



BOARD OF ADMINISTRATION

City Hall
Wing Rooms 118-120
200 East Santa Clara
Street,
San Jose, CA 95113

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, February 6, 2020

8:30 AM

City Hall, Wing Rooms 118-120

Andrew Gardanier, Chair, Fire Active Rep (Term Expires 11/30/23)
Drew Lanza, Vice-Chair, Public Member (Term Expires 4/30/23)
Howard Lee, Trustee, Public Member (Term Expires 11/30/22)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)
Nick Muyo, Trustee, Police Retiree Rep (Term Expires 11/30/20)
Vikas Oswal, Trustee, Public Member (Term Expires 11/30/22)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)
Vincent Sunzeri, Trustee, Public Member (Term Expires 11/30/20)
Franco Vado, Trustee, Police Active Rep (Term Expires 11/30/21)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

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

I. CLOSED SESSION NEW BUSINESS

- A. CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2) - SIGNIFICANT EXPOSURE TO LITIGATION. ONE MATTER.

OPEN SESSION - will reconvene following Closed Session, estimated to be 9:00 a.m.

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

• ORDERS OF THE DAY

1. CONSENT CALENDAR

1.1 Approval Of Minutes

- a. Approval of the Board Minutes of January 9, 2020.

Attachments: [1.1a - 1-9-2020 PF Minutes - Final.pdf](#)

1.2 Approval Of Travel for Conferences and Due Diligence

- a. Roberto L. Peña, CEO
- CalAPRS General Assembly, Omni Rancho Las Palmas Resort, Rancho Mirage, CA, March 7 - 10, 2020.
 - CalAPRS Administrators' Round Table, Avenue of the Arts Costa Mesa Hotel, Costa Mesa, CA, February 7, 2020.
- b. Prabhu Palani, CIO
- Navigating and Winning Disruptions Series for Investors, New York City, NY, March 10, 2020.
- c. Eswar Menon, Trustee
- Pension Bridge ESG Summit, InterContinental San Diego, San Diego, CA, February 10-11, 2020.
- d. Franco Vado, Trustee
- CalAPRS General Assembly, Omni Rancho Las Palmas Resort, Rancho Mirage, CA, March 7 - 10, 2020.

1.3 Return of Contributions

- a. Voluntary / Involuntary.

Attachments: [1.3a - ROC - P&F - Feb 2020.pdf](#)

1.4 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.4a - Police and Fire Retirement Plan Dashboard for 2.6.20.pdf](#)

- b. Matrix of City Auditor's Recommendations from the 2017 Audit. Receive and file.

Attachments: [1.4b - City Auditor Recommendations 17-06 Retirement 12.12.19.pdf](#)

- c. Pensions & Investments Article: "Tackling the Issue of Conflict on Public Fund Boards" by Arleen Jacobius - January 13, 2020.

Attachments: [1.4c - P&I Boards Article Jan 12 2020.pdf](#)

- d. Pensions & Investments Article: "For an Efficient Board, Mutual Respect and a Collegial Culture Are Mandatory" by Arleen Jacobius - January 13, 2020.

Attachments: [1.4d - P&I Board Collegiality Article Jan 13 2020.pdf](#)

- e. Report of the Plan Expenses for December 2019. Receive and file.

Attachments: [1.4e - PF Dec 2019 Monthly Board Expense.pdf](#)

- f. Report of the Budget vs. Actual Expenses for 2nd Quarter FY 19-20. Receive and file.

Attachments: [1.4f - PF Q2 FY19-20.pdf](#)

g. Educational Travel Reports:

- 7th Annual California Institutional Forum, Hyatt Regency Sonoma Wine Country, Santa Rosa, CA - December 4, 2019 - by Eswar Menon.

Attachments: [1.4g - Educational Travel Report - Menon.pdf](#)

1.5 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Reduced Lifetime Monthly Payment Option to be paid to Sybil Bei, ex-spouse of Fire Engineer, **Douglas Biddle** to be effective January 29, 2020 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

Attachments: [1.5a - Alternate Payee - Biddle.pdf](#)

1.6 Education and Training

- a. The Cortex Report - January 2020 - Conferences, Seminars, and Educational Programs.

Attachments: [1.6a - San Jose Cortex Report - Jan 2020.pdf](#)

- b. CalAPRS 2020 Program Calendar.

Attachments: [1.6b - CalAPRS 2020 Program Calendar.pdf](#)

- c. CalAPRS General Assembly, Omni Rancho Las Palmas Resort, Rancho Mirage, CA - March 7-10, 2020.

Attachments: [1.6c - calaprs_ga_2020_program-prel.pdf](#)

- d. CalAPRS Advanced Principles of Pension Management for Trustees, UCLA Luskin Conference Center, Los Angeles, CA - March 30 - April 1, 2020.

