



BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, December 7, 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: 979 3215 1301

Pass Code: 685161

Franco Vado, Chair, Police Retiree Rep (Term Expires 11/30/24)
Vacant, Vice-Chair, Public Member (Term Expires 4/30/27)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/26)
Andrew Gardanier, Trustee, Fire Active Rep (Term Expires 11/30/27)
David Kwan, Trustee, Public Member (Term Expires 11/30/24)
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)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman & 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 requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$250 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution on this form.

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

CEREMONIAL ITEM

- a. Presentation of a commendation to Drew Lanza for his service as Board Chair and Trustee of the Police & Fire Retirement Plan's Board of Administration.

Attachments: [Drew's Commendation](#)

CLOSED SESSION

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

I. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS

- A. **CLOSED SESSION:** CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6(a). Agency designated representatives: Franco Vado, Board Chair. Unrepresented employees: Chief Executive Officer.
- B. **CLOSED SESSION:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Chief Executive Officer and counsel.
- C. **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 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 Change in Status to Service-Connected Disability Retirement

- a. Jose Chavez, Fire Captain, Fire Department, Request for Change in Status to Service-Connected

Disability Retirement, effective August 25, 2018; 23.85* years of service. (*Disability Committee Recommendation: Approval*)

- b. Colin Crooker**, Police Officer, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective August 10, 2019; 22.73* years of service. (With Reciprocity - 20.69 CSJ YOS + 2.04 PERS YOS) (*Disability Committee Recommendation: Approval*)
- c. Robert Finnie**, Police Sergeant, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective August 24, 2019; 25.03* years of service. (*Disability Committee Recommendation: Approval*)
- d. Fred Mills**, Police Sergeant, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective July 12, 2019; 25.96* years of service. (*Disability Committee Recommendation: Approval*)
- e. Jeanette Sivertsen**, Police Officer, Police Department, Request for Change in Status to Service-Connected Disability Retirement, effective November 16, 2019; 26.67* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval Of Minutes

- a.** Approval of the Board Minutes of November 2, 2023.

Attachments: [1.2a - 11.2.23 PF Meeting Minutes - Final](#)

1.3 Approval Of Travel for Conferences and Due Diligence

- a.** David Kwan, Trustee
 - 10th Annual Northern California Institutional Forum, Napa Valley Marriott Hotel & Spa, Napa, California, December 5-6, 2023
- b.** Sunita Ganapati, Trustee
 - 10th Annual Northern California Institutional Forum, Napa Valley Marriott Hotel & Spa, Napa, California, December 5-6, 2023

1.4 Return of Contributions

- a.** Voluntary | Involuntary

Attachments: [1.4a - PF ROC Review - November 2023](#)

1.5 Communication/Information

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

Attachments: [1.5a - PF Dashboard for 12.7.23](#)

b. Educational Travel Reports:

- 2023 Pension Bridge Alternatives, The Westin Times Square, New York City, NY - October 10-11, 2023 - by Eswar Menon.
- SACRS Annual Fall Conference 2023, Omni Rancho Las Palmas Resort & Spa, Rancho Mirage, CA - November 7-10, 2023 - by Andrew Gardanier.

Attachments: [1.5b\(1\) - Eswar Menon 2023 Pension Bridge Alternatives Travel Cont Reprt](#)
[1.5b\(2\) - Andrew Gardanier SACRS Fall Conference 2023 Travel Cont Reprt](#)

c. Report of the Monthly Board Expenses for October 2023. Receive and file.

Attachments: [1.5c - PF Oct 2023 Monthly Expense Reports](#)

1.6 Education and Training

a. The Cortex Report - November 2023, Conferences, Seminars and Educational Programs.

Attachments: [1.6a - San Jose Cortex Report - November 2023 Edition](#)

1.7 Change of Retirement Application

a. Approval for a change in effective date for **Milan Hrnccir, Police Officer, Police Department, from November 10, 2023, to January 5, 2024, for a service retirement approved at the October 5, 2023 Board meeting.**

Attachments: [1.7a - Change RetDate Memo - Hrnccir](#)

2. INVESTMENTS

a. Oral update by CIO, Prabhu Palani.

b. Presentation of Calendar 2nd Quarter 2023 Private Equity report by Neuberger Berman.

