

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

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



BOARD OF RETIREMENT

Chair - Frederick Tan
Vice Chair- Harry E. Hagen
Trent Benedetti
Zandra Cholmondeley
Steve Lavagnino
Ted Sten
Michael Vidal

Alternates
Gary Blair
Ryan Sullivan

**AGENDA OF THE BOARD OF RETIREMENT
December 11, 2019
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 805-568-2940.

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 October 23, 2019 Regular Board meeting.

CONSENT

C-1. Adopt Retirement Report

October onboarded for November 1, 2019 Benefit Payment:

	<u>Name</u>	<u>Department</u>	<u>Total Service Credit</u>	<u>Sick Leave Credit (incl. in Total)</u>	<u>ARC</u>
R	Suzanne Allen De Sanchez	Social Services	8.45172	0.08613	
	David Carter	Probation	14.04665	0.00537	
	Roberto Derobles	Probation	29.70470	0.33236	
	Brian Dickey	Sheriff	33.86674	1.00000	
	John Fajardo	Public Defender	23.29728	0.14437	
	Deborah Fox	District Attorney	15.43583	0.27274	
D R	Arlene Grant-Holcomb	Public Health	3.46530	0.07412	
D Dis.	Ronald Husted	CSFPD	24.16770	0.00000	
	Roxanne Husted	DRO-A	4.72734	0.01001	
Dis.	Karen Jones	Behavioral Wellness	8.19135	0.00011	
D R	Nancy Lapolla	Public Health	23.05956	0.47573	2.66666
	Elena Mendoza	Public Works	37.73726	0.05754	
	Charles Rocha	Sheriff	5.37899	0.00908	
	Linda Rodriguez	Social Services	39.26168	0.62318	
	Lesly Shuffield	Probation	10.99113	0.00057	
D R	Sharon Westcott	Behavioral Wellness	2.05513	0.08100	
R	Tina Wooton	Behavioral Wellness	9.47274	0.00011	
D	Connie Yanez	Public Health	9.13017	0.00566	

D=Deferred R=Reciprocal Dis. = Disability Dis. Pend = Disability Pending

<u>Beneficiary on Payroll</u>	<u>Decedent Retiree</u>	<u>Department</u>	<u>Retirement Date</u>	<u>Date of Death</u>
Thomas Doolittle	Loretta Lesage	District Attorney	01/31/2013	08/26/2019
Merrill Oaks	Don Oaks	Fire	01/08/2001	08/12/2019
Christine Simms	William Simms	Social Services	03/20/2000	09/16/2019
Mary Wilder	Burton Wilder	Public Works	03/24/1985	08/28/2019

November onboarded for December 1, 2019 Benefit Payment:

<u>Name</u>	<u>Department</u>	<u>Total Service Credit</u>	<u>Sick Leave Credit (incl. in Total)</u>	<u>ARC</u>
Mario Almada Sr.	Public Works	15.77204	0.00042	
Lee Carter	District Attorney	33.23751	1.00000	
Randall Jr. Deasee	Public Works	20.74026	0.00232	
D James Dollar	Sheriff	13.65388	0.58251	
D Heyl Harrison	General Services	9.42767	0.07751	
Christine Horn	Public Health	16.30009	0.03533	
D Brian Larson	Clerk-Recorder-Assessor	11.19932	0.06348	
Mark Matson	Planning & Development	16.87608	0.66138	5.00000
Philip Sheehan	APCD	30.56082	0.04811	
Wendy Stanley	Probation	30.64060	0.10891	
D R Paul Wendt	Public Works	1.51179	0.05515	

D=Deferred R=Reciprocal Dis. = Disability Dis. Pend = Disability Pending

<u>Beneficiary on Payroll</u>	<u>Decedent Retiree</u>	<u>Department</u>	<u>Retirement Date</u>	<u>Date of Death</u>
Raul Fierro	Carmen Fierro	Public Health	01/03/1996	11/09/2019
Alfred Garcia	Rachel Garcia	Superior Court	01/17/2005	07/28/2019
Jennie Garnica	Robert Garnica	Probation	04/30/2009	10/18/2019
Edward Gonzalez	Dolores Gonzalez	Public Health	10/23/1995	10/29/2019
Phyllis Rodenberger	Ronald Rodenberger	Fire	01/22/1989	10/18/2019

- C-2. **Trustee Training Opportunities**—Authorize the attendance of interested trustees at upcoming training events requiring Board pre-approval, as requested.
- C-3. **Quarterly OPEB Report**—Report for the quarter ending September 30, 2019 on the investment results, contributions and expenditures of the County of Santa Barbara 401(h) Retiree Healthcare Subsidy fund.
- C-4. **Market Update and October 31, 2019 Performance Review**—Report by RVK, Inc. on World Market Activities and October 31, 2019 performance.

