



San Bernardino County Employees'
Retirement Association

BOARD OF RETIREMENT

Zoom: <https://tinyurl.com/sbceraaugustboard>

OR

Phone number: (877) 853-5257 Toll-free

Meeting ID: 977 1825 8055 Password: 818072

Meeting Minutes

Thursday, August 6, 2020

9:00 AM

Zoom/Telephonic

Trustees Present:

JANICE RUTHERFORD, Appointed Member (Chair)

NEAL WANER, Appointed Member (Vice-Chair)

JEAN-RENE BASLE, Appointed Member

MARC BRACCO, Safety Member

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

JAKE ABBOTT, Investment Officer

COLIN BISHOP, Chief of Member Services

DAVID LANTZER, Senior Staff Counsel

AMY MCINERNY, Chief Financial Officer

DONALD PIERCE, Chief Investment Officer

CHRISTA JAMES, Recorder

LIZETTE ACOSTA, Public

RODOLFO AGUAYA, Public

PAUL ANGELO, Segal Consulting

PATRICIA ANDERSON, Public

OLIVIA APPLGATE, Communications & Stakeholder Relations Manager

ROQUEL ARCINIEGA, Public

SAM AUSTIN, NEPC

STACEY BARNIER, Director of Human Resources and Risk Management

PHIL BARROCA, Public

SHAW BENNEGE, Public

SUZANNE BERMUDEZ, Public
NAVEEN BERRY, Public
RO BILLARD, Public
JUDY BOYETTE, Hanson Bridgett
KATHLEEN BRENNAN, Teamsters 1932
KATHRYN BROOKS, Public
JEFFREY BROWN, Public
BILLIE BURCH, ARMC
MICHELLE CALANSHI, Public
LAURA CANTO, Public
BRENDA CARLSON, Public
XIN CHEN, Public
GAR CHUNG, Public
ROBERT CORTEZ, Public
AMY COUGHINE, Public
EYDIE COX, Senior Investment Analyst
KATHLEEN CROOK, Retirement Benefits Officer
JOE CUSAMINO, Public
ERWIN DELACRUZ, Public
STEVE DELANEY, OCERS
HEMAND DESAI, Public
DAVID DICS, Public
THERESA DICUS, Public
ALBERT DIETRICH, Public
EYVONNE DRUMMONDS, Public
ASHLEY DUNNING, Nossaman
KEVIN DURKEE, Public
EDWARD ECKERLE, Public
MOHAMED EL-ERIAN, Gramercy
MATTHEW ERICKSON, County of San Bernardino
ANTHONY ESPARZA, Disability Retirement Specialist
SANDI ESSNER, Public
BAHEEN FARAHANI, Public
DOUGLAS FAZEKAS, Public
COLLEEN FRANCO, Public
GREG FRANKS, Public
HOUSHAND FOROUZAN, Public
NEIL FUJIWARA, Public
ERIN GATES, Senior Retirement Specialist
ALEXA GOMEZ, Public
FRANCIS GON, Public
MONICA GONZALEZ, Executive Secretary
LISA GONZALEZ, Public
GRETA GRIER, Public
BRAD GROOMS, Public
CASSANDRA GUERARA, Public
MATTEW GUEUARA, Public
MARK GUTGLUEK, Public

NANCY HARMON, Public
ANDY HARTZELL, Public
RICHARD HAWRYLEW, Public
DENNIS HAYES, Public
DAN HAUTTER, Public
BRUCE HECTOR, M.D.
HEMANG HENEY, Public
MARK HENNINGER, Public
NANCY HILU, Hanson Bridgett
SYLVIA HUBBARD, Disability Retirement Specialist
PHILLIP HUBBARD, Public
JUDY HWA, Public
GEORGE ILLIES, Public
TODD IWATA, Public
SUJATA JAIN, Public
SCOTT JARVIS, Public
SUZANNE JENIKE, Public
WILLIAMS JOHNSON, Public
JAE BIN JU, Public
AARON KATZENSTEIN, Public
JENNIFER KIM, Public
ROBERT KOENIGSBERGER, Gramercy
RANDY KORGAN, Teamsters
MATT KNOX, County of San Bernardino
ARUN KUMAR, Public
PATRICIA KWON, Public
TZUNG LIU, Public
DAN LUONG, Public
BOB MACK Public
BRETT MARSHALL, Public
JAN MARLIA, Public
ALLAN MARTIN, NEPC
LAKITA MCDUGLE, Public
JOSEPH MICHAEL, Chief Information Officer
CHARLES MILLER, Public
JIM MILLER, Public
CHARLES MILLER, Public
FRED MINASSIAN, Public
EMELY MORENO, Investment Analyst
TOM MURPHY, Public
JASON MORRISH, Public
NICOLE NADDY, Public
SHOAIB NAQVI, M.D.
SHAHNI NUNNA, Publi
SARA NYDAM, Disability Retirement Specialist
ROBERT O'BRIEN, Public
MELISSA ORZO, Public
JOHN OLVERA, Public

