

**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
Darryl Scheck
Frederick Tan

**MINUTES OF THE BOARD OF RETIREMENT
December 15, 2010
Board of Supervisors' Conference Room
105 E. Anapamu St.
Santa Barbara, California**

ROLL CALL 9:08 a.m.

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

Chief Executive Officer Vince Brown gave the Board an overview of the day's agenda.

Trustee Kendig arrived at 9:22 a.m. and left at 1:30 p.m.

Safety Alternate Trustee Tan was a voting member in the absence of Trustee Kendig.

Trustee Patterson was absent from 11:31 a.m. to 1:36 p.m., and left the meeting at 2:30 p.m.

MINUTES

1. Approve Minutes of November 17, 2010 Regular Board meeting.

MOTION: Approve Minutes of November 17, 2010 Regular Board meeting as amended.

Rotella/Patterson Approved by voice vote.
 Yes: Cholmondeley, McCammon,
 Patterson, Rotella, Scheck
 Absent: Kendig
 Abstain: Gray, James, Rafferty

PUBLIC COMMENT

Trustee Scheck expressed concerns about request for Amicus Brief that had been received by other Trustees in October 2010.

Trustee McCammon announced her term on the Board would end December 31, 2010, and introduced her replacement, Safety member-elect Steve Robel.

Chair Gray announced her term on the Board would end December 31, 2010.

Trustee James announced her term on the Board would end December 31, 2010, as well, and that Assistant Treasurer-Tax Collector and Treasurer-Tax Collector-Elect Harry Hagen would replace her.

CONSENT AGENDA

C-1. Revised Placement Agent Disclosure Policy.

Counsel Leiderman addressed issues raised by the Board.

C-2. Consider adoption of the Board of Retirement’s 2011 schedule of meeting dates.

Chair Gray pulled Item C-2 for discussion.

Continued to January 19, 2011

C-3. Adopt Retirement Report.

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
D	Margaret Batson	Public Health	11.37941	0.05807	
GH	Michael Brown	County Executive Office	18.79983	0.67341	2.50000
	Patsy Castro	Social Services	31.55186	0.04343	
D	Troy Harris	General Services	15.44676	0.21816	3.66667
D	John Housh	ADMHS	11.58009	0.00007	
D	Ramona Lightfoot	Probation	6.76308	0.03527	
	Freya Schultz	Social Services	27.28688	0.00178	
D	John Wiley	Public Works	13.35540	0.00005	
	Elizabeth Lara	Courts	40.67249	0.52028	

D=Deferred
 GH=Golden Handshake

MOTION: Approve Consent Agenda Items C-1 and C-3.

James/Patterson	Approved by unanimous voice vote.
	Yes: Cholmondeley, Gray, James, McCammon, Patterson, Rafferty, Rotella, Scheck
	Absent: Kendig

BOARD

2a. Receive and file the final June 30, 2010, Investigation of Experience report from Milliman, and confirm the actuarial assumptions used in the 2010 valuation as presented in Appendix A;

Daniel Wade, Consulting Actuary, presented for Milliman and addressed issues raised by the Board.

Assistant Chief Executive Officer Lila Deeds, Vince Brown, Sarah Bernstein, Principal, PCA, and Counsels Leiderman and Blakeboro, addressed issues raised by the Board.

Trustee James suggested discussion of a possible Actuarial Committee be added as a topic at the upcoming Board retreat in January.

MOTION: Receive and file the final June 30, 2010, Investigation of Experience report from Milliman, and confirm the actuarial assumptions used in the 2010 valuation as presented in Appendix A.

James/Patterson	Approved by unanimous voice vote.
	Yes: Cholmondeley, Gray, James, Kendig, McCammon, Patterson, Rafferty, Rotella, Scheck

2b. Receive and accept the June 30, 2010 Actuarial Report from Milliman, and approve the 2011 member and employer contribution rates for all plans.

MOTION: Receive and accept the June 30, 2010 Actuarial Report from Milliman, and approve the 2011 member and employer contribution rates for all plans.

James/Patterson	Approved by unanimous voice vote.
	Yes: Cholmondeley, Gray, James, Kendig, McCammon, Patterson, Rafferty, Rotella, Scheck

INVESTMENTS

- 3. Receive and file the staff monthly Portfolio Status Report.

Investment Analyst Eli Martinez presented item and addressed issues raised by the Board.

