



**MINUTES  
BOARD OF RETIREMENT  
January 6, 2011  
BOARD ROOM  
348 WEST HOSPITALITY LANE, FIRST FLOOR  
SAN BERNARDINO, CA**

Trustees Present:

ELLEN WEISSER, Appointed Member (Chairman)  
DAWN STAFFORD, Retired Member (Vice Chairman)  
LOUIS FIORINO, General Member  
DONALD NEELY, General Member  
GARY OVITT, Appointed Member  
LARRY WALKER, Treasurer (Managing Trustee)  
NEAL WANER, Appointed Member  
DAVID WILLIAMS, Safety Member  
HARRY HATCH, Alternate Retired Member

Others Present:

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

Not Present:

BRET HENRY, Alternate Safety Member

1. Call meeting to order.

Chairman Weisser called the meeting to order at 9:00 a.m.

2. Welcome Newly Appointed and Elected Trustees:

Neal Waner - Appointed  
Louis Fiorino – General Elected  
Dawn Stafford – Retired Elected  
Harry Hatch – Alternate Retired Elected

Chairman Weisser introduced the new trustees and reviewed the Board of Retirement Mission Statement.

3. Elect Chairman and Vice Chairman for 2011.

Stafford moved, Williams seconded, to Elect Weisser as Chairman for 2011.

Absent: Henry  
Motion Passed.

Weisser moved, Neely seconded, to Elect Stafford as Vice Chairman for 2011.

Absent: Henry  
Motion Passed.

4. Chairman's appointments to the following Committees for 2011.

- a. Investment Committee

Chairman Weisser appointed Stafford (Chair), Henry, Walker and Weisser.

- b. Administrative Committee

Chairman Weisser appointed Neely (Chair), Fiorino, Hatch and Ovitt.

- c. Audit Committee

Chairman Weisser appointed Walker (Chair), Fiorino, Waner and Williams.

- d. Benefits and Compensation Committee

Chairman Weisser appointed Weisser (Chair), Stafford, Walker and Waner.

5. Approve the 2011 Board and Committee meeting dates.

Stafford moved, Neely seconded, to Approve the 2011 Board and Committee meeting dates.

Absent: Henry  
Motion Passed.

**CONSENT:**

Stafford moved, Neely seconded, to Approve the Consent calendar.

Absent: Henry  
Motion Passed.

6. Approve minutes of regular meeting of December 2, 2010.

7. Approve minutes of special meeting of December 13, 2010.

8. Service Retirements:	<u>Effective Date</u>
Adams, Donald G.	Information Services 01/01/2011
Aguiar, Frank T	Board of Supervisors (Def) 12/31/2010
Alexander, Vickie	Child Support Services 01/01/2011
Anderson, Ellen	ARMC 01/01/2011
Aunchman, Paul A.	SCAQMD 01/31/2011
Barefield, Willie Jean	Behavioral Health (Def) 12/17/2010
Bracamonte, Roy	Sheriff 12/31/2010
Carlsen, Russell A.	City of Big Bear Lake (Def) 12/30/2010
Carpe, Lawrence M.	Children & Family Services 12/18/2010
Cherniss, Sandra G.	Public Defender 01/01/2011
Coffey, Donald H.	Assessor 01/15/2011
Coffey, Patricia A	Behavioral Health 01/15/2011
Colson, Roy C.	ARMC (Def) 11/12/2010
Crawford, J. David	ARMC 01/01/2011
Dickerson, Joann	Probation (Def) 11/18/2010
Dunlap, John D.	SCAQMD 02/05/2011
Erickson, Susan L.	Inland Library 02/12/2011
Estrosos, Teofredo C.	ARMC 01/29/2011
Farrell, Michael	Public Health 02/12/2011
Fernandez, Sheree	ARMC (Def) 12/21/2010
Galarza, Lillian B.	Behavioral Health 12/18/2010
Gomez, Alfredo	City of Chino Hills 01/04/2011
Gordon, Richard Jr.	Probation (Def) 01/01/2011
Gubba-Reiner, Al	Superior Court 01/15/2011
Gulla, Keith M.	Sheriff 12/28/2010
Henricksen, Richard E.	District Attorney 01/15/2011
Hofflund, Patricia A.	Human Services (Def) 01/19/2011
Ingraham, John	Airports Administration (Def) 01/12/2011
Jarecki, James	Human Services 01/15/2011
Leatherwood, Marion	Public Health (Def) 12/31/2010
Lowman, Patricia L.	Sheriff (Def) 01/01/2011
Mapula, Manuel	Public Defender 12/18/2010
Mathers, Kathryn	Human Services 01/15/2011
Mortensen, Stephen E.	Workforce Development 01/15/2011
Negrette, Anthony G.	Probation (Def) 12/31/2010
Nobles, Warren S.	Sheriff 01/01/2011
Ortiz, Joseph R.	Behavioral Health 01/29/2011
Peterson, Joyce A.	Board of Supervisors (Def) 01/01/2011
Pjerrou, David J.	Public Health 01/01/2011
Powell, Davis	Behavioral Health (Def) 12/02/2010
Poynter, Bonnie J.	Human Services (Def) 12/30/2010
Ramirez, Maria L.	ARMC (Def) 12/01/2010
Roberts, Larry F.	District Attorney 01/15/2011
St. John, Paul	County Counsel 01/15/2011
Starbuck, Elizabeth	Auditor-Controller/Recorder 12/04/2010

