



**MINUTES  
BOARD OF RETIREMENT  
September 1, 2011  
BOARD ROOM  
348 WEST HOSPITALITY LANE, FIRST FLOOR  
SAN BERNARDINO, CA**

Trustees Present:

DAWN STAFFORD, Retired Member (Chairman)  
 BRENDAN BRANDT, Appointed Member  
 LOUIS FIORINO, General Member  
 DONALD NEELY, General Member  
 LARRY WALKER, Treasurer  
 NEAL WANER, Appointed Member  
 DAVID WILLIAMS, Safety Member  
 HARRY HATCH, Alternate Retired Member  
 BRET HENRY, Alternate Safety Member

Others Present:

NORM RUGGLES, Chief Executive Officer  
 ANDREW KJELDGAARD, Counsel  
 DONALD PIERCE, Interim Chief Investment Officer  
 CHRISTIE PORTER, Chief Member Services  
 JULIE UNDERWOOD, Chief Fiscal Services  
 CAROL FENN, Recorder

Not Present:

JANICE RUTHERFORD, Appointed Member

1. Call meeting to order.

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

2. Introduction and welcome of new Trustee - Robert Balzer.

Stafford requested that this item be discussed later in the meeting.

3. Election of Vice Chairman for remainder of 2011.

Fiorino moved, Stafford seconded, to Approve Election of David Williams as Vice Chairman for remainder of 2011.

Absent: Rutherford

Motion Passed.

**CONSENT**

Williams moved, Waner seconded, to Approve the Consent Calendar.

Absent: Rutherford

Motion Passed.

4. Action: Minutes of regular meeting of August 4, 2011.
5. Action: Minutes of special meeting of August 15, 2011.
6. Service Retirements:

Angeli, Albert C.	Regional Parks	8/13/2011
Baltierra, Manual	Probation	10/8/2011
Biehler, Daniel C.	Behavioral Health	8/13/2011
Bishop, Suzanne	ARMC	8/13/2011
Boyd, Judy L.	Human Services	9/10/2011
Butler, Bonnie E.	Environmental Health Services (Def)	8/7/2011
Dixon, Lloyd N	Economic Development Agency	7/30/2011
Enderson, Karen	Superior Court	8/27/2011
Estrada, Rene	Human Services (Def)	8/26/2011
Foley, Patti S.	Economic & Community Development	8/27/2011
Guerrero, Arthur B	SCAQMD (Def)	9/3/2011
Hackleman, James B.	District Attorney	10/8/2011
Hixon, C. Anne	Superior Court	9/24/2011
Jenkins, Dirk A.	SCAQMD (Def)	9/2/2011
Jenkins, Sherry	SANBAG	9/24/2011
Klaerner, Kristine D	DPSS (Def)	8/1/2011
Martinez, Ralph E.	County Library	8/13/2011
McIntosh, William	Child Support Services	9/10/2011
Melanson, Susan	Human Services	8/18/2011
Merrifield, Anita	Information Services (Def)	9/8/2011
Morgan, Maria Guadalupe	Preschool Services (Def)	9/23/2011
Nora, Eunice	Sheriff	8/27/2011
Oriola-Jackson, Nola	SCAQMD	9/10/2011
Pichotta, David A.	Sheriff	8/13/2011
Ragsdale, Lovia M.	District Attorney	8/27/2011
Schireson, Frances	Children & Family Services	8/13/2011
Schurr, Judith	Superior Court (Def)	9/10/2011
Schutt, John	ARMC	7/30/2011
Shawe, Mary A	Public Health	8/13/2011
Sherron, Claude	Probation	8/13/2011
Shoaff, Jeannie	Superior Court	8/27/2011
Simmons, Shirley	Children & Families Commission	8/20/2011
Switzer, Howard	Public Works (Def)	10/5/2011
Vandenberg, Richard K	SCAQMD (Def)	8/1/2011
Vantine, Jerald	City of Big Bear Lake	8/23/2011
Waldman, Brian	Behavioral Health (Def)	8/11/2011

Watt, Hugh	Human Services	8/13/2011
Williams, Samuel	Museum	7/30/2011
Wood, Tracy	County Fire	10/8/2011

7. Staff Travel:

- a. Action: Attendance of Don Pierce to Institutional Investor's Delivering Alpha conference, to be held in New York City, NY on September 14, 2011.
- b. Action: Attendance of Christie Porter to the Pre-Retirement Seminar to be held in Needles, CA on October 18, 2011 with accomodations in Laughlin, NV.

