



BOARD OF ADMINISTRATION

Meeting Minutes

Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, January 19, 2023

8:30 AM

MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION

zoom.us

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

Meeting ID: 983 6159 5259

Pass Code: 892070

BOARD MEMBERS

Spencer Horowitz, Chair (Term Expires 11/30/24)

Julie Jennings, Vice-Chair (Term Expires 11/30/23)

Anurag Chandra, Trustee (Term Expires 11/30/26)

Mark Keleher, Trustee (Term Expires 11/30/23)

Mark Linder, Trustee (Term Expires 11/30/24)

Prachi Avasthy, Trustee (Term Expires 11/30/25)

Vacant, Trustee

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Harvey Leiderman and Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

The Board of Administration of the Federated City Employees Retirement System and Health Care Trust met on Thursday, January 19, 2023, at 8:30 a.m. Chair Horowitz called the meeting to order at 8:32 a.m. followed by roll call.

Board members present: Spencer Horowitz, Julie Jennings, Mark Keleher, Mark Linder and Prachi Avasthy. Anurag Chandra was absent.

Retirement Staff Present via Zoom: Roberto L. Peña, Prabhu Palani, Barbara Hayman, Sandra Castellano, Shilpi Dwivedi, Christina Wang, Jay Kwon, David Aung, Arun Nallasivan, Dhinesh Ganapathiappan, Ron Kumar, Ellen Lee, Eric Tsang, Sachin Sadana, Julie He, Houman Boussina, Linda Alexander, Michelle San Miguel, Sherrell Aledo and Khadijah Onyeije.

Also Present via Zoom: Harvey Leiderman, General and Fiduciary Counsel; Carolyn Gibson, OER; Bill Hallmark, Cherion Inc.; Micheal Schionning, Cherion Inc.; Laura Wirick, Meketa Investment Group; Jared Pratt, Meketa Investment Group; Geoff Miranda, Public Attendee; Matthew Faulkner, SJSU; Joe Ebisa, Journalist-With Intelligence; Brad Imamura, Public Attendee; Dr. Das, Medical Adviser; Sarah Steele, CMO; David Delong, PRNS.

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

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

I. CLOSED SESSION INVESTMENTS

The Board entered into Closed Session at 8:40 a.m.

- A. CLOSED SESSION: PURSUANT TO GOVERNMENT CODE SECTION 54956.81, TO CONSIDER PURCHASE OR SALE OF PARTICULAR, SPECIFIC PENSION FUND INVESTMENTS (ONE INVESTMENT).

The Board came out of Closed Session at 9:04 a.m.

There was no reportable action from Closed Session.

OPEN SESSION - will reconvene following Closed Session, estimated to be 9:00 a.m.

ORDERS OF THE DAY

Chair Horowitz read the following into the record.

A FEW GROUND RULES FOR THIS MEETING

- We are continuing to meet virtually at this meeting and are doing so pursuant to AB 361.
- As such, all votes will be roll call votes.
- If you are not speaking, please be on mute to cut background noise.
- For discussion items, each trustee will have a turn to speak in roll call order, more than

once if desired.

- The public will have an opportunity to speak on each item after trustees.
- Item 1.1a - Per applicant request - Request for a Service-Connected Disability Retirement (Time Certain: 10:00 a.m.)
- Item 6d will be deferred to the February 16, 2023 Board meeting.

A motion was made to approve the Order of the Day.

Approved. (M.S.C. Keleher/Jennings 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

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

Public Attendee Brad Imamura spoke.

1.1 Request for a Service-Connected Disability Retirement

- a. **Gina Oliva**, Maintenance Assistant, Parks, Recreation and Neighborhood Services Department, Request for a Service-Connected Disability Retirement, effective January 4, 2013, 8.91* years of service. (*Staff Disability Committee Recommendation: Denial*)

Time Certain: 10:00 a.m.

This item was heard after item 6c.

Despite repeated contacts with the member, the member did not appear today. CEO Pena requested the Board postpone the matter until the March meeting.

A motion was made to postpone the matter for one month.

Approved. (M.S.C. Keleher/Lindner 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

2. CONSENT CALENDAR

The Consent Calendar was heard first.

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Keleher/Linder 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

2.1 Approval of Service Retirements

- a. **Raymond Burleigh**, Information Systems Analyst, Information Technology Department, effective January 21, 2023; 16.82* years of service.
- b. **Scott D. Cloutier**, Wastewater Mechanical Supervisor II, Environmental Services Department,

effective January 21, 2023; 10.78* years of service.

