

**SANTA BARBARA COUNTY
EMPLOYEES' RETIREMENT SYSTEM**

130 Robin Hill Road, Suite 100
Goleta, CA 93117

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Gregory E. Levin, CPA
Chief Executive Officer



BOARD OF RETIREMENT

Chair- Michael Vidal
Vice Chair- Steve Lavagnino
Secretary- Michael Daly
Trent Benedetti
Zandra Cholmondeley
Harry E. Hagen
Laurie Lee
Ted Sten
Paul Uhl

Alternates

Gary Blair
Frederick Tan

MINUTES OF THE BOARD OF RETIREMENT

February 22, 2023

SBCERS Board Room

130 Robin Hill Road

Goleta, CA 93117

Roll Call at 9:07 a.m.

Members Present: Benedetti, Cholmondeley, Daly, Hagen, Lavagnino, Lee, Sten, Vidal

Members Absent: Uhl

Alternates Present: Blair, Tan

Counsel Present: Blakeboro, Rodriguez, Chin

Clerk Present: Couture

Alternate Trustee Tan voted in place of Trustee Uhl. Trustee Hagen departed at 12:30 p.m.

Pledge of Allegiance led by Chair.

PUBLIC COMMENT

No public comment.

BOARD

A-1. Oath of Office for Alternate Safety 7th Member Frederick Tan.

Trustee Hagen swore in 7th Safety Alternate Member Trustee Tan.

A-2. Appointment of Operations Committee

Chair Vidal appointed Trustee Lavagnino as Chair to the Operations Committee, Trustees Tan and Vidal as voting members of the Operations Committee, and Trustee Daly as the Alternate voting member of the Operations Committee.

MINUTES

A-3. Approve Minutes of January 25, 2023 Regular Board meeting.

MOTION: Approve Minutes of January 25, 2023 Regular Board meeting.

Motion: Lavagnino

Second: Sten

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Lavagnino, Lee, Sten, Tan, Vidal

Absent: Uhl

Abstain: Hagen

CONSENT

C-1. Adopt Retirement Report

	<u>Name</u>	<u>Department</u>	<u>Total Service Credit</u>	<u>Sick Leave Credit (incl. in Total)</u>	<u>ARC</u>
	Jose Alvarez	Sheriff	20.45295	0.45029	
	William Benton	District Attorney	18.05899	0.42621	
	Lina Bickel	Social Services	35.43823	0.55113	
	Susan Bond	Superior Court	11.40565	0.17607	
	Rachel Chavez	Public Health	23.86144	0.03920	
	Barton Clark	Probation	23.24831	0.67518	
R	Mirna Del Rio	Probation	15.77214	0.07667	
	Joyce Dudley	District Attorney	33.22761	0.68079	
	Charles Elbert	Public Works	34.53830	0.84418	
R	Cathleen Fisher	Agricultural Commissioner	12.60367	0.37580	
	Sharon Foster	Planning & Development	19.39463	0.44655	
	Martha Franco	Probation	29.37003	0.26622	
DR	Rochelle Hanson-Torres	Sheriff	2.65202	0.01282	
	Joseph Holland	Clerk-Recorder-Assessor	18.59205	0.26047	
	Deborah Johnson	DRO-A	7.80838	0.00000	
	James Lockhart	Probation	24.12740	0.14000	
	Molly Marino	Social Services	32.75593	0.14997	
	George McKenzie	General Services	38.27532	0.35695	
	Marilyn Metzner	Superior Court	24.29034	0.03525	
DR	Liann Noble	Social Services	12.58869	0.01871	
	Maria Novatt	County Counsel	23.54312	0.57749	4.00000
	Daniel Reynolds	Behavioral Wellness	6.03832	0.09773	
	Eusevio Rodriguez	Probation	17.47325	0.22966	
R	Kimberly Shean	Probation	10.59321	0.31647	
	Lupe Soto	Public Health	30.83345	0.01445	

R	Brian Swanson	Probation	14.53482	0.40278
	Bobette Tryon	Public Defender	16.56220	0.00050

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>
Sharon Salas	Joseph Salas	Probation	02/02/1988	12/07/2022
Lynn Sturtevant	Richard Sturtevant	Fire	10/24/2005	12/02/2022

- 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 December 31, 2022 on the investment results, contributions and expenditures of the County of Santa Barbara 401(h) Retiree Healthcare Subsidy fund.
- C-4. **Market Update and January 31, 2023 Performance Review**—Report by RVK, Inc. on World Market Activities and January 31, 2023 performance.

Motion: Benedetti
Second: Lee

Approved by voice vote.
Yes: Benedetti, Cholmondeley, Daly, Hagen, Lavagnino, Lee, Sten, Tan, Vidal
Absent: Uhl

DISABILITY RETIREMENT

- D-1. Alma Herrera, Applicant for Service-connected Disability Retirement:
Deny the application of Alma Herrera for service-connected disability retirement, subject to timely requested hearing by an interested party.

DISCUSSION: Disability Retirement Analyst Katrina Gutierrez presented the item.

MOTION: Deny the application of Alma Herrera for service-connected disability retirement, subject to timely requested hearing by an interested party.

Motion: Cholmondeley
Second: Tan

Approved by voice vote.
Yes: Benedetti, Cholmondeley, Hagen, Lavagnino, Lee, Sten, Tan, Vidal
Absent: Uhl
Abstain: Daly

D-2. Receive and file Disability Retirement Monthly Status Report.

DISCUSSION: Disability Retirement Analyst Katrina Gutierrez presented the item.

The Board took no action.

