

# FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM

## Minutes of the Board Meeting

**THURSDAY**

**SAN JOSÉ, CALIFORNIA**

**June 14, 2007**

### CALL TO ORDER

The Board of Administration of the Federated City Employees' Retirement System met at 8:35 a.m., on Thursday, June 14, 2007, in regular session at the Department of Retirement Services, 1737 N. First St., Suite 600 - San José, California.

### ROLL CALL

#### Present:

**DAVID BUSSE**

**Bill Thomas**

**Tim Callahan**

**Mike Yoshimoto**

**Pete Constant**

**CHAIR, Civil Service Representative**

**Vice Chair, Retiree Representative**

**Employee Representative**

**Employee Representative**

**City Council Representative**

### ALSO PRESENT:

**Edward F. Overton** -Secretary/Director

Susan Devencenzi -City Attorney

Tamasha Johnson -Staff

Debbi Warkentin -Staff

Susan Perreira -Staff

David Rodriguez -PWRE

Roger Pickler - "

Judy Powell - "

Udaya Rajbhandari - "

William Bailey -PBCE

Tom Webster -Staff

Russ Richeda -Outside Attorney

Karin Carmichael -Staff

Carol Bermillo - "

Toni Johnson - "

Tom Reilly -ESD/OE3

Bob Stone -GS

Amanda Ramos - "

Ron Kumar - "

Robin Jacque - "

## REGULAR SESSION

The **Chair** called the meeting to order at 8:35 a.m.

The **Secretary** introduced the newest member of staff, Robin Jacque.

### RETIREMENTS

#### CONSENT CALENDAR (Items 1 thru 8)

The **Chair** pulled items 11 and m, and corrected item K - spelling of Lloyd Standridge for the record. (M.S.C. Constant/Thomas) to approve Consent Calendar. Motion carried 4-0-3. (Perkins/Williams – absent, Yoshimoto arrived at 8:40 am)

**Robert A. Stone**, Senior Engineering Technician, General Services Department; effective July 14, 2007, 23.58 years of service.

**Member Callahan** wanted to recognize Mr. Stone for being a good worker and for the record Mr. Stone was present.

**Elaine L. Weichert**, Analyst II, Library Department; effective June 30, 2007, 24.03 years of service.

**Member Callahan** wanted to recognize Mrs. Weichert.

**Member Callahan** also acknowledged Mr. White and Mrs. Winer for their retirements.

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## DEATH NOTIFICATIONS (Moment of Silence)

The **Chair** stated there would be a moment of silence for the death notifications.

## OLD BUSINESS

Request for action on the City's Sunshine Reform Task Force's Provisions and Recommendations scheduled to go before the City Council.

The **Secretary** stated that this item is more of an update due to concerns raised by the Board. The provisions have not been completed yet, and Board issues will be brought forward in the process. There are two meetings coming up and staff will be attending them.

**Member Constant** stated that the second meeting will be the Rules Committee Study Session, which will be the more effective means to drill down the issues the Board has with the provisions, and the place for representation. The meetings occur in the wing in rooms 118/119.

The **Secretary** said that the P&F Board thought it would be good to have a Board member present.

**Member Callahan** stated that the Task Force should not be micro-managing the Plan.

*Mr. Webster* said that staff has been attending the meetings, and the Committee knows the Board's stance. He intends to follow-up with the Task Force and per the Board's direction, as P&F directed a memo to be sent to the Rules Committee with the matrix attached.

*Mr. Richeda* said that the Board should push for an exclusion.

(M.S.C. Callahan/Thomas) to approve sending a memo with Matrix to Rules. Motion carried 5-0-2.

## Update on the Director of Retirement Service search.

The **Secretary** stated that a staff report has been provided, interviews were conducted and two final candidates will meet with the City Manager, Chairs and Vice-Chairs from both Boards to make a final recommendation.

**Chair Busse** stated that he believes the last round of interviews for the two finalists will occur on Thursday.

*This item is note and file.*

## NEW BUSINESS

Request for extension of over-strength Analyst I/II to reconcile military leave of absence. (Costs to be shared 50/50 with PF.)

The **Secretary** stated that we made a request before to have a dedicated person working to reconcile the records for those members on military leave, and now we asking to extend this position through the December.

(M.S.C. Thomas/Constant) to approve extension. Motion carried 5-0-2.

## STANDING COMMITTEES / REPORTS / RECOMMENDATIONS

**Investment (Committee of the Whole)** – next meeting 8/23/07

Summary of meeting held 24 May 2007

*This item is note and file.*

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**Real Estate Committee – next meeting 6/13/07**

**Committee for Investments – next meeting 8/23/07**

Summary of meeting held 24 May 2007

1. Approval of the 2007 – 08 Work Plan.

(M.S.C. Thomas/Constant) to approve work plan. Motion carried 5-0-2.

2. Approval to continue using the ‘without Private Markets’ asset allocation approach until the completion and approval of the current Asset Liability Modeling (“ALM”) study.

(M.S.C. Thomas/Constant) to approve item. Motion carried 5-0-2.

**Policy Committee – next meeting 6/20/07 at 2 pm**

**Benefits Review Forum (BRF) oral update.** (Thomas)

- a. Oral update. (Thomas)
- b. Benefits Review Forum Report – May 2007.

**Member Thomas** said that the meeting was good and that staff’s report was very good.

**Director’s oral update on Plan.**

**The Secretary** stated that the Plan is in good shape despite the recent market jitters, we experienced no financial stress. Operationally, we are doing well and we are currently taking care of the military leave issue.

**EDUCATION AND TRAINING**

**Notification of IFEBP’s 53<sup>rd</sup> Annual Employee Benefits Conference to be held on November 4 to 7, 2007, in Anaheim.**

**PUBLIC/RETIREE COMMENTS**

*Mr. Imamura* spoke to Item #10, he stated that he believes more access is necessary, so members know what is going on, he suggested that the Board look into the Sunshine recommendations as he feels they apply and the Board should do more to comply. He also feels that the issue of the meeting locations should be reevaluated.

**Member Callahan** stated that he feels that the meeting locations should be discussed again, however regarding the Sunshine recommendations there are certain items that should not be public and that can create legal issues in the future.

**The Secretary** stated for the record, that history indicates that no more members attend the meetings at City Hall, than when the meetings are held at the Retirement Services offices. Every month the same attendees are present.

**FUTURE AGENDA ITEMS**

**The Chair** added review of attendance and discussion of the Board meeting location again.

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## **ADJOURNMENT**

There being no further business, at 9:00 a.m., **Chair Busse** adjourned the meeting.

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**DAVID BUSSE, CHAIRPERSON**  
**BOARD OF ADMINISTRATION**

**ATTEST:**

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**EDWARD F. OVERTON, DIRECTOR**  
**BOARD OF ADMINISTRATION**