

FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM

Minutes of the Board Meeting

THURSDAY

SAN JOSÉ, CALIFORNIA

May 10, 2007

CALL TO ORDER

The Board of Administration of the Federated City Employees' Retirement System met at 8:35 a.m., on Thursday, May 10, 2007, 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

ALSO PRESENT:

Thomas J. Webster -Secretary

Susan Devencenzi -City Attorney

Tamasha Johnson -Staff

Debbi Warkentin -Staff

Susan Perreira -Staff

David Rodriguez -PWRE

Donna Busse -Staff

Judy Powell - "

Udaya Rajbhandari - "

Sally Griffin -Airport

Russ Richeda -Outside Attorney

Karin Carmichael -Staff

Bob Leininger -SJREA

Bill Pope -OE3

Mike Pribula -Staff

Roger Pickler - "

Amanda Ramos - "

Ron Kumar - "

REGULAR SESSION

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

RETIREMENTS

CONSENT CALENDAR (Items 1 thru 9)

Chair Busse pulled Item 4 for discussion.

(M.S.C. Perkins/Thomas) to approve Consent Calendar. Motion carried 5-0-2.

MINUTES

Approval of Minutes of April 12, 2007

Member Callahan said that he would like the minutes to reflect that they are just a synopsis and a tape is available to listen to the full detail of the meeting. Also, that regarding the Sunshine Task Force, he would like it to reflect that the Board had strong reservations about the Task Force's recommendations.

(M.S.C. Thomas/Perkins) to approve. Motion carried 5-0-2.

DEATH NOTIFICATIONS (Moment of Silence)

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

Linda M. Riley, Active Central Services Supervisor, Finance Department, died 3/25/07. Survivorship benefits to Diane S. Granger, sister.

Peter J. Sandoval, retired Maintenance Worker I; retired 9/14/77, died 3/13/07. Survivorship benefits to Mary Sandoval, spouse.

OLD BUSINESS – None

NEW BUSINESS

Request for Board direction to staff to proceed with the development and issuance of an RFI for a consultant to conduct an operational audit of the Department of Retirement Services.

The Secretary stated that this was brought about by the P&F Board, if Federated would like to participate in doing an operational audit of the Plan. He stated that this audit can be helpful, however it cost several thousands to do and the Board should use judicious thought.

Member Perkins asked how similar is this audit compared to the one done by the financial auditors.

The Secretary replied that the one done by the financial auditors is only for our financial statements and to make sure that what we are reporting out to the public is an true reflection of the Plan; whereas, this audit would cover our financial aspect, but it would also include the Plan's policies, practices, and many more details depending on what we request.

(M.S.C. Callahan/Thomas) to approve. Motion carried 5-0-2.

Notification of request from City for actuarial information for Federated Retirees.

This item is note and file.

STANDING COMMITTEES / REPORTS / RECOMMENDATIONS

Investment (Committee of the Whole) – next meeting 5/24/07

Real Estate Committee – next meeting 6/13/07

Committee for Investments – next meeting 5/24/07

Policy Committee – next meeting 5/15/07 at 2 pm

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

a. Oral update. **(Thomas)**

b. Benefits Review Forum Report – April 2007.

Member Thomas said this report provided by staff is very informative.

Director's oral update on Plan.

EDUCATION AND TRAINING

Notification of CalAPRS Trustees' Round Table to be held on Friday, June 1, 2007, in Ontario.

PUBLIC/RETIREE COMMENTS

FUTURE AGENDA ITEMS

NEW BUSINESS

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