

POLICE AND FIRE DEPARTMENT RETIREMENT PLAN

Minutes of the Board Meeting

Thursday

SAN JOSÉ, CALIFORNIA

March 7, 2013

CALL TO ORDER

The Board of Administration of the Police and Fire Department Retirement Plan met on Thursday, March 7, 2013 in regular session at City Hall Wing Rooms 118/120, 200 East Santa Clara Street, San José, California 95113. Chair Kaldor called the meeting to order at 8:33 a.m.

PRESENT:

BOARD MEMBERS

Sean Kaldor, Chair	-Present
Richard Santos, Trustee	-Present
Sean Bill, Trustee	-Present
Damon Krytzer, Trustee	-Absent
Drew Lanza, Trustee	-Present
James Mason, Trustee,	-Present (<i>departed at 9:52 a.m.</i>)
Nick Muyo, Trustee	-Present
Elizabeth Rounds, Trustee	-Present
Vincent Sunzeri, Trustee	-Absent

NON-VOTING BOARD MEMBER

Pete Constant	-Absent
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DIRECTOR RETIREMENT SERVICES

Roberto L. Peña	-Present
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COUNSEL

Harvey Leiderman	-Present
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RETIREMENT SERVICES STAFF PRESENT: Veronica Niebla, Donna Busse, Sonia Morales, Linda Alexander, Tram Doan, Ron Kumar, Heidi Poon, Leslie Lamb, Daryn Miller

ALSO PRESENT: Dan LeBeau and Alan Martin, NEPC; Alex Gurza, OER; Cheryl Parkman, OER.

• ORDERS OF THE DAY

Chair Kaldor made the following changes to the Orders of the Day:

Item 2.6

Item 2.7 (c) & (d) resolutions

Item 6.2(c)- Received late

Item 7.1 (a) Revision added, February 7, 2013 Minutes

A motion was made to approve the Orders of the Day and to Waive Sunshine on Items 2.6, 2.7(c&d), 3.1, 6.2(c), and 7.1(a).

Approved. (M.S.C. – Santos/Rounds, 7-0-0, with two absent-Krytzer/Sunzeri).

Board entered into Closed Session from 8:37 a.m. to 9:33 a.m. with a short break and reconvened at 9:42 a.m. into Open Session. Chair Kaldor welcomed everyone and gave respect to the fallen Santa Cruz Police Officers.

PF 04-04-13

Access the video or audio, the agenda and related reports for this meeting by visiting the Retirement Services website at <http://sjretirement.com/> or http://sanjose.granicus.com/ViewPublisher.php?view_id=44. If you have any questions, please contact the Retirement Services Department at (408) 794-1000.

CLOSED SESSION

I. INVESTMENTS

CLOSED SESSION: Conference with Investment Consultant pursuant to Government Code section 54956.81 to consider purchase of particular pension fund investments (3 investments).

II. OLD/BUSINESS/CONTINUED-DEFERRED ITEMS

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

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

2. **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL – LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) (2 CASES)(MEASURE B LITIGATION)

San Jose Police Officers' Association v. City of San Jose, et al, Santa Clara County Superior Court, No. 1-12-CV-225926, cross complaint of City of San Jose.

Sapien vs. City of San Jose, et al, Santa Clara County Superior Court,
Case No. 1-12-CV-225928.

There was not reportable action out of Closed Session. The Board entered into Open Session at 9:42 a.m. of the Health Care Trust Agenda followed by the Police and Fire Department Retirement Plan Agenda.

OPEN SESSION

1. INVESTMENTS

- 1.1 **Presentation of the fourth quarter 2012 Performance Report for the Pension Trust.**

Discussion was led by Alan Martin and Dan LeBeau of NEPC. **Note and File.**

- 1.2 **Discussion and action regarding 2013 Capital Market Assumptions.**

Discussion was led by Alan Martin and Dan LeBeau of NEPC. **Note and File.**

2. NEW BUSINESS

- 2.1 **Discussion and action regarding adoption of Resolution 3798 revising the Investment Policy Statement.**

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Ms. Doan presented Resolution 3798 regarding the Investment Policy Statement. The Trustees made minor changes to the proposed Resolution: #25 was changed from “external investment advisor and/or jointly with investment staff” to “external investment advisor or investment staff”; #32 was changed from “hedge fund manager” to “investment manager.”

