



BOARD OF ADMINISTRATION

Meeting Minutes - Final Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, March 21, 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: 997 3665 3298

Passcode: 126162

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)
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

Present: 6 - Anurag Chandra, Mark Linder, Prachi Avasthy, Spencer Horowitz, Debbie Abbott and Matthew Faulkner

The Board of Administration of the Federated City Employees Retirement System and Health Care Trust met on Thursday, March 21, 2024 at City Hall, Wing Rooms 118-120, 200 E. Santa Clara St., San Jose, CA 95113 and via Zoom at 8:30 a.m. Chair Horowitz called the meeting to order at 8:30 a.m. followed by roll call.

Board Members Present: Spencer Horowitz, Deborah Abbott, Anurag Chandra, Prachi Avasthy, Matthew Faulkner and Mark Linder.

Board Members Present via Zoom utilizing the Traditional Brown Act teleconferencing rules: Julie Jennings. Counsel Chin questioned Trustee Jennings on whether she met the qualifications to teleconference under the Brown Act, and Trustee Jennings responded in the affirmative.

City Council Liaison Dev Davis departed at 11:54 a.m.

Retirement Staff Present: Roberto L. Peña, Prabhu Palani, Barbara Hayman, Benjie Chua-Foy, Sandra Castellano, Sherrell Aledo, Edith Aldama, David Torres, Cynthia Ayala, Chris Ha, Jay Kwon, Christina Wang, Ron Kumar, David Aung, Eric Tsang, Arun Nallasivan and Harrison Pierce.

Retirement Staff Present via Zoom: Linda Alexander, Dhinesh Ganapathiappan, Julie He, Nam Cao, Deborah Sattler, Chris J. Reyes and Shilpi Dwivedi.

Also Present: Dev Davis, City Council Liaison; Maytak Chin, General and Fiduciary Counsel; Cheryl Parkman, Gerald Bernales, and Savannah Golden, OER; Kevin Fischer, Assistant City Attorney; and Laura Wirick, Meketa Investment Group.

Also Present via Zoom: Russ Richeda, Disability Counsel; Sally T. Nguyen and Ghazaleh Modarresi, Burke Williams; Raymond Lynch, Hanson Bridget; John Flynn, Public Attendee; March Gesell, Verus; Kaci Boyer, Neuberger Berman; Jared Pratt, Meketa Investment Group; and Cyril Español, Journalist.

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.

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 at this meeting via teleconference due to an "Emergency Circumstance."

NONE

- ii. Call for Trustee(s) requesting the Board approve their attendance at 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

Chair Horowitz read the following into the record:

A FEW GROUND RULES FOR THIS MEETING

- All votes will be roll call votes.
- We are holding this meeting as a hybrid meeting, and so those who are attending virtually, please mute yourself unless you are speaking and if you wish to speak, please raise your hand and staff will alert the Chair.
- The public will have an opportunity to speak on each item after trustees.

ORDERS OF THE DAY:

This was heard immediately after roll call attendance.

Chair Horowitz announced that the agenda item 3f under Investment section was deferred to the April 18, 2024 meeting.

WAIVE SUNSHINE (amended/attachments POSTED late):

- None

CLOSED SESSION

CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.

II. CLOSED SESSION NEW BUSINESS/CONTINUED-DEFERRED ITEMS

The Board entered into Closed Session at 8:33 a.m. after the Public Comment agenda item.

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

Chair Horowitz announced the report out of Closed Session for this item.

On Sept 15, 2023, the Mayor and City Council sent a letter requesting that the Boards investigate certain employment related complaints against ORS Management and our outside legal counsel Reed Smith. The Boards retained Burke Williams as independent investigative legal firm from the City's approved list of such firms to look into this matter.

Over the course of several months, Burke Williams interviewed 17 people over dozens of hours and investigated 17 alleged violations of City Policy. Burke Williams issued their findings, and the Board has unanimously accepted these findings.

