



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Lee Price, MMC

SUBJECT: RETIREMENT BOARDS INTERVIEWS

DATE: December 10, 2010

RECOMMENDATION

1. Interview fourteen (14) applicants for appointment to the Boards of Administration of the Police and Fire Department Retirement Plan and the Federated City Employees' Retirement System.
2. Appoint up to four (4) members to the Board of Administration of the Police and Fire Department Retirement Plan and determine terms of office.
3. Appoint up to four (4) members to the Board of Administration of the Federated City Employees' Retirement System and determine terms of office.

BACKGROUND

Governance Structure

On August 10, 2010, the City Council approved Ordinance 28787 that revised Section 2.08.1210 of the San Jose Municipal Code to modify the composition and increase the size of the Police and Fire Department Retirement Board from seven to nine members, including the appointment of five (5) public members. The Council also approved Ordinance 28788 on August 10, 2010, which revised SJMC Section 2.08.1010 to modify the composition of the Federated City Employees' Retirement System Board to include the appointment of four (4) public members.

Under the provisions of the above Ordinances, the terms of office for public members was established at four years. However, under SJMC Section 2.08.150 (D), the City Council may consider shorter terms of office, staggering terms to provide continuity in the Board's membership, in making these appointments. The length of terms of office is at the Council's discretion. Specifically, the Code offers the following language:

SJMC 2.08.150 (D). *Except as otherwise specified in this chapter, a member may be appointed to serve a term of less than three years or a term of less than the number of years established by this chapter for the particular board of commission if the council determines that it is in the best interest of the board or commission that a member serve a shorter term in*

order to provide for appropriate staggered terms to preserve a continuity of membership on the board or commission.

Police and Fire Board

The following summarizes the order for appointing the public members as established in the Ordinance and the staff recommendation for terms for each position:

Positions to be replaced with Public Members	New Position	Current Term expires:	New Term to Expire
Civil Service Commission (currently vacant)	Public Member	11/30/13	11/30/14
City Administration	Public Member	11/1/10	11/30/14
City Council Member	Public Member		11/30/12
City Council Member	Public Member		11/30/12
	Public Member		11/30/14

In addition, the Ordinance created a new position for a Fire Retiree representative on the Board. The nomination election for this position has concluded and the appointment process is underway. The City Council's interviews with the two candidates and consideration of appointing the Fire Retiree to the Board will be placed on the January 25, 2011 Council Agenda. For consistency in terms of office and the election process to nominate employee and retiree representatives to the Retirement Boards, it is recommended that the Fire Retiree term expire on November 30, 2014.

The Ordinance also provides that once there are eight members on the Board, the Board will then interview applicants and make a recommendation to the City Council for the appointment of the ninth and final Trustee. The term of office of this final appointment is recommended to expire on November 30, 2014.

Federated Board:

The following summarizes the order for appointing the public members as established in the Ordinance and the staff recommendation for possible terms for each position:

Current Trustee	New Position	Current Term expires:	New Term Expires
Public Member	Public Member	11/30/10*	11/30/14
City Council	Public Member		11/30/12
City Council	Public Member		11/30/12
Civil Service Commission (currently vacant)	Public Member	11/30/10	11/30/14

* Jeffrey Perkins was appointed by the City Council on November 30, 2010 for an interim term to expire upon the appointment of a new public member.

Recruitment, Outreach, and Interview Selection:

The Office of the City Clerk conducted extensive outreach for this recruitment. The application period had a “soft” closing deadline of November 8, indicating that all applications received by that date would be considered by the Council. However, applications received until November 19 were included in the review so that the Council had the broadest possible range of applicants for its consideration.

All applications were submitted to the Mayor and City Council for their review. Each member was asked to give an “indication of interest” of applicants to be interviewed. Any applicant receiving interest from four or more Councilmembers was advanced to the interview process. This process, which is consistent with the Council’s past practice regarding appointments to City Boards and Commissions, resulted in the selection of the fourteen applicants scheduled to be interviewed.

Applications of anyone not selected for an interview at this time, and any applications received after November 19, will be held for one year and may be given future consideration. If the Council is unable to fill all of the positions, the recruitment efforts will continue and additional candidates will be brought forward at a future time.

Interview Order:

Staff has broken the interviews into two pools. This will help to manage the flow of the meeting and to minimize the applicant waiting time. The applicant interview order was determined by using the California Secretary of State’s Randomized Alphabet Drawing for the November 2010 election ballot. Use of this method is consistent with the process that has been used in

scheduling interviews for other boards and commissions. Applicants will be sequestered in another location so that they may not view or hear the interviews of other applicants until they are called to appear. The interviews will be conducted in the following order:

Group 1 – 8:30

Name	Board Preference
Elizabeth Rounds	Either
Stuart Odell	Police and Fire
Damon Krytzer	Police and Fire
Sean Bill	Either
Andrew Lanza	Either
Bijan Foroodian	Either
Michael Flaherman	Police & Fire

Group 2 – 9:30

Name	Board Preference
Vincent Sunzeri	Either
Jeffrey Perkins	Federated
Michael Armstrong	Police and Fire
Franklin Atkinson	Police and Fire
Lara Druyan	Federated
Martin Dirks	Either
Matthew Herrick	Either

ANALYSIS

The interview pool consists of fourteen (14) applicants. After the interviews, the Council may appoint up to eight applicants for the two boards to serve the terms outlined above. ***A successful applicant must receive six or more votes to be appointed to the Retirement Boards.***

The applications and resumes have been previously submitted to the Council. Memoranda from the Office of the City Attorney and the Department of Planning, Building, and Code Enforcement regarding their review for potential conflicts of interest for each applicant will be distributed separately.

PUBLIC OUTREACH

This memo has been posted on the City Clerk’s website as a part of the December 16, 2010 Special Meeting Agenda. In addition, this information has been posted on the websites for both the Federated and Police and Fire Retirement Systems and copies of the memorandum have been distributed to appropriate employee and retiree organizations.

HONORABLE MAYOR AND CITY COUNCIL

December 10, 2010

Subject: Retirement Boards Appointments

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- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, , or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

This memorandum has been coordinated with the Offices of the City Manager and City Attorney, Department of Retirement Services and communicated to bargaining unit representatives.

CEQA

Not a project.

for 
LEE PRICE, MMC
City Clerk

For questions, please contact Dennis Hawkins, Assistant City Clerk, at (408) 535-1275.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan Federated City Employees' System

Do you reside within 50 miles of San Jose City Hall? Yes No

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle)

Rounds, Elizabeth Halsey

Home Address

City

Zip Code

Home Phone No.

Cellular Phone No.

Home Fax No.

Business Address

Zip Code

Same

Business Phone No.

Business Fax No.

Same

Business Email

Personal Email

Self-employed

HR Consultant

Present Employer (Name/Describe Business)

Job Title/Description of Duties

Current Employer of Spouse (Name/Address)

Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
- Columbia University New York	English literature	1968-69	BA degree - June 1969
Licenses Held: - Took number of Organizational Psychology courses at	Columbian Univ. - Teachers' College		

Certifications Held:

Special Awards or Recognitions Received

Languages spoken

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input checked="" type="checkbox"/> Senior executive position in pension administration	5	Head of Visa Intl. HR
<input type="checkbox"/> pension actuarial practice		
<input type="checkbox"/> institutional investment experience		
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input checked="" type="checkbox"/> health and welfare and/or employee benefits management	5	"
<input type="checkbox"/> investment management		
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	25+	Human Resources management, including 5 years as
<input type="checkbox"/> Other		

EVP of HR at Visa International

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I have worked for over 30 years in Human Resources. From 1999-2005 as EVP of HR at Visa International. (please see attached resume). Oversaw 401k and Pension for Visa Intl US employees.

3. What is your interest and motivation for serving as a member of the Retirement Board?

My motivation is the importance-increasingly-of retirement benefits to the US employee base and the appropriate management of these benefit funds.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

At Visa International, we changed the Pension (defined benefit) and 401k plans at the request of the Board of Directors without incurring any litigation. We interviewed and chose the investment managers for Visa's pension/401k policies.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

- From 2003-2005 Advisory Board of HR Strategy Forum.
- Secretary of Co-Op Board for 4 years, member for 9 years.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

Both at Citibank and Visa International, participated in budget and strategy reviews as part of line management senior team. The most relevant experience was leading the Benefits Committee for all Visa US employees and as HR representative to the Visa Board of Directors Compensation Committee.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Board members administer the Retirement Plan and meet monthly. My understanding is that the responsibilities include aligning the investment returns with the plan liabilities and working with the advisers to ensure appropriate asset allocation. The Board members determine + retain

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The City Council approved the governance structure of the Board, but the Board has exclusive responsibility for the administration + investment of the retirement funds subject to relevant Federal, State, City and county laws. City administration. Board has public members and members

4. What do you consider the three most important issues currently facing the Retirement Board? connected to the

- ① The alignment of the returns and liabilities.
- ② Keeping the excellent return records achieved at the end of fiscal year 6/30/10.
- ③ Ensuring the investment mgrs. + experts are the continue the performance.

5. What do you perceive as the short and long-term goals of the Retirement Board? performance.

I would need more information to answer this question.

* #2 (continued). Retirement Services staff. The staff provides accountancy, benefits administration, information technology and investment support for the Plans, but the staff are not members of the Boards. Employee Bargaining Units and the Boards would not interact directly. Plan participants and beneficiaries. There are representatives on the Boards who are employees and retirees. Otherwise, the Boards are responsible for protecting the pensions of the participants and beneficiaries through wise administration and investments.

CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

Reading newspapers and periodicals that are specifically dedicated to financial markets: WSI, Barron's, FT, Institutional Investor are excellent resources.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

My background is in Human Resources management, and I would rely on the expert advisors hired by the Board.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Again, in my experience, we (the Benefits Committee) relied on our investment managers to present their recommendations, we then discussed options and voted, but always under advisement. My own bias would be a conservative approach.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

No. The investments described carry substantial risk, which is inappropriate for pension plans.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

My recommendation would be that the Board interview at least 3 investment managers known for successful ^{mid-sized public} pension management. The due diligence would be a comparison of performance over an extended period of time with scrutiny over the period of the past 2 1/2 years.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

~~On~~ The performance of the portfolio, the names and role of the trustees, any consultants and investment managers retained by the Board for the administration.

All relevant information required by law. The accounting firm's audit dates and findings. The asset allocation, distribution of benefits, liabilities. In other words, a full disclosure for the employees and beneficiaries so that they can determine the health

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application? Yes No. If yes, please identify any interest that you would be required to disclose as an attachment to this application.

We have investments that I would disclose.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

none

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name,



How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)



**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE THIS FORM TO PROVIDE ANY ADDITIONAL INFORMATION RELATED TO THE APPLICATION.

*Please see attached
resumé and biography.*

ELIZABETH H. ROUNDS

EXPERIENCE

EHR **2005-Present**
Organizational and Individual Effectiveness Consultant

Advises board level and senior management clients. Provides global expertise on senior staffing, leadership development, executive team building, organizational restructuring and transition management, compensation and benefits, and foreign market due diligence.

VISA INTERNATIONAL, San Francisco, California **1999 - 2005**
Executive Vice President, Human Resources

As member of CEO's executive management team, led Human Resources function to advance company's global strategic objectives. Counseled on organizational issues and structure. Defined human resources executive compensation policy and minimum standards for worldwide consistency. *Total Visa systems sales volume \$3.1 trillion, headcount 6000. Highly matrixed environment.*

- Advisor to Visa International Board of Directors' Compensation Committee and Chair of Visa Employee Benefits Board.
- Initiated benefits study in collaboration with US based Visa companies that reduced cost by \$61MM and introduced new pension plan, and revised market- competitive 401K and health and welfare benefits.
- Introduced talent management and leadership process.
- Designed and executed three global Visa Country Manager forums to address worldwide competitive challenges.
- Streamlined HR processes: created annual salary and incentive reviews; outsourced HRIS and disability management; converted payroll to more efficient vendor.
- Reduced HR function by 60 percent over 4-year period.
- Managed three downsizings with no adverse legal impact.

CITIGROUP, CITIBANK, N.A.

Global Corporate Bank, Asia Pacific Region, Singapore **1994 - 1999**
Regional Leadership and Strategic Staffing Head

Launched leadership process across Asia Pacific Region. Led function through 3 reorganizations during the Asia 90's boom and bust. *Total Group revenue \$1.3 billion, net income \$420 million, headcount 4,000. 13 countries in Region.*

- Managed selection for key leadership positions and all expatriate staffing.
- Staffed 150 positions, including the newly created Regional Corporate Finance function.
- Conducted assessments of high potentials; identified development needs and plans; managed three levels of talent review: Country, Region and Citigroup CEO's group review.
- Managed Region expatriate MA selection process.
- Interim generalist for North Asia Division Head while continuing Leadership Staffing role.

CITIGROUP (continued)

Corporate Human Resources, New York City
Executive Resources, Leadership and Strategic Staffing

1989 - 1994

Member of three-person team responsible for succession planning for Top 100 performers and positions in Citigroup. Role became model for Regional Leadership and Strategic Staffing positions globally. *Employees worldwide, 90,000 in 90 countries.*

- Proposed candidate slates and recommended steps to mitigate risks for key management positions.
- Prepared Chairman/CEO for succession discussions with Board of Directors.
- Participated in research studies and design projects: 360 degree process for Chairman and his direct reports; study on selection for key positions, resulting in standardization and realignment of Chairman's talent review process; conducted turnover study on management associates.
- Created teams of high potentials to implement major restructure of Citigroup.
- Seconded to Corporate HR Head for 3 months to design strategic Corporate HR plan.

Institute of Global Finance

1987 - 1988

Sponsored by Latin American Bank Group Head as one of few internal candidates for eight-month pilot program in corporate finance/capital markets/credit training. Courses taught by Harvard Business School professors.

Human Resource Generalist and Corporate Roles

1977 - 1987

Successive generalist roles with increasing management responsibility. Supported Latin American corporate bank; global correspondent banking, multinationals and cash management; telecommunications; operations and technology; asset-based finance; financial control. Three years in corporate Affirmative Action and Policy and Recruiting departments.

National Banking Group, Marketing and Planning

1974 - 1977

Wrote newsletter for over 1,000 correspondent banks.

HARVARD UNIVERSITY, Office of the President, Boston, MA

1971 - 1977

Wrote and edited correspondence for the president of Harvard University.

EDUCATION

Columbia University. Bachelor of Arts, English Literature.

BOARDS

Kenyon College, Parents Advisory Council
Family Violence Prevention Fund, Member, National Leadership Council
March of Dimes Bay Area Division, Board member, 2004-2005
HR Strategy Forum, Executive Advisory Board, 2003-2005

ELIZABETH "BETTINA" ROUNDS

Bettina is a human resources consultant who advises board level and senior management clients on organizational and individual effectiveness. Prior to starting her private practice, Bettina was the EVP of Human Resources for Visa International. She was a member of the CEO's executive management team and advanced the strategic global human resources agenda. Bettina served as the advisor to the Visa International Board of Directors on human resource related issues, while working directly with the Board's Compensation Committee on compensation and executive management related topics for the global organization. She also served as the Chair of the Visa Employee Benefits Board during her five plus years with the company.

Before joining Visa, Bettina worked for Citicorp/Citigroup for over twenty years. In her first 10 years at the bank, she held a variety of national and international human resource generalist positions based out of New York City. After completing her work as a generalist, she spent the next 10 years in specialized positions focusing on assessment, staffing of senior level talent in the Executive Resources function (NY) and in the Corporate Bank's Regional Headquarters for Asia Pacific (Singapore).

Bettina brings over twenty-five years of experience in working with, developing, and advising management and Boards on best in class strategic human resource management practices. Particular areas of focus have been leadership development and talent management including assessment, performance management, workforce planning, selection, compensation, and exit strategies and packages.

Bettina began her career in the Office of the President at Harvard University. She holds a BA in English Literature from Columbia University.

Raised in Brazil and New York, today Bettina resides in San Francisco with her husband and has a daughter in college. Bettina has served on the Board of Directors for the March of Dimes Bay Area Division, on the Executive Advisory Board of the HR Strategy Forum, and is currently a member of the National Leadership Council of the Family Abuse Prevention Fund and the Kenyon College Parents Advisory Council.

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APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



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Please check the appropriate box:

Police and Fire Department Plan **Federated City Employees' System**

Do you reside within 50 miles of San Jose City Hall? **Yes** **No**

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Odell, Stuart, Irwin

Home Address City Zip Code

Home Phone No. Cellular Phone No. Home Fax No.

Business Address Zip Code

Business Phone No. Business Fax No.

Business Email Personal Email

Present Employer (Name/Describe Business) Intel Corporation/ Semiconductor Manufacturer	Job Title/Description of Duties Assistant Treasurer, Retirement Investments Oversee all aspects (asset allocation, manager selection, performance monitoring) of Intel's \$10 billion of US qualified and non qualified retirement plan investments. Manage an internal investment staff of 6 investment professionals and 80 outside investment managers.
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Current Employer of Spouse (Name/Address) N/A	Spouse's Job Title/Description of Duties: N/A
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**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Union College	Mechanical Engineering	9/84-6/88	BSME 06/88
NYU (Stern School of Business)	Finance	9/94-5/96	MBA 05/96

Licenses Held:

Formerly held Series 7, Series 63

Certifications Held:

Special Awards or Recognitions Received

Alexander Hamilton Award from Treasury and Risk Management Magazine
Treasury Excellence Award (highest award given within Intel Treasury Department)

Languages spoken

English, French (basic)

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

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APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	10.5	venture capital, retirement plan investments
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	9	retirement plan investments
<input checked="" type="checkbox"/> banking	2.5	senior debt transaction investments professional
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	2.0	Manager of Finance and Planning, Public Agency
<input checked="" type="checkbox"/> Other	3.5	Engineer, Manager of Energy Conservation

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

For the past 9 years I have managed Intel's retirement plans, including asset allocation, manager selection, and investment performance. My engineering degree, MBA in finance and 21 years work experience including banking and venture capital work are applicable. I currently serve on the Board and chair the investment committee for a \$250 million endowment. My honesty, integrity, thoughtfulness and respect for others are important qualities that I also bring.

3. What is your interest and motivation for serving as a member of the Retirement Board?

I believe that serving on the Retirement Board is a wonderful way for me to able to give back to the community of San Jose and its employees while utilizing both my skills and experience in pension plan investment management. For similar reasons, I am a member of the Board and Chairman of the Investment Policy Committee for the Guide Dogs for the Blind, a non-profit based in San Rafael, CA.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

For the past nine years I have been responsible for developing the strategy, directing investments and providing oversight on Intel's US retirement plans. This includes development of Investment Policy Statements and ensuring implementation and compliance with these plans. Use of outside investment consultants has primarily been limited to special projects and manager advice on certain alternative asset classes, while asset allocation, manager selection, performance monitoring, and trust/custody have been developed and managed by my team and myself.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

I am a member of Pensions West, DCIIA (Defined Contribution Institutional Investment Association) and PSCA (Profit Sharing/401(k) Council of America). These organizations foster and share best practices in institutional investment management, plan design and governmental regulation in the Pension industry.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

In addition to managing the investments of the retirement plans, I am actively involved with the administration of the plans including setting and reviewing actuarial assumptions, funding, recordkeeping, participant communications, education and plan design. I am also actively involved with Intel's international pension plans, either in an advisory capacity or as a trustee for these plans. Being involved in the international plans allows me to stay on top of best practices including places like Australia, where superannuation plans are utilized and the UK, where liability driven investing has become more prevalent. Finally, I also serve on the Board and am Chairman of the Investment Committee for Guide Dogs for the Blind in San Rafael which has a \$250 million endowment with a significant allocation to alternative investments.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Retirement Board members are primarily responsible for assuring that the plans are being administered in compliance with the policies and procedures as outlined in the plan documents. They also advise, review and approve investment and administrative recommendations from staff and outside advisors (actuaries, investment managers, consultants, administrators, etc) to help assure that the beneficiaries will receive their benefits (retirement and medical).

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The Board is responsible for assuring that plan participants and beneficiaries are well informed and understand and receive their benefits. The relationship with the city council, city administration and employee bargaining units is to insure that the views and issues that these constituents have are properly heard and evaluated for consideration. The retirement staff is primarily responsible for implementing and monitoring the investment decisions and making recommendations to the Board.

4. What do you consider the three most important issues currently facing the Retirement Board?

Based on the limited information that I have been able to review, it would appear to me that the most important issues facing the plan are underfunding, strategic asset allocation and risk management. The reports that I have reviewed and the investment policy statement do not appear to address risk management nor do they appear to show an action plan for how and when they will achieve full funding.