A motion was made to adopt the Resolution 3798, as revised.

Approved. (M.S.C. - Lanza/Bill, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).
Item 4 – Retirements (time-certain) was heard after Item 2.1.

2.2 Discussion and action on the report of Plan Expenses for January 2013.

Ms. Niebla led the discussion and answered questions from the Board.

A motion was made to approve the Plan Expenses for January 2013.

Approved. (M.S.C. - Kaldor/Santos, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

2.3 Discussion on the Consent Decree regarding modified duty positions. (Deferred from the February 2013 Board meeting)- Deferred, due to absence of a representative from the Police Department.

2.4 Discussion and appropriate action on whether to waive attorney-client privilege with respect to the privileged memorandum from Reed Smith to the Board regarding active Board member disability retirement applications.

Counsel Leiderman led an extensive discussion and answered questions from the Board regarding the letter from Reed Smith. Public comment was also offered.

A motion was made to waive attorney-client privilege.

Approved. (M.S.C. – Bill/Santos, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

2.5 Discussion and action regarding paying travel expenses for CIO interviews.

Mr. Pena reported that he interviewed 6 candidates. The top 3 will be interviewed on March 20th.

A motion was made to approve up to \$5,000 for the travel expenses of the three finalists.

Approved. (M.S.C -Kaldor/Santos, 6-0-0, with three-absent, Krytzer/Sunzeri/Mason).

2.6 Discussion and action regarding staff report on Reed Smith expenditures for contract to date.

Ms. Neibla led the discussion regarding the expenditures. Note and File.

2.7 Contribution Rates and Amounts for 2013-2014.

Items a, b, c, & d were heard simultaneously.

a. Discussion on legal analysis from Reed Smith regarding Board's authority to account for the elimination of the SRBR when setting contribution rates for Fiscal Year 2013-2014.

Mr. Hallmark from Cheiron joined in (via teleconference). Mr. Leiderman gave a summary response that Measure B passed before the end of the valuation year ending June 30 and the Charter amendment was self-executing. The Board has discretion in setting the contribution rates and the UAL amortization that is paid for by the plan sponsor. The impact of discontinuing the SRBR could be recognized in the year ending June 30, 2013 or June 30, 2014.

Chair Kaldor asked whether staff could track any transfers on the Plan's books in case adjustments needed to be made after the legal issues were resolved in the courts. Staff confirmed that they could accomplish this tracking.

b. Discussion on Contribution Rates and Amounts for Fiscal Year 2014.

Mr. Hallmark (via teleconference) from Cheiron led the discussion on Contribution Rates and Amounts for Fiscal Year 2014 and responded to questions from the Board. The contribution rates and amounts assume that the SRBR would be discontinued. The letter dated February 26, 2013 breaks the contribution out in the detail.

c. Discussion and action regarding Resolution 3800 setting new city and employee contribution rates and amounts for Police members to be effective June 23, 2013.

A motion was made to approve Resolution 3800 setting new City and employee contribution rates and amounts for Police members to be effective June 23, 2013.

Approved. (M.S.C. - Lanza/Rounds, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

d. Discussion and action regarding Resolution 3801 setting new city employee contribution rates and amounts for Fire members to be effective June 23, 2013.

A motion was made to approve Resolution 3801 setting new City employee contribution rates and amounts for Fire members to be effective June 23, 2013.

Approved. (M.S.C. - Lanza/Rounds, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

3 OLD/BUSINESS/CONTINUED-DEFERRED ITEMS

3.1 Discussion and appropriate action regarding potential revisions to the pricing methodology for member purchases of service credit for unpaid leave of absence time under Municipal Code section 3.36.717.

