



**MINUTES
BOARD OF RETIREMENT
December 2, 2010
BOARD ROOM
348 WEST HOSPITALITY LANE, FIRST FLOOR
SAN BERNARDINO, CA**

Trustees Present:

ELLEN WEISSER, Appointed Member (Chairman)
DAWN STAFFORD, General Member (Vice Chairman)
ROBERT MCDONALD, Retired Member
DONALD NEELY, General Member
LARRY WALKER, Treasurer (Managing Trustee)
DAVID WILLIAMS, Safety Member
BRET HENRY, Alternate Safety Member

Others Present:

ANDREW KJELDGAARD, Counsel
DONALD PIERCE, Interim Chief Investment Officer
CHRISTIE PORTER, Chief Member Services
BRIAN LONG, Senior Investment Officer
CAROL FENN, Recorder

Not Present:

GARY OVITT, Appointed Member

1. Call meeting to order.

Chairman Weisser called the meeting to order at 9:02 a.m.

Weisser announced that trustee Dawn Stafford has submitted her request for service retirement.

CONSENT:

McDonald moved, Williams seconded, to Approve Consent Calendar
Absent: Ovitt
Motion Passed.

2. Approve minutes of regular meeting of November 4, 2010.
3. Approve minutes of special meeting of November 15, 2010.

4. Service Retirements:

Amata, Toni	County Fire	12/18/10
Anderson, Sharon L.	Risk Management	12/04/10
Boatman, Robin Lynn	School Claims (Def)	12/30/10
Campos, Clara A.	Superior Court (Def)	12/31/10
Clark, Marlene	Behavioral Health	11/10/10
Clinton, Linda K.	Human Services	01/01/11
Collins, Kathryn	Library (Def)	11/27/10
Coulombe, Mark	Public Defender	1/1/2011
Edmiston, Lupe R.	ACR/Treasurer/Tax Collector	12/04/10
Flasher, Andrea G.	Public Works	12/18/10
Garces, Shirley J.	County Fire	01/01/11
Garza, Dora	County Counsel (Def)	10/28/10
Jones, Kevin L.	County Fire	12/04/10
Lammering, Jim W.	Information Services	11/20/10
Lane, Briana J.	Public Health	10/23/10
Logan, Luis G.	Sheriff	01/01/11
Maddox, Bill B.	Sheriff	12/18/10
Pracna, Suzanne V.	Sheriff	12/04/10
Robinson, Helen	DPSS (Def)	12/26/10
San Miguel, Sheryl	Superior Court	01/01/11
Schooley, James K.	City of Big Bear Lake (Def)	11/16/10
Stafford, Dawn	County Counsel	12/31/10
Sudol, Robert	Behavioral Health	01/01/11
Valencia, James A.	Sheriff (Def)	11/18/10
Vazquez, Victor M.	City of Big Bear Lake	12/01/10
Wall, Daniel J.	CSAC (Def)	12/11/10
Ward, Kathleen	Human Services	12/04/10
Weg, Jonathan	County Counsel (Def)	12/31/10
Whitman, Donna R.	Purchasing (Def)	11/01/10
Wiley, Drew O.	Sheriff	12/04/10
Williams, Ethel	Human Services	11/06/10
Winegar, Patricia D.	Children & Family Services	12/04/10

5. Disability Applications - Initial Decision:

a. Avila, Victoriana

1. Ms. Avila is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Avila's disability is nonservice-connected based on Stage IV metastatic breast cancer.
3. Ms. Avila is not capable of gainful employment.
4. No medical review is necessary as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of June 15, 2010, the date of application.

CLOSED SESSION:

6. Initial Decision:

a. Dean, Mary J.

McDonald moved, Stafford seconded, to Approve Staff Recommendation that:

1. Ms. Dean is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Dean's disability is nonservice-connected based on major depression.
3. Ms. Dean is not capable of gainful employment.
4. No medical review is necessary as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of November 25, 2009, the date of application, provided benefit is requested in writing.

Absent: Ovitt

Motion Passed.

b. Munoz, Ronda D.

Williams moved, McDonald seconded, to Approve Staff Recommendation that:

1. Ms. Munoz is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Munoz' disability is service-connected based on bilateral carpal tunnel syndrome, left shoulder impingement syndrome, cervical spondylosis and right knee chondromalacia.
3. Ms. Munoz is capable of gainful employment.
4. No medical review is necessary as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of October 14, 2006, the day after last date compensated, provided benefit is requested in writing.

Absent: Ovitt, Henry

Motion Passed.

7. Reconsideration:

a. Pickens, Kimberly

McDonald moved, Williams seconded, to Approve Staff Recommendation to maintain the initial decision on the retirement application of Kimberly Pickens on the basis of no new evidence and set the matter for Formal Hearing.

Absent: Ovitt, Henry

Motion Passed.

8. PUBLIC EMPLOYMENT (Government Code Section 54957)

a. Position: Chief Legal Services

OPEN SESSION:

The Chairman announced that in Closed Session under item #8, the Board decided to continue the Interim Contract position and review again after an Executive Director is hired.

9. Presentation by Russell Implementation Services Inc. on Derivatives Primer 101.

Michael Thomas and Yacine Zerizef, Russell Implementation Services, provided an educational presentation on Derivatives.

10. New England Pension Consultants' review of Mercer Investment Consulting Inc.'s Public Fund Universe Analysis.

Allan Martin, New England Pension Consultants, provided NEPC's review of the Mercer report. Pierce answered the Board's questions regarding SBCERA's investments.

11. Review of Real Estate Structure.

Allan Martin, NEPC, and Long reviewed the Real Estate Structure. Walker requested a summary of the Real Estate Portfolio.

12. Review, discuss and approve changes to the Real Estate Structure.

The Board reviewed the Real Estate Structure.
No approvals were made.

13. Approve the attendance of up to four trustees to The 16th Annual Public Funds Summit to be held in Huntington Beach, CA on March 14 - 15, 2011.

McDonald moved, Neely seconded, to Approve the attendance of Neely to The 16th Annual Public Funds Summit to be held in Huntington Beach, CA on March 14 - 15, 2011.

Absent: Ovitt

Motion Passed.

14. Report by the Trustees concerning conferences attended (as specified by the Trustee Education/Training Policy).

None were reported.

15. Staff Reports:

- a. Managing Trustee's Report

Chairman Weisser reviewed.

- b. Review Chaptered Retirement Legislation for 2010

Kjeldgaard reviewed.

- c. Investment Performance Report

Pierce reviewed.

SUPPLEMENTAL AGENDA

- 16. Approve an amendment of the securities lending agreement to allow the segregation of SBCERA's securities lending collateral pool and the reinvestment of all future collateral in accordance with the Quality A Collateral Fund guidelines.

Perry and Pierce reviewed. They discussed a revision to grant investment staff the authority to amend the securities lending contract with State Street if necessary.

McDonald moved, Neely seconded, to Approve granting investment staff the authority to amend the securities lending contract with State Street if necessary.

Absent: Ovitt
Motion Passed.

PUBLIC COMMENT

The Chairman announced that this would be Bob McDonald's and Dawn Stafford's last Board meeting, and thanked them for their service.

John Michaelson, on behalf of all actives, retirees, RESBC and himself, thanked Bob McDonald for a fantastic job and for his RESBC newsletter column; and Dawn Stafford for a great job.

ADJOURN

The meeting adjourned at 12:37 p.m.

Respectfully submitted,

ELLEN WEISSER, Chairman

LARRY WALKER, Acting Secretary

DATED _____