



BOARD OF ADMINISTRATION
CITY HALL
COUNCIL CHAMBERS
200 EAST SANTA CLARA STREET
SAN JOSE, CA 95113

BOARD MEMBERS

Matt Loesch, Chair, Trustee
David Busse, Vice-Chair, Trustee
Ed Overton, Trustee
Pete Constant, Trustee
Ash Kalra, Trustee
Jeffrey Perkins, Trustee
Arn Andrews, Trustee

SECRETARY

RUSSELL U. CROSBY

THURSDAY

AUGUST 12, 2010

8:30 A.M.

Action Minutes

ORDERS OF THE DAY

RETIREMENTS

1. Disability Retirements

- a. **Andrew Noble**, Maintenance Worker I, Department of Transportation. Request for Service-Connected Disability, effective April 26, 2010; 13.18 years of service. – **Continued to next month**
- b. **John K. Serrao**, Senior Construction Inspector, Airport. Request for Service-Connected Disability, effective March 31, 2010; 29.79 years of service. - **Denied**

CONSENT CALENDAR (Items 2 through 12) – Approved (Item K – Deferred)

2. Request for approval of NonService-Connected Disability Retirements

- a. **Patrick Forbes**, Senior Warehouse Worker, Airport. Request for NonService-Connected Disability, effective May 17, 2010; 21.29 years of service.

3. Request for approval of Service Retirements – **Approved (Item K – Deferred)**

- a. **Donald W. Beams**, Division Manager, General Services Department, effective July 24, 2010; 27.5 years of service.
- b. **Celia Bojorquez**, Custodian, General Services Department, effective July 31, 2010; 11.52 years of service.
- c. **Benjamin Canales**, Airport Operations Supervisor, Airport, effective July 10, 2010; 9.15 years of service.

- d. **Donna M. Carneghi**, Secretary, Public Works Department, effective July 31, 2010; 25.39 years of service.
- e. **Jose A. Castro**, Custodian, Airport, effective July 31, 2010; 11.64 years of service.
- f. **John L. Clara**, Custodian, General Services Department, effective July 31, 2010; 14.89 years of service.
- g. **Mahendra B. Deo**, Heavy Diesel Equipment Operator/Mechanic, Environmental Services Department, effective June 26, 2010; 16.48 years of service.
- h. **Roman Dizon**, Animal Services Officer, General Services Department, effective June 3, 2010; 8.84 years of service. (Non-Service Connected Disability Pending)
- i. **James J. Dowgialo**, Building Inspector Combo, Planning, Building and Code Enforcement, effective June 26, 2010; 10.08 years of service.
- j. **Marta Duarte**, Senior Office Specialist, General Services Department, effective June 26, 2010; 20.47 years of service.
- k. **Sharon Estes**, Legal Administrative Assistant, City Attorney's Office, effective May 19, 2010; 8.79 years of service. - **Deferred**
- l. **Thomas L. Ferguson**, Maintenance Manager, Department of Transportation, effective September 11, 2010; 30.00 years of service.
- m. **Gary D. Garcia, Sr.**, Custodian, Airport, effective July 30, 2010; 10.20 years of service.
- n. **Pedro E. Gomez**, Custodian, Airport, effective July 31, 2010; 7.70 years of service.
- o. **Richard Gonzales**, Senior Facility Attendant, General Services Department, effective July 31, 2010; 20.08 years of service.
- p. **Leo E. Guerrero**, Maintenance Worker II, Department of Transportation, effective August 21, 2010; 30.06 years of service.
- q. **Daniel L. Haynes**, Supervisor Public Safety Dispatcher, Police Department, effective August 21, 2010; 20.25 years of service.
- r. **Arnulfo S. Hernandez**, Facility Attendant, Convention, Arts and Entertainment, effective July 30, 2010; 12.62 years of service.
- s. **Louis J. Johnson**, Code Enforcement Inspector II, Planning, Building and Code Enforcement, effective October 2, 2010; 21.12 years of service.
- t. **Astrid M. Kozlowski**, Secretary, Police Department, effective August 21, 2010; 30.04 years of service.
- u. **David C. Lajon**, Gardener, Parks, Recreation and Neighborhood Services, effective August 7, 2010; 18.96 years of service.
- v. **Francisco Lopez**, Facility Attendant, Convention, Arts and Entertainment, effective July 31, 2010; 10.64 years of service.
- w. **Dolores Lott**, Communication Technician, Information Technology Department, effective July 31, 2010; 9.52 years of service.
- x. **Alvaro S. Madero**, Maintenance Worker II, Department of Transportation, effective August 21, 2010; 30.09 years of service.
- y. **Ofelia N. Martinez**, Custodian, Airport, effective July 17, 2010; 20.51 years of service.
- z. **Ty Mayfield**, Senior Analyst, Fire Department, effective June 28, 2010; 4.64 years of service. (With reciprocity)
- aa. **Hector A. Moreno**, Custodian, General Services Department, effective October 16, 2010; 29.36 years of service.
- bb. **Randy A. Newhouse**, Plant Operator, Environmental Services Department, effective June 26, 2010; 10.59 years of service.
- cc. **Russell Northup**, Building Management Administrator, Airport, effective August 21, 2010; 27.09 years of service.
- dd. **Gil D. Ong**, Senior Accountant, Airport, effective June 26, 2010; 22.82 year of service.

