

**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

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

MINUTES OF THE BOARD OF RETIREMENT
February 27, 2013
Hart Auditorium at CenCal Health
4050 Calle Real
Santa Barbara, California

ROLL CALL 9:00 a.m.

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

PUBLIC COMMENT

There was no general public comment.

ADMINISTRATION

Oath of Office

Swearing in of New General Members of the Retirement Board for the Second [Mark A. Paul] and Third [Jennifer Christensen] member seats presided over by Santa Barbara County Treasurer Harry E. Hagen.

Operations Committee Appointments announced by the Chair:

Trustee Harry Hagen, Chair – Ex-Officio Member,
Trustee Zandra Cholmondeley – Elected Member, and
Trustee Rotella – Appointed Member

MINUTES

1. Approve Minutes of:
 - a. January 18, 2013 special Board meeting.

MOTION: Approve January 18, 2013 special Board meeting minutes.

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

- b. January 23-24, 2013 regular Board retreat.

MOTION: Approve January 23-24, 2013 regular Board retreat minutes with modification.

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

CONSENT

- C-1. Adopt Retirement Report.

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
D R	Tamara Beard	Courts	6.30714	0.03975	
	Norma Benavides	ADMHS	13.36760	0.01566	
	Douglas Blake	Social Services	12.97836	0.40908	
	Cherie Bonazzola	Public Health	18.47270	0.44680	
D	Monika Burrer	Social Services	5.53391	0.09762	
	Francine Cablayan	Probation	15.04796	0.00010	
	Steven Campfield	Fire	27.67843	0.62028	
	Patricia De La Cruz	Public Defender	22.22894	0.01029	
	Linda Duffey	Public Health	28.12653	0.00090	
	Lindsay Fisher	Planning & Development	14.80001	0.34860	
D R	Robert Hansen	Treasurer-Tax Collector	4.80828	0.20069	
D R	William Hatcher	Planning & Development	2.50412	0.02496	
D	Christopher Henrich	Public Works	6.59583	0.08796	
	Ray Hultman	Planning & Development	9.94025	0.29767	

D=Deferred
R=Reciprocal

3. **COLA Rate**—Milliman and Staff
Presentation by Gary Amelio, CEO of the calculation of the Cost of Living Adjustment (“COLA”) to take effect April 1, 2013, for existing retirees and beneficiaries.

DISCUSSION: Gary Amelio presented item and addressed issues raised by the Board.

MOTION: The Board accept Milliman’s report and adopt the rates set forth in Milliman’s letter dated January 22, 2013.

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

INVESTMENTS

4. **Quarterly Private Equity Portfolio Review**—Hamilton Lane
Presentation by Hamilton Lane of the status and activity of the SBCERS Fund’s Private Equity portfolio in the third quarter, 2012.

DISCUSSION: Managing Director Paul Yett and Senior Associate Michael Augustine presented item for Hamilton Lane and along with Investment Officer Eli Martinez addressed issues raised by the Board.

MOTION: Receive Quarterly Private Equity Portfolio Review from Hamilton Lane.

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

5. **Annual Strategic Plan**—Hamilton Lane
Presentation by Hamilton Lane of the Annual Strategic Plan for the SBCERS Fund’s Private Equity portfolio.

DISCUSSION: Paul Yett and David Augustine presented item for Hamilton Lane and addressed issues raised by the Board.

MOTION: Accept Hamilton Lane’s Annual Strategic Plan.

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

6. **Quarterly Real Estate Portfolio Review**—ORG
Presentation by ORG of the status and activity of the SBCERS Fund’s real estate portfolio in the third quarter, 2012.

DISCUSSION: Principal Edward Schwartz and Consultant Rebecca Morris presented item for ORG and addressed issues raised by the Board

MOTION: Receive Quarterly Real Estate Portfolio Review from ORG Portfolio Management.

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

7. **Annual Strategic Plan**—ORG
Presentation by ORG of the Annual Strategic Plan for the SBCERS Fund’s Real Estate portfolio.

DISCUSSION: Edward Schwartz and Rebecca Morris presented item for ORG and addressed issues raised by the Board

MOTION: Accept ORG’s Annual Strategic Plan and adopt the recommendations contained therein.

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

8. **Manager Expectations Presentation**—Meketa
Presentation by Meketa of an educational report on Investment Manager Expectations by the SBCERS Board.

DISCUSSION: Senior Vice President Ed Omata presented item for Meketa and addressed issues raised by the Board.

MOTION: Receive Manager Expectation Presentation from Meketa.

NO ACTION TAKEN

Deferred until March 27, 2013

17. Kurt Hamblet, Applicant for Service-connected Disability Retirement:
Grant the application of Kurt Hamblet, for service-connected disability retirement, subject to timely requested hearing by an interested party.

Cristal Rodriguez presented item and addressed issues raised by the Board.

MOTION: Grant the application of Kurt Hamblet, for service-connected disability retirement, subject to timely requested hearing by an interested party.

Rotella/Kraines

Approved voice vote.

Yes: Cholmondeley, Hagen,
Kraines, Paul, Rafferty,
Robel, Rotella
No: Christensen
Absent: Wolf

18. Kenneth F. Manzer, Applicant for Service-connected Disability Retirement:
Adopt proposed Findings of Fact, Conclusions of Law and Decision granting Kenneth F. Manzer a service-connected disability retirement.

Cristal Rodriguez introduced and Counsel Blakeboro presented item and addressed issues raised by the Board.

MOTION: Adopt proposed Findings of Fact, Conclusions of Law and Decision granting Kenneth F. Manzer a service-connected disability retirement.

Hagen/Rafferty

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Christensen,
Hagen, Kraines, Paul,
Rafferty, Robel, Rotella
Absent: Wolf

19. Receive and file Disability Status Report.

Cristal Rodriguez introduced and Counsel Blakeboro gave an update on item and addressed issues raised by the Board.

MOTION: Receive and file Disability Status Report.

Christensen/Paul

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Christensen,
Hagen, Kraines, Paul,
Rafferty, Robel, Rotella

Absent: Wolf

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing actions taken on Disability Items 14, 15, 16, 17, 18 and 19 as listed above.

BOARD

20. **Board Training and Education Attendance Report**—Staff

Staff to present a newly created report, reflecting education and training hours completed by Trustees, in compliance with new state mandated requirements.

DISCUSSION: Gary Amelio presented item and addressed issues raised by the Board.

MOTION: Accept Board Training and Education Attendance Report as corrected.

Christensen/Rotella

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Christensen,
Hagen, Kraines, Paul,
Rafferty, Robel, Rotella

Absent: Wolf

21. **Videotaping Retirement Board Meetings**—Staff

Staff to present a report on the historic development of the video and audio taping of Retirement Board meetings.

DISCUSSION: Gary Amelio presented item and addressed issues raised by the Board.

MOTION: Approve the elimination of videotaping SBCERS meetings.

Rafferty/Rotella

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Christensen,
Hagen, Kraines, Paul,
Rafferty, Robel, Rotella

Absent: Wolf

