manager.

James/Rotella Approved by roll call vote

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

4. Receive presentation from PCA and approve Real Estate Advisor RFI.

**MOTION:** Received presentation from PCA and approved the Real Estate Advisor RFI.

Rotella/James Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan  
Absent: Cholmondeley

5. Receive presentation from PCA and approve Intermediate Government Bond Manager RFI.

**MOTION:** Received presentation from PCA and approved the Intermediate Government Bond Manager RFI.

Kendig/James Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan  
Absent: Cholmondeley

6. Receive presentation from PCA and approve Large Cap Growth RFI.

**MOTION:** Received presentation from PCA and approved the Large Cap Growth RFI.

Kendig/Rotella Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan  
Absent: Cholmondeley

7. Receive presentation from Credit Suisse and approve Large Cap Value Transition Process to Loomis Sayles.

Fred Fogg, Relationship Manager, presented for Credit Suisse and addressed issues raised by the Board.



No: Gray, James, Patterson,  
Rafferty, Rotella  
Absent: Cholmondeley

10. Receive and approve Actuarial Valuation of Other Post Employment Benefits (OPEB) report from Milliman.

Assistant CEO Lila Deeds introduced item.

Karen Steffen presented for Board Actuary Milliman and addressed issues raised by the Board.

Fiduciary Counsel Leiderman addressed issues raised by the Board.

**MOTION:** Receive and approve Actuarial Valuation of Other Post Employment Benefits (OPEB) report from Milliman.

James/Rafferty Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan  
Absent: Cholmondeley

#### **DISABILITY RETIREMENT**

11. Conn L. Abel, Service-Connected Disability Retirement Applicant:  
Adopt proposed Findings of Fact, Conclusions of Law and Decision granting Conn L Abel a service-connected disability retirement.

**MOTION:** Adopt proposed Findings of Fact, Conclusions of Law and Decision granting Conn L Abel a service-connected disability retirement.

Kendig/McCammon Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan  
Absent: Cholmondeley

12. Receive and file Disability Status Report.

**MOTION:** Receive and file Disability Status Report.

Kendig/McCammon Approved by unanimous voice vote of all present  
Yes: Gray, James, Kendig,  
McCammon, Patterson,  
Rafferty, Rotella, Scheck  
Tan



Absent: Cholmondeley

**CHIEF EXECUTIVE OFFICER**

- 13. Receive and file Chief Executives Officer’s department operations report and:
  - a. Approve Trustee Kendig’s request and any other interested Trustee’s request to attend The Pension Bridge Annual Conference, April 6-8, 2010.
  - b. Approve Trustee Kendig’s and any other interested Trustee’s request to attend Opal Group’s Investment Trends Summit, June 6-10, 2010.

**MOTION:** Received and filed the Chief Executives Officer’s department operations report and approved: a.) Trustee Kendig’s and Trustee Rafferty’s request to attend The Pension Bridge Annual Conference, April 6-8, 2010; b.) approved Trustee Kendig’s and Trustee Scheck’s request to attend Opal Group’s Investment Trends Summit, June 16-18, 2010; and c.) Received Trustee Scheck’s LA Trustees Network 3rd Annual Corporate Governance Round Up verbal report.

Kendig/McCammon	Approved by unanimous voice vote of all present
	Yes: Gray, James, Kendig, McCammon, Patterson, Rafferty, Rotella, Scheck Tan
	Absent: Cholmondeley

- 16. Board Presentations for next month:
  - a. Education on Hedge Funds of Funds - PCA
  - b. Education on Macro Risk Factors – PCA
  - c. Receive Comprehensive Annual Financial Report (CAFR)
  - d. Board Governance Policy/Investment Policy follow-up
  - e. SBCERS Quarterly Cash flow Report
  - f. Report on Blackrock Transition

The meeting adjourned at 4:17 p.m.

ATTEST:

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Clerk

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Chair

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Secretary