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--AUDIO DIFFICULTIES--

>> At the time of separation he was on leave of absence. Permanent modified duty can be accommodated as a parking control officer but not as a (inaudible).

>> Matt Loesch: Dr. Das, do you have anything further you would like to add to the packet?

>> Dr. Das: No I don't.

>> Matt Loesch: Before we get to the representatives I just wondered if there were any comments from the attorneys about why we're doing a rehearing or what the note is or any thoughts we need to keep in our mind as we approach this?

>> Mollie Dent: It is a request for a rehearing, so it is before you as if it was brand-new being heard again in this system. The applicants have the ability to request a rehearing. And the rehearing request was timely filed.

>> Matt Loesch: Okay, Mr. McBryde anything you would like to add? There is a button on the Mike Hannon there if you could press that please and be heard.

>> That work? Okay, I'm John McBryde representing Mr. Guerrero who is present. I would like to, if permitted, to have Mr. Guerrero give some information that I don't think is in the record or at least it isn't adequately represented in the record, in terms of the incident that occurred. And the interim between the time he had the incident which he did report, on the day of the incident, and the time he first sought medical attention. And then, if permitted I would like to ask Dr. Das just a few questions on his opinions.

>> Matt Loesch: 99 of fine.

>> Raul, do you want Mr. Guerrero up here?

>> Matt Loesch: Please.

>> Fine, come up here. Raul you had an injury back in '97 or thereabouts and you had a very significant operation on your knee, correct?

>> Correct.

>> And after that, up until October of '06, were you actively working?

>> Yes, I was.

>> And let's get the time frame. When did you go back to work after your operation? Approximately?

>> Yes.

>> I had that first operation, which was ACL, it -- I came out fine, I went back to work, I started working with the city in 1999.

>> Okay in 1999, what was your position with the city?

>> Working in building services as custodian.

>> Okay. And did that -- did you change positions at some time?

>> After two years I got promoted.

>> And what was your position when you got promoted?

>> Traffic officer, parking and traffic.

>> Was that out at the airport?

>> Correct.

>> Tell us a little bit about what the duties were when you were a traffic officer.

>> You had to, you know, write citations, you had to customer service as well as you needed to be on your feet. Out of a nine hour shift, which was only -- the only breaks you got was maybe your two breaks and your lunch. And you had to be on your feet and do a lot of walk.

>> You're talking about two breaks, 15 minute breaks morning and afternoon?

>> Correct.

>> At least first half of the shift second half of the shift?

>> Correct.

>> And 30 minute lunch break correct?

>> Correctly.

>> Other than that did you typically drive a vehicle or sit anywhere?

>> No.

>> You were pretty much on your feet all the time?

>> Correct.

>> And from that point when you started with the City of San José, up until October, of 2006, did you have any medical treatment for your knee?

>> No.

>> Did you have any problems with your knee?

>> No.

>> Were there occasions when you might want to take an aspirin or not?

>> No.

>> Tell us what happened in October of '06 with your knee? How did you accident happen?

>> I was directing traffic in the morning. Which is at terminal A. It's a one way. So I was facing northbound. Because traffic is, you know, it's coming towards northbound going towards terminal C. Vehicle put -- went in reverse, and put his vehicle in reverse and struck my right knee.

>> Which side of your right knee?

>> Right in the middle.

>> On the side?

>> On the side, correct.

>> Did you feel pain?

>> Yes, I did.

>> Did you report that accident on that day to anybody at that time airport?

>> I sure did.

>> To whom did you report it?

>> I reported it to my senior.

>> And did you fill out any form?

>> I sure did.

>> Was this an accident report form?

>> It was an accident report form.

>> Okay, did you seek any medical treatment that day or within the week afterwards?

>> No, I didn't.

>> Were you having pain?

>> Slightly I was.

>> Nothing that you felt you needed to have any medical treatment for?

>> Correct.

>> From that point until some time in June of 2007, you didn't seek any medical treatment for your knee, is that correct?

>> Correct.

>> Did you think the knee was going to get better and you didn't need it or what?

>> I felt the knee was getting better.

>> Was it getting better?

