



BOARD OF RETIREMENT

1601 E. 3rd Street, Suite 100
San Bernardino, CA 92408

Meeting Minutes

Thursday, February 6, 2020

9:00 AM

1601 E. 3rd Street, Suite 100
San Bernardino, CA 92408

Trustees Present:

JANICE RUTHERFORD, Appointed Member (Chair)
NEAL WANER, Appointed Member (Vice-Chair)
LOUIS FIORINO, General 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
STACEY BARNIER, Director of Human Resources and Risk Management
COLIN BISHOP, Chief of Member Services
DAVID LANTZER, Senior Staff Counsel
AMY MCINERNY, Chief Financial Officer
JOSEPH MICHAEL, Chief Information Officer
DAWN PETERSON, Disability Retirement Supervisor
DONALD PIERCE, Chief Investment Officer
AMIT THANKI, Senior Investment Officer
CHRISTA JAMES, Recorder
JAKE ABBOTT, Investment Officer
HUGO ALVAREZ, Information Security Supervisor
OLIVIA APPLGATE, Communications & Stakeholder Relations Manager
KATHLEEN CROOK, Retirement Benefits Officer
SUSAN BANIS, ARMC
KATHLEEN BRENNAN, Teamsters 1932
MATTHEW ERICKSON, County of San Bernardino
ANTHONY ESPARZA, Disability Retirement Specialist
MONICA GONZALEZ, Executive Secretary
ERIC GUERRA, HRO
BRYCE HAUS, Linea Solutions

Exhibit A: Page 2

JOHN KENNEDY, Nossaman
DEAN MADISON, SBSD
ALLAN MARTIN, NEPC
EVELYN MCCORKLE, SB Probation
LANCE MOHR, M.D.
SHOAIB NAQVI, M.D.
SARA NYDAM, Disability Retirement Specialist
SHARKIS OHANNESSIAN, SBSD
SHERI ORELLANA, Teamsters 1932
DANIELA PAZ, Information Services Coordinator
DAWN PETERSON, Disability Retirement Supervisor
ALICIA RANGEL, SBSD
MARK TAYLOR, County of San Bernardino
ILIANA TORRES, Human Resources Specialist

Absent:

MARC BRACCO, Safety Member
SEAN FLYNN, Appointed Member
JOHN JOHNSON, Alternate Ex-Officio Member

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Vice-Chair Waner called the meeting to order at 9:08AM, and led the Pledge of Allegiance. Vice-Chair Waner announced that Board-Chair Rutherford is running late and that Item 27 would be heard first, out of order.

PUBLIC COMMENT

No Public Comment was provided.

Trustee Rutherford arrived at 9:27AM and assumed her role as Board-Chair.

CONSENT

Trustee Williams requested a report on Item 17.

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

Ayes: 8 - Rutherford, Waner, Fiorino, Kennedy, Mason, Stafford, Williams, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

1. Approve minutes of regular meeting of January 9, 2020. [19-777](#)

Approved as amended. Trustee Hatch suggested an amendment to the January 9, 2020 Board minutes regarding the order in which the items were heard.

