



**MINUTES
BOARD OF RETIREMENT
February 3, 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
LARRY WALKER, Treasurer (Managing Trustee)
NEAL WANER, Appointed Member
DAVID WILLIAMS, Safety Member
HARRY HATCH, Alternate Retired Member
BRET HENRY, Alternate Safety Member

Others Present:

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

Not Present:

GARY OVITT, Appointed Member

1. Call meeting to order.

Stafford served as Chair at the request of Weisser. Stafford called the meeting to order at 9:00 a.m.

CONSENT:

Neely moved, Williams seconded, to Approve Consent Calendar with the exception of item #7a, and that #7a be moved to Closed Session.

Absent: Ovitt, Walker

Motion Passed.

2. Approve minutes of regular meeting of January 6, 2011.

3. Approve minutes of special meeting of January 18, 2011.

4. Service Retirements:		Effective Date
Aaron, Jeffrey A	Public Defender (Def)	01/24/2011
Allen, Thomas	ARMC	03/12/2011
Alvarado, Kathleen G	District Attorney	01/29/2011
Betts, Susan	Regional Parks (Def)	02/10/2011
Bixler, Mary C	Human Services	02/26/2011
Bunch, Suvella	ARMC	03/12/2011
Carr, Michael J	Probation	01/11/2011
Choisnet, Cory A	Sheriff (Def)	02/14/2011
Crandall, Warren P	County Fire	02/12/2011
Davis, LaTanya	Public Guardian (Def)	12/30/2010
De Jesus, Jose P	Information Services (Def)	12/27/2010
Dominguez, David G	Sheriff (Def)	01/29/2011
Ebarra, Deborah	Auditor Controller/Tax Collector	02/12/2011
Eddy, Marjorie	Purchasing (Def)	01/18/2011
Edwards, Leonard Sr. W	SCAQMD	03/02/2011
Gibbons, Terry	Crest Forest Fire Protection	02/26/2011
Gregson, Todd	County Fire	01/07/2011
Griffith, Cheryl L	Human Services	01/01/2011
Hamill, Dawn	Human Services (Def)	01/21/2011
Havert, Carolyn C	Behavioral Health	03/12/2011
Hayes, June D	Behavioral Health (Def)	01/11/2011
Hinchey, Jesusita	ARMC (Def)	03/17/2011
Humildad, Merejildo	San Bernardino Airport Authority (Def)	02/01/2011
Kelley, J David	Human Services	01/15/2011
McHenry, Betty J	Public Health	03/12/2011
Nefwani, Talanga	Probation	01/29/2011
Nickols, Angela	Children Services (Def)	02/15/2011
Perkins, Larry	Public Health	03/12/2011
Records, Steve	Superior Court	02/26/2011
Resheske, Pamela A	Economic Development Agency	02/12/2011
Rossey, Luis	ARMC (Def)	01/03/2011
Schilling, Frank	City of Big Bear Lake	01/15/2011
Vale, Kathryn L	Sheriff	01/29/2011
Varela, Judith	Human Services	02/12/2011
Wales, Richard T	Mojave Desert AQMD	02/26/2011
Walker, Gregory	Behavioral Health (Def)	01/04/2011
Wold, Terrill	Solid Waste Management (Def)	01/26/2011
Wong, Joyce C	SCAQMD	01/15/2011

5. Service Retirements - Change Effective Date:		Effective Date
a. Aunchman, Paul A.	SCAQMD (from 01/31/11)	02/02/11

6. Staff Travel:

- a. Approve the attendance of Brian Long to the IFE Real Estate Seminar in Phoenix, AZ on March 6-8, 2011.
- b. Approve the attendance of Brian Long to the Partners Group Annual meeting in Zurich, Switzerland on March 29 through April 1, 2011.

7. Disability Applications - Initial Decision:

a Dailey, Patrick L.

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

1. Mr. Dailey is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Dailey's disability is Service-Connected based on prostate cancer.
3. No medical review is necessary as specified by the medical advisor.
4. Staff shall initiate disability benefit payments with an effective date of April 1, 2010, the day after the last date compensated.

Absent: Ovitt

Motion Passed.

b. Ware, Stanley D.

1. Mr. Ware is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Ware's disability is Service-Connected based on hypertension.
3. No medical review is necessary as specified by the medical advisor.
4. Staff shall initiate disability benefit payments with an effective date of April 1, 2010, the day after the last date compensated.

8. Formal Hearing:

a. Dorow, Donna

Approve and adopt the proposed findings and the recommendations of the hearing officer to grant a service-connected disability retirement with an effective date of September 29, 2007, and grant supplemental disability retirement allowance.

CLOSED SESSION:

9. Initial Decision:

- a. James, Corles A.

