

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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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

March 27, 2013

Hart Auditorium at CenCal Health

4050 Calle Real

Santa Barbara, California

ROLL CALL 9:00 a.m.

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

Trustee Tan voted as alternate in the absence of Trustee Christensen.

PUBLIC COMMENT

There was no general public comment.

MINUTES

1. Approve Minutes of February 27, 2013 regular Board meeting.

MOTION: Approve February 27, 2013 special Board meeting minutes.

Rotella/Robel

Approved by voice vote.

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

CONSENT

C-1. Adopt Retirement Report.

<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
Michael Cardona	DRO	5.84613	0.00000	
Samuel Castillo	Public Works	24.29995	0.00004	
Lynn Cutler	District Attorney	34.94932	1.00000	
Lila Deeds	SBCERS	38.23188	0.30411	5.00000
Mark DeMinico	Clerk-Recorder-Assessor	21.21311	0.00206	
Gerald Freeman	General Services	18.42082	0.00438	
Clayton Garland	Parks	23.24494	0.13635	
Joni Gray	Board of Supervisors	16.45874	0.00000	
Richard Harris	APCD	10.13144	0.00093	
D Diana Holmes	Probation	6.50081	0.00396	
D Douglas Kunst	Fire	3.00978	0.07752	
R Loretta Lesage	District Attorney	15.94490	0.14085	5.00000
Catherine Martinez	Board of Supervisors	11.32594	0.02782	
Mitchell Medeiros	Parks	34.50922	0.48030	
Dominick Palera	Sheriff	31.09115	1.00000	
D Luis Perez	Planning & Development	15.77404	0.29382	
D Ellen Raabe	DRO	4.75941	0.00000	
Cynthia Sgobba	Courts	32.53995	0.80851	
Christine Simonson	Treasurer-Tax Collector	34.36133	0.01621	
Ivonne Slim-Syiling	ADMHS	15.26384	0.06796	
Wayne Smith	Sheriff	15.83419	0.07947	
Dani Trask	Sheriff	19.72420	0.02503	
Thomas Ward	Courts	24.78295	0.73821	
Barbara Washman	Social Services	23.27006	0.00177	
D Eddie Wood	General Services	6.67077	0.23855	

D=Deferred
R=Reciprocal

MOTION: Adopt Retirement Report.

Robel/Cholmondeley Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Paul,
 Rafferty, Robel, Rotella, Tan,
 Wolf

Absent: Christensen, Hagen, Kraines

INVESTMENTS

2. **Domestic Equity Manager Guidelines Review**—Meketa

Presentation by Meketa Investment Group of a report on Domestic Equity Manager Guidelines.

DISCUSSION: Vice President Brad Regier and Managing Director Stephen McCourt presented item and addressed issues raised by the Board.

MOTION: Accept Meketa's report and approve the finding contained therein.

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

3. **Private Natural Resources/Infrastructure Current Opportunities**—Meketa

Presentation of investment opportunities in the Private Natural Resources/Infrastructure markets.

DISCUSSION: Senior Vice President David Altshuler (via telephone) and Stephen McCourt presented item for Meketa and along with Investment Officer Eli Martinez addressed issues raised by the Board.

MOTION: Receive Private Natural Resources/Infrastructure Current Opportunities presentation from Meketa.

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

4. **Monthly Investment Report**—Meketa

Presentation of the fund transactions during the past month and monthly Portfolio status of the SBCERS Fund Portfolio.

DISCUSSION: Stephen McCourt and Brad Regier presented item and addressed issues raised by the Board.

MOTION: Receive Monthly Investment Report from Meketa Investment Group.

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

BOARD

5. **Private Natural Resources & Infrastructure Policy**—Operations Committee
Presentation by the Operations Committee, Staff, Counsel and Meketa of the
newly created Private Natural Resources and Infrastructure Policy.

DISCUSSION: CEO Gary Amelio, Eli Martinez and Stephen McCourt
presented item and along with Counsel Alan Blakeboro
addressed issues raised by the Board.

MOTION: Adopt and approve the Private Natural Resources and Infrastructure
Policy, as modified.

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

6. **SBCERS Trustee Education Policy**—Operations Committee
Presentation by the Operations Committee, Staff and Counsel of the revised
SBCERS Trustee Education Policy.

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

MOTION: Adopt and approve the SBCERS Trustee Education Policy, as
modified.

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

7. **Employee Records Audit Policy**—Operations Committee
Presentation by the Operations Committee, Staff and Counsel of the newly
created Employee Records Audit Policy.

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

MOTION: Adopt and approve the Employee Records Audit Policy, as modified.

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

8. **Pension Enhancement Review Policy**—Operations Committee
Presentation by the Operations Committee, Staff and Counsel of the newly created Pension Enhancement Review Policy.

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

MOTION: Adopt and approve the Pension Enhancement Review Policy, as modified.

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

9. **Nominate Voting Delegates for SACRS Spring Conference**—Staff
Staff presents the SACRS ballot, which will be voted upon at the Spring Conference.

