CALL TO ORDER

Chairperson White called the meeting to order at 9:07 AM.

ROLL CALL

Haim, Arrigoni, White, Phillips, Smith, Jones, Hufford, Gladstern, Thomas (Not Voting)

Absent: McGlashan

MINUTES

(None)

BOARD OF RETIREMENT MATTERS

Trustee Smith asked that a discussion regarding SACRS and pending legislation be heard as an urgency item. County Counsel Faulkner stated that per the Brown Act, it was not possible to discuss the topic since it was not on the agenda. Trustee Smith stated that he would follow up on the matter with SACRS directly.

DISABILITIES

The Board moved into Closed Session at 9:15 AM to hear disability applications and reconvened into Open Session at 9:51 AM; the Chair read the results into the record, as follows.

1. APPLICATIONS TO BE HEARD

BRIAN WATERBURY (10/20/05) SAN RAFAEL FIRE (S/C)

Initial Consideration of an Application for Disability Retirement Filed by Safety Member

The Board granted Mr. Waterbury’s application for service connected disability retirement in Closed Session, with Trustee Gladstern dissenting and Trustees Smith, Haim and Jones abstaining.

THOMAS SMILEY (11/28/05) SAN RAFAEL POLICE (S/C)

Initial Consideration of an Application for Disability Retirement Filed by Safety Member

The Board granted Mr. Smiley’s application for service connected disability retirement in Closed Session, with Trustee Jones dissenting.

Staff reviewed pending applications.
2. ADDITIONAL INFORMATION REQUIRED

KENNETH DAVIS  (11/18/03)  SHERIFF’S DEPARTMENT  (S/C)
(Awaiting Supporting Documentation)

LEE RICHARDSON  (6/24/05)  SHERIFF’S DEPARTMENT  (S/C)
(Awaiting Supporting Documentation)

CAROL THOMAS  (8/18/05)  HEALTH & HUMAN SERVICES  (S/C)
(Awaiting Doctor’s Report)

ERMITA ATKINS  (8/31/05)  HEALTH & HUMAN SERVICES  (S/C)
(Awaiting Supporting Documentation)

MICHAEL OLSEN  (9/22/05)  SOUTHERN MARIN FIRE  (S/C)
(Awaiting Doctor’s Report)

LAURA ROYAL  (12/15/05)  MOSQUITO ABATEMENT  (S/C)
(Awaiting Supporting Documentation)

3. APPLICATIONS ASSIGNED TO HEARING OFFICER

<table>
<thead>
<tr>
<th>Date of Application</th>
<th>Date of Hearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>DONALD HOBBS</td>
<td>(2/11/05)</td>
</tr>
<tr>
<td>RHONDA LONG</td>
<td>(12/03/04)</td>
</tr>
<tr>
<td>RUBY DAVIS</td>
<td>(9/17/04)</td>
</tr>
<tr>
<td>MONICA QUINN</td>
<td>(7/6/04)</td>
</tr>
<tr>
<td></td>
<td>4/12/05</td>
</tr>
</tbody>
</table>

4. NEW APPLICATIONS

DARLENE HENDERSHOTT  (2/10/06)  DISTRICT ATTORNEY  (N-S/C)

COUNTY COUNSEL BUSINESS  (None)

County Counsel Faulkner reported that on March 7, 2006, he attended the California Supreme Court hearing on Government Code Section 31725, regarding reinstatement following denial of an application for disability retirement, back pay remedies, and specifically, the issue of what constitutes a dismissal for disability.
OLD BUSINESS

(None)

NEW BUSINESS

4.a. Adjustments To FY 2005-06 Budget
   Request for Increase

After discussion, it was M/S Smith/Gladstern to approve the proposed adjustments to the FY 2005-06 budget.

   AYES: All Present
   NOES: None
   ABSENT: McGlashan

5. Administrative Budget
   Proposed FY 06-07 Administrative Budget

Staff presented next year’s budget, which included one-time costs for an administrative review of departmental policies and for consulting services related to the upcoming retirement of Assistant Retirement Administrator Johnston. The proposed $1,518,370 budget represented 13.05 basis points of assets.

After discussion of changes versus prior year and one-time items, it was M/S Gladstern/Smith to approve the proposed FY 2006-07 budget as submitted.

   AYES: All Present
   NOES: None
   ABSENT: McGlashan

6. SACRS Spring Conference
   Determination of Attendees and Assignment of Vote
   Memorandum re Officer Nominations

It was M/S Arrigoni/Hufford to authorize the Chairperson to vote on behalf of the Board; and that in the absence of the Chairperson, the Vice Chairperson and MCERA Secretary were authorized to vote as first and second alternates, respectively.

   AYES: All Present
   NOES: None
   ABSENT: McGlashan
After discussion, it was M/S Haim/Hufford to support the proposed slate of candidates for SACRS officer nominations.

AYES: All Present
NOES: None
ABSENT: McGlashan

7. Trustee Training

Bond Buyer’s OPEB Liability Conference, March 29-31, 2006, Chicago, Illinois
“Expanding Investments through Diversity,” CalPERS/CalSTRS Conference, April 24-25, 2006, San Jose
Callan College, March 6-8, 2006, San Francisco
Callan College, May 1-3, 2006, San Francisco
Callan College, August 21-23, 2006, San Francisco
Callan College, October 16-18, 2006, San Francisco
Callan Regional Breakfast, October 26, 2006, San Francisco

It was M/S Jones/Hufford to grant approval for attendance by Trustees and senior staff to attend the conferences and training presented above and to authorize payment of related expenses.

AYES: All Present
NOES: None
ABSENT: McGlashan

INFORMATIONAL

8. Trustee Training

Approved Training Calendar

9. SACRS (See Item 6)

Memorandum re Officer Nominations

FINANCIAL INFORMATION

10. Western Asset Management Monthly Report
Domestic Fixed Income Core Plus Portfolio

Domestic Fixed Income Core Portfolio

International Growth Equity Portfolio

International Value Equity Portfolio
   Large Cap Value Equity Portfolio

15. RCM Monthly Report  
   Large Cap Growth Equity Portfolio

   Small Cap Value Portfolio

   Small Cap Growth Equities Portfolio

18. Woodmont Companies Monthly Report  
   Real Estate Portfolio

   Futures Overlay Program

20. Fidelity Investments Monthly Report  
   Market Neutral

   Market Neutral

22. Numeric Investors Monthly Report  
   Market Neutral

23. TREASURER’S MONTHLY REPORT  
   Short Term Investments

Trustee Smith distributed copies of the Treasurer’s Monthly Report.

**CONSENT CALENDAR**

It was M/S Gladstern/Jones to approve the Consent Calendar.

   AYES: All Present
   NOES: None
   ABSENT: McGlashan

Staff announced that buybacks are now covered by Human Resources as part of new employee orientation.
OPEN TIME FOR PUBLIC EXPRESSION

Ann Gregory requested that the budget be distributed further in advance of the meeting to provide more time for review before the Board vote. Trustee Arrigoni suggested that the Board adopt a policy similar to that of the Board of Supervisors and issue both a preliminary and final budget.

The Board discussed the new mandatory State requirement that elected and appointed officials be required to attend approved ethics training each two years. It was announced that the ethics training for the Retirement Board would be held at this year’s Strategic Workshop on March 9.

The Regular Meeting of March 8, 2006 adjourned at 10:24 AM.

_________________________  ____________________________
Sandy White, Chairperson         Allen Haim, Vice-Chair