

## SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

The regular meeting of the San Bernardino County Employees' Retirement Board was held March 4, 2010, in the Board of Retirement Board Room, 348 West Hospitality Lane, First Floor, San Bernardino, California.

Those present were:

ELLEN WEISSER, Appointed Member (Chairman)  
 CHRISTOPHER LEGGIO, Appointed Member  
 ROBERT MCDONALD, Retired Member  
 DON NEELY, General Member  
 PAUL RUSS, Appointed Member  
 LARRY WALKER, Treasurer  
 DAVID WILLIAMS, Safety Member

Also present were:

TIMOTHY BARRETT, Executive Director/CIO  
 LANCE KJELDGAARD, Chief Counsel  
 CHRISTIE PORTER, Chief Member Services  
 DONALD PIERCE, Investment Officer  
 CAROL FENN, Recorder

Not present were:

JAMES SHERIDAN, Appointed Member  
 DAWN STAFFORD, General Member (Vice Chairman)  
 BRET HENRY, Alternate Member

1. Chairman Weisser called the meeting to order at 9:00 a.m.
2. The Chairman welcomed new Trustee, Larry Walker.
3. The Chairman presented Marvin Reiter with a plaque in recognition of his seven years of service as a Trustee to the Board of Retirement.

**CONSENT:**

Russ moved, Neely seconded, to approve the consent items as follows:

4. Approve minutes of regular meeting of February 4, 2010.
5. Service Retirements:
 

		Effective Date
ALDAY, Susan M.	Superior Court	03/27/10
ALEXANDER, Roberta	Superior Court	03/27/10

AVANZOLINI, Ronald P.	County Fire	03/27/10
BAKER, Victoria L.	SANBAG	03/27/10
BARRINGTON, Gary R.	ARMC	03/13/10
BEEEMER, Sharyn	Behavioral Health	03/27/10
BERTRAND, Elyana	Preschool Services	01/27/10
BETTERS, William	TAD	02/13/10
BILASH, Colin	District Attorney (Def)	01/27/10
BOWEN, Geri A.	SCAQMD	03/10/10
BOYD, Kenneth R.	Sheriff	03/20/10
BRAVO, Vincent v.	Probation (Def)	04/01/10
BYNUM, Jerry E.	Public Defender	03/13/10
CAMPBELL, Brian S.	Sheriff	04/01/10
COLLINS, William M.	Pubic Works	03/27/10
CRAWFORD, Ralph D. Jr.	SCAQMD	04/01/10
CROW, Faye	Human Services	03/27/10
DADGOSTAR, Bahman	Behavioral Health	01/28/10
DAVEY, Sandra G.	Probation	02/13/10
DE JESUS, Annie	SCAQMD	03/31/10
DE JESUS, Jose	SCAQMD	03/31/10
DEVAUGHN, Harrison J.	ARMC	03/13/10
DONAHUE, Margaret P.	Human Services	03/27/10
EKLUND, Carl	Aging & Adult Services	03/27/10
ELEAZAR, Eleanor F.	SCAQMD	03/31/10
FIEDLER, Anthony S.	Sheriff	03/13/10
FLORENCE, Dennis P.	Sheriff	04/01/10
FRAZEE, Steven A.	Probation	04/01/10
GONZALEZ, Michael M.	SCAQMD	03/20/10
HARP, Jennifer A.	Environmental Health (Def)	01/31/10
HEISS, Gary P.	SCAQMD	03/27/10
HERNANDEZ, Eddie L.	ARMC	03/27/10
HORNSBY, Tommy E.	Sheriff	03/27/10
HURLEY, Kenneth W.	Sheriff	04/01/10
IRBY, Barbara E.	SCAQMD	03/26/10
JASSO, Ray	SCAQMD	03/27/10
JOHNSON, Robert E.	Sheriff	04/01/10
JURANEK, Russell G.	SCAQMD	04/01/10
KARCHER, George R.	Sheriff (Def)	03/25/10
KEARL, Debbie K.	TAD	02/12/10
KIMBRO, Terry W.	Public Works (Def)	02/15/10
KING, Kathy L.	Public Defender (Def)	03/24/10
LETCHER, Olga M.	Sheriff	02/27/10
LIU, Mark Y.	SCAQMD	03/05/10
MATYAS, Ronald C.	Land Use Services	03/27/10
MILLS-JENKS, Barbara	ARMC	03/27/10
MORRIS, William S.	Fleet Management (Def)	03/01/10
MORROW, William	ARMC	03/27/10
O'BRIEN, Steven	CSAC (Def)	04/10/10

