



BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, March 7, 2024

9:00 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: +1 669 900 9128 US (San Jose)

Meeting ID: 919 8797 4783

Pass Code: 212734

Franco Vado, Chair, Police Retiree Rep (Term Expires 11/30/24)
Sunita Ganapati, Vice-Chair, 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 11/30/24)
Howard Lee, Trustee, Public Member (Term Expires 11/30/26)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/26)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/26)
Dave Wilson, Trustee, Police Active Rep (Term Expires 11/30/25)
Vacant, Trustee, Public Member

Pam Foley, City Council Liaison to the Board

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.

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 9:00 A.M.

I. CLOSED SESSION NEW BUSINESS/CONTINUED-DEFERRED ITEMS

A. CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Chief Executive Officer and counsel.

B. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Section 54956.9(d)(2): One Case.

OPEN SESSION - will reconvene following Closed Session, estimated to be 10:00 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 Service-Connected Disability Retirement

a. Valtrim Brahimaj, Police Officer, Police Department, Request for Service-Connected Disability Retirement, effective September 27, 2023; 2.26* years of service. (*Disability Committee Recommendation: Approval*)

b. Robert Paul, Police Officer, Police Department, Request for Service-Connected Disability Retirement, effective March 7, 2024; 8.73* years of service. (*Disability Committee Recommendation: Approval*)

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

- a. Christopher Murphy**, Fire Captain, Fire Department, Request for Change in Status to Service-Connected Disability Retirement, effective January 31, 2020; 24.57* years of service. *(Disability Committee Recommendation: Approval)*
- b. Aurelio Rodriguez**, Police Officer, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective September 21, 2019; 27.23* years of service. *(Disability Committee Recommendation: Approval)*
- c. Ted Trujillo**, Police Officer, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective January 31, 2019; 29.05* years of service. *(Disability Committee Recommendation: Approval)*
- d. Alberto Valdes**, Police Officer, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective December 14, 2019; 25.14* years of service. *(With Reciprocity - 21.16 CSJ YOS + 3.98 PERS YOS). (Disability Committee Recommendation: Approval)*

1.3 Approval Of Minutes

- a.** Approval of the Board Minutes of February 1, 2024.

Attachments: [1.3a - PF 2.1.24 Meeting Minutes - final](#)

1.4 Return of Contributions

- a.** Voluntary | Involuntary

Attachments: [1.4a\(1\) - PF ROC Review - January 2024](#)

[1.4a\(2\) - PF ROC Review - February 2024](#)

1.5 Communication/Information

- a.** Police and Fire Retirement System Dashboard.

Attachments: [1.5a - PF Dashboard for 3.7.24](#)

- b.** Report of the Monthly Board Expenses for January 2024. Receive and file.

Attachments: [1.5b - PF Jan 2024 Monthly Expense Reports](#)

1.6 Education and Training

- a.** The Cortex Report - March 2024, Conferences, Seminars and Educational Programs.

Attachments: [1.6a - San Jose Cortex Report - March 2024 Edition](#)

- b. CALAPRS, Advanced Principles of Pension Governance for Trustees, UCLA Luskin Conference Center, Los Angeles, CA, March 27 - 29, 2024.

Attachments: [1.6b - CALAPRS Advanced Principles of Pension Governance for Trustees](#)

- c. CALAPRS, 2024 Management/Leadership Academy, The Westin Hotel, Pasadena, CA, April 22 - 23, June 10 - 12, and July 22 - 24, 2024.

Attachments: [1.6c - CALAPRS 2024 Management Leadership Academy](#)

- d. Pension Bridge The Annual 2024, Ritz-Carlton, Half Moon Bay, CA, April 15 - 17, 2024.

Attachments: [1.6d - Pension Bridge The Annual 2024 Agenda](#)

1.7 Change of Retirement Application

- a. Approval for a change in effective date for **Robert Lang**, Police Lieutenant, Police Department, from February 17, 2024, to March 2, 2024, for a service retirement approved at the February 1, 2024 Board meeting.

