

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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**Gregory E. Levin, CPA
Chief Executive Officer**



BOARD OF RETIREMENT

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

AGENDA OF THE BOARD OF RETIREMENT

May 25, 2016

**Wisteria Room at Casa Nueva
260 North 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

- A. Approve Minutes of April 27, 2016 regular Board meeting.
- B. Approve Minutes of May 6, 2016 special Board meeting.

CONSENT

C-1. Adopt Retirement Report.

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>	<u>ARC</u>
	Marian Allman	Social Services	10.86713	0.00048	
	Elena Aranda	Public Health	31.91492	0.10047	
	Deborah Bailey	Public Health	9.85364	0.17588	
	Elia Barbosa	Courts	24.34458	0.00081	
	Jeannette Brown	Child Support	21.48103	0.05306	
	Judy Brown	Treasurer-Tax Collector	29.86588	0.00181	
	Bruce Campbell	Fire	28.23590	0.08069	
D R	Ben Castanero	Sheriff	17.98706	0.92899	
	Loreto Cinco	Social Services	16.16975	0.30406	
	Diane Cline	Sheriff	21.26811	0.09099	
	Stephen Cottingham	Probation	18.54196	0.12757	
	Lori Crestfield	Probation	33.05639	0.76538	
	Patricia Dark	Public Defender	13.41439	0.00538	
	Cecelia Davis	Probation	25.10362	0.03395	
Pend	Beatrice De la Cerda	Probation	35.00451	0.00181	
D	Joseph Domingues	Probation	8.85799	0.27407	
	Beverly Eberling	Probation	33.07169	0.08266	
	Martin Eberling	Sheriff	39.77273	0.73091	
	Robert Geis	Auditor-Controller	37.73247	1.00000	
	Jacklyn Green	Sheriff	26.55016	0.92242	
D	Sandra Gullett	Behavioral Wellness	5.18285	0.02470	
	William Hanrahan	Public Works	30.90684	0.64291	
	Isabel Huacuja	Public Health	26.10348	0.37427	
	Scott Ingraham	Probation	30.77348	0.47561	
	Blonde Jones	Child Support	29.51913	0.01838	
R	Eric Koopmans	Sheriff	32.97855	1.00000	
	Cindy Le Claire	Public Health	21.98324	0.16724	
	Jesse Lewis	Public Works	28.11419	0.04437	
	Jeffrey Long	Parks	15.13160	0.04074	
	David Major	Public Works	22.38329	0.70997	
	Julie McCammon	Sheriff	32.02646	1.00000	
	Alice McCurdy	Planning & Development	38.15516	0.56296	4.50000
	Theresia McKelvey	Courts	24.06428	0.42835	
	Sylvia Medinger	Public Health	8.30861	0.15199	

D=Deferred
R=Reciprocal
Pend=Disability Retirement Pending

C-1. **Adopt Retirement Report.** (Cont'd.)

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>
	Virgil Messmore, Jr.	Sheriff	24.64312	1.00000
	Joe Mora	Social Services	19.29200	0.00171
D R	Shawn Morgan	Sheriff	4.61889	0.01230
	Rachel Ochoa	Social Services	16.63906	0.11778
	Michael Patarak	Fire	33.45362	0.36833
D	Rudy Pinedo	Public Health	29.48961	0.01278
	Willie Poindexter	Probation	21.57996	0.41903
	Joe Rico	Public Works	27.40054	0.04419
R	Tamarra Rogas	Sheriff	25.07604	0.35531
	Bonnie Smith	Sheriff	11.20829	0.47898
	Rhonda Spiese	Probation	29.84730	0.58602
	Caro Stinson	Public Health	30.21200	0.54650
D R	Debra Vaughan	Superior Court	3.21583	0.03307
Dis	Ruby Wolff	Sheriff	12.06454	0.00037

D=Deferred
R=Reciprocal
Dis=Disability Retirement

DISABILITY RETIREMENT

TIME CERTAIN OF 9:05 AM

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.

1. Michael E. Snyder, Applicant for Service-connected Disability Retirement:
Grant the application of Michael E. Snyder for service-connected disability retirement, subject to timely requested hearing by an interested party.
2. Adrienne M. Brooks, Applicant for Service-connected Disability Retirement:
Grant the application of Adrienne M. Brooks for Non-service-connected disability retirement and deny the application for service-connection, subject to timely requested hearing by an interested party.
3. Mary Grace Dacheff, Applicant for Service-connected Disability Retirement:
Consider the Findings of Fact and Recommendation of Referee Irene Ayala, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Mary Grace Dacheff.