5. What do you perceive as the short and long-term goals of the Retirement Board?

The short term goals of the Retirement Board should be providing reassurance that the plans are being managed properly and are in compliance with the rules and procedures as outlined in the plan documents. Also, in the short-term, the Board should begin to analyze the historical and projected asset allocation and performance of the plan from a risk framework in addition to the more traditional asset allocation framework. The long-term goal should be to assure that the plan is properly positioned to achieve full funding to meet the obligations of current and future retirees. The Board should focus primarily on long-term performance and should not spend the bulk of its time with manager selection/presentations or short-term performance monitoring. These responsibilities should primarily be left to staff and outside consultants. The Board should also focus on the long-term macro environment and how to properly position the portfolio for that environment.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

Since managing investments and the Intel Retirement Plans is my full time job, I ensure that I am up to date on institutional investing and the capital market environment through a number of avenues including: managers, consultants and advisors, industry peers, publications/research, seminars and conferences.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

The areas where I believe there will be significant opportunity include emerging markets (through public and private equity and debt), global macro, long/short equity, distressed debt and real estate. Many of these strategies can be deployed in a manner which provide greater downside protection and reduces risk. We currently utilize risk budgeting at Intel as an internal tool for helping us determine where to allocate capital and resources within our portfolios.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation in the traditional sense can lead to unexpected outcomes as it does not always properly identify the factors that will affect performance and risk and is often deployed with forward looking assumptions based on historical performance. While traditional asset allocation must still be utilized, it should be used in conjunction with risk factor analysis and risk budgeting. I would investigate increasing capital to unconstrained managers versus traditional long only managers. I would look to allocate more capital to faster growing economies in traditional and alternative asset classes.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

The short answer is yes assuming there are sufficient staff and resources (including consultants) with the necessary expertise to properly source and monitor these investments. Separate account real estate (I'm assuming you mean direct real estate) requires significant internal resources that may not be available for a plan of this size. Also, infrastructure generally may have some characteristics that do not support the investment (ie long investment periods for low to mid teen expected returns) and some infrastructure related investments may be accessed through the public markets.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

At the highest level, due diligence should focus on people, process and performance. The stability of the organization, the people, and proper alignment of interests are critical to assure future success. Manager due diligence should be conducted utilizing consultant specialists, databases, RFP's, presentations, on site meetings, and reference checks. Managers should be terminated when there is no longer confidence with the manager in one of the key areas (people, process, performance). I would note however that due diligence will vary widely depending on the strategy.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The investment policy statement should establish the investment objectives (including risk and return), policies and guidelines for the management of the assets of the plan in order to assist the Board and Staff in supervising and monitoring the investments. The policy should articulate guidelines, roles and responsibilities, provide a mechanism to establish and review the Plan's investment objectives, specify the asset allocation, risk, rebalancing policy, identify manager selection and retention criteria that may be considered when selecting, monitoring and evaluating investment options. It should also specify the responsibilities and duties of investment managers.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

N/A

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

The FTC, Japan Fair Trade Commission, EU Commission, New York Attorney General, Massachusetts Attorney General have investigated Intel for anti-trust related issues. In most cases Intel has settled these allegations without admitting wrong doing. For more information please visit: <http://legal.intel.com/Antitrust/index.htm>

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
 Newspaper
 Advertisement – Source: _____
 City Website
 Personal contact from Councilmember
 Personal contact from City staff member
 Word of mouth
 Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

EXPERIENCE

May 2000 – Present

INTEL CORPORATION, TREASURY, Santa Clara, CA
Assistant Treasurer, Retirement Investments (11/01-present)
Manager, Strategic Investments (5/00-11/01)

Oversee all investment related aspects of \$9 billion in ERISA qualified retirement plan assets and \$650 million in non-qualified plan assets. Qualified US plan assets consist of a \$4.6 billion employer directed profit sharing plan, a \$4.4 billion employee directed 401(k) plan and a \$411 million floor-offset pension plan. Advise on approximately \$500 million of Intel pension assets located outside the US.

- Primary responsibilities include strategic and tactical asset allocation analysis and recommendations, investment manager search, evaluation, selection and ongoing performance monitoring and reporting.
- Oversee all US plan investment policy committee meetings. Manage an internal investment staff of six investment professionals and 80 existing outside investment managers, general partners and investment consultants.
- Serve as plan trustee and/or consultant to the Intel retirement plan investments in Malaysia, Hong Kong, Japan, Israel, Ireland, UK, Germany, Australia and Canada.

Key accomplishments/initiatives:

- Secured investment policy committee approval to diversify Intel's \$4.5 billion internally managed profit sharing plan. Completed phase I of the diversification project in October 2005 (a fully diversified Beta only strategy). Began implementing a Phase II (alpha) strategy in 2006 including a 25% allocation to alternative investments. Completed 25 non marketable limited partnerships and 26 marketable alternative investments (both equity and fixed income strategies). Hired and trained a team of six internal investment staff to support the diversification efforts.
- Redesigned the 401(k) plan to provide Intel's 50,000 US participants access to higher quality institutional investment alternatives targeted to the different types of investors in Intel's plan. Developed and implemented custom target date and core investment options utilizing Intel's underlying institutional managers in the profit sharing plan including alternative investments. The redesign effort received the Alexander Hamilton Award from Treasury and Risk Management magazine for excellence in retirement plans as well as the Intel Treasury Excellence Award (highest award given within Intel Treasury).
- Developed and implemented a liability driven (LDI) asset allocation strategy for Intel's \$300 million US defined benefit floor-offset plan.
- Managed a team of both internal and external stakeholders and implemented a qualified retirement pension plan which offsets a portion of Intel's nonqualified plan liabilities. The transaction represented an NPV to Intel of approximately \$40 million while giving the participants all of the benefits and safety that a qualified plan brings (bankruptcy protection, IRA rollover). Received a divisional recognition award for the accomplishment.
- Completed 16 strategic venture capital investments on behalf of Intel Capital in 2000-2001.

STUART I. ODELL JR.

(Page 2 of 2)

EXPERIENCE (continued)

Jan 1999 – April 2000

BCN DATA SYSTEMS LLC, San Francisco, CA and London, UK

Director of Business Development

A Bechtel Enterprises/CellNet Data Systems startup joint venture focused on delivering wireless data services to the utility industry outside the US. Worked directly with the CEO and the senior management team on project finance analysis and funding, business development and sales.

- Prepared offering memorandum for potential investors and partners, attended key investor meetings and performed financial modeling and due diligence for three potential acquisitions.

July 1996 – December 1998

TD SECURITIES (USA), INC, New York, NY, (Sec 20 subsidiary of Toronto Dominion Bank)

Vice President, Communications Finance (1.5 yrs), Associate, Healthcare Finance (1 yr)

Transaction manager responsible for negotiating, evaluation and structuring prospective transactions, conducting due diligence; developing financial and credit analysis models; preparing credit proposals and reviewing legal documentation. Liaison between credit derivatives, high yield and merchant banking, often assisting in transaction related analysis to cross-sell other products to clients

- Managed all transaction activity for 20 bank clients in the radio, cable, wireless and wire line industries.
- Completed formal bank credit risk management training and obtained Series 7 and 63 licenses

March 1989 – August 1994

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY (MBTA), Boston, MA

Manager, Finance and Planning (2 yrs), Manager, Energy Conservation (2 yrs), Engineering Analyst (1.5 yrs)

- Prepared annual operating budget for 1,000 employee department utilizing program based budgeting principles.
- Co-authored a five-year capital infrastructure improvement plan securing over \$100 million in capital funding.
- Forecast annual utilities budget (\$25 million) and analyzed expenditures.
- Performed analysis and assisted in negotiating and implementing a wholesale electric power purchase program that reduced costs by 20%.

AFFILIATIONS/EDUCATION

GUIDE DOGS FOR THE BLIND, San Rafael, CA

Director and Chairman of the Finance and Investment Committees (06/08-present)

Advisory Board Member (04/06-06/08)

Guide Dogs for the Blind, a non for profit organization established in 1942 provides enhanced mobility to qualified individuals through partnership with dogs. Guide Dog's endowment of over \$250 million provides over 50% of the annual operating budget income for the organization. The endowment is overseen by the investment committee including asset allocation, manager selection and performance monitoring.

NEW YORK UNIVERSITY, LEONARD N. STERN SCHOOL OF BUSINESS, New York, NY

Masters of Business Administration, Finance, May 1996

UNION COLLEGE, Schenectady, NY

Bachelor of Science, Mechanical Engineering, June 1988

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Columbia business School	MBA; Economics	2007-2008	MBA
UC Berkeley Haas School of Business	MBA; Econometrics	2007-2008	MBA
Rutgers University	Political Science	1989-1993	BA

Licenses Held:

NASD Series 7, 63, 65, 3
California Insurance License

Certifications Held:

CFA Charterholder
UBS Investment Management Certification

Special Awards or Recognitions Received

Languages spoken

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input checked="" type="checkbox"/> pension actuarial practice	5	Ran a tactical allocation strategy for pensions
<input checked="" type="checkbox"/> institutional investment experience	18	career in execution of investment strategy
<input type="checkbox"/> auditing		
<input checked="" type="checkbox"/> accounting	18	Financial statement analysis in context of research
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	18	Discretionary asset management at UBS, Oppenheimer
<input checked="" type="checkbox"/> banking	18	Related to core business
<input checked="" type="checkbox"/> Insurance company asset/liability management	10	Fiduciary for insurance company client asset management
<input checked="" type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)	1	Adjunct Professor for alternative investments at UC Berkeley
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

Per the above, my career has been deep in advice and management of pension assets. In addition to discretionary asset management, my responsibilities have been in communicating strategy to the board and advisors. Through my understanding of investment products and macroeconomics, I have been able to successfully assist in the interpretation of these products for stakeholders with a wide breadth of sophistication.

3. What is your interest and motivation for serving as a member of the Retirement Board?

I have an unbiased interest in making the portfolio a thought-leading example for proper and responsible management. The current financial situation has caused many otherwise impactful portfolios to react in radical ways, and I believe that my experience will be extremely value-added in leading in fact-pattern. The San Jose Police and Fire Department Plans in particular have specific opportunities to benefit from strategy amendment, and must do so in a well thought out way.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

My 18 year career has been deep in asset allocation strategy, proper benchmarking, asset/liability matching, and investment product research. I have practical experience in applying my business school thesis on alternative allocation strategy, and developed a tactical allocation swap strategy for pension funds to reallocate assets while limiting the frictions caused by transactions in investment instruments.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

Member of the CFA Institute
Various committee member in the Financial Analysts Society of San Francisco

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

In addition to practical, professional experience in pension asset management, I have academic experience in portfolio design such as the benefits and challenges with alternative allocation strategy. This blend of interest, paired with my deep understanding of the design of investment products, specifically with the unintended consequences of the fineprint embedded in these products, will be impactful in the successful management of these funds.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

My experience with pension management includes close work with many retirement boards. As such, I have advised, represented and educated boards and individual members throughout my 18 year career. Further, I have experience in working under fiduciary experience, and in balancing the interests of multiple layers of portfolio beneficiaries for mutual success.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

As discussed above, I have understanding of the seemingly competing interests of different stakeholders, and have managed these relationships.

4. What do you consider the three most important issues currently facing the Retirement Board?

Meeting liabilities
Communicating strategy through the unions to ensure a long-term view
Managing counterparty relationships for efficient advice, fees and risk

5. What do you perceive as the short and long-term goals of the Retirement Board?

To realign the portfolio to reflect risk vs. return in the current market environment. The portfolio is outdated in allocation to asset classes and instruments; underdiversified among asset classes yet somewhat overdiversified within these classes. The assumed rate of return must be evaluated, the asset allocation methodology must be reevaluated, and the process to originate and source investment products must be evaluated.

From there, the process to review all of the above should be considered, and a formalized process should be implemented to ensure that the portfolio does stay current to capital markets changes, to new product proliferation and to performance attribution of the current investments.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

Through the following;

- ongoing professional training, conferences and seminars/webinars
- by remaining active in the CFA Institute and Financial Analysts Society of San Francisco
- related to my role in instructing on investment strategy at the University of San Francisco

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

Experience with risk budgeting is very deep, both in quantitative target-setting and in finding fundamental causality. This includes using the risk budget as the main factor for asset allocation. The opportunities to reduce risk/increase return are linked to the correct asset allocation methodology. By adding asset class diversifiers that are independently positioned for growth, the portfolio will have a high likelihood of success.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation in itself is not helpful if the methodology for implementation and review are not the focus. There is a large difference between mean/variance allocation and Bayesian strategy, and between forward and backward-looking factors. Further, using the risk budget to set a band around the min/max of asset class allocation is most effective in remaining within an overall risk target.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Yes; both as a source of return and as a diversifier. The challenge is that the instruments themselves have a wide variance in underlying risk/return drivers. Where a large-cap fund, for example, may vary from peers in a small band, alternatives are by nature quite different than peers. adding the asset class is important, but just as important is investing in the securities that add the intended exposure.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

Evaluate based on the team, the process and the track-record. Further, understanding specific risk factors such as conflicts of interest and internal risk management are important. Reevaluate if the manager does not generate alpha or competitive returns vs. peers and the benchmark consistently. Also reevaluate if there are material organizational changes, or if the strategy is no longer viable. Due diligence should be a blend of quantitative and on-site qualitative.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The IPS should instill discipline on the process while remaining sufficiently flexible to manage the portfolio in a dynamic market environment. The document should capture the critical points on liquidity, returns targets, timing, methodology for measuring risk and benchmarking. Regarding the stakeholders mentioned, the document should define who is responsible for investment policy, particularly as applies to the allocation of assets and ongoing portfolio management.

The document should not be so specific to limit the ability to act, nor should it limit the ability to change consultants or advisors based on a sound decisionmaking process. The main challenge that I have seen in advising pension boards is the flexibility to stay current and make beneficial changes without amending the document; a long and painful process.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

NA

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

Investigation by NASD into minor claims that were found to be false. Based on internal firm regulations at UBS on information process, but this was found to have been followed correctly.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

Damon G. Krytzer, CFA

Summary

Global capital markets experience including research, asset management, business development, and risk measurement. Diversified deal experience in developed and emerging markets has provided core and alternative investment expertise.

Experience

Oppenheimer & Company, San Francisco, CA

2006-Present

Senior Vice President-Portfolio Manager

Develop a new business within the firm. Implement a proprietary, active allocation methodology based on macro trends; structure and commercialize solutions to manage exposure to risk factors.

- Design and implement a tactical global macro strategy; initiated regional Global Emerging Markets platform responsible for \$300MM notional
- Lead client communications including new business development, portfolio communication and external relations. Communicate with and educate a client base diverse in sophistication level from global governments and multinational corporations to individual families and the private equity community
- Design benchmarking and pricing metrics based on underlying factors and behavioral biases
- Facilitate trading strategy for concentrated risk positions with an average notional trade size of \$25MM; exposures include equity, currency, commodity, and global interest rates
- Implement hedging transactions and product development in major developed and developing markets

Symbiotics SA, Geneva Switzerland; San Francisco, CA

2009

Portfolio Manager – Foreign Exchange/Interest Rates

Develop a strategy to manage a foreign exchange overlay for a local currency microfinance portfolio in sub-Saharan Africa. We developed this process to win a portfolio mandate for a fund established at the G8 conference in 2007. This strategy was developed from a global structure to centralize liquidity in frontier market currencies.

- Built the currency fund pitch and successfully won the investment management mandate for a microfinance fund established by major global DFI's; founded by KfW, IFC, BMZ, EIB, and the major European development banks. Assets committed-to-date \$190MM USD
- Design a trading process to meet investor risk objectives in frontier markets currency forwards throughout Latin America, Central Asia, sub-Saharan Africa, and Eastern Europe
- Centralize and manage a counterparty credit process among banks, multinationals and a freestanding fund
- Conceptualize and commercialize a free standing FX overlay portfolio to manage exposures for multiple parties; negotiating capital requirements, counterparty requirements and first-loss capital
- Develop structured products to manage FX volatility in aggregate; notes, options, swaps and forwards
- Design alternative commercialization products to distribute microfinance as an asset class in the US

UBS Financial Services Inc., San Diego / San Francisco, CA

2001-2006

Vice President-Portfolio Manager

Recruited to the firm to develop a scalable portfolio allocation methodology for a west coast team, and to originate a trading platform for risk exposures.

- Directed \$1.5B in private family assets as the lead for a Private Wealth Management group; focus on risk measurement, including portfolio attribution, correlation analysis and proper benchmarking
- Oversaw research efforts to design synthetic products for currency, interest rate and equity exposure

- Co-Led a team to independently manage \$165MM in global macro and currency overlay strategies to create alpha through targeted benchmark mismatches
- Instituted a total-return swap overlay strategy for mid-term, fundamental portfolio rebalancing. Resulted in business wins within the competitive \$1B+ corporate pension and endowment market
- Advised on liquidity solutions for concentrated risk and liabilities (debt, equity, currency and synthetics)
- Originated corporate finance and capital market transactions including financing, acquisition, MBO and IPO. Sourced average yearly \$2B in dealflow opportunities to IBD and ECMG from 2001-2005
- Served as regular speaker at industry conferences and workshops on alternative liquidity transactions, benchmarking, hedge strategy, and risk measurement tools beyond dollar exposure

Prudential Securities, Inc., San Diego, CA / San Jose, CA

1997-2001

Vice President

Originally recruited to manage assets for private clients through an alternative allocation strategy, I co-developed a firm-wide quantitative management strategy for concentrated equity holdings.

- Implemented a fundamental overlay on a quantitative portfolio to manage core global equities portfolio
- Investigated and presented special situations trade ideas to the portfolio management team
- Executed tactical asset allocation based on disciplined risk budgeting and liability matching methods
- Managed trade execution and strategy for the technology and life-science sectors in the volatile late 90's, including equity and derivative transactions. Our group was responsible for 30% of the firm's agency volume in traded synthetics from 1999-2001
- Initiated investment opportunities through tailored structured products, unique hedge strategies and special equity transactions. Created and implemented the first variance swap at the firm for vega exposure
- Cross-sold business with investment banking group-responsible for \$300MM in closed deals in 2000

Summit Financial Resources, New York, NY / Parsippany, NJ

1995-1997

Financial Analyst

Served a core research role including fundamental and quantitative active allocation methodologies. I initiated research and client communication efforts for a team that increased AUM from \$500MM to over \$4B in a two year period. This included developing the firm wide methodology for synthetic asset-class exposure and hedges, producing internal research on sector trends implied by this research, fundamental and quantitative screens to expand and monitor the investment universe. Key factors were return-based attribution analysis and correlation.

MDS/Bankmark, Morris Plains, NJ / New York, NY

1993-1995

Corporate Recruiter

Recruited and screened financial services representatives for this wholly-owned division of Consec Insurance, responsible for maintaining the investment advisor workforce within national banking organizations

Education

Columbia Business School, Columbia University – New York, NY

2007-2008

Haas School of Business, University of California, Berkeley – Berkeley, CA

MBA, Joint Executive Program: December 2008 – *Deans List*

Beta Gamma Sigma honor society – Association to Advance Collegiate Schools of Business (AACSB)

Rutgers College, New Brunswick, NJ

1989-1993

BA, Political Science/English; 1993

Representative in Rutgers and Delta Sigma Phi governing body; Lacrosse Club captain

Chartered Financial Analyst Charterholder, CFA Institute

- Active member of the Financial Analysts Society of San Francisco; corporate program committee
- Associate Professor; University of San Francisco Business School
- Series 3, 7, 6, 63 and 65 securities and CA Life and Health Insurance licensed

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Indiana University, Bloomington	Political Science	1990 - 1994	Bachelor of Arts, 1998

Licenses Held:

NASD Series, 3, 7 & 66

Certifications Held:

Candidate for level II of the CFA

Special Awards or Recognitions Received

White House intern for President George H. W. Bush
Student Body Treasurer

Languages spoken

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	16	Cash Bonds, Credit Default Swaps, Interest Rate Swaps, Futures, Foreign Exchange
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	8	Core and Core Plus Fixed Income and Hedge Funds
<input type="checkbox"/> banking		
<input type="checkbox"/> insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		As Head Trader responsible for oversight and administration of clearing operations for a global fixed income hedge fund
<input checked="" type="checkbox"/> Other		
<input checked="" type="checkbox"/> Other		Negotiated ISDAs, CSAs, MRAs, GMRA's with Goldman Sachs, JP Morgan, Bank of America, etc.

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

As a member of the Retirement Board I would bring additional skills that are necessary when evaluating potential managers and reviewing the performance of existing managers. I have direct research, trading and portfolio management experience in the fixed income, currency and commodities markets. I have worked on the buy-side at Bradford and Marzec, Inc. as a Sr. Corporate Bond Trader, part of a team overseeing a \$10 billion fixed income portfolio.

3. What is your interest and motivation for serving as a member of the Retirement Board?

As a San Jose native and graduate of Bellarmine College Preparatory high school I see this as an opportunity to serve my community. I think that the Retirement Board would benefit from my experiences as a manager who has negotiated directly with insurance companies, global banks, fund of fund investors and pension funds. This is a unique opportunity to put my skills to work for the city on a volunteer basis.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

As an investment manager I have been responsible for the oversight and management of institutional /pension assets that include but are not limited to san bernardino county, merced county, Los Angeles county, Nevada PERS, Catholic Charities and Fund of Funds such as PAAMCO and Lyxor. The strategies we pursued ranged from conservative core and core-plus mandates to leveraged global fixed income programs using alternative investment vehicles.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

I am currently a candidate for level II of the CFA.
I am also a member of the World Affairs Council.
Active in the Bellarmine Alumni Association.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

I recently relocated to the Bay Area with my wife and two children from Los Angeles. Until June 2010 I had been the Co-Head of fixed income, currency and commodities proprietary trading at Crowell Weedon & Co., a California broker dealer established in 1932. Due to significant regulatory changes the firm exited proprietary trading. I was offered an opportunity to stay on at the firm in an alternative capacity, but decided that if I wanted to get back to the Bay Area that now was a good time to move the family. We have settled in Danville and I have been actively interviewing with local firms (Symantec, Google, BlackRock) and expect to start a new role in corporate treasury or as a fixed income Portfolio Manager in the new year.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Retirement Board is responsible for the oversight and management of the pensions investment portfolios. This includes asset allocation and the selection and review of investment managers.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

My understanding is that the Retirement Board would report to the City Council / City Administration and to the Plan Participants /Beneficiaries. The Retirement Board would also work closely with the Retirement Services staff to oversee the plan assets and to ensure that its fiduciary responsibilities were being met.