>> Not really.

>> Okay and what caused you to seek medical attention in June of 2007?

>> Well, the pain got worse. And when the accidents first happened, I was taking -- I was taking Tylenol as well as Motrin.

>> Were you doing anything for any symptoms with the knee?

>> Icing it when I used to get home and when there used to be flareups.

>> When you talk about flareups are you talking about something that was visible?

>> Correct.

>> And also pain?

>> Yes.

>> Then you saw the doctor and the medical information is pretty much set forth in the record that the board has. Since the accident of '06 and once you started having treatment you've had an operation or two, right?

>> Correct.

>> When was your first operation?

>> I believe it was in March.

>> Of '08?

>> Yes.

>> Okay. And when was your next operation?

>> I was -- in January of this year.

>> Okay. And did you -- have you returned to work?

>> No.

>> You were separated from your employment with the city sometime in '09, right?

>> Correct.

>> Okay. Now you didn't quit?

>> No, I didn't quit.

>> I have no other questions. I don't know if the board wants to ask any questions.

>> Matt Loesch: Well I think you can finish. Typically you can finish your testimony unless board members have questions presently, otherwise you can finish your testimony, Dr. Das.

>> Dr. Das, how are you today?

>> Dr. Das: Fine and yourself?

>> Pretty good. Dr. Das and I know each other from prior times. I respect Dr. Das. But I need to ask you a couple of questions, doctor. You have made it pretty clear in your opinion that in your opinion the sole cause of Mr. Guerrero's disability as it stands today and as it stands, it has been since at least sometime in '07 was the prior injury had back in '97, correct?

>> Dr. Das: You know, as far as all I can comment is on the findings. So I mean -- I don't know what happened in the prior injury from before. You know in terms of I don't have those medical records to review. So I can just say that the disability appears to be due to medial compartment osteoarthritis.

>> Okay. You have never examined Mr. Guerrero, have you?

>> Dr. Das: I did one examination.

>> Pardon?

>> Dr. Das: Did one examination.

>> You had one examination. When was that, approximately?

>> I don't want to even venture to guess. Because I will probably be off by a few months. But I assume that sometime before my report, so a couple of months before my report, within in that time period.

>> Was this in connection with a disability claim or in connection with his workers compensation claim?

>> The disability evaluation.

>> Did you have X rays taken?

>> No.

>> Did you have MRI made?

>> No.

>> You have reviewed the MRI that was taken shortly after he sought treatment in June of '07, right?

>> The interpretations, correct.

>> You have not seen the MRI?

>> No, I haven't.

>> I take it you disagree with Dr. Cronister's opinion in terms of what causes the current disability?

>> Yes.

>> You're aware that he apportions it 90% to the '06 accident and 10% to the preexisting condition, right?

>> I believe that's correct.

>> He was a doctor who performed two surgeries on that knee, correct?

>> Yes.

>> And you disagree with Dr. Fernandez who was the agreed medical examiner in the workers compensation case, correct?

>> I don't recall exactly what Dr. Fernandez apportioned to it. I believe he apportioned a significantly higher amount, correct?

>> He as I recall, and in the record will reflect what is accurate, apportions it at 50-50. Does that sound right?

>> That sounds in the ballpark, yes.

>> And you disagree with him?

>> I'm in more -- I mean in terms of percentages, I think I'm more in the ballpark with Dr. Fernandez, but I mean if you want to say 51-49 versus 50-50 then I do disagree.

>> Okay, but so -- do you then agree with the -- Dr. Fernandez to the extent that he says there is some causative effect from the '06 injury?

>> Dr. Das: In terms of the medial compartment osteoarthritis, no. In terms of his complaints of symptoms, it's all subjective. So I mean, the problem that I have is in terms of separating the subjective from the objective, and as far as subjective reports of symptoms, you know, Dr. Fernandez has his opinion. As far as what the causative objective symptoms are, when I'm looking at the objective findings, specifically the medial compartment osteoarthritis which is reportedly the cause of his disability, I believe that is all due to the prior incident. So I'm not exactly sure how Dr. Fernandez looks at the objective findings versus the subjective findings.