4. Receive and file Disability Status Report.

INVESTMENTS

5. **Quarterly Portfolio Report**—Staff

Presentation by Ellen Hung, ACEO and Lauren Thompson, Investment Analyst on the Fund's first quarter 2016 performance and Investment Staff report.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the Quarterly Review and investment staff report presented by Ellen Hung and Lauren Thompson.

6. **Monthly Update and Investment Staff Report**—Staff

Presentation by Ellen Hung, ACEO and Lauren Thompson, Investment Analyst on World Market Activities and May 2016 performance.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the April Market Updates and Staff Investment report presented by Ellen Hung and Lauren Thompson.

7. **Quarterly Private Equity, Natural Resources and Infrastructure Review**
—Hamilton Lane

Presentation by Managing Director Paul Yett of Hamilton Lane on the status and activity of the Fund's Private Equity, Natural Resources and Infrastructure portfolio in the fourth quarter 2015.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the fourth Quarter 2015 Private Equity, Natural Resources and Infrastructure Performance Update presented by Paul Yett of Hamilton Lane.

8. **Quarterly Private Real Estate Portfolio Review**—ORG Portfolio Management

Presentation by Principal Ed Schwartz of ORG Portfolio Management on the status and activity of the Fund's Private Real Estate portfolio in the fourth quarter 2015.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the fourth quarter 2015 Real Estate Portfolio Summary presented by Ed Schwartz of ORG Portfolio Management.

9. **Education: Private Real Estate Education**—ORG Portfolio Management

Presentation by Principal Ed Schwartz of ORG Portfolio Management on private real estate portfolio construction and the due diligence process used in selecting funds for investment.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the presentation from Ed Schwartz of ORG Portfolio Management.

BOARD

10. **Pension Gold Report**—Staff

Presentation by ACEO Brian Richard along with Dan Jordan and Max Dillahunty of Levi, Ray and Shoup on the results of the Pension Gold fit gap and requirements analysis project and also the projected cost of upgrading to Pension Gold Version 3.

DISCUSSION AND ACTION

RECOMMENDATION: A) Receive presentation from ACEO Brian Richard on the results of the Pension Gold Upgrade Fit Gap Evaluation Report.

B) Authorize the CEO to negotiate and execute a written contract with Levi, Ray & Shoup for the purchase and implementation of Pension Gold Version 3 upgrade, PageCenter X document management system, Member Direct and hosting services or, direct staff to perform an RFP for a benefits administration system.

11. **2016/17 Annual Budget: First Reading**—Staff

Presentation by CEO Gregory E. Levin, ACEO Ellen Hung and Accounting Manager Rico Pardo on the Systems proposed budget for the fiscal year beginning July 1, 2016.

DISCUSSION AND ACTION

RECOMMENDATION: A) That the Board receive the presentation on the proposed budget for the fiscal year beginning July 1, 2016 and, provide direction as necessary on any changes to be incorporated into the final budget, to be heard at the June 2016 regular meeting.

B) Authorize the CEO to increase the SBCERS budget for investment consulting fees and benefit payments the fiscal year ending June 30, 2016 and include the modified budget in the second reading of the fiscal year ending June 30, 2017 to be heard at the Board of Retirement June 22, 2016 meeting.

12. **Actuarial Auditor Selection**—Staff

Presentation by CEO Gregory E. Levin and General Counsel Alan A. Blakeboro on the results of the request for proposal process conducted for an Actuarial Auditor and the firm recommended by the Board of Retirement Operations Committee.

DISCUSSION

RECOMMENDATION: That the Board of Retirement authorize the CEO to enter into a written contract for Actuarial Auditing services with Milliman Consulting.

13. **CEO Operations Report**—Gregory E. Levin, CPA CEO

Presentation by Gregory Levin on significant operational activities of SBCERS.

DISCUSSION

- RECOMMENDATION:** That the Board consider the operations report and take the following actions:
- a. Receive and file the Operations Report,
 - b. Authorize the attendance of interested trustees at upcoming training events requiring Board pre-approval, as requested, and
 - c. Receive and file the 3-Month Look Ahead Calendar.

Next regular meeting date is June 22, 2016
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