4. What do you consider the three most important issues currently facing the Retirement Board?

1. Meeting future pension obligations.
2. Obtaining meaningful returns in a zero interest rate policy environment.
3. Managing portfolio risk in an environment where correlations often go to 1.

5. What do you perceive as the short and long-term goals of the Retirement Board?

In the short term, the primary goal is to obtain the most efficient allocation of assets to provide the best risk adjusted returns. I believe that this can be accomplished by having an entrepreneurial approach to managing institutional assets.

In the long term, the primary goal is to meet the pension obligations to its beneficiaries.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

Over my sixteen years in the investment management business I have developed a global network of buy-side and sell-side professionals that includes analyst, traders, strategist and portfolio managers. I actively read sell-side research including boutiques such as Drobny Global Advisors and Lombard Street Research. I also have a Bloomberg terminal which allows me to stay abreast of current market activity.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

Given the zero interest rate policy and the recent extension of the quantitative ease program I am of the opinion that interest rates will remain low for an extended period. This forces investors to move out the risk curve to gain yield / return, an overweight in emerging markets fixed income (local currency) and domestic high yield would continue to make sense. To hedge the risk of future inflation the Retirement Board should consider an option on 5y5y forward payer swaps, this would cover any tail risk related to inflation. I managed the risk budget at Crowell, Weedon and Co.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation is the primary driver of investment performance. Some studies claim that asset allocation can be responsible for as much as 85% of a portfolio's return. With out knowing the specifics of the funds obligations relative to its assets I would suggest 15% of the fund be allocated to natural resources (equities & commodities), 35% to fixed income (15% Emerging Markets, 5% High Yield and 15% Barclay's Core), 10% split evenly between Private Equity and Venture Capital and 40% in Equities (15% international /EM and 25% domestic equities).

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Recent performance illustrates that in many cases pensions captured excess returns via private equity in exchange for giving up liquidity. That being said, I believe that alternative investments are critical part of generating the returns necessary to meet the boards future obligations. Liquid strategies with out long-term lock ups exist and should be pursued. With the proper composition of the retirement board, it could complete the due diligence on alternative investment managers in house and hire consultants where it lacked sufficient expertise.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

I would evaluate a manager based on performance in both bull and bear markets on an absolute basis and relative to their peers. I would terminate a manager if they strayed from their guidelines, exhibited style drift or lagged their peers for an extended period. Due diligence should be conducted on site at the managers office. A comprehensive review of the managers middle and back office should take place and when possible a separate account should be established.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The statement of investment policies should include the pensions investment objectives and policies regarding asset allocation and manager selection. The trustees / custodian has a fiduciary responsibility over the plan's assets. This includes the safe keeping of the plan assets, settling securities, handling inflows and outflows as necessary. Consultants are hired to provide objective unbiased opinions regarding asset allocation and manager selection. Investment managers are hired with a specific investment mandate. The Staff may be involved in the due diligence process and analysis of managers along with consultants and verify reporting from trustees and administrators. The staff would also interface with pension beneficiaries, the retirement board and outside managers directly.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

None.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
 Newspaper
 Advertisement – Source: _____
 City Website
 Personal contact from Councilmember
 Personal contact from City staff member
 Word of mouth
 Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

SEAN P. BILL

CAREER SYNOPSIS

CROWELL, WEEDON & CO.

Director / Principal Risk – Fixed Income, Currency & Commodities

Los Angeles, CA

2007 – June 2010

Established and co-managed the firm's fixed income, currency and commodities principal risk group (\$8bln AUM)

- Determined asset allocation between fixed income, currency and commodity markets, long / short / flat
- Managed directional, spread /carry strategies in G-10 and transitional EMG sovereign debt and foreign exchange, using bonds, futures, interest rate swaps, forward rate agreements and credit default swaps
- Managed real-return strategies using global inflation linked bonds and commodity futures /swaps /ETFs
- Managed fixed income overlays to minimize firm's net exposure to interest rates and municipal debt
- Provided management oversight of investment grade and high yield corporate bond and CDS portfolios
- Supervised risk management, active hedging strategies and monitor combined portfolio correlations

GLOBAL FIXED INCOME PARTNERS, LLC

Principal / Head Trader – Global Fixed Income and Currency Relative Value Hedge Fund

Newport Beach, CA

2004 – 2007

Actively managed firm capital, seeking consistent and superior capital appreciation (\$150mm AUM)

- Generated original research and trading ideas using both fundamental and technical analysis; focused on level, slope and curvature of spot and forward yield curve and sovereign /agency relative value
- Managed directional /spread positions in G-10 sovereign and agency /EMG fixed income and currency markets; actively engaged in credit default swaps, interest rate swaps and forward rate agreements
- Identified, managed and executed spot and forward over the counter foreign exchange and options
- Responsible for the management and oversight of fund's repos /reverse repos, approximately \$300mm
- Utilized active options strategy for income generation and portfolio hedging

FINANCIA CAPITAL, LLC

Managing Principal – Global Macro Hedge Fund

San Francisco, CA

2002 – 2003

Co-Founded, supervised and managed the Fund's investing and trading activities (\$2mm AUM)

- Developed investment ideas, screened for opportunities and directed sector selection for core long /short equity portfolio; implemented strategy using both domestic and international listed ETFs
- Developed macroeconomic outlook using both fundamental and technical analysis to identify fixed income, currency and commodity investment /trading opportunities; executed strategy using futures

BRADFORD & MARZEC, Inc.

Senior Fixed Income Trader – Domestic & Non-Dollar Investment Grade Corporates

Los Angeles, CA

1998 – 2002

Responsible for investment grade corporate fixed income trading for total return bond portfolios (\$10bln AUM)

- Monitored, recommended and executed trades for institutional investment grade corporate portfolios
- Maintained an extensive relative value matrix used to propose inter /intra sector swaps for domestic holdings and between domestic and international markets, with the objective of picking up additional yield or capitalizing on capital structure inefficiencies /mispricing
- Member of the firm's investment committee; wrote quarterly corporate comment for clients

Junior Fixed Income Trader – Domestic Fixed Income Trading

Provide support to fixed income trading group, promoted to Corporate Bond Trader in May 1999.

- Managed short-term cash balances and target duration using treasuries and strips
- Executed trades in cash treasuries, agencies and generic pass through mortgage securities
- Conducted performance attribution analysis on multi sector fixed income portfolios and conducted scenario analysis using Wilshire Axiom

REFCO GROUP, LTD.

Associate – Institutional Sales & Trading

Chicago, IL

1995 – 1998

Member of The LaSalle Group of Refco, an institutional agriculture futures /options broker and CTA /CPO

- Served as Refco's Player on the agriculture floor of the Chicago Board of Trade; communicated market structure /intelligence to institutional clients and internal portfolio managers and traders
- Developed and maintained extensive fundamental data bases using USDA and firm estimates on supply /demand, stocks use /carryover, import /export flows, cash basis levels and open interest levels
- Attended CBOT and CME sponsored classes on futures and options fundamental and technical analysis

PRUDENTIAL SECURITIES, Inc.

Registered Representative

San Francisco, CA

1994 – 1995

Assisted in the day-to-day sales and trading operations of a major client oriented securities firm

- Assigned to the institutional municipal bond sales desk; assisted in confirmation, booking and allocation of trades with domestic mutual funds and corporate treasury departments
- Created daily morning brief of upcoming new issues, existing firm axes and noteworthy flows for clients

ADDITIONAL RELEVANT EXPERIENCE

- Established Prime Broker and Futures Commission Merchant clearing relationships with Bear Stearns, Citigroup, Goldman Sachs, Morgan Stanley and Newedge Group
- Negotiated credit lines with banks and broker dealers; executed Master Repurchase Agreements (MRA /domestic repo) and Global Master Repurchase Agreements (GMRA /international repo). Counterparties included Bear Stearns, Citigroup, Deutsche Bank, Goldman Sachs, J.P. Morgan and Morgan Stanley
- Negotiated and executed International Swaps Dealers Association Master Agreements (1992 and 2002 ISDAs), the agreement used in the over the counter global derivatives markets. Also negotiated terms of the associated Credit Support Annexes with an emphasis on expanding the securities eligible to serve as collateral and minimizing the haircut on said collateral. Counterparties included Barclays Capital, Bear Stearns, Citigroup, Credit Suisse, Deutsche Bank, Goldman Sachs, J.P. Morgan, Lehman Brothers, Morgan Stanley, Royal Bank of Scotland and Union Banc Switzerland (Kirkpatrick and Lockhart served as legal counsel /advisors to our firm)
- Integrated electronic execution and clearing systems including Bloomberg Tradebook, Deutsche Bank Autobahn, Market Axxess, Morgan Stanley Passport and Tradeweb
- Recruited and hired research and trading personnel to staff desks; vetted outside managers for allocations of partner capital, both discretionary and systematic approaches
- Represented firms on periodic credit /due diligence calls with counterparties and potential investors
- Represented firm at quarterly performance reviews with key institutional accounts such as San Bernardino County, Mendocino County, Nevada (PERS), Delta Airlines, PAAMCO and Lyxor
- Guest lecturer on derivatives at The Paul Merage School of Business at the University of California Irvine
- Developed strong global network of sales, trading and research professionals across asset classes
- Candidate for Level II of the Chartered Financial Analyst and Chartered Market Technician certifications
- NASD Series 3, 7 and 66 licensed

EDUCATION**INDIANA UNIVERSITY**

Bachelor of Arts, Political Science

Bloomington, IN

1998

Course work included: political science, economics, accounting, business law, calculus, statistics, finite mathematics and graduate level business classes on equities, derivatives and portfolio management at the Kelly School of Business

Activities included: Elected Student Body Treasurer and Treasurer of the Indiana Federation of College Republicans; served as an intern at the White House for President George H. W. Bush, assigned to the Council on Competitiveness

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan **Federated City Employees' System**

Do you reside within 50 miles of San Jose City Hall? **Yes** **No**

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Lanza, Andrew Scott

Home Address City Zip Code

Home Phone No. Cellular Phone No. Home Fax No.

Business Address Zip Code

Business Phone No. Business Fax No.

Business Email Personal Email

Present Employer (Name/Describe Business) Job Title/Description of Duties
Recently retired

Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Stanford University	Electrical Engineering	1974-1979	BSEE & MSEE '79
Harvard University	Business	1985-1987	MBA '87

Licenses Held:

None

Certifications Held:

None

Special Awards or Recognitions Received

Magna Cum Laude graduate of Harvard Business School

Languages spoken

English and Spanish

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	10	Venture Capitalist at Morgenthaler Ventures
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input type="checkbox"/> investment management		
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I grew up in the Silicon Valley and know many of its leaders. I started and ran 4 companies. I was a VC for a decade and many of our Limited Partners were pension funds. I have served on over a dozen boards in my lifetime. I am hard working, outgoing, smart, and highly ethical.

3. What is your interest and motivation for serving as a member of the Retirement Board?

I have recently retired and am looking at ways to apply my experience to serve the community.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

I worked in private equity (Venture Capital) for the past decade investing money for pension funds like Ohio SERS, Pennsylvania SERS, and the UMWA.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

None that are relevant.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

I have served on over a dozen for profit and non profit boards. I am a natural leader and consensus builder

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

Make sure that the plan is being run in a lucrative, compliant, and ethical fashion. Help set allocation strategy and goals. Thoroughly question and approve the investment policies and recommendations of the investment managers and staff. Help recruit, retain, and review top notch investment managers and staff. Use relationships to get into top funds. Determine who is eligible for membership and benefits under the plan.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The City Council selects some of the members of the Retirement Board. My understanding is that, under the new system, the funds are to be managed more autonomously in the past. This lessens the role of City Administration over a substantial portion of the City's budget. I do not know how that will alter the relationship. The Board's relationship with staff is the normal relationship of a board to an organization. I trust we're not involved in bargaining. We act as a fiduciary for the benefits and participants to make sure that the benefits that have already been agreed to are delivered efficiently.

4. What do you consider the three most important issues currently facing the Retirement Board?

We will probably be in a tough economic climate for the next decade, how do we insulate ourselves from that? The composition of the board has recently changed - how can we work together for the benefit of the retirees? The political sentiment of the country is shifting and public pensions are starting to gain more scrutiny. How can we avoid getting caught up in that melee?

5. What do you perceive as the short and long-term goals of the Retirement Board?

Short Term:

Generate 'top tier' financial results with as little risk as possible.
Make sure all aspects of the operation are well managed.
Maintain a healthy debate about our business practices.
Make sure the new Retirement Board is highly functional.

Long Term:

Generating stable, 'top tier' returns.
Building an organization which is accountable to its members.
Make the work we do challenging, but enjoyable!

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I stay current by reading magazines and books every night. I follow the capital markets by reading the Wall Street Journal daily and the Economist. I attend and often present at conferences. I meet with academics from Stanford and Harvard to discuss challenges and opportunities.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

Investing more broadly in emerging and established economies continues to be a smart strategy for increasing return while diversifying risk. My experience with risk budgeting is limited to managing my own and my family's portfolios and helping to manage sector allocation at a Venture Capital firm.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Our goal is to generate 'top tier' returns while keeping our risks in doing so very modest. We invest across asset classes as a way of spreading out our risk. And we must invest in the very best vehicles in each asset class to be considered 'top tier'. In the current environment I would lean back into equities and suggest a rough mix of 38% U.S. equities, 14% non-U.S. equities, 7.5% private equity, 7.5% real estate, 30% bonds, and a few percent of highly liquid assets (cash et al). I have not had time to factor in the results of the recent election which might cause this to change.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Given the size of the pension fund, it is prudent to invest across all asset classes. The key is to use all of the relationships at our disposal to get into the top performing funds and investments in each asset class. If it is not possible for the plan to get into the handful of top performers, then it should be very cautious about investing in alternative asset classes.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

Investment managers must feel a strong obligation to the people whose money they are investing. They need to have (or know how to aggressively work) relationships that get them into the best funds and investments. They need to understand the dynamics of the specific sector they are responsible for investing in. They need to have a refined gambler's instinct for knowing when to stand pat and when to fold. A failure in any of these would be a reason for dismissal. I would focus due diligence around process, insight, and track record (in that order).

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

It should clearly state the goals the plan is trying to achieve, the rationale and rules it uses, and the allocation conclusions it has drawn. I believe that it is the role of the Board to set broad guidelines and then leave it up to the investment managers to propose an asset allocation model and the specific funds for each asset class. I believe that the Board must be helpful in working with the investment managers to get the pensions into the very best funds in each asset class. I am not sure of the role of the Board in portfolio structure, manager selection, and due diligence. The Board should strive to hire the very best senior manager that it can to oversee those decisions and then 'manage the manager' with minimal interference. But this can often not be achieved in practice and the Board ends up taking a more 'involved' role in these sorts of decisions. As on all Boards, I expect reporting to be timely, accurate, and detailed.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

None that I am aware of.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
 Newspaper
 Advertisement – Source: _____
 City Website
 Personal contact from Councilmember
 Personal contact from City staff member
 Word of mouth
 Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

DREW LANZA

experience

- 2000-2010 **MORGENTHALER VENTURE CAPITAL** **MENLO PARK, CA**
GENERAL PARTNER. Selected from large candidate pool and heavily recruited by other partners to join this 40-year old, top tier VC firm. Led the firm's investments in hardware (chips and systems). Deployed \$90M in capital over the decade in 9 companies, six of which are still 'live' (Cortina, Overture, OmniPV, R2, SiPort, and Unity). Returned \$50M on \$7M investment in Brion, a semiconductor company. 'Live' companies have over \$200M in combined annual revenue in 2010. Reasonably forecast to be a top decile '2x Partner' by 2012.
- 2006-present **SANTA CATALINA ISLAND COMPANY** **AVALON, CA**
BOARD MEMBER. Close, trusted relationship with family who owns the island of Santa Catalina, off the coast of California near Los Angeles. Recruited to talented board to help establish mission and vision for this 1,000 employee company and to work with executives to create logistic and financial plans to realize those goals.
- 1988-2000 **LIGHTWAVE MICROSYSTEMS, INC.** **SANTA CLARA, CA**
FOUNDER AND CEO. Created this company, the pioneer and leader in the development of optical integrated circuits using planar lightwave technology. Company has recently filed an IPO under the name NeoPhotonics.
- 1998-2000 **MAYAN NETWORKS, INC.** **SUNNYVALE, CA**
SENIOR VICE PRESIDENT OF MARKETING. Recruited by top VCs to create Marketing Department for this telecommunications start-up. Wrote plan and pitched to investors raising \$80M in 2 rounds of funding.
- 1993-1998 **E/O NETWORKS, INC.** **HAYWARD, CA**
FOUNDER AND VICE PRESIDENT OF ENGINEERING. Built a team of 30 Engineers (and support staff) who designed 50 PCB's including optics, ASIC's, software, and complex analog and digital circuits in under 2 years. Personally wrote over 20,000 lines of firmware for the product. Always on-time and under budget.
- 1986-1993 **RAYNET CORP.** **MENLO PARK, CA**
FOUNDER AND VICE PRESIDENT OF MARKETING. Built Marketing Department at this 700 person telecommunications start-up. Created first commercial PON and FTTC systems. Extensive global travel.
- 1983-1985 **INTERNATIONAL BUSINESS MACHINES CORP.** **PALO ALTO, CA**
MARKETING REPRESENTATIVE. While managing the Intel account, uncovered a major market opportunity for mainframe UNIX software. Successfully developed and presented business plan to senior officers of IBM.
- 1981-1983 **MAGUS GROUP, INC.** **CUPERTINO, CA**
FOUNDER AND CHIEF FINANCIAL OFFICER. Designed, manufactured and marketed portable data acquisition systems. Responsible for funding, product design, and financial control.
- 1977-1983 **STANFORD UNIVERSITY** **STANFORD, CA**
LECTURER, DEPARTMENT OF ELECTRICAL ENGINEERING. Taught graduate and undergraduate courses in Digital and Adaptive Signal Processing and Control. Awarded most outstanding instructor, Fall Quarter, 1981.
SYSTEMS PROGRAMMER III, INTEGRATED CIRCUITS LABORATORY. Managed a team of five to design and implement a UNIX-like operating system. Delivered four papers about the project at three conferences.

education

- 1985-1987 **HARVARD BUSINESS SCHOOL** **BOSTON, MA**
Magna cum laude graduate. Elected Social Chairman of 1,600-member Student Body.
- 1974-1979 **STANFORD UNIVERSITY** **STANFORD, CA**
Bachelor and Master of Science degrees in Electrical Engineering with emphasis in Cybernetics and Adaptive Control. Founded undergraduate computing facility (LOTS). President of *Delta Kappa Epsilon* fraternity.

personal

Married with three children in college. Grew up in Silicon Valley. Nice guy. Chairman of Board of Governors of Stanford Museum (2003-2005). Involved in numerous philanthropic associations. Hobbies include art, cooking, music, surfing, and horses. Ride in annual rodeo as member of *Los Caballeros de Santa Catalina*.

September 2010

Drew Lanza

I have 10 years of VC experience and 15 years of operating experience at various technology companies as a founder, VP of Engineering, VP of Marketing/Sales, and CEO. Most recently I was a General Partner with Morgenthaler Ventures where I led their investments in hardware (systems and chips) and was a top producing Partner. Prior to Morgenthaler I started four companies and rotated through various operating roles in industries including optical networking, cleantech, and enterprise systems and software. I received my degrees in electrical engineering and served briefly on the Stanford faculty before beginning my career. I also have an MBA from Harvard.

Investor: Led Morgenthaler's investments in Brion, Cortina, Overture, OmniPV, SiPort, R2, Unity, ZeroG, and fiberSpace. Brion returned \$50M on \$7M invested when it was acquired for \$270M. Cortina and Overture, still private, will do \$200M in revenue this year and are preparing to go public. I am the lead investor in both companies.

Board member: Sat on all the boards of the companies I invested in while at Morgenthaler. Sat on the boards of most of the companies that I founded. I served as Chairman of the Stanford Museum Board of Governors. Currently serve on the board of the Santa Catalina Island Company. Also serve on the nVention Board that spins technology out of SRI International, much of it in cleantech.

Founder: I started my first company when I was 21 years old. Magus Systems manufactured portable chemical sensors for the EPA. I was a founder and VP of Marketing at Raynet, where I was the program manager for the world's first commercial fiber-to-the-home PON system in 1992. I founded and was VP of Engineering at E/O Networks, which designed and manufactured fiber-to-the-home systems for the American market. I was a founder and CEO of Lightwave Microsystems, an early pioneer in optical components. Lightwave is preparing to go public under the name NeoPhotonics.

Roles: As a VP of Engineering, I led a team of 30 engineers who designed a rural fiber telephony system. As a VP of Marketing, I have led teams that specified complex systems and brought them to market. I have also raised many hundreds of millions of dollars over dozens of rounds of financing from the top Venture Capital firms in the Silicon Valley. As a VP of Sales I have built domestic and international sales teams from scratch and have sold into some of the largest corporations in the world. In general, I am known as a creative leader who consistently delivers on time and on budget.

Other: I am an electrical engineer and stay current on technology in that field. I received my degrees in adaptive signal control and processing and cybernetics. I served for three years on the Stanford faculty after graduating. I also have an MBA from the Harvard Business School where I graduated *magna cum laude* and also served as Social Chairman of the approximately 1,600-member student body.

