

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Minutes of the Board Meeting

Thursday

SAN JOSÉ, CALIFORNIA

August 2, 2012

CALL TO ORDER

The Board of Administration of the Police and Fire Department Retirement Plan met on Thursday, August 2, 2012 in regular session at City Hall Wing Rooms 118/119, 200 East Santa Clara Street, San José, California 95113. Chair Sean Kaldor called the meeting to order at 8:34 a.m.

BOARD MEMBERS

Sean Kaldor, Chair	-Present
Richard Santos, Vice Chair	-Present
David Bacigalupi	-Present
Sean Bill	-Present
Damon Krytzer	-Absent
Drew Lanza	-Present
James Mason	-Present
Elizabeth Rounds	-Present
Vincent Sunzeri	-Present

ALSO PRESENT

Tim McCusker, NEPC
 Dan LeBeau, NEPC
 Kevin Tatlow, NEPC
 Robert Sapien Jr., San Jose Local 230
 Jim Jeffers, Attorney
 Marty Jo Luis, Police Personnel
 John Rose, Police Personnel
 Sam Swift, Attorney
 Tom Boyle, Attorney
 Devlin Creighton, Police
 Bret Mendia, Police
 Jeff Moore, Police
 John Ruffner, Police
 Jim Spence, P&F Association

NON-VOTING BOARD MEMBER

Pete Constant	-Absent
Patrick Connolly	-Present

DIRECTOR RETIREMENT SERVICES

BOARD SECRETARY

Russell U. Crosby	-Present
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COUNSEL

Harvey Leiderman	-Present
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BOARD MEDICAL DIRECTOR

Rajiv Das, M.D.	- Present
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RETIREMENT SERVICES STAFF

PRESENT

Donna Busse, Deputy Director/COO
 Veronica Niebla
 Jesselle Holcomb
 Toni Johnson
 Sonia Morales
 Ron Kumar
 Jennifer Holmboe
 Christina, Lynne

CALL TO ORDER: 8:34 a.m.

• ORDERS OF THE DAY

Chair Kaldor made the following changes to the Orders of the Day:

Items 3.6 to 3.9 – to be heard last

Item 4.2(b) – Deferred, at request of Joseph Fleming - Service-Connected Disability

Item 6.5 - Received 2 Additional memoranda received one from Debra Figone and one from Alex

Gurza – to be agendized at the September Board meeting under Communication/Information section.

Access the video or audio, the agenda and related reports for this meeting by visiting the Retirement Services website at <http://sjretirement.com/> or http://sanjose.granicus.com/ViewPublisher.php?view_id=44. If you have any questions, please contact the Retirement Services Department at (408) 794-1000.

Item 1.5 was heard first.

1. **INVESTMENTS**

Chair Kaldor read Closed Session Item 1.1 into record.

Entered into Closed Session at 8:45. a.m.

1.1 **CLOSED SESSION**: Conference with Investment Consultant NEPC LLC pursuant to Government Code Section 54956.81 to consider purchase of particular pension fund investment.

Chair Kaldor reconvened from Closed Session at 8:56 a.m.

There was no report out of Closed Session for Item 1.1.

OPEN SESSION

1.2 **Discussion and action on the Investment Committee recommendation regarding the Plan's Asset Liability Study and Asset Mix.**

Dan LeBeau and Tim McCusker representatives from NEPC presented the Asset Liability Study and Asset Mix report. Mr. McCusker gave a brief summary of the Asset Liability approach and projections, risk budgeting, scenario analysis and the Stochastic Forecast comparison and responded to questions from the Board.

A motion was made to approve the Investment Committee's recommendation to approve the Plan's Asset Liability Study and Asset mix.

Approved. (M.S.C. – Santos/Sunzeri, 8-0-1, Absent-Krytzer)

1.3 **Discussion and action on the Investment Committee recommendation regarding the 2012 Private Equity Strategic Plan.**

Dan LeBeau, from NEPC led the discussion and introduced Kevin Tatlow, Senior Consultant on the Private Market team from NEPC's Redwood City Office. Mr. Tatlow presented the Private Equity Strategic Plan report and responded to questions from the Board.

A motion was made to approve the Investment Committee's recommendation to approve the 2012 Private Equity Strategic Plan.

