

# POLICE AND FIRE RETIREMENT PLAN

## Minutes of the Board Meeting

**THURSDAY**

**SAN JOSÉ, CALIFORNIA**

**May 3, 2007**

### CALL TO ORDER

The Board of Administration of the Police and Fire Department Retirement Plan met at 8:35 a.m., on Thursday, May 3, 2007, in regular session in the Department of Retirement Services' Conference Room, 1737 North First Street, Suite 600, San José, California.

### ROLL CALL

#### Present:

**MARK J. SKEEN, CHAIR**

**BRET MUNCY**

**BILL BRILL**

**SCOTT JOHNSON**

**Fire Employee Representative**

**Police Employee Representative**

**Trustee**

**Trustee**

### ALSO PRESENT:

**Edward Overton**

**-SECRETARY**

Tom Webster

-Staff

Susan Devencenzi

-City Attorney

A.M. Rosingana

-AORPO&F

Russ Richeda

-Saltzman & Johnson

Debbi Warkentin

-Staff

Roger Pickler

-Staff

Tamasha Johnson

-Staff

Udaya Rajbhandari

- "

Judy Powell

-Staff

Donna Busse

- "

Ron Kumar

- "

Carol Bermillo

-Staff

Susan Perriera

- "

Maria Loera

-Staff

Jim Jeffers

-Attorney

Steven Rivera

-SJPD

Mike Pribula

-Staff

Colleen Hy

-Staff

Linda Charfauros

-SJFD

Karin Carmichael

-Staff

Toni Johnson

-Staff

Sam Swift

-Attorney

## REGULAR SESSION

### ORDERS OF THE DAY

The Chair called the meeting to order at 8:35 a.m. He also stated that item 1a has been withdrawn, 9a has been dropped, and item 3a has been deferred.

### RETIREMENTS

#### Service

Disabilities - None

#### Change in Status

**Clarence R. Wells**, Retired Fire Captain. Request for change to Service-Connected Disability Retirement effective January 30, 2006; 29.05 years of service.

Retired Fire Captain Wells was present and was represented by *Sam Swift*.

For the record, the following medical reports have been received:

Doctor's Name

Report Date

Patrick McCressh	12/29/06; 9/28/05; 6/22/05; 7/22/04
John Colman	2/13/06; 12/6/05; 3/22/05; 10/13/04; 8/19/04
Ray Hsieh	9/26/05; 3/31/05
Andrew Durkin	4/27/05
Murray Solomon	4/26/05; 1/19/99
Lawrence Chan	8/6/04
Mark Eastland, D.C.	7/7/04; 12/31/02
David Eller	7/14/03
Thomas Roberts	6/19/01
Robert Millard	6/13/01
Michael Butcher	3/28/00; 3/6/00; 7/11/95; 1/26/95; 2/18/93; 12/14/90; 11/30/90
Steven Roth	3/12/00
John Massey	5/26/99
<u>Board Doctor</u>	<u>Report Date</u>
Rajiv Das	2/2/07; 10/18/06

*Dr. Das* said Mr. Wells has low back problems and degenerative changes, and right knee problems. The restrictions he provided are based on those assigned by the treating physician.

(M.S.C. Muncy/Brill) to approve application. Motion carried 4-0-3. (Heredia/Cortese/Williams absent).

**Deferred Vested** - None

**DEATH NOTIFICATIONS**

**Notification of the death of John K. Gerhard, Retired Fire Chief; retired: 3/4/78; died 4/9/07. No survivorship benefits to be paid.**

(M.S.C. Muncy/Brill) to approve benefits. Motion carried 4-0-3. (Heredia/Cortese/Williams absent).

**NEW BUSINESS**

**Approval to pay the Chair's attorney's fees in the amount of \$1,125.00 incurred due to the City's investigation into the release of members' information.**

**Member Johnson** asked what is the protocol for this type of request.

**The Secretary** stated that this is the first time this has occurred and the Chair obtained legal counsel.

**Chair Skeen** stated that he was billed for three hours of service by the legal consultant.

(M.S.C. Brill/Muncy) to approve payment. Motion denied 3-0-1-3. Motion died due to lack of quorum.

**To be continued to June meeting.**

**Request for direction to staff to take steps needed to make pre-tax health benefit for public safety officers contained in the Pension Protection Act of 2006 available for P&F Plan retirees who participate in the health and dental plans provided by the City.**

**The Secretary** stated that there is a staff report regarding the Pension Protection Act of 2006 that provides safety retirees a benefit that they may exclude up to \$6000 for health and dental costs.

