SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM

3916 State Street Suite 210
Santa Barbara, CA 93105

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

Gregory E. Levin, CPA
Interim Chief Executive Officer

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

MINUTES OF THE BOARD OF RETIREMENT
September 24, 2014
Hart Auditorium at CenCal Health
4050 Calle Real
Santa Barbara, California

ROLL CALL 9:00 a.m.

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

Trustee Johnson left at 12:30 p.m. Trustee Hagen left at 1:42

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

There was no general public comment.

MINUTES

A. Approve Minutes of August 27, 2014 regular Board meeting.

MOTION: Approve August 27, 2014 regular Board meeting minutes as amended.

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

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

B. Approve Minutes of September 5, 2014 special Board meeting.

MOTION: Approve September 5, 2014 special Board meeting minutes.

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

CONSENT

C-1. **Adopt Retirement Report**.

	Name	Department	Service Credit	Sick Leave Credit
D R	Lawrence Ralston	Sheriff	4.33512	0.06583
	Jeffrey Schneider	Fire	22.12564	0.72003
	Nancy Gottlieb	ADMHS	10.63235	0.07169
R	Celeste Corbin	Sheriff	2.89927	0.02016
	Janet Meza	Auditor-Controller	25.30732	0.14575
	Robert Rocha	General Services	34.73942	0.48737
	James Wolf	Sheriff	12.36212	0.41000
D R	Suzanne Squires	Agricultural Commissioner	4.27546	0.00214
	Edwin Robinson, Jr.	Probation	14.57343	0.01256
D R	Bonnie Vaillancourt	Sheriff	4.64870	0.01443
D	Sonia Lopez	Social Services	8.54085	0.00135
	James Williams	Public Works	19.29679	0.24187
	Alice Simms	Social Services	33.54688	0.06586

D=Deferred
R=Reciprocal

MOTION: Adopt Retirement Report.

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

INVESTMENTS

1. **<u>August Market Update and Performance Review</u>**—Meketa Investment Group
Presentation by Mika Malone and Shane Enete of Meketa Investment Group on World Market Activities and August 2014 performance.

DISCUSSION: Principal Mika Malone presented the item for Meketa Investment Group and responded to questions from the Board.

MOTION: Receive and accept Meketa Investment Group's presentation on World Markets and performance review for August 2014.

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

2. **<u>Fixed Income Review and Credit Market Update and Exposure</u>**—Meketa
Presentation by Stephen McCourt, Mika Malone and Shane Enete of Meketa Investment Group on the role of the fixed income asset class in portfolio allocation along with an analysis of the various fixed income sub-asset classes

DISCUSSION: Managing Principal Stephen McCourt, Principal Mika Malone and Assistant Vice President Shane Enete presented the item for Meketa Investment Group and responded to questions from the Board.

MOTION: Receive and accept Meketa Investment Group's presentation on Fixed Income Review and Credit Market Update and Exposure.

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

3. **<u>Risk and De-Risking</u>**—Meketa Investment Group
Presentation by Stephen McCourt, Mika Malone and Shane Enete of Meketa Investment Group on Risk and De-Risking including a discussion of the current portfolio and techniques used to mitigate various risks.

DISCUSSION: Managing Principal Stephen McCourt, Principal Mika Malone and Assistant Vice President Shane Enete presented the item for Meketa Investment Group and responded to questions from the Board.

MOTION: Receive and accept Meketa Investment Group's presentation on Risk and De-Risking.

Christensen/Paul — Approved by unanimous voice vote of all present.

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

4. **Private Equity 101**—Hamilton Lane
Educational presentation by Paul Yett and Michael Augustine on the Private Equity market, how it works within the current portfolio asset allocation and how investment performance is measured in the private equity asset allocation.

DISCUSSION: Managing Director Paul Yett and Senior Associate Michael Augustine presented the item for Hamilton Lane and responded to questions from the Board.

MOTION: Receive and accept Hamilton Lane's presentation Private Equity 101.

Paul/Rafferty — Approved by unanimous voice vote of all present.

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

5. **Private Natural Resources and Infrastructure Strategic Plan**—Hamilton Lane
Educational presentation by Paul Yett and Michael Augustine on Private Natural Resources and Infrastructure Strategic Plan.

DISCUSSION: Managing Director Paul Yett and Senior Associate Michael Augustine presented the item for Hamilton Lane and responded to questions from the Board.

MOTION: The Board receive and approve Hamilton Lane's Private Natural Resources and Infrastructure Strategic Plan.

Christensen/Rafferty — Approved by unanimous voice vote of all present.

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

BOARD

6. **<u>Santa Maria Office Lease Extension</u>**—Gregory Levin, CPA Interim CEO
Presentation by Gregory Levin on the proposed Santa Maria Office Lease extension.

DISCUSSION: Interim CEO Gregory Levin presented the item and responded to questions from the Board.

MOTION: Direct the CEO to extend the current office lease for the System's Santa Maria Office for a period of four years.

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

DISABILITY RETIREMENT
(Closed Hearing)

7. Rolando G. Perez, Applicant for Non-Service-connected Disability Retirement:
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Rolando G. Perez a non-service-connected disability retirement.

DISCUSSION: Disability Program Manager Cristal Rodriguez presented the item and responded to questions from the Board.

MOTION: Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Rolando G. Perez a non-service-connected disability retirement.

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

8. Susie Valencia, Applicant for Service-connected Disability Retirement:
Deny the application of Susie Valencia for service-connected disability retirement, subject to timely requested hearing by an interested party.

DISCUSSION: Disability Program Manager Cristal Rodriguez presented the item and responded to questions from the Board.

MOTION: Deny the application of Susie Valencia for service-connected disability retirement, subject to timely requested hearing by an interested party.

Rafferty/Christensen — Approved by unanimous voice vote of all present.

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

CLOSED SESSION

(12:35 p.m. to 1:42 p.m.)

PUBLIC EMPLOYMENT -- CEO Recruitment
Pursuant to Government Code Section 54957(b)(1).

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing action taken on Disability Items 7 and 8 as listed above. Counsel Blakeboro further announced that Board had met in Closed Session to discuss Public Employment -- CEO Recruitment and had taken no reportable action.

BOARD (Cont'd.)

9. **CEO Operations Report**—Gregory Levin, CPA Interim CEO
Presentation by Gregory Levin on significant operational activities of SBCERS.

DISCUSSION: Gregory Levin presented the update and responded to questions from the Board.

MOTION: Receive and accept the CEO Operations Report, authorize the attendance of interested trustees at upcoming training events as requested and received the proposed three-month Board Agenda preview.

Rafferty/Paul — Approved by unanimous voice vote of all present.

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

The meeting adjourned at 2:30 p.m.

ATTEST:

_____
Clerk

_____
Chair

_____
Secretary