MOTION: Receive and file the staff monthly Portfolio Status Report.

Rotella/James Approved by unanimous voice vote.
Yes: Cholmondeley, Gray, James, Kendig, McCammon, Patterson, Rafferty, Rotella, Scheck

BOARD (Cont'd.)

- 11. Receive the proposed Code of Conduct Amendment and take action as the Board deems appropriate.

Trustee James made a motion to proceed with the proposed Code of Conduct Amendment item. The motion died for lack of a second.

NO ACTION TAKEN

CHIEF EXECUTIVE OFFICER

- 12. Receive and file Chief Executive Officer’s department operations report.

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

NO ACTION TAKEN

- 13. Receive the proposed three month Board Agenda preview and make adjustments as the Board deems necessary.

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

NO ACTION TAKEN

CLOSED SESSION

(12:32 p.m. – 1:27 p.m.)

PUBLIC EMPLOYMENT -- Government Code Section 54957, Chief Investment Officer, *Continued from December 15, 2010*; and

System Counsel Chris Kroes addressed the Board.

Members surviving spouse's Counsel Russell Ghitterman addressed the Board.

Counsel Alan Blakeboro addressed issues raised by the Board.

MOTION: Adopt the report and recommendation of the referee to deny the service-connected disability retirement application of Sandra Roberts; and grant a continuance to the member's surviving spouse pursuant to Government Code Section 31781.1, based on the amount of a service retirement.

James/McCammon	Approved by voice vote.
	Yes: Cholmondeley, Gray, James, McCammon, Rafferty, Rotella, Scheck, Tan
	No: Patterson
	Absent: Kendig

5. Victoria Enriquez, Applicant for Service-Connected Disability Retirement:
Grant the application of Victoria Enriquez for service-connected disability retirement, subject to timely requested hearing.

Cristal Rodriguez introduced item.

Applicant's Counsel Russell Ghitterman addressed the Board.

Counsel Alan Blakeboro addressed issues raised by the Board.

MOTION: Grant the application of Victoria Enriquez for service-connected disability retirement, subject to timely requested hearing.

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

6. Laura Guanill, Applicant for Service-Connected Disability Retirement:
Consider the Findings of Fact and Recommendation and Report of the Hearing Officer, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Laura Guanill.

Cristal Rodriguez introduced item.

Applicant Laura Guanill addressed the Board.

System Counsel Patrick McCarthy was present.

Counsel Alan Blakeboro addressed issues raised by the Board.

MOTION: Approve and adopt the recommendation to deny the application for service-connected disability retirement of Laura Guanill.

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

8. Dean Moore, Applicant for Service-Connected Disability Retirement:
 Grant the application for service-connected disability retirement of Dean Moore based on the presumption of Government Code Section 31720.6 that the member's condition arose from his employment, subject to timely requested hearing.

Applicant's Counsel Mark Singer addressed the Board.

MOTION: Grant the application for service-connected disability retirement of Dean Moore based on the presumption of Government Code Section 31720.6 that the member's condition arose from his employment, subject to timely requested hearing.

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

7. Cynthia Lapham, Applicant for Service-Connected Disability Retirement:
 Deny the application of Cynthia Lapham for service-connected disability retirement, subject to timely requested hearing by an interested party.

MOTION: Deny the application of Cynthia Lapham for service-connected disability retirement, subject to timely requested hearing by an interested party and in the case of an evidentiary hearing on a previously litigated condition, the scope of such a hearing shall be limited to the issue of whether Applicant's condition has materially worsened since the Board's 2007 denial.

Cristal Rodriguez addressed issues raised by the Board.

McCammon/James Approved by unanimous voice vote.
 Yes: Cholmondeley, Gray, James,
 McCammon, Rafferty,

Absent: Rotella, Scheck, Tan
Kendig, Patterson

10. Receive and file Disability Status Report.

MOTION: Receive and file Disability Status Report.

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

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing actions taken on Disability Items 5, 6, 7, 8, 9 and 10 as listed above.

Vince Brown thanked Julie McCammon, Bernice James and Supervisor Joni Gray for serving on the Board, and said that he had thoroughly enjoyed working with them. Mr. Brown thanked the Trustees for their service and said that they added a lot of value and he appreciated it and they would definitely be missed.

The meeting adjourned at 2:36 p.m.

ATTEST:

Clerk

Chair

Secretary