Mr. Gurza, Deputy City Manager, addressed the Board and responded to questions from the Board. Mr. Hallmark (via teleconference.) from Cheiron and Mr. Leiderman (Reed Smith) joined in on the discussion.

A motion was made that upon receipt of draft ordinance, the Board may direct Cheiron to prepare an appropriate methodology for accomplishing the goals of the ordinance, for further review.

Approved. (M.S.C. - Kaldor/Lanza, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

There was a break at 11:50 a.m. The meeting reconvened at 12:02 p.m.

3.2 Oral update on payroll audit, FLSA and overtime payment issues.

Ms. Niebla led the discussion and will have more information at the next meeting. Mr. Peña will elevate this issue to the City Finance Department.

3.3 Oral update from Councilmember Constant.

Mr. Constant was absent from the meeting.

Item 4 was heard out of order after Item 2.1

4. RETIREMENTS – 10:35 a.m. time-certain

4.1 Service Retirement

- a. **Ricardo Fontanilla Jr.**, Police Officer, Police Department, effective April 27, 2013; 26.54* years of service.
- b. **Andrew LoCicero**, Patrol Sergeant, Police Department, effective April 27, 2013; 26.61* years of service. (*With reciprocity*)

A motion was made to approve Service Retirements for Items 4.1(a) & 4.1(b).

Approved. (M.S.C. - Santos/Muyo, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

4.2 Service-Connected Disability

- a. **Alan Soroka**, Police Sergeant, Police Department. Request for a Service-Connected Disability Retirement, effective March 7, 2013; 14.26* years of service. Ms. Lamb, Benefits Manager, read the medical restrictions into the record. Mr. Soroka was present, represented by Attorney Boyle. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

Item No.	Date	Medical Provider
	<u>1 RIGHT SHOULDER</u>	
	Mechanism of Injury	
1	July 24, 2008	Elizabeth Kaiser, M.D.

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Assessment/Treatment/Disability

1	August 15, 2008	Norman Waltz, PT
2	August 18, 2008	Elizabeth Kaiser, M.D.
3	September 15, 2008	Elizabeth Kaiser, M.D.
4	September 29, 2008	Mark Culton, M.D.
5	October 7, 2008	Elizabeth Kaiser, M.D.
6	November 13, 2008	Arthur Ting, M.D.
7	October 5, 2009	Arthur Ting, M.D.
8	June 30, 2010	Arthur Ting, M.D.
9	August 17, 2010	Arthur Ting, M.D.
10	October 21, 2010	Arthur Ting, M.D.
11	December 10, 2010	Arthur Ting, M.D.
12	March 23, 2011	Peter Mandell, M.D.
13	August 10, 2012	Arthur Ting, M.D.
14	August 10, 2012	Arthur Ting, M.D.

2 LOWER BACK

Mechanism of Injury

1	February 17, 2011	Jerome Chester, M.D.
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Assessment/Treatment/Disability

1	March 1, 2011	Jerome Chester, M.D.
2	April 4, 2011	Jerome Chester, M.D.
3	April 18, 2011	Michael Dick, M.D.
4	May 9, 2011	Jerome Chester, M.D.
5	June 2, 2011	Jerome Chester, M.D.
6	June 24, 2011	Jerome Chester, M.D.
7	June 24, 2011	Jerome Chester, M.D.
8	June 16, 2012	Gang Li, M.D.
9	August 10, 2012	Arthur Ting, M.D.
10	August 10, 2012	Arthur Ting, M.D.
11	August 24, 2012	Gang Li, M.D.
12	October 9, 2012	Gang Li, M.D.
13	October 23, 2012	Gang Li, M.D.
14	December 11, 2012	Gang Li, M.D.
15	December 21, 2012	Arthur Ting, M.D.
16	January 2, 2012	Arthur Ting, M.D.
17	January 9, 2013	Gang Li, M.D.

