



BOARD OF RETIREMENT

348 West Hospitality Lane, First Floor
San Bernardino, California 92415

Meeting Minutes

Thursday, July 11, 2019

9:00 AM

Board Room

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
JARED NEWCOMER, Alternate Safety Member

Others Present:

DEBBY CHERNEY, Chief Executive Officer
BARBARA HANNAH, Chief Counsel
STACEY BARNIER, Director of Human Resources & Risk Management
KATHLEEN CROOK, Retirement Benefits Officer
DAVID LANTZER, Senior Staff Counsel
AMY MCINERNY, Chief Financial Officer
DONALD PIERCE, Chief Investment Officer
CHRISTA JAMES, Recorder
JAKE ABBOTT, Investment Officer
HUGO ALVAREZ, Information Security Officer
MOISES ARTOLA, Accountant
CHRISTINA BAHENA, Senior Accountant
COLIN BISHOP, Chief of Member Services
PEGGY BREWER, Retiree

RICK BREWER, Public
TORRAN BROWN, Retiree
YOLANDA BULLOCK, Senior Legal Secretary
ERIN CALICCHIO, Senior Executive Secretary
CHRISTINA CINTRON, Accounting Manager
TANAY COLON, Retirement Specialist
EYDIE COX, Senior Investment Analyst
JAWNALEE DEVERNA, Accountant
MARIA DIZON, Business Systems Alanyst
JAYSON EATON, Senior Accountant
MATTHEW ERICKSON, County of San Bernardino
ANTHONY ESPARZA, Disability Retirement Specialist
ERICA ESPINOSA, Executive Secretary
MICHI FUNN, Payroll Specialist
ERIN GATES, Retirement Specialist
HARRY HATCH, Retiree
BRET HENRY, Retiree
SONYA HOLMES, Office Specialist
SYLVIA HUBBARD, Disability Retirement Specialist
PAULA KARRAS, Accounting Technician
JANA MACK, Senior Accountant
ALLAN MARTIN, NEPC
JOSEPH MICHAEL, Chief Information Officer
SHERRI MISENER, HS Admin
LANCE MOHR, M.D.
EMELY MORENO, Investment Analyst
GWEN MORSE, HS ES4
SHOAIB NAQVI, M.D.
SARA NYDAM, Retirement Benefits Technician
JANE OATMAN, FSO
NANCY OLSEN, DAAS
DOREEN OSBORN, Retiree
DANIELA PAZ, Executive Secretary
PHIL PAULE, County of San Bernardino
DAWN PETERSON, Disability Retirement Supervisor
JOSELLE ROMERO, Internal Auditor
KARL RUBOW, Senior Business Systems Engineer
PAULA SANCHEZ, Account Auditing Supervisor

LINDA SHELTON, Retiree
NANCY SOLIS, DAAS
MICHAEL TAMONY, Communications Officer
MARK TAYLOR, County of San Bernardino
ERIK TIGARD, Accounting Manager
MONICA VARGAS, Retirement Specialist Supervisor
IVETTE VEGA, Office Specialist
ZOILA VILLALOBOS, Legal Secretary
TRACY WILLIAMS, Staff Counsel
MYRON ZAMORA, Information Systems Technician

Absent:

JOHN JOHNSON, Alternate Ex-Officio Member
JOHN MICHAELSON, Alternate Retired Member

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Board Chair Rutherford called the meeting to order at 9:01AM, and led the Pledge of Allegiance.

PUBLIC COMMENT

Harry Hatch, retiree, provided Public Comment.

RECOGNITIONS

1. Presentation of Retirement Resolution to Michi Funn in recognition of her 41 years of service to the County of San Bernardino and to SBCERA. [19-397](#)

On behalf of the Board of Retirement, Debby Cherney presented Michi Funn with a proclamation acknowledging the significant commitment and invaluable contributions she has made to the San Bernardino County Employees' Retirement Association and its members during her 41 years of service.

