



BOARD OF ADMINISTRATION
Department of Retirement Services
City Hall, Wing Rooms 118/119
200 East Santa Clara St., San Jose, CA 95113

BOARD MEMBERS

Sean Kaldor, Chair
Richard Santos, Vice Chair
David Bacigalupi, Trustee
Sean Bill, Trustee
Damon Krytzer, Trustee
Drew Lanza, Trustee
Elizabeth Rounds, Trustee
Vincent Sunzeri, Trustee
Vacant, Trustee

NON-VOTING BOARD MEMBER

Pete Constant

DIRECTOR RETIREMENT SERVICES

Russell U. Crosby

COUNSEL

Mollie Dent, Senior Deputy City Attorney
Russ Richeda, Conflicts Counsel

THURSDAY

MARCH 1, 2012

8:30 a.m.

AMENDED AGENDA

• **ORDERS OF THE DAY**

1. **INVESTMENTS**

1.1 Update on Investments from the CIO.

2. **NEW BUSINESS**

2.1 Update on vacant Trustee position.

2.2 Discussion and action on the accusations made about Retirement Staff, San Jose City Officials, and our consultant's actions around pension plan projections in a recent media investigative report.

- a. [NBC Bay Area News reports.](#)
- b. [Memo from City Manager, Debra Figone, regarding Retirement Projections Fact Sheet, dated February 9, 2012.](#)
- c. [Complaint Form filed by Christopher E. Platten to the San Jose Elections Commission, dated February 9, 2012.](#)
- d. [Memorandum dated February 14, 2012, from HansonBridgett to San Jose Elections Commission regarding alleged Ethics Violation.](#)
- e. [Letter dated February 14, 2012, from Gene Kalwarski of Cheiron regarding NBC Bay Area Report.](#)
- f. [Transmittal of Elections Commission Complaint and Report of the Independent Evaluator.](#)
- g. [Letter dated February 15, 2012, from Mayor Chuck Reed to San Jose Elections Commission regarding Mayor's statements regarding future cost estimates.](#)

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.

- 2.3 [Authorize actuary to perform cost study on agreed upon benefits regarding Purchase of Leave of Absence service for Fire members.](#)

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

- 3.1 [Discussion and action on Cheiron's June 30, 2011 Pension Actuarial Valuation Report for the Police and Fire Department Retirement Plan.](#)

- 3.2 [Discussion and action regarding Cheiron's June 30, 2011 Other Post Employment Benefits Plan \(OPEB\) Actuarial Valuation.](#)

- 3.3 [Approval of Rules and Regulations for Voluntary Deductions from Pension Benefit Payments.](#)

- 3.4 [Discussion and action on selection of legal counsel and authorization for the City Attorney and Board Secretary to negotiate and execute contracts for terms of three years with the following firms:](#)

- Reed Smith LLP – for general counsel and investment services in an amount not to exceed \$500,000.
- Ice Miller – for tax services in an amount not to exceed \$75,000.
- Saltzman & Johnson Law Corporation – for domestic relations order services in an amount not to exceed \$75,000.

- 3.5 [Update on Payroll Audit, FLSA and overtime payment issues.](#)

- 3.6 Update on Board Retreat.

4. **RETIREMENTS - 10:30 a.m. or soon thereafter**

4.1 **Service Retirement**

- a. **Richard E. Brooks**, Police Sergeant, Police Department, effective April 2, 2012; 26.98* years of service.
- b. **Henry L. Brunson**, Fire Inspector, Fire Department, effective April 28, 2012; 22.16* years of service. (*With reciprocity*)
- c. **David J. Storton**, Police Lieutenant, Police Department, effective April 14, 2012; 27.36* years of service.

4.2 **Change of Status**

- a. **Louis P. Zapata**, Police Officer, Police Department. Request for a change of status from a Service Retirement to a Service-Connected Disability Retirement, effective December 15, 2007; 26.26 years of service.
- b. **Todd Spellman**, Fire Captain, Fire Department. Request for a change of status from a Service Retirement to a Service-Connected Disability Retirement, effective December 25, 2010; 27.54 years of service.

4.3 Approval to Change of Retirement Date

- a. Approval of change of retirement date of **Eric Grimes**, Police Officer, Police Department; from January 1, 2012 to January 5, 2012 and 22.36* years of service.

4.4 Approval to Rescind Retirement Application

- a. Approve to rescind application of **Robert R. Lopez**, approved at the January 5, 2012 meeting for the effective date of January 21, 2012.

