



**BOARD OF ADMINISTRATION
Department of Retirement Services**

CITY HALL WING COMMITTEE ROOMS 118/119

200 East Santa Clara St., San Jose, CA 95113

BOARD MEMBERS

David Bacigalupi, Chair
Conrad Taylor, Vice Chair
Sean Bill, Trustee
Michael Flaherman, Trustee
Sean Kaldor, Trustee
Damon Krytzer, Trustee
Vincent Sunzeri, Trustee
Richard Santos, Trustee
Vacant, Trustee

DIRECTOR RETIREMENT SERVICE

BOARD SECRETARY
Russell U. Crosby

COUNCIL LIAISON

Pete Constant

THURSDAY

APRIL 7, 2011

8:30 a.m.

AGENDA

ORDERS OF THE DAY

1. RETIREMENTS

1.1 Service

- a. **Evan S. Bloom**, Fire Captain, Fire Department, effective March 19, 2011; 25.19* years of service.
- b. **Matthew F. Elvander**, Police Sergeant, Police Department, effective May 28, 2011; 28.26* years of service. (With reciprocity)
- c. **Carlos A. Miller**, Fire Captain, Fire Department, effective May 28, 2011; 30.13* years of service.
- d. **Thomas P. Navin**, Police Sergeant, Police Department, effective May 28, 2011; 25.03* years of service.
- e. **Michael Piscitello Jr.**, Police Officer, Police Department; effective May 14, 2011; 24.83* years of service. (With reciprocity)
- f. **Marc D. Remington**, Police Sergeant, Police Department; effective April 16, 2011; 24.57* years of service. (SCD pending)
- g. **Kenneth G. Tanaka**, Police Lieutenant, Police Department; effective May 14, 2011; 27.88* years of service.

1.2 Change in Status

- a. **Steven D. Barnes**, Police Sergeant, Police Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective January 24, 2009; 25.96 years of service.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call Mary Dariano (408) 794-1005 as soon as possible, but at least three business days before the meeting.

*Estimated

2. DEATH NOTIFICATIONS (Moment of Silence)

- 2.1 Notification of the death of **Kevin G. MacPhee**, Fire Engineer, retired 07/07/92, died 02/28/11. Survivorship benefits to Barbara MacPhee, spouse.
- 2.2 Notification of the death of **William S. Bailey**, Police Sergeant, retired 04/05/1987, died 03/20/2011. No survivorship benefits.

3. NEW BUSINESS

- 3.1 [Staff presentation on Plan's Equity Investment Structure.](#)
- 3.2 Discussion and possible action regarding the 50 mile radius residential requirement for Board of Administration Trustees and the definition of the Council Liaison position.
 - a. [Memorandum to Board from City Attorney's Office and draft ordinance related to Council representative to Retirement Boards](#)
 - b. [Ordinance No. 28899 related to 50 mile radius residency requirement for Board members.](#)
 - c. [Letter from Chair David Bacigalupi to Mayor and City Council dated March 16, 2011.](#)
 - d. [Report to City Council dated June 23, 2009 regarding the Fiduciary Governance Models of the City's Retirement Plans and report by Cortex Applied Research, Inc. regarding the findings on the Plans' governance models.](#)
- 3.3 Update and status of 115 Retiree Health Trust.
- 3.4 [Discussion and action regarding Ice Miller contract amendments increasing fees by \\$25,000 to a total of \\$85,000.](#)
- 3.5 [Approval for Secretary to negotiate and execute the fourth amendment to the agreement with The Segal Company to increase the actuarial budget for 2010/2011 by \\$25,000 for a total not-to-exceed amount of \\$930,000 for actuarial services for the period 2006 through fiscal year 2010/2011.](#)
- 3.6 [Approval of Lifetime Reduced Retirement Monthly Payment Option to be paid to **Eileen Zamora**, ex-spouse of Police Officer Gilbert Zamora, to be effective February 1, 2011 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.](#)
- 3.7 [Discussion and direction to staff concerning negative crediting of UAAL in the calculation of Annual Required Contributions as requested by Trustee Kaldor in a memo dated March 28, 2011.](#)
- 3.8 Notification of Board decision regarding the recommendation to the City Council for the 9th Board member.

4. OLD BUSINESS/CONTINUED-DEFERRED ITEMS

- 4.1 Discussion and possible action regarding Supplemental Retirement Benefit Reserve (SRBR): *(Deferred from March 3, 2011)*
 - a. Letter [from Moscone Emblidge, and Slater LLP representing the Association of Retired San Jose Police Officers and Fire Fighters regarding the Board's Administration of the Supplemental Retiree Benefit Reserve.](#) *(Deferred from January 6, 2011 meeting)*

- b. [Letter from SJPOA re: Demand to Meet and Confer and Potential Grievance Over City's Unilateral Suspension of SRBR Payment and Retirement Board's Failure to Transfer Requisite "Excess Earnings" into SRBR.](#) (Deferred from January 6, 2011 meeting)
- c. [Letter from Jay Wendling President of the Association of Retired San Jose Police Officers and Fire Fighters regarding SRBR.](#)
- d. Background Information on SRBR
 - i. [Memorandum from City Attorney Richard Doyle to City Council dated November 5, 2010 concerning Proposed Ordinance and Resolution Related to Suspension of Distribution of SRBR Benefit](#) payment
 - ii. [Legal Opinion from Conflicts Counsel Russ Richeda dated 11/22/10](#)
 - iii. [Legal Opinion dated November 23, 2010 for Senior Deputy City Attorney Mollie Dent](#)
 - iv. [SRBR Suspension Memos from: Alex Gurza, Office of Employee Relations, dated October 29, 2010; City Clerk Lee Price, dated October 21, 2010; Mayor Chuck Reed, dated October 13, 2010; City Manager Debra Figone, dated 10/22/10; Resolution No. 71870; and Resolution No. 70822](#)
 - v. [Staff memo dated 12/13/10, letter from Segal dated 10/28/10, staff memo dated 11/23/10, and Resolution No. 3683 for Transfer of SRBR funds](#)

