



CITY OF SAN JOSÉ, CALIFORNIA
DEPARTMENT OF RETIREMENT SERVICES



BOARD OF ADMINISTRATION

CITY HALL

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

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

ACTING DIRECTOR RETIREMENT SERVICES

Donna Busse

COUNSEL

Harvey Leiderman, General and Fiduciary Counsel

THURSDAY

JANUARY 17, 2013

8:30 A.M.

AGENDA

**CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.,
FOLLOWED BY OPEN SESSION REGULAR BOARD AGENDA AT 9:30 A.M.**

CLOSED SESSIONS

Closed Session Agenda

A. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

1. **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL – LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a),

Mulholand, et al v. City of San Jose, et al, Santa Clara County Superior Court No. 1-12-CV-219748.

2. **CLOSED SESSION:** 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

B. NEW BUSINESS

1. Investments

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

OPEN SESSION – 9:30 A.M.
Regular Agenda

• **ORDERS OF THE DAY**

1. CONSENT CALENDAR (Items 1.1 through 1.9)

1.1 Approval of Service Retirements

- a. Reynaldo M. Daquina, Facility Attendant, Public Works Department, effective February 16, 2013; 23.18* years of service.**
b. Barbara Goldstein, Section Manager, Office of Economic Development, effective January 19, 2013; 8.30* years of service.

1.2 Approval of Deferred Vested

- a. Raymond Hashimoto, Senior Planner, Planning, Building & Code Enforcement Department, effective January 15, 2013; 9.77* years of service.**
b. Gloria Meeks, Senior Office Specialist, Public Works Department, effective February 5, 2013; 6.64* years of service.
c. Donna L. Yamamura, Real Property Agent II, Public Works Department, effective December 29, 2012; 3.03* years of service. (*With reciprocity*)

1.3 Approval of Change of Retirement Date

- a. Approval of change of retirement date of David Smith; from December 22, 2012 to February 16, 2013, approved at the December 20, 2012 Board meeting.**

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.

1.4 Approval of Board Minutes

- a. [Approval of Board Minutes of December 20, 2012.](#)

1.5 Approval of Return of Contributions

- a. Voluntary
b. Involuntary

1.6 Acceptance of Communication/Information Reports

- a. News from Cheiron: [Cheiron, EFI Actuaries combine to form larger innovative consulting firm.](#)
b. [Staff report on Supplemental Retiree Benefit Reserve \(SRBR\) Accounting.](#)
c. [Educational Travel Reports: Meketa & IFEBP Investment Conferences/TMP Summit, San Diego, CA – November 10-14, 2012 – by Council Member Pete Constant.](#)

1.7 Approval of Travel / Conference Attendance

- a. Matt Loesch - CalAPRS, Trustees Roundtable, Doubletree Hotel, 2050 Gateway Place, San Jose, CA – February 8, 2013.
- The Pension Bridge Annual, The Four Seasons Hotel, San Francisco, CA – April 16-17, 2013.
b. Marty Dirks - CalAPRS, Trustees Roundtable, Doubletree Hotel, 2050 Gateway Place, San Jose, CA – February 8, 2013.
c. Michael Armstrong-CalAPRS, Trustees Roundtable, Doubletree Hotel, 2050 Gateway Place, San Jose, CA – February 8, 2013.

1.8 Report out of Closed Session regarding investment approved at the October 18, 2012 Board meeting.

- 1.9** Approval of Lifetime Retirement Monthly Payment Option to be paid to Estelle Guizar, ex-spouse of Plan Operator, Raymond Pereira, to be effective January 11, 2013 under Part 23, Section 28.2700 of the San Jose Municipal Code.

2. DEATH NOTIFICATIONS (Moment of Silence)

- 2.1 Steven M. Bilycia**, Communications Installer, active employee, died 11-11-12. Survivorship benefits to Josephine Bilycia, spouse.
2.2 Robert J. Bolender, Plant Supervisor, retired 09-01-02, died 11-01-12. Survivorship benefits to Elaine Bolender, spouse.
2.3 Elizabeth Brown, Secretary, retired 04-27-02, died 11-27-12. Survivorship benefits to William A. Brown, spouse.
2.4 Asuncion M. Garcia, Staff Technician, active employee, died 11-23-12. Survivorship benefits to Anthony Garcia, spouse.
2.5 Ruth Grayson, Secretary, retired 10-29-89, died 11-21-12. No survivorship benefits.
2.6 Joe S. Lara, Maintenance Worker I, retired 09-14-77, died 11-16-12. No survivorship benefits.

2.7 **Arline M. McGreen**, Legal Secretary II, retired 12-01-83, died 11-21-12. No survivorship benefits.

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

3.1 [Update on Retirement Services organization and staffing.](#)

3.2 Update on the Pension Administration System.

3.3 Update on the Electronic Board Packets.

4. **NEW BUSINESS**

4.1 Investments

- a. [Discussion and approval regarding Meketa and Staff recommendation on Transaction Cost Analysis vendors and authorization for the Secretary to negotiate and execute agreements with Elkins McSherry and Klarify FX.](#)
- b. [Presentation of the Pension Trust Flash Performance Report as of December 2012.](#)
- c. [Discussion and approval for the Secretary to negotiate and execute the first amendment with Artisan Partners to reflect negotiated fees.](#)

4.2 Discussion and action on Cheiron's final OPEB Valuation.

- a. [Cheiron's OPEB Valuation Presentation.](#)
- b. [Cheiron's Final OPEB Valuation Report.](#)

4.3 [Discussion and Action on Cheiron's Pension and OPEB 5-year Projections.](#)

4.4 [Discussion and action on System Expenses for November 2012.](#)

4.5 [Discussion and action regarding request from the City Manager's Office to allow their actuary to speak with the Board's actuary regarding the Voluntary Election Plan.](#)

5. **COMMITTEES/REPORTS/RECOMMENDATIONS**

5.1. **Investment Committee (Druyan/Odell/Andrews)**

Last Meeting: January 16, 2013 - Next Meeting: February 13, 2013

a. Update from Chair of the Investment Committee.

5.2. **Audit Committee (Armstrong/Andrews/Overton)**

Last Meeting: November 26, 2012 - Next Meeting: TBD

a. Update from Chair of Audit Committee.

5.3. **Governance Committee (Loesch/Armstrong/Odell)**

Last Meeting: December 21, 2012 - Next Meeting: TBD

a. Update from Chair of Governance Committee.

5.4. **Ad Hoc Personnel Committee (Loesch/Druyan/Dirks)**

- a. Update from Chair of Ad Hoc Personnel Committee.

6. **EDUCATION & TRAINING**

6.1 **Educational Programs and Courses**

- a. CalAPRS – Trustees Round Table, Doubletree Hotel, San Jose, CA – February 8, 2013.
- b. CalAPRS 2013 General Assembly, InterContinental San Francisco, San Francisco, CA – March 2-5, 2013.
- c. CalAPRS – Principles of Pension Management for Trustees, Stanford University Law School, Sheraton Palo Alto, Palo Alto, CA – March 26-29, 2013. (2 Trustee attendance limit per CalAPRS)

6.2 **Conferences and Seminars**

6.3 **Research Papers and Articles**

- **FUTURE AGENDA ITEMS**
- **PUBLIC/RETIREE 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.