Approved. (M.S.C. - Santos/Sunzeri, 8-0-1, Absent-Krytzer)

1.4 **Discussion and action on the second amendment to the agreement between the Police & Fire Department Retirement Plan and NEPC LLC for a one year term with a not-to-exceed amount of \$695,000.**

Mr. Kumar reported to the Board that the Investment Committee recommends extending NEPC's contract for a one year term not to exceed \$695,000.

A motion was made to approve the second amendment to the agreement between the Police & Fire Department Retirement Plan and NEPC LLC for a one year term with a not-to-exceed amount of \$695,000.

Approved. (M.S.C. – Bacigalupi/Santos, 8-0-1, Absent-Krytzer)

Item 1.5 was heard before Item 1.1.

1.5 Discussion and action on the revised Placement Agent Disclosure Policy.

Mr. Kumar and Mr. Leiderman led the discussion regarding the revised Placement Agent Disclosure Policy

A motion was made to approve staff's recommendation on the revised Placement Agent Disclosure Policy with minor correction noted by Trustee Bill.

Approved. (M.S.C. – Bill/Bacigalupi, 8-0-1, Absent-Krytzer)

1.6 Notification of the departure of the CIO, Carmen Racy-Choy, effective July 31, 2012.

Mr Crosby reported to the Board that this was an official notification to the Board and noted that Ms. Racy-Choy has accepted another CIO position in San Francisco.

Receive and file.

2. NEW BUSINESS

2.1 Discussion and action on the First Amendment to the Agreement among the Board of Administration for the Police and Fire Department Retirement Plan, the City of San Jose, and Reed Smith LLP for legal services to modify what is included in the monthly retainer fee.

A motion was made to approve the First Amendment to the Agreement between the Plan and Reed Smith LLP.

Approved. (M.S.C. – Bacigalupi/Santos, 8-0-1, Absent-Krytzer)

Chair Kaldor acknowledged Mr. Leiderman and Mr. Rieger for being an invaluable resource and thanked them for their help in navigating through difficult decisions and providing very good input.

2.2 Discussion and action on Plan Expenses for May 2012.

Ms. Niebla updated the Board on Plan Expenses for May 2012 and responded to questions from the Board.

A motion was made to approve the Plan Expenses for May 2012.

Approved. (M.S.C. – Santos/Mason, 8-0-1, Absent-Krytzer)

2.3 Discussion and action regarding the Compensation Consultant RFP and approval to delegate the selection of the firm to the Ad Hoc Personnel Committee.

Chair Kaldor led the discussion and provided some background information to the Board regarding the Compensation Consultant RFP.

A motion was made to authorize the Ad Hoc Personnel Committee to contract with a firm for a compensation analysis up to an amount of \$130,000 at the discretion of the committee by the end of the year.

Approved. (M.S.C. – Lanza/Kaldor, 8-0-1, Absent-Krytzer)

2.4 Discussion and action regarding communications to plan beneficiaries.

Chair Kaldor led the discussion regarding communications to plan beneficiaries.

A motion was made to refer the item to the Ad Hoc Personnel Committee for further discussion on the Popular Annual Financial Report (PAFR) and Quarterly Communications.

Approved. (M.S.C. – Kaldor/Bill, 8-0-1, Absent-Krytzer)

2.5 Discussion and action on the need for a temporary contract hire to assist with Board and committee operations during the transition of senior department staff.

Chair Kaldor led the discussion with the Board.

A motion was made by Sunzeri, second by Bacigalupi, to retain a contract temporary employee for 6 months and be evaluated after.

Trustee Sunzeri withdrew motion.

A revised motion was made to authorize the Ad Hoc Personnel Committee to hire a temporary contract employee to assist the Board and its subcommittees to accomplish their fiduciary responsibilities.

Approved. (M.S.C. – Lanza/Kaldor, 8-0-1, Absent-Krytzer)

Break at 10:30 a.m.

Item 2.6 was heard after 4.3a

2.6 Discussion and action on the approval of budget and contracting authority for each standing and ad hoc committee of the Board.

Chair Kaldor led the discussion and solicited ideas from the Board on whether committees should be given a standing budget to prevent delays and if so, how much. Extensive discussion continued.