>> You don't take into account the subjective findings?

>> If they correspond to the symptoms, yes. And so Mr. Guerrero's symptoms correspond to the medial compartment osteoarthritis and I absolutely agree with that. The issue comes down to the cause of that medial compartment osteoarthritis and that was not due to the episode that was described at the airport. And that's -- you know and Mr. Guerrero may have a lot of symptoms that are -- that he feels are due to the, you know, to that incident and the types of symptoms that I would expect to be due to that type incident aren't present. There's no soft tissue damage observable after, immediately after the incident. There's no objective findings available immediately after the incident due to that incident. What we're looking at is degenerative changes associated with a prior injury. And that's how I -- that's how I perceive it.

>> One of the subjective aspects of evaluating the injury would be the past history of the patient in terms of subjective complaints of pain, problems walking and so forth, correct?

>> Yes.

>> And you apparently don't disagree with what apparently is undisputed, that from sometime -- from the time Mr. Guerrero started working with the city until October of '06 he did not have any significant problems with his knee.

>> You know, I can't comment on that because -- you know it's once again, it's -- I don't have anything in writing in front of me that's -- medical records that show one way or the other. I don't have the past medical records to review to show he was completely cured and recovered from the prior injury. And so I -- I don't know.

>> In your standpoint is that important?

>> In terms of the establishing a baseline, yes.

>> And then would it be important that the symptoms started right after the time that he had the incident or accident, in October of '06?

>> Once again, I'm just going back to the objective finds that correspond to the symptoms at the time, currently what he complains of, and certainly can experience symptoms after an incident like that. But my primary concern is relating it back to the objective findings. And once again, the objective findings do not correspond to the mechanism of injury. And when we're talking about subjective symptoms and reports of pain after that, that is subjective, and that's just a matter of Mr. Guerrero's self-reported symptoms. I don't have a gauge that can measure the severity of symptoms when he does things. I don't have a -- any type of objective measure of symptoms to rely on. Therefore I rely on the imaging studies and the mechanism of injury.

>> Basically what it comes down to is, you rely 100% on the MRI taken in June of '07, is that correct? Or the interpretation, let me -- the interpretation of the MRI taken in June of '07?

>> You know I hesitate for you to put words in my mouth like that. But I rely -- and specifically say 100%, but what I do is look at the mechanism of injury and then I look at the objective findings and I look to see that they correspond. And Mr. Guerrero's symptoms correspond to the imaging studies and the objective findings. The problem is, is that these objective findings are not due to the incident that you describe.

>> Doctor do you have a packet, a copy of the packet?

>> Yes, I do.

>> Would you look at page 22, please?

>> Yes.

>> Since you're a doctor you may be able to interpret what Dr. Cronister has written in the first paragraph. I think it says, limit knee bending -- can you read that for us?

>> I will do my best. And I just want to qualify, even though I'm a physician, that does not necessarily reflect my ability to read poor handwriting, including my own. Limit knee bending stooping climbing squatting with right knee including standing and walking greater than approximately less, or 50 --

>> Is that 50 or 30?

>> It's either a less than sign and a 30 or it's a 50 with a percent. Okay, less than 30 minutes.

>> Okay.

>> I believe it's a less than 30 minutes at a time. Generally some sedentary work. Does that come in line with what you've read?

>> Well, you did better than I would have.

>> Okay.

>> So that -- do you accept those as being his present limitations?

>> Dr. Das: I accept those as being the limitations provided by Dr. Cronister, yes.

>> Do you accept those as being the current limitations for Mr. Guerrero?

>> Dr. Das: As far as what he should avoid and not avoid, yes those are the doctors's limitations for him, yes.

>> He should not be required to stand for more than 30 minutes at a time or walk more than 30 minutes at a time, correct?

>> Dr. Das: Correct, those are the prophylactic restrictions that Dr. Cronister provided for him, correct.

