

POLICE AND FIRE RETIREMENT PLAN

Minutes of the Board Meeting

THURSDAY

SAN JOSÉ, CALIFORNIA

August 7, 2008

CALL TO ORDER

The Board of Administration of the Police and Fire Department Retirement Plan met at 8:35 a.m., on Thursday, August 7, 2008, in regular session at Department of Retirement Services, 1737 N. First St, Suite 600 - San Jose, CA.

ROLL CALL

Present:

KEN HEREDIA
BILL BRILL
FORREST WILLIAMS
SCOTT JOHNSON
DAVE CORTESE

VICE CHAIR

Trustee
Trustee
Trustee
Trustee (Arrived 9:02 am)

NOT PRESENT:

MARK J. SKEEN
BRET MUNCY

CHAIR (Excused)
Trustee (Excused)

ALSO PRESENT:

| | | | |
|-----------------------|------------------------|---------------------|------------------------|
| Russell Crosby | -SECRETARY | Mollie Dent | -City Attorney Office |
| Russell Richeda | -Saltzman & Johnson | Debbi Warkentin | -Staff |
| Tamasha Johnson | -Staff | Donna Busse | -Staff |
| Bruce DeMers | -PF Retirees | Veronica Niebla | -Staff |
| Karin Carmichael | -Staff | Mike Moffett | -retired SJFD |
| Aracely Rodriguez | -OER | Christopher Platten | -L230 Attorney |
| Linda Charfauros | -SJFD | Mike Rosingana | -SJFD |
| Ernesto Vallecilla | -SJPD | Peggy Vallecilla | -SJPD |
| Carol Bermillo | -Staff | Deanna Santana | -CMO |
| Michael Houston | -City Auditor's Office | Toni Johnson | -Staff |
| Rhonda Snyder | -Staff | Sharon Erickson | -City Auditor's Office |
| Steve Hendrickson | -Deputy City Auditor | Jorge Oseguora | -City Auditor's Office |
| Ron Kumar | -Staff | Jeanne Groen | -HR |

REGULAR SESSION

ORDERS OF THE DAY

Vice-Chair Heredia called the meeting to order at 8:35 a.m. He stated that Item 15 would be heard first.

The Secretary announced the appointments of Carmen Racy-Choy and Donna Busse as Deputy Directors respectively. Also, Ron Kumar's acceptance into the APL, Karin Carmichael as recipient of the first Director's Award, and the GFOA award for the Board's CAFR.

(Out of Order)

OLD BUSINESS/CONTINUED-DEFERRED ITEMS

15. Update on City Auditor's pending Travel Audit.

Sharon Erickson, City Auditor, addressed the Board regarding the details of the Travel Audit. She stated the audit is currently in the wrap-up phase. They anticipate the final report to be completed by August 27th, so the Board can have it for their September Board meeting. It is one report relating to both Boards. On September 18th the report will be reviewed by the City Council Finance Committee, and representatives from the Board

may wish to provide input at that time.

Ms. Erickson outlined the audit process; stating that they began with a preliminary survey, and then met with various members of staff and Board members. She stated the final report will focus on the improvement of policies and procedures, and generally do not mention names or expenses. She mentioned that PF requested an expanded scope of the audit an additional two years, but in the essence of time they only did the most recent two years; however they can do an expanded version at a later date. She apologized for any confusion and thanked everyone for their cooperation.

Member Johnson volunteered to serve on the Audit Committee. He stated he is concerned with issues raised by the audit, is looking forward to the final report, and working with the Board on revising the policies and procedures.

Vice-Chair Heredia stated the Audit Committee has been reconstituted – Skeen and Muncy are off – and Heredia, Johnson, and Brill now make up the committee. He would ask that recommendations for policy changes go to the Committee for discussion, and then to the Board for action and implementation PROMPTLY.

Mr. Richeda stated that sometimes reports overlook the overall attitude or culture of the Boards; is there a baseline to put errors that occurred into context?

Ms. Erickson stated that is a fair point, but it is difficult to provide that context because of different levels of scrutiny.

An announcement was made that due to an error on the Agenda stating the meeting time to be 8:30 p.m., we can move forward through the agenda but any actions taken will have to be ratified at the next meeting, or we can defer the agenda until the next meeting.

(Back on Agenda)

RETIREMENTS

1. **Service**

- a. **Allen L. Dye**, Police Officer, Police Department. Request for Service Retirement effective 12 July 2008; 20.19 years of service.

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

- b. **Francisco A. Estrada**, Police Officer, Police Department. Request for Service Retirement effective 9 August 2008; 25.39 years of service.

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

- c. **Kenneth R. Hernandez**, Firefighter, Fire Department. Request for Service Retirement effective 9 August 2008; 29.11 years of service.

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

- d. **William C. Murray**, Firefighter, Fire Department. Request for Service Retirement effective 9 August 2008; 29.14 years of service.

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

- e. **Joe R. Reyes**, Sergeant, Police Department. Request for Service Retirement effective 23 August 2008; 29.14 years of service.

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

- f. ***Peggy Vallecilla***, Sergeant, Police Department. Request for Service Retirement effective 23 August 2008; 25.03 years of service.

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

2. **Disabilities - None**

3. **Change in Status - None**

4. **Deferred Vested**

- a. ***Donna Tonry***, Former Police Officer. Request for Deferred Vested Benefits effective 28 July 2008; 11.42 years of service.

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

NEW BUSINESS

7. Approval of request from Martha Juelson, ex-spouse of Fire Captain Robert Juelson, for a Reduced Lifetime Monthly Payment Option to be effective 2 July 2008 under Part 17, Section 3.36.3600 of the SJ Municipal Code .

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

ADJOURNMENT

Due to the fact that no actions could be made at this meeting, **Vice-Chair Heredia** adjourned the meeting at 9:15 am and moved all items to be deferred to the next meeting.

KEN HEREDIA, VICE-CHAIR
BOARD OF ADMINISTRATION

ATTEST:

RUSSELL U. CROSBY, SECRETARY
BOARD OF ADMINISTRATION