



CITY OF SAN JOSÉ, CALIFORNIA
DEPARTMENT OF RETIREMENT SERVICES



BOARD OF ADMINISTRATION

CITY HALL

City Hall Wing Committee Rooms 118/119
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

Russell U. Crosby

COUNSEL

Mollie Dent, Senior Deputy City Attorney
Jeff Rieger, Counsel

THURSDAY

MARCH 15, 2012

8:30 A.M.

AMENDED AGENDA

• **ORDERS OF THE DAY**

1. **CONSENT CALENDAR** (Items 1.1 through 1.9)

1.1 **Approval of IT Minor Agreement**

[Discussion and action regarding authorizing the Secretary to negotiate and execute an Agreement with Park Place Technologies for post-warranty maintenance for Del PowerVault 220S hardware devices and for a Tape Drive Storage Library for an amount not-to-exceed \\$4,000 for a 2 year period \(cost to be split 50/50 with San Jose Police and Fire Department Retirement Plan\).](#)

1.2 **Approval of Service Retirements**

- a. **Teresa Avila**, Office Specialist II, Library Department, effective April 30, 2012; 21.40* years of service.
- b. **Alan L. Bales**, Senior CPU Operator, Environmental Services Department, effective March 31, 2012; 28.25* years of service.

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.

- c. **Richard S. Bryson**, Hazardous Materials Inspector II, Fire Department, effective March 31, 2012; 13.32* years of service.
- d. **Sabra J. Buckert**, Public Safety Communications Supervisor, Police Department, effective March 31, 2012; 20.50* years of service.
- e. **Christopher T. Ching**, Associate Engineer, Department of Transportation, effective March 31, 2012; 23.85* years of service.
- f. **Sandra Davis**, Parking Control Officer, Department of Transportation, effective March 31, 2012; 9.32* years of service.
- g. **Marilyn J. Fitzhugh**, IT Systems Program Manager, Airport Department, effective March 31, 2012; 8.01* years of service.
- h. **Clifford S. Greenberg**, Senior Deputy City Attorney, City Attorney's Office, effective March 31, 2012; 22.78* years of service.
- i. **Charles R. Grover**, Laboratory Technician II, Environmental Services Department, effective March 31, 2012; 16.50* years of service.
- j. **Diana J. Jamison**, Administrative Assistant, City Council Office, effective March 31, 2012; 15.53* years of service. *(With reciprocity)*
- k. **Mary R. Mahan**, Analyst II, Environmental Services Department, effective March 31, 2012; 7.32* years of service.
- l. **Anthony M. Santomauro**, Senior Maintenance Worker, Parks, Recreation & Neighborhood Services, effective April 28, 2012; 30.03* years of service.
- m. **Laurie A. Sherr**, Secretary, Police Department, effective March 31, 2012; 15.18* years of service.
- n. **Suzan L. Stauffer**, Environmental Inspector I, Environmental Services Department, effective March 31, 2012; 19.32* years of service.
- o. **Jose B. Uribe**, Associate Engineering Technician, Public Works Department, effective February 18, 2012; 10.41* years of service.

1.3 Approval of Deferred Vested Retirements

- a. **Connie Carson**, Public Safety Dispatcher II, Police Department, effective April 28, 2012; 11.22* years of service.
- b. **Barbara K. Jordan**, Senior Deputy City Attorney, City Attorney's Office, effective April 3, 2012; 17.50* years of service.
- c. **Karin Keneller**, Senior Public Safety Dispatcher, Police Department, effective April 25, 2012; 16.22* years of service. *(With reciprocity)*
- d. **Lynette M. Motte-Peters**, Senior Analyst, Parks, Recreation & Neighborhood Services, effective February 29, 2012; 7.80* years of service. *(With reciprocity)*

1.4 Approval of Change of Retirement Date

- a. Approval of change of retirement date of **Laura Arechiga**; from March 31, 2012 to March 17, 2012.
- b. Approval of change of retirement date of **Guillermo Castro**; from March 31, 2012 to June 30, 2012.

1.5 Approval of Board Minutes

Approval of [Board Minutes of February 16, 2012](#).

1.6 Approval of Return of Contributions

- a. Voluntary
- b. Involuntary

1.7 Approval of Monthly Expenditures

Report of Federated Retirement System Plan Expenses for January 31, 2012.