Chair Kaldor requested that Chairs of each Committee and Ad Hoc Committee submit a budget amount for discussion at the September Board meeting.

3. OLD/BUSINESS/CONTINUED-DEFERRED ITEMS

3.1 Update on Payroll Audit, FLSA and overtime payment issues. Receive and file.

Ms. Niebla reported that files were received only today from the Finance Department on the FLSA and Higher Class pay corrections for the active and the retirees, however the files formats and amounts had not been validated by Retirement Services.

Receive and file

3.2 Discussion and action on Governance policies developed by Cortex.

- a. Board Performance Assessment Policy**
- b. Code of Conduct**

A motion was made to approve the draft Board Performance Assessment Policy and Code of Conduct Policy.

Approved. (M.S.C. – Santos/Bacigalupi, 8-0-1, Absent-Krytzer)

3.3 Approval to formally adopt Governance Policies developed by Cortex and reviewed at the June Board meeting.

- a. Investment Committee Charter.**
- b. Chief Investment Officer Charter.**
- c. Reporting and Monitoring Policy**
- d. Strategic Planning Policy.**

A motion was made to formally approve Items 3.3(a-d).

Approved. (M.S.C. – Kaldor/Santos, 8-0-1, Absent-Krytzer)

3.4 Update on Electronic Board packets.

Ms. Busse reported that the agreement has not been executed and that once the agreement is signed the project will take 4 weeks to set on their schedule.

Receive and file.

3.5 Update from Councilmember Constant. Receive and file.

Mr. Connolly from Councilmember Constant's Office updated the Board on the balanced budget, Federated new investment and the Tier 2 implementation process. The next City Council meeting is August 7, 2012.

Entered into Closed Session at 1:55 p.m.

Chair Kaldor read Items 3.6 to 3.9 into record. Trustee Bacigalupi recused himself from the Closed Session Item 3.7 due to being a member of the San Jose Police Officers' Association. Mr. Leiderman stated that the Item 3.7 complaint in the case was amended to

seek no relief from the Board, therefore members of the POA need not recuse themselves from the Closed Session, including Trustees Mason and Bacigalupi.

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

Paul Mulholand, et al v. Russell Crosby, et al, Santa Clara County Superior Court
Case No. 1-12-CV-219748

**3.7 CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – LITIGATION
PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) (3 CASES)(MEASURE B
LITIGATION)**

San Jose Police Officers' Association v. City of San Jose, et al, Santa Clara County Superior
Court, No. 1-12-CV-225926

City of San Jose v. San Jose Police Officers' Association, et al. United States District Court for
the Northern District of California,
Case No. C12-02904 LHK-PSG

Sapien vs. City of San Jose, et al, Santa Clara County Superior Court,
Case No. 1-12-CV-225928.

**3.8 CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL - PURSUANT TO
GOVERNMENT CODE SECTION 54956.9(c) – Deciding whether to initiate litigation (one
case).**

**Chair Kaldor reconvened from Closed Session at 3:45 p.m. There was no report out of Closed
Session.**

OPEN SESSION

**Item 3.9 was heard in Open Session after Closed Session Items 3.6 to 3.8, as noted on Orders of
the Day.**

**3.9 Discussion and action regarding the proposed transfer of employee contributions into the
City's Section 115 Health Care Trust.**

A motion was made to approve the following actions: As Trustees of the 115 Trust and 401(h)
trust, we direct:

- 1) No Employee contributions should be contributed into the 115 Trust until the full mechanics
and legalities of pre- and post- tax contributions, impact of opt-in plans, withdrawals, and
related plan aspects are fully resolved; and
- 2) At the September Board meeting, staff shall provide the Trustees with a review of how
members receive refunds of 401(h) contribution amounts when a member terminates before
retirement.

