



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, 1st Vice President
Elected by Miscellaneous Members

John B. Kelly, 2nd Vice President
Appointed by the Board of Supervisors

Dave Irish, Director of Finance
Ex-Officio

Winston H. Hickox
Appointed by the Board of Supervisors

William D. Johnson
Elected by Safety Members

Ronald D. Suter
Elected by Miscellaneous 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, AUGUST 16, 2006

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, 18th Floor, Sacramento, California, on August 16, 2006 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).

EDUCATIONAL MATTERS:

- ACTION 2. Presentation by Alistair Lowe of State Street Global Advisors on new trends in investment management strategies (no action requested).
- ACTION 3. Presentation by Winston H. Hickox of California Strategies on the impact of environmental changes on investment management practices (no action requested).

MINUTES:

- ACTION 4. The Minutes of July 20, 2006 regular meeting to be approved.

CLOSED SESSION:

DISABILITY MATTERS:

- ACTION 5. Kramer, Karl J.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated August 8, 2006. Scheduled at 12:00 p.m.
- ACTION 6. Vivas, Melinda A.: Deliberation and action on the Application for Disability Retirement per confidential memorandum from the Chief Benefits Officer dated August 8, 2006. Scheduled at 12:00 p.m.

OPEN SESSION:

ADMINISTRATIVE MATTERS:

- ACTION 7. Chief Executive officer's Report (no action requested):
- Updates on developments affecting public retirement systems;
 - Report on miscellaneous system and staff activities
- ACTION 8. Deliberation and action on a proposed Resolution recognizing SCERS Board Member Ron Suter's upcoming retirement from the County of Sacramento and his services to the SCERS Board.
- ACTION 9. Presentation of the Semi-Annual Administrative Expense Report for the Six Months ended June 2006 by the Chief Operations Officer, with the report to be received and filed.
- ACTION 10. Deliberation and action on the Final SCERS Budget for Fiscal Year 2006-2007 as presented by the Chief Operations Officer.

INVESTMENT MATTERS:

- ACTION 11. Deliberation and action on Resolution No. SCERS 2006-05 authorizing the Board President to execute the documents and perform other necessary actions to allow for the conversion of SCERS' current investment in the BlackRock Realty Tower Fund to an investment in the BlackRock Granite Property Fund, Inc.
- ACTION 12. Deliberation and action on a request BlackRock Realty to authorize an exception in a pending real estate transaction to the investment management agreement provisions regarding business dealings with related financial entities.

INVESTMENT MATTERS: (Continued)

- ACTION 13. Deliberation and action on Resolution No. SCERS 2006-06 authorizing the Board President to execute the proposed investment management agreement with Enhanced Investment Technologies, LLC (INTECH) for management of a Large Cap Growth portfolio.
- ACTION 14. Presentation by Mercer Investment Consulting of the Quarterly Investment Performance Report for the Quarter Ended June 30, 2006, with the report to be received and filed.
- ACTION 15. Deliberation and action on Resolution No. SCERS 2006-07 approving an amendment to the investment guidelines in the investment management agreement with Pzena Investment Management.
- ACTION 16. Deliberation and action on Resolution No. SCERS 2006-08 approving an amendment to the fee agreement in the investment management agreement with Metropolitan West Asset Management.
- ACTION 17. Review by Mercer Investment Consulting and the Chief Investment Officer of the search for investment management firms to manage a Value-Added Real Estate assignment, followed by presentations by the investment managers selected as finalists, with the presentation materials to be received and filed. Presentations will be heard from the following firms:
- Hines U.S. Office Value Added Fund II
 - A.E.W. Value Investors II, L.P.
 - GEAM Value Add Realty Partners, L.P.
 - Allegis Value Trust
- ACTION 18. Deliberation and action on the selection of investment management firms to manage Value-Added Real Estate assignments.
- ACTION 19. Presentation by the Chief Investment Officer of the Monthly Investment Management Compliance and Activity Report for July 2006, with the report to be received and filed.