

**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

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**AGENDA OF THE BOARD OF RETIREMENT**

**October 26, 2016**

**Coastal Room at Employees' University  
267 Camino del Remedio  
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**

Approve Minutes of September 28, 2016 regular Board meeting.

**BOARD**

- B. Oath of Office:  
Swear in Suzi Schomer to be the ninth member of the Board of Retirement.

**CONSENT**

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

C-2. **Adopt Retirement Report.**

	<u>Name</u>	<u>Department</u>	<u>Service Credit</u>	<u>Sick Leave Credit</u>
	Hortencia Alcantar	District Attorney	31.64017	0.01611
D R	Maureen Basile	Fire	0.16273	0.00940
	William Caballero	Public Works	16.35512	0.01559
	Susan Cortese	Behavioral Wellness	10.49125	0.23249
Dis	Jonathan Fernandez	Public Works	23.21132	0.00033
	Maria Guerra	District Attorney	19.03365	0.21259
	Richard Jimenez	Behavioral Wellness	26.66388	0.00033
	Trevor Langlands	Parks	25.72301	0.73495
	Jerry Lasuta II	Child Support Services	21.10079	0.19448
	Charles Lincoln	General Services	31.89052	0.57747
	James Pierce	Planning & Development	33.11950	0.37191
	Christina Rodriguez	Auditor-Controller	31.92204	0.00456
	Robin Sager	Clerk-Assessor-Recorder	20.04431	0.01410

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. Thomas Morgan, Applicant for Service-connected Disability Retirement:  
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Thomas Morgan a service-connected disability retirement.
2. Vickie L. Ponce, Applicant for Service-connected Disability Retirement:  
Deny the application of Vickie L. Ponce for service-connected disability retirement, subject to timely requested hearing by an interested party.
3. Beatrice La Cerda, Applicant for Service-connected Disability Retirement:  
Adopt the proposed Findings of Fact, Conclusions of Law and Decision denying Beatrice de La Cerda a service-connected disability retirement.
4. Receive and file Disability Status Report.

## BOARD

5. **Appeal of CEO Determination of Amount Due From Member Laurie Holbrook** – Staff  
Board of Retirement consideration of a member appeal to review a staff determination that an amount is due to the System from the member prior to the System initiating collection action with respect to such amount.

## DISCUSSION AND ACTION

**RECOMMENDATION:** That the Board of Retirement authorize Staff to initiate litigation with the member to collect amounts due if a repayment plan cannot be agreed upon before the statute of limitations again begins to run on SBCERS' claim for payment

## INVESTMENTS

6. **Monthly Performance and World Market Update**—RVK, Inc.

Presentation by Principal Marcia Beard of RVK, Inc. on World Market Activities and September 2016 performance.

### DISCUSSION

**RECOMMENDATION:** That the Board of Retirement receive and accept the September 2016 Market Update and Preliminary Performance report presented by report presented by Marcia Beard, Spencer Hunter and Matthias Bauer of RVK, Inc.

## BOARD (Cont'd.)

7. **Preliminary Results of Actuarial Valuation and Triennial Actuarial Experience Study**—Cheiron

Presentation by Graham Schmidt and Anne Harper of Cheiron, Inc. on the preliminary results of the SBCERS June 30, 2016 Actuarial Valuation and the Triennial Actuarial Experience Study for the period of June 30, 2013 through June 30, 2016 and recommended changes in demographic and economic assumptions..

### DISCUSSION AND ACTION

**RECOMMENDATION:** That the Board of Retirement accept the report and take action to adopt demographic and economic assumptions to be used in preparation of the June 30, 2016 Actuarial Valuation.

## INVESTMENTS (Cont'd.)

### 8. **ORG Oversight Review**—Staff

Presentation by Ellen Hung and Lauren Thompson of the ORG Investment Consultant Oversight Final Review report.

#### DISCUSSION

**RECOMMENDATION:** That the Board of Retirement receive and accept the ORG Investment Consultant Oversight Final Review report and either direct staff to negotiate a new written contract with ORG or provide staff with alternative direction pursuant to the Consultant Oversight Policy. .

### 9. **Investment Staff Report**—Staff

Presentation by SBCERS Investment Staff on the investment activities of the System.

#### DISCUSSION

**RECOMMENDATION:** That the Board of Retirement receive and accept the Investment Staff report presentation.

## BOARD (Cont'd.)

### 10. **Pension Gold Contract**—Staff

Presentation by ACEO Brian Richard on the proposed contract for the Pension Gold Version 3 Pension Administration System, PageCenterX document management system, membership web portal, and hosting service and the results of a survey conducted of peer systems on Pension Administration System implementation projects.

#### DISCUSSION AND ACTION

**RECOMMENDATION:** Authorize the CEO to enter into a written contract for services with Levi, Ray and Shoup for the implementation of Pension Gold Version 3, PageCenterX document management system, membership web portal, and hosting service in the amount of \$4,218,501

11. **Quarterly Cash Flow**—Staff

Presentation by SBCERS Finance Staff on the Cash Flow Report for the quarter ending September 30, 2016

**DISCUSSION**

**RECOMMENDATION:** That the Board of Retirement receive and accept the quarter ending September 30, 2016 Cash Flow Report.

12. **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. Approve a position on the two legislative proposals placed on the SACRS business meeting agenda and provide appropriate direction to voting delegate and,
- d. Approve the 2017 Board of Retirement Calendar and,
- e. Receive and file the 3-Month Look Ahead Calendar.

Next regular meeting date is December 14, 2016
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