



BOARD OF ADMINISTRATION

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

Meeting Agenda - Final

Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, April 18, 2019

8:30 AM

City Hall, Wing Rooms 118-120

BOARD MEMBERS

Matt Loesch, Chair
Jay Castellano, Vice-Chair
Anurag Chandra, Trustee
Elaine Orr, Trustee
Qianyu Sun, Trustee
Vacant, Trustee
Vacant, Trustee

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

AGENDA

OPEN SESSION

CALL TO ORDER AND ROLL CALL

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored 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 Application for a Non-Service-Connected Disability

- a. Julian Ross Braver**, Assistant to City Manager, City Manager's Office, effective February 2, 2019; 17.91* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval of Service Retirements

- a. **Kenneth A. Brager**, Maintenance Supervisor, Department of Transportation, effective May 4, 2019; 30.01* years of service.
- b. **Leslie Donahue**, Legal Administrative Assistant II, City Attorney's Office, effective May 18, 2019; 6.80* years of service.
- c. **Melanie Kirmse**, Senior Analyst, Office of Retirement Services, effective March 30, 2019; 30.33* years of service.
- d. **David Johnsen Mitchell**, Park Manager, Parks, Recreation and Neighborhood Services Department, effective April 20, 2019; 19.94* years of service.
- e. **Maithi T. Nguyen**, Systems Applications Programmer, Environmental Services Department, effective March 23, 2019; 16.77* years of service.
- f. **Hoang Vu**, Analyst, Parks, Recreation and Neighborhood Services Department, effective March 30, 2019; 28.39* years of service.

1.3 Approval of Deferred Vested

- a. **Debra Aguilar**, Senior Public Safety Dispatcher, Police Department, effective May 1, 2019; 23.07* years of service.
- b. **Laurence J. Wagner**, Parking and Traffic Control Officer, Department of Transportation, effective April 21, 2019; 12.18* years of service.
- c. **Margaret Zamora**, Supervising Application Analyst, Police Department, effective May 7, 2019; 15.95* years of service.

1.4 Approval of Board Minutes

- a. Approval of the Board Minutes of March 21, 2019.

Attachments: [1.4a - 3-21-2019 Minutes - Final](#)

1.5 Approval of Return of Contributions

- a. Voluntary | Involuntary.

Attachments: [1.5a - Return of Contributions](#)

1.6 Acceptance of Communication/Information Reports

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

Attachments: [1.6a - City Auditor Recommendations 17-06 Retirement 1.24.19](#)

- b. Report of the Plan Expenses for February 2019. Receive and file.

Attachments: [1.6b - Fed February 2019 Expenses](#)

c. Educational Travel Reports:

- CALAPRS Advanced Principles of Pension Management for Trustees, UCLA Luskin Conference Center, Los Angeles, CA - March 27-29, 2019 - by Qianyu Sun.

Attachments: [1.6c - Federated Travel Content Report - Q. Sun](#)

1.7 Approval of Travel / Conference Attendance

a. Elaine Orr, Trustee

- 12th Annual Women's Private Equity Summit, Monarch Beach Resort, Dana Point, CA - March 12-15, 2019 - CANCELLED.

b. Kurt Billick, Trustee

- Pension Bridge Annual 2019, Westin St. Francis Hotel, San Francisco, CA - April 9-10, 2019 - CANCELLED.

1.8 Approval of Change in Retirement Type and Date

- a.** Approval for a change in retirement for **Frank Gaska** from a Deferred Vested Retirement effective February 9, 2019, approved at the March 21, 2019 Board meeting, to Service Retirement effective February 4, 2019.

Attachments: [1.8a - Change in Ret. Date & Type - F. Gaska](#)

1.9 Notice of Alternate Payee Benefit Election

- a.** Approval of Alternate Payee Benefit election of Separate Account Monthly Payment Option to be paid to Linda Lindsay, ex-spouse of Senior Maintenance Worker, **Duane Lindsay** to be effective March 28, 2019 under Chapter 3.28, Part 23 of the San Jose Municipal Code.

