



February 5, 2014

To: Members of the Operations Committee
From: Dale Amaral, Chair
Subject: Summary of the February 5, 2014 Operations Committee Meeting

Operations Committee Chair Dale Amaral called the February 5, 2014 Operations Committee Meeting to order at 9:30 a.m. Committee members present were Dale Amaral, Chair, Elizabeth Rogers, Ophelia Basgal, Keith Carson, and George Dewey. The other Board members present were Annette Cain-Darnes, and alternate members David Safer and Darryl Walker. Staff present were Vince Brown, Chief Executive Officer; Marguerite Malloy, Associate Counsel; Kathy Foster, Assistant Chief Executive Officer; Betty Tse, Chief Investment Officer; Margo Allen, Fiscal Services Officer; Rose Kwong, Benefits Manager; Latrena Walker, Project and Information Services Manager; Victoria Arruda, Human Resources Director; and Harsh Jadhav, Chief of Internal Audit.

ACTION ITEM

There were no action items for discussion.

INFORMATION ITEMS

1. Unaudited Financial Statements as of December 31, 2013

Margo Allen, Fiscal Services Officer, presented the unaudited financial statements. For the period ending December 31, 2013 the unaudited net assets held in trust for pension benefits total \$6,637,680,253. This amount increased by \$969 million compared to the same time period in 2012. After a discussion, the Committee requested the following information: (1) an explanation of the reclassification of the \$97 million in the International Fixed Income – Commingled Funds line item, and (2) a comparative analysis of the investment related payables increase for 2013.

2. Unaudited Operating Expenses – Budget vs Actual as of December 31, 2013

Margo Allen, Fiscal Services Officer, presented the unaudited year-to-date operating expenses – budget vs. actual. As of December 31, 2013 actual expenses are \$1,545,074 under budget.

3. Board Member Conference Expense Report for the 4th Quarter 2013

Margo Allen, Fiscal Services Officer, presented the Board Member Conference Attendance Report for the 4th quarter 2013.

4. Senior Manager Travel Expense Report for the 4th Quarter 2013

Margo Allen, Fiscal Services Officer, presented the Senior Manager Travel Expense Report for the 4th Quarter 2013. The committee requested that training expenses not be included in this report.

5. Call Center Report

Sharen Stanek-Lowe, Assistant Benefits Manager presented a quarterly update on the Call Center.

TRUSTEE/PUBLIC INPUT

The Committee discussed the possibility of transferring some of the Operations Committee work to the newly formed Budget Committee. However, more discussion of this concept is required by Dale Amaral, Operations Committee Chair, Ophelia Basgal, Budget Committee Chair, and Annette Cain-Darnes, Board Chair before any further action is considered.

ESTABLISHMENT OF NEXT MEETING DATE

The next meeting is scheduled for March 5, 2014 at 9:30 a.m.

MEETING ADJOURNED

The meeting adjourned at 9:55 a.m.