Attachments: [1.6d - CalAPRS Adv.pdf](#)

- e. SACRS Spring 2020 Conference, Paradise Point Resort & Spa, San Diego, CA - May 12 - 15, 2020.

Attachments: [1.6e - SACRS Spring 2020 Conference.pdf](#)

- f. SACRS/UC Berkeley Program, UC Berkeley HAAS School of Business, Berkeley, CA - July 26 - 29, 2020.

Attachments: [1.6f - SACRS-UC Berkley Program.pdf](#)

- g.** SACRS Fall 2020 Conference, Renaissance Indian Wells Resort & Spa, Indian Wells, CA - November 10 - 13, 2020.

Attachments: [1.6g - SACRS Fall 2020 Conference.pdf](#)

2. INVESTMENTS

- a.** Oral update from the CIO of Retirement Services, Prabhu Palani.

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a.** Discussion and action on Other Post Employment Benefits (OPEB) Valuation Results as of June 30, 2019 presented by Cheiron.

Attachments: [3a\(1\) - OPEB Presntation.pdf](#)
 [3a\(2\) - Final OPEB Valuation Report.pdf](#)

4. 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 Cheiron's 5-Year Budget Projections for the Police & Fire Department Retirement Plan.

Attachments: [4c - 5-Year budget projections for PF.pdf](#)

- d.** Discussion and action to adopt Resolution No. 4815 on the actuarial equivalence assumptions.

Attachments: [4d - Resolution 4815 re Actuarial Equivalence for 2020.pdf](#)

- e.** Public Employee Pension Funding Challenges, a presentation by General and Fiduciary Counsel Harvey Leiderman, Reed Smith LLP.

Attachments: [4e - SJ P&F Board Funding Challenges Presentation Feb 6, 2020.pdf](#)

5. RETIREMENTS

5.1 Service Retirements

- a.** **Joseph Abasolo**, Fire Engineer, Fire Department, effective January 31, 2020; 25.64* years of service.
- b.** **Robert V. Gutierrez**, Battalion Chief, Fire Department, effective January 26, 2020; 27.62* years of service.
- c.** **Richard J. Mizgorski III**, Police Officer, Police Department, effective January 25, 2020; 24.77*

years of service.

- d. **Steven D. Nelms**, Police Officer, Police Department, effective January 31, 2020; 23.39* years of service.
- e. **Eleazar Zamora**, Fire Engineer, Fire Department, effective January 31, 2020; 25.06* years of service.

5.2 Deferred Vested

- a. **Joseph H. Deras**, Police Officer, Police Department, effective January 21, 2020; 27.58* years of service. *(With Reciprocity - 6.21 CSJ YOS + 21.37 PERS YOS)*
- b. **Mary F. Gutierrez**, Battalion Chief, Fire Department, effective January 26, 2020; 24.93* years of service. *(With Reciprocity - 19.62 CSJ YOS + 5.31 PERS YOS)*

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Eugene Adams**, Police Officer, retired June 10, 2000, died December 5, 2019. Survivorship benefits to Carol Adams, Spouse.
- b. Notification of the death of **Donald Ewing**, Police Lieutenant, retired September 11, 1982, died November 18, 2019. No survivorship benefits.
- c. Notification of the death of **John Nunes**, Police Officer, retired November 20, 1995, died November 11, 2019. Survivorship benefits to Linda Nunes, Spouse.
- d. Notification of the death of **Dalton Rolen**, Police Sergeant, retired June 5, 1993, died December 3, 2019. Survivorship benefits to Shirley Rolen, Spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Oswal - CH/Gardanier/Lanza/Menon)

Last Meeting: December 17, 2019 (January 28, 2020 meeting cancelled)

Next Meeting: March 24, 2020

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

7.2 Audit/Risk Committee (Vado - CH/Menon/Muyo)

Last Meeting: October 17, 2019

Next Meeting: February 20, 2020

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

7.3 Governance Committee (Muyo/ Santos/ Sunzeri)

Last Meeting: December 5, 2019

Next Meeting: March 5, 2020

- a. Oral update from the Chair of the Governance Committee.
- b. Discussion and action on the Governance Committee's recommendation to deny purchasing access to Cheiron's educational tools for Trustee use. *(Deferred from the January 9, 2020 P&F Board meeting)*

7.4 Disability Committee (Santos - CH/Lanza - Alts: Muyo/Sunzeri)

Last Meeting: December 18, 2019 (January 11, 2020 meeting cancelled)

Next Meeting: February 19, 2020

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

7.5 Joint Personnel Committee (Gardanier/ Oswal/ Sunzeri)

Last Meeting: October 28, 2019 (January 30, 2020 meeting cancelled)

Next Meeting: TBD

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

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• ADJOURNMENT

Next Meeting: March 5, 2020

*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.