- ee. **Rudy M. Perales**, Custodian, General Services Department, effective July 31, 2010; 13.51 years of service. (With Reciprocity)
 - ff. **Kenneth D. Rock**, Operations Manager, Environmental Services Department, effective July 10, 2010; 6.15 year of service. (With reciprocity)
 - gg. **David J. Rodriguez, Sr.**, Heavy Equipment Operator, Department of Transportation, effective August 7, 2010; 30.04 years of service.
 - hh. **Michael D. Ryder**, Division Manager, Finance Department, effective August 21, 2010; 15.03 years of service.
 - ii. **Luis Saiz**, Repair Worker II, Parks, Recreation and Neighborhood Services, effective August 21, 2010; 26.67 year of service.
 - jj. **Don W. Schwarzenbach**, Library Clerk, Library, effective July 24, 2010; 22.17 years of service.
 - kk. **Rhonda D. Snyder**, Analyst, Retirement Services Department, effective July 24, 2010; 22.69 years of service.
 - ll. **Edna William – Swilley**, School Safety Supervisor, Police Department, effective June 25, 2010; 9.59 years of service.
 - mm. **Steven G. Turner**, Deputy Director, Information Technology Department, effective August 21, 2010; 30.00 years of service.
 - nn. **Hossein Vafa**, Senior Engineer, Department of Transportation, effective July 24, 2010; 24.72 years of service.
 - oo. **Jimmy R. Valerio**, Facility Attendant, Convention, Arts and Entertainment, effective July 30, 2010; 15.64 years of service.
 - pp. **James E. Watts**, Senior Custodian, Airport, effective July 31, 2010; 12.47 years of service.
 - qq. **Verna J. Weaver**, Traffic Checker II, Department of Transportation, effective July 10, 2010; 18.50 years of service.
 - rr. **Virginia B. Zabala**, Custodian, Airport, effective July 31, 2010; 11.54 years of service. (Service-Connected Disability pending)
 - ss. **Teresa A. Zagalo**, Senior Public Safety Dispatcher, Fire Department, effective August 7, 2010; 20.31 years of service.
4. **Deferred Vested**
- a. **Steven J. Alexander**, Information Systems Analyst, Information Technology Department, effective August 10, 2010; 7.87 years of service. - **Approved**
 - b. **Louis L. Campos**, Custodian, Airport, effective July 21, 2010; 20.61 years of service - **Approved**
 - c. **Betty D. Keith**, Superintendent, Parks, Recreation and Neighborhood Services, effective October 12, 2010; 13.49 years of service. - **Approved**
 - d. **J. Elias L. Mendoza**, Analyst II, Human Resources Department, effective August 10, 2010; 15.13 years of service. (With reciprocity) - **Approved**
 - e. **Debbie J. Pinkerton**, Secretary, Airport, effective July 19, 2010; 5.92 years of service. - **Approved**
5. **Board Minutes**
Approval of Minutes of June 10, 2010 - **Approved**
6. **Return of Contributions**
- a. Voluntary
 - b. Involuntary
7. **Investment Summary Report**
Report of Federated Investment – May 31, 2010

8. **Approval of Monthly Expenditures**
Report of Federated Retirement Plan expenses for June 2010. - **Approved**
9. **Investments**
Adoption of Resolution Number 6689 acknowledging receipt of report on investments for the period May 1 through May 31, 2010.
10. **Communication/Information**
 - a. Benefits Review Forum Report for June 2010
 - b. Legislative and Legal Updates, dated July 15, 2010
 - c. Legal Update, dated June 2, 2010
11. **Approval of Travel Conference Attendance**
Matt Loesch – Alternative Investment Summit, San Diego, CA, September 22, 2010
12. **DEATH NOTIFICATIONS (Moment of Silence) – Note & File**
 - a. **Doris Ainley**, Retired Librarian II, retired 10/4/80, died 6/20/10. No survivorship benefits.
 - b. **Robert D. Baker**, Retired Senior Maintenance Worker, retired 11/7/92, died 7/6/10. Survivorship benefits to Elva Baker, spouse.
 - c. **Wanda J. Daniel**, Active Recreation Program Specialist, died 4/2/10. No survivorship benefits.
 - d. **Harry G. Dolan**, Retired Plumbing Inspector, retired 1/2/79, died 6/6/10. Survivorship benefits to Beatrice G. Dolan, spouse.
 - e. **Hannah M. L’Heureux**, Retired Account Clerk II, retired 3/7/98, died 5/22/10. No survivorship benefits.
 - f. **Norman A. Mac Taggart**, Retired Senior Aircraft Refueler, retired 8/6/88, died 6/11/10. No survivorship benefits.
 - g. **Richard A. Messina**, Retired Parks Maintenance Repair Worker, retired 1/5/80, died 6/29/10. No survivorship benefits.
 - h. **Manuel Ochoa**, Active Custodian, died 5/16/10. Survivorship benefits to Graciela Zamora, spouse.
 - i. **Russell L. Sprague**, Retired Custodian Supervisor, retired 5/30/81, died 6/20/10. No survivorship benefits.
 - j. **Lillian H. Stevens**, Retired City Nurse, retired 7/22/74, died 7/1/10. No survivorship benefits.
 - k. **Walter Van Westenberg**, Retired Senior Painter, retired 1/10/87, died 6/8/10. Survivorship benefits to Tommie Van Westenberg, spouse.
 - l. **Richard W. Whaley**, Retired Senior Construction Inspector, retired 8/24/85, died 6/29/10. No survivorship benefits.