Personal: I grew up in the Silicon Valley. My father was an entrepreneur and a founder of a Fortune 500 company (Raychem). I have deep roots and connections here.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
UNIVERSITY OF OXFORD	ENGINEERING, ECONOMICS & MANAGEMENT	1986 TO 1990	BA 1990
UNIVERSITY OF LONDON	FINANCE, VENTURE CAPITAL	1993 TO 1994	MBA 1994
Licenses Held:			

Certifications Held:

CFA CHARTER HOLDER

Special Awards or Recognitions Received

Languages spoken

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input type="checkbox"/> institutional investment experience		
<input type="checkbox"/> auditing		
<input checked="" type="checkbox"/> accounting	2	AUDIT & ANALYSIS
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	6	CIO, QUANT, PORTFOLIO ANALYTICS
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	6	INVESTMENT BANKING / CAPITAL MARKETS
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I HAVE APPROXIMATELY 15 YEARS EXPERIENCE IN THE FINANCIAL SERVICES INDUSTRY AND AM A CFA CHARTER HOLDER.

3. What is your interest and motivation for serving as a member of the Retirement Board?

MY APPLICATION IS DRIVEN BY MY INTEREST TO SUPPORT THE EFFORTS OF THE RETIREMENT BOARD AND FEEL MY EXPERIENCE MAY BE A COMPLEMENT TO THE EXISTING TEAM.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

MY EXPERIENCE IN THE FINANCIAL SERVICES INCLUDE SUB-ADVISING ON FUNDS AND QUANTITATIVE RESEARCH.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

CFA CHARTER HOLDER

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

MY UNDERSTANDING OF THIS ROLE IS AS STATED IN THE BROCHURE 'RECRUITMENT FOR PUBLIC MEMBERS'

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

MY UNDERSTANDING IS LIMITED TO THE INFORMATION IN THE BROCHURE

4. What do you consider the three most important issues currently facing the Retirement Board?

MAINTAINING OVERSIGHT OF THE OPERATIONS OF THE RETIREMENT PLANS
UNDERSTING THE PROCESSES AND THE MANAGERS OF THE FUNDS
BENCHMARKING

5. What do you perceive as the short and long-term goals of the Retirement Board?

I WOULD NEED MORE DETAILED INFORMATION TO BE ABLE TO ANSWER THIS QUESTION APPROPRIATELY.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I WOULD CONTINUE TO READ LEADING EDGE LITERATURE/RESEARCH, KEEP UP TO DATE WITH THE INSTITUTIONAL INVESTING NEWS AND USE PROFESSIONAL ADVISORS.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

I HAVE A BACKGROUND IN RISK MODELING AND FEEL EFFECTIVE MONITORING OF THE INVESTMENT MANAGERS IS THE KEY TO HIGHER RETURN AND LOWER RISK.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

I BELIEVE ASSET ALLOCATION IS CRITICAL TO EFFECTIVE INVESTING. THE PLAN WOULD ALREADY HAVE THE RECOMMENDED LIMITS ON THE VARIOUS ASSET CLASSES PROVIDED BY THE PLAN ADVISORS. I STRONGLY BELIEVE IN A PROCESS OF CONTINUED MONITORING AND BENCHMARKING WITH OTHER SIMILAR PLANS.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

YES SOME LIMITED EXPOSURE TO ALTERNATIVE INVESTMENTS SHOULD BE CONSIDERED TO DIVERSIFY RISK AND IMPROVE PERFORMANCE. HOWEVER THIS TYPE OF INVESTMENT NEEDS TO BE MONITORED AND EVALUATED RELATIVE TO THE ASSET ALLOCATION PLANS REGULARLY.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

INVESTMENT MANAGERS EVALUATION GOES BEYOND THE HISTORIC PERFORMANCE AND RISK REPORTS. THE INVESTMENT PROCESSES AND THE SKILLS OF THE TEAM NEED TO BE QUALITATIVELY APPRAISED AND REGULARLY REVIEWED. TERMINATION SHOULD NOT BE BASED MERELY ON A SHORT TERM BAD PERFORMANCE EXCEPT FOR EXTREME CIRCUMSTANCES. I WOULD RECOMMEND ASSEMBLING A TEAM WITH A DIVERSE

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

I ASSUME THE EXISTING ORGANIZATIONAL STRUCTURE WOULD BE SIMILAR TO OTHER RETIREMENT PLANS; WITH THE ROLES AND INTERACTIONS BETWEEN STAKEHOLDERS THE SAME AS OTHER INVESTMENT FIRMS I HAVE WORKED WITH. THE STATEMENT OF INVESTMENT POLICIES SHOULD BE AS DETAILED AS POSSIBLE ABOUT POLICIES, ASSET ALLOCATION, CHANGES FROM PREVIOUS YEARS AND A FORWARD LOOKING STATEMENT.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

I ASSUME THERE IS NO ANY ENTITY EFFECTED.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

DR M KIERNAN
DR S SAGGAR
DR K AHLUWALIA
MR I BEDI

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

BIJAN FOROODIAN, CFA

CAREER HISTORY

CONSULTING & BUSINESS START-UP

2008 to present

- ❖ Consulting / Advisory assignments in financial services industry.
- ❖ Co-CIO Inflection Point Capital Management

INNOVEST, STATE STREET GLOBAL ALLIANCE

2003 to 2007

Chief Investment Officer / MD Quantitative Research

The position revolved around the various day to day management of a small investment group with sub-advisory mandates focusing on the SRI and Sustainability market.

- Development of firm's medium horizon quantitative alpha models used for sub-advisory portfolios.
- Oversee current funds (on-going alpha generation, stock selection and portfolio construction, trade list generation & execution).
- Assessment, design and negotiation of new investment mandates in coordination with third party investment management firms and fund distributors.
- Research & back-testing strategies for the development of new funds Incl. quantitative Long/Short and other alternative asset classes.
- Client/Plan sponsor visits for consultation and review of fund performance.
- Support marketing presentations and talking at conferences.

MACKENZIE FINANCIAL, INVESTORS GROUP

2002 to 2003

Head of Portfolio Analytics Department

Reported to the Chief Investment Officer, the roles was to manage day to day operations of the department undertaking on-going assessment of internally managed funds & external sub-advisory mandates.

- The department monitored and supported investment decisions by the fund managers including reporting on issues such as differentiating skill vs luck, strategy, timing, style biases etc.
- Daily management duties & responsibility for two functional sub-groups providing leadership and technical knowledge to ensure high quality service.
 - ❖ Portfolio Quants Group: Covering all aspects of portfolio modeling, risk reporting of existing funds & new external funds incl. back-testing of quantitative strategies for long only and hedge fund strategies.
 - ❖ Performance Group: Covering all aspects of portfolio & fund level performance analysis and coordination with legal dept for reporting and prospectus publications.

DRESDNER KLEINWORT WASSERSTEIN

2000 to 2001

Vice President / Quantitative Research

- Quantitative Investment research, portfolio construction research and strategy consulting services to client fund management organizations.
- Portfolio strategy and research including sector rotation and style research.
- Quantitative research and analysis of trading & investment strategy for the firm's proprietary trading desks, statistical arbitrage strategies.
- Options & futures modeling and VaR analysis for the derivatives market making desk.
- Publication of quantitative strategy research for the firm's clients covering market related events and a variety of other quantitative strategy related topics.

BARCLAYS GLOBAL INVESTORS

1999 to 2000

Quantitative Analyst

Based in the advanced active strategies and research group, the role involved a variety of quantitative analytics used in the investment process.

- Analysis and modeling of historic financial and market data (IBES forecasts, data stream micro and macro data, time series, fundamental data also used in ranking of assets within investment universes).
 - Quantitative research applied to the analysis and validation of multi-factor models (BARRA) used in portfolio optimization and modification of models for different strategies.
 - Analysis of portfolio impact for the active quantitative funds resulting from changes in the fundamental / financial / risk information of individual assets in the investment universes.
-

BIJAN FOROODIAN, CFA

DRESDNER KLEINWORT WASSERSTEIN

1998 to 1999

Quantitative Analyst

- Application of quantitative techniques in the modeling of market and financial data
- Daily analysis of expected performance and risk of individual equity investments, trading strategies and portfolios.
- Valuation of linear & non-linear equity derivatives.
- Calculation of systematic & unsystematic risk of country-portfolios and the overall global portfolio looking at the diversification effects of cross-border strategies.
- Portfolio VaR and stress testing including analysis of FX risk & interest rate risk.

FIRST MARATHON SECURITIES

1996 to 1997

Quantitative Analyst, Structured Products Group

- Analysis of equity derivatives forming the underlying strategies of the firm's structured products.
- Hedging positions for market risk, FX risk & interest rate risk using a variety of instruments incl. OTC equity derivatives stock lending, currency options & futures and fixed income.
- Negotiation & modification of ISDA agreements for OTC derivatives.

MERITZ SECURITIES, PRUDENTIAL GROUP

1995 to 1996

Equity Research Analyst

- Analysis of regional macro economic trends, industry research and stock research.
- Equity research and analysis of companies based on financial statements, competitor analysis concentrating on assessing direction of future performance & strategy.
- Preparation and publication of listed company Equity Research reports (incl. road-trips & presentation of research reports to client buy-side analysts and fund managers.)

BARCLAYS GLOBAL INVESTORS

1994 to 1995

Analyst, Fund Management Group

Junior analytics work supporting the fund managers relating to the investment funds managed including performance analysis and ongoing reporting.

ARTHUR ANDERSEN

1990 to 1993

Analyst

- Member of the Corporate Client Services, various audit assignments for client companies.
- Involved in extensive analysis and preparation of company accounts, P&L Balance Sheet and Cash Flow statements.
- Rotation in Corporate Finance working on the valuation of unlisted business ventures and other M&A projects.

EDUCATION & PROFESSIONAL DEVELOPMENT

CFA CHARTER HOLDER

BA ENGINEERING, ECONOMICS & MANAGEMENT, OXFORD UNIVERSITY
MBA FINANCE, UNIVERSITY OF LONDON

DIPLOMA PROJECT MANAGEMENT, UNIVERSITY OF BERKELEY • DIPLOMA, INTERNATIONAL LEADERSHIP ACADEMY, UNITED NATIONS UNIVERSITY • QUANTITATIVE RESEARCH SEMIAR, BARRA • EQUITY PORTFOLIO MANAGEMENT SEMIAR, BARRA • VALUE AT RISK (VaR) SEMINAR, INTERNATIONAL FACULTY OF FINANCE

Word, Excel, Access, SQL, Visual Basic, SAS, BARRA, FAME, Datastream, Bloomberg, Reuters

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION.

Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan **Federated City Employees' System**

Do you reside within 50 miles of San Jose City Hall? **Yes** **No**

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Flaherman, Michael Thomas

Home Address City Zip Code

Home Phone No. Cellular Phone No. Home Fax No.

Business Address Zip Code

Business Phone No. Business Fax No.

Business Email Personal Email

Present Employer (Name/Describe Business) New Mountain Capital LLC	Job Title/Description of Duties Managing Director- partner in the firm's private equity funds and public equity fund and have lead investor relations and fund raising for the past eight years
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Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Harvard College	Government	1983-87	A.B. 1987
Massachusetts Institute of Technology	City Planning	1990-92	M.C.P. 1992

Licenses Held:

Certifications Held:

Special Awards or Recognitions Received

Languages spoken

English, some French, some Arabic

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input checked="" type="checkbox"/> Senior executive position in pension administration	8	CalPERS board/investment committee chair
<input type="checkbox"/> pension actuarial practice	8	
<input checked="" type="checkbox"/> institutional investment experience	16	CalPERS board & New Mountain Capital
<input checked="" type="checkbox"/> auditing	8	CalPERS board audit committee
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input checked="" type="checkbox"/> health and welfare and/or employee benefits management	8	CalPERS board benefits admin. committee
<input checked="" type="checkbox"/> investment management		CalPERS board & New Mountain Capital
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

For eight years, I was a member of a large retirement board (CalPERS). I hold a senior executive position in the investment management industry. I have extensive experience working for government. I have an academic background in political science and public policy. I love being a fiduciary and working on behalf of present and future retirees. I am highly ethical and would not abuse a position of public trust.

3. What is your interest and motivation for serving as a member of the Retirement Board?

I would like to be of service to the public, as well as present and future beneficiaries of the retirement system.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

I served eight years on the CalPERS board, and throughout that time served on all of its committees relevant to San Jose, including the investment committee, benefit administration/actuarial committee, and audit committee. I chaired the CalPERS investment committee for my last three years there, and chaired the benefit administration/actuarial committee for four years prior. For the last eight years, I have worked with many of the largest pension systems in the U.S. in my role at New Mountain Capital and have learned much more about how pension plan issues are dealt with across the U.S.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

For the last 16 years, I have been an active participant in of the Council of Institutional Investors.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Retirement Board has exclusive control of the administration and investment of the retirement funds, subject to the provisions of federal and state law. In practice, these duties consist chiefly of 1) computing the plan's liabilities; 2) establishing an investment risk tolerance; 3) determining an investment asset allocation to reconcile 1) and 2); 4) supervising the investment management program that implements the asset allocation.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The retirement board's ultimate responsibility, pursuant to Article XVI, Section 17 of the CA Constitution, is to the retirement system's beneficiaries. To the extent that it does not conflict with that ultimate responsibility, the retirement board is also obligated to seek to minimize employer costs of the plan, which requires a close and cooperative relationship with the City Council and Administration. The board needs to delegate (but oversee) the vast majority of day-to-day management to the Retirement Services staff. Bargaining units are a critical voice representing beneficiaries.

4. What do you consider the three most important issues currently facing the Retirement Board?

- 1) How can the plan meet its long term liabilities given a very low long term return outlook?
- 2) How should the plan's liabilities be most properly computed and how and to what extent should the investment strategy be driven by liabilities?
- 3) How can the Retirement System blossom into a high performing team that combines the best elements of private sector flexibility with appropriate deference to City government employment norms?

5. What do you perceive as the short and long-term goals of the Retirement Board?

I believe that the short-term goal of almost any retirement board should be the continuous building of strength, areas of expertise and insight, and a set of investment edges in its staff, consultants and managers. This short-term goal is in support of the long-term goal, which by definition is the successful defraying of the plan's liabilities via the investment program, while minimizing employer cost to the extent it does not conflict with the primary long-term goal.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I meet constantly with participants in the institutional investing market: investment managers, consultants, and plan sponsors. I also continuously read a variety of trade publications and attend industry events and educational seminars.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

The most fruitful opportunity to increase net return at zero risk is always to focus on minimizing investment cost. Given the turmoil in the asset management industry over the last two years, I believe that there is more opportunity than usual to obtain superior terms from investment managers. Similarly, focus on interest alignment is critical to both the likelihood of obtaining superior returns and the likely cost of doing so. During my tenure there, CalPERS was a pioneer in adopting a risk budgeting approach to asset allocation. I strongly believe in the soundness of this approach.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation is the most important determinant of long term returns of a pension plan. I believe it would be a mistake to pre-judge any particular asset allocation without first performing a detailed study of the plan's liabilities and arriving at a risk budget with other members of the retirement board.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

To the extent that they are consistent with the liquidity needs and risk budget of the plan, various alternative assets may be an appropriate component of the asset allocation mix. However, as a participant in the alternative investment industry, I have learned that alignment of interest with alternative investment managers is critical to maximizing the likelihood of success in these strategies. Many, perhaps most, managers do not offer the requisite alignment. I would therefore focus intently on finding and backing the relatively rare managers who offer that alignment.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

I would focus overwhelmingly on alignment of interest questions. How much of the manager's net worth is invested alongside us? Will the manager provide documents supporting their net worth claim? Where does the management fee revenue go? Specifically, who gets how much, when, and for what? Likewise for incentive fees. I believe that many consultants provide due diligence information that is so shallow as to be not worthwhile. I would focus on straying from strategy or interest alignment, rather than short-term performance, as the primary reason to terminate a manager.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The statement of investment policies should contain sufficient detail so that--in the normal course--staff, service providers, and outside managers should possess all the information they need to comply with the policies and procedures of the pension plan. Asset allocation should be driven primarily by the trustees, with the analytical support of staff and consultants. Portfolio structure, manager selection/due diligence should be driven primarily by staff, with a secondary role for consultants and the trustees. Rebalancing should be almost exclusively a staff activity within the policies set by the board. Reporting and analysis should be performed on an ongoing basis by staff, consultants, investment managers, and consultants.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

None.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

Michael Flaherman

Experience

Managing Director

New Mountain Capital January 2003 - present

- Lead fund-raising and investor relations for alternative asset firm with \$8.5 billion AUM
- Raised two successive private equity funds: New Mountain Partners III (\$5.0 billion) and New Mountain Partners II (\$1.5 billion)
- Also raised a public equity/hedge fund: New Mountain Vantage (\$1.6 billion)
- Sat on the board of two New Mountain portfolio companies: National Medical Health Card (Nasdaq: NMHC, sold in 2007) and Ikaria, Inc. (current)

Investment Committee Chair/Board of Administration

California Public Employees' Retirement System January 1995 – January 2003 (Investment Committee Chair 2000-2003)

- Trustee for U.S. largest pension system and world's largest private equity investor
- Twice elected to board by fund beneficiaries for four year terms; only outsider to defeat an incumbent in CalPERS history
- Three times elected investment committee chair by board colleagues
- Sat on numerous committees

Economist/Planner

SF Bay Area Rapid Transit District July 1992 - January 2003

- Managed pricing for large rapid transit system
- Time commitment fell to 50 percent upon election to CalPERS board and eventually to zero as CalPERS responsibilities increased

Staff Consultant

Multisystems, Inc. August 1988 – May 1992

- Performed planning and management analyses for transit systems worldwide
- Primary projects for transit systems in Boston, New York, Chicago

Fellow of the City of New York

City of NY Urban Fellows Program August 1987 – August 1988

- Awarded fellowship to work for and study New York City and its government
- Focused on ferry transportation in New York Harbor

Education

MIT

September 1990-June 1992

Master of City Planning

Harvard College

September 1983-June 1987

A.B. in Government *cum laude*

Michael Flaherman

Experience

Managing Director

New Mountain Capital January 2003 - present

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Please check the appropriate box:

Police and Fire Department Plan Federated City Employees' System

Do you reside within 50 miles of San Jose City Hall? Yes No

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Sunzeri, Vincent, Anthony

Home Address _____ City _____ Zip Code _____

Home Phone No. _____ Cellular Phone No. _____ Home Fax No. _____

Business Address _____ Zip Code _____

Business Phone No. _____ Business Fax No. _____

Business Email _____ Personal Email _____

Present Employer (Name/Describe Business) Morgan Stanley Smith Barney (Global Wealth Management)	Job Title/Description of Duties Senior Vice President Certified Investment Management Analyst, CIMA® Certified Private Wealth Advisor, CPWA®
--	---

Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
San Jose State University, Wharton School at University of Pennsylvania and University of Chicago (See Professional Certifications Below)	SJSU:Business Administration Concentration: Finance Minor: Economics	SJSU:1985-1988	B.S. Business Administration (Finance) 1988

Licenses Held:

Series 7, Series 63, Series 65, CA Insurance License #OA69459

Certifications Held:

Certified Investment Management Analyst (CIMA®) from the Investment Management Consulting Association - obtained through Wharton School, University of Pennsylvania
 Certified Private Wealth Advisor (CPWA®) from the Investment Management Consulting Association- obtained through The University of Chicago Booth School of Business

Special Awards or Recognitions Received

Named to the Brandes Global Consultants Forum
 UBS President's Club

Languages spoken

English

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	16 years	Financial Advisor to the Los Gatos-Saratoga C
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	22 years	Senior Vice President Investments, Financial A
<input type="checkbox"/> banking		
<input type="checkbox"/> insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	10 years	Via Services Board of Directors (Fiduciary Reser
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

As a Certified Investment Management Analyst, I bring 22 years of investment management experience with a major financial institution. I am well versed in the following areas: 1) Modern portfolio theory and post-modern portfolio theory. 2) Investment policy statements. 3) Evaluating Performance measurement, asset allocation, management search and evaluation. 4) Analyzing fixed income instruments, equities and alternative investments.

