

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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BOARD OF RETIREMENT

Chair-Ward Rafferty
Vice Chair-Jennifer Christensen
Secretary-Frederick Tan
Zandra Cholmondeley
Harry Hagen
Mark A. Paul
Al Rotella
Janet Wolf
Steve Johnson
John McMillin

AGENDA OF THE BOARD OF RETIREMENT

May 28, 2014

**Wisteria Room at Casa Nueva
260 N. San Antonio Road
Santa Barbara, California**

The Santa Barbara County Employees' Retirement System is committed to:

- *fulfilling its fiduciary responsibility by providing the highest quality of service to all members and plan sponsors; and*
 - *protecting promised benefits through prudent investing; and*
 - *ensuring reasonable expenses of administration.*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, or if translation assistance is requested, please contact the Clerk of the Board of Retirement at 805-568-2915.

Persons desiring to speak on any matter must complete and deliver to the Clerk a completed public comment form. The form is available at the conference room entrance prior to the meeting. Matters not listed on the agenda may be addressed at the public comment period.

Roll Call at **9:00 a.m.**

Pledge of Allegiance led by Chair

PUBLIC COMMENT

Receive public comment

MINUTES

1. A. Approve Minutes of April 23, 2014 regular Board meeting.
- B. Approve Minutes of May 12, 2014 special Board meeting.

CONSENT

- C-1. Rudy Padilla, Applicant for Disability Retirement:
Grant applicant's request for a service retirement, pending final determination of his entitlement to disability retirement.

CONSENT ITEMS CONTINUED ON THE FOLLOWING PAGE

C-2. Adopt Retirement Report.

<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
Sharon Amott	Child Support Services	23.87766	0.00375	
Alma Ayala	Treasurer-Tax Collector	28.97700	0.06727	
Viola Balbinot	Sheriff	21.41156	0.00075	
Leland Cargle	Sheriff	22.26065	0.02770	
Diane Carter	Clerk-Recorder-Assessor	12.05715	0.19319	
Eric Daniels	Fire	28.24166	0.02909	
Ramona DeWitte	SBCERS	12.51279	0.51466	
Asia Eichmiller	ADMHS	12.50827	0.41136	
Elizabeth Elizalde	Social Services	32.06683	0.12087	
Gerardo Estrada	Public Works	36.91530	0.00566	
Arthur Flores	Social Services	17.86758	0.19621	
Soyla Flores	Courts	35.42719	0.30630	
Kim Flory	Clerk-Recorder-Assessor	17.88504	0.34778	
Cathy Franco-Mose	Public Health	22.97213	0.00029	
Rodney Fritz	Social Services	16.84080	0.04620	
Carolyn Geiger	Social Services	39.44833	0.14503	
Evelyn Geiger	Courts	34.18386	0.24405	
Christian Hahn	Fire	25.15307	1.00000	
Jeffrey Hardesty	ADMHS	16.47608	0.24219	
Peter Hasler	Public Health	18.25255	0.49411	4.00000
Lori Hornbrook	Courts	19.33873	0.14399	
Margaret Kempf	DRO	4.69919	0.00000	
DR David Leung	Agricultural Commissioner	16.42900	0.32927	
Richard Lopez	DRO	10.76173	0.00000	
Jesse Martinez	Fire	24.52933	0.03475	
Josefina Martinez	Courts	30.44572	0.06171	
Sergio Martinez	Sheriff	32.72345	0.03015	
Mark Mushinskie	Fire	33.09679	0.15705	
Kenneth Nichols	ADMHS	18.30630	0.55827	
D Laura Price	Public Health	9.09006	0.00046	
Jeanette Redley	Courts	12.03181	0.00968	
Phyllis Smith	Courts	12.00334	0.00752	
D Maria Torres	Public Health	14.75834	0.00358	
Pamela Tunnicliffe	DRO	3.29660	0.00000	
Paul Voyer	Parks	30.83343	0.74910	
Toni Walker	Social Services	27.56682	0.04779	

D=Deferred
R=Reciprocal

INVESTMENTS

2. **Quarterly Private Equity Portfolio Review**—Hamilton Lane
Presentation by Paul Yett and Michael Augustine of Hamilton Lane on the status and activity of the Fund's Private Equity portfolio in the third and fourth quarters 2013.

DISCUSSION

RECOMMENDATION: The Board receive and accept Hamilton Lane's quarterly reports on the Private Equity portfolio.

3. **Quarterly Private Real Estate Portfolio Review**—ORG Portfolio Management
Presentation by Ed Schwartz and Rebecca Morris of ORG Portfolio Management on the status and activity of the Fund's Private Real Estate portfolio in the third and fourth quarters 2013.

DISCUSSION

RECOMMENDATION: The Board receive and accept ORG Portfolio Management's quarterly reports on the Real Estate portfolio.

