



Executive Staff:

Richard Stensrud  
Chief Executive Officer

Jeffrey W. States  
Chief Investment Officer

James G. Line  
General Counsel

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

Keith DeVore, 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

Dave Irish, Director of Finance  
Ex-Officio

Winston H. Hickox  
Appointed by the Board of Supervisors

Alice Jarboe  
Elected by Miscellaneous Members

William D. Johnson  
Elected by Safety Members

Nancy Wolford-Landers  
Elected by Retired Members

Robert Woods  
Appointed by the Board of Supervisors

John Conneally  
Elected by Safety Members

William Cox  
Elected by Retired Members

## AGENDA

### RETIREMENT BOARD MEETING, THURSDAY, FEBRUARY 19, 2009

A regular meeting of the Retirement Board will be held in the Sacramento County Employees' Retirement System Administrative Office, 980 9th Street, 18th Floor, Sacramento, California, on Thursday, February 19, 2009, at 1:00 p.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 1:00 p.m. to 1:15 p.m. (fifteen minutes).

##### MINUTES:

ITEM 2. The Minutes of the January 15, 2009 regular meeting to be approved.

##### CONSENT MATTERS:

Items 3-13

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.

ITEM 3. CARVER, Todd C.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated February 4, 2009.

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- ITEM 4. KILE, Robert A.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated February 11, 2009.
- ITEM 5. KWONG, Luke: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated February 11, 2009.
- ITEM 6. LAU, Gerry: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated February 4, 2009.
- ITEM 7. MAJOR, Michael D.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated February 11, 2009.
- ITEM 8. GRAYSON, Larry S.: Deliberation and action on the Application for Disability Retirement per Proposed Decision of Referee dated January 30, 2009.
- ITEM 9. Presentation of the Semi-Annual Administrative Expense Report for the six months ended December 31, 2008, with the report to be received and filed.
- ITEM 10. Presentation of the Selected Fees and Costs for Outside Legal Services for the quarter ended December 31, 2008, with the report to be received and filed.
- ITEM 11. Deliberation and action on a request by the Superior Court of California, County of Sacramento ('Court'), to authorize deduction of the pertinent retiree portion of the health care premiums associated with participation in the Court health care plan from the monthly SCERS retirement benefit paid to Court retirees.
- ITEM 12. Deliberation and action on a request from Neuberger Berman Group ('Neuberger Berman') to consent to continuation of SCERS' investment management agreement with Lehman Brothers Asset Management ('Lehman Brothers') when Lehman Brothers becomes a subsidiary of Neuberger Berman.
- ITEM 13. Presentation of the January 2009 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.

**ADMINISTRATIVE MATTERS:**

- ITEM 14. Chief Executive Officer's Report (no action requested)
- Updates on developments affecting public retirement systems;
  - Report on miscellaneous system and staff activities.
- ITEM 15. Deliberation and action on the proposed cost-of-living adjustment ('COLA'), effective April 1, 2009, for SCERS' monthly benefit payments.

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ITEM 16. Deliberation and action on the proposed position specifications, functional job descriptions and salary ranges for the new investment staff positions of Investment Officer and Investment Analyst.

**INVESTMENT MATTERS:**

ITEM 17. Presentation of the Investment Performance Report for the Quarter Ended December 31, 2008 by Mercer Investment Consulting, with the report to be received and filed and with deliberation and action on any recommendations made in the report.

ITEM 18. Presentation by Stone Tower Capital regarding a potential distressed debt/structured credit investment in the Stone Tower Structured Credit Recovery Fund LP, with the presentation materials to be received and filed and with deliberation and action on the proposed investment.

**CLOSED SESSION:**

**LEGAL MATTERS:**

ITEM 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Initiation of Litigation pursuant to Government Code Section 54956.9(c)  
1 case