



# BOARD OF ADMINISTRATION

## Action Minutes

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

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Thursday, March 20, 2025

8:30 AM

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

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#### 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: +1 669-219-2599 US (San Jose)

Meeting ID: 980 0503 0811

#### **BOARD MEMBERS**

*Spencer Horowitz, Chair (Term Expires 11/30/28)*

*Anurag Chandra, Vice Chair (Term Expires 11/30/26) -- 45000 Indian Wells Lane, Indian Wells, CA 92210*

*Deborah Abbott, Trustee (Term Expires 11/30/26)*

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

*Matthew Faulkner, Trustee (Term Expires 11/30/27)*

*Mark Linder, Trustee (Term Expires 11/30/28)*

*Vacant, Trustee*

#### **CITY COUNCIL LIAISON TO THE BOARD**

*Pam Foley*

#### **COUNSEL**

*Maytak Chin, General and Fiduciary Counsel*

*John Flynn, CEO, Office of Retirement Services*

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The Board of Administration of the Federated City Employees Retirement System and Health Care Trust met on Thursday, March 20, 2025 at City Hall, Wing Rooms 118-120, 200 E. Santa Clara St., San Jose, CA 95113 and via Zoom at 8:30 a.m. Chair Horowitz called the meeting to order at 8:30 a.m. followed by roll call.

Board Members Present: Deborah Abbott, Prachi Avasthy, Matthew Faulkner, Spencer Horowitz, and Mark Linder.

Board Members Present via Zoom utilizing the Traditional Brown Act teleconferencing rules: Anurag Chandra. Counsel Fairley questioned Vice-Chair Chandra on whether he met the qualifications to teleconference under the Brown Act, and Vice-Chair Chandra responded in the affirmative.

City Council Liaison Pam Foley arrived at 9:37 a.m.

Vice-Chair Chandra departed at 11:38 a.m.

Retirement Staff Present: John Flynn, Prabhu Palani, Barbara Hayman, Sandra Castellano, Sherrell Aledo, Edith Aldama, Gabriela Romero-Castrejon, Cynthia Ayala, Chris Ha, Christina Wang, Jay Kwon, Harrison Pierce, David Aung, Dhinesh Ganapathiappan, Ron Kumar, Jennifer You, and Arun Nallasivan.

Retirement Staff Present via Zoom: Shilpi Dwivedi, Nam Cao, Ellen Lee, Julie He and Veronica Solorio.

Also Present: Pam Foley, City Council Liaison; Maytak Chin and Mariah K. Fairley, General and Fiduciary Counsel; Bryan Chi, Applicant; Nathan Nakagawa, Applicant; Bill Gold, Office of Employment Relations; and Laura Wirick, Meketa Investment Group.

Also Present via Zoom: Anurag Chandra, Vice-Chair; Kaci Boyer, Neuberger Berman; Zack Stevens, Meketa Investment Group; Brad Imamura, Public Member; and Julie Jennings, Public Member.

**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

#### I. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS-NONE

##### • ORDERS OF THE DAY

This item was heard immediately after roll call attendance.

Chair Horowitz read the following into the record:

- All votes will be roll call votes.
- 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

- Time Certain: 10:30 a.m. for New Business Item 6c - Interviews for Trustee Jennings' position.
- Change in agenda order - Item 2. Consent Calendar will be heard first before Item 1. Rescission of Application for a Change of Status to Service-Connected Disability Retirement (Both items require separate votes).

WAIVE SUNSHINE (amended/attachments POSTED late):

- None.

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

Brad Imamura, a public member, made several comments and asked questions, which Chair Horowitz and Counsel Chin addressed. This occurred after Items 4b, 6b, and 6c were presented. Julie Jennings, also a public member, commented after Item 6c was presented.

1. **Rescission of Application for a Change of Status to Service-Connected Disability Retirement**

- a. **Jimmy Cotillon**, Park Maintenance Repair Worker II, Parks, Recreation and Neighborhood Services Department, Request for Change of Status to Service-Connected Disability Retirement, effective October 1, 2022; 32.75\* years of service. (*Staff Recommendation: Board to acknowledge and accept the withdrawal of the application for Disability with prejudice*)

**This item was heard after Orders of the Day.**

**This item was presented.**

**A motion was made to acknowledge and accept the withdrawal of the application for a Change of Status to Service-Connected Disability Retirement with prejudice.**

**Approved. (M.S.C. Linder/Faulkner 6-0-0). The motion passed by roll call vote.**

2. **CONSENT CALENDAR**

**A motion was made to approve the Consent Calendar.**

**Approved. (M.S.C. Linder/Abbott 6-0-0). The motion passed by roll call vote.**

2.1 **Approval for A Change In Effective Date for Service-Connected Disability Retirement**

- a. Approval for a change in effective date for **Judith Roberto**, Entertainment Coordinator, Parks, Recreation and Neighborhood Services, from November 16, 2018 to August 7, 2018, for a Service-Connected Disability Retirement approved at the February 20, 2025 Board meeting.