OLD BUSINESS/DEFERRED-CONTINUED ITEMS

13. Discussion and possible action on Macias Gini & O’Connell’s Draft Payroll Agreed-Upon Procedures.
– **Note & File**
14. Review and provide staff direction regarding draft agenda for Disability Retirement Study Session.
– **Note & File**
15. Oral update on status of Plan tax qualification review.

NEW BUSINESS

16. Discussion regarding Lowest Cost Medical Plan memo from Alex Gurza, Director of Employee Relations.
– **Note & File**
17. Approval to excuse the absences of Jeff Perkins from the May 13, 2010 and June 10, 2010 Board Meetings.
– **Approved**
18. Receipt of notice of resignation of Trustee Busse effective September 1, 2010 and adoption of Resolution of Commendation. . - **Approved**
19. Approval of Macias Gini O’Connell’s 2010 Audit Service Plan. - **Approved**
20. Selection and approval for the Secretary to negotiate and execute an agreement with the selected actuarial firm based on the RFP conducted by staff for a not to exceed contract amount of \$400,000.
– **Approved hiring Cheiron as the System’s Actuary.**
21. Approval to rescind retirement application of Antonio G. Perez; approved June 10, 2010. - **Approved**
22. Approval to rescind retirement application of Alexander Guiang, approved June 10, 2010. - **Approved**
23. Approval to rescind retirement application of Pastor Esteves, Jr., approved June 10, 2010. - **Approved**
24. Approval to rescind retirement application of Anne Ortiz, approved June 10, 2010. - **Approved**
25. Approval to rescind retirement application of Greg Schultz, approved June 10, 2010. - **Approved**
26. Approval to rescind retirement application of Anne Katashima, approved June 10, 2010. - **Approved**
27. Approval to rescind retirement application of Felipe Vera Cruz, approved June 10, 2010. - **Approved**
28. Adoption of Resolution No. 6687 denying the Service-Connected Disability Retirement application of Judith Harsany. - **Approved**
29. Adoption of Resolution No. 6688 denying the Service-Connected Disability Retirement application of Shirleen Lilly. - **Approved**
30. Review and provide recommendation on the City Council on the following ordinances: - **Note & File**
 - a. Amending Section 2.08.130 of Part 1 of Chapter 2.08 of Title 2 of the San José Municipal Code to revise provisions for removal of Retirement Board members.
 - b. Amending Part 10 of Chapter 2.08 of Title 2 to revise the Structure of the Board of Administration for the Federated City Employees Retirement System and, adopt minimum qualification criteria for public members of said Board and revise provisions for Compensation of Board members.

31. Review and action on Ordinance No. 28753 amending SJMC to implement revisions in employee and employer contributions. – **Note & File**
32. Report on city's prefunding of required contributions for Fiscal Year 2010-11 and reconciliation for Fiscal Year 2009-2010. – **Note & File**
33. GASB proposed changes to pension and financial reporting for employers. – **Note & File**
34. Acceptance of memo received from GRS regarding the updated projections of the IRC 401(h) 25% subordination test. – **Note & File**

STANDING COMMITTEES / REPORTS / RECOMMENDATIONS

35. Committee for investments (Perkins/Loesch/Andrews-alternate/Busse)

- a. Approval for GE Asset Management to increase the single asset diversification limit of Wheaton Center investment from 10.00% to 10.92%. - **Approved**
- b. Authorization for the Secretary to negotiate and execute the extension of the Northern Trust Investments agreement for investment management services and the Northern Trust Bank of California agreement for custodial services. - **Approved**

Committee of the Whole (Full Board) – Next meeting August 26, 2010.

Policy Committee (Busse/Overton/Constant – alternate/Loesch)

EDUCATION AND TRAINING

36. Notification of CalAPRS' Trustees' Roundtable to be held in San Diego, CA, October 15, 2010. – **Note & File**

FUTURE AGENDA ITEMS

PUBLIC/RETIREE COMMENTS – Comments from the Public

ADJOURNMENT – **Closed meeting at 11:55 A.M.**

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Department of Retirement Services, 1737 N. First Street, Suite 580, San José CA 95112 at the same time that the public records are distributed or made available to the legislative body.

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