2. Approve Service Retirements. [19-771](#)

Exhibit A: Page 3

BOARD OF RETIREMENT

Meeting Minutes

February 6, 2020

-
- | | | |
|--|--|---------------------------------|
| 3. | Approve the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Granada D. Crawford - County of San Bernardino - Human Services. | <u>19-770</u> |
| 4. | Approve the Service-Connected Disability Retirement application of Stephen Cunningham - County of San Bernardino - District Attorney. | <u>19-745</u> |
| 5. | Approve the Service-Connected Disability Retirement application of Robbi A. DeBois - County of San Bernardino - Sheriff. | <u>19-746</u> |
| 6. | Approve the Service-Connected Disability Retirement application of John Holmes - County of San Bernardino - Probation. | <u>19-768</u> |
| 7. | Approve the Service-Connected Disability Retirement application of Kamden R. Lang - County of San Bernardino - Sheriff. | <u>19-773</u> |
| 8. | Approve the Service-Connected Disability Retirement application of Richard J. Lentine - County of San Bernardino - County Fire. | <u>19-743</u> |
| 9. | Approve the Service-Connected Disability Retirement application of Donald K. Mills - County of San Bernardino - Sheriff. | <u>19-769</u> |
| 10. | Approve the Non-Service-Connected Disability Retirement with Supplemental Retirement Allowance of Betty Jean Oliver - County of San Bernardino - Human Services. | <u>19-779</u> |
| 11. | Approve the Service-Connected Disability Retirement application of Todd D. Paterson - County of San Bernardino - Sheriff. | <u>19-738</u> |
| 12. | Approve the Service-Connected Disability Retirement application of Mario Salazar - County of San Bernardino - Sheriff. | <u>19-752</u> |
| 12a | Approve the Service-Connected Disability Retirement with Supplemental Retirement Allowance application of Casey C. Salazar - County of San Bernardino - Environmental Health. | <u>19-734</u> |
| 13. | Approve and adopt the proposed findings and the recommended decision of the referee in the matter of the disability retirement application of Yvonne Turner-Love. | <u>19-776</u> |
| 14. | Approve the Service-Connected Disability Retirement application of Jonathan Wiseman - County of San Bernardino - County Fire. | <u>19-736</u> |
| 15. | Ratify travel expenses for Trustees for the Quarter Ended December 31, 2019. | <u>19-765</u> |
|
Approved as amended. Trustee Fiorino suggested an amendment to reflect a reimbursement for his attendance at the RESBC luncheon. | | |
| 16. | Approve Special Assignment Compensation in the amount of 7.5% of base salary for two Retirement Benefits Technicians in the Member Services Department and extension of Special Assignment Compensation in the amount of 7.5% of base salary for the Senior Executive Secretary in the Investment Services Department, effective February 1, 2020 through March 31, 2020 or such sooner date as the CEO determines SAC pay is no longer appropriate. | <u>19-727</u> |
| 17. | Approve the engagement of ICMI Consulting for phone system and | <u>19-741.1</u> |
-

Exhibit A: Page 4

call-center consulting services, in an amount not to exceed \$78,000.

Bishop, staff, reported on this item at the request of Trustee Williams.

ACTION ITEMS

18. Action on Deferred Items from Consent, if any. [19-781](#)

No Items deferred from Consent Calendar.

19. Approve the request to extend employment of Lori Franklin from February 29, 2020 to March 1, 2021 because an extreme necessity exists to continue the retiree's employment beyond the 18-month limit, and thus the standards of SBCERA Board Benefits Policy No. 032: "Retirees Returning to Work," have been met. [19-757](#)

Bishop, staff, reviewed. Captain Sarkis Ohannessian provided comment on Items 19-21. This item was approved. See motion below in Item 21.

20. Approve the request to extend employment of Debra Holman from February 29, 2020 to March 1, 2021 because an extreme necessity exists to continue the retiree's employment beyond the 18-month limit, and thus the standards of SBCERA Board Benefits Policy No. 032: "Retirees Returning to Work," have been met. [19-759](#)

This item was approved. See motion below in Item 21.

21. Approve the request to extend employment of Tamara Novotny-Kaup from February 6, 2020 to February 5, 2021 because an extreme necessity exists to continue the retiree's employment beyond the 18-month limit, and thus the standards of SBCERA Board Benefits Policy No. 032: "Retirees Returning to Work," have been met. [19-762](#)

A motion was made by Newcomer, seconded by Kennedy, to Approve Items 19-21. The motion carried by the following vote:

Ayes: 8 - Rutherford, Waner, Fiorino, Kennedy, Mason, Stafford, Williams, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

22. Approve an annual retiree cost-of-living adjustment of 2.00% effective April 1, 2020 and increase, by 1.00%, the accumulated COLA bank. [19-772](#)

McInerney, staff, reviewed.

