



Executive Staff:

Richard Stensrud
Chief Executive Officer

Scott Chan
Chief Investment Officer

Kathryn T. Regalia
Chief Operations Officer

John W. Gobel, Sr.
Chief Benefits Officer

Members of the Board of Retirement

James A. Diepenbrock, President
Appointed by the Board of Supervisors

John B. Kelly, First Vice President
Appointed by the Board of Supervisors

Keith DeVore
Appointed by the Board of Supervisors

Richard B. Fowler II
Appointed by the Board of Supervisors

Diana Gin
Elected by the Miscellaneous Members

Kathy O'Neil
Elected by the Miscellaneous Members

Chris A. Pittman
Elected by the Safety Members

Julie Valverde
Ex Officio, Director of Finance

Nancy Wolford-Landers
Elected by the Retired Members

John Conneally
Elected by the Safety Members

Michael DeBord
Elected by the Retired Members

AGENDA

RETIREMENT BOARD MEETING, WEDNESDAY, JANUARY 16, 2013

A regular meeting of the Retirement Board will be held in the Sacramento County Employees' Retirement System Administrative Office, 980 9th Street, 19th Floor, Sacramento, California, on Wednesday, January 16, 2013, at 10:00 a.m.

OPEN SESSION:

PUBLIC COMMENT:

ITEM 1. Matters under the jurisdiction of the Board may be addressed by the general public prior to the regular agenda. Scheduled from 10:00 a.m. to 10:15 a.m. (fifteen minutes).

MINUTES:

ITEM 2. The Minutes of the December 19, 2012 special meeting to be approved.

CONSENT MATTERS:

Items 3-8

Consent matters are acted upon as one unit. If an item is taken off the Consent Calendar for discussion, it will be heard as the last item(s) of the Closed Session, Administrative Matters, or Investment Matters, as appropriate.

CONSENT MATTERS (continued):

- ITEM 3. BOSCH, Elaine M.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated January 10, 2013.
- ITEM 4. LYNCH, Alvin: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated January 10, 2013.
- ITEM 5. MCHENRY, Jeffery L.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated January 10, 2013.
- ITEM 6. RIVERA, Guadalupe A.: Deliberation and action on the Application for Disability Retirement per Proposed Decision of Referee dated January 11, 2013.
- ITEM 7. Deliberation and action on a recommendation to operate with a single Board Vice-President for the remainder of the 2012-2013 fiscal year.
- ITEM 8. Presentation of the December 2012 Monthly Investment Manager Compliance Report and Watch List, with the report to be received and filed and deliberation and action on any recommendations made in the report.

CLOSED SESSION:

No items scheduled, but matters may be considered in Closed Session, as permitted by law, if necessary.

OPEN SESSION:

ADMINISTRATIVE MATTERS:

- ITEM 9. Chief Executive Officer's Report (no action requested)
- Updates on developments affecting public retirement systems;
 - Report on miscellaneous system and staff activities.
- ITEM 10. Discussion of potential modifications to the approach to evaluating disability retirement applications, with deliberation and action on a recommended increase in the authorized contract amount for the engagement with Nossaman LLP to provide legal services related to disability retirement determinations.

INVESTMENT MATTERS:

- ITEM 11. Deliberation and action on a proposed engagement with Grosvenor Capital Management LLC to facilitate reaching the target allocation level in the hedge fund asset class.
- ITEM 12. Deliberation and action on recommended changes to the investment options used in the portfolio overlay program.
- ITEM 13. Deliberation and action on a recommended modification to the investment implementation protocol for the opportunities asset class.
- ITEM 14. Deliberation and action on a proposed policy regarding fiduciary standards in private equity investments.
- ITEM 15. Deliberation and action on a proposed liquidity policy for hedge fund investments.
- ITEM 16. Educational presentation by Claren Road Capital Management regarding the firm's long/short corporate credit strategy, with the presentation materials to be received and filed.