



BOARD OF ADMINISTRATION

Action Minutes - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, April 3, 2025

9:00 AM

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

HYBRID MEETING

PHYSICAL LOCATION:

1737 North First Street, Suite 580

San Jose, CA 95112

ZOOM INFORMATION:

zoom.us

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

Meeting ID: 950 5474 5085

Franco Vado, Chair, Police Retiree Rep (Term Expires 11/30/28)
Eswar Menon, Interim Vice-Chair, Public Member (Term Expires 11/30/26)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/26)
Andrew Gardanier, Trustee, Fire Active Rep (Term Expires 11/30/27)
David Kwan, Trustee, Public Member (Term Expires 11/30/28)
Howard Lee, Trustee, Public Member (Term Expires 11/30/26)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/26)
David Woolsey, Trustee, Police Active Rep (Term Expires 11/30/28)
Gretchen Flicker, Trustee, Public Member (Term Expires 04/30/27)

George Casey, City Council Liaison to the Board

Maytak Chin, General and Fiduciary Counsel

John Flynn, CEO, Office of Retirement Services

The Board of Administration of the Police and Fire Department Retirement Plan and Health Care Trust met in person at 1737 N. First St., Suite 580, San Jose, CA 95112 and via Zoom on Thursday, April 3, 2025 at 9:00 a.m. Chair Vado called the Pension Plan and Health Care Trust meeting to order at 9:03 a.m. followed by roll call.

Board Members Present: Franco Vado, Sunita Ganapati, David Woolsey, Richard Santos, David Kwan, Howard Lee, Andrew Gardanier, Eswar Menon and Gretchen Flicker.

Retirement Staff Present: John Flynn, Barbara Hayman, Benjie Chua-Foy, David Aung, Arun Nallasivan, Christina Wang, Ron Kumar, Dhinesh Ganapathiappan, Jay Kwon, Jennifer You, Chris Ha, Edith Aldama, Sherrell Aledo, Gabriela Romero-Castrejon, and Cynthia Ayala.

Retirement Staff Present via Zoom: Sandra Castellano, Ellen Lee, Julie He, Gina Rios and Shilpi Dwivedi.

Also Present: Maytak Chin and Chris Maldonado, General and Fiduciary Counsel.

Also Present via Zoom: Bill Gold, OER; David Gomez, Chief of Staff for George Casey; Craig Jutson, Public Works Department; Joe Ebisa, Journalist; and Eileen Neil and Marc Gesell, Verus.

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

The Levine Act requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$500 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution on the form located on the Levine Act webpage.

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.

AGENDA

CALL TO ORDER AND ROLL CALL

• ORDERS OF THE DAY

This was heard immediately after Consent Calendar. No Orders of the Day.

A motion was made to waive sunshine on the attachments 7.5a(7), 7.5a(8), 7.5a(9) and 7.5b.

Approved. (M.S.C. Santos/Gardanier 9-0-0).

Counsel Chin added comments and clarified that the materials for the attachments were provided to the Board and for the public.

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

None.

1. CONSENT CALENDAR

This item was heard after roll call attendance.

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Santos/Menon 9-0-0).

1.1 Approval for a Service-Connected Disability Retirement

- a. **Terrence Campbell**, Police Officer, Police Department, Request for Service-Connected Disability Retirement, effective March 16, 2024; 4.41* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval for a Change in Status to Service-Connected Disability Retirement

- a. **David Blackwell**, Fire Engineer, Fire Department, Request for Change of Status to Service-Connected Disability Retirement, effective September 17, 2023; 22.01* years of service. *(Disability Committee Recommendation: Approval)*
- b. **Kevin Erbe**, Fire Captain, Fire Department, Request for Change of Status to Service-Connected Disability Retirement, effective December 11, 2022; 26.86* years of service. *(Disability Committee Recommendation: Approval)*
- c. **Joe Favorito Jr.**, Fire Captain, Fire Department, Request for Change of Status to Service-Connected Disability Retirement, effective July 6, 2023; 25.19* years of service. *(Disability Committee Recommendation: Approval)*
- d. **David Olmos**, Fire Captain, Fire Department, Request for Change of Status to Service-Connected Disability Retirement, effective January 22, 2023; 28.01* years of service. *(Disability Committee Recommendation: Approval)*
- e. **Mark Roberts**, Fire Captain, Fire Department, Request for Change of Status to Service-Connected Disability Retirement, effective January 31, 2023; 25.54* years of service. *(Disability Committee Recommendation: Approval)*
- f. **Victor Rodriguez**, Police Officer, Police Department, Request for Change of Status to Service-Connected Disability Retirement, effective January 21, 2023; 25.12* years of service. *(Disability Committee Recommendation: Approval)*