Attachments: [1.9a - Alternate Benefit Election - L. Lindsay](#)

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a.** Notification of the death of **Basil Brunner**, Building Construction Inspector Supervisor, retired March 31, 1991, died January 12, 2019. No survivorship benefits.
- b.** Notification of the death of **Jeanne Cavallini**, Senior Librarian, retired June 25, 1988, died January 8, 2019. Survivorship benefits to Edward Cavallini, Spouse.
- c.** Notification of the death of **Frank E. Howsmon**, Police Property Specialist, retired February 27, 2004, died March 13, 2019. Survivorship benefits to Eva G. Embry Howsmon, Spouse.
- d.** Notification of the death of **Maria Knight**, Office Specialist II, retired September 3, 2011, died March 21, 2019. No survivorship benefits.
- e.** Notification of the death of **Donna L. Mills**, Senior Engineering Technician, Deferred Vested, died September 3, 2012. Survivorship benefits to Michael Mills, Spouse.

- f. Notification of the death of **Willa Stangel**, Administrative Assistant, retired March 19, 2011, died January 29, 2019. No survivorship benefits.
- g. Notification of the death of **Paul Underwood**, Assistant Library Director, retired January 28, 2006, died February 9, 2019. No survivorship benefits.

3. 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 regarding the repayment of the worker's compensation offset for Danny Horning.
- d. Discussion and action on Federated Board Committee Assignments.

Attachments: [3d\(1\) - BOARDS-COMMITTEES-Members-Participants-FED - Updated 4-9-19](#)
 [3d\(2\) - FED BoardChairCharter-CLEAN](#)
 [3d\(3\) - FED Vice Chair Charter-CLEAN](#)

4. INVESTMENTS

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Discussion and action regarding the revised Investment Policy Statement and approval of Resolution No. 8942.

Attachments: [4a - Universe and Index Comparison_Vb](#)
 [4b\(1\) - 190409 Fed Draft IPS - April Board](#)
 [4b\(2\) - FED IPS - New Resolution #8942 April 2019](#)
 [4b\(3\) - Federated Pension - IPS- April 19 2018 final](#)
 [4b\(4\) - Governance - Mgr Selection Procedures APPENDICES Mar 18 update..](#)
 [4b\(5\) - M190416 IPS Rewrite](#)

- c. Discussion and action on Immunized Net Cash Flow recommendation by Staff.

Attachments: [4c\(1\) - Immunized Net Cash Flow Allocation -- April Fed Board](#)
 [4c\(2\) - M190320 Insight - Immunized Net Cash Flow - Meketa Memo](#)

- d. Presentation of 3rd Quarter Calendar 2018 Private Markets Report by Meketa Investment Group.

Attachments: [4d - 3Q18 FED Private Markets Interim Report_Public](#)

- e. Presentation of 3rd Quarter Calendar 2018 Private Equity Report by Neuberger Berman.

Attachments: [4e - SJFED Q3 2018 Quarterly Report - FOIA](#)

- f. Presentation of 4th Quarter Calendar 2018 Performance Report for the Pension Plan by Meketa Investment Group.

Attachments: [4f - 4Q18 FED Pension Performance Review](#)

- g. Presentation of 4th Quarter Calendar 2018 Performance Report for the Health Care Trust by Meketa Investment Group.

Attachments: [4g - 4Q18 FED Health Care Trust Performance Report](#)

5. COMMITTEES/REPORTS/RECOMMENDATIONS

5.1 Investment Committee (Vacant, Loesch, Chandra)

Last Meeting: March 26, 2019 Next Meeting: May 28, 2019

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the December 18, 2019 Federated Investment Committee meeting. Receive and file.

Attachments: [5.1b - FED IC 12.18.2018 Fed IC Minutes - Final](#)

- c. Minutes of the December 18, 2018 Joint Investment Committee meeting. Receive and file.

Attachments: [5.1c - FED IC 12.18.2018 Joint IC Minutes - Final](#)

5.2 Governance Committee (Vacant, Orr, Sun)

Last Meeting: November 26, 2018 Next Meeting: June 6, 2019

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

5.3 Audit Committee (Vacant, Orr, Castellano)

Last Meeting: February 21, 2019 Next Meeting: May 16, 2019

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

5.4 Joint Personnel Committee (Vacant, Loesch, Chandra)

Last Meeting: February 20, 2019 Next Meeting: TBD

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

6. EDUCATION & TRAINING

- a. The Cortex Report March 2019 - Conferences, Seminars, and Educational Programs.

Attachments: [6a - The Cortex Report - San Jose - March 2019](#)

- b. CALAPRS 2019 Program Calendar.

Attachments: [6b - 2019 CALAPRS Calendar](#)

FUTURE AGENDA ITEMS

PUBLIC/RETIREE COMMENTS

ADJOURNMENT

*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.