2.2 **Approval of Service Retirements**

- a. **Lori Ann Arellano**, Security Services Supervisor, Public Works Department, effective March 29, 2025; 30.15\* years of service.
- b. **Linda A. Brewka**, Senior Office Specialist, Parks, Recreation and Neighborhood Services, effective March 29, 2025; 18.74\* years of service.
- c. **Joseph Chu, Jr.**, Senior Analyst, Human Resources Department, effective March 29, 2025; 16.50\* years of service.
- d. **Joseph Clarke**, Building Inspector, Supervisor Certified II, Planning, Building and Code Enforcement, effective March 28, 2025; 17.63\* years of service.

- e. **Frank J. Cody**, Network Engineer, Department of Transportation, effective March 29, 2025; 16.55\* years of service.
- f. **Martin J. Fontes**, Electrician Supervisor, Department of Transportation, effective March 29, 2025; 27.93\* years of service.
- g. **Paul V. Garcia**, Senior Construction Inspector, Public Works Department, effective March 29, 2025; 29.81\* years of service.
- h. **Randall J. Griffith**, Electrician Supervisor, Department of Transportation, effective March 29, 2025; 13.73\* years of service.
- i. **Stephanie Gutowski**, Housing Policy and Planning Administrator, Housing Department, effective March 29, 2025; 6.65\* years of service.
- j. **Christopher Harkness**, Deputy City Manager, City Manager's Office, effective March 29, 2025; 13.89\* years of service.
- k. **James Jared**, Electrician II, Public Works Department, effective March 29, 2025; 16.82\* years of service.
- l. **Nanci J. Klein (Hochroth)**, Director, Office of Economic Development, effective March 29, 2025; 29.14\* years of service. (*With Reciprocity - 27.06 CSJ + 2.07 PERS = 29.14 YOS*)
- m. **Chia-Ching Lin**, Associate Engineer, Fire Department, effective March 29, 2025; 25.10\* years of service.
- n. **Sandy M. Linerud**, Senior Supervisor Administration, City Attorney's Office, effective March 29, 2025; 18.64\* years of service.
- o. **Carl B. Mitchell**, Senior Deputy City Attorney, City Attorney's Office, effective March 29, 2025; 37.63\* years of service.
- p. **Satya Nand**, Wastewater Operations Superintendent II, Environmental Services Department, effective March 28, 2025; 38.23\* years of service. (*With Reciprocity - 25.31 CSJ + 12.92 PERS = 38.23 YOS*)
- q. **John P. Price**, Associate Construction Inspector, Environmental Services Department, effective March 29, 2025; 24.32\* years of service.
- r. **Michele E. Ramirez**, Staff Specialist, Police Department, effective March 29, 2025; 21.82\* years of service.

- s. **Manuel S. Rubio**, Gardener, Parks, Recreation and Neighborhood Services, effective March 29, 2025; 26.74\* years of service.
- t. **Christopher Swartout**, Executive Analyst II, City Manager's Office, effective March 29, 2025; 6.42\* years of service.
- u. **Fang Ling Tao**, Accounting Technician, Finance Department, effective March 29, 2025; 17.92\* years of service.
- v. **Rebecca Todd**, Staff Specialist, Finance Department, effective March 29, 2025; 5.03\* years of service.
- w. **Joanne B. Tran**, Enterprise Supervisor Technology Analyst, Information Technology Department, effective March 29, 2025; 20.55\* years of service.
- x. **Tung B. Truong**, Senior Construction Inspector, Public Works Department, effective March 29, 2025; 26.55\* years of service.

### **2.3 Approval of Deferred Vested**

- a. **Traci D. Barkley**, Public Safety Radio Dispatcher, Fire Department, effective April 4, 2025; 8.47\* years of service.
- b. **Duane Hamilton**, Wastewater Operator III, Environmental Service Department, effective April 14, 2025; 5.12\* years of service.
- c. **Lynette D. King**, Legal Admin Assistant II, City Attorney's Office, effective March 29, 2025; 27.84\* years of service. (*With Reciprocity - 12.69 PERS + 15.15 CSJ = 27.84 YOS*)
- d. **Hsiao Ting Ong**, Senior Engineer, Environmental Services Department, effective April 8, 2025; 7.04\* years of service.

### **2.4 Approval of Board Minutes**

- a. Approval of the Board Minutes of February 20, 2025.

### **2.5 Approval of Return of Contributions**

- a. Voluntary | Involuntary

### **2.6 Approval of Administrative Matters**

- a. Fiduciary Insurance and Waiver of Recourse Fees for Policy Year March 2025 - 2026.