Burke Williams made a determination for each allegation: either sustained--or the allegation was true--unsustained, or there was insufficient evidence to determine if the allegation was true or untrue--or unfounded, meaning the allegation was not true.

Burke Williams found that none of the 17 alleged violations of City Policy were sustained. One allegation was unsustained, the remaining 16 were unfounded.

The investigative phase has now concluded. The Boards are awaiting a final written report from Burke Williams. As a result of the findings, the Board has reinstated Reed Smith as counsel on all matters before the Board.

- B.** **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1) - PENDING LITIGATION: Preservation of Benefit Plan Retirees Association v. City of San Jose, A. Board of Administration Et. Al., Santa Clara County Superior Court No. 17CV312610.

There was no reportable action for this item from Closed Session.

- C.** **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54956.9(e)(3) - RECEIPT OF CLAIM PURSUANT TO THE GOVERNMENT CLAIMS ACT - ONE CLAIM: Preservation of Benefit Plan Retirees Association v. Board of Administration of the Federated Employees Retirement System.

There was no reportable action for this item from Closed Session.

- D.** **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION: Significant exposure to litigation pursuant to Section 54956.9(d)(2): Two cases.

There was no reportable action for this item from Closed Session.

The Board came out of Closed Session at 11:07 a.m.

OPEN SESSION - will reconvene following Closed Session, estimated to be 10:00 a.m.

Open Session re-convened at 11:10 a.m.

• **ORDERS OF THE DAY**

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

None.

- 1. **CONSENT CALENDAR**

This item was heard after Orders of the Day.

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Linder/Chandra 7-0-0) The motion passed by roll call vote.

- 1.1 **Approval for a Change of Status to Service-Connected Disability Retirement**

- a. **Norman Serrano**, Park Maintenance Repair Worker II, Parks, Recreation & Neighborhood Services, Request for Change of Status to Service-Connected Disability Retirement, effective July 28, 2018; 29.94* years of service. (*Staff Disability Committee Recommendation: Approval*)
- b. **Jose Villanueva**, Maintenance Worker I, Parks, Recreation & Neighborhood Services, Request for Change of Status to Service-Connected Disability Retirement, effective March 31, 2018; 17.07* years of service. (*Staff Disability Committee Recommendation: Approval*)

- 1.2 **Approval of Service Retirements**

- a. **Michael Brilliot**, Deputy Director, Planning, Building and Code Enforcement, effective March 30, 2024; 26.54* years of service.
- b. **Steven Colby**, Senior Automation Engineer II, Environmental Services Department, effective March 30, 2024; 33.11* years of service.
- c. **Ted Cordero**, Lead Maintenance Worker II, Department of Transportation, effective March 30, 2024; 23.32* years of service.
- d. **John Ficklin**, Environmental Services Specialist, Environmental Service Department, effective March 16, 2024; 27.04* years of service.
- e. **Stephen V. Gaffaney**, Analyst II, Police Department, effective March 30, 2024; 17.15* years of service.
- f. **Bahar Ghofraniha**, Environmental Inspector II, Environmental Services Department, effective March 30, 2024; 16.98* years of service.