4. **Quarterly Private Natural Resources and Infrastructure Review**—Meketa Investment Group

Presentation by Michael Dean of Meketa Investment Group on the status and activity of the Fund's Private Natural Resources and Infrastructure portfolio in the fourth quarter 2013.

DISCUSSION

RECOMMENDATION: The Board receive and accept Meketa's Investment Group's quarterly report on the Private Natural Resources and Infrastructure portfolio.

5. **Market Update**—Meketa Investment Group
Presentation by Stephen McCourt of Meketa Investment Group on the First Quarter Market Review.

DISCUSSION

RECOMMENDATION: The Board receive and accept Meketa Investment Group's First Quarter Market Review.

6. **Transition Manager Bench Recommendation**—Meketa Investment Group Presentation by Mika Malone of Meketa Investment Group on the Transition Manager search and recommendation to add two Transition Managers to the existing Transition Manager panel.

DISCUSSION AND ACTION

RECOMMENDATION: The Board accept Meketa Investment Group’s report and approve the recommendation to add Penserra Capital Management and Abel/Noser Corp. to the existing Transition Manager panel.

7. **Quarterly Portfolio Review**—Meketa Investment Group Presentation by Mika Malone and Brad Regier of Meketa Investment Group of the Fund’s first quarter 2014 Quarterly Review.

DISCUSSION

RECOMMENDATION: The Board receive and accept the first quarter 2014 Quarterly Review presented by Meketa Investment Group.

DISABILITY RETIREMENT

TIME CERTAIN OF 12:30 PM

Disability matters shall be considered in CLOSED HEARING -- pursuant to Government Code Section 54957(b)(1). Interested parties may request these matters to be discussed in a session open to the public. CONFIDENTIAL REPORTS are distributed only to the Board.

8. Claudia Berumen, Applicant for Non-service-connected Disability Retirement:
Grant the application of Claudia Berumen, for non-service-connected disability retirement, subject to timely requested hearing by an interested party.
9. Kimberly Herman, Applicant for Service-connected Disability Retirement:
Consider the Findings of Fact and Recommendations of Referee Ernest S. Gould, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Kimberly Herman.

INVESTMENTS (Cont'd)

10. **Private Natural Resources/Infrastructure Report on Finalist** — Ad Hoc Committee, Staff and Legal Counsel

Presentation by the Ad Hoc Committee, Staff and Legal Counsel on the summary of discretionary Private Natural Resource & Private Infrastructure (PNR&I) Request for Proposal (RFP) respondents.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement (Board) receive the recommendation by the Ad Hoc Committee to approve as finalists three discretionary PNR&I consultants, Hamilton Lane, Meketa Investment Group, and Wilshire Associates Incorporated, with the addition of other finalists candidates, if any, as the Board may direct.

STAFF

11. A. Operations Report
B. Authorize the attendance of interested trustees at upcoming training events as requested.
C. Receive the proposed three-month Board Agenda preview and make adjustments as the Board deems necessary.

BOARD

12. **Preliminary Fiscal Year Budget Review**—Staff
Presentation of the Santa Barbara County Employees' Retirement System Preliminary Budget for Fiscal Year 6/30/2015 by Rico Pardo, Retirement Financial Accounting Analyst.

DISCUSSION

RECOMMENDATION: The Board receive and accept the Preliminary Fiscal Year Budget presentation for Fiscal Year 6/30/2015, as submitted.

13. **SBCERS Santa Maria Office**—Interim Management Committee
Presentation by Interim Management Committee regarding closure of the Santa Barbara County Employees’ Retirement System Santa Maria Office and consolidation of operations in the Santa Barbara office.

DISCUSSION AND ACTION

RECOMMENDATION: The Board receive and accept the report presented by the Interim Management Committee and take action to either confirm the Board of Retirement action on January 22, 2014 to relocate SBCERS offices in Santa Maria to Santa Barbara or, take action to adopt one of the options presented by the Interim Management Committee involving the retention of offices in Santa Maria or, take other appropriate action.

14. **Conflict of Interest Code**—Counsel
Consider revisions to the Conflict of Interest Code as previously recommended by the Operations Committee with modifications per Board discussion at its April 23, 2014 meeting.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement adopt and approve the Conflict of Interest Code, as presented and modified, if at all, by the Board of Retirement.

15. **Trustee Travel Policy**—Counsel
Consider revisions to the Trustee Travel Policy as previously recommended by the Operations Committee with modifications per Board discussion at its April 23, 2014 meeting.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement adopt and approve the Trustee Travel Policy, as presented and modified, if at all, by the Board of Retirement.

16. **Approval of Interim CEO Contract** —Counsel

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement approve a written employment agreement for Greg Levin as Interim CEO and clarify the future role of the Interim Management Committee.

CLOSED SESSION

Closed Sessions are not open to the public.

PUBLIC EMPLOYMENT – ASSISTANT CEO, Pursuant to Government Code § 54957(b)

Next regular meeting date is June 25, 2014