3. What is your interest and motivation for serving as a member of the Retirement Board?

To assist with the accountability of the Retirement Board to all stakeholders: the City, Employees, Retirees and Tax payers. To utilize my professional training and experience in one of the most important issues that the City is struggling with today. I would like to bring my knowledge, experience and detailed understanding of the capital markets and portfolio construction to the Board. I believe that offering my qualified financial expertise will be mutually rewarding.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

As the Vice Chair of Via Services Board of Directors, I have been active in evaluating the investment allocation of our Endowment funds. Specifically, I have been a proponent of developing a reasonable spending policy based upon the prudent allocation of these funds. I assisted the Los Gatos - Saratoga Department of Education and Recreation in drafting an Investment Policy Statement. I have been their financial advisor for over 15 years.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

Member: Investment Management Consulting Association (IMCA)

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

The drastic drop in pension values has dramatically altered funding projections. All stakeholders are looking for Boards to be accountable. Yet, the volatility of the financial markets has shaken confidence in decision making. Improved governance will be demanded by employees, retirees and union representatives. The "Endowment model" of Investing which has been successfully utilized by Yale, Harvard and Stanford has come into question. These Endowments which generated above results have come under scrutiny. I believe that I can be a voice of reason while providing real world insights. Technical skills relating to the complex issues with plan administration are going to be required from Board members. My Professional training and real world experience has prepared me for this role.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Retirement Board must carry out their duties and responsibilities in accordance with Fiduciary standards applicable to trustees of retirement plans. The Retirement Board has exclusive control over the management and administration of the retirement system and funds. Board members are specifically responsible for considering requests for retirement, determining eligibility for membership in the pension plan and determining eligibility for benefits in the pension plans.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

See Attached

4. What do you consider the three most important issues currently facing the Retirement Board?

There has been a drastic drop in pension values coupled with a need to increase pension contributions. We are at an inflection point. Therefore, the three most important issues facing the Retirement Board are the following:

- 1) To ensure a fiscally sound, stable and sustainable retirement fund.
- 2) To evaluate the actuarial assumptions of the plan.
- 3) To ensure that all stakeholders interests are being addressed in resolving the unfunded liability

5. What do you perceive as the short and long-term goals of the Retirement Board?

The Retirement Board should have a firm understanding of the City Auditor's report on Pension Sustainability
Short-term Goals:

- 1) Ensure that sound investment principals are being followed
- 2) Monitor Investment managers
- 3) Ensure that the fund is healthy, safe and transparent

Long-term Goals:

- 1) Deal with the underfunded pension liability
- 2) Evaluate the actuarial assumptions
- 3) Evaluate the Asset Allocation Model assumptions
- 4) Balance Asset/Liability goals to guarantee we can meet pension obligations
- 5) Create a decision making process relating to the Investment Policy and Asset Allocation strategy that isn't reacting to each economic crisis, but rather prepares for one. This requires Board education and possibly a change in investment policy.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

There are continuing education requirements for maintaining the designations of Certified Investment Management Analysts (CIMA®) and the Certified Private Wealth Advisor (CPWA®). These designations require that you adhere to a strict ethical code of professional responsibility and complete 40 hours of training every two years. In addition, as a Registered Representative, I am required to complete various ongoing training programs and compliance education to retain my licenses.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

This is not a questions which can be easily answered in one paragraph. Nonetheless, empirical data suggests that the Endowment Model of investing which includes alternative investments is one way of increasing returns while reducing risk. These asset classes, however, lack liquidity which can cause problems in times of crisis. The Yale Endowment, one of the largest in the country, has an enviable twenty year track record due to it's use of alternative investments. Part of my CIMA®, training included risk budgeting.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation may be one of the most important duties of the Retirement Board. In reviewing the Investment Policy Statements for both Pension Plans, Asset Allocation Policy has been determined with minimum, maximum and target levels for each Asset Class. Time horizon, risk tolerance, volatility and re-balancing have also been addressed. Liquidity and Diversification are also addressed. These are all important factors in determining asset allocation. I would be most concerned with whether or not the expected returns for each asset class is based upon historical data or forward looking.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Since the liabilities from these pension plans stretch over a very long period of time, I believe that alternative investments are an appropriate investment. The lack of liquidity, in some cases, can be tolerated to seek the higher anticipated return. However, the most important element is due diligence. The lack of liquidity and some times reporting creates a breeding ground for unscrupulous managers, i.e., Bernie Madoff. Finally, alternative investments need to be evaluated within the context of the overall of asset and liability management.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

Each manager should be evaluated relative to their particular benchmark using quantitative measures such as Standard Deviation, Beta, Alpha, R-squared, Sharpe ratio, Information ratio, Tracking error, Upside/Downside capture ratios and peer analysis. Managers who have under performed a full market cycle should be terminated. However, ongoing due diligence is critical to capture pertinent information during the cycle. This type of information can be gathered through the manager's ADV Form or through actual on site visits.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

See attached

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application? Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

I do not anticipate any organizations that I am involved with that might be affected. In the event either Retirement Plan were to retain Morgan Stanley Smith Barney as either a consultant to the plan or money manager of the plan, I would resign my position on the Board.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

See Attached sheet

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE THIS FORM TO PROVIDE ANY ADDITIONAL INFORMATION RELATED TO THE APPLICATION.

See attached pages

B. FAMILIARITY WITH BOARD

2. Please describe your understanding of the relationship between the Retirement Board and the City Council? The City Administration? Retirement Services Staff? Employee bargaining units? Plan participants and beneficiaries?

First the Retirement Board is an independent body that is responsible to the stakeholders. Board members have a Fiduciary responsibility to the City Council, City Administration, Retirement Services Staff, Employee Bargaining Units, Plan Participants and beneficiaries.

The City Council may request input from the Board on any proposed changes. The Board may make recommendations to the City Council concerning plan improvement or provide other information regarding plan operations as requested by City Council.

The relationship and interaction with City Administration should be met through effective and timely communication.

The primary relationship with the Retirement Services Staff should be with the Director. The Board is not in the role of managing or directing staff. Asking intelligent questions pertaining to Investment Policy, Investment Results, Plan administration, costs and a host of other things are vitally important.

The Board should work to supervise the proper administration of plan assets to ensure that policies and guidelines are being fulfilled. Providing complete transparency with Employee bargaining units is important.

Ultimately fulfilling your Fiduciary responsibility to plan participants and beneficiaries is a common goal. Board members should seek to keep the plan safe, strong and sustainable which benefits all stakeholders.

C. EXPERIENCE/EXPERTISE

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The San Jose Federated City Employees Retirement System's Statement of Investment Policy is 32 pages long. The Police and Fire Department Retirement Plan's Statement of Investment Policy is 20 pages long. This demonstrates how difficult it is to answer this question with such limited space. Nonetheless, here is how I would briefly respond to the question above.

A comprehensive Investment Policy Statement should include the following:

Any of the specific Retirement Codes that outline various restrictions, provisions, suitable investments and guidelines that the pension plan must follow.

Purpose, Statement of objectives, Assumptions, Asset Allocation Policy, Selection of Managers, Manager and security guidelines, Control Procedures, Process for evaluating plan effectiveness

Trustees: It should be clearly spelled out the Fiduciary responsibility that they are being held to. Included in their responsibilities should be the level of accountability with respect to ongoing education and training of the various issues relating to pension plan management and administration.

Staff: Their role in supporting the goals of the fund as well as their responsibility to all stakeholders

Consultants: The process whereby consultants are selected, evaluated, and process of termination if needed. The process of documenting their specific recommendations and the results of those recommendations need to be clearly outlined. Reporting requirement to the plan which typically includes quarterly performance reports, manager search and selection, advice on industry changes in investment policy, etc.

Investment managers: managers need to accept in writing the role of fiduciary responsibility of plan assets. The quantitative and qualitative aspects of evaluating each firm selected. The constraints that might be placed upon each manager and the specific benchmarks they are to be measured against.

Custodians: overall responsibilities which include safekeeping of assets, settling all transactions, collecting and distributing income. Providing audited reports including those relating to their own solvency.

Portfolio Structure: Asset/Liability Goals and objectives which drive the overall asset allocation. Approved asset classes. Acceptable targets and ranges for each asset class. Risk tolerance, stress testing and acceptable levels of volatility. Process for anticipating and responding to economic shocks.

Manager Selection: Specific Quantitative and qualitative analysis applied in manager search and selection. Criteria utilized in search and selection.

Due Diligence: There should be a clear written process or guidelines to following. This includes not only quantitative factors, but qualitative factors as well. This may include the following: review of ADV form, in person presentations, on site visits.

Rebalancing: how and when rebalancing will be employed. This can be both time based – quarterly rebalancing or percentage based – x% deviation from the target allocation triggers automatic rebalancing.

Reporting: intelligent and informed decisions can not be made without accurate and timely reporting. The frequency of reporting, the content required should be specific.

Analysis: This also goes a long with the reporting. The specific type of analysis that would be required on an ongoing basis should be clearly stated. This could include executive summary type information down to specific manager analytics. It may include stress testing of plan, efficient frontier analysis, etc.

The San Jose Federated City Employees Retirement System's Statement of Investment Policy is 32 pages long. The Police and Fire Department Retirement Plan's Statement of Investment Policy is 20 pages long. This demonstrates how difficult it is to answer this questions with such limited space and

RECEIVED
San Jose City Clerk

2010 NOV -8 P 3:05

Vincent A. Sunzeri

November 7th, 2010

I am enclosing my resume and the City of San José - Retirement Boards Application in response to your advertisement in the San Jose Mercury News. I am uniquely qualified as a finance expert to serve as trustee for one of the city's employee pension plans.

With over 22 years of experience as a Senior Vice President with a major financial institution, I am able to demonstrate a breadth of financial knowledge and experience. I am also well versed and prepared to serve in the role of a Fiduciary. My Certified Investment Management Analyst, CIMA® designation has prepared me in evaluating a complex body of investment information while applying state of the art investment theory to make ethical and prudent investment decisions.

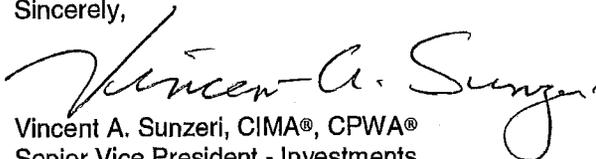
As an applicant for the City of San José Retirement Boards, I have worked to educate myself about the major issues impacting these retirement plans. First, I have recently interviewed individuals involved with both Pensions. Second, I have reviewed the conclusions of the Cortex Applied Research study. Third, I attended the November 3rd meeting on Retirement Reform with the GFSDEP Stakeholders Group. Finally, I have reviewed the Investment Policy Statements for both pension plans and the various assumptions. The drastic drop in pension values for the combined \$3.9 billion dollar retirement funds has resulted in plans which are both unfunded. This has created numerous risks and questions of security and sustainability.

As native of San José and an active community volunteer, it is my desire is to utilize my qualifications and demonstrated track record of success to serve the various stakeholders in an ethical and independent manner.

I would appreciate the opportunity to discuss how I can be a valuable Board member. I can be reached at the phone numbers listed on my resume and application.

Thank you for your time and consideration.

Sincerely,



Vincent A. Sunzeri, CIMA®, CPWA®
Senior Vice President - Investments
Morgan Stanley Smith Barney

Vincent A. Sunzeri

OBJECTIVE: To serve as an independent trustee fulfilling the governance role of financial expert/public member on one of the City of San José Board of Administration

EDUCATION: Bachelor of Science, Business Administration 1988
Concentration in Finance
Minor in Economics
San José State University
San Jose, CA

CERTIFICATIONS: Certified Investment Management Analyst, CIMA® 2005
Wharton School of Business
University of Pennsylvania

Certified Private Wealth Advisor, CPWA® 2008
Booth School of Business
University of Chicago

WORK EXPERIENCE: **Morgan Stanley Smith Barney** April 2009 - Present
Global Wealth Management
16000 Los Gatos Boulevard
Los Gatos, CA 95032

UBS Financial Services February 1988-April 2009
(formerly PaineWebber)
50 W. San Fernando, Suite 800
San Jose, CA 95113

Senior Vice president – Investments

Presidents Club
Broker Advisory Council Northern Pacific Region
Brandes Global Consultants Forum
Member: Investment Management Consultants Association

RELATED SKILLS: Comprehensive understanding of the capital markets
Investment Policy Statements
Investment strategies
Asset selection and allocation
Investment manager evaluation
Risk and return theories and practices
Modern portfolio theory
Portfolio performance measurement
Behavioral finance
Alternative investments
Asset/Liability Management
Fiduciary Responsibility

LICENSES: Series 7, 63, 65, CA Insurance License

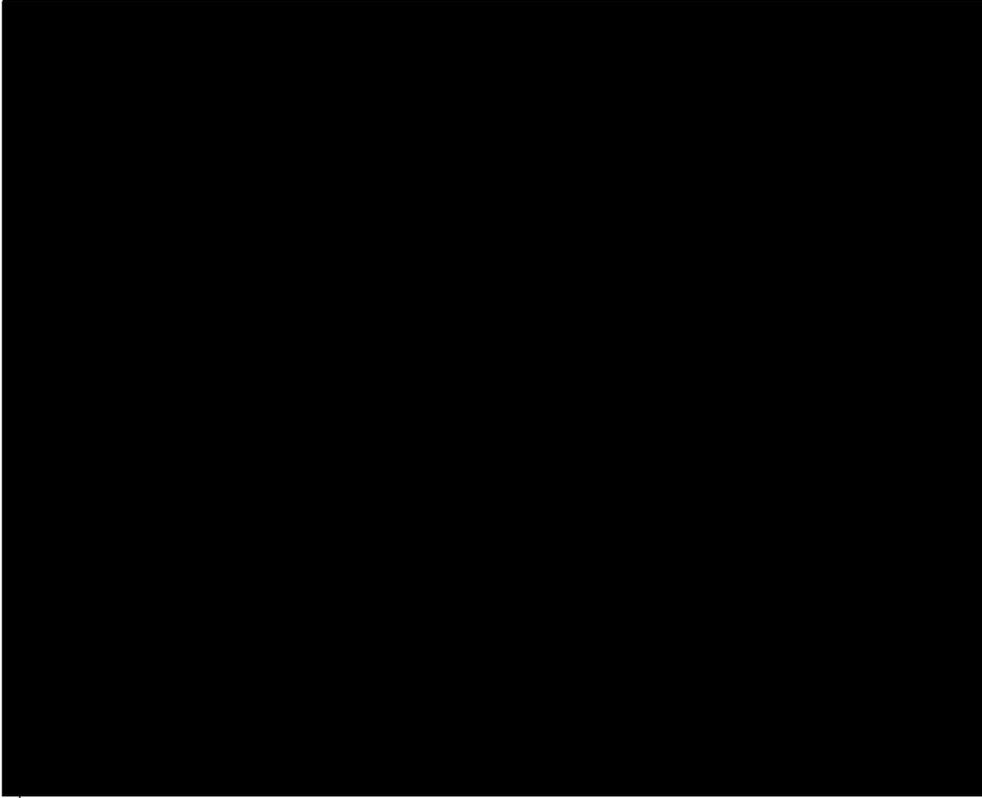
COMMUNITY ACTIVITES: **Via Services** 2002 to Present
Vice-Chair Board of Directors

Rotary International 2005 to Present
Downtown San Jose Rotary Club

Saint Christopher's Holy Name
Board of Directors 1999 to 2002

REFERENCES: Attached

Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.



**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE THIS FORM TO PROVIDE ANY ADDITIONAL INFORMATION RELATED TO THE APPLICATION.

Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan Federated City Employees System

Do you reside within 50 miles of San Jose City Hall? Yes No

Name (Last, first, middle)

PERKINS, Jeffrey JOHN

Home Address

Zip Code

Home Phone No

Cellular Phone No

Home Fax No.

Business Address

Zip Code

Business Phone No.

Business Fax No.

Business Email

Personal Email

Present Employer (Name/Describe Business)

Pacific Capital Bank

Job Title/Description of Duties

*Senior Vice President
Regional Manager
I manage a commercial lending group of 19 people.*

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**

Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:
NONE

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
<i>Cal State University, Fresno State</i>	<i>Fresno State</i>	<i>1975-1978</i>	<i>B.S. IN BUSINESS</i>

Licenses Held:
NA

Certifications Held:
NA

Special Awards or Recognitions Received
NA

Languages spoken
English

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
Member of SAN JOSE Federated Retirement Board
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Retirement Plan or Federated City Employees Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Retirement Plan or Federated City Employees Retirement System
 Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input checked="" type="checkbox"/> Senior executive position in pension administration	14	Board member of San Jose Federated Retirement
<input type="checkbox"/> pension actuarial practice		
<input type="checkbox"/> institutional investment experience		
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input type="checkbox"/> investment management		
<input checked="" type="checkbox"/> banking	33	lending side of banking industry
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

See # 6

3. What is your interest and motivation for serving as a member of the Retirement Board?

See # 6

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

See # 6

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

See # 6

6. Please state any other information, which you feel, would be useful in reviewing your application

I have been serving on the San Jose Federated retirement Board for the past 14 years. My term ends on November 30, 2010. I am interested/willing to serve another four year term. My experience in this role over the years makes me a qualified candidate.

B. FAMILIARITY WITH BOARD

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**

1. Please describe your understanding of the role and responsibilities of Retirement Board members? *I have a very good understanding, having served 14 years on the board.*
2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?
See #1
4. What do you consider the three most important issues currently facing the Retirement Board?
See #1
5. What do you perceive as the short and long-term goals of the Retirement Board?
See #1

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?
See #1 above
2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?
See #1 above
3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.
See #1 above
4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?
See #1 above
5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?
See #1 above
6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.
See #1 above

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

None

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?
 Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER
ADDITIONAL INFORMATION SHEET**

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

You can use any one of the other current board members.

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify) From my direct involvement on the current board.



SIGNATURE OF APPLICANT

11-14-10

DATE SIGNED

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

Jeffrey J. Perkins

Objective

I am applying to serve another 4 year term as a Trustee of the City of San Jose Federated Retirement Board.

Professional experience

5/2001 to Present Pacific Capital Bank Gilroy, CA

Market Manager

- Most recently held position of Market Manager for the Northern Area of the Commercial Wealth Management Group (Monterey to San Jose). In this position I was responsible for marketing, business development, portfolio management and credit approval for a group of 70 commercial and wealth management employees, with over \$1 billion in loan commitments. Prior to that position I was the Regional Commercial Banking Manager for Morgan Hill and Gilroy. In that role I oversaw the growth in the size of the loan portfolio from \$88MM in 2001 to over \$260MM in 2008.

3/90 to 5/2001 Bank of America San Jose, CA

Senior Vice President/Client Manager

- Employed by Bank of America in San Jose in the commercial banking group. Responsible for delivering all commercial banking services to a portfolio of 25 clients in the \$10MM to \$500MM annual revenue size. My portfolio accounts for \$300MM in loan commitments and \$25MM in deposit balances. In my role I actively manage all product areas to ensure superior client service. During this time my job performance has always been ranked level 1, the highest ranking level obtainable.

6/78 to 3/90 Bank Of America Fresno, CA

- Located in the San Joaquin Valley, in the Fresno region. I had 7 different assignments during this period. They included 5 years in Special Assets working out criticized loans, from 1985 to 1990. This assignment required lengthy negotiations with clients, legal counsel and senior bank management; I also held 3 assistant manager jobs from 1982 to 1985. These assignments required me to supervise up to 8 employees including 5 lending officers, at one time.

Outside Accomplishments

Morgan Hill Community Foundation- Treasurer

I am currently serving as the Treasurer of the Morgan Hill Community

Foundation. I have been on the board since its inception in 2002.

Trustee of the City of San Jose Federated Retirement Fund

Since June of 1997, I have been a Trustee of the City of San Jose Federated Retirement Fund. This is an appointed position by the San Jose City Council. My current term runs to 12/2012. I am one of seven board members who are responsible for the retirement funds of the employees of the City of San Jose. During my term the fund has grown from \$750MM to \$1.7 Billion.

Founder and Board Member of the MHS Grizzly Scholarship Charitable Trust

In 1999, a class mate and I formed a Trust to raise funds for our high school, Mariposa County High. The goal of the Trust is to grant two \$1,000 annual scholarships for graduating student athletes. Mariposa County suffers from a higher than average unemployment rate, as job growth is limited. This trust was formed to give back to the school that helped us get a start.

**Volunteer
experience**

Live Oak High School Girls Varsity Basketball Coach

For the past 8 years I have been involved in coaching the girl's basketball team at the local high school. This started when my oldest daughter was playing in 2002. I served as the Head Coach from 2003 to 2010.

2008 Volunteer of the Year- Morgan Hill Chamber

Recognized as the Morgan Hill Chamber of Commerce volunteer of the year. After serving 6 years on the board on the Chamber with the last 3 years as its treasurer, the staff voted me this honor.

Education

Fundamentals of Money Management - Wharton School, University of Pennsylvania 1998

B.S. School of Business Administration - California State University, Fresno 1978

Personal

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan Federated City Employees' System

Do you reside within 50 miles of San Jose City Hall? Yes No

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Armstrong, Michael, Frederick

Home Address _____ City _____ Zip Code _____

Home Phone No. _____ Cellular Phone No. _____ Home Fax No. _____

Business Address _____ Zip Code _____

Business Phone No. _____ Business Fax No. _____

Business Email _____ Personal Email _____

Present Employer (Name/Describe Business) Algorithmics Inc. Algorithmics is the world's leading provider of market credit, and operational risk solutions as well as collateral and capital management. www.algorithmics.com	Job Title/Description of Duties Responsible for all business development activities in western US related to investment managers, hedge funds, pension plans/asset owners and corporate treasury.
---	---

Current Employer of Spouse (Name/Address) **Spouse's Job Title/Description of Duties:**

--	--

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Carleton College	Economics	1972-1976	BA, 1976
University of Chicago	Accounting and Finance	1976-1978	MBA, 1978

Licenses Held:

Certifications Held:

Special Awards or Recognitions Received

Languages spoken

English, working knowledge of Spanish

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input type="checkbox"/> institutional investment experience		
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input type="checkbox"/> investment management		
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	30	Various executive roles in analytic, quantitative
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

Formal academic training in investment management and theory at world-class finance institution
 Broad exposure to various risk systems and methods used by leading global and local financial institutions
 Experienced communicator of complex risk concepts to a wide variety of users/stakeholders
 In-depth understanding of investment processes for a range of asset classes

3. What is your interest and motivation for serving as a member of the Retirement Board?

The performance of San Jose's Retirement System is one of the key drivers of financial stability for the city. Growing up in Saratoga I have observed San Jose's transformation from a somewhat provincial, sleepy town to a global hub of commercial activity. It is in all of our interest to ensure that a successful, solvent public sector remain an active player in the continuing evolution of Silicon Valley's capital.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

My experience revolves around the application of sophisticated analytic tools at large investment managers, pension plans and insurers. This exposure provides me with insight on "best practices"/benchmarking as well as perspective on potential risks and exposures that various investment strategies may not actively communicate to their clients.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

The trustee role should not be a hobby or one of many community boards to serve on. The stakes are so high and the issues complex. I maintain a demanding job in a similar arena but am committed to limiting other outside activities to my church and college/graduate alumni affairs.

