

130 Robin Hill Road, Suite 100
Goleta, CA 93117

Phone: (877) 568-2940
Fax: (805) 695-2755
Website: www.sbcers.org

Gregory E. Levin, CPA
Chief Executive Officer

BOARD OF RETIREMENT

Chair-Steve Lavagnino
Vice Chair-Michael Daly
Secretary-Harry E. Hagen
Robert Bianchi
Zandra Cholmondeley
Dustin Dodgin
Laurie Lee
Paul Uhl
Michael Vidal

Alternates

Gary Blair
Frederick Tan

**August 28, 2024 Board of Retirement
Regular Meeting**

Santa Barbara County Employees' Retirement System
SBCERS Board Room, 130 Robin Hill Road, Goleta, CA 93117

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.*

If you wish to make a general public comment or to comment on a specific agenda item, the following methods are available:

- a) **Attend the physical meeting site:** Those desiring to speak on any matter must complete and deliver a completed public comment form to the Clerk of the Board. The form is available at the conference room entrance prior to the meeting.
- b) **Read comment into the record at the meeting:** Submit your comment to the Clerk of the Board via email prior to the close of an agenda item at clerkoftheboard@sbcers.org. Please state in your email that you would like your statement "read into the record." Every effort will be made to read your comment. Comments received after an agenda item will be placed into record and distributed appropriately.
- c) **By Zoom or Phone:** If you would like to make a comment via Zoom or phone, please email clerkoftheboard@sbcers.org with your name and which item you would like to speak on. Matters not listed on the agenda may be addressed at the public comment period.

Disability Access

The SBCERS Board Room is located on the ground floor of 130 Robin Hill Road, Goleta, CA 93117. The Board Room is wheelchair accessible. Accessible public parking is available at the building.

American Sign Language interpreters, Spanish language interpretation and sound enhancement equipment may be arranged by contacting the Clerk of the Board of Retirement by 4:00 p.m. on Friday before the Board meeting. For information about these services please contact the Clerk of the Board of Retirement by emailing clerkoftheboard@sbcers.org or calling 1-877-568-2940.

Agenda

Times shown are for informational purposes only and are subject to change. Additionally, items are sometimes taken out of order as the meeting progresses in order to avoid downtime and manage around time-certain items.

Roll Call

9:00 AM

Pledge of Allegiance

Public Comment

Receive public comment.

Approval of the Minutes

Approve Minutes of the June 26, 2024 Board of Retirement meeting.

1. Consent

1.1. Retirement Reports for June and July 2024

Adopt retirement reports for June and July 2024.

1.2. Trustee Training Opportunities

Authorize the attendance of interested trustees at upcoming training events requiring Board pre-approval, as requested.

1.3. Quarterly OPEB Report

Report for the quarter ending June 30, 2024 on the investment results, contributions and expenditures of the County of Santa Barbara 401(h) Retiree Healthcare Subsidy fund.

1.4. AB 2833 Fee Disclosures

Reports from Hamilton Lane as required by Government Code Section 7514.7 which requires disclosure of fees paid in connection with private market investments entered into after January 1, 2017 and earlier funds on a voluntary basis.

1.5. Market Update and June 30, 2024 Performance Review

Report on World Market Activities and June 30, 2024 performance.

1.6. Market Update and July 31, 2024 Performance Review

Report on World Market Activities and July 31, 2024 performance.

2. Disability Retirement – Closed Session

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.

2.1. Edward Alvarado, Applicant for Disability Retirement

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement adopt the proposed Findings of Fact, Conclusions of Law, and Decision granting Edward Alvarado a service-connected disability retirement.

2.2. Gena Valentine, Applicant for Disability Retirement

Presenter: Danielle Azoury, Disability Retirement Analyst

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement

1. Grant the application for service-connected disability retirement of Gena Valentine on the basis of a specific medical condition pursuant to a confidential minute order.
2. Grant the application for non-service-connected disability retirement of Gena Valentine on the basis of a specific second medical condition pursuant to a confidential minute order and deny service connection.
3. Deny the application for service-connected disability retirement of Gena Valentine on the basis of a specific third medical condition pursuant to a confidential minute order and deny service connection.

2.3. Kathy Torres, Applicant for Disability Retirement

Presenter: Danielle Azoury, Disability Retirement Analyst

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement

1. Grant the application for service-connected disability retirement of Kathy Torres on the basis of a specific medical condition pursuant to a confidential minute order, and find that the application was timely filed pursuant to Government Code §31722, subject to a timely requested hearing; and
2. Grant the application for non-service-connected disability retirement of Kathy Torres on the basis of a specific second medical condition pursuant to a confidential minute order and find that the application was timely filed pursuant to Government Code §31722 and deny service connection.