8. Disability Applications - Initial Decision:

- a. Brickley, Morris P.
  1. Mr. Brickley is permanently incapacitated for the performance of duties and disability retirement be granted.
  2. Mr. Brickley's disability is Service-Connected based on torn anterior cruciate ligament (ACL) and severe flexion contracture and osteoarthritis of the right knee.
  3. No medical review is necessary as specified by the medical advisor.
  4. Staff shall initiate disability benefit payments with an effective date of November 1, 2010, the date of application.
- b. Daum, Janet
  1. Ms. Daum is permanently incapacitated for the performance of duties and disability retirement be granted.
  2. Ms. Daum's disability is Nonservice-Connected based on multiple sclerosis.
  3. Ms. Daum 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 March 26, 2011, the day after the last date compensated.
- c. Devita, Michael
  1. Mr. Devita's effective date of disability benefit payments should be July 9, 2011.
- d. Embry Jr., James H.
  1. Mr. Embry is permanently incapacitated for the performance of duties and disability retirement be granted.
  2. Mr. Embry's disability is Service-Connected based on torn meniscus – left knee, osteoarthritis of the lower leg and internal derangement of knee.
  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 16, 2010, the date of application.

- e. Garland, Jamie D.
  - 1. Ms. Garland is permanently incapacitated for the performance of duties and disability retirement be granted.
  - 2. Ms. Garland's disability is Service-Connected based on discogenic neck pain and right shoulder pain.
  - 3. Medical review is recommended within 12 to 18 months as specified by the medical advisor.
  - 4. Staff shall initiate disability benefit payments with an effective date of September 3, 2011, the day after the last date compensated.
  
- f. Jefferies, Ronnie W.
  - 1. Mr. Jefferies is permanently incapacitated for the performance of duties and disability retirement be granted.
  - 2. Mr. Jefferies' disability is Nonservice-Connected based on cardiomyopathy, pulmonary hypertension and pulmonary embolus.
  - 3. Mr. Jefferies 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 March 26, 2011, the day after the last date compensated.
  
- g. Leon, Karen
  - 1. Ms. Leon is permanently incapacitated for the performance of duties and disability retirement be granted.
  - 2. Ms. Leon's disability is Nonservice-Connected based on fibromyalgia, chronic fatigue syndrome, GERD, achalasia, chronic uncontrolled dry heaving, severe migraines, osteoarthritis, osteoporosis, and hypothyroidism.
  - 3. Ms. Leon 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 19, 2011, the date of application.
  
- h. Reed, Ronald S.
  - 1. Mr. Reed is permanently incapacitated for the performance of duties and disability retirement be granted. (Member deceased on August 18, 2011.)
  - 2. Mr. Reed's disability is Service-Connected based on renal cell carcinoma.
  - 3. Determine the benefit type payable to Laura Reed, spouse, is payable under Government Code Section 31787 as an Optional Death Allowance (Duty Related Disability Survivorship).
  - 4. Upon approval of the disability retirement, staff shall initiate the Optional Death Allowance with an effective date of May 7, 2011, the day after the last date compensated.
  
- i. Valmonte, Kenneth
  - 1. Mr. Valmonte is permanently incapacitated for the performance of duties and disability retirement be granted.
  - 2. Mr. Valmonte's disability is Nonservice-Connected based on post traumatic stress disorder and chronic depression.

3. Mr. Valmonte is not capable of gainful employment.
4. Medical review is recommended within a 24 to 36 month period as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of December 22, 2010, the date of application.