BRENDA OLVIAS, Public
PAUL PARK, Public
RAMAN PATEL, Public
DANIELA PAZ, Information Services Coordinator
SHAWN PERRY, Public
DAWN PETERSON, Disability Retirement Supervisor
SCOTT PETERSON, Public
LUIS PLANCERTE, Public
WILLIAM RICHARDS, Public
REYES ROMERO, Public
DIANE RUIZ, Public
MARK TAYLOR, County of San Bernardino
AMIT THANKI, Senior Investment Officer
FAYE THOMAS, Public
ILIANA TORRES, Human Resources Specialist
JESSICA TRILLO, Public
KATIE TURNER, Public
DEBRA RAMIREZ, Public
GINA RATTO, Public
DIXIE RICHARDS, Public
EDWARD RIPLEY, Public
RICARDO RIVERA, Public
TORY ROBERTS, Public
KATHRYN ROBERTS, Public
REGINA RODRIGUES, Public
REYES ROMERO, Public
GARY ROTH, Public
RAMON RUBALCOVA, SEIU Local 721
DIANE RUNDLES, Public
KEN SANCHEZ, Public
DAVID SAWYER, Public
BRENDA SCOTT, Public
ROBERT SHAW, Retiree
DENNY SHAW, Public
LINDA SHELTON, Retiree
JOHANNA SHICK, Public
SHASHI SINGEETHAM, Public
LAURA SHULTZ, Retiree
GLADYS SMITH, Public
LEO STAGER, Public
BETSY STARBUCK, Public
ERIC STERN, Public
TODD TAUZER, Public
EUGEN TESZLER, Public
LORA TRAPP, Public
IVETTE VEGA, Office Specialist
NANCY VELASQUEZ, Public
DONNA VERNON, Public

REBEKAH VIALLOBOS, Public
 KAREN VOGEL Public
 JEFFREY WAINSTEIN, M.D.
 MARY WALLA, Public
 GRANT WARD, SEBA
 LINDA WEBB, Public
 KURK ROWLAND WIESE, Public
 JEFF WICKMAN, Public
 MIKE WIKSON, Public
 CASEY WILKERSON, Office Specialist
 JOEY WONG, Public
 VASKEN YARDEMIAN, Public
 JOHN YEE, Public

Absent:

JOHN JOHNSON, Alternate Ex-Officio Member

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Board Chair Rutherford called the meeting to order at 9:01 AM, and led the Pledge of Allegiance. Board Chair Rutherford announced protocol for Public Comment and stated that Item 15, 16, 14, and 24 would be heard after Consent Calendar, out of order.

PUBLIC COMMENT

No Public Comment was provided.

CONSENT

Trustee Fiorino requested a staff report on Item No. 4 and Trustee Mason pulled Item No. 3 to be heard in Closed Session.

A motion was made by Bracco, seconded by Stafford, to Approve this agenda item as amended. The motion carried by the following vote:

- Ayes:** 9 - Rutherford, Waner, Basle, Bracco, Fiorino, Kennedy, Mason, Stafford, and Williams
1. Approve minutes of regular meeting of July 2, 2020. [19-998](#)
 2. Approve Service Retirements and Change Effective Date. [19-1021](#)
 3. Approve the Service-Connected Disability Retirement application of Edna Zelinski - County of San Bernardino - Sheriff. [19-1004](#)

This item was pulled from the Consent Calendar and continued to September to be heard in Closed Session.