## **2.7 Approval of Travel Attendance & Reimbursements**

- a. Anurag Chandra, Vice-Chair
- Milken Institute Global Conference 2025, The Beverly Hilton, Beverly Hills, CA, May 4 - 7, 2025.
- b. Reimbursements
- CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025 - Spencer Horowitz.

## **2.8 Acceptance of Communication/Information Reports**

- a. Report of the Monthly Board Expenses for January 2025. Receive and file.
- b. **Educational Travel Reports:**
- CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025 - by Spencer Horowitz.
  - CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025 - by Mark Linder.

## **3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)**

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

- a. Notification of the death of **David A. Grabiec**, Senior Source Control Inspector, retired May 1, 2018, died February 1, 2025. Survivorship benefits to Vivian Sapsford, spouse.
- b. Notification of the death of **Kitty Muzzy**, Administrative Manager, retired January 15, 2005, died January 19, 2025. No survivorship benefits.
- c. Notification of the death of **Joan C. Sawyer**, Analyst II, retired September 20, 1996, died January 11, 2025. No survivorship benefits.
- d. Notification of the death of **Kathryn J. Taormina**, Administrative Assistant, retired November 20, 1998, died February 3, 2025. No survivorship benefits.
- e. Notification of the death of **Marek Wieczorek**, Industrial Electrician, retired December 21, 2024, died January 10, 2025. Survivorship benefits to Dorota Wieczorek, spouse.



**4. INVESTMENTS**

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.  
**CIO Palani updated the Board.**
- b. Discussion and action regarding the prefunding of the City's retirement contribution.  
**This item was presented.**  
**A motion was made to approve the prefunding of the City's retirement contribution.**  
**Approved. (M.S.C. Linder/Abbott 6-0-0). The motion passed by roll call vote.**
- c. Discussion and action on Strategic Asset Allocation by Meketa Investment Group.  
**This item was presented.**  
**A motion was made to maintain the existing Strategic Asset Allocation presented by Meketa Investment Group.**  
**Approved. (M.S.C. Chandra/Linder 6-0-0). The motion passed by roll call vote.**
- d. Presentation of Calendar 3rd Quarter 2024 Private Equity report by Neuberger Berman.  
**This item was presented.**
- e. Presentation of Calendar 3rd Quarter 2024 Private markets report by Meketa Investment Group.  
**This item was presented.**
- f. Presentation of Calendar 4th Quarter 2024 Performance report for Pension Plan by Meketa Investment Group.  
**This item was presented.**  
**The Board took a Break from 9:57 a.m. to 10:03 a.m.**
- g. Presentation of Calendar 4th Quarter 2024 Performance report for Health Care Trust by Meketa Investment Group.  
**This item was presented.**

**5. OLD BUSINESS-DEFERRED/CONTINUED ITEMS-NONE**

**6. NEW BUSINESS**

- a. Oral update from the CEO of Retirement Services, John Flynn.  
**CEO Flynn updated the Board.**
- b. Oral update from the City Council Liaison to the Board.  
**Vice-Mayor and City Council Liaison Pam Foley updated the Board on pending matters before the Council that are relevant to the Board. Vice-Mayor Foley thanked all of the retirees who have served the City and wished them a happy retirement.**
- c. Discussion and action on recommendation to City Council regarding appointment of candidate to fill Active Federated City Employees' Retirement Systems Member's seat on the Board due to unscheduled vacancy following interview of candidate.  
Time Certain: **10:30 a.m.** or soon thereafter  
Candidates:
  - Brian Chi
  - Nathan Nakagawa**The Board interviewed candidates and deliberated, with Brian Chi and Nathan Nakagawa present in person.**  
**Trustee Linder made a motion to recommend Nathan Nakagawa as the new trustee.**  
**Approved. (M.S.C. Linder/Abbott 4-1-1).**  
**Ayes: Vice-Chair Chandra, Trustee Abbott, Trustee Faulkner, and Trustee Linder.**  
**Nays: Trustee Avasthy.**  
**Abstained: Chair Horowitz.**  
**Trustee Avasthy made a second motion to recommend Brian Chi as the new trustee.**  
**Failed. (M.S.C. Avasthy/Horowitz 1-4-1).**  
**Ayes: Trustee Avasthy.**  
**Nays: Vice-Chair Chandra, Trustee Abbott, Trustee Faulkner, and Trustee Linder.**  
**Abstained: Chair Horowitz.**  
**The Board recommended Nathan Nakagawa to the City Council as the new trustee.**
- d. Discussion and action to authorize CEO to negotiate and execute a lease agreement with Pacific Resources First America, LLC on behalf of the Federated City Employees' Retirement System's Board of Administration based on the proposed lease terms specified in Memo attached to Agenda Item 6d, with costs 50/50 split

with Police and Fire Board.