4.2 Consider and discuss additional information regarding disability determination process. (Continued from January 6, 2011 meeting) (Item deferred from March 3, 2011)

- a. [Updated information from the City Attorney's Office.](#)
- b. [Presentation regarding role of Medical Director.](#)
- c. [Letter from Sam Swift, Attorney, dated March 23, 2011.](#)
- d. [Staff memo dated January 25, 2011 regarding Disability Process.](#) (Deferred from March 3, 2011)

5. **STANDING COMMITTEE REPORTS/RECOMMENDATIONS** - None

6. **CONSENT CALENDAR** (Items # 6.1 through 6.6)

6.1 **Approval of Minutes**

- a. [Monthly Board meeting held on March 3, 2011.](#)
- b. [Corrected Minutes from February 3, 2011 and February 18, 2011.](#)

6.2 **Approval of Travel/Conference Attendance**

- a. Sean Bill - CALAPRS, General Assembly 2011, Monterey, CA, March 5-8, 2011.
- b. Conrad Taylor - CAPP Training, June 14-15 and 16 and 17, Gleacher Center-University of Chicago, IL
- c. Sean Kaldor - IFEBP, "Foundations for Trustees 1," San Diego, CA – November 20-21, 2010. (**Cancelled-Canadian Trustee Event**)
 - IFEBP, "Trustees and Administrators Institutes, June 13-15, 2011 San Francisco, CA – (**Cancelled**)
- d. David Bacigalupi- IFEBP, "56th US Annual Employees Benefits Conference," Honolulu, HI November 14-17, 2010. (**Cancelled**)

- e. Vincent Sunzeri - IFEBP, Trustees and Administrators Institutes – New Trustees, Las Vegas, NV – Monday, June 13-15, 2011.
- f. May Cheung - CALAPRS, Information Technology Roundtable, Burbank, CA - Friday, April 8, 2011.
- g. Ali Amiry - Institutional Investor Institute Hedge Fund Institutional Forum, Advisory Board, Rancho Bernardo Inn, San Diego, CA, April 5-8, 2011.
- Milken Institute, Los Angeles, CA, May 1-4, 2011.

6.3 Approval of Monthly Expenses

- a. [Plan Expenses for February 2011.](#)

6.4 Return of Contributions

- a. Voluntary
- b. Involuntary

6.5 Investments

- a. [Adoption of Resolution 3700, for the period of February 1, 2011 through February 28, 2011.](#)

6.6 Communication/Information

- a. [Benefits Review Forum held on February 2011.](#)
- b. [CALAPRS Trustees' Roundtable Educational Travel Report – By Vincent Sunzeri](#)
- c. [Report on Accounting for Plan occupied/owned building.](#)
- d. Benefits Review Forum for March 2011 – Cancelled
- e. [Memo from Russ Richeda, Saltzman & Johnson regarding Little Hoover Commission Report on Public Pension, dated March 28, 2011.](#)
- f. [Memo from Russ Richeda, Saltzman & Johnson regarding CalPERS Special Review, dated March 24, 2011.](#)
- g. [Report on Investment as of February 28, 2011.](#)

7. EDUCATION & TRAINING

7.1 Notification of Pensions & Investments and Towers Watson Training

- a. Pension Risk Management in a New Era Conference, San Francisco, CA, June 7, 2011.

7.2 Notification of CalAPRS' Trustees Round Table

- a. Trustees' Round Table, Los Angeles Marriott Burbank Airport, Burbank, CA, 2500 Hollywood Way, June 3, 2011.

7.3 Notification of IFEBP Training

- a. Investments Institute, Las Vegas, NV – Monday, April 11, 2011 thru Wednesday, April 13, 2011.
- b. Wharton Portfolio Concepts and Management, Philadelphia, PA – Monday, May 23, 2011 thru Thursday, May 26, 2011.

- c. Trustees and Administrators Institutes – New Trustees, The Mirage, Las Vegas NV, Monday, June 13, 2011 thru Wednesday, June 15, 2011.
- d. Certificate of Achievement in Public Plan Policy (CAPP) – Employee Pensions – **Part 1**, The University of Chicago, Gleacher Center, Chicago, IL - Monday, June 14-15, 2011.
- e. CAPP – Employee Health – **Part I**, The University of Chicago, Gleacher Center, Chicago, IL – Monday, June 14-15, 2011.
- f. CAPP – Employee Pensions – **Part II**, The University of Chicago, Gleacher Center, Chicago, IL – Wednesday, June 16-17, 2011.
- g. CAPP – Employee Health – **Part II**, The University of Chicago, Gleacher Center, Chicago, IL - Wednesday, June 16-17, 2011.
- h. International Investing and Emerging Markets, Wharton West, San Francisco, CA, Monday, July 25, 2011 through Wednesday, July 27, 2011.

7.4 Notification of SACRS Training

- a. State Association of County Retirement System (SACRS), Public Pension Investment Management Program, UC Berkeley, Monday, July 11-13, 2011.

PROPOSED AGENDA ITEMS

PUBLIC COMMENTS

ADJOURNMENT

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.

Our facility is equipped with assistive listening devices for the hearing impaired.