



CITY OF SAN JOSÉ, CALIFORNIA
DEPARTMENT OF RETIREMENT SERVICES



BOARD OF ADMINISTRATION

CITY HALL

City Hall Wing Committee Rooms 118-120

200 East Santa Clara Street, San Jose, CA 95113

BOARD MEMBERS

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

NON-VOTING BOARD MEMBER

Pete Constant

DIRECTOR RETIREMENT SERVICES

Roberto L. Peña

COUNSEL

Jeffrey Rieger, General and Fiduciary Counsel

THURSDAY

April 18, 2013

8:30 A.M.

AMENDED AGENDA

**CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.,
FOLLOWED BY OPEN SESSION REGULAR BOARD AGENDA AT 9:30 A.M.**

CLOSED SESSIONS

Closed Session Agenda

I. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

**1. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – LITIGATION
PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a),**

Mulholand, et al v. City of San Jose, et al, Santa Clara County Superior
Court No. 1-12-CV-219748.

**2. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING
LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 45956.9(a) (4 CASES)
(MEASURE B LITIGATION)**

Mukhar, et al v. City of San Jose, et al.
Santa Clara County Superior Court Case No. 1-12-CV-226574

Harris, et al v. City of San Jose, et al.
Santa Clara County Superior Court Case No. 1-12-CV-226570

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 INVESTMENTS (TWO INVESTMENTS).
- B. **CLOSED SESSION**: PUBLIC EMPLOYEE APPOINTMENT AND EMPLOYMENT. GOVERNMENT CODE SECTION 54957(b)(1) – POSITION: CHIEF INVESTMENT OFFICER/ASSISTANT DIRECTOR OF RETIREMENT SERVICES.

OPEN SESSION – 9:30 A.M.

Regular Agenda

• **ORDERS OF THE DAY**

1. **CONSENT CALENDAR** (Items 1.1 through 1.7)

1.1 **Approval of Service Retirements**

- a. **Jimmy P. Cotillon**, Parks Maintenance Repair Worker II, Parks, Recreation and Neighborhood Services Department, effective June 22, 2013; 24.64* years of service.
- b. **Albert I. Nissan**, Associate Engineer, Planning, Building and Code Enforcement Department, effective March 30, 2013; 23.32* years of service.
- c. **Richard Peak**, Animal Services Officer, Animal Services Department, effective May 30, 2013; 11.5* years of service.
- d. **Paul R. Soltero**, Senior Construction Inspector, Public Works Department, effective April 13, 2013; 23.00* years of service.
- e. **Agustin Vargas, Jr.**, Public Safety Radio Dispatcher, Fire Department, effective May 5, 2013; 22.71* years of service.

1.2 **Approval of Deferred Vested**

- a. **Greg Wojcik**, Custodian, General Services Department, effective May 20, 2013; 29.21* years of service.

1.3 Approval of Board Minutes

- a. [Approval of Board Minutes of March 21, 2013.](#)

1.4 Approval of Return of Contributions

- a. Voluntary
b. Involuntary

1.5 Acceptance of Communication/Information Reports

- a. [Staff report regarding fiduciary insurance coverage.](#)
b. [Contra Costa Times Article: Judge orders San Jose to disclose officials' messages on private devices, Article date: March 20, 2013.](#)
c. [Implicit Subsidy Communication to City administration and bargaining groups.](#)
d. Educational Travel Reports:
 - [CALAPRS Advanced Principles In Governance, Los Angeles, CA – January 29-31, 2013 – by Trustee Arn Andrews.](#)

1.6 Approval of Travel / Conference Attendance

a. Trustees:

1. Marty Dirks - SACRS Spring Conference 2013, Napa Valley Marriott Hotel - May 14-17, 2013.

b. Staff:

1. Roberto L. Peña, Director - SACRS Spring Conference 2013, Napa Valley Marriott Hotel - May 14-17, 2013. **CANCELLED**

1.7 Approval of Termination of Retirement Benefits

- a. [Approval of request from Jose B. Uribe to terminate retirement benefits effective April 13, 2013.](#) (Service Retirement effective February 18, 2012, approved at the March 15, 2012 Board Meeting.)