The trustee must also be able to work with a wide variety of interested stakeholders- many of whom have varying degrees of experience in the issues at hand. I recently completed a five year stint as trustee at First Congregational Church of San Jose- a term in which we dramatically improved the financial stability of the organization

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

It is my understanding that the Board has the responsibility for both the administration and investment of the fund's monies. It is also my understanding that the Board is expected to be responsive to all relevant constituents yet remain aware that taxpayers are ultimately responsible for 100% of unfunded liabilities.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

I believe the City Council appoints members of the Retirement Board and provide objectives for said group per San Jose's Municipal Code. I believe Retirement Board staff are city employees with the Director reporting to the city manager and mayor. Bargaining units/participants/beneficiaries are stakeholders.

4. What do you consider the three most important issues currently facing the Retirement Board?

Determining a strategy for bringing the plan into surplus
Integrating investment policy and actuarial assumptions into a consistent, credible operating plan
Demonstrating clear, demonstrable, consistent progress to all stakeholders

5. What do you perceive as the short and long-term goals of the Retirement Board?

Short term: Successfully address the three issues in #4 above.
Commence benchmarking of all relevant process to determine relative strengths/areas of improvement
Ensure that key parts of infrastructure/systems are robust

Long term: Establish a process that minimizes the risk of the plan falling into deficit
Establish San Jose as a widely recognized leader among its peer pension group
Demonstrate that the reformed governance approach works and is sustainable

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

On-going activities/projects with Algorithmic's clients
Participation in related risk groups- Primia, GARP, Stanford finance forums
Attendance at select conferences
Journal and relevant publication review

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

I am not a prognosticator and markets are not clairvoyant. Capital markets are, broadly speaking, fairly efficient. So there is no easy, obvious, sure-footed way to increase returns with less risk. However, the construction of a more "optimal" total portfolio of the pension's assets is quite possible- and it is reasonable to identify managers who bring demonstrable skill/alpha generation to the table. My experience in risk budgeting, "capital adequacy" in banking parlance, suggests that identifying potential risk exposures and the use of various types of scenario analyses are key.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocations are helpful but relatively crude approaches to allocate funds to various strategies. Part of the problem is that certain kinds of strategies get "bucketed" into an asset class even though the underlying risk characteristics are quite different from other supposed similar strategies. Another challenge is the convergence of correlations to 1 for many asset classes, i.e. broad groups of assets begin to perform in similar manners and don't provide a diversification effect. Ideally liability/actuarial requirements are explicitly linked with the investment approach.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Sure...if the managers can demonstrate they are truly non-correlated assets, fees are reasonable, incentives aligned with the asset owner (San Jose) and the actual performance/cash distributions are real. Returns are all over the map with alternatives and there has to be extra due diligence and monitoring as many of the assets cannot be marked to market every day. Particular attention needs to be paid to liquidity options of said investments, that is- can the plan exit when it wants to?

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

Evaluation/due diligence: Independent assessment of various risk-adjusted measures, understandable and clear strategy/investment process, capacity of strategy, disclosure/transparency terms

Termination: have they delivered what they promised? what is the source of underperformance and what could cause it to improve?

Added issue: proper selection of benchmark(s) to determine relative performance and fees

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

My own bias is that the asset owner (San Jose) should directly control and assume as much of the above as is practical. Where roles are outsourced there should be complete disclosure on fees including various revenue sources that investment firms and custodians generate, i.e. securities lending with asset owners funds.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application? Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

Potentially my employer, Algorithmics Inc. I have been given approval to recuse myself from any possible engagement between the Board and Algo effective of date of appointment.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)



**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

**This form has been enabled to allow you to save your changes in order to submit by fax or mail.
Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.**

NOTE: There is one additional blank sheet on the next page if needed.



Michael Armstrong

at Algorithmics US

Summary

Senior sales executive with extensive background marketing high value-added information and related technology services. Substantial experience recruiting and leading emerging and mature sales organizations. In-depth personal sales and negotiating skills particularly at the senior executive level.

Experience

San Francisco office at Algorithmics US

April 2007 - Present (3 years 8 months)

Senior Vice President at Risk Management Solutions

July 2004 - January 2006 (1 year 7 months)

Vice President at Barra, Inc.

February 1998 - August 2003 (5 years 7 months)

Vice President at Knight Ridder Information Inc.

February 1997 - November 1997 (10 months)

Vice President at Reuters Holdings PLC

May 1986 - May 1996 (10 years 1 month)

Education

University of Chicago

MBA, Accounting and Finance, September 1976 - June 1978

Carleton College

BA, Economics, 1972 - 1976

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan Federated City Employees' System

Do you reside within 50 miles of San Jose City Hall? Yes No

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Atkinson, Franklyn Rehm

Home Address City Zip Code

Home Phone No. Cellular Phone No. Home Fax No.

Business Address Zip Code

Business Phone No. Business Fax No.

Business Email Personal Email

Present Employer (Name/Describe Business) Job Title/Description of Duties

Atkinson Associates (self employed)

Chairman. I function as a consultant/financial consultant and have advisory and Board of Director relationships with U.S. and International firms.

Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:

[Faint, illegible text]

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Menlo College	General studies	9/58-8/59	
Stanford University	History/Political Science	9/58-12/62	12/62 AB Degree
UCLA (Anderson School of Business)	Finance/Economics	1/64-6/66	6/66 MBA Degree

Licenses Held:

NA

Certifications Held:

NA

Special Awards or Recognitions Received

Beta Gamma Sigma society (honor society for MBA candidates, UCLA)
First President, Western Association of Venture Capitalists (primary venture capital trade group in Silicon Valley)

Languages spoken

English

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> Institutional investment experience	40	Please see attachment A.1.
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	40	Please see attachment A.1.
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

Please see attached statement A.2.

3. What is your interest and motivation for serving as a member of the Retirement Board?

The opportunity to serve in the public interest, particularly as it serves members of the San Jose Police and Fire Departments.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

Please see attachment A.4

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

Please see attached statement A.5.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application
Please refer to my Resume, attached.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

Please see attached statement B.1

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

Please see attached statement B.2.

4. What do you consider the three most important issues currently facing the Retirement Board?

Please see attached statement B.4.

5. What do you perceive as the short and long-term goals of the Retirement Board?

All pension plans are long term and must have long term goals. These are the truly important goals. Short term goals should perhaps be to focus on making sure a proper management structure is in place and that administrative costs are under control, and that the long-term goals are reviewed regularly and are kept up to date.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

1) Primarily through regular perusal of business and financial periodicals (WSJ, Forbes, Barrons, etc.) and economic/political journals (The Economist); 2) Regular attendance at investment trade shows and conferences; and 3) Networking and regular dialogue with fellow investment professionals.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

For the near term, large and mid-cap U.S. equities. Close scrutiny should be paid to global equities and particularly in select emerging market (i.e. BRIC, etc.) equities. Close attention to select senior corporate debt opportunities. RE risk budgeting, this all has to do with asset allocation models and diversification within those allocations, with a constant eye on liquidity requirements. My experience here has been on diversification modeling and budgeting for follow-on investments, both for planned and unplanned reasons.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Please see attached statement C.3.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Please see attachment C.4.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

Please see attachment C.5.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

Please see attachment C.6.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

Yes, I have read and agree to comply
 ~~No, I have not read~~ and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

Yes, I have read and agree to comply
 ~~No, I have not read~~ and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application? Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

My advisory roles with The Trinity Group (London, UK), C2 (Munich), and The Perreault Birmingham Group (Palo Alto), and my Board of Director role with MACH Energy (Walnut Creek) could conceivably be affected by decisions of the P&F Plan Board. Yes I must add that this is highly improbable and highly unlikely.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

Please see attached statement E.4.

How did you learn of a vacancy on this Board?

- Internet
 Newspaper
 Advertisement – Source: _____
 City Website
 Personal contact from Councilmember
 Personal contact from City staff member
 Word of mouth
 Other (please specify)



**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-8207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

CITY OF SAN JOSE' – RETIREMENT BOARDS

APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER

ADDITIONAL INFORMATION SHEET

A.1. Officer and/or Partner of venture capital and private equity investment firms for forty years, both domestically and internationally.

A.2. I believe I am qualified due to my past four decades of professional experience through having been a founder and manager of venture capital and private equity firms. I have founded investment firms in the Middle East and here in Silicon Valley. I have negotiated, structured, committed to, managed and ultimately sold real estate investments (Hong Kong, Mexico City, U.S.) and technology investments, both in the Middle East and here in Silicon Valley.

A.4. My activities in investment management and oversight experience has been gained principally in the private equity and venture capital sectors. In managing investment firms I have been both the subject of oversight (from institutional investors in my firms) and the overseer (of portfolio companies in which my firms have made investments). Key financial policies, in both environments, are typically the result of proposals and negotiations among various parties. Key financial policies have included regular financial reporting and outside compliance obligations, requiring Board seats of portfolio companies, establishing investment committees with institutional investors, etc.

A.5. Founder and first President, The Western Association of Venture Capitalists. The WAVC is considered to be the first venture capital trade organization, worldwide. Membership today in this premier organization includes 130 Silicon valley venture firms and 800 venture capitalists including such leading

enterprises as Accel Partners, Benchmark Capital, Draper Fisher Jurvetson, IDG Ventures Pacific, Intel Capital, Kleiner Perkins Caufield & Byers, New Enterprise Associates, Sequoia Capital, US Venture Partners, Venrock Associates, Walden Venture Capital and Weston Presidio, among numerous others.

B.1. My understanding of the role of the Retirement Board members is to be the ultimate overseer of the activities of the investment Committee and the activities of the Director of Retirement Services (effectively the plan's COO) and the staff and the custodial function.

B.2 I do not, at this point, have a clear understanding of the relationship between the Retirement Board and the City Council, the City Administration, and the Employee bargaining units. I would presume that the Retirement Board has little direct interface with the Retirement Services staff, that being the province of the Director of Retirement Services. As far as the relationship with the Plan participants and beneficiaries, I would presume that this relationship is the ultimate responsibility of the Retirement Board.

B.4. From my standpoint, the three most important issues facing the Retirement Board are:

- Make certain that the Plan is properly funded, that the proper actuarial work is in place and up to date, and that all Plan obligations to its participants and beneficiaries are being met. Basically, that the Plan is solvent.
- Make certain that the Plan review processes, which could lead to portfolio rebalancing, is sound yet flexible. The Plan should have an effective 'early warning system' in place in order to avoid problems which can result in out-of-cycle rebalancing and other aspects of the 'Denominator Effect.'

- **Make certain that all compliance requirements are being met. To be alert to such things as Calif. AB 1743 (takes effect 1/1/2011), the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act, SEC rules on placement agents, etc. so that the Plan does not run afoul of the law or be embarrassed.**

C.3 Asset allocation is the key to overall portfolio performance. It is the largest single factor in portfolio returns. I have looked at the P&F Plan's allocations for the past three years and found them to be very sophisticated, and even somewhat aggressive in the alternative investment category, which I think is positive. In order to comment on 'recommended asset classes and proportions' I would have to be privy to the plan's actuarial studies, baseline plan investment return targets, expected employee contributions to the plan, etc. But overall, the Plan's asset allocation program appears to be highly sophisticated and very professional.

C.4. There is certainly a role for alternative investments in any major diversified plan. For the year ended 6/30/10 the Police and Fire Plan had a return of 14.3% on its assets, and it would be virtually impossible to enjoy such a level of performance without embracing alternative investments. The proper and effective way to execute an alternative investment program is through the retention of an advisory firm(s) which specialize in alternative asset programs, and which, very importantly, have access to top tier alternative asset managers, be they managers of buy-out funds, private equity, real estate, commodities, etc.

C.5. Investment managers should always be evaluated on performance vs. specific targets. Consultants can be useful in helping to select investment managers and in determining the measurement targets. Quarterly reviews are most appropriate. Market context is always an issue, so relative performance should be taken into account (i.e. top quartile, etc.) even when specific targets

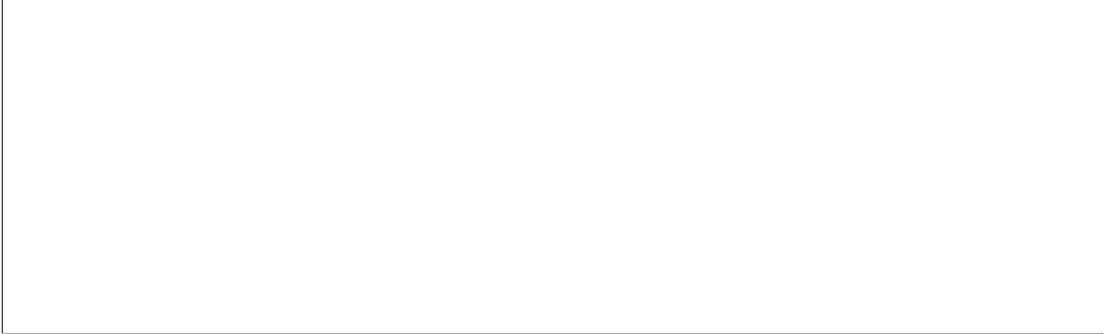
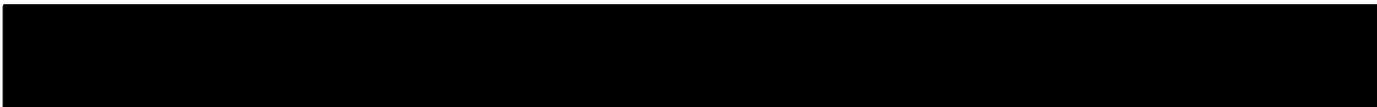
may not have been met. Termination of managers in most circumstances should not be a hasty procedure and should be a thoughtful process. In the case of abrupt changes within a manager's shop, termination can be an accelerated process. Manager selection can be aided by outside consultants but the plan's staff should be able to conduct, with good internal oversight and leadership, due diligence.

C.6. A plan's statement of investment policies should be driven principally by its stated duties and responsibilities. It must take its primary direction from its actuarially-derived obligations. It must have clearly stated objectives and clearly defined responsibilities. Regarding the roles of various parties in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis:

- Asset allocation and portfolio structure should be determined by the Investment Committee, with oversight by the Trustees
- Manager selection and due diligence should be undertaken by the Investment Committee, with the support of the Director of Retirement Services and the plan staff. Again with oversight of the Trustees.
- Rebalancing and other portfolio adjustments would be undertaken by the Investment Committee, with oversight by the Trustees.
- Reporting and analysis should be a function of the Director of Retirement Services and staff, with support where needed from outside consultants.
- Custodians are to oversee the management, movement and handling of the plan's money, seeing to it that it gets to the right places at the right times.

E.4 References are:

[Empty box for references]



Curriculum Vitae

Frank R. Atkinson

PRESENT **Strategic Advisor, The Perreault Birmingham Group (www.thepbgrp.com)**, an entity offering investment banking services to firms in technology focused businesses (Palo Alto, CA).

Senior Strategic Advisor, The Trinity Group (www.trinity-group.co.uk), an entity specializing in corporate advisory services and fundraising in Europe and the Middle East for venture capital and private equity investment firms. *Trinity* has raised in excess of \$3 billion, and provided advisory services for such former and current clients as the **Carlyle Group, Lexington Partners, KKR, Pacific Corporate Group, Macquarie Bank, Evercore Capital Partners, Gartmore Investment Management and Deutsche Bank**, among others (London).

Board of Directors, MACH Energy (www.machenergy.com), a provider of energy management software systems. *MACH Energy's* nationwide client base includes **ING Clarion, Equity Office Properties, UBS Realty Investors, Tishman Speyer, GE Asset Management, CBRE, CARR Properties, Lincoln Property, Brookfield** and other large commercial office property owners (Walnut Creek, CA).

Senior Advisor, C2, a European boutique investment banking firm (Munich).

Advisory Board, Omazo Ventures, Inc., (www.omazo.com), a venture investment incubator (Toronto).

PREVIOUS

1998-2002 Co-founder and Managing Director, InterArab Investment Fund, a venture fund which made equity investments in Jordan, the Palestinian Territories and Oman. (Amman, Jordan; Muscat, Oman).

InterArab was formed in 1998. I sold my stake to my partner in 2002. The investments we committed to were Aregon (a supply chain firm we backed with the freight forwarder Aramex), Bayt.com (an Arab "lifestyle", jobs, etc. website), Jordan Valley Fisheries (fish farm) and Modern Agricultural

Investment Co. (leading edge hydroponics, etc., in conjunction with the IFC). Prior to my departure InterArab had committed to a BMW distributorship and training center (BMW's largest in the Middle East) in the Palestinian Territories.

1984-2001 **Co-founder and Managing Director, HMS Group.** HMS Group managed venture funds focused on seed and start-up investments in the U.S. telecommunications industry. (Menlo Park, CA).

HMS Group was co-founded with former colleagues at the San Francisco venture firm, Continental Capital Corporation. HMS was formed to manage start-up and early round investments in the telecommunications industry as that is the area in which Continental Capital had enjoyed its greatest successes. Prominent investments in the HMS portfolio were ARIX Corp. (UNIX super microcomputer), Centigram Corp. (voice messaging systems), Cohesive Networks (T-1 Multiplexers), Digital Microwave Corp. (18GHz, 23GHz microwave systems), Halley Systems (LAN bridge and router platforms), Infochip Systems (ASICs for lossless digital compression), LP Com (telecommunications test computer), Meridian Data Systems (CD ROM publishing systems), Multipoint Networks (digital radio area networks) and Repeater Technologies (cellular repeater systems). HMS Group was wound down in 2001.

1982-1984 **Consultant, Thompson Clive & Partners (UK) and Thompson Clive Inc (U.S.),** a venture fund manager focused on technology investments in Europe and the U.S. (San Francisco, London).

Introduced the Thompson Clive firm to the U.S. venture capital community, assisted the firm in making venture investments in the U.S. and formulating a model for the establishment of a U.S.-based venture firm. Thompson Clive Inc. was subsequently established in Silicon Valley and now operates under the name, Peninsula Ventures.

1980-1982 **Managing Director, Investment Management Group, Imperial Bank.** The Investment Management Group created and managed a portfolio of private equity investments for Middle East financial institutions. Investment activity was focused on Hong Kong, Mexico City and the U.S. (San Francisco, Kuwait).

The Investment Management Group was formed to advise a group of Kuwaiti institutions (Pearl Investment Company, Gulf Investment Company, Kuwait Investment Group, and the Kuwait Real Estate Investment Bank) on investments in real estate, world wide. The work involved was not only investment but project development. Notable projects which we developed and financed were the Regent International Hotel (now the Intercontinental) in Hong Kong, the Promocion Urbana retail shopping complex in Mexico

City, the Rittenhouse Hotel and condominium project in Philadelphia (U.S.) and apartment and condominium projects in Salt Lake City (U.S.) and Denver (U.S.). The investment activities with the Kuwaitis ceased with the Souk al Manakh market melt-down in Kuwait in 1982.

Previously an **Investment Officer** with *Triad Holding Corporation* (venture capital and business development in the U.S., Europe and the Middle East; based in Beirut, Duesseldorf and London), **Investment Officer** with *Continental Capital Corporation* (venture capital; San Francisco), and member, **Corporate Planning Staff** with *Transamerica Corporation* (financial services; San Francisco).

EDUCATION

MBA, Anderson School of Business, University of California, Los Angeles.

(Played professional football with the *Pittsburgh Steelers* and the *Denver Broncos* during Graduate School)

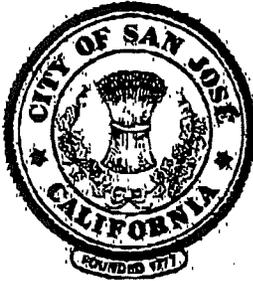
BA, Stanford University.

PROFESSIONAL

Founder and first President, Western Association of Venture Capitalists (Menlo Park, CA). The WAVC was the first venture capital trade organization in the industry, worldwide.

Membership today in this premier organization includes 130 Silicon Valley venture firms and 800 venture capitalists, including such leading enterprises as **Accel Partners, Benchmark Capital, Draper Fisher Jurvetson, IDG Ventures Pacific, Intel Capital, Kleiner Perkins Caufield & Byers, New Enterprise Associates, Sequoia Capital, US Venture Partners, Venrock Associates, Walden Venture Capital, and Weston Presidio**, among numerous others.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan Federated City Employees' System

Do you reside within 50 miles of San Jose City Hall? Yes No

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle)

Druyan, Lara, Catherine

Home Address

City

Zip Code

Home Phone No.

Cellular Phone No.

Home Fax No.

Business Address

Zip Code

Business Phone No.

Business Fax No.

Business Email

Personal Email

Present Employer (Name/Describe Business)
Allegis Capital/ Early-stage venture capital fund

Job Title/Description of Duties
General Partner/ Source, lead, negotiate and manage investments in early-stage technology companies.

Current Employer of Spouse (Name/Address)

Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
University of Chicago	Economics	9/85-6/89	AB 6/89
Harvard Business School	NA	9/92-6/94	MBA 6/94

Licenses Held:
Previously Series 7 and Series 63.

Certifications Held:
NA

Special Awards or Recognitions Received

Named "Woman of Influence" in Silicon Valley by the San Jose Business Journal in 2009.
Awarded Honors from the College and Honors in Economics by the University of Chicago.

Languages spoken
English and proficient in French.

