

AFSCME v. City of San Jose, et al.
Santa Clara County Superior Court Case No. 1-12-CV-227864

San Jose Retired Employees Association v. City of San Jose.
Santa Clara County Superior Court Case No. 1-12-CV-233660

II. NEW BUSINESS

Investments

- A. CLOSED SESSION: CONFERENCE WITH INVESTMENT CONSULTANT PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER PURCHASE OF PARTICULAR PENSION FUND INVESTMENT (ONE INVESTMENT).**

OPEN SESSION – 9:30 A.M. **Regular Agenda**

• ORDERS OF THE DAY

1. Disability Retirements

1.1 Approval of Staff Recommendation to Deny Service-Connected Disability

- a. **Andrew Noble**, Maintenance Worker I, Department of Transportation. Request for a Service-Connected Disability Retirement effective April 26, 2010; 13.18 years of service. (*Deferred from August 2012 Board Meeting*)

1.2 Approval of Staff Recommendation to Deny Non-Service-Connected Disability

- a. **Tracy Jacobs**, Senior Office Specialist, Parks, Recreation and Neighborhood Services Department. Request for a Non-Service-Connected Disability Retirement, effective June 30, 2011; 24.60* years of service.

2. CONSENT CALENDAR (Items 2.1 through 2.8)

2.1 Approval of Staff Recommendation to Grant Non-Service-Connected Disability

- a. **Wendy Teshara**, Recreation Program Specialist, Parks, Recreation and Neighborhood Services Department. Request for a Non-Service-Connected Disability Retirement, effective September 27, 2011; 15.14* years of service.

2.2 Approval of Service Retirements

- a. **Cynthia E. Anacleto**, Code Enforcement Inspector, Planning, Building and Code Enforcement, effective March 30, 2013; 15.21* 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 Sonia Morales (408) 794-1004 as soon as possible, but at least three business days before the meeting.

*Estimated

- b. **Elena Backman**, Senior Worker's Compensation Claims Adjustor, Human Resources Department, effective February 16, 2013; 22.32* years of service.
- c. **Michael L. Brown**, Maintenance Supervisor, Parks, Recreation and Neighborhood Services Department, effective March 30, 2013; 23.48* years of service.
- d. **William H. Burnett**, Water Technician, Environmental Services Department, effective March 30, 2013; 11.59* years of service.
- e. **Rocco Capossele**, Supervisor, Public Works Department, effective March 30, 2013; 23.21* years of service. (*With Reciprocity*)
- f. **Purinio M. Casem**, Senior Airport Operations Specialist, Airport Department, effective March 16, 2013; 10.24* years of service.
- g. **Roberta A. Dunlap**, Supervising Environmental Services Specialist, Environmental Services Department, effective March 16, 2013; 15.23* years of service.
- h. **Richard W. Gonzales, Jr.**, Engineering Technician II, Department of Transportation, effective March 16, 2013; 29.32* years of service.
- i. **Jose F. Gonzalez**, Accountant II, Finance Department, effective March 30, 2013; 28.24* years of service.
- j. **David P. Grady**, Maintenance Superintendent, Environmental Services Department, effective March 30, 2013; 30.31* years of service.
- k. **Donna C. Grandchamp**, Public Safety Radio Dispatcher, Police Department, effective March 16, 2013; 22.75* years of service. (*With Reciprocity*)
- l. **Sally S. Griffin**, Analyst II, Airport Department, effective March 30, 2013; 16.32* years of service.
- m. **Shirley A. Hanson**, Staff Technician, Public Works Department, effective March 30, 2013; 16.29* years of service.
- n. **Eleney I. Ilano**, Police Data Specialist II, Police Department, effective March 16, 2013; 21.78* years of service.
- o. **Cleve B. Jarnagin**, Parking Compliance Officer, Department of Transportation, effective February 17, 2013; 24.82* years of service.
- p. **Tuan Q. Lam**, Associate Engineer, Public Works Department, effective March 30, 2013; 28.31* years of service.
- q. **Dawn Lehman**, Senior Office Specialist, Department of Transportation, effective February 2, 2013; 5.55* years of service.
- r. **Priscila E. Leni**, Librarian, Library Department, effective March 16, 2013; 15.08* years of service.
- s. **German R. Leon**, Associate Engineering Technician, Department of Transportation, effective March 16, 2013; 22.33* years of service.
- t. **Daniel F. Malabuyo**, Electrician, General Services Department, effective March 16, 2013; 5.27* years of service.
- u. **Margaret L. Martinez**, Supervising Public Safety Dispatcher, Police Department, effective March 16, 2013; 22.55* years of service. (*With Reciprocity*)
- v. **Paula Martinez**, Senior Supervisor, Administration, Information Technology Department, effective March 30, 2013; 22.54* years of service.
- w. **Michael McClintock**, Parks Facility Supervisor, Parks, Recreation and Neighborhood Services Department, effective March 30, 2013; 30.03* years of service.
- x. **Simeon A. Mercado, Jr.**, Parks Manager, Parks, Recreation and Neighborhood Services Department, effective March 30, 2013; 26.57* years of service.