CONSENT

A motion was made by Kennedy, seconded by Flynn, that this Consent Calendar Approved. The motion carried by the following vote:

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

Absent: 2 - Johnson, and Michaelson

2. Approve minutes of regular meeting of June 6, 2019. [19-362](#)

3. Approve Service Retirements. [19-393](#)

4. Review and determine the disability retirement application of Hui Fong Chieng. [19-387](#)

The Board adopted staff's recommendation to grant a Service-Connected Disability Retirement with Supplemental Retirement Allowance with an effective date of the day after the last day of regular compensation, as determined by staff, provided the benefit is requested in writing.

5. Review and determine the disability retirement application of Randall Coleman. [19-389](#)

The Board adopted staff's recommendation to grant a Service-Connected Disability Retirement with an effective date of April 17, 2019, the day after the last day of regular compensation provided the benefit is requested in writing.

6. Review and determine the disability retirement application of John D. Emmens (Deceased). [19-392](#)

The Board adopted staff's recommendation to grant a Service-Connected Disability Retirement with an effective date of October 27, 2018, payable to Christine Emmens, the surviving spouse of Mr. Emmens, the day after the last day of regular compensation provided the benefit is requested in writing.

7. Review and determine the disability retirement application of Roxanne L. Logan. [19-388](#)

The Board adopted staff's recommendation to grant a Service-Connected Disability Retirement with an effective date of March 17, 2018, the day after the last day of regular compensation provided the benefit is requested in writing.

8. Review and determine the disability retirement application of Tina S. Rosales. [19-391](#)

The Board adopted staff's recommendation to grant a Non-Service Connected Disability Retirement with Supplemental Retirement Allowance with an effective date of April 16, 2018 date of application provided the benefit is requested in writing.

9. Review and determine the disability retirement application of Helen Smith. [19-403](#)

The Board adopted staff's recommendation to deny a Supplemental Retirement Allowance.

ACTION ITEMS

10. Action on Deferred Items from Consent, if any. [19-411](#)

No items were deferred from the Consent Calendar.

11. Approve the request to extend employment of Gwen Morse from July 11, 2019 to June 30, 2021 because an extreme necessity exists to continue the retiree's employment beyond the 18-month limit, and thus the standards of SBCERA Board Administration Policy No. 015, "Retirees Returning to Work," have been met. [19-402](#)

Trustee Newcomer arrived at 9:25AM.

Crook, staff, reviewed. Sherri Misener and Gwen Morse provided comment.

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

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

Nays: 2 - Fiorino, and Mason

Absent: 2 - Johnson, and Michaelson

12. Approve the request to extend employment of Virginia Wilson from July 11, 2019 to January 1, 2021 because there are circumstances that could not have been anticipated to continue the retiree's employment beyond the 18-month limit, and thus the standards of SBCERA Board Administration Policy No. 015, "Retirees Returning to Work," have been met. [19-404](#)

Crook, staff, reviewed. Nancy Olson provided comment.

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

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

Absent: 2 - Johnson, and Michaelson

13. Approve the use of contingency funds not to exceed \$19,000 for G2 Risk Consulting to provide expert consulting services in support of a Request for Proposals for insurance and brokerage [19-407](#)

services along with other relevant and related risk management consulting.

Barnier, staff, reviewed.

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

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

Absent: 2 - Johnson, and Michaelson

14. Approve the proposed 2019 Asset Allocation, Ranges, and Benchmarks. [19-329](#)

Trustee Flynn left the meeting at 10:21AM

Trustee Stafford left the meeting at 10:22AM

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

Ayes: 6 - Rutherford, Waner, Bracco, Kennedy, Mason, and Williams

Nays: 1 - Fiorino

Absent: 4 - Flynn, Stafford, Johnson, and Michaelson

15. Approve updates to Investment Policy No. 021 - Requests for Personally Identifiable Information. [19-331](#)

Trustee Flynn returned to the meeting at 10:24AM

Trustee Stafford returned to the meeting at 10:25AM

Pierce, staff, reviewed.