OLSON, Kathie L.	District Attorney	02/27/10
PEARCE, Patrick	SCAQMD	04/01/10
PERRY, Nancy	Public Health	03/27/10
PORTILLO, Rosa A.	Public Health	03/31/10
PRICE, Jane W.	Superior Court	02/27/10
QUINONES, Roberta O.	Superior Court	03/27/10
REYES, Caesar P.	Sheriff	03/13/10
RUIVIVAR, Emmanuel R.	SCAQMD	04/01/10
SCHNUR, Patricia	Superior Court	02/27/10
SILER, Joseph M.	Superior Court	02/06/10
SMITH, Ruth L.	Superior Court	03/27/10
STOCKER, Roger A.	County Fire	03/27/10
THARP, Eudora	SCAQMD	04/01/10
TUMAMBING, Florencio D.	SCAQMD	03/27/10
VARENELLI, Robert J.	Behavioral Health	03/27/10
VARENELLI, Sandra S.	Information Services	03/27/10
VISHWANATH, Ranjit	SCAQMD	04/01/10
WAUGH, Loretta	Public Health (Def)	03/12/10
WEST, Dennis L.	County Fire	03/27/10
WILLIAMS, Robert L.	Transportation/Flood Cont.	03/27/10
WITT, Sandra	Children & Family Services	02/27/10
ZAMUDIO, Barbara D.	ARMC	03/27/10

6.	Service Retirement - Change Effective Date	Effective Date
	JOHNSON, John L.	Sheriff (from 02/27/10) 03/12/10

7. Staff Travel:

- a. Approve the attendance of Timothy Barrett, Donald Pierce and James Perry to the NEPC Public Funds Workshop, to be held in Phoenix, AZ on March 29 - 30, 2010.
- b. Approve the attendance of Mark Jolicoeur to the PensionGold National Users Group Conference, to be held in Dallas, TX on April 22 - 23, 2010.
- c. Approve the attendance of Christie Porter, Nicole Dailey, and Mike O'Kelly to the CEM Annual Global Pension Administration Peer Conference, to be held in Scottsdale, AZ on May 3-6, 2010.

8. Disability Applications - Initial Decision:

a. BEALL, Robert L.,

To approve staff recommendation that:

1. Mr. Beall is permanently incapacitated for the

performance of duties and disability retirement be granted.

2. Mr. Beall's disability is nonservice-connected based on cognitive impairment secondary to brain abscess.
3. Mr. Beall 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 January 21, 2009, the date of application.

b. MORENO, Joe

To approve staff recommendation that:

1. Mr. Moreno is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Moreno's disability is nonservice-connected based on hearing loss.
3. Mr. Moreno 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 September 26, 2009, the day after the last date compensated.

c. ROY, Frederick

To approve staff recommendation that:

1. Mr. Roy is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Roy's disability is service-connected based on bilateral knee and shoulder injuries, back and hip pain.
3. No medical review is necessary as specified by the medical advisor.
4. Staff shall initiate disability benefit payments with an effective date of March 16, 2009, the date of application.

d. ZITO, Thomas A.

To approve staff recommendation that:

1. Mr. Zito is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Zito's disability is service-connected based on right knee injury.

3. No medical review is necessary as specified by the medical advisor.
4. Staff shall initiate disability benefit payments with an effective date of March 6, 2010, the day after the last date compensated.

Motion carried.

**CLOSED SESSION**

DISABILITY APPLICATIONS - [Article 1, Section 1, California Constitution (Right to Privacy) and California Government Code Section 54957]:

9. Initial Decision:

a. DOHERTY, Shawn

Russ moved, McDonald seconded, to continue to the April Board meeting. Motion carried.

b. WILLIAMS, Howard

Russ moved, Leggio seconded, to approve staff recommendation that:

1. Mr. Williams is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Williams' disability is nonservice-connected based on back injury.
3. Mr. Williams 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 February 12, 2009, the date of application, provided benefit is requested in writing.

Motion carried.

c. WILLIAMS, Renita

Russ moved, McDonald seconded, to approve staff recommendation that:

1. Ms. Williams is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Williams' disability is service-connected based on right shoulder injury and bilateral carpal tunnel.

3. Ms. Williams 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 February 10, 2009, the date of application, provided benefit is requested in writing.

Motion carried.

10. Formal Hearing:

a. MATHEIN, Cynthia D.

Russ moved, Neely seconded, to approve staff recommendation to approve and adopt the proposed findings and the recommendations of the hearing officer to deny service-connected disability retirement. Motion carried.

PUBLIC EMPLOYEE APPOINTMENT - Government Code Section 54957:

11. Title: Supervising Accountant

**OPEN SESSION**

The Chairman requested that item #26 be heard next.

26. Kjeldgaard discussed the Legal Services Contract with Foley & Lardner LLP and introduced attorney Tom Hickey. Russ moved, Neely seconded, to approve Legal Services contract with Foley & Lardner LLP. Motion carried.