>> Thank you doctor. I have no further questions of the doctor, if I could address the board. I don't mean this in any disrespect to Dr. Das. I've met him before, and we've tangled before and he does his best at everything. But quite frankly, given the evidence that's before the board it's uncontradicted that Mr. Guerrero had no problems with that knee until he had the incident of 2006. He got struck on the right side of the knee. He had immediate minor problems. Did not seek medical attention. He's indicated to the board in the past he had three children had triplets on the way, frankly he needed every penny he could get. Finally got to the point where he needed to seek treatment and we're where we are at today. Basing an opinion solely on somebody else's interpretation of an MRI, I don't think is substantial enough in light of the three doctors, one his treating doctor, one another treating doctor and the doctor who performed the surgeries and the third one an agreed medical examiner in the workers compensation claim that he has between the city and himself, balancing those off, I think the evidence strongly

supports the fact that he was disabled, is disabled, and in fact, could not do the job of the traffic officer or any other job he had, as the record reflects. He had been reduced to a maintenance position, because he had not gotten his GED. He certainly can't do the meantime, there's no question about that. The fact that he can't stand or walk for more than 30 minutes, it's difficult for me to understand how there could be any accommodation. We'd love to have him have accommodation. But I don't think there is any. I think under those circumstances, the board should grant the petition. Thank you.

>> Matt Loesch: Do you have any comments or questions from the board? You might want to remain for questions or comments.

>> Dr. Das: Can I make one clarification?

>> Matt Loesch: Sure.

>> Dr. Das: I just want to point to the same page that Mr. Guerrero's attorney referred to, and that's page 22. And if you look at the permanent work restriction form, there are the two boxes that are checked, refer to the prophylactic restriction that are provided. So it still comes back to the issue of a preclusionary restriction versus a prophylactic restriction. And it is Dr. Cronister his own treating physician who has provided prophylactic restrictions, not preclusionary restrictions. So these are prophylactic restrictions, and I refer to the analysis as far as what a disability is for the retirement system.

>> Well, Doctor, you certainly would recommend that his employer follow those recommendations, wouldn't you?

>> From a workers compensation employment law standpoint, or from a retirement system --

>> No, I'm talking about employment.

>> From an employment standpoint, prophylactic restrictions and preclusionary restrictions are considered the same. From the retirement system, it's a different measure of disability. That is correct.

>> Matt Loesch: Any questions from the board? Any motion to approve or deny? Mr. Andrews.

>> Arn Andrews: I just have one question relating to the change in classification status that occurred. And I remember the last time we were discussing this. You weren't able to remain in your parking officer classification. Was it because of a new education requirement and they had asked you to either go and get a GED or something to that effect?

>> The reason was, he was required to get his GED. He had not obtained it. They gave him a -- I guess it's a last-chance agreement where he was supposed to obtain his GED within a set period of time. He did not. This is in the course of his treatment and there were other things going on. He did not, and so in I think it's March of '09, he was advised that he had failed that agreement and therefore he was being demoted.

>> Matt Loesch: Anyone else from the board, any comments, questions? I'll entertain a motion. Mr. Constant.

>> Pete Constant: Thank you, chair. In hearing this and comparing it to what we've heard previously, I really don't see any significant changes in circumstances. Now, I do see that we've discussed some of the things further in detail that are in the packet, but it's basically the same information that I used to make the decision last time. And I really don't think that it warrants -- or that it qualifies for a disability retirement. So I will make the motion to deny.

>> Matt Loesch: I have a motion. Do I have a second? I have a motion and second. Any further discussion? Seeing none, all in favor, eye, opposed, none. Thank you.

>> Thank you.

>> Matt Loesch: Moving on to item 3A. Change of status. Louis Campos, custodian airport requests a change in status from deferred vested to service retirement effective July 21st, 2010. 20.61 years of service. Comments from staff or no?

>> There is a memo in the packet explaining the change in status. He is now eligible for service retirement.

>> Matt Loesch: Mr. Overton.

>> Edward Overton: I was wondering, was this just an administrative mistake?

>> No.

>> Edward Overton: Why was he deferred vested retired to begin with?

>> Because originally he was separated prior to his retirement, and that status changed.

>> Edward Overton: Okay, move approval.

>> Matt Loesch: I have a motion, do I have a second? I have a motion and second. All in favor, opposed, none, okay. Moving on to the consent calendar, it's items 4 through 13. I'll entertain a motion.