Approved. (M.S.C. – Kaldor/Santos, 8-0-1, Absent-Krytzer)

Chair Kaldor reconvened meeting from break at 10:40 a.m. after Item 2.5

4. **RETIREMENTS** - 10:30 a.m. or soon thereafter as possible

4.1 **Service Retirement**

- a. **David Dulong**, Police Sergeant, Police Department, effective August 6, 2012; 26.60* years of service. **Approved. (M.S.C. – Bacigalupi/Mason, 8-0-1, Absent-Krytzer)**
- b. **Ervin Mathews**, Fire Inspector, Fire Department, effective September 1, 2012; 24.10* years of service. **Approved. (M.S.C. – Santos/Bacigalupi, 8-0-1, Absent-Krytzer)**

4.2 **Service-Connected Disability**

- a. **Devlin Creighton**, Police Officer, Police Department, effective August 2, 2012; 4.95* years of service. Deputy Director, Donna Busse read the medical information into the record. Mr. Creighton was present and represented by Attorney Sam Swift. The following reports were presented to the Board.

LISTING OF MEDICAL REPORTS

<p>Body Part: Neck</p> <p><u>Documentation of Mechanism of Injury:</u></p> <ol style="list-style-type: none"> 1. March 28, 2011, by Richard Kine, M.D. 2. March 28, 2011, by Kyle Yu, M.D. 3. March 28, 2011, by Sam Kokoris, M.D. 4. March 29, 2011, by Emeka Nchekwube, M.D. 5. March 29, 2011, by Aaron Kaplan, M.D. 6. March 30, 2011, by Aaron Kaplan, M.D. - addendum 7. March 30, 2011, by Aaron Kaplan, M.D. 8. April 18, 2011, by Matthew Tran, M.D. 9. May 4, 2011, by Judith Peto, PA-C 10. July 14, 2011, by Matthew Tran, M.D. 11. July 14, 2011, by Emeka Nchekwube, M.D. 12. July 14, 2011, by Judith Peto, PA-C 13. August 24, 2011, by Emeka Nchekwube, M.D. 14. October 28, 2011, by Emeka Nchekwube, M.D. 15. October 28, 2011, by Kenneth Ong, M.D. 16. November 15, 2011, by Ravi Singh, M.D. 17. December 7, 2011, by Judith Peto, PA-C 18. March 8, 2012, by Emeka Nchekwube, M.D. 19. March 8, 2012, by Emeka Nchekwube, M.D. 20. June 19, 2012, by Patrick McCreesh, M.D. 	<p>Body Part: Right and left wrist.</p> <p><u>Documentation of Mechanism of Injury</u></p> <ol style="list-style-type: none"> 1. March 28, 2011, by Richard Kline, M.D. <p>Documentation of Medical Treatment/Assessment/Disability:</p> <ol style="list-style-type: none"> 1. April 27, 2011, by Bruce Huffer, M.D. 2. October 6, 2011, by Harjot Sekhon, M.D. 3. October 12, 2011, by Murray Solomon, M.D. 4. November 18, 2011, by Edward Damore, M.D. 5. March 13, 2012, by Edward Damore, M.D. 6. March 13, 2012, by Edward Damore, M.D.
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Trustee Santos stated that upon reviewing the medical report, he found some inconsistencies on the injuries on the medical reports and addressed Attorney Swift and Mr. Creighton that he would like more clarification from the medical doctor(s) whether Mr. Creighton can or can not do the job and the restrictions of the actual injuries in order for him to make a decision.

To be continued until additional reports are received.

- b. **Joseph B. Fleming**, Police Officer, Police Department, effective August 2, 2012; 16.59* years of service.

Deferred, as noted on Orders of the Day.

- c. **Bret P. Mendia**, Police Officer, Police Department, effective August 2, 2012; 10.9* years of service. Deputy Director, Donna Busse read the medical information into the record. Mr. Mendia was present. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

