



# BOARD OF ADMINISTRATION

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

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Thursday, November 17, 2022

8:30 AM

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**MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION**

**zoom.us**

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

**Meeting ID: 993 7773 2538**

**Pass Code: 906756**

### **BOARD MEMBERS**

*Spencer Horowitz, Chair (Term Expires 11/30/24)*

*Julie Jennings, Vice-Chair (Term Expires 11/30/23)*

*Anurag Chandra, Trustee (Term Expires 11/30/22)*

*Mark Keleher, Trustee (Term Expires 11/30/23)*

*Elaine Orr, Trustee (Term Expires 11/30/22)*

*Mark Linder, Trustee (Term Expires 11/30/24)*

*Prachi Avasthy, Trustee (Term Expires 11/30/25)*

### **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*

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**\* COVID-19 NOTICE \***

Consistent with AB 361 and City of San Jose Resolution Number 80628, 80659, 80685 and 80724 this meeting will not be physically open to the public and the Board Members will be teleconferencing from remote locations.

How to observe the Meeting (no public comment):

- 1) Cable Channel 26,
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

How to submit written Public Comment:

- 1) By email to [retirement.dept@sanjoseca.gov](mailto:retirement.dept@sanjoseca.gov) by 5:00 p.m. the day before the meeting.
- 2) By phone +1 669 219 2599 . Meeting ID: 993 7773 2538. The Chair will recognize public comment after each item and will be notified to speak.
- 3) By online <https://sanjoseca.zoom.us>
  - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
  - b. When the Chair calls for the item on which you wish to speak, click on "Raise Hand." Speakers will be notified shortly before they are called to speak.
  - c. When called, please limit your remarks.

**AGENDA**

**CALL TO ORDER AND ROLL CALL**

**CEREMONIAL ITEM**

- I. Presentation of a commendation to Elaine Orr for her service as Trustee to the Federated City Employees' Retirement Systems Board of Administration.

Attachments:      [Commendation.ORR.11.17.22.FINAL](#)

**CLOSED SESSION**

**I. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS**

- A. **CLOSED SESSION:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Title: (Senior Analyst, Department of Transportation).

Discussion and action on service-connected disability retirement application of member Emily Briggs

(Staff Disability Committee Recommendation: Denial). Closed Session at member's request.

**OPEN SESSION - will reconvene following Closed Session, estimated to be 9:45 a.m.**

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call (408) 794-1112 as soon as possible, but at least three business days before the meeting.

**• ORDERS OF THE DAY**

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

**1.1 Request for a Service-Connected Disability Retirement**

- a. **Emily Briggs**, Senior Analyst, Department of Transportation, Request for a Service-Connected Disability Retirement, effective January 19, 2006, 19.58\* years of service. (*Staff Disability Committee Recommendation: Denial*)

**2. CONSENT CALENDAR**

**2.1 Approval of Service Retirements**

- a. **Elliott C. Prest**, Instrument Control Technician IV, Environmental Services Department, effective December 16, 2022; 7.24\* years of service. **(Tier 2B)**
- b. **Gary M. Ryan**, Groundswoker, Parks, Recreation and Neighbor Services Department, effective November 29, 2022; 9.01\* years of service. **(Tier 2)**
- c. **James F. Trotter**, Parking & Traffic Control Supervisor, Department of Transportation, effective November 26, 2022; 30.46\* years of service.

**2.2 Approval of Deferred Vested**

- a. **Erik Glen Larsen**, Community Coordinator, City Manager's Office, effective October 19, 2022; 8.47\* years of service.
- b. **Maria E. Rodriguez**, Associate Engineer, Public Works Department, effective December 10, 2022; 32.25\* years of service. (*With Reciprocity CSJ YOS 8.55 + PERS YOS 24.00*)
- c. **Kimberly Turner**, Senior Public Safety Dispatcher, Police Department, effective November 12, 2022; 21.25\* years of service. (*With Reciprocity CSJ YOS 10.85 + SBCERA YOS 10.40*)
- d. **Hilda Wong**, Staff Technician, Human Resources Department, effective December 9, 2022; 11.39\* years of service.

**2.3 Approval of Board Minutes**

- a. Approval of the Board Minutes of October 14, 2022.

Attachments:      [2.3a - 10.14.22 - Fed Minutes - Final](#)

- b. Approval of the Board Minutes of October 20, 2022.

Attachments:      [2.3b - FED Minutes10.20.2022 -Final](#)

## **2.4 Approval of Return of Contributions**

- a. Voluntary | Involuntary.

Attachments:      [2.4a - ROC - FED](#)

## **2.5 Acceptance of Communication/Information Reports**

- a. Report of the Plan Expenses for September 2022. Receive and file.

Attachments:      [2.5a - FEDSept2022MonthlyExpenseReports](#)

- b. Report of the Budget vs. Actual Expenses for 1st Quarter FY 22-23. Receive and file.

Attachments:      [2.5b - Q1FY22-23FEDBudgetVSActualReport](#)

- c. Fiscal Health of California Cities website.

Attachments:      [2.5c - CityFiscalHealthLink](#)

- d. Updated Board and Committee Assignments. Receive and file.

Attachments:      [2.5d - CMTParticipants-FED - rev11.2.22](#)

- e. ORS's Quarterly Newsletter - The Retirement Connection: October 2022 Edition.

Attachments:      [2.5e - CSJ Retirement News-Oct 2022FINAL](#)

## **2.6 Approval of Travel / Conference Attendance**

- a. Prabhu Palani, CIO

- Due Diligence, Tokyo, Japan - December 12, 2022 - December 16, 2022.
- Transpose Fintech/Innovation Day Summit, Shangri La Hotel, Tokyo, Japan -December 15, 2022.
- 9th Annual California Institutional Forum, Napa Valley Marriott Hotel, Napa, CA - December 7th, 2022.

