



BOARD OF ADMINISTRATION

Meeting Minutes

Police and Fire Investment Committee

Thursday, December 7, 2023

11:00 AM

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

or immediately following the conclusion of the Police and Fire Board meeting

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 2192599 US (San Jose)

Meeting ID: 96712913051

Pass Code: 688362

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 City Hall, Wing Rooms 118-120, 200 E. Santa Clara Street, San Jose, CA 95113 and via Zoom on Thursday, December 7, 2023. The meeting was called to order at 2:09 p.m. by Chair Menon followed by a roll call.

Committee members present: Eswar Menon, Sunita Ganapati, Howard Lee and Andrew Gardanier. Trustee Ganapati left the meeting at 3:25 p.m.

Retirement Staff present: Roberto Pena, Prabhu Palani, Jay Kwan, Dhinesh Ganapathiappan, Christina Wang, Eric Tsang, Chris Ha, David Aung, Arun Nallasivan, Harrison Pearce, Ron Kumar, and Ellen Lee.

Also present in person: Marc Gesell, Verus Investments, Vinod Pakianathan, Zeno AN Solutions.

Also present via Zoom: Amarjit Sahota, Klarity FX, Jared Pratt, Meketa Investments, Kevin Balaod, With Intelligence and Joe Ebisa, With Intelligence.

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**

OPEN SESSION

1. Approval of minutes of the September 7, 2023 Police and Fire Investment Committee meeting.

A motion was made to approve the minutes of the September 7, 2023 Police and Fire Committee meeting.

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

2. Oral Update by CIO, Prabhu Palani.

CIO Palani presented the agenda items for today's meeting.

3. Presentation of FX transaction cost analysis by Klarity FX.

Mr. Amo Sahota from Klarity FX presented the process and cost analysis of the foreign currency exchange for the Police and Fire Plan. Mr. Sahota expressed the analysis showed no issues with the managers and the custodian. He will continue to work with staff on any new accounts. He also answered questions from the Committee after the presentation.

4. Presentation of equity transaction cost analysis by Abel Noser.

Mr. Vinod Pakianathan from Abel Noser presented the cost analysis for trading costs of the Police and Fire Plan. Mr. Pakianathan stated that the execution costs were analyzed and found to be consistent or lower than market averages yielding excellent results.

5. Presentation of private markets program by Dhinesh Ganapathiappan, Senior Investment Officer.

Investment Staff Dhinesh Ganapathiappan and David Aung gave a presentation on the Police and Fire Private Markets Program. The overview included a recap of the objectives of the private markets program, market environment update, the current portfolio and plans for the future of the portfolio. Senior Investment Officer Ganapathiappan covered the buyout, private debt and growth real estate asset classes. Investment Officer David Aung discussed the private real assets and venture capital asset classes. They answered the questions from the Committee after the presentation.

6. Risk overview by Verus Investments.

Mr. Marc Gesell from Verus Investments presented an update on the risk overview of the Police and Fire investment portfolio. He expressed that the total risk was at 10.7% within the Board limit of 12%. The high utilization of passive strategies in public markets keep relative and active risk low.

CLOSED SESSION

COMMUNICATIONS

7. Manager decisions for second half of 2023.

- PROPOSED AGENDA ITEMS
- PUBLIC COMMENTS
- ADJOURNMENT

The meeting adjourned at 3:32 p.m.