1.3 Approval Of Minutes

- a. Approval of the Board Minutes of March 6, 2025.

1.4 Approval Of Travel & Reimbursements

- a. Andrew Gardanier, Trustee
 - Pension Bridge The Annual 2025, Ritz-Carlton, Half Moon Bay, CA, March 24-26, 2025.
- b. Howard Lee, Trustee
 - Pension Bridge The Annual 2025, Ritz-Carlton, Half Moon Bay, CA, March 24-26, 2025.
- c. Prabhu Palani, CIO
 - AI x Institutional Investing LP Summit, Hillsborough, CA, April 17, 2025.

- Public Fund Roundtable 2025, Beverly Hilton, Los Angeles, CA, April 28-30, 2025.

d. Reimbursements

- Gretchen Flicker - CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025.
- David Woolsey - CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025.
- John Flynn - CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025.

1.5 Return of Contributions - NONE

- a. Voluntary | Involuntary

1.6 Communication/Information

- a. Police and Fire Retirement System Dashboard.

- b. Report of the Monthly Board Expenses for February 2025. Receive and file.

c. **Educational Travel Reports:**

- CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025 - by Gretchen Flicker.
- CALAPRS General Assembly 2025, Silverado Resort, Napa, CA, March 2 - 5, 2025 - by David Woolsey.

1.7 Education and Training

- a. The Cortex Report - March 2025, Conferences, Seminars and Educational Programs.

- b. CALAPRS 2025 Program Calendar.

- c. SACRS Annual Spring Conference 2025, Omni Rancho Palmas Resort & Spa, Rancho Mirage, CA, May 13 - 16, 2025.

- d. NCPERS 2025 Trustee Educational Seminar, Westin Seattle, Seattle, WA, May 17 - 18, 2025.

- e. NCPERS 2025 Annual Conference & Exhibition, Sheraton Denver Downtown Hotel, Denver, CO, May 18 - 21, 2025.

- f. CALAPRS Virtual Trustees Roundtable, May 30, 2025.

1.8 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Unreduced Retirement Option to be paid to Dina Shiraki Kennedy, ex-spouse of Police Officer, **Mario Recinos** to be effective February 22, 2025 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

1.9 Approval of Administrative Matters

- a. Fiduciary Insurance and Waiver of Resource Fees for Policy Year March 2025-2026.

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.
Jay Kwon, Senior Investment Officer, updated the Board.

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS - NONE

4. NEW BUSINESS

- a. Oral update by CEO, John Flynn.
CEO Flynn updated the Board.
- b. Oral update from the City Council Liaison to the Board.
There was no update.
- c. Discussion and action on election of Vice-Chair of Board.
Chair Vado introduced this item. CEO Flynn spoke to the item.
The Board voted unanimously to elect Trustee Gardanier as the Vice-Chair of the Board.
- d. Discussion and action on Lump Sum Employer Contribution towards Police and Fire Retirement Plan (Pension and OPEB) for FY 2025-2025.
This item was discussed.
A motion was made to accept the Lump Sum Employer Contribution towards

Police and Fire Retirement Plan (Pension and OPEB) for FY 2025-2025.

Approved. (M.S.C. Santos/Woolsey 9-0-0).

- e. Discussion and action regarding Resolution No. 4843 Police Tier 1, Resolution No. 4844 Police Tier 2, Resolution No. 4845 Fire Tier 1, and Resolution No. 4846 Fire Tier 2 Contribution Rates/Amounts for FY25-26.

This item was discussed.