3 NECK

Assessment/Treatment/Disability

1	December 15, 2008	Mark Culton, M.D.
2	August 25, 2011	Peter Mandell, M.D.
3	June 27, 2012	Arthur Ting, M.D.
4	August 10, 2012	Arthur Ting, M.D.
5	August 10, 2012	Arthur Ting, M.D.
6	January 2, 2012	Arthur Ting, M.D.

A motion was made to approve the Service-Connected Disability for Alan Soroka.

Approved. (M.S.C. - Santos/Muyo, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

4.3 Change of Status to a Service-Connected Disability

- a. **Gilbert A. Lee**, Police Officer, Police Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective June 25, 2011; 25.27* years of service. Ms. Lamb, Benefits Manager, read the medical restrictions into the record. Mr. Lee was present, represented by Attorney Boyle. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

Item No.	Date	Medical Provider
1. RIGHT AND LEFT KNEES		
Mechanism of Injury		
1	12-Nov-99	Signature Illegible
2	21-Jan-00	Stephen Teng, M.D.
3	3-Feb-00	John Colman, M.D.
4	22-Sep-00	John Colman, M.D.
Assessment/Treatment/Disability		
1	25-Feb-00	John Colman, M.D.
2	2-May-00	John Colman, M.D.
3	10-Jul-00	John Colman, M.D.
4	25-Sep-00	John Colman, M.D.
5	30-Sep-00	Pacific Imaging Consultants
6	5-Oct-00	John Colman, M.D.
7	10-Nov-00	John Colman, M.D.
8	12-Mar-01	John Colman, M.D.
9	16-Jun-02	John Colman, M.D.
10	8-Mar-07	John Colman, M.D.
11	11-Dec-07	Jeffrey Anderson, M.D.
12	25-Mar-08	Jeffrey Anderson, M.D.
13	8-Aug-08	Jeffrey Anderson, M.D.
14	21-Sep-08	Jeffrey Anderson, M.D.
15	18-Nov-08	Jeffrey Anderson, M.D.
16	19-Dec-08	Jeffrey Anderson, M.D.
17	20-Feb-09	Jeffrey Anderson, M.D.
18	9-Mar-09	Jeffrey Anderson, M.D.
19	7-May-09	Armando Bajacan, P.T.
20	19-May-09	Jeffrey Anderson, M.D.
21	30-Jun-09	Jeffrey Anderson, M.D.
22	18-Aug-09	Jeffrey Anderson, M.D.
23	29-Oct-09	Jeffrey Anderson, M.D.
24	9-Dec-09	Jeffrey Anderson, M.D.
25	23-Feb-10	Jeffrey Anderson, M.D.
26	19-Mar-10	Jeffrey Anderson, M.D.

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27	7-Apr-10	Jeffrey Anderson, M.D.
28	4-May-10	Jeffrey Anderson, M.D.
29	14-May-10	Brad Piatt, M.D.
30	3-Jun-10	Jeffrey Anderson, M.D.
31	4-Jun-10	Alfredo Fernandez, M.D.
32	6-Jul-10	Jeffrey Anderson, M.D.
33	16-Aug-10	Jeffrey Anderson, M.D.
34	7-Sep-10	Jeffrey Anderson, M.D.
35	9-Sep-10	Jeffrey Anderson, M.D.
36	8-May-12	Jeffrey Anderson, M.D.
37	15-May-12	Jeffrey Anderson, M.D.

A motion was made to approve the Change of Status to a Service-Connected Disability for Gilbert Lee.

Approved. (M.S.C. - Santos/Muyo, 5-0-1, with Bill abstaining and three absent-Krytzer/Sunzeri/Mason)

- b. **George Palma**, Fire Engineer, Fire Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective January 23, 2010, 20.77* years of service. Ms. Lamb, Benefits Manager, read the medical restrictions into the record. Mr. Palma was present, represented by Attorney Swift. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