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- g. **S. Shasta Greene**, Senior Deputy City Attorney, City Attorney's Office, effective March 30, 2024; 15.56* years of service.
 - h. **Shelley W. Guo**, Division Manager, Public Works Department, effective March 30, 2024; 22.92* years of service.
 - i. **Charles T. Hill**, Supervising Community Service Officer, Police Department, effective April 5, 2024; 9.55* years of service.
 - j. **Rogelio O. Hurtado**, Analyst II, Fire Department, effective March 30, 2024; 9.23* years of service.
 - k. **Khojasteh Khosraviani-Zadeh**, Associate Engineer, Environmental Services Department, effective March 30, 2024; 27.78* years of service.
 - l. **Monique L. Melchor**, Division Manager, Office of Economic Development, effective March 30, 2024; 22.32* years of service.
 - m. **Perihan Putman**, Senior Geographic Information System Specialist, Fire Department, effective March 30, 2024; 23.28* years of service.
 - n. **Sharona Rozario**, Administrative Assistant, Housing Department, effective March 30, 2024; 23.65* years of service. (*With Reciprocity - 23.47 CSJ + 0.18 PERS = 23.65 YOS*)
 - o. **Coco Salazar**, Public Communication Specialist, Police Department, effective March 30, 2024; 16.55* years of service.
 - p. **Erwin Wong**, Associate Engineer, Environmental Services Department, effective March 31, 2024; 27.41* years of service.
 - q. **Hua Q. Zeng**, Analyst II, Fire Department, effective March 30, 2024; 30.10* years of service. (*With Reciprocity - 26.01 CSJ + 4.09 PERS = 30.10 YOS*)

1.3 Approval of Deferred Vested

- a. **Denise M. Cameron**, Senior Airport Operations Specialist I, Airport Department, effective March 25, 2024; 15.38* years of service.
- b. **Jeannie Fernandes**, Senior Account Clerk, Department of Transportation, effective March 23, 2024; 21.20* years of service.

- c. **Michael Rhoades**, Supervising Environmental Services Specialist, Environmental Services Department, effective April 15, 2024; 9.11* years of service.

1.4 Approval of Board Minutes

- a. Approval of the Board Minutes of February 15, 2024.

1.5 Approval of Return of Contributions

- a. Voluntary | Involuntary

1.6 Acceptance of Communication/Information Reports

- a. Report of the Monthly Board Expenses for January and February 2024. Receive and file.
- b. Mayor's March Budget Message for Fiscal Year 2024-2025.
- c. **Educational Travel Reports:**
 - CALAPRS, General Assembly 2024, Rancho Mirage, CA, March 2 - 5, 2024 - by Spencer Horowitz.

1.7 Approval of Travel / Conference Attendance

- a. Matthew Faulkner, Trustee
 - Pension Bridge Annual 2024, Half Moon Bay, CA, April 15 - 17, 2024.
- b. Spencer Horowitz, Trustee
 - Pension Bridge Annual 2024, Half Moon Bay, CA, April 15 - 17, 2024.
- c. Mark Linder, Trustee
 - CALAPRS Advanced Principles of Pension Governance for Trustees, UCLA, Los Angeles, CA, March 27 - 29, 2024.

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

This item was heard after Closed Session.

Chair Horowitz asked for a moment of silence for those who served and passed away.

- a. Notification of the death of **Kay Barrette**, Principal Account Clerk, retired September 3, 1989, died February 16, 2024. No survivorship benefits.
- b. Notification of the death of **Dorothy Braga**, Secretary, retired November 12, 1989, died January 12, 2024. No survivorship benefits.
- c. Notification of the death of **James H. Crabtree**, Electrician, retired November 12, 2004, died February 11, 2024. No survivorship benefits.
- d. Notification of the death of **Janice Hartman**, Secretary, retired July 16, 2000, died January 6, 2024. Survivorship benefits to Harvey Hartman, spouse.
- e. Notification of the death of **Sandra Haynes**, Senior Police Data Specialist, retired August 30, 2003, died February 1, 2024. No survivorship benefits.
- f. Notification of the death of **Mary E. Reynolds**, Library Clerk, retired October 4, 1987, died February 7, 2024. No survivorship benefits.
- g. Notification of the death of **Roger Tam**, Associate Civil Engineer, retired November 2, 1996, died January 15, 2024. No survivorship benefits.
- h. Notification of the death of **Cecil Valverde**, Street Sweeper, retired November 21, 1981, died January 5, 2024. No survivorship benefits.
- i. Notification of the death of **Donald G. Walizer**, Senior Maintenance Worker, retired November 7, 1992, died January 25, 2024. Survivorship benefits to Alvina Walizer, spouse.

3. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

CIO Palani updated the Board on the following unaudited estimated performance by Meketa Investment Group and answered questions from the Board.

- For FYTD as of March 20, 2024, the Pension Plan was up 7.4%.
- For FYTD as of March 20, 2024, the Health Care Trust was up 7.79%.

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

Kaci Boyer, Neuberger Berman, presented the 3rd Quarter 2023 private equity report and answered questions from the Board. Dhinesh Ganapathiappan, Senior Investment Officer, and CIO Palani assisted with answering questions from the Board.

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

Laura Wirick, Meketa Investment Group, presented the 3rd Quarter 2023 private markets report.

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

Laura Wirick, Meketa Investment Group, presented the 4th Quarter 2023 Performance report for Pension Plan and answered questions from the Board.

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

Laura Wirick, Meketa Investment Group, presented the 4th Quarter 2023 Performance report for Health Care Trust.

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

This item was deferred to the April 18, 2024 meeting.

- g. Discussion and action regarding the prefunding of the City's retirement contribution.

Jay Kwon, Senior Investment Officer, presented the recommended discount rate for the City's option to prefund their retirement contributions for fiscal year 2024-2025. CEO Peña also spoke to the item. Councilmember Dev Davis, Counsel Chin, CEO Peña and Cheryl Parkman, CMO, answered questions from the Board. Chair Horowitz, Trustee Avasthy and Counsel Chin made a few comments.

A motion was made to approve the recommended discount rate for the City's option to prefund their retirement contributions for fiscal year 2024-2025.

Approved. (M.S.C. Chandra/Linder 7-0-0) The motion passed by roll call vote.

- h. Discussion and action to add funds for additional services to the following investment related subscription agreements and for the CEO to negotiate and execute amendments with the following firms (*cost shared 50/50 with Police and Fire plan):

- *Bloomberg Index Services (Term 8/1/2024 - 7/31/2025; NTE \$15,000)
- *Frank Russell Company (Term 1/3/2024 - 6/30/2025; NTE \$1,600)
- *JP Morgan (Term 8/20/2024 - 6/30/2025; NTE \$9,000)
- *Bloomberg Finance, L.P. (Term 8/27/2024 - 8/28/2025; NTE \$165,000)
- *Burgiss Group, LLC (Term 7/1/2024 - 6/30/2026; NTE \$44,000)
- *eVestment (Term 7/1/2024 - 6/30/2025; NTE \$27,500)
- *Institutional Limited Partners Association (Term 3/1/2024 - 6/30/2025; NTE \$7,500)

- *Pitchbook Data, Inc. (Term 7/1/2024 - 6/30/2025; NTE \$29,000)
- *Klarity Fx (Term 7/1/2024 - 6/30/2025; NTE \$22,500)
- *Zeno (Abel Noser) Solutions (Term 7/1/2024 - 6/30/2025; NTE \$16,500)

Ron Kumar, Investment Operations Supervisor, presented the item and answered questions from the Board. CEO Peña, CIO Palani, Dhinesh Ganapathiappan, Senior Investment Officer, assisted with answering questions from the Board.

A motion was made to approve to add funds for additional services to the listed investment related subscriptions agreements.

Approved. (M.S.C. Linder/Abbott 7-0-0) The motion passed by roll call vote.

4. OLD BUSINESS-DEFERRED/CONTINUED ITEMS-NONE

5. NEW BUSINESS

- a. Oral update by CEO, Roberto L. Peña.

CEO Peña updated the Board on the following:

- The Cost-of-Living Adjustment (COLA) for Federated Plan will be paid on April 30, 2024.
- The Federated retirees who are impacted by 415(b) limits, the 2023 adjustment will show on their April 2024 payment.
- The ORS will be closed on April 1, 2024 in observance of Cesar Chavez holiday.
- The ORS Quarterly Newsletter will be sent out in April 2024.
- Senior Internal Auditor, Houman Boussina left the ORS. The recruitment for this position will start next month.