- c. **Lupe Fuentez**, Maintenance Worker II, Parks, Recreation & Neighborhood Services, effective January 14, 2023; 15.20* years of service.
- d. **Mark E. Giannuzzi**, Senior Librarian, Library Department, effective February 18, 2023; 24.23* years of service.
- e. **Elisabeth H. Handler**, Public Information Manager, Office of Economic Development Department, effective December 31, 2022; 6.71* years of service.
- f. **Kory Richardson**, Development Officer, Housing Department, effective February 4, 2023; 22.13* years of service.
- g. **Kevin Spinks**, Senior Engineer, Airport, effective January 21, 2023; 23.09* years of service.
- h. **Hahuy V. Trinh**, Senior Analyst, Environmental Services Department, effective January 21, 2023; 26.59* years of service.
- i. **Kathy Tsukamoto**, Executive Assistant, City Manager's Office, effective November 30, 2022; 20.75* years of service.
- j. **Gina M. Willson**, Senior Library Clerk, Library, effective January 21, 2023; 21.13* years of service.
- k. **Bach-Phuong Pham**, Senior System Application Programmer, Environmental Services Department, effective February 28, 2023; 9.79* years of service.

2.2 Approval of Deferred Vested

- a. **Adrian A. Anub**, Custodian, Airport, effective January 1, 2023; 10.88* years of service.
- b. **Jennay Maria Harrison**, Associate Civil Engineer, Department of Transportation, effective December 2, 2022; 9.91* years of service.
- c. **Armando Limon**, Facility Maintenance / Attendant, Convention, Arts and Entertainment Department, effective December 28, 2022; 17.79* years of service.

2.3 Approval of Board Minutes

- a. Approval of the Board Minutes of December 15, 2022.

2.4 Approval of Return of Contributions

- a. Voluntary | Involuntary.

2.5 Acceptance of Communication/Information Reports

- a. Press Release: Retirement Department's Chief Investment Officer Recognized as Top Pension Chief Investment Officer.
- b. Updated Board and Committee Assignments. Receive and file.

2.6 Approval Of Travel for Conferences and Due Diligence

- a. Roberto L Peña, CEO
 - CalAPRS Virtual Administrators' Round Table, February 9th, 2023.
- b. Julie Jennings, Vice-Chair
 - CalAPRS General Assembly. Monterey Marriott. Monterey, CA - March 4 - 7. 2023.

3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

The item was heard after Closed Session.

Chair Horowitz asked for a moment of silence for those who served and passed away.

- a. Notification of the death of **Anne Debolt**, Real Property Agent II, retired January 4, 2006, died October 16, 2022. No survivorship benefits.
- b. Notification of the death of **Scott Arthur Bimrose**, Building Rehabilitation Inspector II, retired March 26, 2016, died November 3, 2022. Survivorship benefits to Margaret Bimrose, Spouse.
- c. Notification of the death of **Noel T. Enoki**, Environmental Laboratory Manager, retired February 19, 2022, died November 28, 2022. Survivorship benefits to Marie Bamba, Spouse.
- d. Notification of the death of **Salvador Gutierrez**, Maintenance Supervisor, retired July 3, 1993, died November 26, 2022. No survivorship benefits.

- e. Notification of the death of **Bertha Hilson**, Principal Account Clerk, retired July 16, 1994, died November 19, 2022. No survivorship benefits.
- f. Notification of the death of **Gary Levering**, Senior Heavy Diesel Equipment Operator / Mechanic, retired September 1, 2007, died October 25, 2022. No survivorship benefits.
- g. Notification of the death of **Dennis G. Osorio**, Operations Supervisor, retired March 21, 2009, died November 17, 2022. Survivorship benefits to Peggy L. Osorio, Spouse.
- h. Notification of the death of **Jerry R. Svindal**, Building Inspector, retired January 19, 2013, died December 8, 2022. Survivorship benefits to Shirley M. Svindal, Spouse.
- i. Notification of the death of **Donald Uyeda**, Senior Civil Engineer, retired October 4, 1987, died December 5, 2022. Survivorship benefits to Yoko Uyeda, Spouse.

4. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

CIO Palani updated the Board and answered questions. He noted preliminary performance of the portfolio as follows:

- For Fiscal Year-To-Date as of Tuesday, January 17, 2023, Pension Plan was up 3.9% and Health Care Trust Plan was up 4.76%.

5. OLD BUSINESS - DEFERRED/CONTINUED ITEMS

- a. Discussion and action on the topics for the Joint Meeting of the Boards and City Council.

CEO Peña introduced and spoke to the item. Carolyn Gibson, OER was present and spoke to the item.
There was no action taken on this item.
- b. Discussion and action on Other Post Employment Benefits (OPEB) Valuation Results as of June 30, 2022 presented by Cheiron.

Bill Hallmark and Mike Schionning, Cheiron Inc., introduced and spoke to the attached final Other Post Employment Benefits (OPEB) Valuation Results as of June 30, 2022, and answered questions from the Board.

A motion was made to approve the final OPEB Valuation Results as of June 30, 2022.

Approved. (M.S.C. Linder/Jennings 5-0-0). The motion passed unanimously by roll call vote. Trustee Chandra was absent.

6. NEW BUSINESS

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

CEO Peña updated the Board on the following:

- The 1099-R's will be sent out to Retirees by the end of this month.
- ORS Quarterly Newsletter will be sent out later this month.
- Recruitment for the vacant Senior Analyst Benefits position is in its final stages.
- The annual Guaranteed Purchasing Power (GPP) increase will be applied in the month of February.
- One application has been received for the vacant Trustee position, staff continues to work with the City Clerk on recruitment.
- The office will be closed for President's Day holiday, February 20, 2023.

