



**BOARD OF ADMINISTRATION
Department of Retirement Services**

CITY HALL WING COMMITTEE ROOMS 118/119

200 East Santa Clara St., San Jose, CA 95113

BOARD MEMBERS

David Bacigalupi, Chair
Conrad Taylor, Vice Chair
Sean Bill, Trustee
Michael Flaherman, Trustee
Sean Kaldor, Trustee
Damon Krytzer, Trustee
Vincent Sunzeri, Trustee
Richard Santos, Trustee
Vacant, Trustee

DIRECTOR RETIREMENT SERVICE

BOARD SECRETARY

Russell U. Crosby

THURSDAY

MARCH 3, 2011

8:30 a.m.

AGENDA

ORDERS OF THE DAY

City Clerk Swearing in of Newly Appointed Trustee

1. RETIREMENTS

1.1 Service

- a. **Edward D. Munoz**, Fire Captain, Fire Department, effective March 5, 2011; 20.03* years of service. (With reciprocity) (*Deferred from February 18, 2011 meeting*)
- b. **Maria del Pilar Ramon**, Police Officer, Police Department, effective April 30, 2011; 28.87* years of service.
- c. **Gilbert P. Zamora**, Police Artist, Police Department, effective March 5, 2011; 25.92* years of service.

1.2 Orientation to Disability Retirement Rules

1.3 Non-Service-Connected Disability

Robert P. Anderson, Police Officer, Police Department. Request for a Non-Service Connected Disability Retirement, effective March 3, 2011; 20.26* years of service.

1.4 Change in Status

- a. **Enrique A. Carruth**, Arson Investigator, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective January 24, 2009; 27.73 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 Mary Dariano (408) 794-1005 as soon as possible, but at least three business days before the meeting.

*Estimated

- b. **Charles C. Carter**, Fire Engineer, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective September 6, 2008; 40.11 years of service.
- c. **Michael J. Hahn**, Police Lieutenant, Police Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective January 9, 2010; 27.89 years of service.
- d. **Robert J. Naughten**, Fire Captain, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective January 24, 2009; 25.69 years of service.
- e. **Gilbert R. Siqueiros**, Fire Engineer, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective January 24, 2009; 28.46 years of service.
- f. **Gregory Toscano**, Fire Engineer, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective November 15, 2008; 28.27 years of service.
- g. **Daniel L. Vasquez**, Police Sergeant, Police Department. Request for a change of status from a Service Retirement to a Service-Connected Disability, effective December 27, 2008; 28.53 years of service.

2. **DEATH NOTIFICATIONS (Moment of Silence)**

- 2.1 Notification of the death of **Peggy J. Donald**, Identification Technician, retired 04/01/75, died 12/12/10. No survivorship benefits.

3. **NEW BUSINESS**

- 3.1 [Discussion and action regarding selection of Milliman or Cheiron as the Plan's Actuary and authorization for the Secretary to negotiate and execute a contract with the selected firm for an amount not to exceed \\$650,000 and a term of three years.](#)
- 3.2 [Qualitative review of the asset allocation, staff presentation.](#)
- 3.3 [Overview of the investment structure.](#)
- 3.4 [Staff presentation on performance reporting as of December 31, 2010.](#)
- 3.5 [Presentation by City Attorney's Office regarding the Brown Act, San Jose Sunshine, Public Records Act, and other relevant legal requirements.](#)
- 3.6 [Approval of Department of Retirement Service's Administrative Budget Proposal for Fiscal Year 2011-2012.](#)
- 3.7 [Discussion and action on City's request to allow Ice Miller LLP to work for the City on establishment of an Other Post Employee Benefits \(OPEB\) Trust.](#)
- 3.8 [Discussion on proposed Securities and Exchange Commission \(SEC\) rule relating to registration of municipal investment advisors and potential impact on board members.](#)
 - [Letter from Board Secretary to Elizabeth Murphy, Secretary of the Securities and Exchange Commission, dated February 22, 2011.](#)

*Estimated

3.9 Discussion of AB1743 and action on amendment of Board's Placement Agent Policy.

3.10 Discussion regarding Council Liaison.

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

4.1 Discussion and action regarding the process and schedule for recommending the 9th Board Member to City Council.

4.2 Discussion and possible action regarding Supplemental Retirement Benefit Reserve (SRBR):

- a. [Letter from Moscone Emblidge, and Sater](#) LLP representing the Association of Retired San Jose Police Officers and Fire Fighters regarding the Board's Administration of the Supplemental Retiree Benefit Reserve . (Deferred from January 6, 2011 meeting)
- b. [Letter from SJPOA re: Demand to Meet and Confer and Potential Grievance Over City's Unilateral Suspension of SRBR Payment and Retirement Board's Failure to Transfer Requisite "Excess Earnings" into SRBR. \(Deferred from January 6, 2011 meeting\)](#)
- c. [Letter from Jay Wendling President of the Association of Retired San Jose Police Officers and Fire Fighters regarding SRBR.](#)
- d. Background Information on SRBR
 - i. [Memorandum from City Attorney Richard Doyle to City Council dated November 5, 2010 concerning Proposed Ordinance and Resolution Related to Suspension of Distribution of SRBR Benefit payment](#)
 - ii. [Legal Opinion from Conflicts Counsel Russ Richeda](#)
 - iii. [Legal Opinion dated November 23, 2010 for Senior Deputy City Attorney Mollie Dent](#)
 - iv. [SRBR Suspension Memos from: Alex Gurza, Office of Employee Relations, dated October 29, 2010; City Clerk Lee Price, dated October 21, 2010; Mayor Chuck Reed, dated October 13, 2010; City Manager Debra Figone, dated 10/22/10; Resolution No. 71870; and Resolution No. 70822](#)
 - v. [Staff memo dated 12/31/10, letter from Segal dated 10/28/10, staff memo dated 11/23/10, and Resolution No. 3683 for Transfer of SRBR funds](#)