Weisser moved, Neely seconded, to Continue to the March Board meeting.
Absent: Ovitt
Motion Passed.

10. Reconsideration:

- a. Marcil, Karen S.

Williams moved, Neely seconded, to Approve Staff Recommendation to:
1. Schedule formal hearing based on member's request for Service-Connected Disability based on major depression and generalized anxiety disorder.
2. If it is determined that the member is permanently incapacitated for the performance of duties based on major depression and generalized anxiety disorder at a future hearing stage, the effective date will be June 17, 2009, the date of application.
Absent: Ovitt
Motion Passed.

- b. White, Bonnie

Neely moved, Weisser seconded, to Approve Staff Recommendation to:
1. Schedule formal hearing based on member's request for Service-Connected Disability based on psychiatric event and not capable of gainful employment.
2. If it is determined that the member is permanently incapacitated for the performance of duties based on a psychiatric event and not capable of gainful employment at a future hearing stage, the effective date will be March 4, 2010, the day after last date compensated.
Absent: Ovitt
Motion Passed.

OPEN SESSION:

11. Approve the annual retiree cost of living adjustment of 1.5%, effective April 1, 2011.

Underwood reviewed.

Weisser moved, Williams seconded, to Approve the annual retiree cost of living adjustment of 1.5% effective April 1, 2011, with a 2% cost of living adjustment for those who retired on or before April 1, 2007.
Absent: Ovitt
Motion Passed.

12. Presentation by New England Pension Consultants of their Quarterly Investment Performance Review for the period ending December 31, 2010.

Allan Martin, New England Pension Consultants, and Don Pierce, reviewed.

13. Approve the 2011 Due Diligence schedule.

Weisser moved, Williams seconded, to Approve the 2011 Due Diligence schedule.

Absent: Ovitt

Motion Passed.

14. Review SACRS Election Notice for the 2011-2012 SACRS Board of Directors.

Neely reviewed.

15. Review and discuss Guidelines on Accepting Gifts of Travel.

Kjeldgaard requested this item be removed from the agenda.

16. Approve the use of contingency funds not to exceed \$35,000 for the Towers Watson competitive compensation and benefits review.

Walker reviewed. He stated that this item was previously reviewed, but funds were not allocated.

Weisser moved, Williams seconded, to Approve the use of contingency funds not to exceed \$35,000 for the Towers Watson competitive compensation and benefits review.

Absent: Ovitt

Motion Passed.

17. Report on the Ad Hoc Committee for the Executive Director and Chief Investment Officer Recruitments.

- a. Report of the meeting conducted January 24, 2011.

Porter reviewed.

- b. Approve recommendation to hire EFL Associates as the Executive Search Firm to assist in the recruitment of an Executive Director and Chief Investment Officer.

Weisser moved, Walker seconded, to Approve recommendation to hire EFL Associates as the Executive Search Firm to assist in the recruitment of an Executive Director and Chief Investment Officer, at the rate quoted in their proposal.

Absent: Ovitt

Motion Passed.

- c. Recommend postponement of the Chief Investment Officer (CIO) recruitment to a time after the hiring of an Executive Director, to enable the Executive Director to participate in the hiring process, and refer to Committee.

Weisser moved, Walker seconded, to Refer to Administrative Committee the postponement of the Chief Investment Officer (CIO) recruitment to a time after the hiring of an Executive Director, to enable the Executive Director to participate in the hiring process.

Absent: Ovitt

Motion Passed.

- d. Recommend the title change of the Executive Director position to Chief Executive Officer, and refer to Committee.

Weisser moved, Walker seconded, to Refer to the Administrative Committee a recommendation on the title change of the Executive Director position to Chief Executive Officer, and refer to Committee.

Absent: Ovitt

Motion Passed.

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

Neely reported on his attendance at the CALAPRS Trustees Roundtable, and on his attendance at the Public Funds Summit held in Scottsdale, AZ. Weisser reported on her attendance at a conference at which Howard Marks was a speaker.

- 19. Staff Reports:

- a. Managing Trustees Report.

Walker reviewed.

- b. Review California Retirement Legislation for 2011-2012.

Kjeldgaard Reviewed.

- c. Review and discuss 2nd Quarter Budget vs. Actual for FY 2010/2011.

Underwood Reviewed.

SUPPLEMENTAL AGENDA

- 20. CLOSED SESSION - Threatened Litigation - Government Code Section 54956.9(b) – One Case.

PUBLIC COMMENT

No public comment was provided.

ADJOURN

Meeting was adjourned at 12:30 p.m.

Respectfully submitted,

ELLEN WEISSER, Chairman

LARRY WALKER, Acting Secretary

DATED _____