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

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

Absent: 2 - Johnson, and Michaelson

INFORMATION ITEMS

16. Corrum Capital Portfolio Review. [19-330](#)

Pierce, staff, and Allan Martin of NEPC, presented.

RECEIVE AND FILE

17. Report on the Audit Committee meeting conducted June 6, 2019. [19-363](#)

Received and filed.

18. Report on the Investment Committee meeting conducted June 11, 2019. [19-390](#)

Received and filed.

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

19. Approve the staff's determination to deny Peggy Brewer's request to apply for the Supplemental Disability Retirement Allowance (Gov. Code §31740). [19-399](#)

A motion was made by Mason, seconded by Stafford, that the staff's determination to deny Peggy Brewer's request to apply for the Supplemental Disability Retirement Allowance (Gov. Code §31740) be Approved. The motion carried by the following vote:

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

Absent: 2 - Johnson, and Michaelson

20. Review and determine the disability retirement application of Torran Brown. [19-396](#)

Trustee Williams left the meeting at 11:07AM

A motion was made by Stafford, seconded by Mason, that the staff's recommendation to grant a Service-Connected Disability Retirement with an effective date of March 30, 2019 the day after the last day of regular compensation provided the benefit is requested in writing be Approved. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

21. Review and determine the disability retirement application of Doreen E. Osborn. [19-394](#)

A motion was made by Kennedy, seconded by Flynn, that staff's recommendation to grant a Service-Connected Disability Retirement with Supplemental Retirement Allowance with an effective date of September 2, 2017 the day after the last day of regular compensation provided the benefit is requested in writing, be Approved. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

22. Review and determine the disability retirement application of Christiana Robinson. [19-395](#)

A motion was made by Fiorino, seconded by Flynn that staff's recommendation to deny a Service-Connected Disability Retirement with Supplemental Retirement Allowance be Approved. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

A motion was made by Newcomer, seconded by Flynn, that Item #21 be Reconsider. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

A motion was made by Kennedy, seconded by Flynn, that staff's recommendation grant Doreen E. Osborn a Service-Connected Disability Retirement with Supplemental Retirement Allowance with an effective date of September 2, 2017, the day after last day of regular compensation provided benefit is requested in writing, be Approved. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

23. Review and determine the disability retirement application of [19-400](#)

Theodore Rehberg.

A motion was made by Bracco, seconded by Stafford, that staff's recommendation to grant a Service-Connected Disability Retirement with Supplemental Retirement Allowance with an effective date of September 27, 2016 date of application provided the benefit is requested in writing be Approved. The motion carried by the following vote:

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

Absent: 3 - Williams, Johnson, and Michaelson

OPEN SESSION

24. Report by Counsel on actions taken in Closed Session. [19-381](#)

Counsel reported on actions taken in Closed Session.

EXECUTIVE REPORTS

25. Chief Executive Officer. [19-410](#)

Cherney, staff, reported.

26. Chief Investment Officer. [19-409](#)

Pierce, staff, reported.

TRUSTEE ATTENDANCE REPORTS

27. Report by the Trustees concerning conferences attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). [19-382](#)

Trustees Fiorino, Flynn, Mason and Rutherford reported on their attendance.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

Trustee Fiorino suggested the creation of a "watch list" for our investment managers and a discussion on "governance" regarding investments in areas where natural disasters occur. Trustee Stafford suggested a discussion on the possibility of a new social investment in the recycling infrastructure. Trustee Newcomer

suggested a discussion on the supplemental disability process and determining capability of gainful employment.

ADJOURN

Board Chair Rutherford adjourned the meeting at 12:08PM.

Respectfully submitted,

JANICE RUTHERFORD, Board Chair

DEBBY CHERNEY, Board Secretary

DATED: _____