



# BOARD OF ADMINISTRATION

## Meeting Agenda - Final

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

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Thursday, January 18, 2024

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: 971 8478 3633**

**Passcode: 854502**

#### **BOARD MEMBERS**

*Spencer Horowitz, Chair (Term Expires 11/30/24)*  
*Julie Jennings, Vice-Chair (Term Expires 11/30/27) -- 855 E. Hilton Dr., Boulder Creek, CA 95006*  
*Deborah Abbott, Trustee (Term Expires 11/30/26)*  
*Prachi Avasthy, Trustee (Term Expires 11/30/25)*  
*Anurag Chandra, Trustee (Term Expires 11/30/26)*  
*Matthew Faulkner, Trustee (Term Expires 11/30/27)*  
*Mark Linder, Trustee (Term Expires 11/30/24) -- 1251 Shiloh Ridge, Windsor, CA 95492*

#### **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*

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#### **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

Senate Bill 1439 (“Levine Act”) amended Government Code Section 84308 and requires disclosure and recusal by a local elected official and some members of boards and commissions if they receive campaign contributions over \$250 from a party, a participant with a financial interest in a proceeding, or their respective agents. The Levine Act was an anti-corruption law intended to curb “pay-to-play” and enhance public trust so that decision-makers can maintain their independence from the influence of donations for political campaigns. SB 1439 expanded the scope from state agency appointees or appointed local officials to include local elected officials. Please visit <https://www.sanjoseca.gov/your-government/appointees/city-clerk/levine-act> for updated forms and information.

### **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.

**CLOSED SESSION**

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

**II. CLOSED SESSION NEW BUSINESS/CONTINUED-DEFERRED ITEMS**

**A. CLOSED SESSION**: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Chief Executive Officer and counsel.

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

**• ORDERS OF THE DAY**

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

**1. Application for Change in Status to a Service-Connected Disability**

**a. Jennifer Standing-Elk**, Office Specialist II, Department of Transportation, Request for Change of Status to Service-Connected Disability Retirement, effective March 16, 2013; 22.01\* years of service. (*Staff Disability Committee Recommendation: Denial*)

**2. CONSENT CALENDAR**

**2.1 Approval of Service Retirements**

**a. Joseph Andrade**, Wastewater Maintenance Superintendent, Environmental Services Department, effective February 2, 2024; 16.54\* years of service.

**b. Joe T. Beckham**, Senior Electrician, Public Works Department, effective January 20, 2024; 22.64\* years of service.

**c. Emily C. Hendon**, Division Manager, Human Resources Department, effective February 3, 2024; 11.55\* years of service.

**d. Ignacio J. Preciado**, Building Inspector Supervisor, Public Works Department, effective

January 20, 2024; 20.23\* years of service.

## **2.2 Approval of Deferred Vested**

- a. **Stuart Bennett**, Investment Officer, Office of Retirement Services, effective January 31, 2024; 13.41\* years of service. (*With Reciprocity - 0.47 CSJ + 12.94 PERS = 13.41 YOS*)
- b. **Samantha L. Doebler**, Senior Analyst, Department of Transportation, effective February 1, 2024; 7.27\* years of service.
- c. **James P. Reinhardt**, Animal Services Officer, Parks, Recreation & Neighborhood Services, effective January 8, 2024; 13.94\* years of service.
- d. **Natalie Rae Rencher**, Senior Librarian, Library Department, effective December 30, 2023; 7.53\* years of service. (*With Reciprocity - 1.44163 CSJ + 6.0885 SDCERA = 7.53 YOS*)
- e. **Jianzheng Yang**, Associate Engineer, Planning Building and Code Enforcement, effective February 1, 2024; 24.05\* years of service. (*With Reciprocity - 3.80 CSJ + 20.25 PERS = 24.05 YOS*)

## **2.3 Approval of Board Minutes**

- a. Approval of the Board Minutes of December 21, 2023.

**Attachments:**      [2.3a - FED Board 12-21-23 Minutes-Final.pdf](#)

## **2.4 Approval of Return of Contributions**

- a. Voluntary | Involuntary

**Attachments:**      [2.4a - FED ROC Review - December 2023.pdf](#)

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

- a. Approval of Federated City Employee's Retirement System's Popular Annual (PAFR) for the year ended June 30, 2023.

**Attachments:**      [2.5a - PAFR FED 22-23 12.21.23 v2.pdf](#)

## **2.6 Approval of Travel / Conference Attendance**

- a. Prabhu Palani, CIO
  - Pacific Pension & Investment Winter Roundtable, The Meritage, Napa, California, March 6 - 7, 2024.

