



## **JOINT MEETING**

### **CITY COUNCIL AND BOARDS OF THE FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM POLICE AND FIRE DEPARTMENT RETIREMENT PLAN**

## **STUDY SESSION AGENDA**

### **PENSION OBLIGATION FINANCING – RESPECTIVE ROLES AND RESPONSIBILITIES FOR POLICY DEVELOPMENT**

**September 30, 2021**

**1:30 P.M. TO 4:30 P.M.**

**Virtual Meeting**

**<https://sanjoseca.zoom.us/j/93052835954>**

- Purpose:** The purpose of this joint study session is to present and discuss the respective roles and responsibilities of the City Council and Retirement Plan Boards in policy development as the City Council evaluates issuing Pension Obligation Bonds (“POBs”) as an option to reduce the unfunded actuarial liabilities in the Plans. The Study Session is intended to provide preparatory work that will enable Council and the Retirement Plan Boards to make informed decisions about the policies they will formulate and adopt, should the City choose to issue POBs, and align all parties’ understanding of their respective roles to improve the funded status of the Plans.
- Outcome:** The City Council, Retirement Plan Boards, Administration, and stakeholders have a shared understanding of their respective roles and responsibilities if the City Council chooses to proceed with issuance of POBs, including development of a workplan for informing and understanding each other’s approaches and intended policies before such bonds are issued.

**SAN JOSE CITY COUNCIL**

CHAPPIE JONES	DISTRICT 1		DEV DAVIS	DISTRICT 6
SERGIO JIMENEZ	DISTRICT 2		MAYA ESPARZA	DISTRICT 7
RAUL PERALEZ	DISTRICT 3	SAM LICCARDO MAYOR	SYLVIA ARENAS	DISTRICT 8
DAVID COHEN	DISTRICT 4		PAM FOLEY	DISTRICT 9
MAGDALENA CARRASCO	DISTRICT 5		MATT MAHAN	DISTRICT 10

**FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF TRUSTEES**

SPENCER HOROWITZ, CHAIR	MARK KELEHER, TRUSTEE
VACANT, VICE-CHAIR	ELAINE ORR, TRUSTEE
ANURAG CHANDRA, TRUSTEE	VACANT, TRUSTEE
JULIE JENNINGS, TRUSTEE	DEV DAVIS, CITY COUNCIL LIAISON

**POLICE AND FIRE DEPARTMENT RETIREMENT PLAN  
BOARD OF TRUSTEES**

DREW LANZA, CHAIR	RICHARD SANTOS, TRUSTEE
ANDREW GARDANIER, VICE-CHAIR	FRANCO VADO, TRUSTEE
SUNITA GANAPATI, TRUSTEE	DAVE WILSON, TRUSTEE
HOWARD LEE, TRUSTEE	VACANT, TRUSTEE
ESWAR MENON, TRUSTEE	PAM FOLEY, CITY COUNCIL LIAISON

*The City of San José is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.*

Welcome to the San José City Council meeting!

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 6 p.m. as needed, unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <https://www.sanjoseca.gov/your-government/departments/city-clerk/council-agendas-information/council-agendas>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14<sup>th</sup> Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or [City.Clerk@sanjoseca.gov](mailto:City.Clerk@sanjoseca.gov) for the final document.

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 535-1260 or (408) 294-9337 as soon as possible, but at least three business days before the meeting.

**How to observe the Meeting (no public comment):**

- 1) Cable Channel 26,
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

**How to submit written Public Comment before the City Council Meeting:**

- 1) Use the eComment tab located on the City Council Agenda page. eComments are also directly sent to the legislate application used by City Council and staff.
- 2) By email to [city.clerk@sanjoseca.gov](mailto:city.clerk@sanjoseca.gov) by 8:00 a.m. the day of the meeting. Those emails will be attached to the Council Item under "Letters from the Public." Please identify the Agenda Item Number in the subject line of your email.

### **How to submit written Public Comment during the City Council Meeting:**

Email during the meeting to [councilmeeting@sanjoseca.gov](mailto:councilmeeting@sanjoseca.gov), identifying the Agenda Item Number in the email subject line. Comments received will be included as a part of the meeting record but will not be read aloud during the meeting.

### **How to provide spoken Public Comment during the City Council Meeting:**

- 1) By Phone: (888) 475 4499. Webinar ID is 930 5283 5954. Click \*9 to raise a hand to speak. Click \*6 to unmute when called.  
Alternative phone numbers are: US: +1 (213) 338-8477 or +1 (408) 638-0968 or (877) 853-5257 (Toll Free)
- 2) Online at: <https://sanjoseca.zoom.us/j/93052835954>
  - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
  - b. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
  - c. When the Mayor calls for the item on which you wish to speak, click on “raise hand.” Speakers will be notified shortly before they are called to speak.
  - d. When called, please limit your remarks to the time limit allotted.

### **For Closed Captions, please visit the City’s YouTube channel:**

<https://www.youtube.com/CityofSanJoseCalifornia>, or website livestream  
<https://www.sanjoseca.gov/news-stories/watch-a-meeting>.

## **• Call to Order and Roll Call**

## **STUDY SESSION**

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1:30 p.m. – 4:30 p.m.

### **21-2179 Joint Study Session: Pension Obligation Financing - Respective Roles and Responsibilities For Policy Development – Memorandum and Presentation**

#### **Part I – City Manager’s Introductions and Opening Comments**

#### **Part II – Framing the Study Session: How we got here and where we need to go**

#### **Part III – Roles and Responsibilities of the City**

*Why is the City considering issuing POBs?*

#### **Part IV – Roles and Responsibilities of the Retirement Boards**

**Part V – The Retirement Boards’ Consultants (Cheiron, Boards’ Actuary)**

*Analysis of Actuarial Impacts*

**Part VI – The City’s Consultants (Urban Futures Inc., Municipal Advisors)**

*Analysis of Potential San José POBs*

**Part VII – Public Comment**

**Part VIII – Council and Board Member Dialogue (Questions and Comments)**

**Part IX – Wrap-up and Next Steps**

- Adjournment