



**MINUTES
BOARD OF RETIREMENT
January 5, 2012
BOARD ROOM
348 WEST HOSPITALITY LANE, FIRST FLOOR
SAN BERNARDINO, CA**

Trustees Present:

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

Others Present:

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

1. Call meeting to order.

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

2. Elect Chairman and Vice Chairman for 2012.

Neely moved, Rutherford seconded, to Approve Dawn Stafford as Chairman for 2012.
 Absent: Walker
 Motion Passed.

Neely moved, Fiorino seconded, to Approve Dave Williams as Vice Chairman for 2012.
 Absent: Walker
 Motion Passed.

3. Chairman's appointments to the following Committees for 2012:

a. Investment Committee

The Chairman appointed Walker (Chair), Neely, Waner and Fiorino to the Investment Committee.

b. Administrative Committee

The Chairman appointed Williams (Chair), Stafford, Brandt and Henry to the Administrative Committee.

c. Audit Committee

The Chairman appointed Stafford (Chair), Walker, Rutherford and Hatch to the Audit Committee.

d. Benefits and Compensation Committee

The Chairman appointed Williams (Chair), Stafford, Brandt and Henry to the Benefits and Compensation Committee.

Walker arrived at 9:06 a.m.

4. Approve the 2012 Board and Committee meeting dates.

Fiorino moved, Waner seconded, to Approve the 2012 Board and Committee meeting dates, with a revision to move the Committee meetings to Tuesdays (instead of Mondays) at 2:00 p.m. (instead of 9:00 a.m.).

Motion Passed.

CONSENT

Waner moved, Rutherford seconded, to Approve the Consent Calendar.
Motion Passed.

5. Action: Approve minutes of regular meeting of December 1, 2011.

6. Service Retirements:

Abajian, Charles S	Probation	01/14/2012
Abbott, Terrylyn	Sheriff	01/28/2012
Anderson, Theresa M	County Library	12/16/2011
Barandon, Janice E	District Attorney	01/28/2012
Bardowell, Cheryl L	City of Big Bear Lake (Def)	12/31/2011
Behjat, Bahram	SCAQMD	01/07/2012
Burris, Daylene L	SANBAG	01/7/2012
Bush, Georgia E	Sheriff	01/28/2012
Campos, Fred	Economic & Community Dev.	12/17/2011

Collom, Christopher	Human Services	01/14/2012
Corral-Flores, Laura T	Child Support Services	12/31/2011
Coyer, Michael	County Fire (Def)	12/13/2011
Daniels, Bruce C	City of Bio Bear Lake (Def)	11/14/2011
Dawson, Sherry	Human Services (Def)	12/15/2011
Decker, Charles H	SCAQMD	01/04/2012
Demartz, Nicholas	Workforce Development	01/28/2012
Duncan, James H	Agriculture, Weights & Measures	02/11/2012
Dysart, Richard C	Sheriff (Def)	12/12/2011
Eaton, Frances	ARMC (Def)	01/26/2012
Egan, Sharron	Probation	12/30/2011
Fehrenbach, Larry	Human Services	02/11/2012
Gaddis, Geoffrey	Facilities Management	01/14/2012
Garcia, Lupe	ARMC	12/17/2011
Garcia, Sally	Probation	12/03/2011
Gates, Christopher	Risk Management	12/31/2011
Gonzales, Loretta E	Human Services	11/19/2011
Gonzales, Lupe	Superior Court	11/19/2011
Grajeda, Sandra	County Counsel	12/31/2011
Gregor, Catherine	Human Services	01/14/2012
Harryman, David L	Human Services	12/31/2011
Hernandez, Paula	Public Health	12/31/2011
Honseler, Cathy A	Public Defender	12/31/2011
Hoover, Janette	Economic & Community Dev.	01/22/2012
Johnson, Denise D	Auditor-Contr/Treas/Tax Collector	12/17/2011
Khalsa, Rama	Behavioral Health (Def)	12/31/2011
Lin, Shih K	SCAQMD	01/07/2012
Lockhart, Beverly A	Behavioral Health	01/14/2012
Mattison, Janice	Public Health	01/14/2012
McLaughlin, Joseph	Sheriff	01/14/2012
Mills, Bonnie	Superior Court	12/31/2011
Misa, Patria O	District Attorney	12/03/2011
Nash, Crystal L	Probation (Def)	12/17/2011
Ortiz, Alfred C	Sheriff	01/28/2012
Ramirez, Beatrice	Human Services	12/17/2011
Reid, Peggy	Child Support (Def)	11/21/2011
Rodriguez, William H	Sheriff	01/14/2012
Seapy, Marjorie	Public Defender	01/28/2012
Serna, Linda	Public Health (Def)	01/01/2012
Smith, John S	Human Services	11/19/2011
Stringer, Ruth E	County Counsel	12/03/2011
Tuazon, Maria Luisa Sunga	Public Health (Def)	01/18/2012
Watson, Paul A	Sheriff (Def)	01/09/2012
White, Shirley M	District Attorney	01/14/2012
Wiebelt, Thomas E	Sheriff	12/17/2011
Williams, Robert	Behavioral Health (Def)	01/14/2012