2 DEATH NOTIFICATIONS (Moment of Silence)

- 2.1 Salvador L. Beserra**, Maintenance Worker I, retired 02-14-04, died 02-13-13. No Survivorship benefits.
2.2 Carl J. Dempsey, Painter, retired 05-12-88, died 03-06-13. No Survivorship benefits.
2.3 Emma L. Griehshammer, Supervising Librarian, retired 06-06-81, died 02-17-13. No Survivorship benefits.
2.4 James W. Lockett, Electrician, active employee, died 01-30-13. Survivorship benefits to Vickilyn Lockett, spouse.

- 2.5 **Robert W. Marotz**, Airport Police Officer, retired 08-29-92, died 03-11-13. No Survivorship benefits.
- 2.6 **Scott M. Ruzyllo**, Security Guard, retired 08-13-07, died 01-17-13. No Survivorship benefits.
- 2.7 **Shirley G. Taylor**, Police Data Specialist II, retired 07-07-01, died 02-10-13. No Survivorship benefits.

3 **OLD BUSINESS-DEFERRED/CONTINUED ITEMS** - None

- 3.1 Update on Electronic Board Packets.

4 **NEW BUSINESS**

4.1 Investments

- a. [Discussion and action on presentation of the Third Quarter 2012 FX transaction cost analysis from Klarity FX.](#)
- b. [Discussion and action on authorizing the Secretary to negotiate and execute an agreement with Klarity FX.](#)
- c. [Discussion and action on authorizing the Secretary to negotiate and execute an agreement with Abel Noser at no cost.](#)
- d. [Discussion regarding emerging market tax advisory firms and approval to delegate the selection of an emerging market tax advisory firms to Staff and for the Secretary to negotiate and execute an agreement with the selected firm as appropriate.](#)
- e. [Discussion and action regarding a proposed second amendment to the agreement with Albourne America LLC regarding Board access to proprietary information.](#)

- 4.2 Discussion and action on [System Expenses for February 2013.](#)

- 4.3 [Discussion and action regarding Lump Sum Payment of Employer Retirement Contributions and establishment of the prepayment amount for Fiscal Year 2013-2014.](#)

- 4.4 [Discussion and Action on authorizing the Secretary to negotiate and execute the Second Amendment to the agreement with Cheiron, Inc., for actuarial services, extending the term to August 31, 2015 and increasing the total compensation for an amount not-to-exceed \\$1,200,000.](#)

5 **COMMITTEES/REPORTS/RECOMMENDATIONS**

5.1 **Investment Committee (Druvan/Odell/Andrews)**

Last Meeting: April 10, 2013 - Next Meeting: May 8, 2013

- a. Update from Chair of the Investment Committee.
- b. [Minutes of March 13, 2013, Joint Federated and Police & Fire Investment Committee meeting.](#) Receive and file.

5.2 **Audit Committee (Armstrong/Andrews/Overton)**

Last Meeting: March 21, 2013 - Next Meeting: May 16, 2013

- a. Update from Chair of Audit Committee
- b. [Minutes of the February 21, 2013 Federated Audit Committee](#). Receive and File.

5.3 Governance Committee (Loesch/Armstrong/Odell)

Last Meeting: December 21, 2012 - Next Meeting: May 2, 2013 – Joint meeting

- a. Update from Chair of Governance Committee.

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

- a. Update from Chair of Ad Hoc Personnel Committee.

5.5 Ad Hoc Policy and Procedures Committee (Overton/Loesch)

- a. Update from Chair of Ad Hoc Policy and Procedures Committee.

6 EDUCATION & TRAINING

6.1 Educational Programs and Courses

6.2 Conferences and Seminars

6.3 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.