## **2.7 Alternate Beneficiary Designation**

- a. Approval of Alternate Payee Benefit election of Lifetime Monthly Payment Option to be paid to Elizabeth Sotelo, ex-spouse of Maintenance Worker II, **Joseph Sotelo** to be effective January 5,

2024, under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

**Attachments:** [2.7a - DRS430 Sotelo, Elizabeth.pdf](#)

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

- a. Notification of the death of **Angel Navarro**, Airport Maintenance Supervisor, retired January 5, 1980, died December 31, 2023. No survivorship benefits.

### **4. INVESTMENTS**

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Market Overview by Morgan Stanley.

**Attachments:** [4b - Morgan Stanley Portfolio Solutions Group Outlook.pdf](#)  
[4b - Morgan Stanley PSG Market Outlook\\_vF \(revised\).pdf](#)

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

### **6. NEW BUSINESS**

- a. Oral update from the CEO of Retirement Services, Roberto L. Peña.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion and action on Final OPEB Valuation results as of June 30, 2023 to be presented by Cheiron.

**Attachments:** [6c\(1\) - FED CASJCICW Final 2023 Actuarial Valuation Results-2024-1-9.pdf](#)  
[6c\(2\) - FED CASJCICW 2023 OPEB Funding AVR-2024-1-10s.pdf](#)

- d. Discussion on Cheiron's 5-Year City Pension and OPEB Contribution Projections.

**Attachments:** [6d - FED CASJCICW 2023 5-Year Federated Projections-2024-1-8s.pdf](#)

- e. Discussion and action to authorize the CEO to negotiate and execute an agreement between the Board of Administration (the Board) for the Federated City Employees' Retirement System (the System) and Risk Strategies for insurance brokerage services ending on June 30, 2028, for the maximum contract amount of \$300,000, to be split with the Board of Administration for the San Jose Police and Fire Department Retirement Plan (Plan).

**Attachments:** [6e - FED Risk Strategies Agreement for Insurance Broker Services.pdf](#)

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

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

**Last Meeting: December 13, 2023    Next Meeting: February 20, 2024**

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the Federated Investment Committee meeting from August 29, 2023. Receive and file.

**Attachments:**     [7.1b - FED IC 8-29-23 Minutes-Final.pdf](#)

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

**Last Meeting: October 19, 2023    Next Meeting: February 15, 2024**

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

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

**Last Meeting: November 27, 2023    Next Meeting: January 29, 2024**

- a. Oral update from the Chair of the Governance Committee.
- b. Update of the progress on adoption of City and ORS policies and procedures.

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

**Last Meeting: January 16, 2024    Next Meeting: February 6, 2024**

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the Federated Disability Committee meeting from December 5, 2023. Receive and file.

**Attachments:**     [7.4b - FED DC 12-5-23 Minutes-Final.pdf](#)

- c. Discussion and action for approval of disability retirement application rules and procedures.

**Attachments:**     [7.4c - Draft FED DC Rules of Proc. Concerning the Denial of Apps for Failure to](#)

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

**Last Meeting: December 22, 2023    Next Meeting: January 31, 2024**

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes of the Joint Personnel Committee meeting from November 14, 2023. Receive and file.

**Attachments:**     [7.5b - JPC 11-14-23 Minutes-Final.pdf](#)

- c. Report on ad hoc committee's recommendation of hiring executive search firm for CEO position.

**Attachments:**      [7.5c\(1\) - Bid-Takers.pdf](#)  
                                 [7.5c\(2\) - CSJ-ORS-ESR-2023.pdf](#)  
                                 [7.5c\(3\) - Alliance RFP.pdf](#)  
                                 [7.5c\(4\) - CBiz RFP.pdf](#)  
                                 [7.5c\(5\) - MFS RFP.pdf](#)

## **8. EDUCATION & TRAINING**

- a. The Cortex Report - January 2024, Conferences, Seminars and Educational Programs.

**Attachments:**      [8a - San Jose Cortex Report - January 2024 Edition.pdf](#)

- b. CALAPRS, General Assembly 2024, Omni Rancho Las Palmas Resort, Rancho Mirage, CA, March 2 - 5, 2024.

**Attachments:**      [8b - CALAPRS General Assembly 2024.pdf](#)

- c. CALAPRS, Advanced Principles of Pension Governance for Trustees, UCLA Luskin Conference Center, Los Angeles, CA, March 27 - 29, 2024.

**Attachments:**      [8c - CALAPRS Advanced Principles of Pension Governance for Trustees.pdf](#)

## **• PROPOSED AGENDA ITEMS**

## **• ADJOURNMENT**

## **• Next FCERS Board Meeting: February 15, 2024**

\*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

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SPENCER HOROWITZ, CHAIR  
BOARD OF ADMINISTRATION  
ATTEST:

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ROBERTO L. PEÑA, CEO  
OFFICE OF RETIREMENT SERVICES

