BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

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

Thursday, June 6, 2019 **8:30 AM** **City Hall, Wing Rooms 118-120**

Vincent Sunzeri, Chair, Public Member (Term Expires 11/30/20)
Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/19)
Ghia Griarte, Trustee, Public Member (Term Expires 11/30/22)
Drew Lanza, Trustee, Public Member (Term Expires 4/30/23)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)
Nick Muyo, 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)
Franco Vado, Trustee, Police Active Rep (Term Expires 11/30/21)

Pam Foley, City Council Liaison to the Board

Jeffrey Rieger, 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 INVESTMENTS

A. **CLOSED SESSION**: CONFERENCE WITH INVESTMENT CONSULTANT PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER PURCHASE OR SALE OF PARTICULAR PENSION FUND INVESTMENT (ONE INVESTMENT).

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 for a Service-Connected Disability Retirement

a. **James Link**, Fire Engineer, Fire Department, Request for a Service-Connected Disability Retirement, effective June 6, 2019; 13.10* years of service. *(Disability Committee Recommendation: Approval)*

1.2 Approval for a Change in Status to Service Connected Disabilty Retirement

a. **Daniel Alvarado**, Fire Captain, Fire Department, Request for a Change in Status to a Service-Connected Disability Retirement, effective July 15, 2017; 23.58* years of service. *(Disability Committee Recommendation: Approval)*

1.3 Approval Of Minutes

a. Approval of the Board Minutes of May 2, 2019.

Attachments: 1.3a - 5-2-2019 PF MINUTES - FINAL

1.4 Approval Of Travel for Conferences and Due Diligence

a. Roberto Peña, CEO

- CALAPRS Administrators' Board meeting, Double Tree, San Jose, CA - June 20, 2019
- CALAPRS Administrators' Round Table, Double Tree, San Jose, CA - June 21, 2019

1.5 Return of Contributions

a. Voluntary / Involuntary.

Attachments: 1.5a - ROC

1.6 Communication/Information

a. Police and Fire Retirement System Dashboard.

Attachments: 1.6a - Police and Fire Retirement Plan Dashboard for 6.6.19

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

Attachments: 1.6b - City Auditor Recommendations 17-06 Retirement 5.8.19

c. Report of the Plan Expenses for April 2019. Receive and file.

Attachments: 1.6c - PF April Monthly Board Expenses

d. FY 19-20 Contribution Rate Letters to Police and Fire Members.

Attachments: 1.6d - Contribution Rate Letters to PF members - combined

1.7 Notice of Alternate Payee Benefit Election

a. Approval of Alternate Payee Benefit election of Reduced Lifetime Monthly Payment Option to be paid to Lorraine Anderson-Day, ex-spouse of Police Sergeant, **Lawrence Day** to be effective May 16, 2019 under Part 17, Section 3.36.3600 of the San Jose Municipal Code

Attachments: 1.7a - Alterate Payee - Day, Lawrence

1.8 Education and Training

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

Attachments: 1.8a - Cortex Report - San Jose - May 2019

b. CalAPRS 2019 Program Calendar.

Attachments: 1.8b - 2019 CALAPRS Calendar

c. SACRS Public Pension Investment Management Program, UC Berkeley, Berkeley, CA - July 22-24, 2019.

Attachments: 1.8c - SACRS - UC Berkeley - July 2019

d. CalAPRS Principles of Pension Government for Trustees, Pepperdine University, Malibu, CA - August 26 -29, 2019.

Attachments: 1.8d - CalAPRS Principles of Pension Govt for Trustees 8.26-29.2019

2. INVESTMENTS

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

b. Discussion and action on Private Markets pacing plan (Private Debt, Private Real Estate, and Private Real Assets) presented by Staff.

Attachments: 2b - 2019 Pacing Plan Presentation

c. Presentation of Calendar 4th Quarter 2018 Private Equity Report by Neuberger Berman.

Attachments: 2c - SJPF Q4 2018 Quarterly Report - FOIA (1)

d. Presentation of Calendar 1st Quarter 2019 Performance Report for the Pension Plan by Meketa Investment Group.

Attachments: 2d - 190528_San Jose Police & Fire Retirement_1Q19 Performance Review_V2

e. Presentation of Calendar 1st Quarter 2019 Performance Report for the Health Care Trust by Meketa Investment Group.

Attachments: 2e - 190528_San Jose Police & Fire Health Care_1Q19 Performance Review_V

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS - NONE

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 the process to attract potential qualified candidates for the public member seat for the Board of Administration.