>> Move to approve.

>> Matt Loesch: A motion.

>> Edward Overton: Chair, I'd just like to comment on item F.

>> Matt Loesch: Okay.

>> Edward Overton: In that Ruth Lanza was a retirement services staff member. She was the part of the first wave of staff expansions in the department starting us on the way to where we are now. So I'd just like to congratulate her for her years of service and wish her well this her years of retirement. With that I will move approval of the consent calendar.

>> Matt Loesch: We have a double motion. One is a motion and one is a second, okay. All in favor, opposed, thank you. Moving on to item 14. Can I get a moment of silence for those who have served the city and have passed. [Moment of silence.] thank you. Moving on to item 15. Verbal update on Macias, Gini & O'Connell draft payroll agreed upon procedures.

>> Hello, good morning. Macias has met with the city's finance department along with retirement services since our last meeting and was able to clear many of the outstanding items related to the AUP. They're still work on some smaller items related to FLSA and have also gun their annual financial audit. So in speaking of Macias, as far as resource constraints and trying to get all the pieces from the city, that that's required, along with retirement services and still trying to complete the annual audit, a time frame for a final report to the board has been scheduled for December to close out the AUP, FLSA and all the remaining items related to this item.

>> Matt Loesch: Any questions, board? Okay, thank you. A verbal update on the disability retirement study session. Ms. Busse.

>> We originally had tried to schedule it for October 4th and that date was not going to work out for one of the presenters. We have been trying to find a new date. Right now, the date that's working for all of the presenters is now into December. December 13th which is a Monday.

>> Matt Loesch: Okay, yeah, this is something we were trying to push through since late summer and kind of closest we got was people being out for large packs of months in availability. We ended up with an October 4th and one of the presenters like she said is not available. So if we want, we can proceed on the October 4th date,

or we can push it till December 13th and have all of the presenters available. That is the first date right now that is available for all of the presenters. They asked me my opinion. I said, well, let's push it to the board and see what their desire is. I think this is important, it's something I'm personally very vested in, that we have this discussion and talk through some issues. I want to know what your interests are about pushing for the October 4th or wait until December 13th.

>> Pete Constant: My question, on December 13th, what the time frame would be. Because there is a city council study session that day scheduled. It's scheduled in the afternoon. It looks like it starts at 1:30. But a lot of times they reserve the dates for study sessions but they don't necessarily always have them. So I can't tell you for sure, because they don't usually confirm them until about 60 days before. So my preference would be to stick with the date that we have, if there is someone who can, you know, be a surrogate presenter or at least we get some way of getting the information, just so tough having to end up having to wait an extra couple of months.

>> Matt Loesch: Mr. Andrews.

>> Arn Andrews: I would tend to agree. I would not like to lose momentum on this. I find with scheduling it will never be ideal. To the extent we could have at least the majority of the training on 4th and if we needed to bifurcate and do cleanup on the 13th something to that effect.

>> Matt Loesch: One possibility would be to hold the October 4th and also schedule the 13th for a follow-up meeting. It is -- unfortunately we were trying to get the whole cacophony of folks that deal with this, and have them all there so we could have one engaged really thorough conversation, and we're going to have important piece missing. So to not have that thing there then we'd have to deal with it then in December, possibly. You know, that's my struggle here. Mr. Overton.

>> Edward Overton: I think it would be important to know the significance of the presenter who cannot attend. If that's going to jam up progress on the meeting, or on the subject matter, I don't see any benefit of doing that. If it is someone that is going to be additive to the process then we can move forward.

>> Matt Loesch: Mr. Constant.

>> Pete Constant: Is there -- if we can have all of the speakers except for one is there any reason we then have to wait until December for the follow-up? Because we won't have to have all of those people to coordinate and perhaps we could do it within a one- or two-week period.

>> That's possible.

>> Pete Constant: Because one of the concerns I have when you do things 60 days apart you forget. And there's just too much time lapse.

>> Matt Loesch: Okay.

>> I'm the guy causing the problem. I certainly don't want to interfere with the momentum and focus on the issue.

