



BOARD OF ADMINISTRATION

Meeting Minutes

Police and Fire Investment Committee

Tuesday, May 14, 2024

11:00 AM

1737 North First Street, San Jose, CA
95112

SPECIAL MEETING

HYBRID MEETING

PHYSICAL LOCATION:

1737 North First Street, Suite 580, San Jose, CA 95112

ZOOM INFORMATION:

zoom.us

Dial In: +1 669 2192599 US (San Jose)

Meeting ID: 95007740766

Pass Code: 569189

Eswar Menon, Chair

Andrew Gardanier, Vice-Chair

Sunita Ganapati, Trustee

Howard Lee, Trustee

Roberto L. Peña, CEO, Office of Retirement Services

Prabhu Palani, Chief Investment Officer

The Police and Fire Investment Committee met in person at the Office of Retirement Services, 1737 North First Street, Suite 580, San Jose, CA 95112 and via Zoom on Tuesday, May 14, 2024. The meeting was called to order at 11:00 a.m. by Chair Menon followed by a roll call.

Committee members present: Eswar Menon, Andrew Gardanier, Sunita Ganapati, and Howard Lee .

Retirement Staff present: Roberto Pena, Prabhu Palani, Jay Kwon, Dhinesh Ganapathiappan, Eric Tsang, Arun Nallasivan, Harrison Pearce, Ron Kumar, Ellen Lee, and Julie He.

Also present in person: Laura Wirick, Meketa Investments, Maytak Chin, Reed Smith and David Kwan, Public member

Retirement Staff via Zoom: Christina Wang and David Aung

Also present via Zoom: Marc Gessell, Verus Investments, and Eileen Neill, Verus Investments

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".

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.

• CALL TO ORDER AND ROLL CALL

• ORDERS OF THE DAY

A motion was made to waive Sunshine on the attachment for item 1.

Approved (M.S.C. Ganapati/Lee 4-0)

OPEN SESSION

1. Discussion and action on the Investment Policy Statement for San Jose Police and Fire Department Retirement Plan.

Trustee Menon started the discussion regarding the fiduciary duties of the trustees. He explained that since there have been changes to the Plan, he wants to make sure that the changes are reflected in the IPS. Trustee Ganapati explained further that the point of today's discussion is to clarify some of the items in the IPS, not to change any big picture governance. The items proposed to be changed were discussed.

A motion was made by Trustee Ganapati regarding the table on page 16 of the IPS to remove the vehicle limits, keep the public passive strategies at no limit, active strategies at 10%, private markets at 5%, and redefine this as manager limit, don't have a fund of one limit and address that outside of this, private fund concentration limit of 1.5% for private markets ex venture and 1% for venture. Trustee Ganapati recommended adding language in the future that new fund of one or advisor structure would be approved on a deal by deal basis. We have an advisory relationship with Neuberger Berman, to be decided whether it is a 10% or 15% limit. Have a line item here in the IPS which says for structures that are fund-of-ones or subadvisors or whatever encompass three or four things, the team will have specific limits to be grandfathered. We would grandfather whatever has already been done, but we would have a specific limit that would define every time a relationship is entered. Trustee Ganapati modified the motion to have a separate discussion of fund of one subadvisors next time.

Approved (m.s.c. Ganapati/Menon 3-1 Gardanier opposed)

CLOSED SESSION

- **PROPOSED AGENDA ITEMS**
- **PUBLIC COMMENTS**
- **ADJOURNMENT**

The meeting was adjourned at 1:10 p.m.