7. Staff Travel:
 - a. Approve the attendance of Don Pierce as a speaker to the Santa Barbara County Employees' Retirement System 2012 Annual Retreat, to be held in Santa Barbara, CA on January 25 – 26, 2012.
8. Disability Applications - Initial Decision:
 - a. Moore, Brian C.
 1. Mr. Moore is permanently incapacitated for the performance of duties and disability retirement be granted.
 2. Mr. Moore'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 July 16, 2011, the day after the last date compensated.
 - b. Sapp, LeRoy
 1. Mr. Sapp is permanently incapacitated for the performance of duties and disability retirement be granted.
 2. Mr. Sapp's disability is Service-Connected based on rectal cancer and deep vein thrombosis.
 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 21, 2012, the day after the last date compensated.
 - c. Schultz, Lowell
 1. Mr. Schultz is permanently incapacitated for the performance of duties and disability retirement be granted.
 2. Mr. Schultz' disability is Service-Connected based on cumulative trauma to right extremities.
 3. No medical review is necessary as specified by the medical advisor.
 4. Staff shall initiate disability benefit payments with an effective date of May 2, 2011, the date of application.
 - d. Viero, Fran M.
 1. Ms. Viero is permanently incapacitated for the performance of duties and disability retirement be granted.
 2. Ms. Viero's disability is Service-Connected based on generalized anxiety disorder and depressive disorder.
 3. No medical review is necessary as specified by the medical advisor.
 4. Staff shall initiate disability benefit payments with an effective date of June 29, 2011, the date of application.

e. Williams, Cecilia M.

1. Ms. Williams is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Williams' disability is Nonservice-Connected based on non-Hodgkins lymphoma.
3. Ms. 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 July 25, 2011, the date of application.

f. Witham, Renee

1. Ms. Witham is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Witham's disability is Nonservice-Connected based on encephalomalacia.
3. Ms. Witham 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 May 3, 2011, the date of application.

9. Disability Applications - Writ of Mandate:

a. Miller, Ray

1. The Court found that evidence on both sides were presented to support each parties' position; having reviewed the physicians reports submitted in evidence, the Court found that the decision of the administrative agency was not in opposition to the weight of the evidence; and, therefore, the Petition for Writ of Mandate be denied.
2. Petitioner's claim for Service-Connected Disability is therefore denied.

CLOSED SESSION

10. Initial Decision:

a. Fassari, Michael

Williams moved, Walker seconded, to Continue to the February Board meeting.
Motion Passed.

b. Gregg, Gordon R.

Stafford moved, Williams seconded, to Continue to the February Board meeting.
Motion Passed.

c. Hernandez, Donna

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

1. Ms. Hernandez is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Hernandez' disability is Service-Connected based on left shoulder and cervical spine injuries.
3. Ms. Hernandez 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 March 28, 2011, the date of application.