>> Matt Loesch: It is very important. And I mean unfortunately you need to be someplace else that day that's very important. And he is an important voice, counter to all the inputs from other places that helps to bring our multiple piece together. Ms. Dent.

>> Mollie Dent: I was going to say, we can still do a legal presentation on the 4th. But I mean I think that Mr. Richeda's long history with the board and experience with other systems would be something that sort of is important to bring to bear. I mean I will certainly work with him on the presentation, if you do decide to go with it on the 4th so that he has input into the presentation but --

>> Matt Loesch: One possibility, we pull the legal portion out of the October the 4th, since they'll be both at the board meeting the next week, maybe we do the legal portion of the study session the following week at the

regular October meeting. That way we can still keep momentum on it, maybe make our meeting on the 4th a little shorter, which everybody I'm sure is anxious for but what do you think about that?

>> Mollie Dent: There will be a legal piece I think to the presentation of OER -- I mean from human resources.

>> Matt Loesch: HR?

>> Mollie Dent: That will still need to go forward when human resources does their presentation.

>> Matt Loesch: There still will be part one and part two, but with a separation of two weeks. Is that all right with you? We'll go ahead with October the 4th, pulling out Richeda's presentation and follow their at the board meeting, scheduled for October board meeting. Mr. Perkins.

>> Jeffrey Perkins: Would it be possible that whatever we do at our study session that Russ could then get a video feed or just listen so you could then give us some feedback on things if need be if you had been here listen to the tape and as we next meet we could have your feedback if you had been there to kind of move this thing along?

>> Matt Loesch: No need to apologize. So that's what we'll do. So October 4th we'll hold all things except for directly from the lawyers, part of the legal stuff, and then we'll hold that on the October meeting and we'll move on. Great. Okay, verbal update on the -- item 17, verbal update on the status of planned tax qualification review.

>> Mollie Dent: Well, we're continuing with our review, and we're still preparing for the stud session in October on the tax qualification review.

>> Matt Loesch: The date was the 19th?

>> Mollie Dent: The 20th for a joint session with Police and Fire.

>> Matt Loesch: Could we ask staff to send out a meeting request or e-mail just on that specific item, locking in that time and date, October 20th, so we can lock that in and get that onto folks' schedules so they can attend as hopefully need be. Item 18. Verbal update on the planned financial audit.

>> Macias, Gini & O'Connell completed their field work last week. They're still working through reviewing the actual phase financial statements and the notes to the financial statements. The city has a proposed close-date of September 30th to provide all of our financial statement information, retirement services is working towards meeting that goal date.

>> Matt Loesch: Thank you. Any questions from the board? Okay thank you. Moving on to 19. Adoption of resolution number 6691, denying the service connected disability retirement application of John Serrao. A motion and a second. All in favor, aye, opposed none. Item 20. Since the departure of Mr. Busse we are in need to elect a new vice chair for the remainder of 2010. I'll entertain a motion. I could also make a motion myself, if need be. Nobody is piping up so I guess I would make a motion if he's willing, Mr. Overton. I did like folks to have a lot of experience and knowledge on the area. I'd welcome it. I'd make that motion if he's interested.

>> Edward Overton: Okay until the end of December.

>> Matt Loesch: Yeah, we're talking three months, we're not talking massive commitment. So we have a motion and second on that. Any discussion on Mr. Overton being the vice chair? Oh, great. So all in favor? Aye, opposed? Thank you. So congratulations I guess.

>> Edward Overton: Yeah, I guess too.

>> Matt Loesch: You can suck it up for three months. Item 21, discussion and possible action regarding the committee structure. A little broad agenda item to discuss mostly in particular the committee of the whole issue that came up last month and also to clarify, Mr. Kumar.

>> Currently at the COW meeting the board reviewed the performance of the plan managers as well as the commission recapture report positive voting report and rebalancing reports. With the change with the revision of the investment policy those assignments, those duties were assigned to the investment committee. What we're recommending is to leave those duties to the investment committee, but also, to bring the performance report and bring it to the full board and make the presentation at the full board of the performance report.