<p>Body Part: Right and Left Upper Extremities</p> <p><u>Documentation of Mechanism of Injury:</u></p> <ol style="list-style-type: none"> 1. August 31, 2007, by Renee Ownbey, D.C. 2. November 1, 2007, by Arthur Ting, M.D. 3. November 10, 2007, by Brian Saavedra, M.D. 4. December 16, 2008, by Arthur Ting, M.D. 5. May 5, 2011, by David Smolins, M.D. <p><u>Documentation of Treatment/Assessment/Disability:</u></p> <ol style="list-style-type: none"> 1. September 17, 2007, by David Kramer, M.D. 2. September 13, 2007, by Mark Culton, M.D. 3. September 20, 2007, by Lucy Lin, M.D. 4. October 29, 2007, by Mark Culton, M.D. 5. November 9, 2007, by Lucy Lin, M.D. 6. November 30, 2007, by Mark J. Sontag, M.D. 7. December 21, 2007, by Lawrence Chan, M.D. 8. January 10, 2008, by David Smolins, M.D. 9. May 16, 2008, by Jason Lee, M.D. 10. May 16, 2008, by Jason Lee, M.D. 	<ol style="list-style-type: none"> 11. August 28, 2008, by Benjamin Ma, M.D. 12. July 25, 2008, by Darren Schneider, M.D. 13. October 13, 2008, by Arthur Ting, M.D. 14. March 5, 2009, by Darren Schneider, M.D. 15. May 1, 2009, by Rebecca Buti, N.P. 16. January 8, 2010, by Toufan Razi, M.D. 17. September 20, 2010, by David Smolins, M.D. 18. March 28, 2011, by David Smolins, M.D. 19. May 6, 2011, by David Smolins, M.D. 20. May 11, 2011, by David Smolins, M.D. 21. February 13, 2012, by David Smolins, M.D. 22. February 13, 2012, by David Smolins, M.D. 23. February 13, 2012, by David Smolins, M.D. 24. February 13, 2012, by David Smolins, M.D. 25. May 7, 2012, by David Smolins, M.D.
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A motion was made to approve a Service-Connected Disability for Bret P. Mendia.

Approved. (M.S.C. – Santos/Mason, 8-0-1, Absent-Krytzer)

- d. **Jeffrey J. Moore**, Police Officer, Police Department, effective August 2, 2012; 14.72* years of service. Deputy Director, Donna Busse read the medical information into the record. Mr. Moore was present represented by Attorney Thomas Boyle. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

<p><u>Left Knee</u></p> <p>Gary Brown, PA-C – 04/05/1999, 10/25/1999</p> <p>John Rollins, M.D. – 05/10/2007, 08/22/2011, 05/29/2007, 02/13/2012 (3)</p> <p>Leroi Gardner, M.D. – 04/29/1999, 01/17/2001</p> <p>Maria Matsumoto, M.D. – 01/14/2002</p> <p>Walter Silberman, M.D. – 02/27/2002</p> <p>Matthew Tran, M.D. – 05/16/2007 (2)</p> <p>Jennifer Lin, M.D. – 08/29/2011</p> <p>Sanaz Hariri, M.D. – 10/10/2012, 12/05/2011</p> <p>Michael Kuo, M.D.</p>
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A motion was made to approve a Service-Connected Disability for Jeffrey J. Moore. Mr. Santos commented that the information provided was not consistent and the reports were not well written, and asked Dr. Das to improve his reporting.

Approved. (M.S.C. – Santos/Bacigalupi, 8-0-1, Absent-Krytzer)

- e. **John J. Ruffner**, Police Officer, Police Department, effective August 2, 2012; 14.08* years of service. Deputy Director, Donna Busse read the medical information into the record. Mr. Ruffner was present represented by Attorney Jim Jeffers. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

John Lettice, M. D. – 05/11/2011, 07/18/2011, 09/07/2011, 12/14/2011
Mark Larsen, M.D. – 07/13/2011 (2)
Ted Robinson, MD. – 12/08/2011

A motion was made to approve a Service-Connected Disability for John J. Ruffner.

Approved. (M.S.C. – Bacigalupi/Mason, 8-0-1, Absent-Krytzer)

4.3 Deferred Vested

- a. **Meynard Gamez**, Police Captain, Police Department, effective September 5, 2012; 25.56* years of service.

Approved. (M.S.C. – Bacigalupi/Santos, 8-0-1, Absent-Krytzer)

Item 5 was heard after 3.5

5. DEATH NOTIFICATIONS - Receive and file

- 5.1 Notification of the death of **Anthony C. Colon**, Police Sergeant, retired July 24, 2010, died May 3, 2012. Survivorship benefits to Susan M. Colon, spouse and Alexandra Colon, daughter.
5.2 Notification of the death of **Ann Marie Navin**, Police Officer, retired August 3, 2000, died July 6, 2012. No survivorship benefits.
5.3 Notification of the death of **Rex D. Newburn**, Police Sergeant, retired July 1, 1993, died June 7, 2012. No survivorship benefits.