This item was presented.

A motion was made to authorize CEO to negotiate and execute a lease agreement with Pacific Resources First America, LLC on behalf of the Federated City Employees' Retirement System's Board of Administration based on the proposed lease terms specified in Memo attached to Agenda Item 6d, with costs 50/50 split with Police and Fire Board.

Approved. (M.S.C. Chandra/Linder 6-0-0). The motion passed by roll call vote.

- e. 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 \$505,000.

This item was presented.

A motion was made to approve 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 \$505,000.

Approved. (M.S.C. Linder/Faulkner 6-0-0). The motion passed by roll call vote.

## **7. COMMITTEES/REPORTS/RECOMMENDATIONS**

### **7.1 Investment Committee (Chandra, Horowitz, Faulkner)**

**Last Meeting: February 25, 2025    Next Meeting: April 22, 2025**

- a. Oral update from the Chair of the Investment Committee.
- Chair Chandra updated the Board on the matters discussed at the recent Investment Committee and Joint Investment Committee meetings.
- b. Minutes of the Federated Investment Committee meeting from December 11, 2024. Receive and file.
- The Minutes were received and filed.

### **7.2 Audit Committee (Avasthy, Vacant, Abbott)**

**Last Meeting: February 20, 2025    Next Meeting: May 15, 2025**

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

- Nomination and Election of Audit Committee Vice Chair.
- Discussion on the status of outstanding City Auditor's recommendations for the Office of Retirement Services as of December 31, 2024.
- Discussion of CEO's assessment of ORS staff positions, including but not limited to the Senior Internal Auditor position.
- Discussion and action on the current status of outstanding City Auditor recommendations.
- Discussion and action on the status of outstanding Internal Audit recommendations.

**Chair Avasthy updated the Board on the matters discussed at the last meeting.**

- b. Minutes of the Joint Audit Committee meeting from October 31, 2024. Receive and file.

**The Minutes were received and filed.**

### **7.3 Governance Committee (Linder, Abbott, Avasthy)**

**Last Meeting: March 14, 2025    Next Meeting: June 5, 2025**

- a. Oral update from the Chair of the Governance Committee.
- Nomination and Election of Governance Committee Vice-Chair.
  - Discussion and action regarding recommendation of Governance Consultant to the board of trustees. The contract period would be as soon as executed through June 30, 2031. Finalists: AON Consulting Inc, Funston Advisor Services LLC, and Segal Inc.

**Chair Linder updated the Board on the matters discussed at the last meeting.**

- b. Minutes of the Governance Committee meeting from December 19, 2024. Receive and file.

**The Minutes were received and filed.**

### **7.4 FCERS Disability Committee (Linder, Vacant, Faulkner)**

**Last Meeting: February 4, 2025    Next Meeting: TBD**

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

**Chair Linder informed the Board that the Committee is still determining a new date for its next meeting.**

**7.5 Joint Personnel Committee (Chandra, Horowitz, Linder)**

**Last Meeting: April 25, 2024    Next Meeting: April 2, 2025**

- a. Oral update from the Vice-Chair of the Joint Personnel Committee.
- Vice-Chair Chandra informed the Board that the next meeting is scheduled for April 2nd.

**7.6 Legal Services Joint Adhoc Committee (Abbott, Chandra)**

**Last Meeting: March 13, 2025    Next Meeting: TBD**

- a. Oral update from the Legal Service Joint Adhoc Committee.
- Trustee Abbott and CEO Flynn updated the Board.

**7.7 Actuarial Services Joint Adhoc Committee (Avasthy)**

**Last Meeting: February 24, 2025    Next Meeting: April 1, 2025**

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

**8. EDUCATION & TRAINING**

**The Education & Training was received and filed.**

- a. The Cortex Report - March 2025 Conferences, Seminars and Educational Programs.
- b. CALAPRS 2025 Program Calendar.
- c. SACRS Spring Conference 2025, Omni Rancho Palmas Resort & Spa, Rancho Mirage, CA, May 13 - 16, 2025.
- d. NCPERS 2025 Annual Conference & Exhibition (ACE), Sheraton Denver Downtown Hotel, Denver, Colorado, May 17 - 21, 2025.
- e. NCPERS Trustee Educational Seminars (TEDS), The Westin Seattle, Seattle, Washington, May 17 - 18, 2025.

f. CALAPRS On-line Trustees' Round Table, May 30, 2025.

- **PROPOSED AGENDA ITEMS**

None.

- **ADJOURNMENT**

The meeting adjourned at 11:43 a.m.

- **Next FCERS Board Meeting: April 17, 2025**

\*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

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SPENCER HOROWITZ, CHAIR  
BOARD OF ADMINISTRATION

ATTEST:

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JOHN FLYNN, CEO  
OFFICE OF RETIREMENT SERVICES