- y. **Diana Moore-Girouard**, Investigator Collector II, Finance Department, effective March 30, 2013; 23.41* years of service.
- z. **Edward J. Nelson**, Director of Air Service Development, Airport Department, effective March 16, 2013; 6.29* years of service.
- aa. **Darryl K. Okamoto**, Senior Facility Attendant, Public Works Department, effective March 30, 2013; 18.12* years of service.
- bb. **Kingsley Okeke**, Microbiologist, Environmental Services Department, effective February 2, 2013; 23.13* years of service.
- cc. **Katherine J. Pool**, Administrative Officer, Airport Department, effective March 30, 2013; 25.29* years of service.
- dd. **Ordra M. Porche**, Accounting Technician, Finance Department, effective March 30, 2013; 34.09* years of service.
- ee. **Henry Templeman**, Senior Latent Fingerprint Examiner, Police Department, effective March 30, 2013; 15.00* years of service.
- ff. **Jay P. Thorstensen**, Senior Engineering Technician, Department of Transportation, effective March 30, 2013; 26.82* years of service.
- gg. **Bernard Tong**, Associate Engineer, Public Works Department, effective March 30, 2013; 13.32* years of service.
- hh. **Mohsen Toumi**, Senior Systems Applications Programmer, Police Department, effective March 30, 2013; 15.32* years of service.
- ii. **Ralph Villafuerte**, Electrician, Department of Transportation, effective March 16, 2013; 24.66* years of service.
- jj. **Margaret L. Wong**, Information Systems Analyst, Information Technology Department, effective March 30, 2013; 15.46* years of service.

2.3 **Approval of Deferred Vested**

- a. **Ronda S. Babakhan**, Typist Clerk II, Planning, Building and Code Enforcement Department, effective February 6, 2013; 11.91* years of service.
- b. **Kathie M. Baraona**, Process System Analyst, Environmental Services Department, effective December 29, 2012; 1.66* years of service. (*With reciprocity*)
- c. **Sergio R. DeLeon, Sr.**, Instrument Repair Technician, Environmental Services Department, effective March 13, 2013; 21.20* years of service.
- d. **Steven A. Emslie**, Deputy Planning Director, Planning, Building and Code Enforcement Department, effective March 1, 2013; 2.29* years of service.
- e. **Colin C. Jung**, Planner II, Planning, Building and Code Enforcement Department, effective March 9, 2013; 7.06* years of service. (*With reciprocity*)
- f. **Timothy A. Steele**, Manager Corp Outreach, Office of Economic Development, effective February 26, 2013; 4.20* years of service. (*With reciprocity*)

2.4 **Approval of Board Minutes**

- a. [Approval of Board Minutes of January 17, 2013.](#)

2.5 **Approval of Return of Contributions**

- a. Voluntary
- b. Involuntary

2.6 Acceptance of Communication/Information Reports

- a. [Fiduciary Insurance Waiver of Recourse for policy year February 2013-2014.](#)
- b. [Educational Travel Reports:](#)
 - CALAPRS Trustee Roundtable, Burbank, CA – December 23, 2012 – by Trustee Marty Dirks.
 - IFEBP Wharton School Hedge Funds, Real Estate and other Alternative Investments, San Francisco, CA- January 25, 2013- by Trustee Arn Andrews.

2.7 Approval of Travel / Conference Attendance

- a. Arn Andrews - CalAPRS, Trustees Roundtable, Doubletree Hotel, San Jose, CA – June 8, 2012. **CANCELLED.**
- b. Pete Constant - CalAPRS, Board Leadership Institute: Advanced Principles in Governance, A CalAPRS Education Partnership w/ UCLA Anderson School of Management - January 29-31, 2013. **CANCELLED.**
- c. Lara Druyan - Commonfund Forum 2013, Westin Diplomat, Hollywood, FL – March 9-12, 2013.

2.8 Approval of Termination of Retirement Benefits

- a. Approval of request from **Michael C. D’Arcy** to terminate retirement benefits effective February 16, 2013. (Service Retirement effective September 29, 2012, approved at the September 20, 2012 Board Meeting.)