Attachments: [1.7a - Change Eff Date - Lang](#)

- b. Approval for a correction in effective date for **Aneez Raghavan**, Police Officer, Police Department, from active, to January 4, 2024, for a Service-Connected Disability Retirement approved at the January 4, 2024 Board meeting.

Attachments: [1.7b - Update Ret Date - Raghavan](#)

1.8 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Unreduced Retirement Option to be paid to Stephanie Forman, ex-spouse of Battalion Chief, **Steven Forman** to be effective February 6, 2024 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

Attachments: [1.8a - DRS430 Forman](#)

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

- b. Presentation of Calendar 3rd Quarter 2023 Private Equity report by Neuberger Berman.

Attachments: [2b - Investment Report for San Jose Police & Fire Department Retirement Plan](#)

- c. Presentation of Calendar 3rd Quarter 2023 Private markets report by Meketa Investment Group.

Attachments: [2c - Q3 2023 PM Report SJ PF PUBLIC](#)

- d. Presentation of Calendar 4th Quarter 2023 Performance report for Pension Plan by Meketa Investment Group.

Attachments: [2d - 4Q23 Performance Report SJ PF Pension](#)

- e. Presentation of Calendar 4th Quarter 2023 Performance report for Health Care Trust by Meketa Investment Group.

Attachments: [2e - 4Q23 Performance Report SJ PF HCT](#)

- f. Discussion and action on Capital Market Assumptions by Meketa Investment Group.

Attachments: [2f - 2402 Asset Allocation Analysis SJ PF](#)

- g. Discussion and action on the recommended discount rate for the City's option to prefund their retirement contributions for fiscal year 2024-25.

Attachments: [2g\(1\) - Prefunding Cover Memo -- PF Board](#)

[2g\(2\) - Prefunding memo by Reed Smith](#)

[2g\(3\) - Prefunding Risk Mitigation Process Recommendation-1](#)

[2g\(4\) - Prefunding Risk Mitigation Process Update Recommendation to both ICs](#)

3. OLD BUSINESS-CONTINUED/DEFERRED ITEMS-NONE

4. 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 regarding approval to increase the FY23-24 administrative budget for 1) personnel services by \$200,000 to a total of \$4,992,000 and 2) professional services by \$500,000 to a total of \$1,403,000.

Attachments: [4c - Administrative Budget Increase](#)

- d. Discussion and action on the proposed administrative budget for fiscal year 2024-2025.

Attachments: [4d\(1\) - PF 24-25 budget presentation](#)

[4d\(2\) - PF Proposed Budget for FY2025](#)

- e. Discussion on proposed City Ordinance to amend San Jose Municipal Code Part 4.12 and Sections 3.36.385 and amendments to Section 7 of the City's Sunshine Resolution.

Attachments: [4e - Proposed Amendment to P&F Relating to Procurement](#)

- f. Discussion and action on recommendations to City Council for changes to City Policies for ORS operations.

- Attachments:** [4f\(1\) - CPM 213 Discipline Policy \(Revised for ORS Operations\)](#)
[4f\(2\) - CPM 532 Check Processing \(Final Redline\)](#)
[4f\(3\) - CPM 534 Recording Payments \(Final Redline\)](#)
[4f\(4\) - CPM 536 General Guidelines for Accounts Receivable & Revenue Collec](#)
[4f\(5\) - CPM 537 General Guidelines for Check Handling Procedures \(Final Redl](#)

- g.** Discussion and action regarding adoption of City Memorandum regarding “Return to In-Person Public Comments in Public Meetings.”

Attachments: [4g - Return to In-Person Public Comments In-Public Mtgs](#)

- h.** Discussion and action on amendments to Police and Fire Board Charter to reflect changes from Joint Personnel Committee re CEO and CIO employment issues.