1.8 Acceptance of Communication/Information Reports

- a. Pending Projects.
- b. Letter from Cheiron, dated February 8, 2012 regarding 5-Year Budget Projections for Federated.
- c. Memo from Russ Richeda of Saltzman & Johnson, dated March 5, 2012, regarding Governor Brown's Pension Modification Proposals.
- d. Request to California State Auditor, JLAC Hearing of March 2012.

1.9 Approval of Travel / Conference Attendance

- a. Arn Andrews - IFEBP, Wharton School, Hedge Funds, Real Estate and Other Alternative Investments, San Francisco, CA – July 16-18, 2012.
- b. Marty Dirks - Skybridge Alternatives Conference – SALT 2012, Las Vegas, NV – May 8-11, 2012.

2. DEATH NOTIFICATIONS (Moment of Silence)

- 2.1 **Eugene C. Rudy**, Senior Equipment Serviceman, retired 07/12/77, died 01/19/12. No survivorship benefits.
- 2.2 **Ronald J. Ruscigno**, Real Estate Agent II, retired 07/03/97, died 01/27/12. Survivorship benefits to Sharon K. Ruscigno, Spouse.
- 2.3 **Jeanne M. Shiraldi**, Senior Account Clerk, active employee, died 01/29/12. No survivorship benefits.

3. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- 3.1 Discussion and action on proposed date for Study Session and request for proposed topics.
- 3.2 Discussion and action on establishment of Ad Hoc Committee on staffing and salaries.

4. NEW BUSINESS

CLOSED SESSION

- 4.1 CONFERENCE WITH LEGAL COUNSEL – LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)

Paul Mulholand, James Unland and Mary Follenweider, Plaintiffs v. Russell Crosby, Mike Moehle, City of San Jose and Does 1 through 10 Defendants, the Board of Directors of the San Jose Police and Fire Retirement Board and the Board of Directors of the City of San Jose Federated City Employees Retirement System, Necessary Parties in Interest.

Court: Superior Court of California, County of Santa Clara
Case No. 1-10-CV-177077

4.2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: Milpitas Warehouse, 746-876 South Milpitas Blvd, Milpitas CA 95035

Negotiator: Ed Schwartz, ORG Portfolio Management

Under negotiation: Price and terms of payment

Probable Value of Property: Exceeds \$1 million

OPEN SESSION

4.3 Discussion and action to transfer Milpitas Warehouse, separately held real estate property, to American Core Realty Fund and authorization for the Secretary to negotiate and execute the Incremental Adoption Agreement with American Realty Advisors for an estimated interest valued at \$10.3 million in American Core Realty Fund.

4.4 [Presentation of the December 31, 2011 Quarterly Performance Report.](#)
(Time Certain 10:00 a.m.)

4.5 [Discussion and action regarding the System's investment structure.](#)

4.6 [Discussion and action regarding the allocation methodology for valuation of administrative expenses, as between employees and employer.](#)

4.7 [Discussion and action of Rules and Regulations for Voluntary Deductions from Pension Benefit Payments.](#)

4.8 Discussion and direction regarding anticipated Pension Reform Ballot Measure.

4.9 [Discussion and direction concerning potential changes to retiree lowest cost medical plan.](#)

4.10 [Discussion and action regarding Retirement Board of Administration's fiduciary insurance coverage, terms and conditions.](#) (Deferred from February Board meeting)

4.11 [Discussion and action on First Amendment to the agreement with Cheiron, Inc, for actuarial services, increasing total compensation for an amount not-to-exceed \\$550,000.](#)

5. COMMITTEES/REPORTS/RECOMMENDATIONS

5.1 Policy Committee (Overton/Armstrong/Loesch – alternate/Andrews) – None

5.2 Investment Committee (Druyan/Odell /Dirks –alternate/Armstrong)

- Next Meeting: March 28, 2012

- a. [Minutes of January 25, 2012 meeting.](#)
- b. Update from Chair of Investment Committee.

5.3 Ad Hoc Governance Committee (Loesch/Armstrong/Odell – Alternate/Dirks)

- Last Meeting: February 16, 2012

- a. [Minutes of January 5, 2012.](#)
- b. [Minutes of February 16, 2012.](#)
- c. [Discussion and action on governance policies.](#)

6. EDUCATION & TRAINING

6.1 Educational Programs and Courses

6.2 Conferences and Seminars

6.3 Research Papers and Articles

6.4 CalAPRS Training

- a. Trustees' Round Table, DoubleTree Hotel, 2050 Gateway Place, San Jose – Friday, June 8, 2012.

- **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.