

**SANTA BARBARA COUNTY  
EMPLOYEES' RETIREMENT SYSTEM**

3916 State Street Suite 210  
Santa Barbara, CA 93105

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

**Lila E. Deeds**  
**Interim Chief Executive Officer**



**BOARD OF RETIREMENT**

Chair – Zandra Cholmondeley  
Vice Chair – Ward Rafferty  
Secretary - Darryl Scheck  
Dawn Cieslik  
Harry Hagen  
R. Guy Kraines  
Steve Robel  
Al Rotella  
Janet Wolf  
John McMillin  
Frederick Tan

---

**MINUTES OF THE BOARD OF RETIREMENT**

**January 25, 2012**  
**Fiesta, Holiday Inn**  
**5650 Calle Real**  
**Goleta, California**

**ROLL CALL 9:34 a.m.**

Members Present: Cholmondeley, Cieslik, Hagen, Kraines, Rafferty, Robel,  
Scheck, Wolf  
Alternates Present: McMillin, Tan  
Counsel: Blakeboro  
Clerk: Bignell

Chair Cholmondeley welcomed SBCERS new Chief Executive Officer Gary A. Amelio; and new Trustee R. Guy Kraines, appointed by the Board of Supervisors; she then administered the Oath of Office for Public Officers and Employees to Trustee Dawn Cieslik.

**PUBLIC COMMENT**

There was no general public comment.

**MINUTES**

1. Approve Minutes of Regular Board meeting of December 14, 2011.

**MOTION:** Approve Minutes of Regular Board meeting of December 14, 2011.

Wolf/Scheck

Approved by voice vote.

Yes: Cholmondeley, Cieslik,  
Hagen, Kraines, Rafferty,  
Robel, Rotella, Scheck,  
Wolf

**BOARD**

- 2. Election of Officers:
  - a. Chair

**MOTION:** Elect Zandra Cholmondeley as Chair.

Scheck/Rotella

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Cieslik,  
Hagen, Kraines, Rafferty,  
Robel, Rotella, Scheck,  
Wolf

- b. Vice Chair

**MOTION:** Elect Ward Rafferty as Vice Chair.

Cholmondeley/Wolf

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Cieslik,  
Hagen, Kraines, Rafferty,  
Robel, Rotella, Scheck,  
Wolf

- c. Secretary

**MOTION:** Elect Darryl Scheck as Secretary.

Cholmondeley/Robel

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Cieslik,  
Hagen, Kraines, Rafferty,  
Robel, Rotella, Scheck,  
Wolf

- 3. Consider adoption of the Board of Retirement’s 2012 schedule of meeting dates

**NO ACTION TAKEN**

**CONSENT AGENDA**

C-1. Authorize the attendance of interested trustees at upcoming educational events as requested.

C-2. Adopt Retirement Report.

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
	Elroy Allain	Sheriff	30.07678	1.00000	
	James Hamlin	Public Health	35.09099	0.78618	5.00000
D	Katherine Krier	Public Health	10.27446	0.22801	
D R	Jennifer Marttinen	District Attorney	0.72572	0.00506	
D	Eric Peterson	APCD	13.39322	0.20726	
	Paul Sierra	Sheriff	25.92908	0.85951	
D	Scott Ullery	County Administration	7.94732	0.38429	
	William Yim	SBCAG	20.62746	0.46448	

D=Deferred  
R=Reciprocal

**MOTION:** Adopt Consent Agenda and authorize Trustee Cholmondeley attendance at Pension Bridge Annual Conference, April 10-11, 2012.

Robel/Scheck                              Approved by unanimous voice vote of all present.  
Yes:    Cholmondeley, Cieslik,  
    Hagen, Kraines, Rafferty,  
    Robel, Rotella, Scheck,  
    Wolf

Chair Cholmondeley invited all attendees present to introduce themselves.

**RETREAT**

1. **Keynote Presentations: The State of the US and Global Economies**

**Rui de Figueiredo**, Consultant for Morgan Stanley and Associate Professor, Haas School of Business

**Marc Lasry**, Chairman & Chief Executive Officer, Avenue Capital Group

The Board received Keynote Presentation, “The State of the US and Global Economies” from Rui de Figueiredo and Marc Lasry. Mr. de Figueiredo and Mr. Lasry addressed issues raised by the Board.

