



BOARD OF ADMINISTRATION

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

Thursday, December 21, 2023

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: +1 669 900 9128 US (San Jose)

Meeting ID: 969 0732 0780

Pass Code: 363315

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) -- 420 Star Hill Dr., Cape Carteret, NC 28584
Mark Linder, Trustee (Term Expires 11/30/24)

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Harvey Leiderman and Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

ADA ALERT

In accordance with the requirements of AB 2449, the Board of Administration (“Board”) will generally, upon request, provide appropriate aids and services leading to effective communication for individuals with disabilities so they can participate equally in the Board’s meetings, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, vision or other disabilities.

Anyone who requires an auxiliary aid or service for effective communication to participate in a Board meeting should contact the designated contact in Office of Retirement Services as far in advance of the scheduled meeting as possible. The Board strongly encourages individuals with disabilities to endeavor to submit requests for reasonable accommodation no later than five (5) business days before the scheduled meeting, as the Board may not be able to grant requests for reasonable accommodations without sufficient advance notice. The Board strongly encourages individuals with disabilities to submit their written requests via email or regular mail to facilitate tracking and response; however, if the submission of a written request constitutes a hardship, individuals may call the Office of Retirement Services to submit an oral request.

The designated contact in the Office of Retirement Services will endeavor to respond to each request within three (3) business days of receipt of the request. Depending on the request, the designated contact in the Office of Retirement Services may ask to schedule a time to discuss the request (which may occur virtually) to determine the most appropriate auxiliary aid or service, before the request is resolved.

ADA Designated Contact Information

Attention: Deputy Director/Chief Operations Officer, Office of Retirement Services
Address: 1737 N First St #600, San Jose, CA 95112
Email: #Retire_Admin@sanjoseca.gov
Phone: 408-794-1000 (ORS Main Line)

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

NONE

ii. Call for Trustee(s) requesting the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance".

iii. Take action on request(s) for remote appearance.

CLOSED SESSION

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

II. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS

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

B. CLOSED SESSION: THREAT TO PUBLIC SERVICES OR FACILITIES Consultation with: City's Chief Information Security Officer pursuant to Government Code section 54957(a).

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. Application for Change in Status to a Service-Connected Disability

a. Tamera Mordwinow, Senior Office Specialist, Department of Transportation, Request for Change in Status to Service-Connected Disability Retirement, effective May 8, 2019; 5.11* years of service. (*Staff Disability Committee Recommendation: Denial*)

b. Patricia Steinfurth, Staff Specialist, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective March 30, 2021; 9.13* years of service. (*Staff Disability Committee Recommendation: Denial*)

2. CONSENT CALENDAR

2.1 Approval for Change in Status to a Service-Connected Disability

a. Andrew Rollins, Parking & Traffic Control Officer, Department of Transportation, Request for Change in Status to Service-Connected Disability Retirement, effective May 6, 2017; 20.45*

years of service. (*Staff Disability Committee Recommendation: Approval*)

2.2 Approval of Service Retirements

- a. Laurence G. Brown**, Equipment Mechanic Assistant II, Public Works Department, effective January 6, 2024; 27.04* years of service.
- b. Timothy J. Collins**, Librarian II, Library Department, effective January 6, 2024; 24.04* years of service.
- c. Michael J. Garrens**, Maintenance Worker I, Department of Transportation, effective January 7, 2024; 27.82* years of service.
- d. David Leath**, Associate Engineering Technician, Public Works Department, effective January 6, 2024; 9.69* years of service.
- e. Loretta H. Macias**, Maintenance Worker II, Department of Transportation, effective December 23, 2023; 25.71* years of service.
- f. Sandy Steele**, Senior Engineering Technician, Public Works Department, effective January 6, 2024; 6.61* years of service.

2.3 Early Retirement

- a. Eric L. Fortes**, Division Manager, Human Resources Department, effective December 9, 2023; 5.07* years of service.

2.4 Approval of Deferred Vested

- a. Steven Brewster**, Senior Executive Analyst, Office of Economic Development, effective November 27, 2023; 5.85* years of service.
- b. Andrew Crabtree**, Division Manager, Planning Building and Code Enforcement, effective December 30, 2023; 26.07* years of service. (*With Reciprocity - 15.83 CSJ + 10.23 PERS = 26.07 YOS*)
- c. Brenda Charles**, Staff Specialist, Housing Department, effective January 3, 2024; 12.13* years of service.
- d. Maria Lourdes Fierner**, Civil Engineer II, Public Works Department, effective December 30, 2023; 6.51* years of service.
- e. Hijinia Q. Guerrero**, Secretary, Police Department, effective January 11, 2024; 22.07* years of service.
- f. Cathy Morrey**, Analyst II, Environmental Services Department, effective December 30, 2023; 33.27* years of service. (*With Reciprocity - 25.34 CSJ YOS + 7.93 PERS = 33.27 YOS*)
- g. Lisa T. Tulee**, Senior Executive Analyst, City Manager's Office, effective December 28, 2023; 25.90* years of service. (*With Reciprocity - 8.98 CSJ + 11.48 PERS + 5.44 SFCERS = 25.90 YOS*)

- h. **Rosa Velez**, Buyer II, Finance Department, effective December 30, 2023; 21.62* years of service. (*With Reciprocity - 11.67 CSJ + 9.95 PERS = 21.62 YOS*)
- i. **Suzanne Wolf**, Deputy Director, Parks, Recreation and Neighborhood Services Department, effective December 30, 2023; 30.72* years of service. (*With Reciprocity - 23.44 CSJ + 7.27 PERS = 30.72 YOS*)

2.5 Approval of Board Minutes

- a. Approval of the Board Minutes of November 16, 2023.

