

POLICE AND FIRE RETIREMENT PLAN

Minutes of the Board Meeting

THURSDAY

SAN JOSÉ, CALIFORNIA

December 4, 2008

CALL TO ORDER

The Board of Administration of the Police and Fire Department Retirement Plan met at 8:38 a.m., on Thursday, December 4, 2008, in regular session at Department of Retirement Services, 1737 N. First St, Suite 600 - San Jose, CA.

ROLL CALL

Present:

MARK J. SKEEN

BRET MUNCY

BILL BRILL

SCOTT JOHNSON

FORREST WILLIAMS

DAVE CORTESE

CHAIR (Participated by telephone 9:20 am)

Acting Chair

Trustee

Trustee

Trustee (Exited 9:18 am)

Trustee (Arrived 8:41 am)

ALSO PRESENT:

Russell Crosby	-SECRETARY	Mollie Dent	-City Attorney Office
Russell Richeda	-Saltzman & Johnson	Debbi Warkentin	-Staff
Tamasha Johnson	-Staff	Donna Busse	-Staff
Veronica Niebla	-Staff	Jay Wendling	-Retiree
Amanda Ramos	-Staff	Thomas Boyle	-Attorney
Aracely Rodriguez	-OER	Sam Swift	-Attorney
Mike Rosingana	-P&F Retirees	Linda Charfauros	-SJFD
Mike Moffett	-SJFD	Ron Kumar	-Staff
Rhonda Snyder	-Staff	Jim Jeffers	-Attorney
David Bacagalupi	-Retiree	Bruce DeMers	-P&F Retirees
Henry Mendra	-SJFD	Raul Castro	-SJFD
Franco Vado	-SJPD	Ali Amiry	-Staff
John Young	-Council Asst		

REGULAR SESSION

ORDERS OF THE DAY

Acting Chair Muncy called the meeting to order at 8:38 a.m.

The Secretary introduced Ali Amiry, Retirement Services' new Investment Officer. He noted Dr. Amiry's impressive educational background.

Ceremonial Item: Presentation of commendations to David Cortese and Forrest Williams their service to the P&F Retirement Plan.

The Secretary read the recitals into the record and presented Commendations to both Member Cortese and Williams.

Member Cortese stated the Plan is surrounded and supported by dedicated people, staff, and Board Members. He thanked the Board.

Member Williams echoed Member Corteses' sentiments, and added it has been a pleasure and a privilege to serve on the Board. He has confidence in the Board to make the right decisions. He thanked the Board.

RETIREMENTS

1. Service

- a. **John B. Carr, Sr.**, Lieutenant, Police Department. Request for Service Retirement effective December 13, 2008; 28.23 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2. (Absent: Skeen, Vacant).

- b. **Gordon E. Crowell**, Fire Engineer, Fire Department. Request for Service Retirement effective December 13, 2008; 31.24 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- c. **Joel R. Gonzalez**, Police Officer, Police Department. Request for Service Retirement effective November 29, 2008; 28.18 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- d. **Steve F. Goytia**, Fire Engineer, Fire Department. Request for Service Retirement effective December 27, 2008; 31.39 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- e. **Steve L. Greenfield**, Fire Captain, Fire Department. Request for Service Retirement effective December 14, 2008; 24.43 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- f. **Samuel Mojica**, Police Officer, Police Department. Request for Service Retirement effective December 27, 2008; 25.12 years of service. (SCD Pending)

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- g. **Randy R. Sekany**, Fire Captain, Fire Department. Request for Service Retirement effective December 27, 2008; 28.37 years of service. (SCD Pending)

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- h. **Daniel L. Vasquez**, Sergeant. Police Department. Request for Service Retirement effective December 27, 2008; 28.53 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- i. **Joseph J. Vitales**, Fire Engineer, Fire Department. Request for Service Retirement effective December 31, 2008; 29.49 years of service.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- j. **Michael W. Blatz**, Fire Captain, Fire Department. Request for Service Retirement effective December 27, 2008; 27.7 years of service. (SCD Pending)

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2. (Absent: Skeen, vacant).

2. Disabilities - None

3. Change in Status

- a. **Raul J. Castro**, Retired Firefighter. Request for change in status to Service-Connected Disability Retirement effective July 12, 2008; 30.94 years of service.

Retired Firefighter Castro was present and was represented by *Mr. Jeffers*.

