San Bernardino County Employees' Retirement Association

BOARD OF RETIREMENT

Public live stream access: https://sbcera.legistar.com/calendar.aspx
Trustee in-person access: 348 W. Hospitality Lane, 1st Floor, San Bernardino, CA 92408
A video recording of this meeting can be found at: https://sbcera.legistar.com/Calendar.aspx

Meeting Minutes

Thursday, May 5, 2022 **9:00 AM** **Hybrid: In person (Trustees only)/Online**

Trustees Present:
NEAL WANER, Appointed Member (Chair)
MARC BRACCO, Safety Member (Vice-Chair)
LOUIS FIORINO, General Member
MICHAEL KENNEDY, Appointed Member
JANICE RUTHERFORD, Appointed Member
DAWN STAFFORD, Retired Member
VERE WILLIAMS, General Member
HARRY HATCH, Alternate Retired Member
JOHN JOHNSON, Alternate Ex-Officio Member
JARED NEWCOMER, Alternate Safety Member

Others Present:
DEBBY CHERNEY, Chief Executive Officer
BARBARA HANNAH, Chief Counsel
OLIVIA APPLEGATE, Communications and Stakeholder Relations Manager
STACEY BARNIER, Director of Human Resources and Risk Management
THOMAS KIM, Investment Officer
DAVID LANTZER, Senior Staff Counsel
AMY MCINERNY, Chief Financial Officer
DONALD PIERCE, Chief Investment Officer
CHRISTA JAMES, Recorder
ANGELA BONFIGLIO, Renters United for Justice
MELANIE CHANEY, Esq.
ERIN GATES, Senior Retirement Specialist
JAMES GILLAM JR, Member
CHRISTOPHER LOCKWOOD, Esq.
LANCE MOHR, M.D.
JEFFREY WAINSTEIN, M.D.
JUANITA WEISS, Member

Absent:
JEAN-RENE BASLE, Appointed Member

ENSEN MASON, Treasurer

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Board Chair Waner called the meeting to order at 9:04 AM and announced protocol regarding Public Comment. Board Chair Waner led the Pledge of Allegiance.

PUBLIC COMMENT

Angela Bonfiglio with Renters United for Justice provided Public Comment. Erin Gates, Senior Retirement Specialist at SBCERA, provided Public Comment regarding the CEO's evaluation and the ongoing SEIU contract negotiations.

CONSENT

Trustee Hatch pulled Item No. 10 and Trustee Fiorino pulled Item No. 11 from the Consent Calendar to be heard in Open Session.

A motion was made by Stafford, seconded by Fiorino, to Approve the Consent Calendar as amended. The motion carried by the following vote:

Ayes: 7 - Waner, Rutherford, Fiorino, Stafford, Williams, Johnson, and Newcomer

Absent: 4 - Bracco, Basle, Kennedy, and Mason

1. Approve minutes of regular meeting conducted on April 7, 2022. **22-169**

2. Approve minutes of Special Board of Retirement Meeting conducted on February 24, 2022. **22-162**

3. Approve Service Retirements and Change Effective Date. **22-160**

4. Pursuant to SBCERA Resolution No. 2021-7, find that the State of Emergency continues to directly impact the ability to meet safely in person and therefore continue conducting the SBCERA Board and Committee meetings in the month of May in a hybrid format. **22-170**

5. Approve the Service-Connected Disability Retirement application of Troy J. Hutton - San Bernardino County - County Fire. **22-144**

6. Approve the Non-Service-Connected Disability Retirement with Supplemental Retirement Allowance of Charles A. Leming - San Bernardino County - Public Health. **22-147**

7. Approve the Service-Connected Disability Retirement application of Keith Montgomery - San Bernardino County - ARMC. **22-090**

8. Approve the Service-Connected Disability Retirement application of Heather Onsum Stoops - San Bernardino County - Sheriff/Coroner. **22-163**

9. Approve the Service-Connected Disability Retirement application of Joshua L. Wisham - San Bernardino County - Sheriff. **22-146**

Trustees Bracco and Kennedy arrived at 9:13 AM.

10. Adopt SBCERA Resolution No. 2022-3 - Employer Pay Codes of Employee Compensation. **22-167**

    A motion was made by Williams, seconded by Fiorino, that this agenda item be Approved. The motion carried by the following vote:

Ayes: 8 - Waner, Bracco, Rutherford, Fiorino, Kennedy, Stafford, Williams, and Johnson

11. Approve Compensation Adjustments for Chief Executive Officer and Chief Counsel. **22-172**

The Board discussed and recommended a three-step salary increase for the Chief Counsel in recognition of her performance during the current performance rating period.

A motion was made by Fiorino, seconded by Kennedy, that this agenda item be Approved as amended. The motion carried by the following vote:

Ayes: 7 - Waner, Rutherford, Fiorino, Kennedy, Stafford, Williams, and Johnson

Nays: 1 - Bracco

12. Rescind Investment Policy No. 021 (Requests for Personally Identifiable Information). **22-003.3**

13. Approve and adopt updates to Education and Training Policy No. 001 (Trustees Education/Training Policy). **22-156.1**

14. Approve and adopt updates to Education and Training Policy No. 002 (Staff Education/Training, Travel & Expenses Policy). **22-155.1**

ACTION ITEMS

15. Action on Deferred Items from Consent, if any. **22-176**

Trustee Hatch pulled Item No. 10 and Trustee Fiorino pulled Item No. 11 from the Consent Calendar to be heard in Open Session. Please see entries above.

16. Provide direction to SBCERA Trustees appointed as voting delegate and alternate voting delegate for the SACRS Business Meeting to be held at the upcoming SACRS Fall Conference on Friday, May 13, 2022; Receive Legislative Update report. **22-194**

Cherney & Lantzer, staff, reviewed. The Board elected to take no action on this item.

