



# BOARD OF ADMINISTRATION

## Meeting Agenda - Final

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

---

Thursday, November 16, 2023

8:30 AM

1737 North First Street, Suite 580  
San Jose, CA 95112

---

#### HYBRID MEETING

#### PHYSICAL LOCATION:

ORS, 1737 N. First St. Suite 580, San Jose, CA 95112

#### ZOOM INFORMATION:

zoom.us

Dial In: +1 669 900 9128 US (San Jose)

Meeting ID: 922 0576 1662

Passcode: 404544

#### **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) --1000 Avenida El Conquistador Las Casitas 5535,*

*Fajardo, Fajardo 00738, Puerto Rico*

*Mark Linder, Trustee (Term Expires 11/30/24)*

#### **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*

---

**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)

### **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-DEFERRED/CONTINUED ITEMS**

- A. CLOSED SESSION:** CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6(a). Agency designated representative: Spencer Horowitz, Board Chair. Unrepresented employee: Chief Executive Officer.
- B. 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 9:30 a.m.**

**• ORDERS OF THE DAY**

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

**1. CONSENT CALENDAR**

**1.1 Approval of Service Retirements**

- a. Pamela Helmke**, Supervising Park Ranger, Parks, Recreation and Neighborhood Services, effective December 10, 2023; 35.33\* years of service.
- b. April H. Kellett**, Staff Specialist, Environmental Services Department, effective December 9, 2023; 16.69\* years of service.
- c. David Navarro**, Facility Repair Worker, Public Works Department, effective December 9, 2023; 22.46\* years of service.
- d. Jesse E. Sepulveda**, Maintenance Worker II, Department of Transportation, effective November 23, 2023; 16.04\* years of service.
- e. Michelle Steiner**, Library Assistant, Library Department, effective December 9, 2023; 30.09\* years of service.

**1.2 Early Retirement**

- a. Bryan Inouye**, Maintenance Worker II, Airport Department, effective December 9, 2023; 6.69\* years of service.

**1.3 Approval of Deferred Vested**

- a. **Jacqueline Campos**, Community Activity Worker, Parks, Recreation and Neighborhood Services Department, effective November 26, 2023; 9.61\* years of service.
- b. **Stephanie Eastep**, Analyst I, Library Department, effective October 17, 2023; 10.41\* years of service.
- c. **Patricia D. Wood**, Medical Assistant, Human Resources Department, effective December 9, 2023; 12.60\* years of service.

#### **1.4 Approval of Board Minutes**

- a. Approval of the Board Minutes of October 19, 2023.

**Attachments:**      [1.4a - FED Board 10-19-23 Minutes-Final.pdf](#)

#### **1.5 Approval of Return of Contributions**

- a. Voluntary | Involuntary

**Attachments:**      [1.5a - FED ROC - October 2023.pdf](#)

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

- a. Report of the Monthly Board Expenses for September 2023. Receive and file.

**Attachments:**      [1.6a - FED September 2023 Monthly Expenses Report.pdf](#)

- b. Q1 FY 23-24 Budget to Actual Quarterly Budget Reports.

**Attachments:**      [1.6b - Q1 FY23-24 FED Budget Report.pdf](#)

- c. Contract entered into by the CEO: Risk Strategies Company Client Agreement.

**Attachments:**      [1.6c - Risk Strategies Company Client Agreement.pdf](#)

- d. **Educational Travel Reports:**

- The 2023 Pension Bridge Alternatives, The Westin Times Square, New York City, New York, October 10-11, 2023 - by Anurag Chandra

**Attachments:**      [1.6d - FED Trustee Chandra Travel Content Report.pdf](#)

#### **1.7 Change of Retirement Application-Job Title Correction**

- a. Approval for a job title correction for **Stacee Fischer**, from Benefits Analyst to Analyst II C, retirement date of October 12, 2023, for a Service Retirement approved at the September 21, 2023 Board meeting.

**Attachments:**      [1.7a - Correct Job Title Memo - Stacee Fischer.pdf](#)

### **1.8 Approval of Change in Retirement Date**

- a. Approval for a change in effective date for **Gregory Reed**, Wastewater Senior Mechanic II, Environmental Services Department, from September 16, 2023, to September 15, 2023, for a Service Retirement approved at the September 21, 2023 Board meeting.

**Attachments:**      [1.8a - Change Retirement Date Memo - Reed, Gregory.pdf](#)

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

- a. Notification of the death of **Audie Atchison**, Maintenance Worker II, retired March 12, 2016, died October 31, 2023. No survivorship benefits.
- b. Notification of the death of **Sandra Bernabe**, Senior Account Clerk, retired September 3, 2022, died October 11, 2023. Survivorship benefits to Antonio Bernabe, spouse.
- c. Notification of the death of **Cecilia Y. Carrillo**, Account Clerk II, retired October 17, 1998, died September 19, 2023. No survivorship benefits.
- d. Notification of the death of **Garry Dormandy**, Senior Construction Inspector, retired April 1, 1990, died September 6, 2023. No survivorship benefits.
- e. Notification of the death of **Richard E. Glenzer** Groundworker, retired December 27, 1986, died August 29, 2023. No survivorship benefits.
- f. Notification of the death of **Jody M. Grizzle**, Dispatcher, retired April 13, 2013, died September 13, 2023. No survivorship benefits.
- g. Notification of the death of **Dale Haddock**, Plant Mechanic, retired October 28, 2015, died September 24, 2023. No survivorship benefits.
- h. Notification of the death of **Kevin Newman**, Recreation Specialist, retired August 30, 2003, died October 4, 2023. No survivorship benefits.
- i. Notification of the death of **Joanne B. Sirott**, Librarian II, retired November 30, 1985, died October 23, 2023. No survivorship benefits.
- j. Notification of the death of **Carl Stewart**, Associate Architect, retired January 23, 1988, died October 1, 2023. No survivorship benefits.
- k. Notification of the death of **Russell P. Strausbaugh**, Deputy Director, retired April 23, 2005, died October 20, 2023. Survivorship benefits to Martha Dreier, spouse.

### **3. INVESTMENTS**

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.

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

## **5. 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 on Preliminary Pension Valuation Results as of June 30, 2023 presented by Cheiron.  
**Attachments:**     [5c - SJFCERS 2023 Prelim Results Demographic Experience Study 2023-11-0](#)
- d. Discussion and action on of demographics experience study results and demographic assumptions to be used in the pension fund June 30, 2023 actuarial valuation to be presented by Cheiron.  
**Attachments:**     [5d - SJFCERS 2023 Prelim Results Demographic Experience Study 2023-11-0](#)
- e. Discussion and action on assumptions for the OPEB June 30, 2023 actuarial valuation to be presented by Cheiron.  
**Attachments:**     [5e - CASJCICW 2023 OPEB Assumptions 2023-11-07s.pdf](#)
- f. Discussion and action to amend contract with Reed Smith to change designated “Attorney Representative”.  
**Attachments:**     [5f - Reed Smith FED 2020-7 Legal Services Agreement-Original.pdf](#)
- g. Discussion and action on Board’s adoption of certain City policies for Office of Retirement Services operations.  
**Attachments:**     [5g - ORS - Board Adoption of Certain City Policies.pdf](#)
- h. Nominations for the positions of Board Chair and Vice-Chair for calendar year 2024.  
**Attachments:**     [5h - FED BOARDS-COMMITTEES-Members-Participants-Updated 8.11.23.pdf](#)
- i. Discussion and action of standing committee assignments.  
**Attachments:**     [5i - FED BOARDS-COMMITTEES-Members-Participants-Updated 8.11.23.pdf](#)
- j. Discussion and action on the 2024 Scheduled Board and Standing Committee Meetings.  
**Attachments:**     [5j - Proposed 2024 Meeting Schedule MEMO-FCERS.pdf](#)

## **6. COMMITTEES/REPORTS/RECOMMENDATIONS**

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

**Last Meeting: August 29, 2023     Next Meeting: December 19, 2023**

- a. Oral update from the Chair of the Investment Committee.

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

**Last Meeting: October 19, 2023      Next Meeting: TBD**

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the FCERS Audit Committee meeting from September 21, 2023. Receive and file.  
  
**Attachments:**      [6.2b - JAC 9.21.23 Minutes-Final.pdf](#)
- c. Discussion on ORS Management's Response on Finding 1 in "Audit: Procurement and Contract Oversight" Report by ORS Senior Internal Auditor, dated May 18, 2023, regarding Granicus contract.
- d. Discussion on ORS Management's Response on Finding 3 in "Audit: Procurement and Contract Oversight" Report by ORS Senior Internal Auditor, dated May 18, 2023, regarding laptop purchase during COVID-19.
- e. Discussion and action regarding Communication to the Board of Administration of the City of San Jose Federated City Employees' Retirement System from Macias Gini & O'Connell (MGO) the Plan's external auditor:
  - a. Independent auditor's report on the internal control over financial reporting, compliance and other matters based on an Audit of Financial Statements performed.
  - b. Independent auditor's Management Letter comments and recommendations regarding audit findings.  
  
**Attachments:**      [6.2e - CSJ FED Independent Auditor's Report-FY 6-30-2023-FINAL Secured.pdf](#)
- f. Discussion and action on the approval of the Federated City Employees' Retirement System's Retirement Plan's Annual Comprehensive Financial Reports for the Fiscal Year 2022-2023.  
  
**Attachments:**      [6.2f - 2023 Federated ACFR 11.07.23 without INV section.pdf](#)
- g. Discussion and action regarding audit workplan for Cortex Consulting for evaluation of ORS policies with legal counsel on procurement and contracting issues.

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

**Last Meeting: February 16, 2023 (Special)      Next Meeting: November 27, 2023**

- a. Oral update from the Chair of the Governance Committee.

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

**Last Meeting: November 7, 2023      Next Meeting: December 5, 2023**

- a. Oral update from the Chair of the Disability Committee.

- b. Minutes of the Federated Disability Committee meeting from October 2, 2023. Receive and file.

Attachments:      [6.4b - FED DC 10.2.23 Minutes-Final.pdf](#)

### **6.5 Joint Personnel Committee (Chandra, Horowitz, Jennings)**

**Last Meeting: May 11, 2023**

**Next Meeting: November 14, 2023**

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Discussion and action on issuance of RFP for executive search firm for hiring of CEO position, including budget and timeline.
- c. Discussion and action on formation of ad hoc committee for executive search for hiring of CEO position, including purpose and timeline.
- d. Discussion and action on recommended changes to JPC Charter.

Attachments:      [6.5d - 2023-11-14 Proposed Redline Changes to SJ JPC.pdf](#)

- e. Discussion on incentive compensation program for ORS investment staff.

### **7. EDUCATION & TRAINING**

- a. The Cortex Report - November 2023, Conferences, Seminars and Educational Programs.

Attachments:      [7a - San Jose Cortex Report - November 2023 Edition.pdf](#)

- b. CALAPRS 2023 Program Calendar.

Attachments:      [7b - CALAPRS Program 2023 Calendar.pdf](#)

- c. Markets Group, 10th Annual Northern California Institutional Forum, Napa Valley Marriott Hotel & Spa, Napa, CA, December 5 - 6, 2023.

Attachments:      [7c - 10th Annual Northern California Institutional Forum.pdf](#)

### **• PROPOSED AGENDA ITEMS**

### **• ADJOURNMENT**

### **• Next FCERS Board Meeting: December 21, 2023**



\*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.

## **The Code of Conduct**

(<https://www.sanjoseca.gov/home/showpublisheddocument/12901/63667000496663000>

0) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

### **1. Public Meeting Decorum:**

- a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
- b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
- c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
- d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
- e) Persons in the audience will not place their feet on the seats in front of them.
- f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

### **2. Signs, Objects or Symbolic Material:**

- a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions: § No objects will be larger than 2 feet by 3 feet.
  - No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
  - The items cannot create a building maintenance problem or a fire or safety hazard.
- b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
- c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and

antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

**3. Addressing the Council, Committee, Board or Commission:**

- a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
  - b) Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the total amount of time allocated for public testimony for each public speaker or for an agenda item is in the discretion of the Chair of the meeting and may be limited when appropriate. (California Government Code Section 54954.3; Council Policy 0-37) Applicants and appellants in land use matters are usually given more time to speak. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
  - c) Speakers should discuss only the agenda item when called to speak for that item, and only topics related to City business when called to speak during open forum on the agenda.
  - d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
  - e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
  - f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
  - g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.
- Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.