Attachments: [4h - P&F - Board Charter Amendments in Light of JPC Tie Breaker](#)

5. RETIREMENTS

5.1 Service Retirements

- a.** **Amalio Gonzalez**, Fire Fighter, Fire Department, effective January 28, 2024; 21.97* years of service.
- b.** **Anthony J. Mata**, Chief of Police, Police Department, effective March 30, 2024; 27.57* years of service.

5.2 Deferred Vested

- a.** **Cristobal R. Dominguez**, Police Lieutenant, Police Department, effective March 11, 2024; 26.88* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a.** Notification of the death of **Anthony E. Beckwith**, Police Officer, retired September 15, 2000, died December 11, 2023. Survivorship benefits to Cheryl Beckwith, spouse.
- b.** Notification of the death of **Merlin W. Dyball**, Fire Engineer, retired February 7, 2005, died December 1, 2023. No survivorship benefits.
- c.** Notification of the death of **Lawrence Linden**, Police Officer, retired March 4, 1987, died January 22, 2024. Survivorship benefits to Ruth Linden, spouse.
- d.** Notification of the death of **Bill Tate**, Police Officer, retired January 28, 2004, died January 14, 2024. Survivorship benefits to Judith Tate, spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: March 1, 2024

Next Meeting: April 23, 2024

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the December 7, 2023 Police and Fire Investment Committee meeting.

Attachments: [7.1b - Police and Fire IC meeting 12.07.23 minutes](#)

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

Last Meeting: March 1, 2024

Next Meeting: May 16, 2024

- a. Oral update from the Chair of the Audit/Risk Committee.
 - b. Minutes of the Joint Audit Committee meeting from October 19, 2023. Receive and file.
- Attachments:** [7.2b - JAC 10-19-23 Minutes-Final](#)
- c. Discussion and action on ORS Management's Amended Response on Finding 1 in "Audit: Procurement and Contract Oversight" Report by ORS Senior Internal Auditor, dated May 18, 2023, regarding Granicus contract.

Attachments: [7.2c - 2023 JAC Response to Findings 02082024](#)

- d. Discussion and action on ORS Management's Amended 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.

Attachments: [7.2d - 2023 JAC Response to Findings 02082024](#)

- e. Discussion and action on request to custodial bank (Bank of New York Mellon) to correct fiscal years 2016-2023 Pension Plans returns based on the results of the Agreed Upon Procedures work completed by Macias Gini & O'Connell LLP audit firm.

Attachments: [7.2e - Memo Requesting BNYM to Correct FY 2016-2023 PP Returns](#)

- f. Discussion and action on Annual Audit Plan following discussion from October 2023 Joint Audit Committee meeting.

Attachments: [7.2f\(1\) - ORS Internal Audit Charter](#)

[7.2f\(2\) - ORS Five-Year Internal Audit Plan FY 2019-2024 \(2\)](#)

- g. Update from the City Auditor, Joseph Rois.

Attachments: [7.2g\(1\) - Memorandum from Mayor 10.23.23](#)

[7.2g\(2\) - Memorandum from Mayor Davis and Foley 8.9.23 Rules](#)

[7.2g\(3\) - Retirement Services Interim Audit Report 10.23](#)

- h. Transition comments by exiting Audit Chair for Police and Fire Department Retirement Plan.

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

Last Meeting: January 29, 2024

Next Meeting: March 7, 2024

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

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

Last Meeting: February 5, 2024

Next Meeting: March 11, 2024

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the P&F Disability Committee meeting from January 8, 2024. Receive and file.

Attachments: [7.4b - PF-DC 1.8.24 Meeting Minutes - Final](#)

- c. Discussion and action for approval of disability retirement application rules and procedures.

Attachments: [7.4c - Police and Fire Disability Committee Rules and Procedures](#)

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

Last Meeting: January 31, 2024

Next Meeting: March 19, 2024

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

• PROPOSED AGENDA ITEMS

• ADJOURNMENT

Next Meeting: April 4, 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.