- b. Oral update from the City Council Liaison to the Board.

None.

- c. Discussion and action regarding approval to increase the FY 2023-2024 administrative budget for 1) personnel services by \$150,000 to a total of \$4,456,000 and 2) professional services by \$300,000 to a total of \$1,231,000.

Benjie Chua-Foy, Division Manager, presented the increase of the fiscal year 2023-2024 administrative budget and answered questions from the Board. Barbara Hayman, Deputy Director, assisted with answering questions. CEO Peña made a few comments.

A motion was made to approve to increase the fiscal year 2023-2024 administrative budget.

Approved. (M.S.C. Jennings/Chandra 7-0-0) The motion passed by roll call vote.

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

Barbara Hayman, Deputy Director, presented the proposed administrative budget for fiscal

year 2024-2025 and answered questions from the Board. CEO Peña and Benjie Chua-Foy, Division Manager, assisted in answering questions from the Board. Sandra Castellano, Benefits Division Manager and Counsel Chin added a few comments.

A motion was made to accept the proposed administrative budget for fiscal year 2024-2025.

Approved. (M.S.C. Linder/Abbott 7-0-0) The motion passed by roll call vote.

The Board took a break from 12:59 p.m. to 1:06 p.m.

Shilpi Dwivedi, Retirement IT Manager, made a public comment and Chair Horowitz responded.

- e. Discussion on proposed City Ordinance to amend San Jose Municipal Code Part 4.12 and Sections 3.28.155 and amendments to Section 7 of the City's Sunshine Resolution.

Chair Horowitz introduced this item. Kevin Fischer, Assistant City Attorney and Cheryl Parkman, CMO, addressed the Board and answered questions from the Board. Counsel Chin also spoke to the item. Mr. Fisher, Assistant City Attorney, informed the Board that the City had not vetted the proposed City Ordinance and Municipal Code changes by tax counsel for tax compliance.

- f. Discussion and action to authorize the CEO to negotiate and retain separate tax counsel to evaluate City's Proposed Municipal Code changes on contracting and procurement for ORS.

Counsel Chin presented this item and answered questions from the Board. CEO Peña made a few comments.

A motion was made to authorize the CEO to negotiate and retain separate tax counsel to evaluate City's Proposed Municipal Code changes on contracting and procurement for ORS.

Approved. (M.S.C. Chandra/ Linder 7-0-0) The motion passed by roll call vote.

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

Counsel Chin presented the proposed changes to City Policies for ORS operations for the Board to recommend to City Council for adoption and answered questions from the Board. CEO Peña and Cheryl Parkman, CMO assisted in answering questions from the Board.

A motion was made to approve the recommendations to City Council for changes to City Policies for ORS operations.

Approved. (M.S.C. Linder/Chandra 7-0-0) The motion passed by roll call vote.

- h. Discussion and action on amendments to Federated Board Charter to reflect changes from Joint Personnel Committee regarding CEO and CIO employment issues.

Counsel Chin presented the proposed amendments to Police and Fire Board Charter based on the process adopted between the two retirement boards on areas of disagreement already adopted in the Joint Personnel Committee Charter.

A motion was made to approve the amendments to Police and Fire Board Charter to reflect changes from Joint Personnel Committee issues on areas of disagreement between the two retirement boards.

Approved. (M.S.C. Linder/Abbott 7-0-0) The motion passed by roll call vote.

6. COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 Investment Committee (Chandra, Horowitz, Faulkner)

Last Meeting: February 20, 2024 Next Meeting: April 23, 2024

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

Chair Chandra updated the Board on matters regarding last meeting.

- b. Approval of the Minutes of the Federated Investment Committee meeting from December 13, 2023.

The Minutes were received and filed.

