



BOARD OF ADMINISTRATION

Meeting Minutes - Final Police & Fire Department Retirement Plan and Health Care Trust

Thursday, August 3, 2023

8:30 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: 915 3502 7070

Pass Code: 761017

Drew Lanza, Chair, Public Member (Term Expires 4/30/27)
Franco Vado, Vice-Chair, Police Retiree Rep (Term Expires 11/30/24)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/26)
Andrew Gardanier, Trustee, Fire Active Rep (Term Expires 11/30/23)
David Kwan, Trustee, Public Member (Term Expires 11/30/24)
Howard Lee, Trustee, Public Member (Term Expires 11/30/26)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/26)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/26)
Dave Wilson, Trustee, Police Active Rep (Term Expires 11/30/25)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman & Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

Present: 7 - Sunita Ganapati, Dave Wilson, Franco Vado, Howard Lee, Drew Lanza,
Eswar Menon and Richard Santos

Absent: 2 - Andrew Gardanier and David Kwan

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, August 3, 2023 at 8:30 a.m. Vice-Chair Vado called the Pension Plan and Health Care Trust meeting to order at 8:30 a.m. followed by roll call.

Board Members Present: Franco Vado, Richard Santos, Dave Wilson, Sunita Ganapati, Eswar Menon and Howard Lee.

Board Members Present via Zoom utilizing the AB 2449 remote appearance: Drew Lanza

Trustee David Kwan and Andrew Gardanier were absent.

Retirement Staff Present: Prabhu Palani, Robert L. Peña, Barbara Hayman, Jay Kwon, Eric Tsang, Harrison Pearce, Chris Ha, Edith Aldama, Sherrell Aledo and Mallory Vidal.

Retirement Staff Present via Zoom: Linda Alexander, Shilpi Dwivedi, Ron Kumar, Ellen Lee, David Aung, Christina Wang, Dhinesh Ganapathiappan, Houman Boussina, and Chris Reyes.

Also Present: Pam Foley, Council Liaison; Cheryl Parkman, OER; Maytak Chin and Harvey Leiderman, General and Fiduciary Counsel.

Also Present via Zoom: Valter Viola, Cortex Consulting; Laura Wirick, Meketa Investment Group; and Joe Ebisa, Journalist.

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)

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.

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."

Drew Lanza, Chair, Public Member (Term Expires 4/30/27)

- 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.

Counsel Chin questioned Chair Lanza on having satisfied the requirements of the AB 2449 under the “emergency circumstance” provision under Government Code § 54953 and Chair Lanza responded in the affirmative and provided a description of his qualifying medical condition.

A motion was made to approve Chair Lanza's remote appearance utilizing AB 2449 due to an Emergency Circumstance.

Approved. (M.S.C. Wilson/Vado) Aye – Vice Chair Vado and Trustees Ganapati, Lee, Menon, Santos, and Wilson. Abstention – Chair Lanza. Absent – Trustees Kwan and Gardanier.

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.

II. CLOSED SESSION NEW BUSINESS

The Board entered into Closed Session at 8:35 a.m. and came out of Closed Session at 9:49 a.m.

A. CLOSED SESSION: THREAT TO PUBLIC SERVICES OR FACILITIES

Consultation with: Legal Counsel pursuant to Government Code section 54957(a)

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

B. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Executive Officer

Counsel Chin announced that the Board voted to designate Chair Lanza to serve as CEO Labor Negotiator.

Ayes – Chair Lanza, Vice Chair Vado, and Trustees Menon, Lee, Ganapati, Santos, and Wilson.

Absent – Trustees Kwan and Gardanier.

C. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Investment Officer

Counsel Chin announced that the Board voted to designate Trustee Eswar to serve as CIO Labor Negotiator.

Ayes – Chair Lanza, Vice Chair Vado, and Trustees Menon, Lee, Ganapati, Santos, and

Wilson.

Absent – Trustees Kwan and Gardanier.

OPEN SESSION - will reconvene following Closed Session, estimated to be 10:00 a.m.

Open Session re-convened at 9:53 a.m.

• **ORDERS OF THE DAY**

Vice-Chair Vado read the following into the record:

A FEW GROUND RULES FOR THIS MEETING

- We are holding this meeting as a hybrid meeting, and so those who are attending virtually, please mute yourself unless you are speaking and if you wish to speak, please raise your hand and staff will alert the Chair.
- All votes will be roll call votes.

ORDERS OF THE DAY:

- Chair Lanza will be joining remotely utilizing the AB 2449 medical emergency circumstance.
- The August 17, 2023 Joint Audit Committee was cancelled and was rescheduled to September 21, 2023.

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

None.

1. CONSENT CALENDAR

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Santos/Wilson 7-0-0). The motion passed unanimously by roll call vote. Trustees Kwan and Gardanier were absent.