Sterling, Elaine	Superior Court	01/15/2011
Stokes, Robert E.	Public Works	01/15/2011
Swafford, Douglas L.	City of Big Bear Lake	01/01/2011
Trzcinski, Richard	SCAQMD	12/29/2010
Turner, Marcel	Human Resources (Def)	01/06/2011
Valente, Margo M.	Human Services	01/01/2011
Wass, Jeffrey	Child Support Services	01/15/2011
Weart, Russell D.	Sheriff	12/31/2010

9. Service Retirement - Change Effective Date: Effective Date

a. Ethel Williams Human Services (from 11/06/2010) 01/15/2011

10. Staff Travel:

- a. Approve the attendance of Brian Long and Don Pierce for due diligence regarding potential Global REIT managers (GEM Realty and Brookfield) in Chicago, IL on January 19, 2011.
- b. Approve the attendance of Brian Long to the Timbervest Annual Meeting and Timbervest Crossover Partners II Annual Meeting in Atlanta, GA on February 9-10, 2011.
- c. Approve the attendance of Julie Underwood to the GFOA 105th Annual Conference to be held in San Antonio, TX on May 22 - 25, 2011.

11. Disability Applications - Initial Decision:

a. Bottrell, Gregory G.

1. Mr. Bottrell is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Bottrell's disability is service connected based on right elbow and knee injuries.
3. No medical review is necessary as specified by the medical advisor.
4. Staff shall initiate disability benefit payments with an effective date of December 11, 2009, the date of application.

b. Drey, Cynthia M.

1. Ms. Drey is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Drey's disability is service connected based on cervical and lumbar disc disease with radiculopathy, bilateral rotator cuff tendonitis, and left hip trochanteric bursitis.
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 25, 2010, the date of application.

c. Greenwood, Judith M.

1. Ms. Greenwood is permanently incapacitated for the performance of duties and disability retirement be granted.

2. Ms. Greenwood's disability is non-service connected based on adenocarcinoma of the pelvis arising from endometriosis and peripheral neuropathy secondary to chemotherapy.

3. Ms. Greenwood 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 July 29, 2010, the date of application.

12. Disability Applications - Writ of Mandate:

a. Johnson, Larry

1. Petitioner had not demonstrated by the preponderance of evidence that Mr. Johnson's permanent incapacity was the result of injury arising out of and in the course of employment, and therefore, the Petition for Writ of Mandate be denied.

2. Petitioner's claim for Service Connected Disability is therefore denied.

### **CLOSED SESSION:**

13. Initial Decision:

a. Holliday, Pearlie

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

1. Ms. Holliday is not permanently incapacitated for the performance of duties based on bilateral carpal tunnel syndrome, wrist and elbow pain, and osteoarthritis of knees and feet.

2. Disability retirement be denied.

3. If a disability retirement is determined at a future hearing stage, the effective date will be February 11, 2010, the date of application.

Against: Neely; Absent: Henry

Motion Passed.

### **CONFERENCE WITH LEGAL COUNSEL**

14. Conference with Legal Counsel - Existing Litigation, Government Code Subdivision (a) of Section 54956.9 - San Bernardino County Public Attorney's Association v. SBCERA.

**OPEN SESSION:**

15. Presentation by The Townsend Group of their Real Estate Performance Measurement Report for the Third Quarter ending September 30, 2010 and market update.

Dick Brown and Kevin Lynch, The Townsend Group, presented.

16. The Townsend Group Update - Fall 2010.

Dick Brown and Kevin Lynch, The Townsend Group, presented.

17. Presentation by The Townsend Group on the Fund Performance Projections.

Postponed to the February Special Board meeting.

18. Budget Modifications.

- a. Approve budget modification for FY 2010/2011 pursuant to AB609.

Underwood presented. AB609 amends Government Code Section 31580.2 and repeals Government Code Section 31580.3. Expenses have consistently been well under budget.

Williams moved, Fiorino seconded, to Approve budget modification for FY 2010/2011 pursuant to AB609.

Absent: Hatch, Henry

Motion Passed.

- b. Approve budget appropriation of \$38,681 for County Services COWCAP expenditure.

Underwood presented.

Waner moved, Neely seconded, to Approve budget appropriation of \$38,681 for County Services COWCAP expenditure.

Abstain: Walker; Absent: Hatch, Henry

Motion Passed.

19. Approve transfer of up to \$2,718,907 of start-up cash to Pacific Public Partners separate bank account pending approval by the Pacific Public Partners Board to open this account.

Underwood and Perry presented.

