



## BOARD OF RETIREMENT

348 W. Hospitality Lane, First Floor  
San Bernardino, CA 92415

### Meeting Minutes

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Thursday, January 9, 2020

9:00 AM

Board Room

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#### Trustees Present:

JANICE RUTHERFORD, Appointed Member (Chair)  
NEAL WANER, Appointed Member (Vice-Chair)  
MARC BRACCO, Safety Member  
LOUIS FIORINO, General Member  
SEAN FLYNN, Appointed Member  
MICHAEL KENNEDY, Appointed Member  
ENSEN MASON, Treasurer  
DAWN STAFFORD, Retired Member  
VERE WILLIAMS, General Member  
HARRY HATCH, Alternate Retired Member  
JARED NEWCOMER, Alternate Safety Member

#### Others Present:

DEBBY CHERNEY, Chief Executive Officer  
BARBARA HANNAH, Chief Counsel  
OLIVIA APPLGATE, Communications & Stakeholder Relations Manager  
COLIN BISHOP, Chief of Member Services  
STACEY BARNIER, Director of Human Resources and Risk Management  
DAVID LANTZER, Senior Staff Counsel  
AMY MCINERNEY, Chief Financial Officer  
JOSEPH MICHAEL, Chief Information Officer  
JOHN MICHAELSON, Retiree  
DAWN PETERSON, Disability Retirement Supervisor  
DONALD PIERCE, Chief Investment Officer  
CHRISTA JAMES, Recorder  
JAKE ABBOTT, Investment Officer  
DAVID CADDEL, Sheriff  
TIMM DIANNE, Retiree  
JASON EATON, Senior Accountant  
MATTHEW ERICKSON, County of San Bernardino  
ANTHONY ESPARZA, Disability Retirement Specialist  
NANCY HARMON, Retiree  
SYLVIA HUBBARD, Disability Retirement Specialist

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JOHN KENNEDY, Nossaman  
JOSEPH MICHAEL, Chief Information Officer  
JOHN MICHAELSON, RESBC  
LANCE MOHR, M.D.  
SHOAIB NAQVI, M.D.  
JUSTIN NIELSEN, SBSD  
SARA NYDAM, Disability Retirement Specialist  
JANE OATMAN, FSO  
DAWN PETERSON, Disability Retirement Supervisor  
RAMON RUBALCAVA, SEIU Local 721  
THOMAS STUMPF, SBSD Retired  
MICHAEL TAMONY, Communications Officer  
MARK TAYLOR, County of San Bernardino  
AMIT THANKI, Senior Investment Officer  
ILIANA TORRES, Human Resources Specialist

**Absent:**

JOHN JOHNSON, Alternate Ex-Officio Member

**CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Board Chair Rutherford called the meeting to order at 9:05 AM, and led the Pledge of Allegiance.

Board Chair Rutherford announced that Item #1 would be heard first, followed by Public Comment, Item #33, Item #34, Item #2, #3 and so on.

1. Oath of Office for term of office from January 1, 2020 to December 31, [19-725](#)  
2022.

James swore in Fiorino, Flynn, Hatch, Rutherford and Stafford.

2. Election of Board Chair for calendar year 2020. [19-691](#)

A motion was made by Stafford, seconded by Flynn, to elect Janice Rutherford as Board Chair for 2020. The motion carried by the following vote:

**Ayes:** 9 - Rutherford, Waner, Bracco, Fiorino, Flynn, Kennedy, Mason, Stafford, and Williams

**Absent:** 1 - Johnson

3. Election of Vice-Chair for calendar year 2020. [19-692](#)

A motion was made by Williams, seconded by Fiorino, to elect Marc Bracco as Vice-Chair for 2020. The motion failed by the following vote:

**Ayes:** 3 - Bracco, Fiorino, and Williams

**Nays:** 6 - Flynn, Kennedy, Mason, Stafford, Waner, and Rutherford

**Absent:** 1 - Johnson

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A motion was made by Stafford, seconded by Mason, to elect Neal Waner as Vice-Chair for 2020. The motion carried by the following vote:

**Ayes:** 6 - Rutherford, Waner, Flynn, Kennedy, Mason, and Stafford

**Nays:** 3 - Bracco, Fiorino, and Williams

**Absent:** 1 - Johnson

### **PUBLIC COMMENT**

No Public Comment was provided.

### **CONSENT**

Trustee Mason left the meeting at 10:42 AM.