Motion Passed.

d. Oliverio, Julie M.

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

1. Ms. Oliverio is not permanently incapacitated for the performance of duties based on depression, anxiety, and chronic foot and knee pain.
2. Disability retirement be denied.
3. If a disability retirement is determined at a future hearing stage, the effective date will be March 22, 2011, the date of application.

Motion Passed.

e. Orejel, Rosa

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

1. Ms. Orejel is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Orejel's disability is Service-Connected based on bilateral carpal tunnel syndrome, cervical and right shoulder sprain/strain.
4. No medical review is necessary as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of April 6, 2011, the date of application.

Motion Passed.

Neely moved, Fiorino seconded, to Approve that Ms. Orejel is not capable of gainful employment.

Motion Passed.

f. Savage, Lindel K.

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

1. Mr. Savage is not permanently incapacitated for the performance of duties based on supraventricular tachycardia and mitral valve prolapse.
2. Disability retirement be denied.
3. If a disability retirement is determined at a future hearing stage, the effective date will be May 27, 2011, the date of application.

Motion Passed.

g. Young, Cindy J.

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

1. Ms. Young is permanently incapacitated for the performance of duties and disability retirement be granted.
2. Ms. Young's disability is Service-Connected based on lumbar degenerative disc disease with radiculopathy, sensory polyneuropathy, and left shoulder and elbow injuries.
4. No medical review is necessary as specified by the medical advisor.
5. Staff shall initiate disability benefit payments with an effective date of April 25, 2011, the date of application, provided benefit is requested in writing.

Motion Passed.

Neely moved, Williams seconded, to Approve that Ms. Young is not capable of gainful employment.

Against: Brandt, Waner

Motion Passed.

OPEN SESSION

11. Review Segal's letter providing "Five-Year Projection of Employer Contribution Rate Changes".

Underwood and Pierce reviewed.

12. Investment Committee Report.

- a. Report of the meeting conducted December 12, 2011.

Pierce reviewed.

- b. Action: Approve a commitment of \$25 million to the Industry Ventures Partnership Holdings II, L.P.

Pierce reviewed.

Walker moved, Fiorino seconded, to Approve a commitment of \$25 million to the Industry Ventures Partnership Holdings II, L.P.

Motion Passed.

- c. Action: Approve a commitment of \$25 million to the BNY Mellon-Alcentra Mezzanine III, L.P.

Pierce reviewed.

Waner moved, Rutherford seconded, to Approve a commitment of \$25 million to

the BNY Mellon-Alcentra Mezzanine III, L.P.
Motion Passed.

13. Administrative Committee Report.

- a. Report of the meeting conducted December 19, 2011.

Neely reviewed.

- b. Action: Approve amendments to Administration Policy No. 004 (Issue No. 2.0) -
Reproduction Charges.

Kjeldgaard reviewed.

Rutherford moved, Brandt seconded, to Approve amendments to Administration
Policy No. 004 (Issue No. 2.0) - Reproduction Charges, with an additional revision
to paragraphs #4 and 5 to replace "\$2.00" with "\$5.00".

Against: Fiorino
Motion Passed.

- c. Action: Approve proposed revisions to SBCERA Procedures for Disability
Retirement Applications and Formal Hearings Booklet.

Kjeldgaard reviewed.

Rutherford moved, Stafford seconded, to Approve proposed revisions to SBCERA
Procedures for Disability Retirement Applications and Formal Hearings Booklet,
with a grammatical revision on pages 2 and 4.
Motion Passed.

Rutherford left the meeting at 11:34 a.m. Waner left the meeting at 12:00 p.m.

- d. Action: Approve the addition of three new positions to staff: Accountant,
Retirement Specialist and Human Resources Specialist.

Ruggles reviewed.

Brandt moved, Williams seconded, to Approve the addition of three new positions
to staff: Accountant, Retirement Specialist and Human Resources Specialist.

