

**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
Al Rotella
Janet Wolf
Jonathan Ziegler
Steven Johnson
John McMillin

MINUTES OF THE BOARD OF RETIREMENT

February 24, 2016

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

ROLL CALL 9:10 a.m.

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

Trustee Rafferty arrived at 10:43 a.m. Trustee McMillin voted in Trustee Cholmondeley's absence. Trustee Tan left the meeting at 1:35 p.m.

Pledge of Allegiance led by Chair

PUBLIC COMMENT

There was no general public comment.

MINUTES

A. Approve Minutes of January 27, 2016 regular Board meeting.

MOTION: Approve January 27, 2016 regular Board meeting minutes.

Paul/McMillin Approved by voice vote.

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

CONSENT

- C-1. Russell Sechler, 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>
	Merrie Blackmar	Fire	24.34723	0.83084
	Virginia Brush	Parks	13.71131	0.27381
	Mary Rose Bryson	Clerk-Recorder-Assessor	40.97088	0.90283
D R	Thomas Cooper	Planning & Development	9.17417	0.00181
	Paul Erickson	Sheriff	21.99912	0.30966
D	Leonard Fleckenstein	Public Works	9.39840	0.14489
D R	Steven Foley	Planning & Development	15.68842	0.46269
D R	Donetta Glover	Sheriff	10.04164	0.06461
R	Cynthia Kilbane	Social Services	8.14951	0.00171
	Juliana Koenig	ADMHS	8.27832	0.07513
D	Raimundo Montes de Oca	Public Defender	37.21289	1.00000
	Mario Romero	Public Works	35.53639	0.02008
	Evelyn Sankey	Social Services	10.67424	0.05609
D	Mary Ann Skinner	Planning & Development	11.63197	0.08794
D R	Ann Sly	Public Health	7.56386	0.16571
Dis	David Tonello	District Attorney	23.75375	0.69282

D=Deferred
R=Reciprocal
Dis=Disability

MOTION: Adopt Consent Agenda.

Paul/Rotella Approved by unanimous voice vote of all present.

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

DISABILITY RETIREMENT
(Closed Hearing)

2. Jenny Stetson, Applicant for Service-connected Disability Retirement:

Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Jenny Stetson a service-connected disability retirement.

Applicant's Counsel Thomas Wicke of Lewis, Marenstein, Wicke, Sherwin & Lee was present.

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 Jenny Stetson a service-connected disability retirement.

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

1. Christopher Pappas, Applicant for Service-connected Disability Retirement:
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Christopher Pappas a service-connected disability retirement.

Applicant's Counsel Mark Singer was present and addressed the Board.

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 Christopher Pappas a service-connected disability retirement.

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

3. Ruby Wolff, Applicant for Service-connected Disability Retirement:
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Ruby Wolff a 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 Ruby Wolff a service-connected disability retirement.

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

4. Daniel D. McSkimming, Applicant for Service-connected Disability Retirement:
Grant the application of Daniel D. McSkimming for service-connected disability retirement, subject to timely requested hearing by an interested party.

Applicant and Applicant's husband were present and addressed the Board.

DISCUSSION: Disability Program Manager Cristal Rodriguez presented the report and along with Counsel Blakeboro responded to questions from the Board.

MOTION: Grant the application of Daniel D. McSkimming for service-connected disability retirement, subject to timely requested hearing by an interested party, with instructions to staff to investigate potential claims for subrogation against third parties

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

5. May Alice Baez, Applicant for Service-connected Disability Retirement:
Deny the application of Mary Alice Baez for disability retirement, subject to timely requested hearing by an interested party.

DISCUSSION: Disability Program Manager Cristal Rodriguez presented the report and along with Counsel Blakeboro responded to questions from the Board.

MOTION: Deny the application of Mary Alice Baez for disability retirement, subject to timely requested hearing by an interested party.

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

6. Receive and file Disability Status Report.

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

MOTION: Receive and file the Disability Status Report.

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

OPEN MEETING

Counsel Blakeboro summarized the Closed Hearing action taken on Disability Items 1, 2, 3, 4, 5 and 6 as listed above.

INVESTMENTS

7. **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 third quarter 2015.

DISCUSSION: Principal Ed Schwartz made the presentation on behalf of ORG Portfolio Management and responded to questions from the Board.

MOTION: Receive and accept the Third Quarter 2015 Real Estate Portfolio Summary presented by Ed Schwartz of ORG Portfolio Management.

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

8. **Annual Private Real Estate Strategic Plan**—ORG Portfolio Management

Presentation by Principal Ed Schwartz of ORG Portfolio Management on the Annual Strategic Plan for the SBCERS Real Estate portfolio.

DISCUSSION: Principal Ed Schwartz presented the report for ORG Portfolio Management and responded to questions from the Board.

MOTION: Receive and accept ORG's Annual Strategic Plan and adopt the recommendations contained therein.

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

9. **Quarterly Private Equity, Natural Resources and Infrastructure Review**

—Hamilton Lane

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

Trustee Tan left the meeting 1:35pm.

14. **Staff Investment Report**—Staff

Presentation by ACEO Ellen Hung on the activities of the System’s investment team and follow up on prior Board of Retirement inquiries.

DISCUSSION: ACEO Ellen Hung presented the report and responded to questions from the Board.

MOTION: Receive and accept the Staff Investment Report and adopt a resolution authorizing investment of monies in the California Local Agency Investment Fund.

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

15. **RFP Update and Due Diligence Review Selection**—Staff

Presentation by ACEO Ellen Hung and Investment Analyst Lauren Thompson on the proposals received, the firms recommended for site visits by the Ad Hoc committee and site visit plans.

DISCUSSION: ACEO Ellen Hung and Investment Analyst Lauren Thompson presented the item and Along with CEO Gregory E. Levin responded to questions from the Board.

MOTION: Select firms Meketa, NEPC, RVK and Verus for due diligence visits and authorize travel by up to four trustees, with first preference given to members of the ad hoc committee, provided however, that all trustees who travel visit all four firms.

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

BOARD

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

Presentation by Gregory Levin on significant operational activities of SBCERS.

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

MOTION: 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.

Paul/McMillin Approved by unanimous voice vote of all present.

Yes: Christensen, Hagen, McMillin,
 Paul, Rotella, Wolf, Ziegler,
 Rafferty

Absent: Cholmondeley, Tan

CLOSED SESSION
(3:32 p.m. to 4:35 p.m.)

Annual evaluation of performance -- CEO
Pursuant to Government Code Section 54957(b).

OPEN SESSION

Gregory Levin, CEO reported that no reportable action had been taken in closed session.

The meeting adjourned at 4:35 pm.

ATTEST:

Clerk

Chair

Secretary