4.3 [Discussion and action regarding the disability determination process. \(Continued from January 6, 2011 meeting\)](#)

4.4 Verbal update on status of IRS filing.

5. **STANDING COMMITTEE REPORTS/RECOMMENDATIONS - None**

6. **CONSENT CALENDAR (Items # 6.1 through 6.11)**

6.1 Approval to rescind retirement application of **Evan S. Bloom**; approved at the January 6, 2011 meeting.

6.2 Approval to rescind retirement application of **David W. Huseman**; approved at the January 6, 2011 meeting.

6.3 Approval to rescind retirement application of **Matthew Elvander**; approved at the January 6, 2011 meeting.

*Estimated

- 6.4** Approval to rescind retirement application of **Alan Gerbino**; approved at the January 6, 2011 meeting.
- 6.5** Approval to rescind retirement application of **Stewart McGehee**; approved at the December 2, 2010 meeting.
- 6.6** Approval of change of retirement date of **Karen Gall**; from January 22, 2011 to January 29, 2011.

6.7 Approval of Minutes

- a. [Monthly Board meeting held on January 6, 2011.](#)
- b. [Monthly Board meeting not held on February 3, 2011.](#)
- c. [Special Board meeting held on February 18, 2011.](#)

6.8 Approval of Travel/Conference Attendance

- a. Sean Bill - Principles of Pension Management, Stanford Law School, Crown Quadrangle, 559 Nathan Abbott Way, Stanford, CA 94305-8610, March 22-25, 2011.
- CALAPRS, Trustees Round Table, Double Tree Hotel, San Jose, CA, January 28, 2011.
- b. Sean Kaldor - Principles of Pension Management, Stanford Law School, Crown Quadrangle, 559 Nathan Abbott Way, Stanford, CA 94305-8610, March 22-25, 2011.
- c. Mollie Dent - CALAPRS Attorney's Roundtable, Double Tree Hotel, San Jose, CA, 2050 Gateway Place, San Jose CA, January 21, 2011
- d. Veronica Niebla - GFOA, Accounting for Pension and OPEB & Preparing a CAFR, Reno, NV, March 21-22, 2011.
- e. Donna Busse - GFOA, Financial ERP System Selection and Implementation, Reno, NV, March 22-23, 2011.
- f. Vincent Sunzeri - CALAPRS, Trustees Round Table, Double Tree Hotel, San Jose, CA, January 28, 2011.
- g. Ali Amiry - Institutional Investor Institute Hedge Fund Institutional Forum, Advisory Board, Rancho Bernardo Inn, San Diego, CA, April 5-8, 2011.
- Deutsche Bank Hedge Fund Conference, Barcelona, Spain, May 4-6, 2011. (*Expenses paid by Deutsche Bank*).
- Milken Institute, Los Angeles, CA, May 1-4, 2011, (*Expenses paid by Milken Institute*).

6.9 Approval of Monthly Expenses

- a. [Plan Expenses for December 2010.](#)

*Estimated

- b. [Plan Expenses for January 2011.](#)

6.10 Return of Contributions

- a. Voluntary
- b. Involuntary

6.11 Investments

- a. [Adoption of Resolution 3693, for the period of December 1, 2010 through December 31, 2010.](#)
- b. [Adoption of Resolution 3697, for the period of January 1, 2011 through January 31, 2011.](#)

6.12 Communication/Information

- a. [Report on Investment as of December 31, 2010 and January 31, 2011.](#)
- b. [Benefits Review Forum held on January 26, 2010.](#)

7. EDUCATION & TRAINING

7.1 Notification of CalAPRS' Trustees Round Table

Trustees' Round Table, Los Angeles Marriott Burbank Airport, Burbank, CA, 2500 Hollywood Way, June 3, 2011.

7.2 Notification of IFEBP Training

- a. Investments Institute, Las Vegas, NV – Monday, April 11, 2011 thru Wednesday, April 13, 2011.
- b. Wharton Portfolio Concepts and Management, Philadelphia, PA – Monday, May 23, 2011 thru Thursday, May 26, 2011.
- c. Trustees and Administrators Institutes – New Trustees, The Mirage, Las Vegas NV, Monday, June 13, 2011 thru Wednesday, June 15, 2011.
- d. Certificate of Achievement in Public Plan Policy (CAPPP) – Employee Pensions – **Part 1**, The University of Chicago, Gleacher Center, Chicago, IL - Monday, June 14-15, 2011.
- e. CAPPP – Employee Health – **Part I**, The University of Chicago, Gleacher Center, Chicago, IL – Monday, June 14-15, 2011.
- f. CAPPP – Employee Pensions – **Part II**, The University of Chicago, Gleacher Center, Chicago, IL – Wednesday, June 16-17, 2011.
- g. CAPPP – Employee Health – **Part II**, The University of Chicago, Gleacher Center, Chicago, IL - Wednesday, June 16-17, 2011.

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.

Our facility is equipped with assistive listening devices for the hearing impaired.

*Estimated

For questions please contact Mary Dariano at (408) 794-1005 or Sonia Morales at (408) 794-1004