1.1 Approval for a Service-Connected Disability Retirement

- David Goldfinger**, Police Officer, Police Department, Request for Service-Connected Disability Retirement, effective January 31, 2017; 21.31* years of service. (*Disability Committee Recommendation: Approval*)
- Steve Papenfuhs**, Police Sergeant, Police Department, Request for Service-Connected Disability Retirement, effective January 23, 2010; 28.97* years of service. (*Disability Committee Recommendation: Approval*)
- John R. Rohrbaugh**, Fire Engineer, Fire Department, Request for Service-Connected Disability Retirement, effective September 12, 2015; 20.12* years of service. (*Disability Committee Recommendation: Approval*)

- d. **Jeffrey Smith**, Police Captain, Police Department, Request for Service-Connected Disability Retirement, effective June 25, 2011; 27.29* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval Of Minutes

- a. Approval of the Board Minutes of June 1, 2023.

1.3 Return of Contributions-NONE

- a. Voluntary | Involuntary

1.4 Communication/Information

- a. Police and Fire Retirement System Dashboard.
- b. Report of the Monthly Board Expenses for May 2023. Receive and file.
- c. **Educational Travel Reports:**
- Pension Bridge Annual 2023, Fairmont Hotel, San Francisco, CA - April 17 - 19, 2023 - by Sunita Ganapati.
 - CALAPRS Virtual Trustee Round Table, Virtual Online Learning, May 5, 2023 - by Sunita Ganapati.
 - CALAPRS Advanced Principles for Trustees 2023, UCLA Luskin Conference Center, Los Angeles, CA - March 29 - 31, 2023 - by Howard Lee.
 - CALAPRS Advanced Principles for Trustees 2023, UCLA Luskin Conference Center, Los Angeles, CA - March 29 - 31, 2023 - by Eswar Menon.
 - Pension Bridge Annual 2023, Fairmont Hotel, San Francisco, CA - April 17 - 19, 2023 - by Eswar Menon.

1.5 Education and Training

- a. The Cortex Report - July 2023, Conferences, Seminars and Educational Programs.
- b. CALAPRS 2023 Program Calendar.

- c. CALAPRS Summer 2023 Newsletter.
- d. CALAPRS Principles of Pension Governance for Trustees 2023, Pepperdine University, Malibu, CA, August 28 - 31, 2023.

1.6 Rescission Of Retirement Application

- a. Approval of request to rescind the Service Retirement application of **Christopher M. Sciba**, Police Sergeant, approved at the June 1, 2023 Board meeting for the effective date of July 8, 2023.

1.7 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Reduced Lifetime Monthly Payment Option to be paid to Gina Grammatico-Favorito, ex-spouse of Fire Captain, **Joe Favorito** to be effective August 31, 2023 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.
- b. Approval of Alternate Payee Benefit election of Unreduced Retirement Option to be paid to Christina Wise, ex-spouse of Fire Engineer, **Charles Wise** to be effective September 12, 2023 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

CIO Palani introduced Harrison Pearce as a new investment staff member, and updated the Board on the following unaudited estimated performance:

- For FYTD through August 1st, the Pension Plan was up 1.6%.
- For FYTD through August 1st, the Health Care Trust was up 2.2%.

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Report out of Closed Session for May 4, 2023, Police and Fire Board meeting.

Counsel Chin read out the report of Closed Session for May 4, 2023, Police and Fire Board meeting regarding the Board's settlement with member Robert Foster to settle all claims subject to SJMC § 3.36.1150, and answered questions from the Board.

4. NEW BUSINESS

- a. Oral update from the CEO of Retirement Services, Roberto L. Peña.

CEO Peña updated the Board on the following:

- ORS Accountant position was filled by Trang Vo starting on September 15, 2023.
- Quarterly newsletter was published in July.
- ORS office will be closed on September 4, 2023 for Labor Day.
- Michelle San Miguel has left her position and accepted an offer outside the City of San Jose.
- ORS is recruiting for a new Executive Assistant.
- There may be a possible strike between the bargaining units and the City of San Jose. ORS will prepare a plan to have in place in case of a strike to keep core duties operating.

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

Council Liaison Foley updated the Board on pending matters before the Council and answered questions from the Board.

- c. Discussion and action of an Ordinance to Amend San Jose Municipal Code Section 3.36.1468 to Extend the Deadline for Naming a New Spouse as a Beneficiary.

Cheryl Parkman, OER, introduced the Ordinance to amend San Jose Municipal Code Section 3.36.1468 to extend the deadline for naming a post-retirement new spouse as a Beneficiary. Ms. Parkman and Counsel Chin answered questions from the Board. Counsel Leiderman thanked City Council for being so responsive to the Board's request.

A motion was made to recommend City Council to adopt.

Approved. (M.S.C. Santos/Menon 7-0-0). The motion passed unanimously by roll call vote. Trustees Kwan and Gardanier were absent.

5. RETIREMENTS

5.1 Service Retirements

Vice-Chair Vado read the Service Retirements into the record.

A motion was made to approve the Service Retirements.