Attachments: [2b - 2Q FY23 Private Equity Report for San Jose PF Department Retirement Plan](#)

c. Presentation of Calendar 2nd Quarter 2023 Private Markets report by Meketa Investment Group.

Attachments: [2c - Q2 FY23 PM Report SJ PF Public Markets Program](#)

d. Presentation of Calendar 3rd Quarter 2023 Performance report for Pension Plan by Meketa Investment Group.

Attachments: [2d - 3Q FY23 Performance Report SJ PF Retirement Plan](#)

e. Presentation of Calendar 3rd Quarter 2023 Performance report for Health Care Trust by Meketa Investment Group.

Attachments: [2e - 3Q FY23 Performance Report SJ PF Health Care Trust](#)

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

Attachments: [2f - PF Subscription Renewals-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 Federated).

Attachments: [2g - PF Subscription Renewals-Albourne & Dynamo Dec 2023.pdf](#)

3. OLD BUSINESS CONTINUED

- a. Discussion and action on merit increase and executive days for the CEO position.

4. NEW BUSINESS

- a. Oral update by CEO, Roberto L. Peña.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion on preliminary results for the June 30, 2023, OPEB Valuation to be presented by Cheiron.

Attachments: [4c - CASJPFCW Preliminary June 30, 2023 Actuarial Valuation Results 20231](#)

- d. Discussion and action on the final results for the June 30, 2023, Actuarial Valuation, which incorporates Board's approved demographic experience study and assumptions, to be presented by Cheiron.

Attachments: [4d\(1\) - SJPF00P 2023 Final Valuation Results 2023-11-29s](#)

[4d\(2\) - SJPF 2023 Demographic Experience Study Report 2023-11-29s](#)

[4d\(3\) - SJPF 2023 AVR 2023-11-29s](#)

- e. Discussion and action on authorizing the CEO to negotiate and execute a fourth amendment to the agreement with ExamWorks, a provider of independent medical examinations (IME) and related services for disability retirement applications, to increase the not to exceed amount by \$720,000, from \$500,000 to \$1,220,000, though the end of the current term of the agreement on December 31, 2025.

Attachments: [4e - ExamWorks Memo to PF Board Not To Exceed Increase-Final.pdf](#)

- f. Discussion and action regarding approval to increase the "medical services category" in the Police and Fire Board's administrative budget for FY23-24 from \$270,000 to \$360,000 to account for the ExamWorks services under Fourth Amendment.

- g. Discussion and action on amendment to Board's Policy on Election of Board Officers.

Attachments: [4g - PF Revised Board Election Policy](#)

- h. Discussion and action on election of Chair of Board.

Attachments: [4h - BOARDS-COMMITTEES-Members-Participants-PF](#)

- i. Discussion and action on election of Vice-Chair of Board.

Attachments: [4i - BOARDS-COMMITTEES-Members-Participants-PF](#)

- j. Discussion and action of standing committee assignments.

Attachments: [4j - BOARDS-COMMITTEES-Members-Participants-PF](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Vernon J. Avery**, Fire Captain, Fire Department, effective January 4, 2024; 25.64* years of service.
- b. **Scott M. Coscarelli**, Deputy Fire Chief, Fire Department, effective December 9, 2023; 25.03* years of service.
- c. **Scott T. Harris**, Police Officer, Police Department, effective January 5, 2024; 27.32* years of service.
- d. **Toshi M. Hata**, Police Officer, Police Department, effective December 9, 2023; 28.15* years of service.
- e. **Hartaj S. Johal**, Police Sergeant, Police Department, effective January 7, 2024; 27.80* years of service.
- f. **Robert C. Lang Jr.**, Police Lieutenant, Police Department, effective January 6, 2024; 27.80* years of service.
- g. **Huan P. Nguyen**, Police Sergeant, Police Department, effective January 7, 2024; 29.24* years of service. (*With Reciprocity - 17.07 CSJ YOS + 12.17 PERS YOS*)
- h. **William W. Pender**, Police Officer, Police Department, effective December 23, 2023; 27.76* years of service.
- i. **Philip P. Reggiardo**, Fire Engineer, Fire Department, effective January 6, 2024; 28.70* years of service.
- j. **Joseph J. Vierra**, Fire Captain, Fire Department, effective December 23, 2023; 29.57* years of service. (*With Reciprocity - 26.47 CSJ YOS + 3.10 PERS YOS*)

5.2 Early Retirement

- a. **Daniel A. Enriquez**, Police Officer, Police Department, effective December 9, 2023; 23.46* years of service.
- b. **Jeffery S. Rishel**, Fire Engineer, Fire Department, effective November 13, 2023; 24.50* years of service.