Item No.	Date	Medical Provider
1. RIGHT KNEE		
Mechanism of Injury		
1	October 19, 1998	John Canova, M.D.
2	May 14, 2009	Jeffrey Stevenson, M.D.
3	October 19, 2009	Jeffrey Stevenson, M.D.
Assessment/Treatment/Disability		
1	October 20, 1998	Frank Modic, M.D.
2	November 18, 1998	John Canova, M.D.
3	May 14, 2009	Jeffrey Stevenson, M.D.
4	May 15, 2009	Ingo Rencken, M.D.
5	May 29, 2009	Jeffrey Stevenson, M.D.
6	June 5, 2009	Jeffrey Stevenson, M.D.
7	June 11, 2009	Douglas Munro, M.D.
8	July 31, 2009	Kevin Howe, M.D.
9	September 1, 2009	Kevin Howe, M.D.
10	September 3, 2009	Jeffrey Stevenson, M.D.
11	October 8, 2009	Jeffrey Stevenson, M.D.
12	October 19, 2009	Jeffrey Stevenson, M.D.
13	December 9, 2009	Kevin Howe, M.D.
14	December 28, 2009	Jeffrey Stevenson, M.D.
15	February 11, 2010	Jeffrey Stevenson, M.D.
16	February 11, 2010	Jeffrey Stevenson, M.D.
17	March 22, 2010	Jeffrey Stevenson, M.D.

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18	October 29, 2010	Jeffrey Stevenson, M.D.
19	October 29, 2010	Jeffrey Stevenson, M.D.
20	April 13, 2011	Jeffrey Stevenson, M.D.
	<u>2. LEFT KNEE</u>	
	Mechanism of Injury	
1	January 2, 2007	John Canova, M.D.
	Assessment/Treatment/Disability	
1	October 14, 2005	John Canova, M.D.
2	December 29, 2005	John Canova, M.D.
3	January 9, 2007	Douglas Munro, M.D.
4	January 9, 2007	Douglas Munro, M.D.
5	January 12, 2007	John Canova, M.D.
6	February 7, 2007	John Canova, M.D.
7	April 5, 2007	John Canova, M.D.
8	November 20, 2009	Douglas Munro, M.D.
9	June 9, 2010	Kevin Howe, M.D.
10	October 19, 2010	Kevin Howe, M.D.
11	October 29, 2010	Jeffrey Stevenson, M.D.
12	October 29, 2010	Jeffrey Stevenson, M.D.
13	March 16, 2011	Jeffrey Stevenson, M.D.
	<u>3. LOWER BACK</u>	
	Mechanism of Injury	
1	May 8, 2009	Jeffrey Stevenson, M.D.
	Assessment/Treatment/Disability	
1	May 8, 2009	Jeffrey Stevenson, M.D.
2	August 27, 2009	Richard Derby, M.D.
3	June 11, 2009	Douglas Munro, M.D.
4	May 7, 2010	Ruben Kalra, M.D.
5	August 11, 2010	Marvin Zwerin, D.O.
6	August 13, 2010	Ruben Kalra, M.D.
7	April 15, 2011	Ruben Kalra, M.D.
	Injury Reports provided by Attorney	
	2/19/13	
1	Injury report dated 11/4/2009	
2	Injury report dated 10/10/2009	
3	Injury report dated 5/1/2009	
4	Injury report dated 12/31/2006	

A motion was made to approve the Change of Status to a Service-Connected Disability for George Palma.

Approved. (M.S.C. - Santos/Rounds, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

- c. **Roger B. Smith**, Firefighter, Fire Department. Request for Change of Status to a Service-Connected Disability Retirement, effective January 25, 2009, 29.55* years of service. Ms. Lamb, Benefits Manager, read the medical restrictions into the record. Mr. Smith was present, represented by Attorney Swift. The following reports were presented to the Board:

LISTING OF MEDICAL REPORTS

1. Neck and lower back

Mechanism of Injury

Mark Eastland 8/15/01

Patrick McCreesh, M.D. 5/22/08

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Assessment/Treatment/Disability