Trustee Fiorino pulled Items #18, #19 and #21 for discussion in Open Session.

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

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

**Absent:** 2 - Mason, and Johnson

4. Approve minutes of regular meeting of December 5, 2019. [19-685](#)
5. Approve Service Retirements, Change Effective Date, and Service Retirement Name Correction. [19-719](#)
6. Approve the Service-Connected Disability Retirement application of David J. Caddel - County of San Bernardino - Sheriff. [19-706](#)
7. Approve the Service-Connected Disability Retirement application of Daniel B. Clark - County of San Bernardino - Sheriff. [19-632](#)
8. Approve the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Carmen S. Funches - County of San Bernardino - Environmental Health. [19-711](#)
9. Approve the Service-Connected Disability Retirement application of William Gibbons - County of San Bernardino - Sheriff. [19-693](#)
10. Approve the Service-Connected Disability Retirement application of Michael C. Jones - County of San Bernardino - County Fire. [19-690](#)
11. Approve the Service-Connected Disability Retirement application of David Mathis - County of San Bernardino - County Fire. [19-681](#)
12. Approve the Service-Connected Disability Retirement application of Michael C. Miller - County of San Bernardino - Sheriff. [19-688](#)
13. Approve the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Steven Mucker - County of San Bernardino - Environmental Health. [19-718](#)
14. Approve the Service-Connected Disability Retirement application of Michael Neufeld - County of San Bernardino - County Fire. [19-701](#)

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15. Approve the Non-Service Connected Disability Retirement with Supplemental Retirement Allowance of Deborah I. Oliver - County of San Bernardino - ARMC. [19-680](#)
16. Approve the Service-Connected Disability Retirement application of Robert G. Perez - County of San Bernardino - Sheriff. [19-634](#)
17. Correct the effective date of the Non-Service Connected Disability Retirement with Supplemental Retirement Allowance of Dawn M. Spellman - County of San Bernardino - Public Works. [19-707](#)

The Board determined that the correct effective date for benefits is March 2, 2019, the day after the last day of regular compensation.

18. Approve SBCERA Resolution No. 2020-1 - Employer Pay Codes of Employee Compensation. [19-720](#)

This item was pulled from Consent Calendar and heard in Open Session. Please see entry below.

19. Recategorize Administration Policy Nos. 006, 014, 015 and 020 (Comprehensive Annual Financial Report - Available for Public Inspection, Background and Reference Checks Policy, Retirees Returning to Work, Felony Forfeiture of Benefits). [19-572.1](#)

This item was pulled from Consent Calendar and heard in Open Session. Please see entry below.

20. Approve updates to Benefits Policy No. 024 (Benefits Administration Procedures). [19-699.1](#)
21. Approve updates to Benefits Policy No. 027 (Contributions). [19-705.1](#)

This item was pulled from Consent Calendar and heard in Open Session. Please see entry below.

### **ACTION ITEMS**

22. Action on Deferred Items from Consent, if any. [19-682](#)

18. Approve SBCERA Resolution No. 2020-1 - Employer Pay Codes of Employee Compensation.

McInerney, staff, reviewed.

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

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

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**Absent:** 2 - Johnson, and Mason

19. Recategorize Administration Policy Nos. 006, 014, 015 and 020 (Comprehensive Annual Financial Report - Available for Public Inspection, Background and Reference Checks Policy, Retirees Returning to Work, Felony Forfeiture of Benefits).

Barnier, staff, reviewed. The Board suggested that a comprehensive review of all Board and CEO Policies be agendized for a future Administrative Committee meeting.

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

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

**Absent:** 2 - Johnson and Mason

21. Approve updates to Benefits Policy No. 027 (Contributions).

Bishop and McInerny, staff, reviewed. Trustee Kennedy left the meeting at 11:06 AM.

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

**Ayes:** 7 - Rutherford, Bracco, Fiorino, Flynn, Stafford, Waner and Williams

**Absent:** 3 - Johnson, Kennedy, and Mason

Trustee Kennedy returned to the meeting at 11:10 AM.

23. Approve the 2020 Medical Advisor Panel and Hearing Officer Panel. [19-698.1](#)

Hannah, staff, reviewed and the Board discussed.

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

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

**Absent:** 2 - Mason, and Johnson

24. Approve the 2020 performance evaluation process and timing for the Chief Executive Officer and Chief Counsel. [19-413.1](#)

Barnier, staff, reviewed. The Board approved the CEO and Chief Counsel performance evaluation timeline and process with the following amendments: add a fourth rating scale option labelled "Satisfactory", require written comments for any category rated as "Excellent" or "Needs Improvement", create an additional performance category for the CEO only to address management of financial resources, and ensure that all optional staff input be provided

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anonymously.

