



# BOARD OF ADMINISTRATION

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

## Meeting Agenda - Final

### Federated City Employees' Retirement System

#### BOARD MEMBERS

*Matt Loesch, Chair*  
*Lara Druyan, Vice-Chair*  
*Arn Andrews, Trustee*  
*Michael Armstrong, Trustee*  
*Martin Dirks, Trustee*  
*Stuart Odell, Trustee*  
*Ed Overton, Trustee*

#### NON-VOTING BOARD MEMBER

*Pete Constant*

#### COUNSEL

*Jeffrey Rieger, General and Fiduciary Counsel*

#### DIRECTOR RETIREMENT SERVICES

*Roberto L. Peña*

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Thursday, August 15, 2013

8:30 AM

City Hall, Wing Rooms 118-120

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### **OPEN SESSION - 8:30 A.M. - time certain or soon thereafter**

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored 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 **Application for a Non-Service Connected Disability**

- a. **David A. Crothers**, Maintenance Worker II, Department of Transportation.  
Request for a Non-Service-Connected Disability Retirement, effective May 1, 2013; 26.62\* years of service. (Recommended Approval)
- b. **Linda K. Doering**, Public Safety Dispatcher, San Jose Police Communications.  
Request for a Non-Service-Connected Disability Retirement, effective August 23, 2012; 20.12\* years of service. (Recommended Approval)

- 1.2 **Change In Status to Non-Service Connected Disability**

- a. **Mike M. Imanaka**, Senior Events Coordinator, Department of Transportation.  
Request for a Change in Status from a Service Retirement to a

Non-Service-Connected Disability Retirement, effective November 10, 2012;  
13.00\* years of service. (*Recommended Approval*)

### **1.3 Approval of Service Retirements**

- a. **Henry Houda**, HVAC Mechanic, Environmental Services Department, effective September 28, 2013; 15.24\* years of service.
- b. **Mike McCue**, Mechanic, Public Works Department, effective September 14, 2013; 27.39\* years of service.
- c. **Thomas D. Norris**, Senior Executive Assistant, City Manager's Office, effective November 8, 2013; 6.00\* years of service.
- d. **Gregg H. Owens**, Zoo Manager, Parks, Recreation and Neighborhood Services Department, effective September 14, 2013; 15.05\* years of service.
- e. **Michael X. Randolph**, Hazardous Material Inspector, Fire Department, effective June 8, 2013; 25.50\* years of service.

### **1.4 Approval of Deferred Vested**

- a. **Todd M. Barreras**, Senior Maintenance Worker, Parks, Recreation and Neighborhood Services Department, effective September 21, 2013; 18.31\* years of service. (With reciprocity)
- b. **Dana Gleason**, Shelter Veterinarian, Animal Care and Services Department, effective July 27, 2013; 05.75\* years of service.
- c. **Jane Hemeon**, Supervisor, Parks, Recreation and Neighborhood Services Department, effective September 4, 2013; 05.43\* years of service.
- d. **Monica Kitchiner**, Community Coordinator, City Manager's Office, effective July 19, 2013; 05.74\* years of service.
- e. **Shirleen Lilly**, Staff Technician, Environmental Services Department, effective July 18, 2013; 12.13\* years of service.
- f. **Robert H. Nelson**, Electrician, Environmental Services Department, effective July 22, 2013; 14.84\* years of service.
- g. **John Oberg**, Civil Engineer, Environmental Services Department, effective September 20, 2013; 20.17\* years of service.
- h. **Rozanne Raby**, Building Maintenance Supervisor, Airport Department, effective November 9, 2013; 6.08\* years of service.
- i. **Mary Ellen Sanchez**, Senior Office Specialist, Information Technology Department, effective June 4, 2013; 13.46\* years of service.

### **1.5 Approval of Board Minutes**

- a. Approval of Board Minutes from June 20, 2013.

**Attachments:** [6-20-13 MINUTES - FED](#)

### **1.6 Approval of Return of Contributions**

- a. Voluntary/Involuntary

**Attachments:** [ROC](#)

### **1.7 Acceptance of Communication/Information Reports**

- a. Memo from Debra Figone, City Manager, regarding receipt of the Cortex Governance Report, dated July 11, 2013.

**Attachments:** [Memo from Debra Figone regarding Cortex Report](#)

- b. Institutional Investor Article, dated July 5, 2013, "Skewed Marketer/CIO Ratios Set Tone at First Ever OCIO Summit".

**Attachments:** [Institutional Investor Article](#)

- c. Pension and Investments, Article: 'Public pension fund governance: alignment of responsibility with authority', dated August 1, 2012.

**Attachments:** [Article from Pensions & Investments](#)

- d. Contribution Rate Letter, Tier 1- Federated.

**Attachments:** [FED Contribution Rate ltr Tier 1 eff 6.23.2013](#)

- e. Contribution Rate Letter, Tier 2- Federated

**Attachments:** [FED Contribution Rate ltr Tier 2 eff 6.23.2013](#)

- f. May 2013 Performance Flash Report for the Pension Trust.

**Attachments:** [May Performance Flash Report](#)

### **1.8 Approval of Travel / Conference Attendance**

- a. Roberto L. Peña - CalAPRS, 2013 Administrators' Institute, Quail Lodge Resort, Carmel, CA - September 25-27, 2013.

- b. Pete Constant - 2013 Retirement Research Consortium Annual Meeting, "Retirement Security in Changing Times", National Press Club, Washington, DC - August 1-2, 2013.

- IFEBP, 59th Annual Employee Benefits Conference, Las Vegas, NV - October 20-23, 2013.