Williams moved, Stafford seconded, to Approve transfer of up to \$2,718,907 of start-up cash to Pacific Public Partners separate bank account pending approval by the Pacific Public Partners Board to open this account.

Absent: Hatch, Henry  
Motion Passed.

20. Review and discuss status of Towers Watson competitive compensation and benefits review.

Porter presented. The scope of the competitive compensation and benefits review was narrowed to the Executive Director and Chief Investment Officer positions.

21. Ratify Limited Partner Written Consent for AIG Asian Real Estate Partners II.

Long presented.

Neely moved, Waner seconded, to Approve ratification of Limited Partner Written Consent for AIG Asian Real Estate Partners II.

Absent: Hatch, Henry  
Motion Passed.

22. Review Guidelines on accepting Gifts of Meals and/or Sporting Event Tickets.

Kjeldgaard reviewed.

23. Review 2010 California Case Law of Interest to 1937 Public Pension Plans.

Kjeldgaard reviewed.

24. Ad Hoc Committee on the 2011 Hearing Officer Panel and 2011 Medical Advisor Panel.

- a. Report of the meeting conducted December 13, 2010.

Weisser reported.

- b. Approve the 2011 Hearing Office Panel as follows:

Irene P. Ayala  
Marilyn Nelson  
Kenneth A. Perea  
John Rosenthal  
Deborah Wissley

Ovitt moved, Neely seconded, to Approve the 2011 Hearing Office Panel.

Absent: Hatch, Henry  
Motion Passed.

- c. Approve the 2011 Medical Advisor Panel as follows:

Joseph Dotan, MD  
Lance Mohr, MD, MPH  
John B. Slayback, MD  
Paul Umof, MD

Ovitt moved, Neely seconded, to Approve the 2011 Medical Advisor Panel.  
Absent: Hatch, Henry  
Motion Passed.

25. Approve trustee attendance to any of the 2011 IFEBP Public Employee Trustee and Staff Educational Programs, a maximum of four trustees per session, to be held at various locations throughout the continental United States throughout the year.

Stafford moved, Neely seconded, to Approve trustee attendance to any of the 2011 IFEBP Public Employee Trustee and Staff Educational Programs, a maximum of four trustees per session, to be held at various locations throughout the continental United States throughout the year.  
Absent: Hatch, Henry  
Motion Passed.

26. Approve the attendance of trustees to any of the 2011 CALAPRS Roundtables, to be held in various locations throughout California.

Stafford moved, Neely seconded, to Approve the attendance of trustees to any of the 2011 CALAPRS Roundtables, to be held in various locations throughout California.  
Absent: Hatch, Henry  
Motion Passed.

27. Approve the attendance of trustees to the State Association of County Retirement Systems' (SACRS) Spring Conference to be held in Santa Barbara, CA, on May 10-13, 2011, and Fall Conference, to be held in Costa Mesa, CA, on November 15-18, 2011.

Stafford moved, Neely seconded, to Approve the attendance of trustees to the State Association of County Retirement Systems' (SACRS) Spring Conference to be held in Santa Barbara, CA, on May 10-13, 2011, and Fall Conference, to be held in Costa Mesa, CA, on November 15-18, 2011.  
Absent: Hatch, Henry  
Motion Passed.

28. Approve the attendance of up to four trustees to Opal Public Funds Summit to be held in Scottsdale, AZ on January 12 -14, 2011.

Neely moved, Stafford seconded, to Approve the attendance of Neely and up to three additional trustees to Opal Public Funds Summit to be held in Scottsdale, AZ on January 12 -14, 2011.  
Absent: Hatch, Henry  
Motion Passed.

29. Approve the attendance of up to four trustees to Institutional Investor's Global Real Assets Investment Forum to be held in New York, NY on February 8-9, 2011.

Neely moved, Stafford seconded, to Approve the attendance of Stafford and up to three additional trustees to Institutional Investor's Global Real Assets Investment Forum to be

held in New York, NY on February 8-9, 2011.

Absent: Hatch, Henry

Motion Passed.

30. Approve the attendance of up to four trustees to Information Management Network (IMN) 2011 Securities Lending Conference to be held in Scottsdale, AZ on February 13 - 16, 2011.

Neely moved, Stafford seconded, to Approve the attendance of Neely and up to three trustees to Information Management Network (IMN) 2011 Securities Lending Conference to be held in Scottsdale, AZ on February 13 - 16, 2011.

Absent: Hatch, Henry

Motion Passed.

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

Stafford provided a written report on her attendance at Opal Financial Group's Alternative Investing Summit, held in Dana Point, CA, December 5 – 7, 2010.

32. Staff Reports:

- a. Managing Trustee's Report

Walker reviewed.

- b. Investment Performance Report

Pierce reviewed.

### **PUBLIC COMMENT**

No public comment was provided.

### **ADJOURN**

The meeting adjourned at 11:53 a.m.

Respectfully submitted,

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ELLEN WEISSER, Chairman

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LARRY WALKER, Acting Secretary

DATED \_\_\_\_\_