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

Ayes: 8 - Rutherford, Waner, Fiorino, Kennedy, Mason, Stafford, Williams, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

23. Approve the engagement of Linea Solutions for Pension Administration Software Consulting and Business Process Redesign, [19-740.1](#)

Exhibit A: Page 5

in an amount not to exceed \$1,058,493.

Bishop and Michael, staff, reviewed.

Trustee Newcomer left the meeting at 10:09AM.

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

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

Absent: 4 - Bracco, Flynn, Johnson, and Newcomer

24. Approve the 2020 Private Equity Pacing Plan. [19-661.1](#)

Thanki, staff, reviewed. Trustee Williams suggested redesigning the table for additional information.

Trustee Newcomer returned to the meeting at 10:15 AM.

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

Ayes: 7 - Rutherford, Waner, Kennedy, Mason, Stafford, Williams, and Newcomer

Nays: 1 - Fiorino

Absent: 3 - Bracco, Flynn, and Johnson

25. Approve the 2020 Real Estate Pacing Plan. [19-662.1](#)

Pierce, staff, reviewed.

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

Ayes: 8 - Rutherford, Waner, Fiorino, Kennedy, Mason, Stafford, Williams, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

26. Approve the creation of a Master Custodial Agreement (MCA) with Adams Street Partners, with an initial capital allocation of \$250 million subject to completion of due diligence and negotiation of legal documents. [19-677.1](#)

Thanki, staff, and Allan Martin of NEPC, reviewed.

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

Ayes: 7 - Rutherford, Waner, Kennedy, Mason, Stafford, Williams, and Newcomer

Nays: 1 - Fiorino

Absent: 3 - Bracco, Flynn, and Johnson

Exhibit A: Page 6

INFORMATION ITEMS

27. Presentation by NEPC of their Quarterly Investment Performance Review for the period ending December 31, 2019. [19-747](#)

This item was heard at the beginning of the meeting, after Public Comment. Allan Martin of NEPC presented.

RECEIVE AND FILE

28. Report on the Investment Committee meeting conducted January 14, 2020. [19-748](#)

Received and filed.

29. Report on the Administrative Committee meeting conducted January 16, 2020. [19-755](#)

Received and filed.

30. Review the State Association of County Retirement Systems (SACRS) Board of Directors Election Timeline. [19-786](#)

Cherney, staff, reviewed. Received and filed.

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

31. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Ron Chalfant - County of San Bernardino - Public Works. [19-712.1](#)

A motion was made by Stafford, seconded by Waner, to Approve Staff's Recommendation to grant a Service-Connected Disability Retirement and find that Ron Chalfant is capable of gainful employment; therefore, deny the Supplemental Disability Retirement Allowance. Staff shall initiate disability benefit payments with an effective date of the day after the last day of regular compensation as determined by staff. The motion carried by the following vote:

Ayes: 6 - Waner, Fiorino, Kennedy, Mason, Stafford, and Newcomer

Nays: 2 - Rutherford, and Williams

Absent: 3 - Bracco, Flynn, and Johnson

Trustee Kennedy left the meeting at 11:05AM.

32. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Deborah Munden - County of San Bernardino - Environmental Health. [19-758](#)

A motion was made by Williams, seconded by Stafford, to Approve Staff Recommendations 1, 2 & 4 granting a Service-Connected Disability Retirement and to modify Staff Recommendation 3 to reflect that Ms. Munden is not capable of gainful employment; therefore, grant a Supplemental Disability Retirement, with an effective date of January 19, 2019, the day after the last day of regular

Exhibit A: Page 7

compensation. The motion carried by the following vote:

Ayes: 5 - Rutherford, Waner, Stafford, Williams, and Newcomer

Nays: 2 - Fiorino, and Mason

Absent: 4 - Bracco, Flynn, Kennedy, and Johnson

Trustee Kennedy returned to the meeting at 11:14AM.

33. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Cheryl A. Thompson - County of San Bernardino - Human Services. [19-774](#)

The Board unanimously agreed to Continue this agenda item to the BOARD OF RETIREMENT, meeting on 3/5/2020.

34. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Susan A. Banis - County of San Bernardino - ARMC. [19-756](#)

A motion was made by Kennedy, seconded by Mason, to Approve Staff's Recommendation to grant a Service-Connected Disability Retirement and find that Ms. Banis is capable of gainful employment; therefore, deny the Supplemental Disability Retirement Allowance. Staff shall initiate disability benefit payments with an effective date of March 16, 2019, the day after the last day of regular compensation. The motion carried by the following vote:

Ayes: 6 - Rutherford, Fiorino, Kennedy, Mason, Stafford, and Newcomer

Nays: 2 - Waner, and Williams

Absent: 3 - Bracco, Flynn, and Johnson

35. Review and determine the Service-Connected Disability Retirement application of Dean C. Madison - County of San Bernardino - Sheriff. [19-780](#)

A motion was made by Newcomer, seconded by Waner, to reject Staff Recommendation and find that Mr. Madison is and was permanently incapacitated for the performance of duties and grant a Service-Connected Disability Retirement, with an effective date of December 20, 2018, the date of application. The motion failed by the following vote:

Ayes: 3 - Newcomer, Rutherford, and Waner

Nays: 5 - Fiorino, Kennedy, Mason, Stafford, and Williams

Absent: 3 - Bracco, Flynn, and Johnson

A motion was made by Mason, seconded by Williams, to Approve Staff's Recommendation to Deny a Disability Retirement. The motion carried by the following vote:

Ayes: 5 - Fiorino, Kennedy, Mason, Stafford, and Williams

Nays: 3 - Rutherford, Waner, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

36. Review and determine the Service-Connected Disability Retirement [19-733](#)

with Supplemental Retirement Allowance of Evelyn McCorkle - County of San Bernardino - Probation.

A motion was made by Kennedy, seconded by Williams, to Approve Staff's Recommendation to grant a Service-Connected Disability Retirement and find that Ms. McCorkle is capable of gainful employment; therefore, deny the Supplemental Disability Retirement Allowance. Staff shall initiate disability benefit payments with an effective date of December 8, 2018, the day after the last day of regular compensation. The motion carried by the following vote:

Ayes: 8 - Rutherford, Waner, Fiorino, Kennedy, Mason, Stafford, Williams, and Newcomer

Absent: 3 - Bracco, Flynn, and Johnson

37. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance application of Erin McKinney - County of San Bernardino - Probation. [19-735](#)

A motion was made by Waner, seconded by Stafford, to Approve Staff's Recommendation to grant a Service-Connected Disability Retirement and find that Ms. McKinney is capable of gainful employment; therefore, deny the Supplemental Disability Retirement Allowance. Staff shall initiate disability benefit payments with an effective date of October 16, 2018, date of application. The motion carried by the following vote:

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

Absent: 3 - Bracco, Flynn, and Johnson

Abstain: 1 - Mason

OPEN SESSION

Lantzer, staff, reported on actions taken in closed session regarding Items 31-37.

Other Closed Session Matters:

38. Conference with Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9: Three (3) cases. [19-784](#)

No reportable action was taken.

39. Conference with Legal Counsel - Existing Litigation 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). [19-785](#)

No reportable action was taken.

OPEN SESSION

40. Report by Counsel on actions taken in Closed Session. [19-782](#)

Exhibit A: Page 9

No reportable actions were taken on Items 38-39.

EXECUTIVE REPORTS

41. Chief Executive Officer. [19-775](#)

Received and filed.

42. Chief Counsel. [19-778](#)

Received and filed.

TRUSTEE ATTENDANCE REPORTS

43. Report by the Trustees concerning conferences and other meetings attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). [19-783](#)

Due to the length of the agenda, trustees were unable to report on their attendance. This item will be continued to the March 5, 2020 Board of Retirement meeting.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

Due to the length of the agenda, this item was not heard and will be agendized for the March 5, 2020 Board of Retirement meeting.

ADJOURN

Board-Chair Rutherford adjourned the meeting at 3:22 PM.

Respectfully submitted,

JANICE RUTHERFORD, Board Chair

DEBBY CHERNEY, Board Secretary

DATED: _____