



BOARD OF ADMINISTRATION

Action Minutes

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, March 6, 2025

9:00 AM

City Hall, Wing Rooms 118-120
200 E. Santa Clara St. San Jose, CA 95113

HYBRID MEETING

PHYSICAL LOCATION:

City Hall, Wing Rooms 118-120, 200 E. Santa Clara St. San Jose, Ca 95113

ZOOM INFORMATION:

zoom.us

Dial In: +1 669 900 9128 US (San Jose)

Meeting ID: 985 6691 6968

Franco Vado, Chair, Police Retiree Rep (Term Expires 11/30/28)
Eswar Menon, Vice-Chair, Public Member (Term Expires 11/30/26)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/26)
Andrew Gardanier, Trustee, Fire Active Rep (Term Expires 11/30/27)
David Kwan, Trustee, Public Member (Term Expires 11/30/28)
Howard Lee, Trustee, Public Member (Term Expires 11/30/26)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/26)
David Woolsey, Trustee, Police Active Rep (Term Expires 11/30/28)
Gretchen Flicker, Trustee, Public Member (Term Expires 04/30/27)

George Casey, City Council Liaison to the Board

Maytak Chin, General and Fiduciary Counsel

John Flynn, CEO, Office of Retirement Services

The Board of Administration of the Police and Fire Department Retirement Plan and Health Care Trust met in person at City Hall Wing Rooms 118-120 and via Zoom on Thursday, March 6, 2025 at 9:00 a.m. Chair Vado called the Pension Plan and Health Care Trust meeting to order at 9:05 a.m. followed by roll call.

Board Members Present: Franco Vado, Sunita Ganapati, David Woolsey, Richard Santos, David Kwan, Howard Lee, Andrew Gardanier, Eswar Menon and Gretchen Flicker.

Retirement Staff Present: John Flynn, Prabhu Palani, Barbara Hayman, Sandra Castellano, David Aung, Arun Nallasivan, Harrison Pearce, Christina Wang, Ron Kumar, Dhinesh Ganapathiappan, Jay Kwon, Ellen Lee, Julie He, Chris Ha, Sherrell Aledo, Gabriela Romero-Castrejon, and Cynthia Ayala.

Retirement Staff Present via Zoom: Nam Cao and Shilpi Dwivedi.

Also Present: Bill Gold, OER; Maytak Chin and Mariah K. Fairley, General and Fiduciary Counsel; Albert Gehami, ITD; Laura Wirick and Colin Kowalski, Meketa Investment Group, David Gomez, Chief of Staff for George Casey, and George Casey, Council Liaison.

Also Present via Zoom: Bill Hallmark, Cheiron; Zach Stevens and Ian Schirato, Meketa Investment Group; Joe Ebisa, Journalist; Saadia Savedra, ITD; Thomas Lyle, Public Member; Marc Gessell, Verus; and Hasan Soleja, Neuberger Berman.

ADA ALERT

In accordance with the requirements of AB 2449, the Board of Administration (“Board”) will generally, upon request, provide appropriate aids and services leading to effective communication for individuals with disabilities so they can participate equally in the Board’s meetings, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, vision or other disabilities.

Anyone who requires an auxiliary aid or service for effective communication to participate in a Board meeting should contact the designated contact in Office of Retirement Services as far in advance of the scheduled meeting as possible. The Board strongly encourages individuals with disabilities to endeavor to submit requests for reasonable accommodation no later than five (5) business days before the scheduled meeting, as the Board may not be able to grant requests for reasonable accommodations without sufficient advance notice. The Board strongly encourages individuals with disabilities to submit their written requests via email or regular mail to facilitate tracking and response; however, if the submission of a written request constitutes a hardship, individuals may call the Office of Retirement Services to submit an oral request.