Attachments: [2.5a - FED Board 11-16-23 Minutes-Final.pdf](#)

2.6 Approval of Return of Contributions

- a. Voluntary | Involuntary

Attachments: [2.6a - FED ROC - November 2023.pdf](#)

2.7 Approval of Travel / Conference Attendance

- a. Spencer Horowitz, Chair
 - CALAPRS Virtual Investment Roundtable online course, November 30, 2023.
- b. Julie Jennings, Vice-Chair
 - CALAPRS Virtual Investment Roundtable online course, November 30, 2023.

2.8 Acceptance of Communication/Information Reports

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

Attachments: [2.8a\(1\) - FED Oct 2023 Monthly Expenses Report.pdf](#)
 [2.8a\(2\) - FED Nov 2023 Monthly Expenses Report.pdf](#)

- b. **Educational Travel Reports:**

- CALAPRS Virtual Investment Roundtable online course, November 30, 2023 - by Spencer Horowitz.
- CALAPRS Virtual Investment Roundtable online course, November 30, 2023 - by Julie Jennings.

Attachments: [2.8b\(1\) - Spencer Horowitz CALAPRS Travel Content Report.pdf](#)
 [2.8b\(2\) - Julie Jennings CALAPRS Travel Content Report.pdf](#)

2.9 Rescission Of Retirement Application

- a. Approval of request to rescind the Service Retirement application of **Jesse Sepulveda**, Maintenance Worker II, approved at the November 16, 2023 Board meeting for the effective

date of November 23, 2023.

Attachments: [2.9a - Rescind Memo -Sepulveda, Jesse.pdf](#)

3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Erle G. Barton**, Gardener, retired July 7, 2001, died October 19, 2023. No survivorship benefits.
- b. Notification of the death of **Charles Cardona**, Senior Maintenance Worker, retired July 5, 1992, died October 13, 2023. Survivorship benefits to Sherrie Cardona, spouse.
- c. Notification of the death of **Ruby L. Castro**, Administrative Assistant, retired February 25, 1998, died October 6, 2023. Survivorship benefits to Richard A. Castro, spouse.
- d. Notification of the death of **Dean Dalton**, Maintenance Worker, retired October 28, 2008, died July 26, 2023. No survivorship benefits.
- e. Notification of the death of **Gail Krevolt**, Account Clerk II, retired May 7, 2005, died November 10, 2023. No survivorship benefits.
- f. Notification of the death of **Patrick W. Lator**, Building Rehab Supervisor, retired May 8, 2004, died November 18, 2023. No survivorship benefits.
- g. Notification of the death of **Thomas A. Mac Rostie**, Deputy Director, retired August 31, 2002, died October 28, 2023. No survivorship benefits.
- h. Notification of the death of **Patricia A. Rawson**, Librarian II, retired April 1, 2000, died November 7, 2023. No survivorship benefits.
- i. Notification of the death of **Eric C. Shih**, Associate Engineer, retired March 19, 2011, died October 15, 2023. Survivorship benefits to Cindy Yueh-Chiao Shih, spouse.

4. INVESTMENTS

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Presentation of Calendar 2nd Quarter 2023 Private Equity report by Neuberger Berman.
Attachments: [4b - 2Q FY23 Private Equity report by Neuberger Berman - Legacy \(1\).pdf](#)
- c. Presentation of Calendar 2nd Quarter 2023 Private Markets report by Meketa Investment Group.
Attachments: [4c - 2Q FY23 PM Report SJ FED PUBLIC.pdf](#)
- d. Presentation of Calendar 3rd Quarter 2023 Performance report for Pension Plan by Meketa Investment Group.
Attachments: [4d - 3Q FY23 Performance Report SJ Fed ERS.pdf](#)
- e. Presentation of Calendar 3rd Quarter 2023 Performance report for Health Care Trust by Meketa Investment Group.

Attachments: [4e - 3Q FY23 Performance Report_SJ Fed HCT.pdf](#)

- f. Discussion and action to renew the agreement with Albourne America, LLC, Federated Plan's Absolute Return data provider, for eighteen months for an amount not-to-exceed \$90,000.