5. DEATH NOTIFICATIONS

- 5.1** Notification of the death of **Glen Castlio**, Police Sergeant, retired June 15, 1983, died January 31, 2012. No survivorship benefits.
5.2 Notification of the death of **Elizabeth J. Cunningham**, Police Officer, retired March 15, 1980, died January 28, 2012. No survivorship benefits.

6. COMMITTEE MINUTES, REPORTS AND RECOMMENDATIONS

6.1 Investment Committee – Next Meeting: March 28, 2012

- a. Report from the Chair of the Investment Committee.

6.2 Ad Hoc Committee for Disability Determination Process – Next Meeting: TBD

- a. Appointment of new Committee Chair.

6.3 Ad Hoc Governance Committee – No next meeting

- a. [Minutes of January 5, 2012 meeting.](#)
b. [Minutes of February 16, 2012 meeting.](#)
c. Report from the Chair of the Ad Hoc Governance Committee.

7. CONSENT CALENDAR (Items 7.1 through 7.6)

7.1 Approval of Minutes

- a. [Monthly Board meeting held on February 2, 2012.](#)

7.2 Approval of Travel/Conference Attendance

- a. Bettina Rounds - IFEBP, Wharton School, Hedge Funds, Real Estate and Other Alternative Investments, San Francisco, CA – July 16-18, 2012. **(CANCEL)**
b. Sean Bill - IFEBP, Wharton School, Hedge Funds, Real Estate and Other Alternative Investments, San Francisco, CA – July 16-18, 2012.
- Rock Center for Corporate Governance, Fiduciary College, Stanford University, Palo Alto, CA – July 23-25, 2012.
- CalAPRS, Trustees' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.

- c. Damon Krytzer
 - CalAPRS, Trustees' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.
 - Skybridge Alternatives Conference – SALT 2012, Las Vegas, CA – May 8-11, 2012.
 - Institutional Fund Summit, Dana Point, CA – April 15-16, 2012.
- d. Conrad Taylor
 - IFEBP, Wharton School, Hedge Funds, Real Estate and Other Alternative Investments, San Francisco, CA – July 16-18, 2012. **(CANCEL)**
 - Rock Center for Corporate Governance, Fiduciary College, Stanford University, Palo Alto, CA – July 23-25, 2012. **(CANCEL)**
- e. Tram Doan
 - CalAPRS, Investment Officers' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.
- f. Daryn Miller
 - CalAPRS, Investment Officers' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.
- g. Heidi Poon
 - The Women's Private Equity Summit, Ritz-Carlton, Half Moon Bay, CA – March 15-16, 2012.
 - CalAPRS, Investment Officers' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.
- h. Max Koch-Heintzeler
 - CalAPRS, Investment Officers' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.
- i. Sonia Morales
 - CalAPRS, Administrative Assistant Round Table, DoubleTree Hotel, San Jose, CA – April 13, 2012.
- j. Rajiv Das
 - American Academy of Orthopedic Surgeons Annual Meeting, Moscone Convention Center, San Francisco, CA – February 7-11, 2012.
- k. Ron Kumar
 - CalAPRS, Investment Officers' Round Table, DoubleTree Hotel, San Jose, CA – February 3, 2012.

7.3 Approval of Monthly Expenses

- a. [Plan Expenses for January 2012.](#)

7.4 Return of Contributions

- a. Voluntary
- b. Involuntary

7.5 Communication/Information

- a. [Benefit Review Forum Report – January 2012.](#)
- b. [Alternatives Investment Summit, Educational Travel Report – by Damon Krytzer.](#)
- c. [SALT Conference of May 11-13, 2011, Educational Evaluation Travel Report – by Damon Krytzer.](#)
- d. [Trustees Master's Program & 57th Annual Benefits Conferences on October 29, 2011 – November 2, 2011, Educational Evaluation Travel Report – by Pete Constant.](#)
- e. [Skybridge Alternatives Conference on May 11-13, 2011, Educational Evaluation Travel Report – by Sean Bill.](#)
- f. [CalAPRS Trustees' Round Table on February 3, 2012, Educational Evaluation Travel Report – by Sean Kaldor, Damon Krytzer, Sean Bill and Richard Santos.](#)

7.6 [Pending Projects](#)

8. **EDUCATION & TRAINING**

8.1 [Educational Programs and Courses](#)

8.2 [Conferences and Seminars](#)

8.3 [Research Papers and Articles](#)

8.4 **CalAPRS' Training**

- a. Trustees' Round Table, DoubleTree Hotel, 2050 Gateway Place, San Jose – Friday, June 8, 2012.

- **PROPOSED AGENDA ITEMS**
- **PUBLIC 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.

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