



BOARD OF ADMINISTRATION

Meeting Minutes Police and Fire Investment Committee

Tuesday, August 26, 2025

11:30 AM

1737 North First Street, Suite 580,
San Jose CA 95112

HYBRID MEETING

PHYSICAL LOCATION:

1737 North First Street, Suite 580, San Jose, CA 95112

ZOOM INFORMATION:

zoom.us

Dial In: +1 408 638 0968 US (San Jose)

Meeting ID: 93107822914

Eswar Menon, Chair

Andrew Gardanier, Vice-Chair

Howard Lee, Trustee

David Kwan, Trustee

John Flynn, CEO, Office of Retirement Services

Prabhu Palani, Chief Investment Officer

The Police and Fire Investment Committee met in person at the Office of Retirement Services, 1737 North First Street, Suite 580, San Jose, CA 95112 and via Zoom on Tuesday, August 26, 2025. The meeting was called to order at 11:30 a.m. by Chair Menon followed by a roll call.

Committee members present: Eswar Menon, Andrew Gardanier, David Kwan and Howard Lee.

Retirement Staff present: John Flynn, Prabhu Palani, Cynthia Ayala, Jay Kwon, Dhinesh Ganapathiappan, Christina Wang, David Aung, Ron Kumar, Jennifer You, Ellen Lee and Julie He.

Also present in person: Eileen Neill, Verus Investments, Brian Kwan, Verus Investments, Marc Gessell, Verus Investments.

Also present via Zoom: Laura Wirick, Meketa Investments and Nate Weinstein, Public member.

I. AB 2449 REMOTE APPEARANCE(S)

a. Just Cause Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have notified the Board of a "Just Cause" to attend this meeting via teleconference.
- ii. Call for Trustee(s) who wish to notify the Board of a "Just Cause" to attend this meeting via teleconference.

b. Emergency Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have requested the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance".
- ii. Call for Trustee(s) requesting the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance".

- iii. Take action on request(s) for remote appearance.

• CALL TO ORDER AND ROLL CALL

• ORDERS OF THE DAY

OPEN SESSION

1. Approval of minutes of the April 22, 2025 Police and Fire Investment Committee meeting.

A motion was made to approve the minutes of the April 22, 2025 Police and Fire Investment Committee meeting.

Approved (m.s.c. Lee/Gardanier 4-0)

2. Oral Update by CIO, Prabhu Palani.

3. Presentation of Cryptocurrency.

No action was taken

4. Overview of public markets ex equities by Senior Investment Officer, Jay Kwon.

Senior Investment Officer, Jay Kwon, presented a comprehensive review of the public markets. Mr. Kwon started the presentation with a year in review. The review included prefunding summary, prior workplan, manager turnover and functional group exposures. After that, he went over the strategy performance and fees and finally concluding with the

current workplan. He answered questions from the Committee.

5. Discussion and action on the Investment Policy Statement revisions by Meketa Investments and Verus Investments.

This item was introduced by Eileen Neill, Verus Investments. CEO John Flynn read comments from Board members Gretchen Flicker and Sunita Ganapati. Laura Wirick, Meketa Investments, Committee members, CEO Flynn and CIO Palani discussed the potential changes to the Investment Policy Statement. At the end of the discussion, it was decided that any changes to limits in the IPS and procedures are subject to approval by the Board. The placement of the limits will be up to either staff or consultants. It was further decided that the IPS will be sent to Aon for review.

6. Presentation of risk reports by Verus Investments.

Marc Gessell, Verus Investments, presented the Police and Fire risk report as of 6/30/2025. Verus has switched risk model providers from MSCI to Bloomberg. Under the Bloomberg model, the Police and Fire Plan total risk of 11.3% remains below the Board limit of 12%.

7. Discussion and approval for the Secretary to negotiate and execute a five-year extension to the custodian banking services agreement with the Bank of New York for:
 - Police and Fire Department Retirement Plan not-to-exceed \$2,720,000.
 - Police and Fire Retiree Health Care Trust Fund not-to-exceed \$275,000.

Ron Kumar, Investment Officer, discussed the extension of the Bank of New York custodian banking service contract. Considering there are very few players in this market and the high cost of running an RFP and switching services, the recommendation is to extend the BNY custodial services contract by five years.

A motion was made to recommend approval of the banking services extension to the Board.

Approved (m.s.c. Gardanier/Menor 4-0)

COMMUNICATIONS

8. Semi annual manager decisions.

- **PROPOSED AGENDA ITEMS**
- **PUBLIC COMMENTS**
- **The meeting was adjourned at 2:30 p.m.**