>> Matt Loesch: My comments on the issues were, I mean I am not necessarily superexcited to have the committee of the whole that we have to have it. But I think that much of the things that we do in there are very important so that we have them committed on the calendar for the full board meetings. I mean it makes -- it's great we're all here other than having to convene separate meeting just for certain purposes. But the items that I think -- one of the things I'd push for is that we get some sort of training and education system at each quarterly meeting. That, I think, needs to be then placed into these board meetings and scheduled, and we were trying to tie them in with possible either the new allocation or new investment thoughts as we're looking at them, so that the full board gets the same presentation that the investment committee's getting as far as the education and training. I'll still be pushing heavily that those things happen here at these board meetings, which will make these board meetings longer and they need to be staggered out so we don't do the entire content of the committee of the whole on a quarterly basis but maybe get spread out a built but the training and education and we also have had regular manager presentations not just those who we are interview be or proposing, but just status updates, folks we haven't seen for a while, coming and presenting to the board, at those committee of the whole, I think then those need to be in these meetings, and then yes, the full, and not over the phone, hopefully in the presence, so that we can have the time to discuss the book, the quarterly investment book that we normally do. I don't know what other folks' thoughts are about it.

>> Pete Constant: I would just agree with you, as not a member of the committee, but of the committee of the whole obviously. I find those meetings valuable to get the information. And I think that it really helps give perspective to the other discussions that we have and the ongoing decisions that we make as a full board. I'm not

opposed to consolidating them with the board meetings, as long as we're getting the same type of information so that all the board members can keep up to speed on issues.

>> Matt Loesch: Mr. Perkins.

>> Jeffrey Perkins: I would agree with what he said. I think it's so important that all the board members know what's going on, from the investment perspective, the returns, the issues, the challenges, where we're headed, the asset allocation. So whether we -- the committee of the whole and kind of downsize it, so we can get it into a board meeting. There are just certain bits of information that if we do not bring it back to the full board in some format it's just too easy to lose track of nap there's too much that goes on. I think it's so important for all the board members to know what's going on. So somehow we have to dovetail that all in so the whole board gets the benefit of what's been going on with our investment activity.

>> Matt Loesch: I mean if I might be so bold, if you would leave that to the chair to ensure that these items are then regularly scheduled, and so even if we need to come out with a new meeting schedule that has notes on there, that the quarterly book will be presented on this date, I know we've had some calendar timing issuing trying to get things out. Because of the way things are reported I don't know if that would -- if you would be able to make the second Thursday of the month with the buck as opposed to what usually the fourth Thursday of that month, if that presents issues. If we need to consider anything like that.

>> I'll talk to the consultants and see if we can expedite it to make it the second Thursday.

>> Matt Loesch: I know that was the struggle, that's why we always ask, why are we getting this thing two and a half months past the end of the quarter. Obviously it's all reporting issues, everybody has to file -- all the I's have to be dotted and T's have to be crossed. Obviously that has to be prepared the week before us, to get into our packets to us. So those are the timing issues as far as getting the book reported in the same month we're currently doing, but two weeks earlier. Even getting -- having a line in the agenda training that's going to be presented, having those things denoted, so that we make sure, kind of discipline ourselves to get those things

onto this current agenda here, I'm personally committed to getting those things. I mean the proxy voting and so forth is easy to get but the manager presentations and so forth that would be -- take discipline to make sure we get them all in there. Mr. An -- oh I'm sorry.

>> If it was a timing issue, why don't we just roll it over to the next board meeting we would still hit at the investment committee and then roll it over to the next board meeting because I don't think, you know, whether it's the month before or the month after, that's as important as getting the information in the big picture. Because I think these things -- well, every once in a while they move pretty rapidly, unfortunately. But you know over time it's just a matter of getting consistent information to everybody.

>> Matt Loesch: Mr. Andrews.

>> Arn Andrews: I was just going to say we can see, from trying to schedule the disability training with scheduling flights, so I appreciate your efforts to maximize the efficiency of our calendars. But I would concur with the other comments that as information disseminates out of the investment committee we need to make sure we still maintain a platform for the rest of the board to make sure they're cognizant of what's happening and not just you know receiving memos that circulate up through investment committee in a packet. And to the extent that we can incorporate those types of presentations in our regularly scheduled meeting I'm all for efficiency of our calendar.