The designated contact in the Office of Retirement Services will endeavor to respond to each request within three (3) business days of receipt of the request. Depending on the request, the designated contact in the Office of Retirement Services may ask to schedule a time to discuss the request (which may occur virtually) to determine the most appropriate auxiliary aid or service, before the request is resolved.

ADA Designated Contact Information

Attention: Deputy Director/Chief Operations Officer, Office of Retirement Services
Address: 1737 N First St #600, San Jose, CA 95112
Email: #Retire_Admin@sanjoseca.gov
Phone: 408-794-1000 (ORS Main Line)

THE LEVINE ACT

The Levine Act requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$500 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution on the form located on the Levine Act webpage.

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.

NONE

- 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."

NONE

- 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.

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 9:00 A.M.

I. CLOSED SESSION NEW BUSINESS

Closed session was heard immediately after roll call. The Board entered into Closed Session at 9:08 a.m.

- A. CLOSED SESSION: THREAT TO PUBLIC SERVICES OR FACILITIES**
Consultation with: City of San José Privacy Officer and Cybersecurity Analyst pursuant to Government Code section 54957(a).

There was no reportable action for this item from Closed Session.

- B. CLOSED SESSION: THREAT TO PUBLIC SERVICES OR FACILITIES**
Consultation with: City's Chief Information Security Officer pursuant to Government Code section 54957(a).

There was no reportable action for this item from Closed Session.

The Board came out of Closed Session at 9:58 a.m.

OPEN SESSION - will reconvene following Closed Session, estimated to be 9:30 a.m.

Open Session re-convened at 10:03 a.m.

ORDERS OF THE DAY

A motion was made to waive sunshine on the attachment 2g.

Approved. (M.S.C. Gardanier/Santos 9-0-0).

• **PUBLIC/RETIREE/GENERAL COMMENTS - Not Related to A Specific Agenda Item**

None.

1. CONSENT CALENDAR

This item was heard after Closed Session.

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Santos/Woolsey 9-0-0).

Chair Vado expressed the importance of item 1.4 Education and Training and encouraged Trustees to attend the trainings.

1.1 Approval Of Minutes

- a. Approval of the Board Minutes of February 6, 2025.

1.2 Return of Contributions

- a. Voluntary | Involuntary

1.3 Communication/Information

- a. Police and Fire Retirement System Dashboard.
- b. Report of the Monthly Board Expenses for January 2025. Receive and file.

1.4 Education and Training

- a. The Cortex Report - March 2025, Conferences, Seminars and Educational Programs.
- b. CALAPRS 2025 Program Calendar.
- c. Pension Bridge The Annual 2025, Ritz-Carlton, Half Moon Bay, CA, March 24 - 26, 2025.
- d. SACRS Annual Spring Conference 2025, Omni Rancho Palmas Resort & Spa,

Rancho Mirage, CA, May 13 - 16, 2025.

- e. NCPERS 2025 Trustee Educational Seminar, Westin Seattle, Seattle, WA, May 17 - 18, 2025.
- f. NCPERS 2025 Annual Conference & Exhibition, Sheraton Denver Downtown Hotel, Denver, CO, May 18 - 21, 2025.
- g. CALAPRS Virtual Trustees Roundtable, May 30, 2025.

1.5 Approval Of Travel for Conferences and Due Diligence

- a. Prabhu Palani, CIO
 - Pension Bridge The Annual 2025, Ritz-Carlton, Half Moon Bay, CA, March 24-26, 2025.

1.6 Change of Retirement Application

- a. Approval for a change in effective date for **Chase R. Haag**, Police Officer, Police Department, from February 16, 2025, to February 15, 2025, for a deferred vested retirement approved at the February 6, 2025 Board meeting.

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.
CIO Palani updated the Board.
- b. Presentation of Calendar 3rd Quarter 2024 Private Equity report by Neuberger Berman.
This item was presented.
- c. Presentation of Calendar 3rd Quarter 2024 Private markets report by Meketa Investment Group.
This item was presented.
- d. Presentation of Calendar 4th Quarter 2024 Performance report for Pension Plan by Meketa Investment Group.
This item was presented.
- e. Presentation of Calendar 4th Quarter 2024 Performance report for Health Care Trust by Meketa Investment Group.