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

City Council Liaison Dev Davis updated the Board on pending matters before the Council.

- c. Discussion and action on authorizing the CEO to negotiate and execute a new agreement with Cortex Consulting Inc., for calendar year 2023, for a total NTE amount of \$30,000.

CEO Peña led the discussion regarding authorizing the CEO to negotiate and execute a new agreement with Cortex Consulting Inc., for calendar year 2023, for a total NTE amount of \$30,000.

A motion was made to authorize the CEO to negotiate and execute a new agreement with Cortex Consulting Inc., for calendar year 2023, for a total NTE amount of \$30,000.

Approved. (M.S.C. Jennings/Keleher 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- d. Educational Presentation and Discussion on Conflicts of Interest and Undue Influence.

The item was deferred to the February 16, 2023 Board meeting.

- e. Discussion and action on adoption of procedures for resolving ADA requests pursuant to AB 2449.

Counsel Leiderman introduced and spoke to the item on adoption of procedures for resolving ADA requests pursuant to AB 2449 and answered questions from the Board.

A motion was made to approve the adoption of the procedures for the resolving ADA requests to pursuant to AB 2449.

Approved. (M.S.C. Linder/Jennings 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- f. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

Counsel Leiderman introduced and spoke to the item. Mr. Leiderman explained the contents of the memo submitted to the Board regarding evidentiary support for the Board's consideration of factual findings necessary for election to adopt AB 361's abbreviated teleconferencing procedures, which included:

- (1) Governor's proclamation on the continued state of emergency due to the ongoing COVID-19 pandemic; and
(2) the City Council's recent resolution that continued to impose and recommend social distancing in City facilities.

A motion was made to adopt these as the Board's factual findings under AB361 and to authorize the Board to continue meeting virtually for the next 30 days.

Approved. (M.S.C. Linder/Jennings 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

7. COMMITTEES/REPORTS/RECOMMENDATIONS

7.1 Investment Committee (Chandra, Horowitz, Keleher)

Last Meeting: January 10, 2023 (Special) Next Meeting: January 19, 2023 (Special)

- a. Oral update from the Chair of the Investment Committee.
- There was no report from the Investment Committee.
- b. Minutes of the Special Investment Committee meeting from August 23, 2022. Receive and file.
- The Minutes were received and filed.
- c. Minutes of the Special Investment Committee meeting from November 17, 2022. Receive and file.
- The Minutes were received and filed.

7.2 Governance Committee (Jennings, Keleher, Linder)

Last Meeting: January 10, 2023 (Special) Next Meeting: January 19, 2023 (Special)

- a. Oral update from the Chair of the Governance Committee.
- There was no report from the Governance Committee.

- b. Minutes of the Special Governance Committee meeting from November 17, 2022. Receive and file.

The Minutes were received and filed.

7.3 Audit Committee (Keleher, Jennings, Avasthy)

Last Meeting: January 10, 2023 (Special) Next Meeting: January 19, 2023 (Special)

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

There was no report from the Audit Committee.

- b. Minutes of the Special Audit Committee meeting from November 17, 2022. Receive and file.

The Minutes were received and filed.

7.4 FCERS Disability Committee (Jennings, Keleher, Linder)

Last Meeting: January 10, 2023 (Special) Next Meeting: January 19, 2023 (Special)

- a. Oral update from the FCERS Disability Committee.

Chair Linder updated the Board regarding the training on the contents of the last meeting which included an educational presentation from Disability Counsel Russ Richeda.

7.5 Joint Personnel Committee (Chandra, Horowitz, Jennings)

Last Meeting: January 12, 2023 (Regular) Next Meeting: February 9, 2023 (Regular)

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

Trustee Chandra was absent. Trustee Horowitz updated the Board on the contents of the last JPC meetings.

- b. Minutes from the October 10, 2022, JPC meeting. Receive and file.

The Minutes were received and filed.

- c. Minutes from the Special November 8, 2022, JPC meeting. Receive and file.

The Minutes were received and filed.

- d. Minutes from the November 10, 2022, JPC meeting. Receive and file.

The Minutes were received and filed.

8. Education and Training

This Education & Training was received and filed

- a. The Cortex Report - January 2023, Conferences, Seminars and Educational Programs.
- b. CalAPRS General Assembly, Monterey Marriott, Monterey, CA - March 4 -7, 2023.
- c. CalAPRS Advanced Principles of Pension Governance for Trustees, UCLA Luskin Conference Center, Los Angeles, CA - March 29 -31, 2023.

- **PROPOSED AGENDA ITEMS**

None.

- **ADJOURNMENT**

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Next Meeting: February 16, 2023

The meeting adjourned at 10:23 a.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

SPENCER HOROWITZ, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

ROBERTO L. PEÑA, CEO
OFFICE OF RETIREMENT SERVICES