A motion was made by Bracco, seconded by Basle, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 9/3/2020. The motion carried by the following vote:

- Ayes:** 9 - Rutherford, Waner, Basle, Bracco, Fiorino, Kennedy, Mason, Stafford, and Williams
4. Approve the attendance and related expense of Jean-Rene Basle to the 2020 Nossaman Fiduciaries' Forum to be held virtually on September 30 - October 2, 2020. [19-1031](#)
- Cherney, staff, reviewed, per the request of Trustee Fiorino.
5. Approve Special Assignment Compensation in the amount of 7.5% of base salary for two Retirement Benefits Technicians in the Member Services Department, effective June 6, 2020 through September 11, 2020 or such sooner date as the CEO determines SAC pay is no longer appropriate. [19-997](#)
6. Approve Special Assignment Compensation in the amount of 7.5% of base salary for the Office Specialist and Disability Retirement Benefits Technician in the Disability Retirement Unit, effective May 9, 2020 through October 23, 2020 or such sooner date as the CEO determines SAC pay is no longer appropriate. [19-1027](#)
7. Ratify travel expenses for Trustees & CEO for the Quarter Ended June 30, 2020. [19-1030](#)
8. Approve and adopt updates to Investment Policy No. 001 (Investment Plan, Policy and Guidelines). [19-893.2](#)

ACTION ITEMS

9. Action on Deferred Items from Consent, if any. [19-1005](#)

No Items deferred from Consent Calendar.

Trustee Kennedy left the meeting.

10. Approve the request to extend re-employment of Charles Abney as fixed-wing aircraft pilot for the San Bernardino County Sheriff's Department, from September 1, 2020 to October 31, 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. [19-1020](#)

Bishop, staff, reviewed. Captain Robert O'Brine provided comment.

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

Ayes: 8 - Rutherford, Waner, Basle, Bracco, Fiorino, Mason, Stafford, and Williams

Absent: 1 - Kennedy

11. Recommend review, and determine status to extend re-employment of James Miller as Field Representative for the San Bernardino County Board of Supervisors, from August 6, 2020 to February 1, 2022. [19-1034](#)

Bishop, staff, reviewed. Matt Knox provided comment.

A motion was made by Williams, seconded by Fiorino, to approve Staff Recommendation. The motion failed by the following vote:

Ayes: 2 - Fiorino, and Williams

Nays: 6 - Rutherford, Waner, Basle, Bracco, Mason, and Stafford

Absent: 1 - Kennedy

A motion was made by Mason, seconded by Waner, to Modify Staff Recommendation to grant an extension of employment for a duration of 12 months, commencing on the date indicated on this certification and terminating on August 1, 2020. Also, determining that extreme necessity exists to continue the retiree's employment beyond the 18-month limit, and approve the request for extension of employment of retiree beyond the 18 month limit. The motion carried by the following vote:

Ayes: 6 - Rutherford, Waner, Basle, Bracco, Mason, and Stafford

Nays: 2 - Fiorino, and Williams

Absent: 1 - Kennedy

12. Approve the addition of one Medical Advisor - Dr. Jeffrey Wainstein - [19-1026](#)
to the 2020 Medical Advisor Panel.

Hannah, staff, reviewed.

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

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

Absent: 2 - Kennedy, and Mason

13. Approve Segal's actuarial recommendations for managing tail volatility and amortization of the Unfunded Actuarial Accrued Liability (UAAL). [19-956](#)

McInerney, staff, reviewed and Paul Angelo with Segal presented.

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

Ayes: 8 - Rutherford, Waner, Basle, Bracco, Fiorino, Mason, Stafford, and Williams

Absent: 1 - Kennedy

14. Update re California Supreme Court Decision Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association ("Alameda") and recommend the Board adopt Amendment to the Pay Code Resolution to implement Government Code section 31461 subdivision (b), effective as to SBCERA members who retired on and after January 1, 2013, pursuant to Alameda. [19-1033](#)

This item was heard at the beginning of the meeting, as noted above. Ashley

Dunning with Nossaman presented. Public Comment was heard after Nossaman's presentation. The Board deliberated in Closed Session (Item No. 24), and took action in Open Session thereafter.

A motion was made by Fiorino, seconded by Williams, to table this item to the September Board of Retirement Meeting. The motion failed by the following vote:

Ayes: 3 - Bracco, Fiorino, and Williams

Nays: 5 - Rutherford, Waner, Basle, Mason, and Stafford

Absent: 1 - Kennedy

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

Ayes: 5 - Rutherford, Waner, Basle, Mason, and Stafford

Nays: 3 - Bracco, Fiorino, and Williams

Absent: 1 - Kennedy

PUBLIC COMMENT

The following individuals provided comment regarding Item No. 14:

- Raman Patel
- Jeffrey Brown
- Gary Roth
- Grant Ward
- Arun Kumar
- Fred Minassian
- Dennis Hayes
- Phillip Hubbard
- William Richards
- Mark Fujiwara
- Richard Hawrylew
- Shashi Singeetham
- Phil Barroca
- Ranji George
- Nancy (last name not provided)
- J. Kampa
- Huifung Choe

INFORMATION ITEMS

- 15. NEPC Update on Emerging Markets.

