



BOARD OF ADMINISTRATION

Meeting Agenda - Final

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

Thursday, August 15, 2024

8:30 AM

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

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: 922 6979 0369

Passcode: 226937

BOARD MEMBERS

Spencer Horowitz, Chair (Term Expires 11/30/24)
Julie Jennings, Vice-Chair (Term Expires 11/30/27)
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)

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

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)

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.

**** 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.

I. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS

- A. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Investment Officer.**
- B. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Executive Officer.**
- C. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a). SHAHRIVAR v. CITY OF SAN JOSE, ET AL, SANTA CLARA COUNTY SUPERIOR COURT NO. 20CV366329.**

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 for a Change in Status to Service-Connected Disability Retirement

- a. Angelica Lomeli Franco, Park Ranger, Parks, Recreation & Neighborhood Services, Request for Change of Status to Service-Connected Disability Retirement, effective March 27, 2019; 25.38* years of Service. (Staff Disability Committee Recommendation: Approval)**

1.2 Approval of Service Retirements

- a. Jessica Flores, Office Specialist II, Independent Police Auditor, effective June 13, 2024; 18.20***

years of service.

- b. **Robert A. Johnson**, Senior Maintenance Worker, Parks, Recreation & Neighborhood Services, effective August 3, 2024; 16.73* years of service.
- c. **Karal F. Kemp**, Code Enforcement Inspector II, Planning, Building and Code Enforcement Department, effective September 7, 2024; 5.59* years of service.
- d. **Patrick J. Lydon**, Building Inspector Combination, Planning, Building and Code Enforcement Department, effective August 17, 2024; 25.72* years of service. (*With Reciprocity - 24.70 CSJ + 1.02 PERS = 25.72 YOS*)
- e. **Carolyn A. Montonye**, Public Safety Communication Specialist, Police Department, effective August 23, 2024; 20.53* years of service.
- f. **Kerrie Romanow**, Director, Environmental Services Department, effective August 3, 2024; 17.89* years of service.
- g. **Judy M. Ross**, Assistant Director, Airport Department, effective August 31, 2024; 9.19* years of service.
- h. **Neil Rufino**, Assistant Director, Parks, Recreation & Neighborhood Services, effective August 31, 2024; 28.12* years of service.
- i. **Deborah Sattler**, Senior Accountant, Office of Retirement Services, effective August 3, 2024; 12.26* years of service.
- j. **Linden A. Skjeie**, Supervising Environmental Services Specialist, Environmental Services Department, effective July 24, 2024; 25.60* years of service.
- k. **Robert A. Sotelo**, Associate Construction Inspector, Department of Transportation, effective September 14, 2024; 27.51* years of service.

1.3 Approval of Board Minutes

- a. Approval of the Board Minutes of June 20, 2024.
Attachments: [1.3a - FED Board 6-20-24 Minutes-Final.pdf](#)
- b. Approval of the Joint Board Minutes from July 1, 2024.
Attachments: [1.3b - Joint Boards 7-1-24 Minutes-Final.pdf](#)

1.4 Approval of Return of Contributions

- a. Voluntary | Involuntary
Attachments: [1.4a - FED ROC - July 2024.pdf](#)

1.5 Acceptance of Communication/Information Reports

- a. Report of the Monthly Board Expenses for May 2024. Receive and file.

Attachments: [1.5a - FED Monthly Expense Reports May 2024.pdf](#)

b. **Educational Travel Reports:**

- Public Fund Summit East, Newport Marriott, Newport, RI, July 22 - 24, 2024 - by Anurag Chandra.

Attachments: [1.5b - Travel Content Report - Anurag Chandra.pdf](#)

1.6 Approval of Travel Attendance & Reimbursements

- a. Prabhu Palani
- Fiduciary Investors Symposium, Stanford University, Stanford, CA, September 17 - 19, 2024.
- b. Reimbursement - Public Fund Summit East, Newport Marriott, Newport, RI, July 22 - 24, 2024 by Anurag Chandra.

Attachments: [1.6b - Travel Reimbursement Packet - Anurag Chandra.pdf](#)

1.7 Approval of Change in Retirement Date

- a. Approval for a change in effective date for **Theresa Ramos**, Senior Analyst, Housing Department, from June 6, 2024, to July 20, 2024, for a Service Retirement approved at the June 20, 2024 Board meeting.