## **3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)**

- a. Notification of the death of **Lorraine Ostrowski**, Supervising Public Health Nurse, retired September

7, 1981, died October 5, 2022. No survivorship benefits.

- b. Notification of the death of **Fredrick G. Ulrich**, Facility Repair Worker, retired March 25, 2006, died August 21, 2022. Survivorship benefits to **Ursula Ulrich**, Spouse.

#### **4. INVESTMENTS**

- a. Oral update by CIO, Prabhu Palani.

#### **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 on preliminary results for the June 30, 2022, Actuarial Valuation to be presented by Cheiron.

**Attachments:**      [6c - Prelim Val Results Short 2022-11-11s](#)

- d. Discussion and action on OPEB Assumptions as of June 30, 2022, presented by Cheiron.

**Attachments:**      [6d - 2022 OPEB Assumptions Shorter-rev](#)

- e. Discussion and action regarding member Terri Williams' appeal of ORS' denial to include a 5% non-pensionable compensation increase in her disability retirement allowance offset calculations. **(Time Certain: 10:00 a.m.)**

**Attachments:**      [6e\(1\) - Member Terri Williams' Initial Submission to Boa](#)  
[6e\(2\) - Member Terri Williams' Reply Materials to Board](#)  
[6e\(3\) - Plan Counsel's Memo to Board RE Disability Retir](#)  
[6e\(4\) - Plan Counsel's Reply Memo to Board RE Disability](#)

- f. Discussion and action on the Tier 2 Survivorship Clarification Ordinance.

**Attachments:**      [6f\(1\) - FEDBDMemo OrdClarifyingT2Survivorship](#)  
[6f\(2\) - T2 SurvivorBenClarificationOrd](#)

- g. Discussion and action on authorizing the CEO to execute the 3rd Amendment to the Agreement with Cortex Consulting, Inc. for an additional \$30,000 for calendar year 2023, for a total NTE amount of \$130,000.

**Attachments:**      [6g - CortexFED3rdAmendment](#)

- h. Discussion and action on the 2023 Scheduled Board and Standing Committee Meetings.

**Attachments:**      [6h - Prop2023 BdMTgSchedMEMO - FCERS](#)

- i. Nominations for the positions of Board Chair and Vice-Chair for calendar year 2023.

**Attachments:**      [6i - FED Election of Board Officers](#)

- j. Discussion and action on Committee Assignments.

**Attachments:**      [6j - CMTParticipants-FED - rev11.2.22](#)

- k. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

**Attachments:**      [6k - AB361-11.17.22](#)

## **7. COMMITTEES/REPORTS/RECOMMENDATIONS**

### **7.1 Investment Committee (Chandra, Horowitz, Orr)**

**Last Meeting: October 25, 2022 (Regular)  
(Special)**

**Next Meeting: November 17, 2022**

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the Special Investment Committee meeting from September 15, 2022. Receive and file.

**Attachments:**      [7.1b - FEDICMin 09.15.22](#)

### **7.2 Governance Committee (Jennings, Keleher, Linder)**

**Last Meeting: October 20, 2022 (Special)  
(Special)**

**Next Meeting: November 17, 2022**

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the Special Governance Committee meeting from September 15, 2022. Receive and file.

**Attachments:**      [7.2b - 9-15-22 - SP GC Minutes - Final](#)

### **7.3 Audit Committee (Keleher, Jennings, Avasthy)**

**Last Meeting: October 20, 2022 (Regular)  
(Special)**

**Next Meeting: November 17, 2022**

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the August 18, 2022 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.

**Attachments:**      [7.3b - Joint AC Minutes 8-18-22 - Final](#)

- c. Minutes of the Special Federated Audit Committee meeting from September 15, 2022. Receive and file.

**Attachments:**      [7.3c - 9-15-22 - SP AC Minutes - Final](#)

- d. Update on the City Auditor's Recommendation to the Office of Retirement Services. Receive and file.

**Attachments:**      [7.3d - CA Recommend17-06 Retirement 10.4.22](#)

- e. Report of the Member Contribution Rates Audit by Internal Auditor, Houman Boussina. Receive and file.

**Attachments:**      [7.3e\(1\) - Pres\\_RatesAudit\\_FINAL\\_102022](#)

[7.3e\(2\) - RatesAudit Final 102022](#)

- f. Discussion and action on the Committees' recommendation to the Board of Administration of the City of San Jose Federated City Employees' Retirement system from Grant Thornton, LLP (GT) the Plan's external auditor on:

- a. Independent auditor's report on the internal control over financial reporting and on compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards and Management comments and recommendations.

- b. Required communications.

**Attachments:**      [7.3f\(1\) - 2022 Fed IC Ltr\(10 11 DRAFT\)](#)

[7.3f\(2\) - FY22 FED and PF AC Presentation 10 11](#)

- g. Discussion and action on the approval of the Federated City Employees' Retirement System's Annual Comprehensive Financial Reports for the Fiscal Year 2021-2022.

**Attachments:**      [7.3g - 2022 Federated ACFR 11.08.22](#)

#### **7.4 Joint Personnel Committee (Chandra, Horowitz, Jennings)**

**Last Meeting: November 10, 2022    Next Meeting: December 8, 2022**

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

#### **8. EDUCATION & TRAINING**

- a. The Cortex Report - November 2022, Conferences, Seminars and Educational Programs.

**Attachments:**      [8a - Cortex Report - November 2022 Edition](#)

#### **• PROPOSED AGENDA ITEMS**

**• ADJOURNMENT**

**Next Meeting: December 15, 2022**

\*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.