



# BOARD OF ADMINISTRATION

## Meeting Minutes Joint Investment Committee

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Tuesday, February 25, 2025

9:00 AM

1737 North 1st Street, Suite 580, San Jose,  
CA 95112

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***FCERS Committee Members:***

*Anurag Chandra, Chair*  
*Spencer Horowitz, Trustee*  
*Matthew Faulkner, Trustee*

***Police and Fire Committee Members:***

*Eswar Menon, Chair*  
*Andrew Gardanier, Vice-Chair*  
*David Kwan, Trustee*  
*Howard Lee, Trustee*

*John Flynn, CEO, Office of Retirement Services*  
*Prabhu Palani, Chief Investment Officer*

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The Joint 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, February 25, 2025. The meeting was called to order at 9:04 a.m. by Chair Anurag Chandra for Federated Committee and Chair Eswar Menon for the Police and Fire Committee followed by a roll call.

**Federated Committee Members Present:** Anurag Chandra, Spencer Horowitz (arrived at 9:18 a.m.) and Matthew Faulkner (departed at 10:00 a.m.)

**Police and Fire Committee Members Present:** Eswar Menon, Andrew Gardanier, David Kwan and Howard Lee.

**Retirement Staff Present:** John Flynn, Prabhu Palani, Jay Kwon, Harrison Pearce, Christina Wang, Ron Kumar, Cynthia Ayala, Julie He and Ellen Lee.

**Retirement Staff via Zoom:** David Aung, and Arun Nallasivan.

**Also Present:** Laura Wirick, Meketa Investments, and Zach Stevens, Meketa Investments.

**Also Present via Zoom:** Colin Kowalski, Meketa Investment Group, Marc Gesell, 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 for item#6 by the Federated Committee.

Approved (m.s.c. Faulkner/Chandra 2-0)

A motion was made to waive Sunshine for item#6 by the Police and Fire Committee.

Approved (m.s.c. Gardiner/Menon 4-0)

**CLOSED SESSION**

**OPEN SESSION**

1. Approval of minutes of the December 11, 2024 Federated Investment Committee meeting.  
(Federated IC only)

A motion was made to approve the minutes of the December 11, 2024 Federated Investment Committee meeting.

Approved (m.s.c. Faulkner/Chandra 2-0) )

2. Approval of minutes of the January 22, 2025 Police and Fire Investment Committee meeting. (Police and Fire IC only)

**A motion was made to approve the minutes of the January 22, 2025 Federated Investment Committee meeting.**

**Approved (m.s.c. Menon/Lee 4-0)**

3. Oral Update by CIO, Prabhu Palani

4. Discussion and action regarding the prefunding of the City's retirement contribution. (Federated IC only)

**Senior Investment Officer, Jay Kwon, presented the background on prefunding. He stated that according to the methodology adopted a few years ago, the City will be offered the discount rate at a 15% reduction. A motion was made to adopt the staff recommendation to reduce the discount rate by 15%.**

**Approved (m.s.c. Faulkner/Chandra 3-0)**

5. Discussion and action regarding the prefunding of the City's retirement contribution. (Police and Fire IC only)

**Senior Investment Officer, Jay Kwon, presented the background on prefunding. He stated that according to the methodology adopted a few years ago, the City will be offered the discount rate at a 15% reduction. A motion was made to adopt the staff recommendation to reduce the discount rate by 15%.**

**Approved (m.s.c. Gardanier/Lee 4-0)**

6. Discussion and action on Strategic Asset Allocation by Meketa Investments.

**Ms. Laura Wirick and Mr. Zach Stevens from Meketa Investments gave a comprehensive overview of Meketa's capital market expectations. There was a through discussion regarding appropriate risk levels.**

**Police and Fire Investment Committee**

**A motion was made to bring forward the table on page 36 to the board, along with two additional scenarios, when total public equity allocation mimics the MSCI ACWI weight in USA, International and Emerging markets; as well as when total public equity plus private equity mimics the ACWI weight in USA, International and Emerging Markets.**

**Approved (m.s.c. Menon/Lee 4-0)**

**Federated Committee**

**A motion was made to present to the full Board as according to page 36 as a two policy options.**

**Approved (m.s.c. Horowitz/Chandra 2-0)**

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

The meeting was adjourned at 11:20 A.M.