**The Board** discussed the particulars of this item in greater detail.

*Mr. Richeda* stated that the most important thing to decide is if the Board wants to implement this benefit for the record. There will be more information about this coming from the IRS, but that is further down the road and is mostly clarifying not altering what is currently in place.

**Chair Skeen** requested that staff bring back a written policy on implementing this benefit.

(M.S.C. Muncy/Brill) to approve benefits. Motion carried 4-0-3.

### **CLOSED SESSION PURSUANT TO GOVERNMENT CODE §54956.9(a) - EXISTING LITIGATION**

**Title of Case: *Mark Bell v. Board of Administration, Santa Clara County***  
**Superior Court No. 1-03-CV814433**

(M.S.C. Muncy/Brill) to authorize appeal. Motion carried 4-0-3.

**Approval of additional investment in the 3201 C Street Corporation to be drawn down throughout the calendar year 2007 for an amount not to exceed \$400,000.**

(M.S.C. Brill/Muncy) to approve. Motion carried 4-0-3.

### **Notice of request for actuarial information on P&F retirees.**

**The Secretary** and *Mr. Webster* explained the nature of the request and why and what they would be providing.

**Chair Skeen** requested that staff review the contract and that John Bartel has a confidentiality clause in it.

(M.S.C. Brill/Muncy) to approve. Motion carried 4-0-3.

### **OLD BUSINESS / CONTINUED ITEMS**

**Request for Board direction to staff to proceed with the development and issuance of an RFI for a consultant to conduct an operational audit of the Department of Retirement Services.**

**The Secretary** stated that this request is in conjunction with an email he received from the Chair to check with other Plan's and he is currently in that process. He should be receiving information back soon.

There was some discussion pertaining to wording RFI versus RFP.

**Member Johnson** stated that an RFI is to gather information to develop the proposal, as they develop the proposal, those firms that provided information in that phase should be precluded from bidding. He requested that staff work with legal counsel to create a draft.

(M.S.C. Johnson/Muncy) to approve. Motion carried 4-0-3.

## **STANDING COMMITTEE REPORTS/RECOMMENDATIONS**

### **Investment Committee (Skeen/Heredia/Muncy)**

Summary of meeting held 18 April 2007

*This item is note and file.*

**Real Estate Committee (Skeen/Heredia/Muncy – Alt: Vacant) – next meeting 21 June 2007.**

**Investment Committee of the Whole (Full Board) – next meeting 17 May 2007.**

## **APPROVAL OF MINUTES**

### **Monthly Board Meeting held 5 April 2007**

(M.S.C. Brill/Muncy) to approve. Motion carried 4-0-3.

### **Monthly Board Meeting held 1 March 2007 (cont'd from April)**

(M.S.C. Brill/Muncy) to approve with corrections. Motion carried 4-0-3.

### **Special board meeting held 1 March 2007. (Cont'd from April)**

(M.S.C. Brill/Muncy) to approve with corrections. Motion carried 4-0-3.

### **Special board meeting held 15 March 2007. (Cont'd from April)**

(M.S.C. Brill/Muncy) to approve. Motion carried 4-0-3.

## **PENDING ACTIONS LIST**

### **Updated list as of 23 April 2007.**

**The Board** requested to add the following items:

- Light duty disability tracking guidelines/process
- Policy on reimbursements to Board members for legal counsel
- RFI process for full audit of Plan
- Pre-tax healthcare

(M.S.C. Brill/Muncy) approved. Motion carried 4-0-3.

## **BENEFITS REVIEW**

### **Summary of meeting held March 2007.**

*This item is note and file.*

**CONSENT CALENDAR**

(M.S.C. Brill/Muncy) to approve. Motion carried 4-0-3.

**PROPOSED AGENDA ITEMS**

**PUBLIC COMMENTS**

**EDUCATION & TRAINING**

**Notification of Opal Financial's Investment Trends Summit to be held in Aleyska Resort, Girdwood, Alaska, July 15 through 17, 2007**

**ADJOURNMENT**

There being no further business, at 10:10 a.m., **The Chair** stated the meeting would be adjourned.

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**MARK J. SKEEN, CHAIR**  
**BOARD OF ADMINISTRATION**

**ATTEST:**

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