

**SANTA BARBARA COUNTY  
EMPLOYEES' RETIREMENT SYSTEM**

3916 State Street Suite 210  
Santa Barbara, CA 93105

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

**Gary A. Amelio**  
Chief Executive Officer



**BOARD OF RETIREMENT**

Zandra Cholmondeley  
Harry Hagen  
R. Guy Kraines  
Ward Rafferty  
Steve Robel  
Al Rotella  
Janet Wolf  
John McMillin  
Frederick Tan

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**MINUTES OF THE BOARD OF RETIREMENT  
January 23, 2013  
Santa Rosa-San Miguel Rooms, Fess Parker's DoubleTree  
633 East Cabrillo Boulevard  
Santa Barbara, California**

**ROLL CALL 9:00 a.m.**

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

Trustee Tan voted as alternate due to vacancy of both General Member seats on the Board of Retirement.

**PUBLIC COMMENT**

There was no general public comment.

**BOARD**

2. Adoption of the Board of Retirement's 2013 schedule of meeting dates.

January 23&24	April 24	July 24	October 23
February 27	May 22	August 28	December 11
March 27	June 26	September 25	

**NO ACTION TAKEN**



**Kickoff:**

**Gary A. Amelio, CEO**

1. **Keynote Presentation: Macro Economic Issues**

*Jeffrey Gundlach, DoubleLine Capital*

Gary Amelio introduced DoubleLine Capital CEO, Jeffrey Gundlach. The Board received Mr. Gundlach's Keynote Presentation, 2013 "Year of the Snake"

2. **Reaction Panel to Keynote.**

*Panelists*

**Steve Kylander, RBC Global Asset Management**  
**Greg Hopper, Artio High Yield**  
**Mike Psaros, KPS**  
**Gene Gorab, Greenfield**

*Moderator*

Eli Martinez, SBCERS

The Board received Keynote Reaction Panel presentation.

3. **Investment Consultant Oversight by the Board**

**Harvey Leiderman, Esq., Reed Smith**

The Board received Counsel Leiderman's presentation, "Controlling Uncompensated Risk: Establishing Chain of Command for Prudent Portfolio Management."

4. **What Makes a Manager?—Evaluating Active Management**

*Panelists*

**John Lee, Hewitt EnnisKnupp, Inc. an AON Company**  
**Patrick Lighaam, Wilshire Associates Inc.**  
**Ed Omata, Meketa Investment Group**

*Moderator*

**Mark Shevitz, Fair Haven Partners, LLC**

The Board received Messrs. Lee, Lighaam and Omata's presentations, "What Makes a Manager? – Evaluating Active Management."

5. **Electronic Board Package**

*Panelists*

**Brian P. White, CEO – San Diego County ERA**  
**Dave Myers, Board Chair - San Diego County ERA**  
**David Bailey, CEO- San Mateo County ERA**

*Moderator*

Gary A Amelio, SBCERS

The Board received Messrs. White and Meyers’ presentation, “Electronic Board Books,” and Mr. Baileys’ presentation, “SamCERA Portable Electronic Device Policy.”

6. **Risk v. Reward, 2 Perspectives**

*Panelists*

**Ted Deinard, QFMI Management**  
**Mark Kritzman, Windham Capital Management**

*Moderator*

Eli Martinez, SBCERS

The Board received Mr. Deinard’s presentation, “Risk vs. Reward,” and Mr. Kritzman’s presentation, “Risk versus Reward, A New Perspective on Risk.”

The meeting adjourned at 5:00 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary

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**BOARD OF RETIREMENT**

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

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**AGENDA OF THE BOARD OF RETIREMENT  
RETREAT**

**January 24, 2013**

**Santa Rosa-San Miguel Rooms, Fess Parker's DoubleTree  
633 East Cabrillo Boulevard  
Santa Barbara, California**

Members Present: Hagen, Kraines, Rafferty, Robel, Rotella, Wolf  
Member Absent: Cholmondeley  
Alternates Absent: McMillin, Tan  
Counsel: Blakeboro  
Clerk: Bignell

Trustee Cholmondeley arrived at 9:10 a.m.

**PUBLIC COMMENT**

There was no general public comment.

**INTRODUCTIONS**

Chair recognized speakers and guests.

## RETREAT

7. **The Growing Middle Class—Emerging Markets**

**Keynote: Maria Negrete-Gruson, CFA, Artisan Partners**

Introduced by Brad Regier, Meketa Investment Group

The Board received Ms. Negrete-Gruson's presentation, "Emerging Markets – The Growing Middle Class."

8. **Drilling into Emerging Markets**

*Panelists*

**Darren Peers, NWQ Investment Management**

**Shawn Reynolds, Van Eck Global**

*Moderator*

Mika Lynne Malone, Meketa Investment Group

The Board received Mr. Peers' presentation, "Drilling Into Emerging Markets – The Bear Case For Oil," and Mr. Reynolds' presentation, "Drilling into Emerging Markets, The Bull Case."

9. **Pension Reform: Emerging Practices**

*Panelist*

**Alan Blakeboro, Esq., Reicker, Pfau, Pyle & McRoy, LLP.**

*Moderator*

Gary A Amelio, SBCERS

The Board received Counsel Blakeboro's presentation, "Legal Issues for 2013 PEPRA and Beyond."

10. **Incorporating Out of the Box Investments**

*Panelists*

**Jay Willoughby, CIO-Alaska Permanent Fund Corporation**

**Scott Chan, CFA, CIO, Sacramento County ERS**

*Moderator*

Stephen McCourt, Meketa Investment Group

The Board received presentations from Mssrs. Willoughby and Chan.

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

The Board discussed various subjects covered during the Retreat and requested staff to address several items including costing for iPads, creation of Board “tickler” report and creation and revision of several policies.

The meeting adjourned at 3:00 p.m.

ATTEST:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Secretary