### **CLOSED SESSION**

9. Initial Decision:

a. Achatz, Priscilla

Fiorino moved, Brandt seconded, to Approve Staff Recommendation that:

1. Ms. Achatz is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Achatz' disability is Service-Connected based on degenerative joint disease of bilateral knees, low back pain and right ankle pain.
3. Ms. Achatz 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 January 29, 2011, the day after the last date compensated.

Absent: Rutherford

Motion Passed.

b. Brown, Weber

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

1. Mr. Brown is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Mr. Brown's disability is Nonservice-Connected based on lumbar degenerative disc disease.
3. Mr. Brown 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 July 16, 2011, the day after last date compensated, provided benefit is requested in writing.

Absent: Rutherford

Motion Passed.

c. Cuthbert, George

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

1. Mr. Cuthbert is not permanently incapacitated for the performance of duties based on gastroparesis syndrome.
2. Disability retirement be denied.
3. If a disability retirement is determined at a future hearing stage, the effective date will be December 14, 2010, the date of application.

Absent: Rutherford  
Motion Passed.

- d. Miramontez, Evelyn M.

Walker moved, Williams seconded, to Approve Staff Recommendation to Continue decision to October 6, 2011 Board meeting on disability application of Evelyn M. Miramontez until such time that staff has processed all required disability application documents associated with disability claim of cervical disc degeneration and fusion.

Absent: Rutherford  
Motion Passed.

### **CONFERENCE WITH LEGAL COUNSEL**

10. Anticipated Litigation: Significant Exposure to Litigation per Government Code Subdivision (b) of Section 54956.9 -- One Case.

### **OPEN SESSION**

11. Portfolio Review by Partners Group.

David Hunter and Stefan Naf reviewed the Partners Group portfolio.

12. Action: Hiring of Macias Gini & O'Connell, LLP for a Special Project Audit and selection of options for the scope of work.

Underwood reviewed the options available.

Brandt moved, Stafford seconded, to Approve the hiring of Macias Gini & O'Connell, LLP for a Special Project Audit, for the review of all employer data reported for the entire fiscal year, FY 2010/2011 at a cost of \$54,000.

Absent: Rutherford  
Motion Passed.

13. Investment Committee Report.

- a. Report on the meeting conducted August 8, 2011.

Stafford reported.

- b. Action: Proposed guideline change for the CastleRock Separately Managed Account.

Walker moved, Stafford seconded, to Approve the proposed guideline change for the CastleRock Separately Managed Account.

Absent: Rutherford  
Motion Passed.

14. Chairman's appointment of Voting Delegate and Alternate to the State Association of County Retirement Systems' (SACRS) Fall Conference.

The Chairman appointed Neely as the Voting Delegate and Hatch as the Alternate to the State Association of County Retirement Systems' (SACRS) Fall Conference.

15. Action: Membership of Larry Walker in the Real Estate Research Council of Southern California, to include attendance at quarterly meetings.

Walker requested that this item be revised to take action on the membership of SBCERA in the Real Estate Research Council of Southern California, to include attendance at quarterly meetings of up to four trustees per meeting.

Walker moved, Stafford seconded, to Approve membership of SBCERA in the Real Estate Research Council of Southern California, to include attendance at quarterly meetings of up to four trustees per meeting.

Absent: Rutherford

Motion Passed.

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

Walker reported on his attendance at the SACRS Investment Management Program at UC Berkeley.

17. Staff Reports:

- a. Chief Executive Officer's Report.

Ruggles reported.

- b. Review California retirement legislation for 2011-2012.

Kjeldgaard reported.

- c. Investment Performance Report.

Pierce reported.

- d. Review and Discuss 4th Quarter Budget vs. Actual for FY 2010/2011.

Underwood reported.

### **PUBLIC COMMENT**

Public Comment was provided by one individual.

**ADJOURN**

The meeting adjourned at 11:35 a.m.

Respectfully submitted,

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DAWN STAFFORD, Chairman

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NORMAN L. RUGGLES, Secretary

DATED \_\_\_\_\_