Yvonne Sun, M.D. 11/13/01
Mark Eastland, D.C. 6/12/03
Mark Culton, 7/17/08
Mark Culton 5/12/09
Judith Peto, PA-C. 9/10/09
Judith Peto, PA-C. 9/21/09
Mark Culton, M.D. 3/1/10
Kenneth Blumenfeld, M.D. 3/11/10
Patrick McCreesh, M.D. 8/8/10
Patrick McCreesh, M.D. 12/6/10
Judith Peto, PA-C 1/19/11
Patrick McCreesh, 9/2/11
Patrick McCreesh, 9/6/11
Patrick McCreesh, 9/7/11
Patrick McCreesh, 9/7/11
Judith Peto, PA-C 10/26/11
Judith Peto, PA-C 2/8/12

1. Right elbow/wrist

Mechanism of Injury

Mark Eastland, D.C. 8/15/2001

Patrick McCreesh, 10/18/04

Patrick McCreesh 9/3/2008

Assessment/Treatment/Disability

Robert Mallard, M.D. 3/27/02
Robert Mallard, M.D. 4/17/02
Patrick McCreesh, M.D. 10/20/04
Patrick McCreesh, M.D. 1/31/05
Patrick McCreesh, M.D. 2/23/05
Mark Culton, M.D. 3/8/05
Jeffrey Anderson, M.D. 4/13/05
Jeffrey Anderson, M.D. 8/8/05
Jeffrey Anderson M.D. 3/21/06
Harjit Sekhon, M.D. 9/21/07
Patrick McCreesh, M.D. 6/11/08
Lawrence Chan 11/6/08
Edward Damore, M.D. 1/2/09
Patrick McCreesh, M.D. 9/30/09
Edward Damore, M.D. 6/15/09
Edward Damore, 6/15/09
Patrick McCreesh, M.D. 10/12/2009
Patrick McCreesh, M.D. 10/12/09

1. Left Shoulder

Mechanism of Injury

Patrick McCreesh, M.D. 5/22/08

Patrick McCreesh, M.D. 9/10/08

Assessment/Treatment/Disability

Mark Culton 6/3/09

Eugene DellaMaggiore M.D. 1/1/11

Eugene DellaMaggiore, M.D. 1/11/11

Patrick McCreesh, M.D. 9/7/11

Patrick McCreesh, M.D. 9/7/11

Additional Medical Reports as Submitted by attorney Samuel Swift on 2/19/2013

Health Care Provider and Date

Cole 6/2/83

Cole 6/9/83

Cole 6/13/83

Cole 8/23/84

Fauske 8/27/84

Golden 9/27/84

Golden 10/30/84

Golden 11/30/84

Golden 12/28/84

Golden 2/28/85

Golden 3/25/85

Golden 5/31/85

Colman 2/28/86

Pacific Imaging 11/13/01

McCreesh 5/22/08

McCreesh 6/30/08

Insight Imaging 7/17/08

McCreesh 1/15/09

Feinberg 8/4/10

A motion was made to approve the Change of Status to a Service-Connected Disability for Roger Smith.

Approved. (M.S.C.- Santos/Muyo, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

- d. **Ray H. Storms**, Fire Captain, Fire Department. Request for a Change of Status to a Service-Connected Disability Retirement, effective June 30, 2009; 25.00* years of service. Ms. Lamb, Benefits Manager, read the medical restrictions into the record. Mr. Storms was present, represented by Attorney Swift. The following reports were presented to the Board:

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LISTING OF MEDICAL REPORTS

1. LOWER BACK

Mechanism of Injury

- 1 March 4, 2000
- 2 December 20, 2004

Stephen Collins, D.C.
Stephen Collins, D.C.