Attachments: [1.7a - Change of Ret Date Memo Ramos, Theresa.pdf](#)

1.8 Alternate Beneficiary Designation

- a. Approval of Alternate Payee Benefit election of Lifetime Monthly Payment Option to be paid to Sharon Palladino, ex-spouse of Wastewater Maintenance Supervisor, **Anthony Palladino** to be effective July 15, 2024, under Chapter 3.28, Part 23 of the San Jose Municipal Code.

Attachments: [1.8a - DRS430 Palladino, Sharon.pdf](#)

1.9 Report out of Closed Session

- a. Report out of Closed Sessions from May 16, 2024 and June 20, 2024 Federated Board Meetings Regarding Conference with Legal Counsel - Anticipated Litigation: Significant Exposure to Litigation pursuant to Section 54956.9(d)(2): One Case.

Attachments: [1.9a - FED Report out of Closed Session from May 16, 2024 and June 20, 2024](#)

- b. Report out of closed session from the May 16, 2024 Federated Board Meeting - Investments.

Attachments: [1.9b - FED Report out of Closed Session - Investments.pdf](#)

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Jean R. Carrion**, Office Specialist II, retired March 22, 2008, died June 6, 2024. No survivorship benefits.
- b. Notification of the death of **Lisa Fallon**, Police Data Specialist II, retired February 1, 2021, died February 9, 2024. No survivorship benefits.
- c. Notification of the death of **Luis Garcia**, Groundswoker, retired January 26, 2002, died April 23, 2024. No survivorship benefits.
- d. Notification of the death of **Michael Giusti**, Assistant Director Water Pollution Control, retired October 4, 1987, died May 31, 2024. Survivorship benefits to Merita Giusti, spouse.
- e. Notification of the death of **Joanne Gunn**, Library Clerk, retired November 10, 1994, died July 4, 2024. No survivorship benefits.
- f. Notification of the death of **Thomas Hogan**, Senior Account, retired January 26, 2008, died June 20, 2024. No survivorship benefits.
- g. Notification of the death of **Raphael S. Jones**, Analyst II, retired July 19, 2004, died June 13, 2024. No survivorship benefits.
- h. Notification of the death of **Victor Medina**, Equipment Mechanic, retired November 7, 1992, died July 12, 2024. No survivorship benefits.
- i. Notification of the death of **Paul R. Meier**, Principal Civil Engineer, retired January 5, 1980, died February 29, 2024. No survivorship benefits.
- j. Notification of the death of **Carina Orozco**, Analyst I, died May 31, 2024. No survivorship benefits.
- k. Notification of the death of **Alfred Pacheco**, Principal Construction Inspector, retired October 3, 1998, died July 7, 2024. No survivorship benefits.
- l. Notification of the death of **Maria Pavon**, Senior Account Clerk, died September 22, 2023. Survivorship benefits to Roger Pavon, spouse.
- m. Notification of the death of **Maria Ruiz**, Community Coordinator, retired July 29, 2006, died May 3, 2024. Survivorship benefits to Robert Ruiz, spouse.
- n. Notification of the death of **Roland Y. Santo**, Airport Maintenance Worker II, retired September 26, 1992, died July 5, 2024. No survivorship benefits.
- o. Notification of the death of **Mike Simmons**, Plant Operator, retired December 3, 2001, died July 10, 2024. No survivorship benefits.
- p. Notification of the death of **Rachel E. Thrower**, Legislative Secretary, retired October 26, 2002, died

May 31, 2024. No survivorship benefits.

3. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

4. OLD BUSINESS-DEFERRED/CONTINUED ITEMS-NONE

5. NEW BUSINESS

- a. Oral update by CEO, Roberto L. Peña.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion and action on authorizing the CEO to negotiate and execute a fourth amendment to the agreement with ExamWorks to increase the not to exceed amount by \$135,000, from \$200,000 to \$335,000, through the end of the current term of the agreement on December 31, 2025.

Attachments: [5c - FED 2024-08 ExamWorks to FED Board Not To Exceed Increase.pdf](#)

- d. Discussion and action on adoption of updated City Non-Management Performance Program Policy No. 3.3.3 with Revised Date of June 25, 2024, for ORS Operations, approved by City on June 25, 2024.