6. COMMITTEE MINUTES, REPORTS AND RECOMMENDATIONS

- 6.1 **Investment Committee (Sunzeri/Bill/Kaldor/Krytzer) – Next Meeting:**
August 8, 2012.

- a. **Report from the Chair of the Investment Committee. Receive and file.**

Chair of the Investment Committee, Trustee Sunzeri updated the Board on the status of the Investment Committee's projects: Asset Liability Modeling and asset mixes, stress tests, Investment Committee's workplan and portfolio transition.

- b. Minutes of May 25, 2012, Joint Police & Fire Investment Committee and Federated Investment Committee meeting. Receive and file. - **Receive and file**
- c. Minutes of June 13, 2012, Joint Police & Fire Investment Committee and Federated Investment Committee meeting. Receive and file. - **Receive and file**

6.2 Ad Hoc Governance Committee-Cortex Phase II (Kaldor/Lanza/Rounds/Santos) – Last Meeting: May 18, 2012 - Next Meeting: TBD

- a. Report from the Chair of Ad Hoc Governance Committee-Cortex Phase II. **Receive and file.**

Chair of the Ad Hoc Governance Committee, Chair Kaldor reported that a project outline of the scope, timeline and deliverables is drafted and noted that the Committee is looking at the best way how a modern plan should administer the governance of the organization.

6.3 Ad Hoc Personnel Committee (Lanza/Kaldor/Rounds) – Last Meeting: July 19, 2012 - Next Meeting: TBD

- a. Report from the Chair of Ad Hoc Personnel Committee. **Receive and file.**

Chair of the Ad Hoc Personnel Committee, Trustee Lanza reported key points regarding the progress report of the committee, the announced retirement of the CEO and the resignation of the CIO, selection of consultant Alliance for the recruiting of the CEO and CIO positions.

- b. Discussion and action regarding succession issues.
- c. Discussion and action on direction to work with the City Manager's Office to develop a transition plan for senior staff vacancies within the Department of Retirement Services. Trustee Lanza reported the selection of Alliance for the recruitment of the CEO and CIO positions.

6.4 Audit Committee (Bill/Bacigalupi/Kaldor/Lanza) - Next Meeting: TBD

- a. Report from the Chair of Ad Hoc Audit Committee. **Receive and file.**

Chair of the Audit Committee, Trustee Bill reported that he will meet with Veronica Niebla regarding the scope of the Committee.

- b. Discussion and action for transition to standing committee.

Chair Kaldor stated that the Audit Committee is a standing committee, not an "Ad Hoc" committee and committee members are: Bill as Chair, Bacigalupi, Kaldor and Lanza. A motion was made to make Audit Committee a standing committee.

Approved. (M.S.C. – Bacigalupi/Kaldor, 8-0-1, Absent-Krytzer)

6.5 Ad Hoc Disability Committee (Santos/Lanza/Mason/Rounds)

– Last Meeting: July 30, 2012

– Next Meeting: TBD

a. Report from the Chair of Ad Hoc Disability Committee. Receive and file.

Chair of the Ad Hoc Disability Committee, Trustee Santos reported to the Board on the status of the committee regarding reducing the disability load, prioritizing which applications should be heard first, and the scope of the committee's responsibilities.

b. Discussion and action regarding the formation of a standing Disability Committee and the scope of committee responsibilities.

A motion was made by Trustee Lanza to authorize the Chair to schedule an additional Board meeting for August, if deemed necessary, then for the Ad Hoc Disability Committee to make a recommendation for a plan to process the disabilities.

Trustee Lanza withdrew his motion.

Trustee Bacigalupi withdrew from being a committee member of the Ad Hoc Disability Committee, due to his pending disability application. The Chair appointed Trustee Rounds to serve in his place.

c. Discussion and action on recommendation from the Ad Hoc Disability Committee on prioritizing consideration of disability retirement applications.

Ad Hoc Disability Committee will bring recommendation to the September Board meeting to make it a standing committee.