Assessment/Treatment/Disability

- 1 December 21, 2004
- 2 September 1, 2005
- 3 December 4, 2008
- 4 May 13, 2009
- 5 May 13, 2009
- 6 June 8, 2009
- 7 June 10, 2009
- 8 June 8, 2009
- 9 February 5, 2005
- 10 March 4, 2010
- 11 June 22, 2010
- 12 December 15, 2010
- 13 August 5, 2010
- 15 January 10, 2011
- 16 January 11, 2011
- 17 January 18, 2002
- 18 April 27, 2011
- 19 August 10, 2011
- 20 August 10, 2011
- 21 September 14, 2011
- 21 February 7, 2011
- 22 February 7, 2011

Bruce Nixon, M.D.
Paul Aubin, D.C.
Stephen Collins, D.C.
Judith Peto, PA-C
David Kramer, M.D.
Judith Peto, PA-C
David Kramer, M.D.
Mark Culton, M.D.
Ray Hsieh, M.D.
Ray Hsieh, M.D.
Ray Hsieh, M.D.
Ray Hsieh, M.D.
Steven Feinberg, M.D.
Steven Feinberg, M.D.
Judith Peto, PA-C
Patrick McCreesh, M.D.
Ray Hsieh, M.D.
Ray Hsieh, M.D.
Ray Hsieh, M.D.
Judith Peto, PA-C
Patrick McCreesh, M.D.
Patrick McCreesh, M.D.

2. SHOULDER

Mechanism of Injury

- 1 January 8, 2009
- 2 January 8, 2009
- 3 January 8, 2009
- 4 January 12, 2009
- 5 January 23, 2009
- 6 February 19, 2009
- 7 February 30, 2009
- 8 March 22, 2009
- 9 April 14, 2009
- 10 April 23, 2009
- 11 December 20, 2010
- 12 January 2, 2010
- 13 May 28, 2010
- 14 August 5, 2010

Mark Penner, M.D.
Meenesh Bhimani, M.D.
Charles Griffin, M.D.
Patrick McCreesh, M.D.
Mark Culton, M.D.
John Colman, M.D.
Patrick McCreesh, M.D.
John Colman, M.D.
John Colman, M.D.
John Colman, M.D.
John Colman, M.D.
John Colman, M.D.
John Colman, M.D.
John Colman, M.D.
Steven Feinberg, M.D.

15 May 13, 2012
16 May 13, 2010

John Colman, M.D.
John Colman, M.D.

A motion was made to approve the Change of Status to a Service-Connected Disability for Ray Storms.

Approved. (M.S.C. - Santos/Muyo, 5-0-1, with Bill abstaining and three absent-Krytzer/Sunzeri/Mason).

Trustee Lanza requested that in the future, staff please place the disability application on the top of the agenda packets for each applicant.

Item 2.2 was heard after Item 4.3(d).

5 DEATH NOTIFICATIONS - None

6 COMMITTEE MINUTES, REPORTS AND RECOMMENDATIONS

6.1 Investment Committee (Sunzeri/Bill/Krytzer/Mason)

– Last Meeting: February 13, 2013 – Next Meeting: March 13, 2013

- a. Report from the Chair of the Investment Committee. **Receive and file.**
- b. Minutes of January 16, 2013, Joint Federated and Police & Fire Investment Committee meeting. **Receive and file.**
- c. Discussion and action on recruitment process for the Chief Investment Officer.

Mr. Peña stated that he has scheduled a meeting with the Investment Committee for March 20, 2013 at 1:30 in the afternoon for interviews.

6.2 Audit & Risk Committee (Bill/Lanza/Muyo)

– Last Meeting: February 21, 2013 – Next Meeting: March 21, 2013

- a. Report from the Chair of Audit Committee. **Receive and file.**
- b. Minutes of the November 26, 2012, Police & Fire Audit Committee. **Receive and file.**
- c. Discussion and action regarding the recommendation to exercise the one year contract extension for Macias, Gini, and O'Connell, external Auditors.

A motion was made to extend the Contract.

Approved. (M.S.C. - Bill/Lanza, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

6.3 Governance Committee (Kaldor/Rounds/Santos/Sunzeri)

– Next Meeting: March 11, 2013

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

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6.4 Ad Hoc Disability Committee (Santos/Rounds)

- Last Meeting: February 19, 2013 - Next Meeting: March 25, 2013

- a. Report from the Chair of Ad Hoc Disability Committee. **Receive and file.**
- b. Discussion on Pending Disability Retirements Summary.