CLOSED SESSION

1. **Conference with Legal Counsel** – Existing Litigation, *Weirum et al v. SBCERS Board of Retirement*. Pursuant to Government Code Section 54956.9(a).

2. **STAFF SUCCESSION PLANNING, WORKLOADS AND RESPONSIBILITIES**

<u>Position</u>	<u>Job Class</u>
Chief Executive Officer	008011
Assistant Chief Executive Officer	008004
General Counsel – Contract	N/A
Program Business Leader – Attorney	008007
Enterprise Leader	008014
Team Project Leader	008022
Program Business Leader - General	008027
Retirement Financial and Systems Analyst I/II	006653/54
Legal Office Professional	007035
Retirement Financial Accounting Analyst	006658
Administrative Professional	007024
Accountant I/II	000014
Administrative Office Professional Expert	007003
Administrative Office Professional I/II	007001/00
Financial Office Professional Senior	007032
Financial Office Professional I/II	007008/09

Pursuant to Government Code Section 54957(b)(1)

OPEN SESSION

SBCERS CEO Greg Levin announced the Board met in Closed Session to discuss items D-1, D-2, 1, and 2. With regard to item D-1, the Board took action consistent with staff recommendation. The Board took no action on items D-2, 1, and 2.

INVESTMENTS

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

Presentation by Principal Ed Schwartz and Senior Consultant Thorsen Eriksen of ORG Portfolio Management on the status and activity of the Fund's Private Real Estate portfolio for the quarter ended September 30, 2022.

DISCUSSION: Ed Schwartz and Thor Eriksen presented the item and responded to questions from the Board.

The Board took no action.

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

Presentation by Principals Marcia Beard and Matthias Bauer of RVK, Inc. on the quarter ending December 31, 2022.

DISCUSSION: Marcia Beard and Matthias Bauer presented the item and responded to questions from the Board. SBCERS CEO Gregory Levin and SBCERS Investments Officer Rebecca Valdez also responded to questions from the Board.

The Board took no action.

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

Presentation by Managing Director Paul Yett and Principal 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 September 30, 2022.

DISCUSSION: Paul Yett and Natalie Fitch presented the item and responded to questions from the Board.

The Board took no action.

6. **2023 Private Equity and Private Real Return Annual Strategic Plan** – Hamilton Lane

Presentation by Managing Director Paul Yett and Principal Natalie Fitch of Hamilton Lane on the 2023 Private Equity and Private Real Return Annual Strategic Plans.

DISCUSSION: Paul Yett and Natalie Fitch presented the item and responded to questions from the Board.

MOTION: Receive and approve the 2023 Private Equity and Private Real Return Annual Strategic Plans presented by Managing Director Paul Yett and Principal Natalie Fitch.

Motion: Cholmondeley
Second: Daly

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Hagen, Lavagnino, Lee, Sten, Tan, Vidal
Absent: Uhl

7. **Consultant Oversight Report** – Staff

Presentation by Rebecca Valdez, Investment Officer regarding the Investment Consultant Oversight Review process for year ending June 30, 2022.

DISCUSSION: Rebecca Valdez presented the item and responded to questions from the Board.

MOTION: Approve and accept the Consultant Oversight Report and create an Ad Hoc Committee to be appointed by the Chair of the Board of Retirement.

Motion: Daly
Second: Lavagnino

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Lavagnino, Lee, Sten, Tan, Vidal
Absent: Hagen, Uhl

BOARD

8. **Cost of Living Adjustment Rate Approval**—Staff

Presentation by Rico Pardo, SBCERS Controller, of Cheiron’s calculation of the Cost-of-Living Adjustment (“COLA”) to take effect April 1, 2023 (May 1, 2023 Benefit Payment), for existing retirees and beneficiaries.

DISCUSSION: Rico Pardo presented the item and responded to questions from the Board.

MOTION: Receive and accept Cheiron’s report presented by Staff and adopt the rate (3%) and COLA bank increases (4.5% and 5.5%, depending on plan) set forth in Cheiron’s Cost of Living Adjustment (COLA) report as of April 1, 2023.

Motion: Benedetti
Second: Sten

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Lavagnino, Lee, Sten, Tan, Vidal
Absent: Hagen, Uhl

9. **Independent Auditor RFP Results** – Staff

Presentation by Brian Richard, SBCERS Assistant CEO, and Rico Pardo, SBCERS Controller, of the results of the responses to the Request for Proposal (RFP) for independent auditing services for the fiscal years ending June 30, 2023 through June 30, 2025.

DISCUSSION: Brian Richard presented the item and responded to questions from the Board.

MOTION: Receive and accept the report to authorize the CEO to enter into a written contract with Brown Armstrong Accountancy Corporation to perform the independent auditing services for the fiscal years ending June 30, 2023 through June 30, 2025.

Motion: Lavagnino

Second: Lee

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Lavagnino, Lee, Sten, Tan, Vidal

Absent: Hagen, Uhl

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

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

DISCUSSION: Gregory Levin, SBCERS Controller Rico Pardo, and SBCERS Assistant CEO Brian Richard presented the item and responded to questions from the Board.

MOTION: Receive and file the Operations Report and approve Resolution 2023-01 authorizing signatures pertaining to investments.

Motion: Lavagnino

Second: Cholmondeley

Approved by voice vote.

Yes: Benedetti, Cholmondeley, Daly, Lavagnino, Lee, Sten, Tan, Vidal

Absent: Hagen, Uhl

The meeting adjourned at 1:06 p.m.

ATTEST:

Clerk

Chair

Secretary