



**BOARD OF ADMINISTRATION**  
**Department of Retirement Services**  
**City Hall, Wing Rooms 118/119**  
**200 East Santa Clara St., San Jose, CA 95113**

**BOARD MEMBERS**

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

**NON-VOTING BOARD MEMBER**

**Pete Constant**

**ACTING DIRECTOR RETIREMENT SERVICES**

**Donna Busse**

**COUNSEL**

**Harvey L. Leiderman**, General and  
Fiduciary Counsel

**THURSDAY**

**SEPTEMBER 6, 2012**

**8:30 a.m.**

**AGENDA**

• **ORDERS OF THE DAY**

1. **INVESTMENTS**

- 1.1 [Presentation by NEPC, LLC of the Quarterly Investment Performance Report for period ending June 30, 2012.](#)
- 1.2 **CLOSED SESSION**: Conference with Investment Consultant pursuant to Government Code Section 54956.81 to consider purchase of particular pension fund investment.

**OPEN SESSION**

2. **NEW BUSINESS**

- 2.1 [Discussion and action on report back from actuary Cheiron regarding Service Purchases.](#)
- 2.2 [Discussion and action on actuary Cheiron's letter regarding Higher Class and FLSA issue.](#)
- 2.3 [Discussion and action on Police & Fire Retirement Board committee structure, including consolidation and transition from ad hoc to formal where appropriate.](#)
- 2.4 Discussion and action on Plan Expenses for [June 2012](#) and [July 2012](#).
- 2.5 Discussion and action on review of tax counsel activities charged to the pension trust for 2010, 2011 and 2012.

**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.**

2.6 [Discussion and action on conduct of closed Board meetings to consider specific disability cases.](#)

2.7 Discussion and action on a strategic plan meeting.

3. **OLD/BUSINESS/CONTINUED-DEFERRED ITEMS**

3.1 Update on payroll audit, FLSA and overtime payment issues. Receive and file.

3.2 Update on electronic Board packets.

3.3 Update from Councilmember Constant. Receive and file.

3.4 [Discussion and action regarding how members receive refunds of 401\(h\) contribution amounts when a member terminates before retirement.](#)

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

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

3.6 **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.

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

**OPEN SESSION**

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

*Board may go into Closed Session to consider some or all of the disability cases.*

4.1 **Service Retirement**

a. **Joe Hernandez**, Police Sergeant, Police Department, effective October 1, 2012; 27.48\* years of service.

#### 4.2 Service-Connected Disability

- a. Michael T Albin, Police Officer, Police Department, effective September 6, 2012; 12.16\* years of service.
- b. Erik Colandone, Police Officer, Police Department, effective September 6, 2012; 12.94\* years of service.
- c. Devlin Creighton, Police Officer, Police Department, effective September 6, 2012; 4.95\* years of service. (*Continued from August Board meeting*)
- d. Mark DeMaria, Police Officer, Police Department, effective September 6, 2012 11.00\* years of service.
- e. David J. Gonzalez, Police Officer, Police Department, effective September 6, 2012; 12.24\* years of service.
- f. Shane Granberg, Police Officer, Police Department, effective September 6, 2012; 11.11\* years of service.
- g. Eric S. Kurz, Police Officer, Police Department, effective September 6, 2012; 10.00\* years of service. (*Closed session requested by applicant pursuant to Government Code Section 54957*)
- h. Steve Maraldo, Fire Fighter, Fire Department, effective September 6, 2012; 6.12\* years of service.
- i. Matthew Vavasour, Fire Fighter, Fire Department, effective January 22, 2012; 5.83\* years of service.
- j. Joseph H. Ysselstein, Fire Captain, Fire Department, effective September 6, 2012; 11.23\* years of service.

#### 4.3 Change of Status to Service-Connected Disability

- a. Paul A. Schuller, Battalion Chief, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability Retirement, effective June 11, 2011; 22.89\* years of service. (*With reciprocity*)

#### 5. DEATH NOTIFICATIONS - None

#### 6. COMMITTEE MINUTES, REPORTS AND RECOMMENDATIONS

##### 6.1 Investment Committee (Sunzeri/Bill/Kaldor/Krytzer)

– Last Meeting: August 23, 2012                      - Next Meeting: September 12, 2012.