2.4. Disability Retirement Monthly Status Report.

Presenter: Danielle Azoury, Disability Retirement Analyst

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and file the monthly disability status report.

3. Open Session

Board

3.1. CEO Operations Report 9:30 AM

Presenter: Greg Levin

Presentation by Gregory Levin on significant operational activities of SBCERS.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement receive and file the Operations Report and adopt a 2025 calendar year Board of Retirement schedule.

Investments

3.2. Investment Operations: Vehicle and Securities Lending Education 9:45 AM

Presenters: RVK, Inc., BlackRock, BNY Mellon

Educational presentations from Senior Consultant Jonathan Kowolik of RVK, Inc.; Managing Director, Global Head of Securities Lending Clients Gene Meshechek of BlackRock; and Vice President, Securities Finance Relationship Management Michael McInnes of BNY Mellon, on securities lending.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement receive and file the Investment Operations: Vehicle & Securities Lending Education presented by RVK's Jonathan Kowolik, BlackRock's Gene Meshechek and Bank of New York Mellon's Michael McInnes and Mellon's Andrew Minc and approve the following recommendations:

- A. Authorize the SBCERS CEO to negotiate and execute a written agreement to expand the collateral investment guidelines applicable to SBCERS securities lending program consistent with the recommendations of BNY and RVK; and
- B. Authorize the SBCERS CEO to negotiate and execute a written agreement to implement securities lending for the following investment accounts:
 1. 401(a) Trust Plan Assets
 - i. BNY Mellon Russell 1000 Index Fund
 2. Other Post-Employment Benefits (OPEB) Trust Plan Assets
 - i. Blackrock Russell 3000
 - ii. Blackrock US Debt Fund; and
- C. Authorize the SBCERS CEO to negotiate and execute a written agreement with Artisan Partners to transfer separate account assets into a commingled fund or similar pooled investment vehicle with consistent investment parameters; or,
- D. Take other action as appropriate.

Break

11:15 AM

3.3. Private Credit Education: Secular Supply Demand Imbalance 11:25 AM
Presenter: TPG Angelo Gordon

Presentation by Head of Capital Solutions and Strategy, Middle Market Direct Lending Jeff Frank and Managing Director Sharone Ben-Ezra of TPG Angelo Gordon on updates to the private credit market.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and file the Private Credit Market Update: Secular Supply Demand Imbalance presentation by Head of Capital Solutions and Strategy, Middle Market Direct Lending Jeff Frank and Managing Director Sharone Ben-Ezra of TPG Angelo Gordon.

Lunch 11:55 AM

3.4. Real Return Public Market Survey Results 12:15 PM
Presenters: RVK, Inc., State Street Global Advisors

Presentation on results from the Real Return Public Market Survey by Principals and Co-Lead Consultants Marcia Beard and Matthias Bauer, CFA of RVK, Inc. and by finalist State Street Global Advisors.

DISCUSSION AND ACTION

RECOMMENDATION: That the Board of Retirement receive and file the Real Return Public Market Survey Results presentation by Principals and Co-Lead Consultants Marcia Beard and Matthias Bauer, CFA of RVK, Inc, the finalist presentation by State Street Global Advisors, and take one of the following actions:

- A. Authorize the SBCERS CEO to negotiate and execute a written agreement with State Street Global Advisors to manage the Public Real Return mandate.
- B. Take other action as deemed appropriate.

3.5. Quarterly Public Markets Portfolio Review 1:00 PM
Presenter: RVK, Inc.

Presentation by Principals Marcia Beard and Matthias Bauer of RVK, Inc. on the status and activity of the Fund's public markets portfolio for the quarter ending June 30, 2024.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and file the Quarterly Investment Performance Analysis Report for the period ended June 30, 2024 presented by Principals and Co-Lead Consultants Marcia Beard and Matthias Bauer, CFA of RVK, Inc.

3.6. Quarterly Private Equity, Private Real Return, and Private Real Estate Review 1:30 PM
Presenter: Hamilton Lane

Presentation by Hamilton Lane Principals Natalie Fitch and Elizabeth Bell on the status and activity of the Fund's Private Equity, Private Real Return, and Private Real Estate portfolios for the quarter ended March 31, 2024.

DISCUSSION

RECOMMENDATION: That the Board of Retirement receive and file the Quarterly Performance updates on Private Equity, Private Real Estate and Private Real Return for the period ended March 31, 2024 presented by Principals Elizabeth Bell and Natalie Fitch of Hamilton Lane.

Meeting Adjourns

2:15 PM