Attachments: [5d - CPM 333 Non Mgmt Performance Program rev 06-25-24.pdf](#)

- e. Discussion and action on the 2025 Scheduled Board and Standing Committee Meetings.

Attachments: [5e - Proposed 2025 Meeting Schedule MEMO-FCERS.pdf](#)

- f. Discussion and action to approve and for the Chair to execute the employment contract negotiated by designated labor negotiators for new CEO.

Attachments: [5f - SJ Plan CEO Contract - Final - John Flynn\(Signed\).pdf](#)

- g. Discussion and action for development of CEO transition plan with Cortex Consulting in lieu of CEO performance evaluation.

- h. Discussion and action for the appointment of an ad-hoc liaison to assist in transition plan for new CEO, along with Cortex.

6. COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 Investment Committee (Chandra, Horowitz, Faulkner)

Last Meeting: April 10, 2024 Next Meeting: August 20, 2024

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

6.2 Audit Committee (Avasthy, Jennings, Abbott)

Last Meeting: May 16, 2024 Next Meeting: August 15, 2024

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

6.3 Governance Committee (Linder, Abbott, Avasthy)

Last Meeting: June 18, 2024 Next Meeting: September 19, 2024

- a. Oral update from the Chair of the Governance Committee.
- b. Discussion and action regarding City Finance Department's requested changes to retirement boards' adopted Trustee Educational Travel Policy.

Attachments: [6.3b\(1\) - Joint Board Travel Policy Incorporating City Finance Dept.pdf](#)
[6.3b\(2\) - Trustee Educational Travel Policy Memo.pdf](#)

- c. Discussion and action regarding adoption of proposed internal ORS Policy for procurement and contracting for professional and critical plan administrative services/goods for ORS operations.

Attachments: [6.3c\(1\) - CORTEX MEMO 2024 08 15 Federated Board.pdf](#)
[6.3c\(2\) - Policy re Procurement and Contracting of Goods and Services-Draft 3.](#)

6.4 FCERS Disability Committee (Linder, Jennings, Faulkner)

Last Meeting: August 6, 2024 Next Meeting: September 3, 2024

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the Federated Disability Committee meeting from June 5, 2024. Receive and file.

Attachments: [6.4b - FED DC 6-5-24 Meeting Minutes-Final.pdf](#)

- c. Federated Disability Retirement Applications Dashboard.

Attachments: [6.4c - FED 2024 Q2 Quarterly Dashboard 6-30-24.pdf](#)

- d. Overview of the Age of Federated Disability Applications.

Attachments: [6.4d - FED 2024 Age of Disability Apps 6-30-24.pdf](#)

- e. Feedback on Federated Disability Retirement Application Rules and Procedures.

Attachments: [6.4e - DRAFT FED DC Rules of Procedure Aug 2024.pdf](#)

6.5 Joint Personnel Committee (Chandra, Horowitz, Linder)

Last Meeting: April 25, 2024 Next Meeting: TBD

- a. Oral update from the Chair of the Joint Personnel Committee.

7. EDUCATION & TRAINING

- a. CALAPRS 2024 Program Calendar.

Attachments: [7a - CALAPRS 2024 Program Calendar.pdf](#)

- b. CALAPRS, Principles of Pension Governance for Trustees, The Lodge at Tiburon, Tiburon, CA, August 26 - 29, 2024.

Attachments: [7b - CALAPRS Principles of Pension Governance August 2024.pdf](#)

- c. Public Funds Forum, Laguna Beach, CA, September 3 - 5, 2024.

Attachments: [7c - Public Funds Forum Agenda September 2024.pdf](#)

- d. SACRS Annual Fall Conference 2024, Hyatt Regency Hotel and Spa, Monterey, CA, November 12 - 15, 2024.

Attachments: [7d - SACRS Annual Fall Conference November 2024.pdf](#)

- e. The Cortex Report - September 2024, Conferences, Seminars and Educational Programs.

Attachments: [7e - The Cortex Report September 2024 Edition.pdf](#)

• PROPOSED AGENDA ITEMS

• ADJOURNMENT

• Next FCERS Board Meeting: September 19, 2024

*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.