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former, elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input type="checkbox"/> institutional investment experience		
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input type="checkbox"/> legal		
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	10.5	General Partner at early-stage venture capital fund
<input checked="" type="checkbox"/> banking	2	Associate in Merrill Lynch's Telecom, Media and T
<input type="checkbox"/> insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other		Analyst at Cornerstone Research, a finance and e
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I have followed the capital markets since college and am passionate about investing. I majored in Economics at the University of Chicago where I developed excellent quantitative and analytical skills. At Harvard Business School, I took numerous finance courses including: Capital Markets, Corporate Financial Management, Entrepreneurial Finance, Restructuring and Real Estate. When I was an investment banker, I honed my valuation skills and my understanding of a variety of securities. During that time I was Series 7 and Series 63 registered. Since 2000, I have been a principal investor at Allegis Capital. I understand how investment decisions are made (having made them as a principal) and know

3. What is your interest and motivation for serving as a member of the Retirement Board?

I have two passions that are evident in my background. One is investing, and the other is serving the community in which I live. I believe I would fulfill both of these by serving on the Retirement Board. I love thinking about asset classes and investment strategies to generate superior returns and have managed my own money since college. I have been active in my community for over ten years. I serve as an Advisor to Watermark (previously known as the Forum for Women Entrepreneurs & Executives) and on the Investor Council to Astla. I have also served on the Board of Trustees of Aim High, a non-profit that creates summer programs for at-risk middle school children throughout the Bay Area. I genuinely

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

I have had over ten years of investment management and oversight experience at Allegis Capital. I have sourced, led, negotiated and managed investments during my tenure. I have worked on portfolio company boards (and their audit committees) on which I have worked with auditors to develop revenue recognition policies, evaluate valuations of common stock and evaluated operating plans and budgets. While at Allegis, I worked with our CFOs to value portfolio companies for our auditors which has been increasingly important with the development of FAS 157.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

My firm is and has been a member of both the Western Association of Venture Capitalists and the National Venture Capital Association. I participate in both organizations and attend their functions and meetings regularly. I am also a participant in the Women in Private Equity conferences. Finally, I serve on the Board of Advisors for Watermark and for Dealmaker Media.

2) I have followed the capital markets since college and am passionate about investing. I majored in Economics at the University of Chicago where I developed excellent quantitative and analytical skills. At Harvard Business School, I took numerous finance courses including: Capital Markets, Corporate Financial Management, Entrepreneurial Finance, Restructuring and Real Estate. When I was an investment banker, I honed my valuation skills and my understanding of a variety of securities. During that time I was Series 7 and Series 63 registered. Since 2000, I have been a principal investor at Allegis Capital. I understand how investment decisions are made (having made them as a principal) and know how to conduct diligence on investment managers. Moreover, I serve on boards of directors, including one non-profit board. Serving as a board member has taught me how to work with various constituents (employees, outside board members, other investors, management and customers) to maximize outcomes. I have served on every major board committee.

3) I have two passions that are evident in my background. One is investing, and the other is serving the community in which I live. I believe I would fulfill both of these by serving on the Retirement Board. I love thinking about asset classes and investment strategies to generate superior returns and have managed my own money since college. I have been active in my community for over ten years. I serve as an Advisor to Watermark (previously known as the Forum for Women Entrepreneurs & Executives) and on the Investor Council to Astia. I have also served on the Board of Trustees of Aim High, a non-profit that creates summer programs for at-risk middle school children throughout the Bay Area. I genuinely enjoy giving my time to support the community in which I live and work and would very much like to bring my professional expertise to the Retirement Board.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

The Retirement Board members have sole fiduciary responsibility over the assets of the plan, including the investment of assets and the administration of the plans. The Board must ensure that the plan remains actuarially sound. To that end, the Board must contract actuarial services to determine if the assumptions (i.e., mortality) are appropriate. The Board must also contract for valuations of the plans and establish contribution rates for both the City and the employees.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

By charter, the City of San Jose contributes to the plan (at least 8:3, meaning that the City must pay at least \$8 for every \$3 that an employee contributes). Moreover, the City is responsible for any unfunded liabilities. Therefore, the Board is accountable to the City Administration and City Council. Previously, the City Council appointed Retirement Board members. The Council may demand various reports, valuations and analysis from the Board, and those should be reviewed with the City Council, and an annual report should be provided. The Retirement Services Department administers the plans and benefits. The Department supervises investments on behalf of the plan and analyzes and

4. What do you consider the three most important issues currently facing the Retirement Board?

The three most important issues facing the Retirement Board are:

- 1) The unfunded liabilities that for the Federated Plan have been growing at an alarming and increasing rate since ~2001. Addressing this through examining contribution rates, COLAs, better actuarial assumptions and modeling as well as seeking appropriate investments will be critical to bridging this gap.
- 2) Examining a second tier pension benefit for new employees to help address the gap in funding for liabilities.
- 3) Better reporting and analysis of the pension liabilities to all constituents, including: the City Council, City Administration,

5. What do you perceive as the short and long-term goals of the Retirement Board?

The long-term goal of the Retirement Board is to ensure that the Plan is fiscally sound i.e., that it can meet its obligations to its beneficiaries. The Board must also ensure that all of the Plan's constituents are kept informed as issues arise and as projections, performance, etc. change for both good and bad. The Board must also work with the City to ensure that the City can continue to function and offer services to the citizens of San Jose without interruption. In the short-term, the goal of the Retirement Board must be to evaluate the tools it has at its disposal to address this long-term goal and gap. In other words, the Board must examine actuarial models, contribution rates, COLAs, etc. to determine what will make the plan fiscally sound. The Board must also evaluate its investment allocation model and strategy in order to grow its assets in as risk-free a means as possible and achievable.

2) By charter, the City of San Jose contributes to the plan (at least 8:3, meaning that the City must pay at least \$8 for every \$3 that an employee contributes). Moreover, the City is responsible for any unfunded liabilities. Therefore, the Board is accountable in no small part to the City Administration and City Council. Previously, the City Council appointed Retirement Board members. The Retirement Services Department administers the plans and benefits. The Department supervises investments on behalf of the plan and analyzes and recommends policies to the Board. The Board will work with employee bargaining units as requested. The Board serves the plan and therefore serves the Plan participants and beneficiaries.

4) The three most important issues facing the Retirement Board are:

- 1) The unfunded liabilities that for the Federated Plan have been growing at an alarming and increasing rate since ~2001. Addressing this through examining contribution rates, COLAs, better actuarial assumptions and modeling as well as seeking appropriate investments will be critical to bridging this gap.
- 2) Examining a second tier pension benefit for new employees to help address the gap in funding for liabilities.
- 3) Better reporting and analysis of the pension liabilities to all constituents, including: the City Council, City Administration, Employee bargaining units, beneficiaries and contributors.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I have been following the markets since college and am an avid reader of financial periodicals, books and blogs. I also have many friends in the money management business with whom I discuss the state of the markets and investment opportunities. These friends range from CIOs to hedge fund managers to private equity and venture capital investors. The combination of reading (and developing ideas) and sharing ideas with investing friends keeps me up to date on opportunities and the environment.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

The correlation coefficient among US, Foreign and Emerging equities rose from ~.3 to .8 between 1994 and 2007. As we learned from the 2008 crisis, there are very few uncorrelated asset classes. That means the only real diversification one gets is from bonds. So, one opportunity to increase return and reduce risk in pension portfolios is to increase fixed income exposure. I am also an advocate for investing in funds that engage in hard asset backed lending. Although investing in emerging equities is higher risk, it also generates higher returns. I think investing in the BRIC (Brazil, Russia, India, China) economies is a good opportunity, especially in middle class housing. Real estate (REITs, in any case) have historically

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Famed Yale Endowment CIO, David Swensen, allocated Yale's investment dollars as follows: Real Assets (includes commodities) 27%, Absolute Return 25%, Private Equity 17%, Foreign Equities 15%, Domestic Equities 12%, Fixed Income 4%. I would amend this for the pension fund as follows. 1) Reduce Private Equity to 3% or less. 2) Increase Fixed Income to 10%. 3) Invest 5% in US Treasury Inflation Protected Securities. 4) Increase Foreign Equities to 18%, specifically seeking out opportunities in the BRIC economies.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

I believe that San Jose should limit its investments in private equity and only invest in a few of the very best funds on an individual basis i.e., Helman & Friedman, Greylock, etc, and not via a fund of funds structure. I would limit exposure to private equity because of the illiquid nature of the investment. I would not recommend that San Jose invest in infrastructure because, again, the time horizon is too long, and the investment is too illiquid. I believe that San Jose should invest in real estate via REITs and/or funds but not in separate account real estate because of the expertise needed to cherry pick projects and regions. I believe that San Jose should have limited exposure to commodities through the Goldman Sachs

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

I evaluate investment managers by the following criteria: 1) Net returns benchmarked to peers firms and to asset class expectations 2) Team (strength, history, cohesiveness and responsibility for prior success) 3) Strategy i.e., does it fit with what the Plan is trying to achieve 4) Volatility of returns over time 5) Analysis of NAV i.e., is it realistic in the case of assets which are difficult to value? 6) Diligence on process by which investment decisions are made. 7) Succession planning. I would terminate a manager if 1) Net returns are disappointing relative to peers or relative to the goals the Board has for the asset class 2) Team turnover is high, especially if good people are leaving. 3) If the Board doesn't believe in the

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The pension plan's investment policies should include the following. 1) Trustees and staff must not receive any economic benefit from recommended investments (e.g., payments from managers, consultants or custodians) from the date of joining the Board or Staff until two years after the trustee or staff member resigns his/her post. 2) If there are prior relationships with managers being evaluated by the Staff and/or Board, the trustee or staff member must announce a relationship and recuse himself/herself from any discussion and/or recommendation. 3) Rebalancing the portfolio must be evaluated by the staff and board every six months or more often, as necessary. 4) Manager due diligence must be documented and presented to the board for review prior to any commitments. The evaluation of managers will be driven by the asset class allocation as determined by the staff and board. 5) Reporting for all managers, investments, etc. will be done quarterly and reviewed by the staff and board both individually and as a whole. Recommendations vis-a-vis potential rebalancing will be made after analyzing the performance of the managers and strategies relative to the Fund's goals.

2) The correlation coefficient among US, Foreign and Emerging equities rose from ~.3 to .8 between 1994 and 2007. As we learned from the 2008 crisis, there are very few uncorrelated asset classes. That means the only real diversification one gets is from bonds. So, one opportunity to increase return and reduce risk in pension portfolios is to increase fixed income exposure. I am also an advocate for investing in funds that engage in hard asset backed lending. Although investing in emerging equities is higher risk, it also generates higher returns. I think investing in the BRIC (Brazil, Russia, India, China) economies is a good opportunity, especially in middle class housing. Real estate (REITs, in any case) have historically had a 50% correlation with equities. I have limited experience with risk budgeting.

4) I believe that San Jose should limit its investments in private equity and only invest in a few of the very best funds on an individual basis i.e., Helman & Friedman, Greylock, etc, and not via a fund of funds structure. I would limit exposure to private equity because of the illiquid nature of the investment. I would not recommend that San Jose invest in infrastructure because, again, the time horizon is too long, and the investment is too illiquid. I believe that San Jose should invest in real estate via REITs and/or funds but not in separate account real estate because of the expertise needed to cherry pick projects and regions. I believe that San Jose should have limited exposure to commodities, specifically, I would recommend investing in a gold fund. I don't believe that the Plan should invest in commodities directly due to the volatile nature of such investments.

5) I evaluate investment managers by the following criteria: 1) Net returns benchmarked to peers firms and to asset class expectations 2) Team (strength, history, cohesiveness and responsibility for prior success) 3) Strategy i.e., does it fit with what the Plan is trying to achieve 4) Volatility of returns over time 5) Analysis of NAV i.e., is it realistic in the case of assets which are difficult to value? 6) Diligence on process by which investment decisions are made. 7) Succession planning. I would terminate a manager if 1) Net returns are disappointing relative to peers or relative to the goals the Board has for the asset class 2) Team turnover is high, especially if good people are leaving. 3) If the Board doesn't believe in the strategy and/or there has been style drift. 4) Returns are volatile. 5) NAV is in question. 6) If a manager has committed any type of fraud. Manager diligence should be conducted by answering the questions 1-7 above and done by Staff at the Retirement Board. It should then be discussed at the Board level where additional questions and/or analysis may be requested.

6) The pension plan's investment policies should include the following. 1) Trustees and staff must not receive any economic benefit from recommended investments (e.g., payments from managers, consultants or custodians) from the date of joining the Board or Staff until two years after the trustee or staff member resigns his/her post. 2) If there are prior relationships with managers being evaluated by the Staff and/or Board, the trustee or staff member must announce a relationship and recuse himself/herself from any discussion and/or recommendation. 3) Rebalancing the

portfolio must be evaluated by the staff and board every six months or more often, as necessary. 4) Manager due diligence must be documented and presented to the board for review prior to any commitments. The evaluation of managers will be driven by the asset class allocation as determined by the staff and board. 5) Reporting for all managers, investments, etc. will be done quarterly and reviewed by the staff and board both individually and as a whole. Recommendations vis-a-vis potential rebalancing will be made after analyzing the performance of the managers and strategies relative to the Fund's goals.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

Investments in funds, public securities and private companies.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

- Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

[Empty box for providing references]

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)



**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

LARA C. DRUYAN

EXPERIENCE

ALLEGIS CAPITAL

2000 - present

General Partner for early-stage venture capital fund with \$500M under management.

- Source, lead, evaluate and negotiate investments. Represent Allegis as Board member of portfolio companies.
- Participated in fundraising and limited partner meetings for funds IV and V. Sourced potential investors; maintained limited partner relationships.
- Led investments in Coraid, Apprion and Packet Design. Invested as an angel in Powerset (MSFT), ShopItToMe, Xactly, Facebook (via secondary) and Alumwire.
- Actively guide investments across stages: early, growth and acquisition; serve on every board committee.
- Lead numerous searches for CEOs and portfolio company executives.
- Developed extensive network of entrepreneurs, executives, customers and distribution partners; assist companies with product strategy and in identifying customers and strategies that generate early revenue.
- Generate investment theses and strategies for areas including wireless, Internet and software.

SGI (SILICON GRAPHICS, INCORPORATED)

1996 - 1999

Product Manager, Strategic Software

- Spearheaded product management, marketing and business development activities for all desktop software product categories, including collaborative software tools, video conferencing, Internet applications and productivity tools.
- Developed business plan, recruited engineering team, secured \$2 million budget and managed three major releases for next generation collaboration and video conferencing tool suite.
- Devised and executed marketing strategy, managed public relations campaign and evaluated new product ideas.
- Identified strategic partners for software development; negotiated and managed third-party agreements.
- Released ten software products.
- Led task force that recommended pricing strategies and guidelines for all desktop and server software.

MERRILL LYNCH & COMPANY

1994 - 1996

Associate, Telecommunications, Media, & Technology

- Provided corporate finance and M&A services for cable television, entertainment and broadcast clients.
- Evaluated strategic alternatives for a diversified media company's cable operations, including joint ventures, divestitures, acquisitions, swaps and affiliation with a major wireless communications company.
- Prepared offering materials, conducted diligence, and valued cable systems and entities created by the \$1.6B sale.
- Conducted due diligence and determined debt capacity for \$150MM high-yield financing for cable operator.

ARIZONA CORPORATION COMMISSION

1991 - 1992

Executive Consultant with team that conducted a feasibility study for what became the first interactive auction-trading platform.

CORNERSTONE RESEARCH

1989 - 1991

Research Analyst for financial and economic consulting firm specializing in complex business litigation.

EDUCATION

HARVARD GRADUATE SCHOOL OF BUSINESS ADMINISTRATION, MBA, 1994

UNIVERSITY OF CHICAGO, BA, 1989

Honors in Economics. Honors from the College. Morton Murphy Award for outstanding extra-curricular contribution.

BOARD SERVICE

Aim High, Board of Trustees, MedVantage, Board of Directors, University of Chicago Science Board, Alumwire, Board of Advisors, Dealmaker Media, Board of Advisors, Forum for Women Entrepreneurs & Executives, Board of Advisors.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
Harvard Business School	Master in Business Admin	1985 - 1987	MBA 1987
Bemidji State University	Engineering Physics	1974 - 1979	BS 1979

Licenses Held:

California Registered Investment Advisor (previously)

Certifications Held:

N/A

Special Awards or Recognitions Received

Judge for the Venture Capital Investment Competition. Among highest student-rated professors at Golden Gate University.

Languages spoken

English

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	21	Portfolio mgr - managed \$800 million portfolio
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input checked="" type="checkbox"/> legal	5	Expert witness in litigation of financial issues
<input type="checkbox"/> health and welfare and/or employee benefits management		
<input checked="" type="checkbox"/> investment management	21	Analyst/portfolio manager at large hedge funds
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input checked="" type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)	5	Adjunct professor; teach Portfolio Management
<input checked="" type="checkbox"/> Other	21	Extensive experience in long/short hedge funds
<input checked="" type="checkbox"/> Other	20+	Experience in private equity/venture capital

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

For more than 20 years I have been an institutional equity manager at large hedge funds as well as the largest university endowment - Harvard University. I understand alpha creation and want to bring that expertise to bear. As a board member of the Venture Capital/Private Equity Roundtable, I have an in-depth understanding of VC/PE investments. I eagerly take on team leadership roles, when appropriate, and I am a dynamic force as either a team member or leader.

3. What is your interest and motivation for serving as a member of the Retirement Board?

I want to bring my experience to bear and serve the members of the Retirement System. I have no affiliations that could present a conflict of interest or bias my decision making. I enjoy working on important issues with a team of smart people; I believe the experience of serving on the Board will be personally rewarding. The Retirement Board's decisions have large impacts on member's retirement. I am motivated by the opportunity to positively impact many people's lives.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

My experience here is from the perspective of an institutional investor serving a retirement system. I have developed and written financial policy statements for clients, evaluated investment manager performance and performed manager due diligence.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

Member, Global Association of Risk Professionals
Member, Association of Certified Fraud Examiners
Member, Silicon Valley Venture Capital/Private Equity Roundtable Advisory Board

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

With a background as an engineer/physicist, I have a strong skill set applicable to actuarial analysis, risk budgeting and other quantitative areas. I often use this background to distill complex situations into simple-to-understand, easy-to-communicate concepts.

My parents were both union members in Minnesota. I understand and respect the perspective of the Retirement System's beneficiaries.

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

Retirement Board members have a fiduciary responsibility over the assets of the retirement system. They act primarily to provide benefits for plan participants and their beneficiaries. Secondly, they act to minimize contribution requirements to the fund and to minimize expenses of administering the system. The Board oversees asset allocation in order to diversify risk and maximize the rate of investment return. They also oversee actuarial analysis to assure fund adequacy.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The City Council appoints the Retirement Board members. Retirement Board members set investment policy as a fiduciary to the Retirement Plan participants and beneficiaries. This policy is implemented by the Retirement Services staff. The City Administration negotiates with employee bargaining units to determine pension benefits and employee contributions for Plan participants. Contributions to the Retirement Plan are made by both the employees and the City, but only the City is the final guarantor of all benefits.

4. What do you consider the three most important issues currently facing the Retirement Board?

Fund the current unfunded liability.

Achieve results to meet actuarial assumptions.

Make the best possible asset allocation decisions to achieve results which inspire trust and confidence of the Retirement System's beneficiaries and other stakeholders.

5. What do you perceive as the short and long-term goals of the Retirement Board?

Short term:

Oversee selection and assess risk of various investment opportunities.

Assure adequate liquidity to meet the fund's liabilities.

Long term:

Plan and manage funds to provide optimum risk/reward for the Retirement System's beneficiaries.

Assure assets and the investment strategy are appropriate to meet all projected liabilities. In other words, have a fully funded Plan.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I work on investment-related issues every day. Since 2006 I have taught Portfolio Management, the advanced investments course, in Golden Gate University's MBA program.

I have been active in the alternative investment area since 1989 and I attend many investment-related conferences each year. I am very current in my knowledge of investment issues.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

As I manage an equity portfolio every day, risk budgeting and management is a constant focus. At Harvard University's endowment I managed the risk budget for my own \$800 million portfolio and participated in the overall fund's risk budgeting process. There are always opportunities to reduce risk and increase returns, but they must be considered holistically with the Retirement System's objectives. Any action should be taken only with a clear understanding of the risk and the expected benefit. With care, risks can be managed.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation is the critical foundation for an investment plan. Alpha returns are simply an overlay on that foundation. Any asset class chosen must make common sense to the board members. Investments which are so complex they cannot be understood by everyone on the Board probably have hidden risks which make them inappropriate for the Retirement System. See Attachment I for details on my recommended asset classes and proportions for pension funds.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

These investments may be appropriate, but should be considered with care. Issues to overcome before committing to such an investment include: How will this investment correlate with other investments? Could lack of liquidity cause a problem? Is the fundamental case for investment strong? Is this an especially attractive opportunity? What is the risk; what can go wrong?

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

There are many factors to consider in manager evaluation. Some are quantitative (returns, volatility, risk control, alpha generation) and others are qualitative (transparency, tenacity). Due diligence should be extremely thorough; all members of the investment team should be interviewed. A manager's ability to generate alpha must be understood by the Board. Termination of a manager should be considered if: 1) they do not do what they agreed they would do 2) loss of an important investment professional from the team 3) loss of a large portion of assets managed 4) ethical or legal violation.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

A statement of investment policies should outline policies such as acceptable risk, permitted investments, guidelines for rebalancing, diversification, volatility and liquidity. Trustees set policies, such as asset allocation and portfolio rebalance guidelines, to safeguard the funds for the benefit of members and beneficiaries. The Staff manages day-to-day operations and implements the policies and programs established by the Board. They also assist the Board in establishing policies and analyzing results. Consultants assist the Board in establishing policies with appropriate risk and rate-of-return objectives to meet funded status and administrative expense objectives. They also conduct asset allocation studies and assist the Board in selection and due diligence for new managers. Managers structure and manage investment portfolios consistent with specified guidelines. The Custodian holds and accounts for the Plan's assets.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

McCullough & Associates LLC - My current employer; may not be hired as a manager due to conflict of interest.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
 Newspaper
 Advertisement – Source: _____
 City Website
 Personal contact from Councilmember
 Personal contact from City staff member
 Word of mouth
 Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

Attachment I

Since you have requested "detail on your recommended asset classes and proportions for pension funds," I am providing the asset allocation table below as my "first cut" for discussion.