5.3 Deferred Vested-Early Retirement

- a. **Dawn M. Marchetti**, Police Officer, Police Department, effective November 23, 2023; 20.16* years of service. *(With Reciprocity - 9.81 CSJ YOS + 10.34 PERS YOS)*

5.4 Deferred Vested

- a. **Douglas G. Gerbrandt**, Police Officer, Police Department, effective December 29, 2023; 27.50* years of service. *(With Reciprocity - 13.42 CSJ YOS + 14.07 PERS YOS)*
- b. **Angel M. Mina**, Police Officer, Police Department, effective December 29, 2023; 33.07* years of service. *(With Reciprocity - 10.83 CSJ YOS + 22.23 PERS YOS)*
- c. **Desiree M. Salguero**, Police Officer, Police Department, effective December 30, 2023; 34.75* years of service. *(With Reciprocity - 11.63 CSJ YOS + 23.11 PERS YOS)*
- d. **Kirk R. Wilson**, Police Officer, Police Department, effective December 29, 2023; 31.24* years of service. *(With Reciprocity - 21.92 CSJ YOS + 9.32 PERS YOS)*

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **James J. Guido Jr.**, Police Sergeant, retired February 28, 1981, died October 22, 2023. No survivorship benefits.
- b. Notification of the death of **Justin D. Jantz**, Police Sergeant, active, died November 9, 2023. Survivorship benefits to Sara Jantz, spouse, and Kiely Jantz, Josiah Jantz and Aubrey Jantz, children.
- c. Notification of the death of **Theodore Lopez**, Fire Prevention Inspector, retired August 7, 1991, died September 29, 2023. Survivorship benefits to Katherine Lopez, spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: September 7, 2023

Next Meeting: December 7, 2023

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

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

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 regarding Communication to the Board of Administration of the City of San Jose Police and Fire Department Retirement Plan from Macias Gini & O'Connell (MGO) the Plan's

external auditor:

a. Independent auditor's report on the internal control over financial reporting, compliance and other matters based on an Audit of Financial Statements performed.

b. Independent auditor's Management Letter comments and recommendations regarding audit findings.

Attachments: [7.2b - City of San Jose Police and Fire Department Retirement Plan Report](#)

- c. Discussion and action on the approval of the Police and Fire Department Retirement Plan's Annual Comprehensive Financial Reports for the Fiscal Year 2022-2023.

Attachments: [7.2c - 2023 PF Full ACFR 11 28 23 Without Investment](#)

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

Last Meeting: November 27, 2023

Next Meeting: March 7, 2024

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the Special Governance Committee meeting from December 1, 2022. Receive and file.
- 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](#)

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

Last Meeting: November 6, 2023

Next Meeting: December 11, 2023

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the P&F Disability Committee meeting from September 15, 2023. Receive and file.

Attachments: [7.4b - PF DC 9.15.23 Minutes -Final](#)

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

Last Meeting: November 14, 2023

Next Meeting: December 15, 2023

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Discussion and action on issuance of RFP for executive search firm for hiring of CEO position, including budget and timeline.
- c. Report on formation of ad hoc committee for executive search for hiring of CEO position, including purpose and timeline.

- d. Discussion and action on recommended changes to JPC Charter.

Attachments: [7.5d - Proposed Redline Changes to SJ JPC Charter](#)

- e. Discussion and action resolving differences between the Boards.

Attachments: [7.5e - Resolving Differences Between Federated and P&F Boards](#)

• PROPOSED AGENDA ITEMS

• ADJOURNMENT

Next Meeting: January 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.