



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 92408A

A video recording of this meeting can be found at: <https://sbcera.legistar.com/Calendar.aspx>

Meeting Minutes

Thursday, December 2, 2021

9:00 AM

Hybrid:
In person (Trustees only)/Online

Trustees Present:

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

Others Present:

DEBBY CHERNEY, Chief Executive Officer
BARBARA HANNAH, Chief Counsel
JAKE ABBOTT, Investment Officer
STACEY BARNIER, Director of Human Resources and Risk Management
COLIN BISHOP, Chief of Member Services
TOM KIM, Investment Officer
DAVID LANTZER, Senior Staff Counsel
AMY MCINERNEY, Chief Financial Officer
DONALD PIERCE, Chief Investment Officer
CHRISTA JAMES, Recorder
SAM AUSTIN, NEPC
MELANIE CHANEY, Liebert Cassidy Whitmore
ASHLEY DUNNING, Nossaman
LANCE MOHR, M.D.
KENNETH SEXTON, Public
MICHAEL TAMONY, Communications Officer

Absent:

JOHN JOHNSON, Alternate Ex-Officio Member
JARED NEWCOMER, Alternate Safety Member

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Board Chair Waner called the meeting to order at 9:01 AM and announced protocol regarding Public Comment. Board Chair Waner led the Pledge of Allegiance.

PUBLIC COMMENT

Michael Tamony, Communications Officer, provided comment on Item No. 2.

RECOGNITIONS

1. Moment of silence in remembrance of victims of and those affected by the December 2, 2015 terrorist attack. [21-232](#)

Trustee Rutherford provided remarks and led a moment of silence in remembrance of victims of and those affected by the December 2, 2015 terrorist attack.

2. Recognize the Communications Team for the Public Relations Society of America Polaris Awards for excellence. [21-207](#)

Cherney and Bishop, staff, recognized the Communications team for their outstanding achievements.

3. Recognize the Fiscal Team for achieving the Certificate for Excellence in Financial Reporting and Popular Financial Reporting. [21-208](#)

Cherney and McInerney, staff, recognized the Fiscal team for their outstanding achievements.

Trustee Mason arrived at the meeting at 9:13AM.

CONSENT

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

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

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

4. Approve minutes of regular meeting conducted on November 4, 2021. [21-204](#)
5. Approve Service Retirements. [21-212](#)
6. 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 December in a hybrid format. [21-203](#)

7. Adopt SBCERA Resolution No. 2021-8 - Employer Pay Codes of Employee Compensation. [21-210](#)
8. Approve the 2022 Board of Retirement and Committee Meeting Dates. [21-180](#)
9. Approve the attendance and related expense of Jean-Rene Basle and Vere Williams to the 2021 Nossaman Fiduciaries' Forum to be held virtually on December 6-7, 2021. [21-213](#)
10. Approve the CY 2022 Investment Manager Due Diligence Schedule and Exception List. [21-198.1](#)

Pierce, staff, reviewed.

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

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

ACTION ITEMS

11. Action on Deferred Items from Consent, if any. [21-205](#)

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

12. Exclude Canine Pay as compensation earnable for Tier I members of SBCERA, effective as of January 1, 2013 and adopt Resolution 2021-9. [19-1098.1](#)

Hannah, staff, and Ashley Dunning with Nossaman reviewed.

A motion was made by Bracco, seconded by Basle, to Deny the staff recommendation and include Canine Pay as compensation earnable for Tier 1 members of SBCERA. The motion failed by the following vote:

Ayes: 2 - Bracco, and Basle

Nays: 6 - Waner, Fiorino, Kennedy, Mason, Stafford, and Williams

Abstain: 1 - Rutherford

A motion was made by Fiorino, seconded by Williams, to Approve the staff recommendation. The motion carried by the following vote:

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

Nays: 2 - Bracco, and Basle

Abstain: 1 - Rutherford

13. Approve a \$100mm initial subscription to William Blair Investment Management's Emerging Markets Growth and a \$100mm initial subscription to Wasatch Global Investors' Emerging Markets Select products, subject to completion of due diligence and legal document review. [21-156.1](#)

Abbott and Kim, staff, reviewed. Sam Austin with NEPC provided comments.

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

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

INFORMATION ITEMS

14. Staff Update: Kayne Anderson and Irradiant Partners. [21-192.1](#)

Abbott, staff, presented.

15. Annual Comprehensive Financial Report, Independent Auditor's Report, and other Required Communications for the years ended June 30, 2021 and 2020. [21-200.1](#)

McInerney, staff, presented.

RECEIVE AND FILE

16. Report on the Investment Committee meeting conducted November 16, 2021. [21-216](#)

Received and filed.

17. Report on the Audit Committee meeting conducted November 18, 2021. [21-227](#)

Received and filed.

18. Operational Due Diligence Program for 2021 by Kreischer Miller. [21-201.1](#)

Pierce, staff, reviewed. Received and filed.

19. Agreed Upon Procedures Reports for Cash Management, Member Data Accuracy, and Death Benefits. [21-209.1](#)

McInerney, staff, reviewed. Received and filed.

CLOSED SESSION

20. Review and determine the Service-Connected Disability Retirement with Supplemental Retirement Allowance of Kenneth Sexton - San Bernardino County - Facilities Management. [21-176](#)

This item was taken out of order and heard at the beginning of the meeting, before the Consent Calendar.

A motion was made by Mason, seconded by Fiorino, to Approve the staff recommendation denying a service connected disability retirement and finding

that Mr. Sexton is not eligible to receive a non-service connected benefit. If a service-connected disability is determined at a future hearing stage, the effective date will be April 24, 2021, the day after the last day of regular compensation. The motion carried by the following vote:

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

Counsel reported on action taken in Closed Session.

Other Closed Session Matters:

21. CONFERENCE WITH LABOR NEGOTIATORS (Government Code section 54957.6) [21-228](#)
Agency designated representatives: Debby Cherney, Stacey Barnier
Employee Organization: Service Employees International Union Local 721

No reportable action was taken.

OPEN SESSION

22. Report by Counsel on actions taken in Closed Session. [21-206](#)

Counsel reported that no reportable action was taken on Item No. 21.

EXECUTIVE REPORTS

23. Chief Counsel. [21-221](#)

Received and filed.

24. Chief Investment Officer. [21-215](#)

Pierce, staff, reported.

TRUSTEE ATTENDANCE REPORTS

25. Report by the Trustees concerning conferences and other meetings attended (as specified by Education & Training Policy No. 003 - "Trustee Travel and Expense Policy"). [21-214](#)

Trustees Fiorino, Hatch, Kennedy, Mason, and Williams reported on their attendance.

SUGGESTIONS FOR FUTURE AGENDA ITEMS

No future agenda items were suggested.

ADJOURN

Trustee Mason shared a video in remembrance of victims of the December 2, 2015 terrorist attack.

Board Chair Waner adjourned the meeting at 1:13 PM.

Respectfully submitted,

NEAL WANER, Board Chair

DEBBY CHERNEY, Board Secretary

DATED: _____