Absent: Rutherford, Waner
Motion Passed.

- e. Action: Approve purchase of additional \$5 million of Fiduciary Liability Insurance
coverage through RLI Insurance Company.

Neely reviewed.

Brandt moved, Stafford seconded, to Approve purchase of additional \$5 million of Fiduciary Liability Insurance coverage through RLI Insurance Company.
Absent: Rutherford, Waner
Motion Passed.

14. Ad Hoc Committee on the 2012 Hearing Officer Panel and 2012 Medical Advisor Panel.

- a. Report of the meeting conducted December 19, 2011.

Porter reviewed.

- b. Approve the 2012 Hearing Officer Panel as follows:

Irene P. Ayala
Kenneth A. Perea
Marilyn Nelson
Deborah Wissley
Michael Reiter

Brandt moved, Neely seconded, to Approve the 2012 Hearing Officer Panel as follows:

Irene P. Ayala
Kenneth A. Perea
Marilyn Nelson
Deborah Wissley
Michael Reiter

Absent: Rutherford, Waner
Motion Passed.

- c. Approve the 2012 Medical Advisor Panel as follows:

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

Brandt moved, Neely seconded, to Approve the 2012 Medical Advisor Panel as follows:

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

Absent: Rutherford, Waner
Motion Passed.

15. Approve trustee attendance to any of the 2012 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.

Brandt moved, Walker seconded, to Approve trustee attendance to any of the 2012 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: Rutherford, Waner

Motion Passed.

16. Approve trustee attendance to any of the 2012 Retired Employees of San Bernardino County (RESBC) meetings, a maximum of four trustees per meeting, to be held at various locations throughout the year.

Brandt moved, Walker seconded, to Approve trustee attendance to any of the 2012 Retired Employees of San Bernardino County (RESBC) meetings, a maximum of four trustees per meeting, to be held at various locations throughout the year.

Absent: Rutherford, Waner

Motion Passed.

17. Approve trustee attendance to any of the 2012 CALAPRS Roundtables, a maximum of four trustees per meeting, to be held in various locations throughout California.

Brandt moved, Walker seconded, to Approve trustee attendance to any of the 2012 CALAPRS Roundtables, a maximum of four trustees per meeting, to be held in various locations throughout California.

Absent: Rutherford, Waner

Motion Passed.

18. Approve the attendance of trustees to the State Association of County Retirement Systems' (SACRS) Spring Conference to be held in Lake Tahoe, CA, on May 8 -11, 2012, and Fall Conference, to be held in Hollywood, CA, on November 13-16, 2012.

Brandt moved, Walker seconded, to Approve the attendance of trustees to the State Association of County Retirement Systems' (SACRS) Spring Conference to be held in Lake Tahoe, CA, on May 8 -11, 2012, and Fall Conference, to be held in Hollywood, CA, on November 13-16, 2012.

Absent: Rutherford, Waner

Motion Passed.

19. Approve the attendance of up to four trustees to Institutional Investor's Emerging Markets Forum, to be held in New York, NY on March 27 - 28, 2012.

Brandt moved, Walker seconded, to Approve the attendance of up to four trustees (Stafford, Henry, Neely and Fiorino) to Institutional Investor's Emerging Markets Forum, to be held in New York, NY on March 27 - 28, 2012.

Absent: Rutherford, Waner

Motion Passed.

20. Review and discuss guidelines on accepting Gifts of Meals and/or Sporting Event Tickets.

Kjeldgaared reviewed.

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

None were reported.

22. Staff Reports:

- a. Chief Executive Officer's Report.

Ruggles reviewed.

- b. Update on status of Pacific Public Partners.

Ruggles reviewed.

- c. Investment Performance Report.

Pierce reviewed.

PUBLIC COMMENT

No Public Comment was provided.

ADJOURN

The meeting adjourned at 12:35 p.m.

Respectfully submitted,

DAWN STAFFORD, Chairman

NORMAN L. RUGGLES, Secretary

DATED _____