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

MOTION: Nominate voting delegates for SACRS Spring Conference, May 12-17, 2013. The SBCERS vote(s) shall be cast by the Chair, in his absence by the Vice Chair, in both absences by the Secretary, and in all officers' absence by the Retirement Board member present holding the longest tenure.

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

Chair Rafferty directed staff to bring back a permanent policy for nominating voting delegates.

10. **Council of Institutional Investors Public Fund Director Election**—Staff
Staff presents the CII Public Fund Directors nomination process.

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

MOTION: Receive Council of Institutional Investors Public Fund Director nominations elections materials.

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

11. **Form 700 & Ethics Training Review**—Counsel
Presentation by Counsel on Conflicts of Interest, Form 700 and Ethics Training.

DISCUSSION: Counsel Blakeboro presented item and along with Gary Amelio addressed issues raised by the Board

MOTION: Receive presentation by Counsel on Conflicts of Interest, Form 700 and Ethics Training.

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

CHIEF EXECUTIVE OFFICER

19. A. Receive and file Chief Executive Officer’s department operations report.
 B. Authorize the attendance of interested trustees at upcoming training events as requested.

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

MOTION: Receive and file Chief Executive Officer’s department operations report and authorize the attendance of interested trustees at upcoming training events as requested.

Rotella/Paul

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Paul,
Rafferty, Robel, Rotella, Tan,
Wolf

Absent: Christensen, Hagen, Kraines

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

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

MOTION: Receive the proposed three-month Board Agenda preview.

Rafferty/Rotella

Approved by unanimous voice vote of all present.

Yes: Cholmondeley, Paul,
Rafferty, Robel, Rotella, Tan,
Wolf

Absent: Christensen, Hagen, Kraines

CLOSED SESSION

(2:05 p.m. to 2:30 p.m.)

PUBLIC EMPLOYMENT – CEO PERFORMANCE REVIEW

Pursuant to Government Code Section 54957(b).

OPEN MEETING

Counsel Blakeboro announced that the Board had met in Closed Session and had taken no reportable action.

DISABILITY RETIREMENT

(Closed Hearing)

12. Matthew Fairchild, Applicant for Service-connected Disability Retirement:
Adopt proposed Findings of Fact, Conclusions of Law and Decision granting Matthew Fairchild a service-connected disability retirement.

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

Applicant Matthew Fairchild was present.

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

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

13. Kurt Hamblet, Applicant for Service-connected Disability Retirement:
 Adopt proposed Findings of Fact, Conclusions of Law and Decision
 granting Kurt Hamblet a service-connected disability retirement.

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

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

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

14. Eric Christopher George, Applicant for Service-connected Disability Retirement:
 Consider the Findings of Fact and Recommendation of Referee Catherine
 Harris, along with any timely filed objections, and approve and adopt the
 recommendation to grant a non-service-connected disability retirement
 and deny the application for service-connected disability retirement of
 Eric Christopher George.

Continued from February 27, 2013

Counsel Blakeboro presented item and addressed issues raised by the Board. Also present were System Counsel Chris Kroes, Cristal Rodriguez, County Counsel Teresa Eggemeyer, County Sheriff Human Resources Manager Lieutenant Robert Plastino and County Under Sheriff Jim Peterson who addressed issues raised by the Board.

Applicant Eric Christopher George addressed the Board.

MOTION: Adopt Findings of Fact and Recommendation of Referee Catherine Harris to grant a non-service-connected disability retirement and deny the application for service-connected disability retirement of Eric Christopher George.

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

15. John C. Lawrence, Applicant for Service-connected Disability Retirement:
Refer the application of John C. Lawrence for service-connected disability retirement to and evidentiary hearing on all issues.

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

MOTION: Refer the application of John C. Lawrence for service-connected disability retirement to and evidentiary hearing on all issues.

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

16. Joseph A. Saldana, Jr., Applicant for Service-connected Disability Retirement:
Consider the Findings of Fact and Recommendation of Referee Deborah Wissley, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Joseph A. Saldana, Jr.

Cristal Rodriguez presented item and along with Counsels Patrick McCarthy, Blakeboro and Gary Amelio addressed issues raised by the Board.

Applicant’s Counsel Russell Ghitterman addressed the Board.

MOTION: Adopt the Findings of Fact and Recommendation of Referee Deborah Wissley to deny the application for service-connected disability retirement of Joseph A. Saldana, Jr.

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

17. Frances Velasco, Applicant for service-connected Disability Retirement:
Consider the findings of Fact and Recommendation of Referee Catherine Harris, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Frances Velasco.

Cristal Rodriguez presented item and along with Counsels Blakeboro and Philip Moncharsh addressed issues raised by the Board.

Applicant's Counsel Russell Ghitterman addressed the Board.

MOTION: Adopt the Findings of Fact and Recommendation of Referee Catherine Harris to deny the application for service-connected disability retirement of Frances Velasco.

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

18. Receive and file Disability Status Report.

Cristal Rodriguez gave an update on item.

MOTION: Receive and file Disability Status Report.

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

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing actions taken on Disability Items 12, 13, 14, 15, 16, 17 and 18 as listed above.

The meeting adjourned at 3:51 p.m.

ATTEST:

Clerk

Chair

Secretary