2. **Keynote Reaction Panel**

*Panelists*

**Neill Groom**, Managing Director, Portfolio Risk Manager, Neuberger Berman Group (Domestic Equity)

**Dr. Dmitri Kantsyrev**, Director, Dynamic Equity Management Team, PanAgora Asset Management (International Equity)

**Todd C. Thompson**, Portfolio Manager & Credit Research Lead, Reams Asset Management (Fixed Income)

**Thomas J. Coleman**, Vice President & Investment Director, Product Management, Wellington Management Company (Real Return)

*Moderator*

Allan Emkin, Founder, Managing Director, Pension Consulting Alliance (PCA)

The Board received Keynote Reaction Panel presentation.

3. **Alternative Investments – Diversification in Today’s Market**

*Panelists*

**Robert T. Harkins**, Executive Director, Morgan Stanley Alternative Investment Partners (Hedge Fund of Funds)

**Edmund Bellord**, Asset Allocation Product Member, GMO (Absolute Return)

**Jolanta Wysocka**, CEO, Mountain Pacific Group (Commodities)

**Ryan Taliaferro**, Senior Vice President, Portfolio Manager & Researcher, Acadian Asset Management (Managed Equity Volatility)

*Moderator*

Sarah Bernstein, Ph.D., Principal, PCA

The Board received Alternative Investments – Diversification in Today’s Market presentation.

4. **Rebalancing**

*Panelists*

**Donald Pierce**, Chief Investment Officer, San Bernardino County Employees’ Retirement Association (SMART Rebalancing)

**Tim Thonis**, Investment Consultant, Orange County Employees Retirement System

**Jim Failor**, Investment Officer, Sonoma County Employees’ Retirement Association (Traditional Rebalancing)

*Moderator*

Eli Martinez, Investment Officer, SBCERS

The Board received Rebalancing presentation.

The meeting adjourned at 5:15 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

**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 – Zandra Cholmondeley  
Vice Chair – Ward Rafferty  
Secretary - Darryl Scheck  
Dawn Cieslik  
Harry Hagen  
R. Guy Kraines  
Steve Robel  
Al Rotella  
Janet Wolf  
John McMillin  
Frederick Tan

---

**MINUTES OF THE BOARD OF RETIREMENT**

**January 26, 2012  
Fiesta, Holiday Inn  
5650 Calle Real  
Goleta, California**

**ROLL CALL 9:04 a.m.**

Members Present: Cholmondeley, Cieslik, Hagen, Kraines, Rafferty, Robel,  
Rotella, Scheck, Wolf  
Alternate Present: Tan  
Alternate Absent: McMillin  
Counsel: Blakeboro  
Clerk: Bignell

Trustee McMillin arrived at 9:06 p.m.

**RETREAT**

**5. Role of CIO**

Panelists

**Brian White**, CEO, San Diego County Employees Retirement  
Association (Outsourced CIO model)

**Leanne Malison**, Assistant Retirement Administrator, Tulare County  
Employees' Retirement Associations (No separate CIO)

**Cary Hally**, Former CIO, Contra Costa County Employees' Retirement  
Association (On staff CIO)

Moderator

Sarah Bernstein, Ph.D., Principal, Pension Consulting Alliance (PCA)

The Board received Role of CIO presentation.

6. **Overview of SBCERS Commission Recapture Program**  
**Teri Noble-Grumm**, Vice President, ConvergEx Group  
**Sarah Bernstein, Ph.D.**, Principal, PCA

The Board received Overview of SBCERS Commission Recapture Program presentation.

Interim CEO Lila Deeds, Investment Officer Eli Martinez, Sarah Bernstein and Counsel Blakeboro addressed issues raised by the Board.

7. **Educational Review of Covered Calls Strategy**  
**Ron Egalka**, President and Chief Investment Officer, Rampart Investment Management  
**Sarah Bernstein, Ph.D.**, Principal, PCA

The Board received Educational Review of Covered Calls Strategy presentation.

8. **SBCERS Board Reaction to Presentations and Next Steps**

Chair Cholmondeley requested staff provide a 10-year asset allocation report similar to one prepared by SBCERA.

The meeting adjourned at 3:49 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary