



BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, March 3, 2022

8:30 AM

MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION

zoom.us

Dial In: +1 669 219 2599 US (San Jose)

Meeting ID: 957 7540 9699

Password: 052498

Drew Lanza, Chair, Public Member (Term Expires 4/30/23)
Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/23)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/22)
Howard Lee, Trustee, Public Member (Term Expires 11/30/22)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)
Franco Vado, Trustee, Police Retiree Rep (Term Expires 11/30/24)
Dave Wilson, Trustee, Acting Police Active Rep (Term Expires 11/30/21)
Vacant, Trustee, Public Member (Term Expires 11/30/24)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

*** COVID-19 NOTICE ***

Consistent with AB 361 and City of San Jose Resolution Nos. 79485, 80237, 80266, 80290, 80323, 80343 and 80363 this meeting will not be physically open to the public and the Board Members will be teleconferencing from remote locations.

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:

- 1) By email to retirement.department@sanjoseca.gov by 5:00 p.m. the day before the meeting.
- 2) By phone +1 669 219 2599 . Meeting ID 957 7540 9699. The Chair will recognize public comment after each item and will be notified to speak.
- 3) By online <https://sanjoseca.zoom.us>

- 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. When the Chair 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.
- c. When called, please limit your remarks.

AGENDA

CALL TO ORDER AND ROLL CALL

OPEN SESSION

To request an accommodation or alternative format under the Americans with Disabilities Act for Board meetings, events or printed materials, please call Marti Zarate (408) 794-1112 as soon as possible, but at least three business days before the meeting.

• ORDERS OF THE DAY

1. CONSENT CALENDAR

1.1 Approval for a Service-Connected Disability Retirement

- a. **Jennifer Clear**, Police Officer, Police Department, Request for Service-Connection Disability Retirement, effective January 11, 2022; 18.48* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval Of Minutes

- a. Approval of the Board Minutes of February 3, 2022.

Attachments: [1.2a - PF Minutes 2.3.22-Final](#)

1.3 Approval Of Travel for Conferences and Due Diligence

- a. Roberto Pena, CEO
 - CalAPRS General Assembly, Mission Bay Resort, San Diego, CA - March 5-8, 2022.
- b. Prabhu Palani, CIO
 - CalAPRS General Assembly, Mission Bay Resort, San Diego, CA - March 5 - 8, 2022.
 - GroqDay 2022, Virtual Conference - March 31, 2022.
 - Pension Bridge Annual, Westin St. Francis, San Francisco, CA - April 18 - 20, 2022.
- c. Drew Lanza, Dave Wilson, Franco Vado, Trustees
 - CalAPRS General Assembly, Mission Bay Resort, San Diego, CA - March 5 - 8, 2022.
- d. Eswar Menon, Trustee
 - Pension Bridge Annual, Westin St. Francis, San Francisco, CA - April 18 - 20, 2022.

1.4 Return of Contributions

- a. Voluntary/Involuntary. - **None.**

1.5 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.5a - P&F Dashboard for 3.3.22](#)

1.6 Recission Of Retirement Application

- a. Approval of request to rescind the Deferred Vested Retirement application of **Kelli Knight Janda**, Police Officer, approved at the December 2, 2021 Board meeting for the effective date of December 31, 2021.

Attachments: [1.6a - KNIGHTRecission](#)

1.7 Change of Retirement Application

- a. Approval for a change in effective date for **Scott Diehl**, Fire Captain, from March 5, 2022 to July 10, 2022 for a Service Retirement, approved at the January 6, 2022 Board meeting.

Attachments: [1.7a - COD- Diehl](#)

1.8 Education and Training

- a. The Cortex Report - March 2022, Conferences, Seminars and Educational Programs.

Attachments: [1.8a - Cortex Report - March 2022](#)

- b. CalAPRS General Assembly, San Diego Mission Bay Resort, San Diego, CA - March 5-8, 2021.

Attachments: [1.8b - CALAPRS_GA_2022_Program](#)

- c. CalAPRS Advanced Principles of Pension Governance for Trustees, UCLA Luskin Conference Center, Los Angeles, CA - March 30 - April 1, 2022.

Attachments: [1.8c - calaprs_ucla2022_application](#)

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

- b. Presentation of Calendar 3rd Quarter 2021 private equity report by Neuberger Berman.

Attachments: [2b - Investment Report for SJPF-NB](#)

- c. Presentation of Calendar 3rd Quarter 2021 private markets report by Meketa Investment Group.

Attachments: [2c - Q32021 PM ReportSJPF](#)

- d. Presentation of Calendar 4th Quarter 2021 performance report for Pension Plan by Meketa

Investment Group.

Attachments: [2d - 4Q21_PerforReportSJPFPP v2](#)

- e. Presentation of Calendar 4th Quarter 2021 performance report for Health Care Trust by Meketa Investment Group.

Attachments: [2e - 4Q21_PerfReportSJPFHCT v2](#)

- f. Discussion and action on asset allocation by Meketa Investment Group.

Attachments: [2f\(1\) - Asset Allocation Review SJ Police Fire](#)
[2f\(2\) - Verus P&F Risk Allocation](#)

- g. Discussion and action on the City's prefunding option for fiscal year 2022 - 2023.

Attachments: [2g\(1\) - PrefundingCoverMemo-PF](#)
[2g\(2\) -PrefundingRiskMitigationProcessUpdateRec](#)
[2g\(3\) - Prefunding Risk Mitigation Process Rec](#)
[2g\(4\) - 121754362_1](#)

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Discussion and action on Segal presentation of actuarial audit of the Pension Valuation Report as of June 30, 2021 prepared by Cheiron; and Cheiron's response.

Attachments: [3a - Response to Segal's Audit Recs](#)

4. 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 amendment to MOU between Board and City for use of actuary to review City bond disclosure documents.

Attachments: [4c\(1\) - Cheiron Memo MOU 2nd Amend](#)
[4c\(2\) - Final Amended and Restated MOU](#)

- d. Discussion and action the Governance Committee's recommendation to approve a Policy for Procedures for Cancellation and Termination of Retirement Allowances pursuant to SJMC § 3.36.830 and SJMC § 3.36.1150.

Attachments: [4d - MemoREFelonyForfeiturePolicyAdoption](#)

- e. Discussion and action regarding the use of the Board Medical Advisor, Work Health Solutions, for pending disability applications.

Attachments: [4e - WHSPendingDisAppsMemo](#)

- f. Discussion and action regarding approval to increase the FY21-22 administrative budget for professional services by \$150,000 to a total of \$1,017,000.

Attachments: [4f -ProfessionalServicesBudgetIncrease](#)

- g. Discussion and action on the Office of Retirement Services proposed administrative budget for FY 2022 - 2023.

Attachments: [4g\(1\) - PFPProposedBudgetMemoFY23v2](#)
[4g\(2\) - PF22-23BudgetPres 3.3.22v2](#)
[22-23 PF Budget Workbook - HANDOUT](#)

- h. Update on Strategic Communications Plan presented by Deputy Director, Barbara Hayman.

Attachments: [4h\(1\) - Strategic Comm Plan](#)
[4h\(2\) - Update on Strategic timeline diagram to 6-2023](#)

- i. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

Attachments: [4i - AB 361 Factual Finding Memo](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Karren M. Augustine**, Firefighter, Fire Department, effective January 31, 2022; 27.29* years of service.
- b. **Angela Jacobs**, Battalion Chief, Fire Department, effective January 28, 2022; 26.33* years of service.
- c. **Bryan B. Williams**, Police Officer, Police Department, effective March 8, 2022; 25.00* years of service.
- d. **Mark T. Womack**, Police Officer, Police Department, effective March 19, 2022; 25.03* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Edward Cutter**, Fire Inspector, retired September 3, 1998, died December 11, 2021. Survivorship benefits to Janice Cutter, Spouse.
- b. Notification of the death of **Stanley Jones**, Fire Captain, retired January 5, 2003, died December 14, 2021. Survivorship benefits to Linda Jones, Spouse.
- c. Notification of the death of **William C. Mc Clean, III**, Police Officer, retired May 5, 2001, died

January 22, 2022. No survivorship benefits.

- d. Notification of the death of **Kevin Nishita**, Police Officer, retired July 17, 2018, died November 27, 2021. Survivorship benefits to Virginia Nishita, Spouse.
- e. Notification of the death of **Leland Petersen**, Fire Captain, retired October 3, 1996, died January 8, 2022. Survivorship benefits to Sandra Petersen, Spouse.
- f. Notification of the death of **John Porter**, Police Officer, retired May 3, 1997, died December 28, 2021. Survivorship benefits to Gloria Porter, Spouse.
- g. Notification of the death of **Larry Torkelson**, Fire Captain, retired August 5, 1995, died November 28, 2021. Survivorship benefits to Beverly Torkelson, Spouse.
- h. Notification of the death of **David Williams**, Firefighter, retired December 4, 1991, died February 7, 2022. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Menon - CH/Gardanier/Lanza/Lee)