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

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

**Absent:** 2 - Mason, and Johnson

### **INFORMATION ITEMS**

25. Update on the SBCERA website redesign and brand refresh projects. [19-721](#)

Applegate and Bishop, staff, reviewed.

### **RECEIVE AND FILE**

26. Report on the Administrative Committee meeting conducted December 19, 2019. [19-729](#)

Received and filed.

27. 2019 Comprehensive Annual Financial Report (CAFR) and the 2019 Popular Annual Financial Report (PAFR). [19-723](#)

Received and filed.

28. Summary of change orders on tenant improvement projects at 348 W. Hospitality Lane. [19-730](#)

Received and filed.

### **CLOSED SESSION (\*Will not begin before 10:30 AM)**

29. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Ron Chalfant - County of San Bernardino - Public Works. [19-712](#)

A motion was made by Waner, seconded by Williams, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 2/6/2020. The motion carried by the following vote:

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

**Absent:** 2 - Mason, and Johnson

30. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Tevita Manu'atu - County of San Bernardino - Public Works. [19-710](#)

A motion was made by Fiorino, seconded by Bracco, to Approve Staff Recommendations 1, 2 & 4 and to modify Staff Recommendation 3 to reflect that Tevita Manu'atu is not capable of gainful employment; therefore, grant a Supplemental Disability Retirement, with an effective date of October 29, 2016,

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the day after the last day of regular compensation. The motion carried by the following vote:

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

**Absent:** 2 - Mason, and Johnson

31. Review and determine the Service-Connected Disability Retirement application of Justin Nielsen - County of San Bernardino - Sheriff. [19-722](#)

A motion was made by Kennedy, seconded by Flynn, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 3/5/2020. The motion carried by the following vote:

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

**Absent:** 2 - Mason, and Johnson

32. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Dianne Timm - County of San Bernardino - Behavioral Health. [19-679](#)

A motion was made by Bracco, seconded by Kennedy, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 3/5/2020. The motion carried by the following vote:

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

**Absent:** 2 - Mason, and Johnson

### Other Closed Session Matters:

Trustee Fiorino recused himself from Item #33 and left the meeting at 9:10 AM. James and Hannah left the meeting at 9:10 AM.

Trustee Newcomer arrived at 9:15 AM.

33. Conference with Legal Counsel - Existing Litigation [19-724](#)  
Pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9: One (1) case. Christie Porter v. San Bernardino County Employees' Retirement Association (San Bernardino County Superior Court Case No. CIVDS 1919225).

This item was heard after Public Comment at the beginning of the meeting.

Trustee Fiorino returned to the meeting at 9:24 AM.

Hannah returned to the meeting at 9:48 AM and assumed her role as Counsel. Trustee Rutherford and Cherney left the meeting at 9:48 AM.

34. Conference with Legal Counsel - Anticipated Litigation. [19-731](#)  
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9: Two (2) cases.

This item was heard at the beginning of the meeting.

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**BOARD OF RETIREMENT**

**Meeting Minutes**

**January 9, 2020**

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Trustee Rutherford returned to the meeting at 10:38 AM and assumed her role as Board Chair. Cherney and James returned to the meeting at 10:38 AM.

John Kennedy with Nossaman, reported that no reportable actions were taken on Items #33 and #34.

### **OPEN SESSION**

35. Report by Counsel on actions taken in Closed Session. [19-683](#)

Counsel reported on actions taken in Closed Session for Items #29-32.

### **EXECUTIVE REPORTS**

36. Chief Investment Officer. [19-700](#)

Pierce, staff, reported.

37. Chief Executive Officer. [19-717](#)

Cherney, staff, reported.

### **TRUSTEE ATTENDANCE REPORTS**

38. Report by the Trustees concerning conferences and other meetings attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). [19-728](#)

No Trustees reported.

### **SUGGESTIONS FOR FUTURE AGENDA ITEMS**

No suggestions for future agenda items were provided.

### **ADJOURN**

Board Chair Rutherford adjourned the meeting at 1:17 PM.

Respectfully submitted,

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JANICE RUTHERFORD, Board Chair

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DEBBY CHERNEY, Board Secretary

DATED: \_\_\_\_\_