A motion was made to accept Resolution No. 4843 Police Tier 1, Resolution No. 4844 Police Tier 2, Resolution No. 4845 Fire Tier 1, and Resolution No. 4846 Fire Tier 2 Contribution Rates/Amounts for FY25-26.

Approved. (M.S.C. Woolsey/Santos 9-0-0).

- f. Discussion and action on the proposed administrative budget for fiscal year 2025-2026.

This item was discussed.

A motion was made to approve the proposed administrative budget for fiscal year 2025-2026.

Approved. (M.S.C. Santos/Flicker 9-0-0).

- g. Discussion and action on the results of the Request for proposal (“RFP”) for actuarial services, including Board authorization for the CEO to negotiate and execute an agreement with Cheiron, Inc. (“Cheiron”) for a term of 6 years for an amount not to exceed \$1,700,000, with four (4) one-year options to extend.

This item was discussed.

A motion was made to authorize the CEO to negotiate and execute an agreement with Cheiron, Inc. (“Cheiron”) for a term of 6 years for an amount not to exceed \$1,700,000, with four (4) one-year options to extend.

Approved. (M.S.C. Santos/Flicker 9-0-0).

- h. Discussion and action on the results of the Request for Proposal (“RFP”) for Legal Services - Fiduciary and General Counsel, including Board authorization for the Chief Executive Officer (“CEO”) to negotiate and execute an agreement with Reed Smith LLP (“Reed Smith”) for a term of 6 years for an amount not to exceed \$3,011,000, with four (4) one-year options to extend.

This item was discussed.

A motion was made to authorize the CEO to negotiate and execute an agreement with Reed Smith LLP (“Reed Smith”) for a term of 6 years for an amount not to exceed \$3,011,000, with four (4) one-year options to extend.

Approved. (M.S.C. Santos/Gardanier 9-0-0).

- i. Discussion and action on the results of the Request for proposal (“RFP”) for governance services, including Board authorization for the Chief Executive Officer (CEO) to negotiate and execute an agreement with Aon Consulting, Inc for a term of 6 years for an amount not to exceed \$812,000, with four (4) one-year options to extend.

This item was discussed.

A motion was made to authorize the CEO to negotiate and execute an agreement with Aon Consulting, Inc for a term of 6 years for an amount not to exceed \$812,000, with four (4) one-year options to extend.

Approved. (M.S.C. Santos/Flicker 9-0-0).

5. RETIREMENTS

5.1 Service Retirements

Chair Vado read the Service Retirements into the record. Trustees Woolsey, Santos and Chair Vado said a few kind words.

A motion was made to approve the Service Retirements.

Approved. (M.S.C. Santos/Woolsey 9-0-0).

- a. **Michael S. Carlson**, Police Sergeant, Police Department, effective April 24, 2025; 25.99* years of service.
- b. **Denise R. McMullen**, Police Sergeant, Police Department, effective April 26, 2025; 24.92* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

Chair Vado read the Death Notifications into the record and asked for a moment of silence for those who have served and passed away. Trustee Santos, Gardanier, Woolsey and Chair Vado said a few kind words.

- a. Notification of the death of **Joe Altamirano**, Fire Fighter, retired April 4, 1998, died February 3, 2025. Survivorship benefits to Sierra Altamirano, spouse.
- b. Notification of the death of **Michael H. Bowman**, Police Officer, retired October 3, 2000, died March 13, 2025. No survivorship benefits.
- c. Notification of the death of **Jose T. Daysog**, Police Officer, retired January 31, 2015, died January 30, 2025. Survivorship benefits to Rosemarie Daysog, spouse.

