



BOARD OF ADMINISTRATION

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

Thursday, January 4, 2024

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: 989 7364 4563

Pass Code: 332109

Franco Vado, Chair, Police Retiree Rep (Term Expires 11/30/24)
Sunita Ganapati, Vice-Chair, 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 11/30/24)
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)
Vacant, Trustee, Public Member

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: 5 - David Kwan, Dave Wilson, Eswar Menon, Richard Santos and Andrew Gardanier

Absent: 3 - Sunita Ganapati, Franco Vado and Howard Lee

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, January 4, 2024, at 9:00 a.m. Trustee Wilson called the Pension Plan and Health Care Trust meeting to order at 9:02 a.m. followed by roll call.

Board Members Present: Richard Santos, Dave Wilson, David Kwan, Eswar Menon, and Andrew Gardanier.

Vice-Chair Ganapati and Trustee Lee were absent.

Chair Vado was present via Zoom as a Public Attendee.

Retirement Staff Present: Prabhu Palani, Barbara Hayman, Jay Kwon, Eric Tsang, Harrison Pearce, Christina Wang, Dhinesh Ganapathiappan, Chris Ha, Edith Aldama, Sherrell Aledo, David Torres and Cynthia Ayala.

Retirement Staff Present via Zoom: Roberto L. Peña, Ellen Lee, Ron Kumar, Chris Reyes, Shilpi Dwivedi, Houman Boussina, David Aung, Sandra Castellano, Arun Nallasivan, Benjie Chua-Foy and Gina Rios.

Also Present: Pam Foley, Council Liaison; Cheryl Parkman, OER; Craig Harner, Macias, Gini & O'Connell; Myron Scholes and Public Attendee, Janus Henderson; and Maytak Chin and Harvey Leiderman, General and Fiduciary Counsel.

Also Present via Zoom: Russ Richeda, Disability Counsel; Laura Wirick, Meketa Investment Group; Kevin Baload, Journalist; 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)

THE LEVINE ACT

Senate Bill 1439 (“Levine Act”) amended Government Code Section 84308 and requires disclosure and recusal by a local elected official and some members of boards and commissions if they receive campaign contributions over \$250 from a party, a participant with a financial interest in a proceeding, or their respective agents. The Levine Act was an anti-corruption law intended to curb “pay-to-play” and enhance public trust so that decision-makers can maintain their independence from the influence of donations for political campaigns. SB 1439 expanded the scope from state agency appointees or appointed local officials to include local elected officials. Please visit <https://www.sanjoseca.gov/your-government/appointees/city-clerk/levine-act> for updated forms and information.

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

CEREMONIAL ITEM

- a. Presentation of a commendation to Drew Lanza for his service as Board Chair and Trustee of the Police & Fire Retirement Plan's Board of Administration.

This item was deferred to the February 1st Board meeting.

CLOSED SESSION

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

I. CLOSED SESSION NEW BUSINESS/CONTINUED-DEFERRED ITEMS

This was heard after the Board voted to waive sunshine.

The Board entered into Closed Session at 9:04 a.m.

- A. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION
PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Chief Executive Officer and
counsel.**

Counsel Chin and Leiderman of Reed Smith LLP recused themselves from this agenda item.

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

The Board came out of Closed Session at 9:34 a.m

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

Open Session re-convened at 9:35 a.m.

- **ORDERS OF THE DAY**

Orders of the Day was heard immediately after roll call for attendance of trustees.

Trustee Wilson 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.

ORDERS OF THE DAY:

- None.

WAIVE SUNSHINE:

This was heard immediately after roll call attendance.

A motion was made to waive sunshine on the attachment for item 2b, which was made available in hard copy at the meeting to the trustees and the public.

Approved. (M.S.C. Santos/Gardanier 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

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

This was heard after the Consent Calendar. There was no public comment.

- 1. **CONSENT CALENDAR**

This was heard after Closed Session.

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Santos/Menon 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

- 1.1 **Approval for a Service Connected Disability Retirement**

- a. Aneez Raghavan, Police Officer, Police Department, Request for Service-Connected Disability Retirement, active; 22.51* years of service. *(With Reciprocity - 19.10 CSJ YOS + 3.41 PERS YOS). (Disability Committee Recommendation: Approval)*

- 1.2 **Approval for a Change in Status to Service-Connected Disability Retirement**

- a. **Joseph Abasolo**, Fire Engineer, Fire Department, Request for Change in Status to Service-Connected Disability Retirement, effective January 31, 2020; 25.63* years of service.
(Disability Committee Recommendation: Approval)
- b. **Bryan Aquino**, Fire Engineer, Fire Department, Request for Change in Status to Service-Connected Disability Retirement, effective January 24, 2019; 25.11* years of service.
(Disability Committee Recommendation: Approval)
- c. **Matthew Paiss**, Fire Captain, Fire Department, Request for Change in Status to Service-Connected Disability Retirement, effective January 12, 2019; 22.49* years of service.
(Disability Committee Recommendation: Approval)
- d. **Douglas Schmidt**, Fire Engineer, Fire Department, Request for Change in Status to Service-Connected Disability Retirement, effective July 13, 2019; 25.08* years of service.
(Disability Committee Recommendation: Approval)

1.3 Approval Of Minutes

- a. Approval of the Board Minutes of December 7, 2023.