6.2 Audit Committee (Avasthy, Jennings, Abbott)

Last Meeting: March 1, 2024 Next Meeting: April 11, 2024

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

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

- b. Minutes of the Joint Audit Committee meeting from October 19, 2023. Receive and file.

The Minutes were received and filed.

- 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.

A motion was made to accept the ORS Management's Amended Response on Finding 1.

Approved. (M.S.C. Chandra/Avasthy 7-0-0) The motion passed by roll call vote.

- 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.

A motion was made to accept the ORS Management's Amended Response on Finding 3.

Approved. (M.S.C. Abbott/Chandra7-0-0) The motion passed by roll call vote.

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

Counsel Chin spoke to this item.

A motion was made to approve the Annual Audit Plan.

Approved. (M.S.C. Linder/Abbott 7-0-0) The motion passed by roll call vote.

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

CEO Peña announced that he and Joseph Rois, City Auditor, will be attending the City Council meeting on April 16th and any information released to them will bring forward to the April 18th meeting.

- g. 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.

CEO Peña and Jay Kwon, Senior Investment Officer, spoke this item. Counsel Chin made a few comments.

A motion was made to approve the request to custodial bank (Bank of New York Mellon) to correct fiscal years 2016-2023 Pension Plans returns.

Approved. (M.S.C. Chandra/Abbott 7-0-0) The motion passed by roll call vote.

6.3 Governance Committee (Linder, Abbott, Avasthy)

Last Meeting: March 7, 2024 Next Meeting: June 20, 2024

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

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

- b. Approval of the Minutes of the Governance Committee meeting from January 29, 2024. Receive and file.

The Minutes were received and filed.

- c. Discussion and action on proposed Board's Trustee Educational Travel Policy.

Counsel Chin spoke to this item and answered questions from the Board. CIO Palani assisted in answering questions from the Board.

A motion was made to approve the proposed Board's Trustee Educational Travel Policy.

Approved. (M.S.C. Abbott/Linder 7-0-0) The motion passed by roll call vote.

The Board provided direction to examine whether the City Employee Travel Policy is suitable for the ORS Investment Staff in meeting their fiduciary duties.

6.4 FCERS Disability Committee (Linder, Jennings, Faulkner)

Last Meeting: March 5, 2024 Next Meeting: April 2, 2024

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

Chair Linder updated the Board and anticipate two applicants for the April 2nd meeting.

- b. Approval of the Minutes of the Federated Disability Committee meeting from February 6, 2024. Receive and file.

The Minutes were received and filed.

- c. Training on the new disability retirement checklist.

Chair Linder spoke to this item.

6.5 Joint Personnel Committee (Chandra, Horowitz, Linder)

Last Meeting: March 19, 2024 Next Meeting: TBD

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

Chair Chandra updated the Board and thanked Trustees Linder and Gardanier for their work in search for a new CEO.

- b. Approval of the Minutes from the January 31, 2024 Joint Personnel Committee meeting. Receive and file.

The Minutes were received and filed.

7. EDUCATION & TRAINING

The Education & Training was received and filed.

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- a. The Cortex Report - March 2024, Conferences, Seminars and Educational Programs.
 - b. CALAPRS, Advanced Principles of Pension Governance for Trustees, UCLA Luskin Conference Center, Los Angeles, CA, March 27 - 29, 2024.
 - c. Pension Bridge The Annual 2024, Ritz-Carlton, Half Moon Bay, CA, April 15 - 17, 2024.
 - d. CALAPRS, 2024 Management/Leadership Academy, The Westin Hotel, Pasadena, CA, April 22 - 23, June 10 - 12, and July 22 - 24, 2024.

- **PROPOSED AGENDA ITEMS**

None.

- **ADJOURNMENT**

The meeting was adjourned at 1:54 p.m.

- **Next FCERS Board Meeting: April 18, 2024**

*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

SPENCER HOROWITZ, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

ROBERTO L. PEÑA, CEO
OFFICE OF RETIREMENT SERVICES