Ms. Lam discussed the Disability Retirements Summary. She noted that 97 of 121 pending applicants were not yet at the maximum medical improvement (MMI) stage, so their applications were not ready for consideration by the Ad Hoc Committee or Board.

- c. Discussion and action regarding the recommendation to continue the Ad Hoc Disability Committee for six months.

Ms. Lamb stated that staff recommends to extend the Ad Hoc Disability Committee for six months. Mr. Leiderman noted that ordinarily an Ad Hoc Committee should not continue for more than six months, but due to the uncertainty of Measure B's effective dates, it was appropriate to continue this single-purpose committee for a longer period of time.

A motion was made to extend the Ad Hoc Disability Committee for six months from March to August and appoint Mr. Lanza as an Alternate.

Approved. (M.S.C - Kaldor/Santos, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

7. CONSENT CALENDAR (Items 7.1 through 7.7)

A motion was made to approve Consent Calendar Items 7.1 through 7.7.

Approved. (M.S.C. - Santos/Muyo, 6-0-0, with three absent-Krytzer/Sunzeri/Mason).

7.1 Approval of Minutes

- a. Monthly Board meeting held on February 7, 2013.
- b. Board Special Meeting Minutes held on October 30, 2012.

7.2 Approval of Travel and Attendance for Conferences and Due Diligence

a. Trustees:

- 1. Trustee Bill
 - SALT Conference, Bellagio Hotel, Las Vegas, NV - May 7-10, 2013.
 - SACRS Spring Conference 2013, Napa Valley Marriott Hotel – May 14-17, 2013.
 - CalAPRS Trustees Roundtable, Doubletree Hotel, San Jose, CA – February 8, 2013.
 - CalAPRS General Assembly, Intercontinental, San Francisco, CA – March 2-5, 2013.
- 2. Trustee Krytzer
 - Institute Fund Summit 2013 Americas, Ritz-Carlton, Laguna Niguel, Dana Point, CA – April 24-26, 2013.
- 3. Trustee Mason
 - CalAPRS Principles of Pension Management for Trustees, Stanford University Law School, Palo Alto, CA – March 26-29, 2013.

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b. Staff:

1. Daryn Miller, Staff - Pension Bridge Annual, The Four Seasons Hotel, San Francisco, CA – April 16th, 2013.
2. Heidi Poon, Staff - 6th Annual Women's Private Equity Conference, Half Moon Bay, CA – March 14-15, 2013.

7.3 Return of Contributions

- a. Voluntary
- b. Involuntary

7.4 Communication/Information

- a. The Cortex Report: Research Papers and Articles
- b. Retirement Services organization and staffing.
- c. Fiduciary Insurance Waiver of Recourse for policy year February 2013-2014.
- d. Benefits Review Forum Report, February 2013.
- e. Cheiron's letter regarding Supplemental Retiree Benefit Reserve as of March 1, 2013, dated February 22, 2013.
- f. Pension & Investment Alternatives Digest Article: Deutsche Bank: Two-thirds of pension funds increasing hedge fund allocations, Issue date: February 26, 2013.
- g. Educational Travel Reports:
 - NEPC Public Funds Summit, Tempe, AZ – January 13-15, 2013 – by Damon Krytzer
 - Principles of Pension Management, Stanford University, Palo Alto, CA – March 27-30, 2012 – by Bettina Rounds
- h. Independent Trustee Resumes.

7.5 Pending Projects

7.6 Educational and Training

- a. Educational Program and Courses
- b. Conferences and Seminars
- c. CalAPRS' Training:
 - 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)

7.7 Report out of Closed Session regarding investments approved at the November 1, 2012 and December 6, 2012 Board meeting.

• PROPOSED AGENDA ITEMS- **None**

- PUBLIC COMMENTS- **None**

- ADJOURNMENT

Meeting was adjourned at 12:20 p.m.


SEAN KALDOR, CHAIR
BOARD OF ADMINISTRATION

ATTEST:


ROBERTO L. PEÑA
DIRECTOR, RETIREMENT SERVICES