

# SBCERS

Santa Barbara County Employees' Retirement System

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**DATE:** September 25, 2024  
**TO:** SBCERS Board of Retirement  
**FROM:** Greg Levin, CEO  
**RE: Operations Report**

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## **Recommended Action:**

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

## **Informational Items**

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- 14 new retirees and 3 continuances were placed on payroll in August 2024 for the September 1, 2024 payroll.

## **Staffing:**

- Cindy Menegon, Member Services Department Business Specialist II, has announced her retirement on October 11, 2024 after nearly 19 years of employment at SBCERS. A recruitment for this opening is in progress and an Extra Help Service Retiree Waiver is before the Board at today's meeting in a subsequent item.

## **Administration:**

The SBCERS leadership team hosted leaders of SBCERS participating employers for the 2024 Participating Employer Summit on September 11, 2024. The team also assisted with the Department Payroll Administrator (DPA) & HR Manager Ambassador Series training that took place on September 12, 2024.

Lastly, the Annual SBCERS Member Photo Competition concluded with 117 submissions and 16 selected winners. Winning pictures will be used in SBCERS' publications and printed for decoration around the office.

## **Robin Hill Road:**

Construction has begun on the vacant interior portions of the building and is expected to continue through February 2025.

**Investments:**

The Investment Team began coordinating the transition of Public Real Assets from Cohen & Steers, Nuveen and Mellon TIPS into State Street Global Asset (SSgA) Real Asset Strategy and investment counsel has begun contract negotiations with SSgA. The Investment Team will facilitate this multi-step transition that is expected begin in late September and conclude in mid-October.

The Investment Team also began negotiations with Artisan Partners LLC for the transition of separate account assets to a commingled fund and supported RVK in preparing their recommendation for Victory Park Capital fund being presented at today's meeting. Finally, the team reviewed consultant submissions for the annual oversight report that is presented to the Board at today's meeting.

**Member Services:**

Member Services processed 14 new retirees and 3 continuances for the September 1, 2024 payroll.

The team conducted an in-service to Santa Barbara County Association of Governments, educating active members on best practices for retirement preparedness. The team also conducted the 2nd edition of the Departmental Payroll Administrators Ambassador training, hosting 35+ payroll and human resources specialists from many plan sponsors for a 3-hour interactive training focused on a simulated retirement counseling, and the best practices of retirement planning.

Current Member Services projects include:

- Preparing for the upcoming Open Enrollment season for 2025 Health Insurance, including virtual and in person events for County Active Employees, Firefighters Local 2046, and the Superior Court. SBCERS will host in person health fairs in Santa Maria and Santa Barbara, a Zoom webinar, virtual appointment drives, and a virtual health fair, the contents of which will remain available online for the entirety of 2025. The Member Services Director will also address the Retired Employees of Santa Barbara County regarding retiree health insurance and open enrollment at their South County September luncheon.
- Service Purchase calculations: the team, especially Sandra Casillas-Campos, has continued making excellent progress processing a high number of outstanding service purchase calculation requests.
- Brown Armstrong and Cheiron audit work: the team has begun compiling data to fulfill audit data requests.

**Accounting:**

Accounting is finalizing reconciliation of the System's financial statements and Annual Comprehensive Financial Report in preparation of final audit field work performed by Brown Armstrong during the first week of October. When the auditors return for final fieldwork, they focus on financial statement analytics, year-end postings, and investments. Accounting will provide these financial statements and related accounting detail to Cheiron

for the preparation of the Actuarial Valuation as well as to the County Auditor-Controller's Office as part of their external audit. The auditors also request additional information from SBCERS that is currently being compiled by Accounting and Member Services. This request includes schedules and reconciliations that will provide support to the notes to the financial statements.

**Information Technology:**

IT has initiated an annual external security assessment with Miller Kaplan, an independent cybersecurity consulting firm. In addition, IT is performing third-party vendor assessments of vendor security policies, controls, and environments. The most recent review was conducted for LRS, SBCERS’ pension account management software.

The beta testing for data classification is progressing as planned, with an additional division scheduled to be deployed later this month.

The design and selection of an SBCERS data portal for plan sponsors and participating employers to share confidential files is in progress, with completion expected by December.

IT continues to monitor security and address vulnerabilities by applying patches and updates for any issues identified over the past 60 days (approximately 385).

**Trustee Education Hours as of September 2024:**

Trustee	2023		2024		Total Cost	Total Hours
	Cost	Hours	Cost	Hours		
Frederick Tan	\$0.00	3.5	\$1,196.86	20.0	\$1,196.86	23.5
Harry E. Hagen	\$687.12	19.8	\$370.00	35.0	\$1,057.12	54.8
Zandra Cholmondeley	\$5,379.20	86.3	\$2,928.52	55.0	\$8,307.72	141.3
Michael Vidal	\$4,954.32	69.5	\$2,021.03	40.5	\$6,975.35	110.0
Gary Blair	\$2,266.09	42.1	\$162.81	22.0	\$2,428.90	64.1
Steve Lavagnino	\$1,997.54	41.8	\$120.00	21.0	\$2,117.54	62.8
Michael Daly	\$5,097.44	39.1	\$5,763.11	45.0	\$10,860.55	84.1
Paul Uhl	\$6,519.00	93.1	\$1,196.86	19.8	\$7,715.86	112.8
Laurie Lee	\$7,297.37	94.3	\$1,309.79	21.0	\$8,607.16	115.3
Robert Bianchi			\$120.00	29.5	\$120.00	29.5
Dustin Dodgin			\$120.00	27.8	\$120.00	27.8
<b>Grand Total</b>	<b>\$34,198.08</b>	<b>489.48</b>	<b>\$15,308.98</b>	<b>336.5</b>	<b>\$49,507.06</b>	<b>825.98</b>

**Looking forward to the October 23, 2024 Regular Meeting:**

At the October 23, 2024 Board of Retirement meeting, the Board will review the draft results of the June 30, 2024 Actuarial Valuation, consider an Invitation-to-Bid (“ITB”) for futures providers for transition management and rebalancing services, and consider the approval of a Request for Proposal (“RFP”) for private real asset management.

**Quiet Period Notice:**

<b>Quiet Period Type</b>	<b>Affected Parties</b>
<b>Watch List</b>	Artisan

**Action Items**

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No action.

**Attachments:**

- Member Services Statistics for August 2024
- Trustee Education Report as of September 2024
- Robin Hill Road Financials