>> Matt Loesch: Correct and initially this discussion was supposed to happen at the investment committee meeting because our committee meeting was so packed with things, we said let's just bring the whole thing to the board and have this discussion here. So I don't know how we encapsulate it, do we encapsulate into it a motion, because it is just possible action. So I presume we would need to formalize the description.

>> Just to comment on what Jeff said. What we do now is sort of -- two weeks ago we had the investment committee meeting where we discuss the performance of the managers. And we did send the full board the whole packets. So for every meeting what we do is we send the full board the investment committee packet, as well.

And from that meeting what we did is we present -- we've included the performance book into the board packet which is two weeks after. So if that works --

>> And the board has already through adoption of the investment policy, adopted the policy of consolidating the COW with the board meeting. So I think at this point we've gotten direction from the board on how you want the board meeting to look as a result of that consolidation. I think that's what happened here today.

>> Matt Loesch: Okay. Anybody's thoughts? Mr. Overton.

>> Edward Overton: One of the issues of course is going to be timing. And you -- if you get a long board meeting, with a couple of disability hearings, and things of that nature, and board members have to leave, you're going to run into a problem. This is one of the reasons why the extra step was put in to begin with, is that you could concisely deal with just investment matters at a particular meeting. And you weren't having people, after sitting three hours here trying to absorb investment information, and then having other commitments and getting away. So I would just caution that in the change and format that you're contemplating, that you keep in mind the calendar, the agenda that you have to deal with every month.

>> Matt Loesch: Hearing this, folks could keep the back end of these meetings a little freer would probably help too. Any other comments? Okay, I think we're good to go, I don't think we need a motion. We've taken care of item 22 at the beginning of the meeting. Item 23A is a summary of the may 27th, 2010 committee of the whole meeting. Can I get a motion and approval on that?

>> Motion to approve.

>> Matt Loesch: I have a double motion, I'll take one as a motion and one as a second. Any discussion? All in favor? Opposed? Okay. On to item 2004. Those are just requesting to be all note and file A through F notifications of education and training. Staff is going to include those things and as the dates become irrelevant they are going to remove them and add more on. Any future agenda items? Mr. Overton.

>> Edward Overton: Did I hear you say you're taking care of item 22 at the beginning of the meeting?

>> Matt Loesch: Yes, we took care of that at the beginning of the meeting, so Rick Richeda was available on line if needed.

>> Edward Overton: Sorry I was late because of traffic. It appears that we might be switching horses in the middle of the stream. And I was just wondering, a few words of comment on the change from March until now, in terms of how we approach our investment in that commodity area.

>> Matt Loesch: That was discussed at the beginning of the meeting. We could do a quick recap, Dr. Amir.

>> Sure, the issue of the commodity -- I'm sorry -- was that when we issued in March we were investing only in the passive index fund, and we were looking at that time in finding the active management for the commodity. We looked at the different commodity indices, and most of them have a very high risk allocation to the oil and gas. And we thought that's not a prudent investment in terms of the downside risk control. So we've talked to first quadrant and Credit Suisse to come up with a risk parity which has a much lower risk on the negative side compared to the current indices and that's the reason we are going to the active management, the first quadrant and the Credit Suisse.

>> And actually, a whole lot more -- many more companies than just Credit Suisse and first quadrant were reviewed. Give me a quick, how many --

>> We met with over 20, and Makeda and NEBC independently also met and reviewed many commodities managers. These are the two that we thought would be most capable of providing risk parity approach.

>> Edward Overton: Okay so the initial foray into this area and with the passive product was almost a holding pattern until you could go to the marketplace and see what's out there in terms of direction?

>> Correct, we wanted to get to asset allocation as quickly as possible, instead of keeping in cash or something like that, we thought it made sense to get the exposure. And so we were gradually building into that, and now we found the more appropriate risk parity approach.

>> Matt Loesch: Thank you. Any future agenda items we need to add? Public retiree comments? Seeing none, we're adjourned.