



Executive Staff:

Richard Stensrud  
Chief Executive Officer

Jeffrey W. States  
Chief Investment Officer

John W. Gobel, Sr.  
Chief Benefits Officer

Kathryn T. Regalia  
Chief Operations Officer

Members of the Board of Retirement

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

Ronald D. Suter, 1<sup>st</sup> Vice President  
Elected by Miscellaneous Members

John B. Kelly, 2<sup>nd</sup> Vice President  
Appointed by the Board of Supervisors

Mark Norris, Director of Finance  
Ex-Officio

Keith DeVore  
Elected by Miscellaneous Members

Winston Hickox  
Appointed by the Board of Supervisors

William D. Johnson  
Elected by Safety Members

Nancy Wolford-Landers  
Elected by Retired Members

Robert Woods  
Appointed by the Board of Supervisors

William Cox  
Elected by Retired Members

Steven Soto  
Elected by Safety Members

## AGENDA

### SPECIAL RETIREMENT BOARD MEETING, JUNE 16, 2005

The special meeting of the Retirement Board will be held in the Sacramento County Employees' Retirement System Administrative Office, U.S. Bank Plaza Building, 980 9th Street, 18<sup>th</sup> Floor, Sacramento, California, on June 16, 2005 at 10:00 a.m.

#### OPEN SESSION:

##### PUBLIC COMMENT:

- ACTION 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:

- ACTION 2. The Minutes of May 19, 2005 regular meeting to be approved.

#### CLOSED SESSION:

##### DISABILITY MATTERS:

- ACTION 3. JENNINGS, Sheryl C.: Deliberation and action on the Application for Disability Retirement per confidential memorandum dated June 9, 2005. Scheduled at 10:00 a.m.
- ACTION 4. ROSS, Bruce A.: Deliberation and action on the Application for Disability Retirement per confidential memorandum dated June 8, 2005. Scheduled at 10:00 a.m.

**OPEN SESSION:**

**ADMINISTRATIVE MATTERS:**

- ACTION 5. Chief Executive Officer's Report (no action requested):
- Status Report on the analysis of options for addressing legal service needs;
  - Report on issues related to ongoing evaluation of the disability status of individuals receiving disability retirement benefits;
  - Discussion regarding analysis and assessment of extended asset/liability smoothing techniques (e.g., 15-year smoothing);
  - Update on pension reform developments;
  - Report on miscellaneous system and staff activities.
- ACTION 6. Deliberation and action on SCERS Proposed Operating Budget for Fiscal Year 2005-2006 as presented by Chief Operations Officer Kathryn Regalia.
- ACTION 7. Deliberation and action on a recommendation by CEO Richard Stensrud to adopt a Resolution reaffirming that it is the policy of the SCERS Board that SCERS employees receive the cost-of-living adjustments and other employee benefits provided to other County employees in their respective job classifications or representation groups.

**INVESTMENT MATTERS:**

- ACTION 8. Presentation by Terry Dennison of Mercer Investment Consulting regarding the investigation of the investment consulting industry by the Securities and Exchange Commission (SEC) and the response of Mercer Investment Consulting to the issues raised by the investigation, with materials to be received and filed.
- ACTION 9. Presentation by Terry Dennison of Mercer Investment Consulting regarding overlay strategies and how they might be utilized at SCERS, with materials to be received and filed.
- ACTION 10. Presentation by Rick Ballsrud and Ben Lazarus of the Clifton Group regarding the mechanics and estimated revenue of a synthetic index overlay program, with materials to be received and filed.
- ACTION 11. Deliberation and action on the recommendation of Chief Investment Officer Jeffrey States regarding a \$50 million real estate investment in the Tower Fund which is advised by BlackRock Realty Advisors pursuant to an agreement with Metropolitan Life Insurance Company.

**INVESTMENT MATTERS: (continued)**

- ACTION 12. Deliberation and action on the recommendation of CIO Jeffrey States to adopt Resolution No. SCERS 2005-05 authorizing the Board President to execute an amendment to the fee schedule for the investment management agreement with Capital Guardian Trust Company for the investment of an international equity portfolio.
- ACTION 13. Presentation of the Monthly Investment Management Compliance and Activity Report for May 2005 by CIO Jeffrey States, with the report to be received and filed.

**ADMINISTRATIVE MATTERS: (continued)**

- ACTION 14. Presentation by Drew James of The Segal Company regarding relevant considerations in developing an interest crediting/excess earning policy, with materials to be received and filed.
- ACTION 15. Discussion regarding a format for evaluating the Chief Executive Officer (no action requested).