

**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
July 24, 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

Trustee Wolf arrived at 9:07.

PUBLIC COMMENT

Trustee Cholmondeley reported on her attendance at A Day with KKR [Kohlberg Kravis Roberts] Infrastructure Fund Annual Meeting, July 24, 2013, in Rancho Palos Verdes.

MINUTES

1. Approve Minutes of June 26, 2013 regular Board meeting.

MOTION: Approve June 26, 2013 Board meeting minutes.

Hagen/Robel

Approved by voice vote.

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

Abstain: Paul

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>
	Cindy Berry	Social Services	23.82880	0.79470	
D	Nancy Collins	Resource Management	5.42177	0.03346	
DR	Richard Diaz de Padilla	Probation	13.21492	0.14108	
	Teresa Eggemeyer	County Counsel	24.23589	0.13743	2.66667
DR	Tina Grietens	Public Works	5.70343	0.03005	
	Yolanta Maraboli	ADMHS	9.26816	0.01400	
	Katherine Miller	Clerk-Recorder-Assessor	32.58741	0.02783	
	Karen O'Neal	Sheriff	18.88171	0.06922	
	Jeanie Pratt	Social Services	14.03770	0.02714	
DR	Edunie Ramirez	Public Health	0.54992	0.00000	
DR	Noel San Jose	Sheriff	2.48681	0.01761	
	Nancy A. Smith	Courts	18.37642	0.00211	

D=Deferred
R=Reciprocal

MOTION: Adopt Retirement Report.

Paul/Rotella

Approved by unanimous voice vote of all present.

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

Absent: Wolf

INVESTMENTS

2. **Domestic Equity Index Alternatives Report**—Meketa
Educational Presentation by Stephen McCourt of Meketa Investment Group of the
Domestic Equity Index Report.

DISCUSSION: Managing Principal Stephen McCourt presented item and
addressed issues raised by the Board.

MOTION: Receive the educational report presented by Meketa Investment
Group and direct Staff and Consultant to continue further study on
the subject.

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

3. **Risk Mitigation Education Report**—Meketa

Presentation by Stephen McCourt of Meketa Investment Group of the Risk Mitigation Strategies Education Report.

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

MOTION: Accept the report presented by Meketa Investment Group.

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

4. **Private Markets Overlap Report**—Meketa

Presentation by Stephen McCourt and Brad Regier of Meketa Investment Group of the Private Markets Overlap Report.

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

MOTION: The Board accept the report presented by Meketa Investment Group which reflects that there is no overlap between consultant reviewed investments.

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

5. **Quarterly Private Asset NR/I Review**—Meketa

Presentation by David Altshuler and Stephen McCourt of Meketa Investment Group of the Quarterly Private Asset NR/I Review.

DISCUSSION: Senior Vice President David Altshuler and Stephen McCourt presented item and along with Investment Officer Eli Martinez and Counsel Blakeboro addressed issues raised by the Board.

MOTION: Accept the review presented by Meketa Investment Group.

Kraines/Robel

Approved by unanimous voice vote of all present.

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

6. **Multi Bank FX Platform Report**—Meketa, Klarity FX & Staff
Presentation by Stephen McCourt and Brad Regier of Meketa Investment Group, Amarjit Sahota of KlarityFX and Eli Martinez, Investment Officer of the Multi Bank FX Platform Report.

DISCUSSION: Stephen McCourt, CEO Amarjit Sahota and Eli Martinez presented item and along with CEO Gary Amelio, ACEO Rhonda Cavagnaro, Counsel Blakeboro and David Altshuler addressed issues raised by the Board.

MOTION: Accept the report presented by Meketa Investment Group, Klarity FX and Staff and take no further action on this item.

Christensen/Wolf

Approved by unanimous voice vote of all present.

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

7. **Tactical Rebalancing Performance Report**—Meketa
Presentation by Stephen McCourt of Meketa Investment Group of the Tactical Rebalancing Performance Report.

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

MOTION: Accept the report presented by Meketa Investment Group.

Rotella/Christensen

Approved by unanimous voice vote of all present.

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

8. **Peer Universe Analysis Report**—Meketa
Presentation by Stephen McCourt of Meketa Investment Group of the Peer Universe Analysis Report.

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

MOTION: Accept the report presented by Meketa Investment Group.

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

9. **Monthly Investment Report**—Meketa
Presentation by Stephen McCourt and Brad Regier of Meketa Investment Group on the fund transactions during the month and monthly Portfolio status of the fund.

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

MOTION: Accept the report presented by Meketa Investment Group.

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

DISABILITY RETIREMENT

(Closed Hearing)

10. Mary Lou Garcia, Applicant for Service-connected Disability Retirement:
Refer the application of Mary Lou Garcia for service-connected disability retirement to an evidentiary hearing on all issues.

Applicant's Counsel Russell Ghitterman was present and addressed the Board.

DISCUSSION: Disability Program Manager Cristal Rodriguez presented item and along with Counsel Blakeboro addressed issues raised by the Board

MOTION: Approve Staffs' recommendation and refer the application of Mary Lou Garcia for service-connected disability retirement to an evidentiary hearing on all issues.

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

11. Ruby C. Wolff, Applicant for Service-connected Disability Retirement:
Deny the application of Ruby Wolff for service-connected disability retirement due to lack of permanency, subject to timely requested hearing by an interested party.

Trustee Robel recused himself and left the Closed Hearing. Trustee Tan voted as Safety Alternate.

Applicant Ruby Wolff was present. A letter from Applicant's Counsel Mark Singer requesting that the item be continued was noted.

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

MOTION: Approve Applicant's Counsel Mark Singer's request to have this matter be continued from the Retirement Board's agenda of July 24, 2013.

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

12. Receive and file Disability Status Report.

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

Trustee Robel returned to Closed Hearing.

MOTION: Accept and file the Disability Status Report.

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

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing actions taken on Disability Items 10, 11 and 12 as listed above.

BOARD

13. **Three Percent County Compensation Increase**—Chair

The Board was briefed at its June meeting on the 3% County Compensation Increase for all unrepresented county managers, including the increase in the caps of salary bands to accommodate such increase. The Board was also apprised, at the June meeting, that it would need to vote on such increase to raise the CEO's annual salary accordingly.

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

MOTION: Accept and file the Three Percent County Compensation Increase Report, and increase the SBCERS CEO's salary by 3%, effective retroactive to July 1, 2013.

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

CHIEF EXECUTIVE OFFICER

14. 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 along with Rhonda Cavagnaro 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 modified.

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

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

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

Rotella/Wolf

Approved by unanimous voice vote of all present.

Yes:

Cholmondeley, Christensen,
Hagen, Kraines, Paul,
Rafferty, Robel, Rotella,
Wolf

CLOSED SESSION

(3:05 p.m. to 3:51 p.m.)

PUBLIC EMPLOYMENT – CEO PERFORMANCE REVIEW

Pursuant to Government Code Section 54957(b).

OPEN MEETING

Chair Rafferty announced that the Board had met in Closed Session and that no reportable action had been taken.

The meeting adjourned at 3:52 p.m.

ATTEST:

Clerk

Chair

Secretary