



BOARD OF ADMINISTRATION

City Hall
Wing Committee Rooms
118-120
200 East Santa Clara
Street, San Jose, CA
95113

Meeting Agenda - Final

Police and Fire Department Retirement Plan

Sean Kaldor, Chair

Sean Bill, Trustee

Damon Krytzer, Trustee

Drew Lanza, Trustee (Via teleconference-for Item 6.5b) 2819

Lonesome Mountain Road, Charlottesville, VA 22911

James Mason, Trustee

Nick Muyo, Trustee

Bettina Rounds, Trustee

Richard Santos, Trustee

Vincent Sunzeri, Trustee

Pete Constant, Non-Voting Trustee

Jeffrey R. Rieger, General and Fiduciary Counsel

Roberto L. Peña, Director of Retirement Services

Thursday, September 5, 2013

8:30 AM

CLOSED SESSION

CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.

I. CLOSED SESSION INVESTMENTS

- a. CLOSED SESSION: CONFERENCE WITH INVESTMENT CONSULTANT PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER PURCHASE OF PARTICULAR PENSION FUND INVESTMENTS (8 INVESTMENTS).

II. CLOSED SESSION NEW BUSINESS

- a. CLOSED SESSION: PUBLIC EMPLOYEE APPOINTMENT AND EMPLOYMENT. GOVERNMENT CODE SECTION 54957(b)(1) - POSITION: CHIEF INVESTMENT OFFICER/ASSISTANT DIRECTOR OF RETIREMENT SERVICES.

OPEN SESSION - 9:30 a.m. time-certain or soon thereafter

To request an accommodation or alternative format under the Americans with Disabilities Act for Board 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.

ORDERS OF THE DAY

1. CONSENT CALENDAR

1.1 Approval Of Minutes

- a. Monthly Board meeting held on August 1, 2013.

Attachments: [8-1-13 MINUTES- PF-Final](#)

1.2 Approval Of Travel for Conferences and Due Diligence

- a. Chair Kaldor
· NCPERS Conference, Rancho Mirage, CA - October 27-30, 2013.
- b. Roberto Peña, Staff
· CalAPRS, Administrators' Institute 2013, Quail Lodge Resort, Carmel, CA - September 25-27, 2013.
- c. Ron Kumar, Staff
· Pension Real Estate Association's 23rd Annual Investor Real Estate Conference, The Fairmont, Chicago, Chicago, IL - October 28-30, 2013.
· CalAPRS - Investment Officers Round Table, Doubletree Hotel, San Jose, CA - September 12, 2013.
- d. Daryn Miller, Staff
· CFA Risk Presentation, San Francisco, CA - May 9, 2013.
· Macquarie Infrastructure Presentation, San Francisco, CA - June 25, 2013.
· CalAPRS - Investment Officers Round Table, Doubletree Hotel, San Jose, CA - September 12, 2013.
· CalAPRS Headquarters, 8th Annual Risk Management Conference, Sacramento, CA - September 25, 2013.
- e. Pete Constant, Non-Voting Boardmember
· 2013 Retirement Research Consortium Annual Meeting, "Retirement Security in Changing Times", National Press Club, Washington, DC - August 1-2, 2013. (Deferred from the August 2013 Board meeting)
Attachments: [PETE CONSTANT MEMO.2013-07-19 Retirement Research Consortium Washi
PeteConstant_ConfAgenda](#)
- f. Jennifer Holmboe, Staff
· CalAPRS, Retirement Disability Administration, Doubletree Hotel, San Jose, CA - September 12, 2013.

1.3 Return of Contributions - NONE

- a. Voluntary / Involuntary.

1.4 Communication/Information

- a. Quarterly Board Attendance and Travel Reports.
Attachments: [Memo Travel Analyst Report PF mtg 9-5-13](#)
- b. Pension & Investments, Article: Is volatility in portfolio underestimated?, published: July 8, 2013.
Attachments: [P&I Article](#)
- c. Education Travel Reports:
· Institute Fund Summit, Dana Point, CA - April 24-26, 2013 - by Trustee Krytzer.
· SACRS Spring Conference 2013, Napa, CA - May 14-17, 2013 - by Trustee Krytzer.
· OCIO Conference, Miami, FL - June 23-26, 2013 - by Trustee Krytzer.
· SALT Conference, Bellagio Hotel, Las Vegas, CA - May 7-10, 2013 - by Trustee Bill.
· SACRS Spring Conference 2013, Napa, CA - May 14-17, 2013 - by Trustee Bill.
· The Endowment Common Fund, New Haven, CT - July 13-20, 2013 by Trustee Bill.
Attachments: [Educational Travel Reports](#)
- d. The Cortex Report: Research & Articles
Attachments: [The Cortex Report - Research Papers & Articles](#)

1.5 Education and Training

- a. Educational Programs and Courses
Attachments: [The Cortex Report-Educational Programs and Courses](#)
- b. Conferences and Seminars
Attachments: [The Cortex Report-Conferences and Seminars](#)
- c. IFEBP - 59th Annual Employee Benefits Conference, Las Vegas, NV - October 20-23, 2013.
- d. CalAPRS, Trustees Roundtable, Doubletree Hotel, San Jose, CA - September 13, 2013.