3 DEATH NOTIFICATIONS (Moment of Silence)

- 3.1 Amos F. Jones**, Equipment Mechanic, retired 02-27-82, died 01-16-13. Survivorship benefits to Ruth I. Jones, spouse
- 3.2 Eugene A. Lawrence**, Heavy Equipment Operator, retired 08-11-94, died 12-27-12. No survivorship benefits.
- 3.3 Dorothy Loo**, Typist Clerk II, retired 01-24-87, died 01-02-13. Survivorship benefits to Don Loo, spouse.
- 3.4 Robert B. Martinez**, Maintenance Worker I, retired 01-01-84, died 12-24-12. No survivorship benefits.
- 3.5 Mary Z. Nacu**, Assistant Director, retired 06-30-12, died 12-21-12. Survivorship benefits to George Nacu, spouse.
- 3.6 Marlin W. Neufeld**, Crime Prevention Specialist, retired 07-10-98, died 12-25-12. Survivorship benefits to Marilyn Neufeld, spouse.
- 3.7 Siegfried Pfendt**, Associate Engineer, retired 09-01-07, died 01-04-13. Survivorship benefits to Eva Pfendt, spouse.
- 3.8 Huyen Roosenboom**, Accountant II, active employee, died 12-18-12. Survivorship benefits to Rolandus W.A. Roosenboom, spouse.
- 3.9 James R. Sherman**, Senior Deputy City Attorney, retired 09-11-88, died 12-28-12. Survivorship benefits to Janet Sherman, spouse.

3.10 Alice K. Wagner, Secretary III, retired 02-01-75, died 12-30-12. No survivorship benefits.

3.11 Donald Zapien, Maintenance Worker II, retired 04-14-84, died 12-17-12. No survivorship benefits.

4 OLD BUSINESS-DEFERRED/CONTINUED ITEMS

4.1 [Update on Retirement Services organization and staffing.](#)

4.2 [Update on the Electronic Board Packets.](#)

4.3 Discussion and action of dates from all Committees for 2013.

5 NEW BUSINESS

5.1 Investments

a. [Presentation of the Pension Trust Flash Performance Report as of January 2013.](#)

b. [Discussion regarding Meketa's 2013 Asset Study.](#)

5.2 Discussion and action on Cheiron's 401(h) test results, 5-year projections and payment of Implicit Subsidy.

a. [Regarding 401\(h\) subordination limit test results.](#)

b. [Pension 5-year Projections by Tier.](#)

c. [Payment of Implicit Subsidy.](#)

5.3 [Discussion and action on System Expenses for December 2012.](#)

5.4 [Discussion and action on Plan governance, including discussions of options for its governance, and a process/roadmap for deciding and implementing changes.](#)

5.5 [Discussion and action regarding authorizing the Secretary to negotiate and execute an agreement with Sagitec Solutions LLC for Pension Administration System Software, Services, and Hardware for an amount not to exceed \\$9,000,000, including a 5-year post production support and maintenance cost. Cost split 50/50 with the Police & Fire Department Retirement Plan.](#)

5.6 [Staff report and timeline for the Board adoption of contribution rates.](#)

5.7 Discussion and action regarding the request from City Administration to allow the Board's actuary to work with the City to review bond documents as it pertains to the Retirement System, costs to be paid by the City.

6 COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 **Investment Committee (Druyan/Odell/Andrews)**

Last Meeting: February 13, 2013

- Next Meeting: March 13, 2013

a. Update from Chair of the Investment Committee.

- b. [Minutes of January 16, 2013, Joint Federated and Police & Fire Investment Committee meeting.](#) Receive and file.

6.2 Audit Committee (Armstrong/Andrews/Overton)

Last Meeting: November 26, 2012 - Next Meeting: February 21, 2013

- a. Update from Chair of Audit Committee

6.3 Governance Committee (Loesch/Armstrong/Odell)

Last Meeting: December 21, 2012 - Next Meeting: TBD

- a. Update from Chair of Governance Committee.

6.4 Ad Hoc Personnel Committee (Loesch/Druyan/Dirks)

- a. Update from Chair of Ad Hoc Personnel Committee.
- b. Discussion and action regarding paying travel expenses for CIO interviews.

7 EDUCATION & TRAINING

7.1 Educational Programs and Courses

- a. CalAPRS 2013 General Assembly, InterContinental San Francisco, San Francisco, CA – March 2-5, 2013.
- b. CalAPRS – Principles of Pension Management for Trustees, Stanford University Law School, Sheraton Palo Alto, Palo Alto, CA – March 26-29, 2013. (2 Trustee attendance limit per CalAPRS)

7.2 Conferences and Seminars

7.3 Research Papers and Articles

- **FUTURE AGENDA ITEMS**
- **PUBLIC/RETIREE 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.