12. The Chairman made the following appointments to Committee vacancies:

a. Investment Committee - Neely

b. Administrative Committee - Walker

Neely resigned as Administrative Committee Chair. The Chairman appointed Williams as Chair.

c. Audit Committee - Walker

d. Benefits and Compensation Committee - Russ

13. The Chairman appointed Walker as Audit Committee Chair.

14. Kjeldgaard reviewed the Memorandum of Understanding between the OPEB Trust and the San Bernardino County Employees' Retirement Association. Russ moved, Leggio seconded, to approve the Memorandum of Understanding between the OPEB Trust and the San Bernardino County Employees' Retirement Association. Motion carried.
15. Barrett reviewed the amendment to the contract with CEM Benchmarking regarding SACRS Benefit Administration Benchmarking Service. Leggio moved, Russ seconded, to approve the amendment to the contract with CEM Benchmarking. Motion carried.
16. Investment Committee report and actions on recommendations contained therein:
  - a. Barrett reported on the meeting conducted February 8, 2010.
  - b. Russ moved, Walker seconded, to adopt SBCERA's Investment Plan, Policy and Guidelines. Motion carried.
  - c. Russ moved, Neely seconded, to adopt SBCERA's Due Diligence Policy. Motion carried.
  - d. Russ moved, Walker seconded, to adopt Board Investment Policy No. 16, Disclosure of Placement Agent Fees, Gifts and Campaign Contributions Policy. Motion carried.
  - e. Leggio moved, Russ seconded, to adopt Board Investment Policy No. 005, Securities Litigation Policy. Motion carried.
  - f. McDonald moved, Russ seconded, to adopt Board Investment Policy No. 010, Insurance for Investment Managers Policy. Motion carried.
17. Administrative Committee Report.
  - a. Neely reported on the meeting conducted February 16, 2010.
  - b. Porter reviewed the SBCERA Communications Plan. Leggio moved, Russ seconded, to approve the SBCERA Communications Plan. Motion carried.
  - c. Walker moved, Williams seconded, to approve revision to

Board Benefits Policy 009 - Retiree Payroll Deductions and the Assignment of Benefits. Motion carried.

- d. Jolicoeur reviewed the SBCERA Technology Plan. Leggio moved, Williams seconded, to approve the SBCERA Technology Plan. Motion carried.
  - e. Leggio moved, Williams seconded, to approve the use of Information Technology contingency funds in the amount of \$150,000 for the PensionGold Requirements/Evaluation Project. Motion carried.
  - f. Neely moved, Russ seconded, to approve restating and reconfirming the inclusion of the officers and employees of the Rim of the World Recreation and Park District as members of SBCERA on December 1, 1985. Motion carried.
18. Leggio moved, McDonald seconded, to approve the registration fee for Bret Henry, Christopher Leggio and Ellen Weisser to the IMN Distressed Investment Summit, to be held in Huntington Beach, CA on March 1 - 3, 2010. Motion carried.
  19. Leggio moved, McDonald seconded, to approve the registration fee for Brian Long, Don Neely and Dawn Stafford to the Institutional Investor Global Real Assets Investment Forum, to be held in New York, NY on March 2 - 3, 2010. Motion carried.
  20. Leggio moved, McDonald seconded, to approve the registration fee for Don Neely, Dawn Stafford, Ellen Weisser, and Paul Russ to the Institutional Investor Institute and Hedge Fund Institutional Forum Public Funds Roundtable, to be held in Austin, TX on April 21 - 23, 2010. Motion carried.
  21. Leggio moved, McDonald seconded, to approve the attendance of trustees and Tim Barrett to the State Association of County Retirement Systems' (SACRS) Spring Conference, to be held in Newport Beach, CA, on May 11 - 14, 2010. Motion carried.
  22. The Chairman appointed Neely as voting delegate and Barrett as alternate to the State Association of County Retirement Systems' (SACRS) Spring Conference.
- Russ left the meeting at 11:05 a.m.
23. Leggio reported on his attendance at the IMN Distressed Investment Summit, held in Huntington Beach, CA on March 1 -

3, 2010. Weisser and Neely reported on their attendance at the CALAPRS Roundtable, held in Ontario, CA on February 5, 2010. Neely reported on his attendance at the Institutional Investor Global Real Assets Investment Forum, held in New York, NY on March 2 - 3, 2010.

24. Staff Reports:

a. Barrett discussed items on his written report covering significant administrative events during February.

b. Kjeldgaard presented the Legislative Update.

c. Pierce presented the monthly Investment Performance Report.

25. The Chairman invited public comment. No public comment was provided.

There being no further business, the meeting adjourned at 11:25 a.m.

Respectfully submitted,

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ELLEN WEISSER, Chairman

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TIMOTHY BARRETT, Secretary

DATED \_\_\_\_\_