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

1. UNSIGNED STATEMENT OF MEDICAL CONDITION FOR LEFT ELBOW	NO DATE
2. UNSIGNED REQUEST FOR PERMANENT WORK RESTRICTIONS FOR LEFT ELBOW	NO DATE
3. RONALD FUJIMOTO, D.O.	8/1/08 (X4), 4/22/08, 1/25/08 (X6), 10/8/07, 12/12/05, 7/19/05
4. GORDON BRODY, M.D.	5/5/08, 2/13/97, 7/1/96, 3/28/96
5. DANIEL HABER, M.D.	2/11/08, 6/19/07, 5/24/07
6. RANDALL SEAGO, M.D.	5/7/07
7. DONALD FOX, M.D.	4/6/07, 3/10/05
8. JONATHAN NG, M.D.	9/1/05, 8/31/05, 6/29/05, 6/28/05
9. CRAIG MEYER, M.D.	3/21/05
10. WILLIAM TROLAN, M.D.	2/24/05
11. VICTOR WU, M.D.	8/30/02
12. ANTON MUSLADIN, M.D.	6/6/97
13. JOEL SAAL, M.D.	5/10/95, 12/15/94 (X2), 5/12/94, 3/10/94
14. AUBREY FEDERAL, M.D.	5/17/94
15. GEORGE THABIT III, M.D.	3/7/94

Medical Director	Date
RAJIV DAS, M.D.	10/16/08

Dr. Das stated the applicant sustained an acute injury to his right knee; he suffers symptoms in his low back, and has had surgeries. The knee is the primary contributor to his disability.

Mr. Jeffers stated *Mr. Castro*'s main problems are his back and knee. He had surgery with hopes of returning to work, which he did on modified duty for over a year, but could not continue due to the right knee problem.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- b. **Joseph M. Franco**, Retired Fire Engineer. Request for change in status to Service-Connected Disability Retirement effective August 12, 2006; 30.28 years of service.

Retired Fire Engineer Franco was not present but was represented by *Mr. Swift*.

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

PATRICK J. MC CREESH, M.D.	2/22/08, 1/9/08, 6/13/07
DONALD MANUELE, D.O.	4/9/08, 2/6/08, 12/20/06, 12/1/06, 11/7/06, 9/6/06, 8/23/06, 10/14/05, 4/17/05

CHRISTOPHER MERIFIELD, M.D.	9/4/07, 6/7/06, 3/14/06
MICHAEL FISHMAN, M.D.	8/13/07, 8/2/05
LILLY REZVANI, M.D.	1/6/06, 1/4/06, 12/10/04
J. MICHAEL GEIER, M.D.	9/19/05
HOWARD Z. DAVIS, M.D.	4/17/05
MARK E. WHITEMYER, D.C.	1/17/92

Medical Director	Date
RAJIV DAS, M.D.	10/16/08

Dr. Das stated the applicant suffers from injuries to his low back, and restrictions are based on his back and those provided by the qualified medical evaluator.

Mr. Swift stated Mr. Franco has a history of injuries, primarily involving his lower back. The applicant worked in a modified duty capacity until he retired. He had a series of epidurals and suffers two disc protrusions at two levels. The Department has no modified duty positions available.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

- c. **Henry Mendoza**, Retired Fire Engineer. Request for change in status to Service-Connected Disability Retirement effective January 27, 2007; 31.65 years of service.

Retired Fire Engineer Mendoza was present and was represented by *Mr. Swift*.

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

1. JOHN COLMAN, M.D.	04/30/08, 10/20/2006, 11/30/05, 10/25/05
2. PATRICK MCCREESH, M.D.	04/07/08
3. ELEANOR LEVIN, M.D.	03/24/08 (THREE REPORTS)
4. RONALD FUJIMOTO, D.O.	11/19/07
5. MARK CULTON, M.D.	10/20/05
6. ARVIND JAINI, M.D.	10/07/05
7. LAWRENCE CHAN, M.D.	08/24/05 (TWO REPORTS)
8. ELAINE NELSON, M.D.	12/10/02
9. JAKE BENFORD, M.D.	08/12/02
10. CHARLES BORGIA, M.D.	05/19/00, 03/02/00, 04/22/99, 01/08/99
11. NORMAN NOMOF, M.D.	01/10/00, 10/21/99
12. "AYE", M.D.	10/23/99
13. ALLEN KAISLER-MEZA, M.D.	01/08/99
14. ARON JUDKIEWICZ, M.D.	12/21/98 (TWO REPORTS)
15. PETER CHIU, M.D.	11/19/98

Medical Director	Date
RAJIV DAS, M.D.	11/12/08

Dr. Das stated the applicant suffers from injuries to his shoulders, has a heart condition, and has a coronary stent in place. The restrictions are based on those provided by the treating physician.