- a. Report from the Chair of the Investment Committee. Receive and file.
- b. Minutes of June 28, 2012, Police & Fire Investment Committee. Receive and file.

##### 6.2 Ad Hoc Governance Committee-Cortex Phase II (Kaldor/Lanza/Rounds/Santos)

– Last Meeting: August 31, 2012                      - Next Meeting: TBD

- a. [Report from the Chair of Ad Hoc Governance Committee-Cortex Phase II](#). Receive and file.

##### 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.
- b. Discussion and action on the Board process to review, evaluate, interview, and recommend candidates for the Director of Retirement Services (CEO) and Assistant Director of Retirement Services (CIO).
- c. [Discussion and action on City Council proposed ordinance to amend Chapters 3.28 of Title 3 of the San Jose Municipal Code, the 1975 Federated Employees Retirement Plan, and 3.36 of Title 3, the 1961 Police and Fire Department Retirement Plan, to add Sections 3.28.115 and 3.36.325, respectively, regarding the role of the Boards of Administration in personnel matters.](#)
- d. Discussion and action on revised Board communication plan regarding Measure B implementation.

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

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

**6.5 Ad Hoc Disability Committee (Santos/Lanza/Mason/Rounds)  
- Last Meeting: August 10, 2012 - Next Meeting: TBD**

- a. Report from the Chair of Ad Hoc Disability Committee. Receive and file.
- b. [Discussion and action on recommendation to the Board for the Disability Committee to review of Disability applications and make recommendations to the Board.](#)
- c. Discussion and action if Special Meeting is needed.
- d. [Discussion and action on the need for additional medical examiner staffing or funding.](#)

**7. CONSENT CALENDAR (Items 7.1 through 7.5)**

**7.1 Approval of Minutes**

- a. [Monthly Board meeting held on August 2, 2012.](#)
- b. [Board Special Meeting held on July 19, 2012.](#)

**7.2 Approval of Travel and Attendance for Conferences and Due Diligence**

- a. Pete Constant - IFEBP, 58<sup>th</sup> Annual Employee Benefits Conference, San Diego Convention Center, San Diego, CA – November 11-14, 2012.
- b. Heidi Poon - Albourne Hedge Fund Conference, Chicago, IL – October 2-3, 2012.  
- AAAIM, Global Opportunities: East meets West, JW Marriott Los Angeles LA Live, Los Angeles, CA – October 30-31, 2012.
- c. James Mason - NCPERS, 2012 Public Safety Employees Pension & Benefits Conference, Omni Royal Orleans Hotel, New Orleans, LA – October 7-10, 2012.
- d. Ron Kumar - PREA Investor Real Estate Conference, The Beverly Hilton, Beverly Hills, CA – October 22-24, 2012.

**7.3 Return of Contributions - None**

- a. Voluntary
- b. Involuntary

#### **7.4 Communication/Information**

- a. [The Cortex Report: Research Papers and Articles](#)
- b. [Benefits Review Forum Report, July 2012.](#)
- c. [Memo from Alex Gurza, Deputy City Manager regarding Correction to Retiree Healthcare Memo, dated July 17, 2012.](#)
- d. [California State Auditor's report and related responses, dated August 2012, Report 2012-106.](#)
- e. [Notice of 2012 Police Retiree Election.](#)
- f. [Memo from Debra Figone, City Manager regarding Acting Director of Retirement Services Appointment, dated August 28, 2012.](#)
- g. [Educational Travel Reports:](#)
  - Pension Bridge, 4 Private Equity Exclusive, Chicago, IL – July 22-24, 2012 – by Damon Krytzer.
  - IFEBP, Trustees and Administrators Institute–New Trustees, Las Vegas, NV– June 13-15, 2012 – by Vincent Sunzeri.

#### **7.5 Pending Projects**

### **8. EDUCATION & TRAINING**

#### **8.1 Educational Programs and Courses**

#### **8.2 Conferences and Seminars**

#### **8.3 CalAPRS' Training**

- Trustees' Round Table, Los Angeles Marriott Burbank Airport, Burbank, CA – Friday, October 19, 2012.
- Course in Retirement Disability Administration, Los Angeles Marriott Burbank Airport, Burbank, CA – Thursday, September 13, 2012.

#### **• PROPOSED AGENDA ITEMS**

#### **• PUBLIC 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.

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