17. Approve the addition of Incentive Compensation for Investment Officers; and adopt Resolution No. 2022-2: Approval of the Implementation of San Bernardino County Employees' Retirement Association Investment Staff Incentive Awards and Designation of Employees **22-142.1**

Barnier, staff, reviewed. Trustee Williams voted "no" on this item due to the process.

A motion was made by Bracco, seconded by Stafford, that this agenda item be Approved. The motion carried by the following vote:

Ayes: 6 - Waner, Bracco, Rutherford, Kennedy, Stafford, and Johnson

Nays: 2 - Fiorino, and Williams

18. Approve the initial allocation of $200 million to State Street Global Advisors for the MSCI World ex-USA Index strategy, subject to completion of legal document review. **22-054.1**

Kim, staff, reviewed.

A motion was made by Fiorino, seconded by Williams, that this agenda item be Approved. The motion carried by the following vote:

Ayes: 8 - Waner, Bracco, Rutherford, Fiorino, Kennedy, Stafford, Williams, and Johnson

INFORMATION ITEMS

19. Strategic Communications Plan - Annual Update. **22-153.1**

Applegate, staff, presented.

20. Presentation by NEPC of their Quarterly Investment Performance Review for the period ending March 31, 2022. **22-186**

Sam Austin with NEPC presented.

21. 2022 Preliminary Asset Allocation Review & Capital Market Assumptions. **22-101.1**

Sam Austin with NEPC presented.

22. Consider the addition of a sixth strategic pillar of “Data Security and Integrity” for inclusion in the Triennial Strategic Plan for Fiscal Years 2023 to 2025. **22-190**

Cherney, staff, presented.

RECEIVE AND FILE

23. Report on the Investment Committee meeting conducted April 14, 2022. **22-154**

Received and filed.

24. Report on the Executive Committee meeting conducted on April 14, 2022. **22-173**

Received and filed.

25. Report on the Administrative Committee meeting conducted on April 21, 2022. **22-174**

Received and filed.

CLOSED SESSION

26. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of James Gillam Jr. - San Bernardino County - Public Works. **22-145**

A motion was made by Kennedy, seconded by Williams, to Approve the staff recommendation finding that James Gillam Jr. is permanently incapacitated and that a non-service connected disability benefit be granted. Mr. Gillam Jr. is not capable of gainful employment; therefore, grant the supplemental disability retirement allowance. Staff shall initiate disability benefit payments with an effective date of October 27, 2018, the day after the last day of regular compensation. The motion carried by the following vote:

Ayes: 8 - Waner, Bracco, Rutherford, Fiorino, Kennedy, Stafford, Williams, and Johnson

27. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Alma Martinez - San Bernardino County - Behavioral Health. **22-158**

A motion was made by Stafford, seconded by Fiorino, to Approve the staff recommendation finding that Alma Martinez is permanently incapacitated, granting a non-service connected disability retirement benefit. Ms. Martinez is not capable of gainful employment; therefore, grant the supplemental disability retirement allowance. Staff shall initiate disability benefit payments with an effective date of August 1, 2020, the day after the last day of regular compensation. The motion carried by the following vote:

Ayes: 8 - Waner, Bracco, Rutherford, Fiorino, Kennedy, Stafford, Williams, and Johnson

28. Approve and adopt the proposed findings and the recommendations of the referee regarding the Service-Connected Disability Retirement of Ramona Valdez - San Bernardino County - Child Support Services. **19-543.2**

Trustee Fiorino recused himself from Item No. 28 and left the meeting at 2:38PM. Trustee Fiorino returned to the meeting at 2:59PM.

A motion was made by Kennedy, seconded by Williams, to Approve and adopt the proposed findings and the recommendations of the referee. The motion carried by the following vote:

Ayes: 7 - Waner, Bracco, Rutherford, Kennedy, Stafford, Williams, and Johnson

Recused: 1 - Fiorino

Trustee Rutherford left the meeting at 3:03PM.

29. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Juanita Weiss - San Bernardino County - Probation. **22-164**

A motion was made by Bracco, seconded by Williams, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 6/2/2022. The motion carried by the following vote:

Ayes: 7 - Waner, Bracco, Fiorino, Kennedy, Stafford, Williams, and Johnson

Absent: 1 - Rutherford

Other Closed Session Matters:

30. CONFERENCE WITH LABOR NEGOTIATORS (Government Code section 54957.6) **22-161**
Agency designated representatives: Debby Cherney, Stacey Barnier
Employee Organization: Service Employees International Union Local 721

This item was taken out of order and heard at the beginning of the meeting. No reportable action was taken.

OPEN SESSION

31. Report by Counsel on actions taken in Closed Session. **22-177**

Counsel reported on actions taken in Closed Session and stated that no reportable action was taken on Item No. 30.

EXECUTIVE REPORTS

32. Chief Executive Officer. **22-191**

Cherney, staff, reported.

33. Chief Counsel. **22-192**

Hannah, staff, reported.

34. Chief Investment Officer. **22-187**

Received and filed.

TRUSTEE ATTENDANCE REPORTS

35. Report by the Trustees concerning conferences and other meetings attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). **22-178**

Trustee's Bracco, Fiorino, and Williams reported on their attendance.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

No future agenda items were suggested. Board Chair Waner appointed Trustee Newcomer as Alternate Committee Chair for the June Investment Committee meeting.

ADJOURN

Board Chair Waner adjourned the meeting at 3:22PM in memory of Travis Mason.

Respectfully submitted,

_____ _____

NEAL WANER, Board Chair DEBBY CHERNEY, Board Secretary

DATED:_____