Mr. Swift stated Mr. Mendoza suffered a series of injuries. He was off duty at the time of retirement and the Department has no permanent modified duty positions.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

4. Deferred Vested

- a. **John M. Fleming**, Sergeant, Police Department. Request for Service Retirement effective January 4, 2009; 14.25 years of service

(M.S.C. Johnson/Brill) to approve. Motion carried 5-0-2.

DEATH NOTIFICATIONS - None

NEW BUSINESS

5. Approval of request from Carron Findley, ex-spouse of Retired Battalion Chief Thomas Afflixio, for a Reduced Retirement Option effective 1 October 2008 under Part 17, Section 3.36.3600 of the SJ Municipal Code.

(M.S.C. Brill/Williams) to approve. Motion carried 5-0-2.

6. Election of Board Chair and Vice Chair for 2009.

(M.S.C. Brill/Cortese) to elect Member Muncy to remain as Chair for the month of January 2009 and continue this item. Motion carried 5-0-2.

7. Request for approval for staff to work with Segal to conduct an actuarial study on providing lifetime medical and dental benefits to surviving spouses who were married to members after retirement. All costs to be paid for by the City.

The Secretary stated this benefit has been requested by the Retiree Association. Former Vice-Chair Heredia requested the analysis prior to his departure.

Acting Chair Muncy stated Mr. Heredia has made himself available for any questions.

(M.S.C. Brill/Cortese) to approve. Motion carried 5-0-2.

OLD BUSINESS/CONTINUED-DEFERRED ITEMS

8. Travel Audit compliance update.

Mrs. Niebla stated Finance has provided a draft revised Travel Policy, which was reviewed by the Audit Committee. Staff is forwarding the recommendations to the City Administration. The final draft of the City Travel Policy will come to the Board for review.

9. Update on the soundness of the P&F Retirement's investment portfolio.

Mr. Kumar stated the memo is as of 11/21/08; however the update as of 12/1/08 is that the balance of the portfolio is \$1.89 billion.

STANDING COMMITTEES / REPORTS / RECOMMENDATIONS

Investments Committee (Skeen, Heredia, Muncy)

10. Summary of committee meeting held 23 October 2008 (Minutes approved November Agenda)
11. Summary of committee meeting held 19 November 2008
- a. Approval of Plans draft Statement of Investment Policy

Legal counsel and the Board had discussion regarding language in the Policy Statement.

Member Williams exited

(M.S.C. Brill/Johnson) to provisionally approve deleting the sentence on page 10, move the descriptive material out and change the word “would” to “may”, and bring the revised Statement of Investment Policy back to the Board. Motion carried 4-0-3. (Absent: Skeen, Williams, vacant)

- b. Approval to grant Robeco Boston Partners an investment policy exception to limit individual security variation to the great of 5.0% of market value of portfolio or 1.0% plus benchmark weight of security.

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

Real Estate Committee (Skeen, Heredia, Muncy)

12. Summary of committee meeting held 23 October 2008

This item is note and file.

12(a) Summary of committee meeting held 19 November 2008

- a. Approval for Secretary to negotiate & execute agreement with Trauner Consulting Services, Inc. to conduct construction audit of Progress Point for an amount not to exceed \$15,000.

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

Chair Skeen arrived via conference call

- b. Approval of recommendations by Plan’s real estate counsel.

(M.S.C. Brill/Johnson) to approve. Motion carried 5-0-2. (Absent: Williams, vacant)

Investment Committee of the Whole (Full Board) – last meeting 19 November 2008
Solutions to Retiree Healthcare Committee (Skeen, Heredia, Muncy) – None
Audit Committee (Brill, Johnson) – last meeting 19 November 2008

CONSENT CALENDAR (Items 13-20)

(M.S.C. Brill/Johnson) to approve with the exception of Items 20b and 20c. Motion carried 5-0-2.

- 20b. Notification of the renewal of the Fiduciary Liability Insurance for the period November 30, 2008 through November 20, 2009.

The Secretary stated the non-recourse fee will be \$25.00, which is to be paid from the trustee’s own money.

(M.S.C. Brill/Johnson) to approve payment. Motion carried 5-0-2.

- 20c. Update on Internal Revenue Service Filing Deadline for Tax Determination Letter

Ms. Dent stated there is now an alternate deadline, but filing can still be done for Cycle “C”. It will be helpful to see new information from the IRS about what they are looking for and how to respond.

PROPOSED AGENDA ITEMS
PUBLIC COMMENTS

EDUCATION AND TRAINING
ADJOURNMENT

There being no further business, **Acting Chair Muncy** adjourned the meeting at 9:28 am.

BRET MUNCY, ACTING CHAIR
BOARD OF ADMINISTRATION

ATTEST:

RUSSELL U. CROSBY, SECRETARY
BOARD OF ADMINISTRATION