Approved. (M.S.C. Santos/Wilson 7-0-0). The motion passed unanimously by roll call vote. Trustees Kwan and Gardanier were absent.

- a. **Mark R. Barbour**, Fire Captain, Fire Department, effective July 6, 2023; 25.15* years of service.
- b. **Pedro Corona**, Fire Captain, Fire Department, effective August 3, 2023; 27.85* years of service. *(With Reciprocity - 23.50 CSJ YOS + 4.35 PERS YOS)*
- c. **Bryan P. Marks**, Fire Captain, Fire Department, effective August 6, 2023; 30.56* years of service. *(With Reciprocity - 28.27 CSJ YOS + 2.29 PERS YOS)*
- d. **Jeremy A. Martinez**, Police Officer, Police Department, effective August 5, 2023; 25.35* years

of service.

- e. **Ray Ro**, Fire Captain, Fire Department, effective August 19, 2023; 26.14* years of service.
- f. **David J. Scocca**, Fire Engineer, Fire Department, effective August 17, 2023; 25.31* years of service.

5.2 **Early Retirement**

Vice-Chair Vado read the Early Retirement into the record.

A motion was made to approve the Early Retirement.

Approved. (M.S.C. Santos/Wilson 7-0-0). The motion passed unanimously by roll call vote. Trustees Kwan and Gardanier were absent.

- a. **Sundance Scardino**, Fire Prevention Inspector, Fire Department, effective June 1, 2023; 23.35* years of service. (*With Reciprocity - 15.60 CSJ YOS + LACERA 7.75*)

5.3 **Deferred Vested**

Vice-Chair Vado read the Deferred Vested Retirements into the record.

A motion was made to approve the Deferred Vested Retirements.

Approved. (M.S.C. Santos/Wilson 7-0-0). The motion passed unanimously by roll call vote. Trustees Kwan and Gardanier were absent. Trustee Santos made a few kind remarks.

- a. **Edward Lee Conover III**, Police Sergeant, Police Department, effective August 14, 2023; 29.33* years of service. (*With Reciprocity - 16.03 CSJ YOS + 13.24 PERS YOS*)
- b. **Tim R. Wright**, Police Officer, Police Department, effective June 28, 2023; 20.01* years of service.

6. **DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)**

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

- a. Notification of the death of **Charles Castillo**, Police Sergeant, active, died July 21, 2022. Survivorship benefits to Stephanie Castillo, spouse and Benjamin Castillo and Samuel Castillo, sons.
- b. Notification of the death of **Scott M. Fey**, Fire Engineer, active, died July 21, 2022. Survivorship benefits to Ashley Fey, spouse and Kaison Fey, son.

- c. Notification of the death of **William L. Leavy**, Firefighter, retired April 5, 1997, died March 28, 2023. No survivorship benefits.
- d. Notification of the death of **Robert C. Moir**, Police Lieutenant, retired February 9, 1985, died May 18, 2023. Survivorship benefits to Jerrie L. Moir, spouse.
- e. Notification of the death of **Manoah Robinson**, Police Lieutenant, retired June 1, 1988, died May 5, 2023. Survivorship benefits to Linda Robinson, spouse.
- f. Notification of the death of **Daniel Wagener**, Police Officer, retired January 2, 1991, died March 30, 2023. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: April 27, 2023

Next Meeting: August 22, 2023

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

CIO Palani told the Board that the next Committee meeting date is August 29, 2023, not August 22, 2023.

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

Last Meeting: May 18, 2023

Next Meeting: August 17, 2023

- a. Oral update from the Chair of the Audit/Risk Committee.

Chair Ganapati advised that the next Committee meeting date is September 21, 2023, not August 19, 2023.

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

Last Meeting: December 1, 2022 (Special)

Next Meeting: September 7, 2023

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

Chair Vado advised that the next Committee meeting date is September 7, 2023.

7.4 Disability Committee (Santos - CH/Lanza - Alts: Menon/Vado)

Last Meeting: June 5, 2023

Next Meeting: August 7, 2023

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

Chair Santos advised that the next Committee meeting date is August 7, 2023.

- b. Minutes of the P&F Disability Committee meeting from May 8, 2023. Receive and file.

This Committees/Reports/Recommendations was received and filed.

7.5 Joint Personnel Committee (Gardanier/Lanza/Menon)

Last Meeting: May 11, 2023

Next Meeting: TBD

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

Trustee Menon and CEO Peña stated that they are presenting to City Council on August 22, 2023 regarding the CEO and investment staff salary increases and incentive compensation recommendations, subject to any strike between the bargaining units and the City. CEO Peña and Council Liaison Foley answered questions from the Board.

• **PROPOSED AGENDA ITEMS**

None.

• **ADJOURNMENT**

This meeting adjourned at 10:30 a.m.

• **Next Meeting: September 7, 2023**

*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

DREW LANZA, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

ROBERTO L. PEÑA, CEO
OFFICE OF RETIREMENT SERVICES