7. CONSENT CALENDAR (Items 7.1 through 7.5)

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. – Santos/Bacigalupi, 8-0-1, Absent-Krytzer)

7.1 Approval of Minutes

- a. Monthly Board meeting held on June 7, 2012.

7.2 Approval of Travel and Attendance for Conferences and Due Diligence

- a. Vincent Sunzeri - CalAPRS, Principles of Pension Management for trustees at Stanford Law School, Palo Alto, CA - March 27-30, 2012. (CANCEL)
- b. Damon Krytzer - Infrastructure Investor, Energy Summit 2012, Flatotel, New York – October 2-3, 2012.
 - Infrastructure Investor, New York Summit 2012, Flatotel, New York – December 5-6, 2012.
- c. James Mason - SACRS Public Pension Investment Management Program 2012, UC Berkeley at Haas School of Business, Berkeley, CA – July 16-18, 2012.

- Fiduciary College/NCTR 12th Annual Trustee Workshop, Stanford University, Palo Alto, CA – July 23-25, 2012.
- d. Sean Kaldor - CalAPRS, Trustee Round Table, DoubleTree Hotel, San Jose, CA – June 8, 2012. (CANCEL)
- e. Carmen Racy-Choy- Due Diligence – Hedge Fund On-Site:
 - Bermuda – Week of July 9, 2012. (CANCEL)
- f. Heidi Poon - 18th Annual Institutional Investment Conference, Alpha Hedge, Ritz Carlton, San Francisco, CA – September 9-11, 2012. (no registration fees)
 - Bloomberg's Portfolio Analytics Seminar, Pier 3, San Francisco, CA – June 14, 2012.
- g. Ron Kumar - SACRS Public Pension Investment Management Program 2012, UC Berkeley at Haas School of Business, Berkeley, CA – July 16-18, 2012.
 - Bloomberg's Portfolio Analytics Seminar, Pier 3, San Francisco, CA – June 14, 2012.
- h. Daryn Miller - Due Diligence – Hedge Fund On-Site:
 - Bermuda – Week of July 9, 2012. (CANCEL)- Due Diligence – Investment Manager On-Site:
 - Wilmington, DE – Week of August 13, 2012.
 - Boston, MA – Week of August 13, 2012.
 - New York, NY – Week of August 13, 2012.
 - Los Angeles, CA – Week of August 13, 2012.

7.3 Return of Contributions

- a. Voluntary
- b. Involuntary

7.4 Communication/Information

- a. The Cortex Report: Research Papers and Articles
- b. Letter from Cheiron, Bill Hallmark providing responses to questions from California State Auditor to the City of San Jose, dated June 5, 2012.
- c. Cheiron Client Advisory, Summer 2012 Vol. 9 No. 1.
- d. 2011-2012 Santa Clara County Civil Grand Jury Report: An Analysis of Pension and Other Post Employment Benefits.
- e. The New York Times Article on South Carolina's Pension Push Into High-Octane Investments, dated June 9, 2012.
- f. Educational Travel Reports:
 - a. SACRS Spring Conference 2012, May 8-11, 2012 – by Sean Bill.
 - b. NEPC 2012 Public Funds Workshop, January 30-31, 2012 – by Vincent Sunzeri.
 - c. CalAPRS Trustee Round Table, DoubleTree Hotel, June 8, 2012 – by Damon Krytzer, Richard Santos, Sean Bill.
 - d. Institute Fund Summit 2012, Exclusive Government Investor Summit, Dana Point, CA, April 15-17, 2012 – by Damon Krytzer.

- g. Counsel correspondence on reciprocal members' rights (attorney-client privilege removed at the June 2012 Board meeting.

7.5 Pending Projects

8. EDUCATION & TRAINING Receive and file

8.1 Educational Programs and Courses

8.2 Conferences and Seminars

8.3 CalAPRS' Training

Trustees' Round Table, Marriott Burbank Airport, Los Angeles, CA – Friday, October 19, 2012.

- **PROPOSED AGENDA ITEMS - None**
- **PUBLIC COMMENTS - None**
- **ADJOURNMENT**

Meeting was adjourned 1:54 p.m.


SEAN KALDOR, CHAIR
BOARD OF ADMINISTRATION

ATTEST:


RUSSELL U. CROSBY
DIRECTOR, RETIREMENT SERVICES