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.

- D-1. Genaro Gomez, Applicant for Service-Connected Disability Retirement:
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Genaro Gomez a service-connected disability retirement.
- D-2. Juan Hernandez, Applicant for Service-Connected Disability Retirement:
Adopt the proposed Findings of Fact, Conclusions of Law and Decision granting Juan Hernandez a service-connected disability retirement.
- D-3. Laurence Zepeda, Applicant for Service-Connected Disability Retirement:
Grant the application of Laurence Zepeda for service-connected disability, subject to timely requested hearing by an interested party.
- D-4. Fred Espinosa, Applicant for Service-Connected Disability Retirement:
Grant the application of Fred Espinosa for service-connected disability, subject to timely requested hearing by an interested party.
- D-5. Maria Villalpando, Applicant for Service-Connected Disability Retirement:
Consider the Findings of Fact and Recommendation of Referee Deborah Wissley, along with any timely filed objections, and approve and adopt the recommendation to deny the application for service-connected disability retirement of Maria Villalpando.
- D-6. Michael Schlags, Applicant for Service-Connected Disability Retirement:
Grant the application of Michael Schlags for service-connected disability, subject to timely requested hearing by an interested party.
- D-7. Receive and file Disability Retirement Monthly Status Report

CLOSED SESSION

BOARD

1. **CONFERENCE WITH LEGAL COUNSEL**

ANTICIPATED LITIGATION – Gov. Code Section 54956.9(d)(2)
Significant exposure to litigation (one matter)

and

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to Government Code Sections 54956.8, 54956.81

Property: Assessor’s Parcel Number: 073-050-015
130 – 132 Robin Hill Road. Goleta, CA

Agency Negotiators: Gregory Levin, SBCERS CEO
Steve Brown, Radius Group
Jim Turner, Radius Group

Under Negotiation: Price and Terms of Lease Agreement

OPEN SESSION

BOARD

2. **June 30, 2019 Actuarial Valuation and Triennial Actuarial Experience Study—**
Cheiron

Presentation by Anne Harper and Heather Fantz of Cheiron, Inc. on the SBCERS June 30, 2019 Actuarial Valuation and SBCERS Triennial Actuarial Experience Study for the period of July 1, 2016 – June 30, 2019.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement:

- A) Adopt the June 30, 2019 Actuarial Valuation and recommend rates of contribution contained therein for approval by the Santa Barbara County Board of Supervisors in accordance with California Government Code section 31453; and
- B) Receive and adopt the triennial experience study for the period of July 1, 2016 – June 30, 2019 in accordance with Government Code section 31453.
- C) Direct staff to continue to work with the consulting actuary to study the issue of Partial Hours Members Load and make recommendations regarding the most

appropriate way to transmit information and values for members who are working less than full time.

INVESTMENTS

3. **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 for the quarter ended June 30, 2019.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the quarter ended June 30, 2019 Real Estate Portfolio Summary presented by Ed Schwartz of ORG Portfolio Management.

4. **Quarterly Private Equity and Private Real Return Review**—Hamilton Lane

Presentation by Managing Director Paul Yett and Natalie Fitch of Hamilton Lane on the status and activity of the Fund's Private Equity and Private Real Return portfolios for the quarter ended June 30, 2019.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the quarter ended June 30, 2019 Private Equity and Private Real Return performance updates presented by Paul Yett and Natalie Fitch of Hamilton Lane.

5. **Quarterly Public Markets Portfolio Review**—RVK, Inc.

Presentation by Principals Marcia Beard and Matthias Bauer of RVK, Inc. on the quarter ending September 30, 2019.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the quarter ended September 30, 2019 Quarterly Review report presented by Marcia Beard and Matthias Bauer of RVK, Inc.

6. **Emerging Market Debt Manager Selection**

Presentation by Amy Hsiang of RVK, Inc. on the Emerging Market Debt Manager selection process, followed by a presentation from Jim Valone, Portfolio Manager, Darren Capeloto Investment Director, and Akin Greville, Business Development from Wellington Management on Wellington Management’s emerging market debt strategy.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and accept the presentation from RVK regarding Wellington Management Emerging Market Debt Funds and take one of the following actions:

(A) Authorize the CEO to negotiate and execute an agreement in writing with Wellington Management to manage the Emerging Market Debt allocation,

(B) Take other action as appropriate.

BOARD

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

Presentation by Gregory Levin, SBCERS CEO, on significant operational activities of SBCERS.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and file the Operations Report.

Next regular meeting date is January 22, 2020.
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