- c. Daryn Miller - Due Diligence: Investment Managers (Arrowgrass

and Kepos), New York City, NY - July 18, 2013.

### **1.9 Approval of Change in Retirement Date**

- a. Approval of change in retirement date for **Thomas E. Conte**; from June 22, 2013 to October 12, 2013.  
**Attachments:** [Change of Retirement Date-Conte](#)
- b. Approval of change in retirement date for **Mark S. Corniuk**; from August 3, 2013 to August 31, 2013.  
**Attachments:** [Change of Retirement date-Corniuk](#)

### **1.10 Alternate Beneficiary Designation**

- a. Approval of Lifetime Retirement Monthly Payment Option to be paid to **Steven R. Wilson**, ex-spouse of Accounting Technician, Yolanda S. Wilson, to be effective May 27, 2013 under Part 23, Section 28.2700 of the San Jose Municipal Code.  
**Attachments:** [Alternate Beneficiary](#)

### **1.11 Report out of Closed Session**

- a. Report out of Closed Session regarding investments approved at the March 21, April 18, and May 16, 2103 Board meeting.  
**Attachments:** [Report out of Closed Session](#)

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

- a. Notification of the death of **Rene I. Cordero**, Division Manager, active employee, died June 10, 2013. Survivorship benefits to Sylvia Rabago, spouse.
- b. Notification of the death of **Francisco S. Crescini**, Senior Painter, retired July 5, 1992, died May 14, 2013. Survivorship benefits to Macaria Crescini, spouse.
- c. Notification of the death of **Cleve Jarnagin**, Parking Compliance Officer, retired February 16, 2013, died June 21, 2013. No survivorship benefits.
- d. Notification of the death of **Melvin A. McDonald**, Communications Tech II, retired August 1, 1976, died June 23, 2013. No survivorship benefits.
- e. Notification of the death of **Ronald B. McLain**, Senior Plant Operator, retired January 5, 2002, died June 16, 2013. Survivorship benefits to Violet McLain, spouse.
- f. Notification of the death of **Richard G. Roberts**, Staff Analyst II, retired April 02, 1989, died May 31, 2013. Survivorship benefits to Juanita Roberts, spouse.
- g. Notification of the death of **Charlotte A. Smith**, Senior Police Data Specialist, retired July 7, 2001, died July 13, 2013. No survivorship benefits.

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

- a. Discussion and action on staff analysis and recommendation regarding the Cortex Phase II Report.

**Attachments:** [Cortex Phase II Recommendations by Staff](#)

**4. NEW BUSINESS**

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

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

- b. Discussion and action on Board Agenda order.

- c. Discussion and action on the report of the Plan Expenses for May 2013.

**Attachments:** [May Monthly Expenses](#)

- d. Discussion and action on proposed City Council Ordinance to eliminate retiree healthcare benefits for new Tier 2 members. Receive and file.

**Attachments:** [Email from Counsel](#)

[Memo from Alex Gurza RE Ordinance Implementing Changes to Federated Tier](#)  
[Memo from Rick Doyle RE Approval of an Ordinance to Change Retirement Hea](#)  
[Ordinance \(pulled Item 3.5-CC Agenda of 8-13-13\)](#)  
[4d - supplemental](#)

**5. COMMITTEES/REPORTS/RECOMMENDATIONS**

**5.1 Investment Committee (Druyan, Odell, Andrews)**

**Last Meeting: June 12, 2013**

**Next Meeting: August 28, 2013**

- a. Update from the Chair of the Investment Committee. Receive and file.

**5.2 Governance Committee (Loesch, Armstrong, Overton)**

**Last Meeting: May 2, 2013**

**Next Meeting: September 19, 2013**

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

**5.3 Audit Committee (Armstrong, Andrews, Overton)**

**Last Meeting: August 1, 2013**

**Next Meeting: November 21, 2013**

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

- b. Minutes of the June 20, 2013 Federated Audit Committee meeting. Receive and file.

Attachments: [Audit Committee Minutes-June 20](#)

**5.4 Ad-Hoc Personnel Committee (Loesch, Druyan, Dirks)**

- a. Update from the Chair of the Ad Hoc Personnel Committee. Receive and file.

**5.5 Ad-Hoc Policy and Procedures (Overton, Loesch)**

- a. Update from the Chair of the Ad Hoc Policy and Procedures Committee. Receive and file.

**5.6 Ad Hoc Cortex Response Committee (Loesch,Overton,Dirks)**

- a. Update from the Chair of the Ad Hoc Cortex Response Committee. Receive and file.

**6. EDUCATION & 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. Research Papers and Articles**

Attachments: [The Cortex Report- Research Papers and Articles](#)

- d. IFEBP- 59th Annual Employee Benefits Conference, Las Vegas, NV- October 20-23, 2013.

- e. CalAPRS, Trustees Roundtable, Doubletree Hotel, San Jose, CA- September 13, 2013.

**• FUTURE AGENDA ITEMS**

**• PUBLIC/RETIREE COMMENTS**

**CLOSED SESSION**

- l. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 45956.9(a) (4 CASES) (MEASURE B LITIGATION)

Mukhar, et al v. City of San Jose, et al.

Santa Clara County Superior Court Case No. 1-12-CV-226574

Harris, et al v. City of San Jose, et al.

Santa Clara County Superior Court Case No. 1-12-CV-226570

AFSCME v. City of San Jose, et al.

Santa Clara County Superior Court Case No. 1-12-CV-227864

San Jose Retired Employees Association v. City of San Jose.

Santa Clara County Superior Court Case No. 1-12-CV-233660

• **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  
Morales at (408) 794-1004.*

*For questions, please contact Sonia*

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