1.4 Approval Of Travel for Conferences and Due Diligence

- a. Prabhu Palani, CIO
 - Pacific Pension & Investment Winter Roundtable, The Meritage, Napa, California, March 6-7, 2024.

1.5 Return of Contributions - NONE

- a. Voluntary | Involuntary

1.6 Communication/Information

- a. Police and Fire Retirement System Dashboard.
- b. **Educational Travel Reports:**
 - 10th Annual Northern California Institutional Forum, Napa Valley Marriott Hotel & Spa, Napa, CA - December 5-6, 2023 - by David Kwan.
 - CALAPRS Virtual Investment Roundtable online course - November 30, 2023 - by Sunita Ganapati.

- c. Report of the Monthly Board Expenses for November 2023. Receive and file.

1.7 Education and Training

- a. The Cortex Report - January 2024, Conferences, Seminars and Educational Programs.
- b. CALAPRS, General Assembly 2024, Omni Rancho Las Palmas Resort, Rancho Mirage, CA, March 2 - 5, 2024.

1.8 Change of Retirement Application

- a. Approval for a change in effective date for **Robert C. Lang Jr.**, Police Lieutenant, Police Department, from January 6, 2024, to January 20, 2024, for a service retirement approved at the December 7, 2023 Board meeting.
- b. Approval for an effective date correction for **Fred Mills**, Police Sergeant, Police Department from July 12, 2019 to July 13, 2019 for a Change in Status to Service-Connected Disability Retirement approved at the December 7, 2023 Board meeting.

1.9 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Unreduced Retirement Option to be paid to Teresa A. Lewis, ex-spouse of Police Officer, **Victor Rodriguez** to be effective February 2, 2024 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

This was heard after general public comments.

CIO Palani updated the Board on the following unaudited estimated performance by Meketa Investment Group:

- For FYTD, the Pension Plan was up 3.96%.
- For FYTD, the Health Care Trust was up 3.88%.

CIO Palani introduced Professor Scholes from Janus Henderson to present the Market Overview.

- b. Market Overview by Janus Henderson.

Professor Scholes from Janus Henderson presented the Market Overview and answered

questions from the Board and Counsel. CIO Palani also said a few comments. CIO Palani and Trustee Wilson thanked Professor Scholes for his presentation.

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS - NONE

4. NEW BUSINESS

- a. Oral update by CEO, Roberto L. Peña.

CEO Peña updated the Board on the following:

- The City of San Jose COVID-19 vaccine mandate is being discontinued.
- The Newsletter January edition will be sent out later this month.
- The 1099R forms will be mailed out later this month.
- The ORS office will be closed on January 15, 2024 in observance of Martin Luther King Day.
- The Guarantee Purchasing Power (GPP) for 2023 will be calculated and paid in February 2024.
- CEO Peña attended the City Council Meeting on December 12, 2023 and presented a status memo.

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

City Council Liaison updated the Board on pending matters.

- c. Discussion and action to approve Macias Gini & O'Connell LLP's "Agreed Upon Procedures" Report evaluating the inclusion of invoice management fees in Plan's investment performance from 2015 to 2023.

CEO Peña introduced this item. Craig Harner from Macias Gini & O'Connell presented the "Agreed Upon Procedures" letter and report. Trustee Menon asked a question, to which Craig Harner answered.

A motion was made to approve Macias Gini & O'Connell LLP's "Agreed Upon Procedures" report.

Approved. (M.S.C. Santos/Menon 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

- d. Discussion and action on the approval of the Police and Fire Department Retirement Plan's Annual Comprehensive Financial Reports for the Fiscal Year 2022-2023.

Counsel Chin introduced and spoke to this item.

A motion was made to approve the Police and Fire Department Retirement Plan's Annual Comprehensive Financial Reports for the Fiscal Year 2022-2023.

Approved. (M.S.C. Santos/Menon 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

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- e. Discussion and action to amend the Disability Committee Charter.

Counsel Chin introduced this item and explained the proposed changes to the Disability Committee Charter.

A motion was made to approve the proposed amendments to the Disability Committee Charter.

Approved. (M.S.C. Santos/Menon 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

5. RETIREMENTS

5.1 Service Retirements

Trustee Wilson read the Service Retirements into the record. Trustee Gardanier, Trustee Wilson and City Council Liaison Foley said a few kind words.

A motion was made to approve the Service Retirements

Approved. (M.S.C. Santos/Menon 5-0-0). Chair Vado, Vice-Chair Ganapati and Trustee Lee were absent.