This item was presented.

- f. Discussion and action regarding the prefunding of the City's retirement contribution.

This item was presented.

A motion was made to approve the staff recommendations on the prefunding of the City's retirement contribution with the 15% discount.

Approved. (M.S.C. Menon/Flicker 9-0-0).

- g. Discussion and action on Strategic Asset Allocation by Meketa Investment Group.

This item was presented.

After a lengthy discussion, a motion was made to adopt pg.37 of the presentation with adjusted index.

Approved. (M.S.C. Menon/Ganapati 8-0-1).

Ayes: Vado, Gardanier, Menon, Ganapati, Santos, Kwan, Lee and Flicker

Abstained: None

Noes: Woolsey

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Discussion and action to authorize CEO to negotiate and execute a lease agreement with Pacific Resources First America, LLC on behalf of the Police and Fire Retirement Plan's Board of Administration based on the proposed lease terms summarized in the Memo and detailed in the Letter of Intent attached to Agenda Item 3a, with costs 50/50 split with Federated.

This item was discussed.

A motion was made to authorize CEO to negotiate and execute a lease agreement with Pacific Resources First America, LLC on behalf of the Police and Fire Retirement Plan's Board of Administration based on the proposed lease terms specified in Memo attached to Agenda Item 3a.

Approved. (M.S.C. Santos/Woolsey 9-0-0).

4. NEW BUSINESS

- a. Oral update by CEO, John Flynn.

CEO Flynn updated the Board.

- b. Oral update from the City Council Liaison to the Board.

David Gomez, Chief of Staff for Councilmember George Casey, updated the

Board on matters before the City Council and relevant to the Board.

- c.** Nomination for the position of Board Vice-Chair for calendar year 2025.
- This item was discussed.**
- d.** Discussion and action on the results of the Request for proposal (“RFP”) for legal services for Disability and Domestic Relations Orders (“DRO”), including Board authorization for the CEO to negotiate and execute an agreement with Saltzman & Johnson for a term of 6 years for an amount not to exceed \$1,425,000.
- This item was discussed.**
- A motion was made to authorize the CEO to negotiate and execute an agreement with Saltzman & Johnson for a term of 6 years for an amount not to exceed \$1,425,000.**
- Approved. (M.S.C. Santos/Vado 9-0-0).**
- e.** Discussion and action to appoint a trustee to serve as an alternate on the Legal Services Procurement Joint Ad Hoc Committee.
- This item was discussed.**
- A motion was made to appoint Trustee Gardanier as the alternate on the Legal Services Procurement Joint Ad Hoc Committee.**
- Approved. (M.S.C. Santos/Gardanier 9-0-0).**

5. RETIREMENTS - NONE

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

Chair Vado read the Death Notifications into the record and asked for a moment of silence for those who have served and passed away. Trustee Santos and Chair Vado said a few kind words.

- a.** Notification of the death of **Donald G. Blake**, Fire Engineer, retired October 9, 1993, died December 20, 2024. No survivorship benefits.
- b.** Notification of the death of **Darroll L. Morehouse**, Fire Engineer, retired January 15, 1994, died January 15, 2025. Survivorship benefits to Paige E. Morehouse, spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Menon - CH/Gardanier/Kwan/Lee)

Last Meeting: February 25, 2025

Next Meeting: April 22, 2025

- a. Oral update from the Chair of the Investment Committee.
There was no update.
- b. Minutes of the Police and Fire Investment Committee meeting from January 22, 2025. Receive and file.
The Minutes were received and filed.