Target Asset Allocation

Domestic equities	22%
Foreign equities, including emerging markets	16%
Fixed income – Domestic, foreign and high yield	<u>25%</u>
Total marketable securities	63%
Private/alternative investments	37%

- Private/alternative investments include private equity, venture capital, real estate, commodity-related assets and absolute return funds.
- The actual allocation should be set +/- 30-50% of the target allocation above, depending on perceived opportunities.
- To protect against inflation, assets which will hedge the impact of inflation, such as TIPS or commodities, should be a significant position for the portfolio.

Martin Dirks

RETIREMENT BOARDS APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER

CITY OF SAN JOSÉ

MARTY DIRKS

EQUITY ANALYST/PORTFOLIO MANAGER

Senior-level long/short equity analyst and portfolio manager. Extensive experience in long/short, market-neutral investing and paired trades. Short seller experienced in the detection, investigation, and quantification of financial reporting fraud.

PROFESSIONAL EXPERIENCE

McCullough & Associates, San Francisco, CA 2010-present
Equity Analyst: Research and manage positions for equity investment portfolio.

- Conduct primary research on domestic large and small cap equities
- Develop and utilize sophisticated valuation and analysis tools using CapitalIQ database
- Lead firm's investment committee strategy and implementation efforts

ISA Capital Management, San Francisco, CA 2000-2010
Analyst/Portfolio Manager: Researched and managed market-neutral equity investment portfolio.

- Researched and managed long/short domestic equity portfolio
- Implemented paired trades, stub trades and option strategies to minimize market risk
- Set up infrastructure for two startup hedge funds

Harvard Management Company, Boston, MA 1994-1999
Equity Analyst/Portfolio Manager: Sole manager of market-neutral portfolio for Harvard's endowment.

- Long/short technology equities portfolio manager
- Generated an average unleveraged annual return on investment of 43% per year
- Portfolio increased from \$110 million to \$870 million (January 1994 to June 1999)
 - 130/30 portfolio, a market-neutral portfolio plus index. Audit of results available.

Odyssey Partners, New York, NY 1991-1993
Equity Analyst: Researched and recommended long and short equity investment positions for a partnership portfolio in excess of \$1 billion.

Feshbach Brothers, Palo Alto, CA 1989-1991
Equity Analyst: Researched and managed short equity positions for \$1 billion short portfolio.

ADDITIONAL EXPERIENCE

- Adjunct Professor at Golden Gate University since 2006. Currently teach Portfolio Management, the advanced investments course in the MBA program
- Venture Capital Investment Challenge (VCIC) Judge – Competition for top MBA students
- Merger/acquisition analyst with Cooper Industries, a Fortune 100 industrial company
- Program manager/product engineer with Texas Instruments

EDUCATION

Harvard Business School, Master in Business Administration Boston, Massachusetts
Bemidji State University, Bachelor of Science in Engineering Physics Bemidji, Minnesota

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**



Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees' Retirement System must live or work within 50 miles of San Jose City Hall and meet specified eligibility requirements.

PLEASE USE BLACK OR BLUE INK TO TYPE OR PRINT YOUR APPLICATION. Submit application to the Office of the City Clerk, 200 E. SANTA CLARA STREET, Room W-242, San José, California, 95113, Phone: (408) 535-1252; Fax: 408-292-6207; email: cityclerk@sanjoseca.gov. If more space is needed, please attach additional pages. Applications are valid for one year from the date of receipt and are public record.

Please check the appropriate box:

Police and Fire Department Plan **Federated City Employees' System**

Do you reside within 50 miles of San Jose City Hall? **Yes** **No**

Living within 50 Miles of San Jose City Hall is a requirement

Name (Last, first, middle) Herrick, Matthew Paul

Home Address City Zip Code

Home Phone No. Cellular Phone No. Home Fax No.

Business Address Zip Code

Business Phone No. Business Fax No.

Business Email Personal Email

Present Employer (Name/Describe Business) Bank of America Merrill Lynch	Job Title/Description of Duties Financial Advisor. I am a financial advisor within Merrill Lynch Wealth Management. My primary responsibilities include advising my clients (individuals, families, and small businesses) on a range of investment management, retirement, tax and estate planning matters.
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Current Employer of Spouse (Name/Address) Spouse's Job Title/Description of Duties:

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

College, Professional, Vocational or Other Schools attended	Major Subject	Dates Attended	Degree & Date
University of Washington, Seattle	Political Science	9/93-6/97	B.A. 1997
University of Michigan, Ann Arbor	Law	6/04-12/06	J.D. 2006

Licenses Held:

FINRA Series 7 and 66. California Insurance Commission Life and Health Insurance.

Certifications Held:

Chartered Financial Analyst (CFA), CFA Institute, Charlottesville, VA, Member No. 675422, Charter Awarded 9/01

Special Awards or Recognitions Received

Languages spoken

Spanish, French

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria. If you answer yes to any question, you are not eligible for appointment as a Public Member of the Retirement Boards.

- Current or former City employee Yes No
- Current or former elected or appointed City official Yes No
- Retired members of, or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No
- A representative of any union representing City employees Yes No
- Immediate Family Member (as defined in San Jose Municipal Code Sections 2.08.1020.F and 2.08.1220.F) of a City employee or persons participating in or receiving benefits from the Police and Fire Dept. Retirement Plan or Federated City Employees' Retirement System Yes No

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

A. GENERAL BACKGROUND

1. Please list your applicable experience or expertise relevant to public retirement plan administration. Please attach your resume or CV to allow for more detailed information.

Category (check all that apply)	Years of Experience	Describe your experience or expertise
<input type="checkbox"/> Senior executive position in pension administration		
<input type="checkbox"/> pension actuarial practice		
<input checked="" type="checkbox"/> institutional investment experience	4	Institutional Equity Research Sales
<input type="checkbox"/> auditing		
<input type="checkbox"/> accounting		
<input checked="" type="checkbox"/> legal	2	Corporate and Securities Lawyer
<input checked="" type="checkbox"/> health and welfare and/or employee benefits management	1	401(k)/Profit Sharing Plan Advisory
<input checked="" type="checkbox"/> investment management	4	Wealth Management
<input type="checkbox"/> banking		
<input type="checkbox"/> Insurance company asset/liability management		
<input type="checkbox"/> college or university professor (focus on fiduciary or trust law, quantitative background in financial theory or actuarial math)		
<input checked="" type="checkbox"/> Other	1	Mutual Fund Information Representative
<input type="checkbox"/> Other		

2. Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I possess a thorough understanding of the capital markets, having worked in the securities industry for most of my adult life. I am also a CFA charter holder and a former securities lawyer. Hence, I would bring not only the expertise of a seasoned financial professional to the Retirement Board but also the qualities of good judgment and attention to detail that one would expect from a skilled legal practitioner.

3. What is your interest and motivation for serving as a member of the Retirement Board?

Public service and the belief that I possess something unique to contribute to the many challenges Retirement Boards such as the City of San Jose's are currently facing.

4. Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

At Merrill Lynch, I establish asset allocation and security selection guidelines for my wealth management clients. At Banc of America Securities, I advised portfolio managers and analysts from a number of pension plans including GE Asset Management, TIAA-CREF, and Texas State Teachers and Employees Retirement Systems. At the Pillsbury law firm, I counseled investment managers on compliance matters related to their relationships with defined benefit plans, including CALPERS and the Ontario Teacher's Pension Plan.

5. Please describe your membership in relevant professional or trade organizations. Please note any offices held, etc.

I am a member of the CFA Institute in Charlottesville, VA and the CFA Society of San Francisco. I am also a member of the State Bar of California and the Silicon Valley and Palo Alto Area Bar Associations.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

6. Please state any other information, which you feel, would be useful in reviewing your application

B. FAMILIARITY WITH BOARD

1. Please describe your understanding of the role and responsibilities of Retirement Board members?

Retirement Board members are responsible for upholding the fiduciary obligations that the City of San Jose and its two pension plans owe to active and retired plan participants and beneficiaries. Retirement Board members may assist the Director (and staff) of the Retirement Services Department in his activities as well as interface with other constituents including elected City officials, labor representatives and plan beneficiaries themselves.

2. Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

See above response to Question B.1. The Retirement Board's primary role is to ensure that the plans fulfill their fiduciary obligations to plan beneficiaries, while also complying with municipal law governing the plans and endeavoring to strike a delicate balance between all of the above mentioned interest groups.

4. What do you consider the three most important issues currently facing the Retirement Board?

Potential Unfunded Liabilities.
Compliance/Ethics.
Risk Management.

5. What do you perceive as the short and long-term goals of the Retirement Board?

In the short-term, the Retirement Board must meet its current liabilities to retired participants. Over the longer-term, the Retirement Board must ensure the continued prudent management of the City's two retirement plans so that obligations due many years in the future may also be honored with minimal impact on the taxpayer.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

C. EXPERIENCE/EXPERTISE

1. How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I have worked in the securities industry for most of my adult life. I regularly attend gatherings and discussions among securities professionals from all subsets of the industry. I have a network of current and former colleagues with whom I confer on a periodic basis. I maintain a daily and weekly practice of reading major financial publications as well as published research from major financial institutions and private advisors, analysts and commentators.

2. Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

Despite the revival of asset prices over the past 18-24 months, the capital markets environment remains very challenging for both the retail and institutional investment community. The primary opportunity I see to increase return and reduce risk over the medium term is to systematically increase exposure to asset classes that have demonstrated low correlation to the broad equity and fixed income indices overtime. My experience with risk budgeting includes my training in the CFA program as well as the work I perform in constructing portfolios for my own private clients.

3. Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset allocation is THE primary determinant of an investment portfolio's risk and return characteristics. Without knowing the exact content of the City of San Jose's current investment policies, I would hesitate to offer any detail about a recommended asset allocation for the two plans other than to say that I believe that pension funds must continue to adapt to an investment landscape that bears less and less resemblance to that of the 1980s-90s, a period from which so many present investment policies rest their foundation.

4. Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

In short, yes, these asset classes can potentially provide attractive returns while potentially decreasing volatility for the overall portfolio. Each of these alternatives is different in nature; some will require the selection of active outside investment managers, others may offer exposure via more passive methods. Similarly, some may be highly illiquid while others may offer almost immediate liquidity. The plans should approach each type of alternative investment according to its own unique character.

5. How would you evaluate an investment manager? When would you terminate an investment manager? How should manager due diligence be conducted?

An investment manager should be evaluated according to the risk adjusted returns she produces, net of fees. Thus, when hiring an investment manager, the plan must first establish its own expectations for the manager and a corresponding set of criteria to analyze the manager's performance. Managers may be terminated for any number of reasons (ethics or compliance violations, poor returns, above market fees, etc.), but the primary reason for termination would most likely be the failure to implement and adhere to the strategy the investment manager was hired to execute.

6. What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

A pension plan's investment policies must include, without limitation, standards for making and monitoring investments, performing risk management analyses, establishing and overseeing compliance measures, and otherwise safeguarding the plan's assets for its beneficiaries. The role of a trustee is to uphold the fiduciary obligations the plan has to its beneficiaries or, more aptly, to ensure that the plan's assets are managed for the sole benefit of its beneficiaries. Staff members, with periodic assistance from consultants, are primarily responsible for the operation of the plan. Investment managers are responsible for executing their predetermined investment strategies within the guidelines set for them by the plan. Finally, the primary role of a custodian is to ensure the safe keeping of the plan's assets and to provide accurate and timely information to plan staff. Proper policies recognize each of these unique roles and outline their responsibilities.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

D. CONFLICT OF INTEREST.

1. State and local law require that Retirement Board members publicly disclose, in advance of action being taken, any conflict of interest, including sources of income, interests in real property or investments, on a matter agendized for Board action; recuse themselves from voting on such item; and leave the room while the item is being discussed and voted on, unless the item is a consent or uncontested item. Please confirm that you have reviewed and agree to comply with San Jose City Council Conflict of Interest Policy (Council Policy No. 0-34); and Government Code Sections 1090 and 87105.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

2. In addition, if appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

- Yes, I have read and agree to comply
 No, I have not read and/or do not agree to comply.

3. Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so? Yes No If yes, please explain in complete detail.

4. If you were required to file a FPPC Form 700 Statement of Economic Interest as a Retirement Board member as of the date of this application, would you have any financial interests that you would be required to disclose other than your financial interest in the employment already disclosed in this application?. Yes No If yes, please identify any interest that you would be required to disclose as an attachment to this application.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

5. Please identify any organizations, associations, or entities in which you are active, or with which you are involved or associated that might be affected by decisions of this Board, and the positions you hold.

See above response to Question A.5, I am unaware of any further associations of mine that might be affected by decisions of this Board.

6. Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

- Yes I have read and agree to comply
 No I have not read and/or do not agree to comply.

E. BACKGROUND CHECKS AND REFERENCES

1. Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

Yes No If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

2. Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties? Yes No If yes, please provide details.

3. Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)? Yes No If yes, please provide details.

**CITY OF SAN JOSÉ - RETIREMENT BOARDS
APPLICATION FOR APPOINTMENT AS A PUBLIC MEMBER**

4. Please provide four personal and/or business references (not relatives). Please include name, address, email, and telephone number.

How did you learn of a vacancy on this Board?

- Internet
- Newspaper
- Advertisement – Source: _____
- City Website
- Personal contact from Councilmember
- Personal contact from City staff member
- Word of mouth
- Other (please specify)

SUBMIT ONLINE

RESET FORM (ERASE)

**Submit to:
City of San Jose
Office of the City Clerk
200 E. Santa Clara Street, Wing Room 243
San Jose, CA 95113-1905
Phone: (408) 535-1260
Fax: (408) 292-6207
CityClerk@sanjoseca.gov
Attention: Dennis Hawkins**

This form has been enabled to allow you to save your changes in order to submit by fax or mail.

Please contact Rebecca Hall at (408) 535-1264, if you have any issues submitting online.

NOTE: There is one additional blank sheet on the next page if needed.

MATTHEW PAUL HERRICK, CFA, Esq.

PROFESSIONAL EXPERIENCE

BANK OF AMERICA MERRILL LYNCH, SAN JOSE, CA

Financial Advisor, 2008 - Present

- Direct all business development and client acquisition efforts for my wealth management practice.
- Analyze and recommend investments for clients including equity and fixed income securities both foreign and domestic as well as commodities, currencies, and private investment partnerships.
- Assist with tax and estate planning related matters for individuals, families and small businesses.
- Work with small businesses to provide retirement savings benefits including profit sharing plans, 401(k)s, SEP IRAs, and non-qualified deferred compensation plans.
- Licensed Series 7 and 66 Representative.
- Licensed CA insurance salesperson.

PILLSBURY WINTHROP SHAW PITTMAN LLP, San Francisco, CA

Associate, Corporate & Securities Practice, 2007 – 2008

- Represented public and private company clients in all aspects of corporate transactions, including mergers and acquisitions, private investments and asset dispositions. Identified various issues in connection with such transactions, including general corporate law, federal securities matters and contractual obligations and advised clients accordingly. Drafted transaction documentation, including merger and financing agreements, SEC and other regulatory filings and related ancillary agreements.
- Represented issuers in registered and unregistered debt and equity offerings. Responsibilities included drafting prospectuses and offering memoranda, preparation of filings with the SEC and FINRA, negotiating and drafting transaction and closing documents and conducting due diligence.
- Advised clients in the formation, organization, operation and general management of a variety of private investment funds, including preparing and negotiating organizational documents for investment entities and management companies, drafting offering materials and providing counsel with respect to regulatory and compliance issues.
- Assisted corporate clients on an ongoing basis regarding general corporate matters, including drafting and amending certificates of incorporation, corporate by-laws, board resolutions, and federal securities law filings.

BARRY SWENSON BUILDER, San Jose, CA

Developer, 2007

Briefly explored a career in real estate development with one of the premier real estate developers in the Santa Clara Valley. Interacted with various members of local real estate planning commission bodies to discuss entitlement and zoning issues related to BSB's properties.

PILLSBURY WINTHROP SHAW PITTMAN LLP, San Francisco, CA

Summer Associate, 2006

Participated in Pillsbury's summer intern program for law students, assisting the firm's corporate and litigation attorneys with various legal issues including hedge fund regulation, compliance with laws relating to procurement and fulfillment of government contracts, and general employment and contract law matters.

SOBLE, ROWE, KRICHBAUM LLP, Ann Arbor, MI

Summer Associate, 2006

Performed legal research related to the firm's ongoing litigation matters involving contract law, labor law and Freedom of Information Act disputes.

BANC OF AMERICA SECURITIES LLC, New York, NY and San Francisco, CA

Vice President, Institutional Equity Sales and Marketing, 2000 - 2004

- Initiated, managed, and developed trading relationships with institutional investors.
- Initiated and conducted roadshow events for institutional and corporate clients.
- Marketed and sold equity and convertible offerings.
- Cross-sold debt, derivative and clearing capabilities to clients.

Sales Assistant, Private Client Services (Montgomery Securities), 1998 - 2000

- Participated in all aspects of creating, maintaining, and managing private client accounts and relationships, including the coordination of all administrative matters related to existing client relationships.
- Executed restricted stock transactions, including the sale of stock through firm's trading desk, filing SEC paperwork, re-registering stock certificates, and preparing legal paperwork for approval of outside counsel.
- Coordinated multi-party team in private market derivative transactions, tasks included identification and resolution of compliance, registration and tax matters.

FRANKLIN RESOURCES INC., San Mateo, CA

Fund Information Representative, 1997 - 1998

- Served as point of contact for shareholders and investment professionals regarding Franklin's mutual fund products and their associated investment characteristics, including tax and performance information.

EDUCATIONAL HISTORY

THE UNIVERSITY OF MICHIGAN LAW SCHOOL, Ann Arbor, MI

Juris Doctor, December 2006

Henry M. Campbell Moot Court Competition - Quarterfinalist

Elected Graduating Class Speaker

THE UNIVERSITY OF WASHINGTON, Seattle, WA

Bachelor of Arts in Political Science, June 1997

Dean's List (7 out of 10 academic quarters)

Recipient of Honors at Entrance award given to top 5% of admitted students.

Member Delta Chi Fraternity; served as Vice President during Sophomore Year.

Study Abroad Program through Portland State University, Barcelona, Spain, Spring 1996

CFA INSTITUTE, Charlottesville, VA

Chartered Financial Analyst (CFA®) designation awarded, September 2001. The CFA Charter has become *the* global standard for the investment management industry; it is a virtual prerequisite for any aspiring portfolio manager or security analyst. Passed all three exams in succession; one of the youngest (26 years, 2 months) individuals to ever be awarded the designation.

BELLARMINE COLLEGE PREPARATORY, San Jose, CA.

1993 Graduate of the oldest, all-boys, Jesuit secondary school on the West Coast.

Service Club

Block B Club

Varsity Golf Team (voted Most Improved Member of team 1993, also recipient of memorial Billy Schmidt award for most inspirational member of team)

Freshmen Wrestling Team

Accepted to University of California, Berkeley Class of 1997 (chose to attend Washington)

BAR ADMISSIONS

California (June 2007)

CIVIC AND COMMUNITY INVOLVEMENT

MEMBER, SAN JOSE/SILICON VALLEY CHAMBER OF COMMERCE

OFFICE OF CITY COUNCIL, DISTRICT 3, CITY OF SAN JOSE, CA.

Legal Intern, Spring 2007. Performed legal research related to land use and zoning issues facing District 3, represented the District in its efforts to fight conversion of residences to "halfway" houses and rehabilitation facilities in San Jose's historic Hensley neighborhood, and argued District's position before City Attorney of San Jose.

OFFICE OF CITY ATTORNEY, STEPHEN POSTEMA, ANN ARBOR, MI

Legal Intern, Fall 2005. Researched various legal issues facing the City of Ann Arbor including free speech issues, employment and labor law matters, and criminal law and procedure violations.

NEW YORK CARES VOLUNTEER ORGANIZATION, NEW YORK, NY

Volunteer, St. Nicholas School, December 2001 – June 2003. Tutored elementary school students from St. Nicholas School who required additional assistance with their schoolwork each Saturday morning.

HANDS ON SAN FRANCISCO VOLUNTEER ORGANIZATION, SAN FRANCISCO, CA

Volunteer, 1998 - 2001

OTHER ASSOCIATIONS AND AFFILIATIONS

MEMBER, SECURITY ANALYSTS OF SAN FRANCISCO, 1999-2001, 2008 - PRESENT

MEMBER, CFA INSTITUTE, 2001-2004, 2008 - PRESENT

MEMBER, NEW YORK SOCIETY OF SECURITY ANALYSTS, 2001-2004

INTERNATIONAL TRAVEL EXPERIENCES

France, April - May 2004

Chile and Argentina, February 2000

Peru and Bolivia, June - August 1998

Europe and Middle East, March - August 1996

FOREIGN LANGUAGES

Spanish (fluent) and French (conversational)

ACTIVITIES AND INTERESTS

Competitive Amateur Golf (Attempted to qualify for Michigan State Amateur 2005, 2006, United States Public Links Championship 2005, California State Amateur 2007, 2010, Northern California Golf Association Amateur Match Play Championship 2007), Bikram Yoga, Strength training, Husky football, wine collecting, Jazz music and reading non-fiction.

PERSONAL

