

# FEDERATED RETIREE HEALTH CARE TRUST FUND

## Action Minutes of the Retiree Health Care Trust Fund Meeting

THURSDAY

SAN JOSÉ, CALIFORNIA

DECEMBER 15, 2011

### CALL TO ORDER

The Board of Administration of the Federated Retiree Health Care Trust Fund met on Thursday, December 15, 2011 at 11:20 a.m., in regular session at City Hall in the Wing Meeting Rooms 118-120, 200 East Santa Clara Street San José, California 95113.

### PRESENT:

#### BOARD MEMBERS

Matt Loesch, Chair -Present  
Ed Overton, Vice-Chair -Present  
Arn Andrews -Present  
Michael Armstrong -Present  
Lara Druyan -Present  
Stuart Odell -Present  
Martin Dirks -Present

#### BOARD MEDICAL DIRECTOR

Rajiv Das, M.D. - N/A

#### COUNCIL LIAISON

Pete Constant -Present

#### DIRECTOR RETIREMENT SERVICES

##### BOARD SECRETARY

Russell U. Crosby -Present

#### COUNSEL

Mollie Dent -Present  
Russ Richeda -Present

#### RETIREMENT SERVICES STAFF

##### PRESENT

Donna Busse, Deputy Director, COO  
Carmen Racy-Choy, Deputy Director, CIO  
Veronica Niebla  
Ron Kumar  
Sonia Morales  
Troy Gavin

#### ALSO PRESENT

Allison Suggs, OER  
David Armstrong, Retiree  
Susan Devencenzi, Retiree

### CALL TO ORDER: 11:20 a.m.

#### • ORDERS OF THE DAY

##### 1. NEW BUSINESS

###### 1.1 Approval of Retiree Health Care Trust Fund Minutes of November 17, 2011.

**Approved. (M.S.C. – Andrews/Druyan, 7-0-0)**

###### 1.2 Discussion and action regarding withdrawal of Private Letter Ruling Request No. 3 related to whether contributions paid to the trust by the City and by the employees, and benefits paid from the trust, are excludable from the gross income of employees, retirees and dependents.

Ms. Dent reported to the Board that the request for Private Letter Ruling was filed with the Internal Revenue Service, but stated that the IRS declined to rule on Ruling request #3 and

noted that it was not an indication of a denial. Outside Counsel recommended continue to move forward with Rulings 1 and 2, then refile Ruling request 3 separately.

A motion was made to accept the withdrawal of Private Letter Ruling Request No. 3 related to whether contributions paid to the trust by the City and by the employees, and benefits paid from the trust, are excludable from the gross income of employees, retirees and dependents.

**Approved. (M.S.C. – Overton/Andrews, 7-0-0)**

**2. OLD BUSINESS**

**2.1 Update on Formation of Group Trust.**

Staff to create a recommendation to City Council on Formation of Group Trust

- **FUTURE AGENDA ITEMS - None**
  
- **PUBLIC/RETIREE COMMENTS - None**
  
- **ADJOURNMENT**

Meeting was adjourned at 11:29 a.m.