7.2 Audit/Risk Committee (Lee - CH/Ganapati/Woolsey)

Last Meeting: February 20, 2025

Next Meeting: May 15, 2025

- a. Oral update from the Chair of the Audit/Risk Committee.
Chair Lee updated the Board from the last meeting.
- b. Minutes of the Joint Audit Committee meeting from October 31, 2024. Receive and file.
The Minutes were received and filed.
- c. Nomination and Election of Audit Committee Vice Chair.
Chair Lee announced that Trustee Ganapati is the new Vice Chair of the PF Audit Committee.
- d. Discussion on the status of outstanding City Auditor's recommendations for the Office of Retirement Services as of December 31, 2024.
This item was discussed.
- e. Discussion and action on the current status of outstanding City Auditor recommendations.
This item was discussed.
A motion was made to accept the current status of outstanding City Auditor's recommendations.
Approved. (M.S.C. Ganapati/Santos 9-0-0).
- f. Discussion of CEO's assessment of ORS staff positions, including but not limited to the Senior Internal Auditor position.
CEO Flynn updated the Board.

- g. Discussion and action on the status of outstanding Internal Audit recommendations.

This item was discussed.

A motion was made to accept the status of outstanding Internal Audit recommendations.

Approved. (M.S.C. Santos/Gardanier 9-0-0).

7.3 Governance Committee (Santos - CH/Vado/Flicker)

Last Meeting: December 19, 2024

Next Meeting: TBD

- a. Oral update from the Chair of the Governance Committee.

Chair Santos announced that the next meeting is scheduled on March 14, 2025.

7.4 Disability Committee (Santos - CH/Woolsey - Alts: Lee/Vado/Gardanier)

Last Meeting: January 13, 2025

Next Meeting: March 10, 2025

- a. Oral update from the Chair of the Disability Committee.

Chair Santos announced that the next meeting is scheduled on March 10, 2025.

7.5 Joint Personnel Committee (Menon - CH/Gardanier/Vado)

Last Meeting: April 25, 2024

Next Meeting: April 2, 2025

- a. Oral update from the Chair of the Joint Personnel Committee.

There was no update.

7.6 Legal Services Joint Adhoc Committee (Vado, Ganapati)

Last Meeting: February 11, 2025

Next Meeting: March 13, 2025

- a. Oral update from the Legal Service Joint Adhoc Committee.

CEO Flynn updated the Board.

7.7 Actuarial Services Joint Adhoc Committee (Kwan)

Last Meeting: December 9, 2024

Next Meeting: February 24, 2025

- a. Oral update from the Actuarial Services Joint Adhoc Committee.
CEO Flynn updated the Board.

• **PROPOSED AGENDA ITEMS**

Trustee Ganapati proposed an update on the Investment Service Ad Hoc Committee.

• **ADJOURNMENT**

Next Meeting: April 3, 2025

The meeting adjourned at 12:37 p.m.

*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

FRANCO VADO, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

JOHN FLYNN, CEO
OFFICE OF RETIREMENT SERVICES

The Code of Conduct

(<https://www.sanjoseca.gov/home/showpublisheddocument/12901/636670004966630000>) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

1. Public Meeting Decorum:

- a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
- b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
- c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
- d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
- e) Persons in the audience will not place their feet on the seats in front of them.
- f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

2. Signs, Objects or Symbolic Material:

- a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions: §
No objects will be larger than 2 feet by 3 feet.
 - No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - The items cannot create a building maintenance problem or a fire or safety hazard.
- b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
- c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists

or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

3. Addressing the Council, Committee, Board or Commission:

- a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
 - b) Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the total amount of time allocated for public testimony for each public speaker or for an agenda item is in the discretion of the Chair of the meeting and may be limited when appropriate. (California Government Code Section 54954.3; Council Policy 0-37) Applicants and appellants in land use matters are usually given more time to speak. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
 - c) Speakers should discuss only the agenda item when called to speak for that item, and only topics related to City business when called to speak during open forum on the agenda.
 - d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
 - e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
 - f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
 - g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.
- Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.