Attachments: [4f - FED Subscription Renewal Memo-Albourne&Dynamo Dec 2023.pdf](#)

- g. Discussion and action to renew the agreement with Dynamo Software, research management software provider, for seventeen months for an amount not-to-exceed \$87,000 (total amount shared 50/50 with Police & Fire).

Attachments: [4g - FED Subscription Renewal Memo-Albourne&Dynamo Dec 2023.pdf](#)

5. OLD BUSINESS-DEFERRED/CONTINUED ITEMS-NONE

6. NEW BUSINESS

- a. Oral update from the CEO of Retirement Services, Roberto L. Peña.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion and action on the final results of the June 30, 2023, Actuarial Valuation of the Federated City Employees Retirement System, which incorporates Board's approved demographic experience study and assumptions, to be presented by Cheiron.

Attachments: [6c\(1\) - SJFCERS 2023 Experience Study Report 2023-12-13s.pdf](#)

[6c\(2\) - SJFCERS 2023 AVR 2023-12-13s.pdf](#)

[6c\(3\) - SJFCERS 2023 Final Valuation Results 2023-12-13s.pdf](#)

- d. Discussion on preliminary results for the June 30, 2023, Other Post-Employment Benefits (OPEB) Valuation to be presented by Cheiron.

Attachments: [6d - CASJCICW Preliminary June 30 2023 Actuarial Valuation Results 2023-1](#)

- e. Discussion and action on election of the Board Chair for calendar year 2024.

Attachments: [6e - FED Election of Board Officers.pdf](#)

- f. Discussion and action on election of the Board Vice-Chair for calendar year 2024.

Attachments: [6f - FED Election of Board Officers.pdf](#)

- g. Discussion and action to approve Macias Gini & O'Connell LLP's "Agreed Upon Procedures" Report evaluating the inclusion of invoice management fees in Plan's investment performance from 2015 to 2023.

Attachments: [6g\(1\) - SJ RET Ind Acct Reprt on AUP FYE 6-30-2023 -FINAL secured.pdf](#)

[6g\(2\) - MGO AUP Representation Letter.pdf](#)

7. COMMITTEES/REPORTS/RECOMMENDATIONS

7.1 Investment Committee (Chandra, Horowitz, Faulkner)

Last Meeting: December 13, 2023 Next Meeting: February 20, 2024

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the Federated Investment Committee meeting from August 29, 2023. Receive and file.

Attachments: [7.1b - Federated IC 8-29-23 Minutes-Final.pdf](#)

7.2 Audit Committee (Avasthy, Jennings, Abbott)

Last Meeting: October 19, 2023 Next Meeting: February 15, 2024

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Discussion and action on the approval of the Federated City Employees' Retirement System's Retirement Plan's Annual Comprehensive Financial Reports for the Fiscal Year 2022-2023.

Attachments: [7.2b - 2023 Federated ACFR 12.18.23 v2 with highlights.pdf](#)

7.3 Governance Committee (Linder, Abbott, Avasthy)

Last Meeting: November 27, 2023 Next Meeting: January 29, 2024

- a. Oral update from the Chair of the Governance Committee.
- b. Discussion on proposed Board's policy on contracting and procurement for ORS operations.

Attachments: [7.3b\(1\) - City Policies Chapter 5.pdf](#)
[7.3b\(2\) - FED Vendor Selection Policy.pdf](#)
[7.3b\(3\) - MEMO Joint Governance Committee.pdf](#)
[7.3b\(4\) - OCERS Procurement and Contracting Policy.pdf](#)

- c. Discussion and action on workplan for Joint Governance Committee regarding operational policies for ORS' administration of the retirement plans.

Attachments: [7.3c - ORS - Board Adoption of Certain City Policies.pdf](#)

- d. Discussion on Board's policy on travel issues for trustees and ORS staff.

Attachments: [7.3d\(1\) - City Policy 1.8.2.pdf](#)
[7.3d\(2\) - Federated Board's Travel Policy.pdf](#)

7.4 FCERS Disability Committee (Linder, Jennings, Faulkner)

Last Meeting: December 5, 2023 Next Meeting: January 16, 2023

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the Federated Disability Committee meeting from November 7, 2023. Receive and file.

Attachments: [7.4b - FED DC 11-7-23 Minutes-Final.pdf](#)

7.5 Joint Personnel Committee (Chandra, Horowitz, Jennings)

Last Meeting: December 15, 2023 Next Meeting: December 22, 2023

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

8. EDUCATION & TRAINING

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

Attachments: [8a - San Jose Cortex Report - January 2024 Edition.pdf](#)

- b. CALAPRS 2023 Program Calendar.

Attachments: [8b - CALAPRS Program 2023 Calendar.pdf](#)

- c. CALAPRS, General Assembly 2024, Omni Rancho Las Palmas Resort, Rancho Mirage, CA, March 2 - 5, 2024.

Attachments: [8c - CALAPRS General Assembly 2024.pdf](#)

• PROPOSED AGENDA ITEMS

• ADJOURNMENT

• Next FCERS Board Meeting: January 18, 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>) 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.