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- d. Notification of the death of **Russell Le Gault**, Police Sergeant, retired August 5, 2000, died December 10, 2024. No survivorship benefits.
 - e. Notification of the death of **Michael A. Johnson**, Fire Fighter, retired April 8, 1995, died February 8, 2025. No survivorship benefits.
 - f. Notification of the death of **John Laurent**, Fire Captain, retired January 24, 2009, died February 18, 2025. Survivorship benefits to Janice Laurent, spouse.
 - g. Notification of the death of **Duward Mallett**, Assistant Chief, retired July 3, 1993, died December 29, 2024. Survivorship benefits to Sena Mallett, spouse.
 - h. Notification of the death of **Timothy Mealiffe**, Fire Captain, retired July 10, 1999, died February 12, 2025. Survivorship benefits to Anne Mealiffe, spouse.
 - i. Notification of the death of **Donald L. Ramos**, Fire Battalion Chief, retired March 2, 1995, died January 29, 2025. Survivorship benefits to Marilyn Ramos, spouse.
 - j. Notification of the death of **Stanley Russell**, Police Officer, retired August 6, 1985, died February 14, 2025. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: February 25, 2025

Next Meeting: April 22, 2025

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

There was no update.

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

Last Meeting: February 20, 2025

Next Meeting: May 15, 2025

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

There was no update.

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

Last Meeting: March 14, 2025

Next Meeting: June 5, 2025

- a. Oral update from the Chair of the Governance Committee.
- Nomination and Election of Governance Committee Vice Chair.
 - Discussion and action regarding recommendation of Governance Consultant to the board of trustees. The contract period would be as soon as executed through June 30, 2031. Finalists: AON Consulting Inc, Funston Advisor Services LLC, and Segal Inc.

Chair Santos updated the Board on matters regarding the last meeting.

- b. Minutes of the Governance Committee meeting from December 19, 2024. Receive and file.

The Minutes were received and filed.

7.4 Disability Committee (Santos - CH/Woolsey - Alts: Lee/Vado/Gardanier)

Last Meeting: March 10, 2025

Next Meeting: May 5, 2025

- a. Oral update from the Chair of the Disability Committee.
- Police & Fire Quarterly Disability Retirement Applications Dashboard.

Chair Santos announced that the April Disability Committee meeting has been cancelled.

- b. Minutes of the Disability Committee meeting from January 13, 2025. Receive and file.

The Minutes were received and filed.

7.5 Joint Personnel Committee (Menon - CH/Gardanier/Vado)

Last Meeting: April 2, 2025

Next Meeting: August 18, 2025

- a. Oral update from the Chair of the Joint Personnel Committee.
- Nomination and election of Chair of Joint Personnel Committee.
 - Nomination and election of Vice-Chair of Joint Personnel Committee.
 - Discussion and action on CEO Performance Evaluation, including process, evaluation criteria and associated weights to be used to evaluate performance for the Board's approval.
 - Discussion and action on CIO Performance Evaluation, including process, evaluation criteria and associated weights to be used to evaluate performance for the Board's approval.
 - Discussion and action on Investment Staff compensation, including the

discussion of timing and commencement of a compensation study.

- Discussion and action on the recommendation to the boards to request the creation of a new ORS-specific classification for Deputy Director/Deputy CIO.

Chair Menon updated the Board regarding matters from last meeting.

- b. Minutes of the Joint Personnel Committee meeting from April 5, 2024. Receive and file.

The Minutes were received and filed.

7.6 Legal Services Joint Adhoc Committee (Vado, Ganapati)

Last Meeting: March 13, 2025

Next Meeting: TBD

- a. Oral update from the Legal Service Joint Adhoc Committee.

CEO Flynn updated the Board.

7.7 Actuarial Services Joint Adhoc Committee (Kwan)

Last Meeting: April 1, 2025

Next Meeting: TBD

- a. Oral update from the Actuarial Services Joint Adhoc Committee.

CEO Flynn updated the Board.

7.8 Investment Governance Adhoc Committee (Kwan, Menon)

Last Meeting: March 17, 2025

Next Meeting: TBD

- a. Oral update from the Investment Governance Adhoc Committee.

Trustee Menon updated the Board.

• **PROPOSED AGENDA ITEMS**

Chair Vado proposed an agenda item.

• **ADJOURNMENT**

Next Meeting: May 1, 2025

The meeting adjourned at 11:30 a.m.

*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

FRANCO VADO, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

JOHN FLYNN, CEO
OFFICE OF RETIREMENT SERVICES

The Code of Conduct

(<https://www.sanjoseca.gov/home/showpublisheddocument/12901/636670004966630000>) 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.