2. INVESTMENTS

- a. Discussion and evaluation of the "Interim CIO" options.
Attachments: [Interim CIO Duties](#)
[Interim_CIO_doc2](#)
- b. Presentation of the Second Quarter 2013 Performance Report for the

Pension Trust.

Attachments: [2nd Qtr 2013 Performance Report for Pension Trust](#)

- c. Presentation of the Second Quarter 2013 Hedge Fund Portfolio Review.

Attachments: [Albourne San Jose Quarterly Report Q2 2013 Public](#)

- d. Discussion and action regarding tactical rebalancing.

Attachments: [Tactical Fixed Income Discussion](#)

3. NEW BUSINESS

- a. Discussion and action on the report of the Plan Expenses for June 2013.

Attachments: [June Monthly Expense Report](#)

- b. Oral update from the Director of Retirement Services, Roberto L. Peña.

Attachments: [ORG Chart for DRS~08.06.13](#)

- c. Discussion and action regarding excusing the absences of Damon Krytzer from the February 7, 2013, March 7, 2013, and August 1, 2013 Board meetings.

Attachments: [Krytzer_AbsencesMemo](#)

- d. Discussion and action regarding recoupment of overpayments made to Philip Broussard.

Attachments: [Broussard Recoupment](#)

4. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Discussion and action regarding Chieron's Police Tier 2 Rates.

Attachments: [SJPF Tier 2 Contribution Rates v2f](#)

- b. Discussion and action on how to engage City Administration, Mayor and City Council regarding following compliance with existing policies.

5. RETIREMENTS

10:30 a.m. time-certain or soon thereafter

5.1 Service Retirements

- a. Steven D. Bustillos, Police Sergeant, Police Department, effective October 12, 2013; 25.03* years of service.

- b. Brian Daley, Police Officer, Police Department, effective October 26, 2013; 27.11* years of service.

- c. John Hopper, Firefighter, Fire Department, effective October 12, 2013; 25.20* years of service. (With reciprocity)
- d. Jerome M. A. Smith, Police Officer, Police Department, effective August 17, 2013; 28.36* years of service.
- e. Mark C. Willis, Police Officer, Police Department, effective October 26, 2013; 23.04* years of service. (With reciprocity)

5.2 Service Connected Disability

- a. Juan Gonzalez, Police Officer, Police Department. Request for a Service-Connected Disability Retirement, effective September 5, 2013; 15.82* years of service. (Recommended Approval)

5.3 Change in Status to Service Connected Disability

- a. Alan G. Gerbino, Fire Engineer, Fire Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective May 28, 2011; 26.86* years of service. (Recommended Approval)
- b. Jerome M.A. Smith, Police Officer, Police Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective August 17, 2013; 28.36* years of service. (Recommended Approval)
- c. William Waggoner, Police Officer, Police Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective July 15, 2006; 30.60* years of service. (Recommended Approval)

5. DEATH NOTIFICATIONS - NONE

6. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

6.1 Investment Committee (Sunzeri/Bill/Krytzer/Mason)

Last Meeting: August 28, 2013 **Next Meeting: September 11, 2013**

- a. Report from the Chair of the Investment Committee. Receive and file.
- b. Minutes of the June 12, 2013, Joint Federated and Police & Fire Investment Committee meeting. Receive and file.

Attachments: [IC Minutes-June12-Signed](#)

6.2 Audit Committee (Bill/Lanza/Muyo)

Last Meeting: August 1, 2013 **Next Meeting: November 21, 2013**

- a. Report from the Chair of the Audit/Risk Committee. Receive and file.
- b. Minutes of the June 20, 2013 Police & Fire Audit Committee. Receive and file.

Attachments: [JointAuditCmtMtg_June20_Signed](#)

6.3 Governance Committee (Kaldor/Rounds/Santos/Sunzeri)

Last Meeting: June 6, 2013 **Next Meeting: September 5, 2013**

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

6.4 Ad Hoc Disability Committee (Santos/Rounds)

Last Meeting: August 20, 2013 **Next Meeting: September 20, 2013**

- a. Report from the Chair of the Ad Hoc Disability Committee. Receive and file.
- b. Discussion on Disability Committee memo from Counsel regarding Analysis of Relevant Medical Records in the Committee's Evaluation of Disability Retirement Applications (Application for Service-Connected Disability Retirement filed by former Fire Chief Manuel Alarcon), dated June 11, 2013.

Attachments: [Analysis of Relevant Medical Records re Alarcon 061113](#)

- c. Discussion on disability Counsel memo regarding standard to be employed by Committee in determining whether a disability is Service-Connected.

Attachments: [Standard to be Employed in Determining Whether a Disability is Service Connected](#)

- d. Discussion and action on recommendation to create a standing Disability Committee. (Deferred from the August Board meeting)

Attachments: [Recommendation Disability Cmt](#)

- e. Discussion regarding staff's report on the Federated Disability Process.

Attachments: [Memo on FED DisabilityProcess](#)

6.5 Ad Hoc Cortex Response Committee (Lanza/Bill/Mason/Sunzeri)

- a. Report from the Chair of the Ad Hoc Cortex Response Committee. Receive and file.
- b. Discussion and action on Cortex Phase II Report and Recommendations. (Time certain 9:30 a.m., or immediately following Closed Session)

Attachments: [Cortex Phase II Report Recommendation](#)
[Cortex Phase II RR- presentation](#)

- **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.