- a. **Steven Bevington**, Fire Captain, Fire Department, effective January 6, 2024; 26.03* years of service.
- b. **Herb Campbell**, Fire Engineer, Fire Department, effective January 20, 2024; 23.07* years of service.
- c. **John B. Carr Jr.**, Police Lieutenant, Police Department, effective January 20, 2024; 27.38* years of service.
- d. **Jesus Corona**, Fire Captain, Fire Department, effective January 26, 2024; 28.62* years of service.
- e. **Kenneth Folsom**, Fire Captain, Fire Department, effective January 18, 2024; 25.08* years of service.
- f. **Eugene Y. Ito**, Police Sergeant, Police Department, effective January 20, 2024; 26.88* years of service.
- g. **Steven D. Jeffrey**, Police Sergeant, Police Department, effective January 12, 2024; 25.21* years of service.
- h. **Fernando Jimenez**, Fire Fighter, Fire Department, effective January 7, 2024; 25.08* years of

service.

- i. **Gerald L. Kepler**, Police Officer, Police Department, effective January 20, 2024; 26.33* years of service.
- j. **Brian R. Matchett**, Police Captain, Police Department, effective January 20, 2024; 27.84* years of service.
- k. **Keith K. Mizuhara**, Police Sergeant, Police Department, effective January 20, 2024; 28.42* years of service. *(With Reciprocity - 21.99 CSJ YOS + 6.42 PERS YOS)*
- l. **Duc V. Ngo**, Police Officer, Police Department, effective January 20, 2024; 26.88* years of service.
- m. **Steven M. Nguyen**, Fire Engineer, Fire Department, effective January 18, 2024; 23.61* years of service.
- n. **Jason Pierce**, Police Lieutenant, Police Department, effective January 20, 2024; 27.37* years of service.
- o. **Sean A. Pritchard**, Police Sergeant, Police Department, effective January 20, 2024; 27.80* years of service.
- p. **Wade A. Sandall**, Police Officer, Police Department, effective January 6, 2024; 28.93* years of service. *(With Reciprocity - 24.88 CSJ YOS + 4.04 PERS YOS)*
- q. **Christopher M. Sciba**, Police Sergeant, Police Department, effective January 6, 2024; 27.34* years of service.
- r. **William M. Solma Jr.**, Police Officer, Police Department, effective January 21, 2024; 28.18* years of service. *(With Reciprocity - 27.37 CSJ YOS + 0.80 PERS YOS)*
- s. **Vinh Q. Trinh**, Police Officer, Police Department, effective January 20, 2024; 27.84* years of service.
- t. **Thomas J. Troy**, Deputy Chief of Police, Police Department, effective January 20, 2024; 25.01* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

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

- a. Notification of the death of **Thomas Hooks**, Fire Captain, retired May 1, 1991, died November 19, 2023. No survivorship benefits.
- b. Notification of the death of **Willard Martin**, Police Officer, retired February 3, 1999, died October 23, 2023. Survivorship benefits to Dora Martin, spouse.
- c. Notification of the death of **Leslie P. Omans**, Fire Captain, retired January 3, 2003, died November 16, 2023. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: December 7, 2023

Next Meeting: February 20, 2024

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

Chair Menon updated the Board regarding matters from the last Investment Committee meeting.
- b. Minutes of the P&F Investment Committee meeting from September 7, 2023. Receive and file.

The Minutes were received and filed.

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

Last Meeting: October 19, 2023

Next Meeting: February 15, 2024

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

Trustee Wilson stated that the next Audit Committee meeting will be on February 15, 2024.

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

Last Meeting: November 27, 2023

Next Meeting: January 29, 2024

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

Trustee Santos and Counsel Chin updated the Board regarding matters from the last Governance Committee meeting.

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

Last Meeting: December 11, 2023

Next Meeting: January 8, 2024

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

Chair Santos stated that the next Disability Committee meeting will be on January 8, 2024 and thanked Trustee Wilson for his help on the Committee.

- b. Minutes of the P&F Disability Committee meeting from November 6, 2023. Receive and file.

The Minutes were received and filed.

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

Last Meeting: December 22, 2023

Next Meeting: January 11, 2024

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

Chair Menon and Trustee Gardanier updated the Board regarding matters from the last Joint Personnel Committee meeting.

- b. Minutes of the Joint Personnel Committee meeting from November 14, 2023. Receive and file.

The Minutes were received and filed.

- c. Discussion and action on recommended changes to JPC Charter.

This item was deferred.

- d. Discussion and action on ad hoc committee's recommendation of hiring executive search firm for CEO position.

Counsel Chin explained that there is no action needed for this item as the JPC Charter authorizes the JPC to engage an executive search firm without Board approval.

• **PROPOSED AGENDA ITEMS**

None. However, all Trustees and the CEO said kind words to Harvey Leiderman regarding his retirement.

- **ADJOURNMENT**

Next Meeting: February 1, 2024

The meeting adjourned at 11:24 a.m.

*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

FRANCO VADO, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

ROBERTO L. PEÑA, CEO
OFFICE OF RETIREMENT SERVICES