Last Meeting: February 22, 2022 (Regular) Next Meeting: March 3, 2022 (Special)

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the Special Investment Committee meeting from January 6, 2022. Receive and file.
Attachments: [7.1b - SPCIC 1.6.22 -Final](#)
- c. Minutes of the December 17, 2021 Police and Fire Investment Committee meeting. Receive and file.
Attachments: [7.1c - PF IC Mins12.17.21](#)

7.2 Audit/Risk Committee (Ganapati-CH/Lee/Wilson)

Last Meeting: February 17, 2022 (Regular Joint meeting) Next Meeting: March 4, 2022 (Special)

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the October 21, 2021 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.
Attachments: [7.2b - 10-21-21 JAC Minutes-Final](#)
- c. Minutes of the Special Audit/Risk Committee meeting from January 6, 2022. Receive and file.
Attachments: [7.2c - SPCAC 1.6.22 -Final](#)

- d. 10/1/21 - 12/31/21 Quarterly Travel and attendance for Police & Fire. Receive and file.
Attachments: [7.2d - Travel Analysis 10-1-2021-12-31-2021-PF](#)
- e. Update on the City Auditor's Recommendation to the Office of Retirement Services. Receive and file.
Attachments: [7.2e - City Aud Recomm 17-06 Retire 2.9.22](#)
- f. Benefits Audit: Pay Codes by Office of Retirement Services, Internal Auditor, Houman Boussina. Receive and file.
Attachments: [7.2f\(1\) - Presentation PayCodesAudit](#)
 [7.2f\(2\) - FINAL PayCode Audit](#)
- g. Status of Audit Recommendations by Office of Retirement Services, Internal Auditor, Houman Boussina. Receive and file.
Attachments: [7.2g\(1\) - Presentation Recom](#)
 [7.2g\(2\) - Report Recom FU 2022 Final](#)
- h. 2021 Internal ORS staff survey by Office of Retirement Services, Internal Auditor, Houman Boussina. Receive and file.
Attachments: [7.2h\(1\) - Pres StaffSurvey](#)
 [7.2h\(2\) - FINAL StaffSurvey ORS 2021](#)

7.3 Governance Committee (Vado - CH/ Ganapati/Santos)

Last Meeting: February 3, 2022 (Special) Next Meeting: March 3, 2022 (Special)

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the Special Governance Committee meeting from January 6, 2022. Receive and file.
Attachments: [7.3b - SPCGC 1.6.22 -Final](#)

7.4 Disability Committee (Santos - CH/Lanza - Alts: Menon/Vado)

Last Meeting: February 7, 2022 (Regular) Next Meeting: March 3, 2022 (Special) March 15, 2022 (Regular)

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the Special Disability Committee meeting from January 6, 2022. Receive and file.
Attachments: [7.4b - SPCDC 1.6.22 -Final](#)
- c. Minutes from the January 10, 2022 Police and Fire Disability Committee meeting. Receive and file.

Attachments: [7.4c - PF DC Minutes 1-10-22 - Final](#)

7.5 Joint Personnel Committee (Gardanier/Lanza/Menon)

Last Meeting: February 4, 2022 (Regular) Next Meeting: March 4, 2022 (Regular)

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes from the January 6, 2022 JPC meeting. Receive and file.

Attachments: [7.5b - JPC Minutes 1-6-22 - Final](#)

- c. Discussion and action on the CEO Performance Process regarding JPC approved revisions to the Policy and Procedures.

Attachments: [7.5c\(1\) - Cover Memo CEO Perf Eval Process](#)
[7.5c\(2\) - Procedures for Evaluating CEO - Red Line](#)
[7.5c\(3\) - Procedures for Evaluating CEO](#)
[7.5c\(4\) - CEO Performance Evaluation Policy](#)

- d. Discussion and update on potential revisions to the performance evaluations for the CIO Performance Process.

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• ADJOURNMENT

Next Meeting: April 7, 2022

*Estimated

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 Retirement Services, 1737 N. First Street, Suite 600, San José CA 95112 at the same time that the public records are distributed or made available to the legislative body.

Access the video or audio, the agenda and related reports for this meeting by visiting the Retirement Services website at <http://sjrs.legistar.com/calendar.aspx>. If you have any questions, please contact the Office of Retirement Services at (408) 794 - 1000.