[19-999.1](#)

Sam Austin with NEPC presented.

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16. Gramercy Manager Update. [19-994.1](#)
Abbott, staff, reviewed. Robert Koenigsberger and Mohamed El-Erian with Gramercy presented.
17. Presentation by NEPC of their Quarterly Investment Performance Review for the period ending June 30, 2020. [19-1010](#)
Allan Martin with NEPC presented.

Trustee Kennedy returned to the meeting.

RECEIVE AND FILE

18. Report on the Investment Committee meeting conducted July 14, 2020. [19-1003](#)
Received and filed.
19. Summary of change orders on tenant improvement projects at 348 W. Hospitality Lane. [19-1024](#)
Received and filed.

CLOSED SESSION

20. Review and determine the Service-Connected Disability Retirement application of John L. Charbonneau - County of San Bernardino - Sheriff. [19-1008](#)
Staff pulled this item from the agenda to be deferred to a future Board meeting.
21. Review and determine the disability retirement application of Brad Davies - County of San Bernardino - Probation. [19-650](#)
A motion was made by Mason, seconded by Basle, that this agenda item be Continued to the BOARD OF RETIREMENT, meeting on 9/3/2020. The motion carried by the following vote:
Ayes: 9 - Rutherford, Waner, Basle, Bracco, Fiorino, Kennedy, Mason, Stafford, and Williams
22. Review and determine the Service-Connected Disability Retirement application of Lakita A. McDougle - County of San Bernardino - Probation. [19-1028](#)
A motion was made by Williams, seconded by Bracco, to Reject Staff Recommendation and find that Lakita A. McDougle is permanently incapacitated for the performance of duties and that a Service-Connect Disability Retirement be granted. The motion failed by the following vote:
Ayes: 3 - Bracco, Fiorino, and Williams
Nays: 6 - Basle, Kennedy, Mason, Stafford, Waner and Rutherford

A motion was made by Kennedy, seconded by Basle, to Continue this agenda item to a future meeting and direct staff to schedule a functional capacity evaluation. The motion carried by the following vote:

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

Board Chair Rutherford left the meeting at 5:52 PM and Vice-Chair Waner assumed the duties of Board Chair.

- 23. Review and determine the Service-Connected Disability Retirement application of Scott A. Peterson - County of San Bernardino - Sheriff. [19-957.1](#)

A motion was made by Bracco, seconded by Waner, to reject Staff Recommendation and find that Mr. Peterson is permanently incapacitated for the performance of duties and that a Service-Connected Disability Retirement be granted with an effective date of June 25, 2019. The motion carried by the following vote:

Ayes: 5 - Waner, Basle, Bracco, Kennedy, and Stafford

Nays: 3 - Fiorino, Mason, and Williams

Absent: 1 - Rutherford

Other Closed Session Matters:

- 24. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION [19-1032](#)
Significant Exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One (1) case.

No reportable action was taken.

OPEN SESSION

- 25. Report by Counsel on actions taken in Closed Session. [19-1007](#)
Lantzer, staff, reported on actions taken in Closed Session.

EXECUTIVE REPORTS

- 26. Chief Executive Officer. [19-1022](#)
Received and filed. Cherney, staff, answered questions.
- 27. Chief Counsel. [19-1025](#)
Received and filed. Hannah, staff, answered questions.

TRUSTEE ATTENDANCE REPORTS

- 28. Report by the Trustees concerning conferences and other meetings attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). [19-1006](#)

This item has been continued to the September 3, 2020 Board of Retirement meeting.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

Trustee Fiorino requested a future agenda item on a comparison of our asset allocation .
Trustee Williams suggested a future agenda item on an analysis of our portfolio .

ADJOURN

Vice-Chair Waner adjourned the meeting at 6:42 PM.

Respectfully submitted,

JANICE RUTHERFORD, Board Chair

DEBBY CHERNEY, Board Secretary

DATED: _____