

FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM

Minutes of the Board Meeting

THURSDAY

SAN JOSÉ, CALIFORNIA

May 11, 2006

CALL TO ORDER

The Board of Administration of the Federated City Employees' Retirement System met at 8:37 a.m., on Thursday, May 11, 2006, in regular session at the Department of Retirement Services, 1737 N. First St., Suite 600 - San José, California.

ROLL CALL

Present:

DAVID BUSSE

Bill Thomas

Tim Callahan

Mike Yoshimoto

Jeffrey Perkins

CHAIR, Civil Service Representative

Vice Chair, Retiree Representative

Employee Representative

Employee Representative

Public Member

NOT PRESENT:

David Cortese

Forrest Williams

City Council Representative (Excused)

City Council Representative (Excused)

ALSO PRESENT:

Edward F. Overton -Secretary / Director

Susan Devencenzi -City Attorney

Dr. Rhee -Medical Staff

Ron Kumar -Staff

Udaya Rajbhandari -Staff

Tamasha Johnson -Staff

Roger Pickler - "

Mike Pribula -Staff

Sarah Nunes -ES

Rhonda Snyder -Staff

Sally Griffin -Airport

Maria Loera -Staff

Tom Webster -Staff

Russ Richeda -Outside Attorney

George Castro -Retiree

Tom Reily -ESD

Aleta Holcomb - "

Doug Riccobond -ABMEI

Donna Busse -Staff

Linda Dittes -AFSCME

Bob Leininger -REA

Karin Carmichael -Staff

Judy Powell - "

REGULAR SESSION

The Chair called the meeting to order at 8:35 a.m.

RETIREMENTS

CONSENT CALENDAR (Items 1 thru 8)

The Chair announced the approval of the service-connected disability for George Castro, which is under the consent calendar.

(M.S.C. Perkins/Thomas) to approve Consent Calendar. Motion carried 4-0-3 (Absent-Cortese/Williams, Yoshimoto-arrived at 8:43 am).

DEATH NOTIFICATIONS (Moment of Silence)

The Chair stated there would be a moment of silence for the death notifications.

NEW BUSINESS

Discussion of Retirement Board's policy on communicating with Plan's actuary.

The Secretary explained that late last fall during one of the City Council's Making Government Work Better Committee meetings there were some questions raised about how to make our Plan work better and how to avoid any pitfalls similar to the situation in San Diego. We currently do not have a formal policy for communication with the actuary, however the way it has been done is that the Board or actuary would go through department staff, so this is a formality and we can draft a policy for the Board to review at the next meeting.

(M.S.C. Thomas/Perkins) to approve item. Motion carried 4-0-3.

Approval of reinstatement of Federated employee Dan McFadden and cancellation of benefit payments effective 3 May 2006.

(M.S.C. Perkins/Thomas) to approve item. Motion carried 4-0-3.

Approval of Resolution No. 5817 denying a Service-Connected Disability to Yolande Vazquez.

(M.S.C. Perkins/Thomas) to approve item. Motion denied 3-1-3. (No-Callahan).

OLD BUSINESS

Approval of staff recommendation to drop from pending action migrating/eliminating microfiche. (Item 2).

Approval of staff recommendation to drop from pending action production of report on statistics of disabilities. (Item 5).

STANDING COMMITTEE / REPORTS / RECOMMENDATIONS

Investment Committee of the Whole – next meeting 5/25/2006.

Real Estate Committee – next meeting 6/14/2006.

Committee for Investments – next meeting 4/17/2006.

Summary of meeting held 17 April 2006.

- Approval to accept Strategic Investment Solutions, Inc.'s proposal to conduct a strategic review of the Plan's Private Equity Allocation.

(M.S.C. Perkins/Thomas) to approve item. Motion carried 4-0-3.

- Approval to authorize the Secretary to negotiate and execute the first amendment to the Consultant agreement with Strategic Investment Solutions, Inc., increasing the compensation by an additional \$100,000 for special projects approved by the Committee for Investments.

(M.S.C. Perkins/Thomas) to approve item. Motion carried 4-0-3.

Benefits Review Forum (BRF) oral update. (Thomas)

Member Thomas stated the RFP He will report back the new information from the next meeting, which will be on May , 2006 at 9 am in the City Hall Wing room 262.

**EDUCATION AND TRAINING
PUBLIC/RETIREE COMMENTS**

Mr. Imamura spoke during the discussion on Russ Richeda's Memorandum on the Authority of the Board of Administration to Contract for Legal Services.

**FUTURE AGENDA ITEMS
ADJOURNMENT**

There being no further business, at 9:00 a.m., **Chair Busse** adjourned the meeting.

**DAVID BUSSE, CHAIRPERSON
BOARD OF ADMINISTRATION**

ATTEST:

**EDWARD F. OVERTON, DIRECTOR
BOARD OF ADMINISTRATION**