Attachments: 4c(1) - Police & Fire Duties 6.6
4c(2) - PF Muni Code RE Board establishment and makeup

d. Discussion on proposed 2020 Board and Committee meeting schedule.

Attachments: 4d - 2020 Meeting Schedule MEMO-PF - Proposed

5. RETIREMENTS

5.1 Service Retirements

a. **Jaime Gonzalez**, Police Sergeant, Police Department, effective July 13, 2019; 27.36* years of service.

b. **Timothy Jackson**, Police Officer, Police Department, effective July 13, 2019; 27.03* years of service.

c. **Tedy V. LaCap, Jr.**, Police Sergeant, Police Department, effective July 13, 2019; 27.76* years of service.

d. **Fred Mills**, Police Sergeant, Police Department, effective July 13, 2019; 26.76* years of service.

e. **Daniel Navarro**, Police Officer, Police Department, effective July 13, 2019; 25.95* years of service.

f. **Douglas R. Schmidt**, Fire Engineer, Fire Department, effective July 13, 2019; 25.08* years of service. *(With Reciprocity)*

g. **Jeannette Sivertsen**, Police Officer, Police Department, effective July 1, 2019; 26.51* years of service. *(With Reciprocity)*

h. **Ronald Starkey**, Police Sergeant, Police Department, effective July 13, 2019; 25.01* years of service. *(With Reciprocity)*

i. **Todd Ah Yo**, Police Officer, Police Department, effective June 29, 2019; 25.03* years of service.

5.2 Early Retirement

a. **Ken McCarthy,** Deputy Chief, Fire Department, effective May 18, 2019; 22.84* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

a. Notification of the death of **Robert Lilly**, Fire Engineer, retired October 2, 2002, died May 12, 2019. Survivorship benefits to Judith Lilly, Spouse.

b. Notification of the death of **William E. Mattos**, Police Officer, retired January 4, 2001, died March 10, 2019. No survivorship benefits.

c. Notification of the death of **John Mitchell**, Police Officer, retired June 22, 2013, died March 27, 2019. Survivorship benefits to Corey Mitchell, Spouse.

d. Notification of the death of **Bernardo R. Perez**, Fire Engineer, retired January 17, 2015, died April 25, 2019. Survivorship benefits to Madelynn Perez, Spouse.

e. Notification of the death of **Richard M. Struthers**, Fire Captain, retired January 1, 1981, died March 30, 2019. No survivorship benefits.

f. Notification of the death of **Stephen T. Wininger**, Police Officer, retired November 25, 2002, died April 13, 2019. Survivorship benefits to Nancy Wininger, Spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Griarte - CH/Gardanier/Oswal/Sunzeri)

Last Meeting: May 28, 2019 Next Meeting: June 25, 2019

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

b. Minutes of the March 26, 2019 Police and Fire Investment Committee Meeting. Receive and file.

Attachments: 7.1b - 03.26.2019 P&F Minutes

c. Minutes of the March 26, 2019 Joint Investment Committee Meeting. Receive and file.

Attachments: 7.1c - 03.26.2019 Joint IC minutes

d. Minutes of the April 23, 2019 Police and Fire Investment Committee Meeting. Receive and file.

Attachments: 7.1d - 04.23.2019 P&F minutes

e. Revised Investment Policy Statement. Receive and file.

Attachments: 7.1e(1) - 190503 P&F IPS Final with April edits
7.1e(2) - 190531 P&F IPS Final with April edits - clean copy

7.2 Audit/Risk Committee (Lanza - CH/Menon/Vado – Alt: Gardanier)

Last Meeting: May 16, 2019 Next Meeting: August 15, 2019

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

b. Minutes of the February 21, 2019 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.

Attachments: 7.2b - 2-21-19 - Joint AC Minutes - (Signed)

c. 1/1/19-3/31/19 Quarterly Travel and attendance analysis for Police and Fire. Receive and file.

Attachments: 7.2c - Travel Analysis 1-1-19-3-31-19-PF

d. Discussion and action on Audit Committee recommendation for the FY19 Office of Retirement Services Retirement Plans Audit Planning by Grant Thornton.

Attachments: 7.2d - FY19 ORS Retirement Plans Audit Planning Audit Committee Presentati

e. Update on the City Auditor's Recommendations to the Office of Retirement Services. Receive and file.

Attachments: 7.2e - City Auditor Recommendations 17-06 Retirement 5.8.19

f. Update on the Pension Administration System implementation project. Receive and file.

Attachments: 7.2f - Audit Committee PAS Update May 16 2019 combined

7.3 Governance Committee (Vado - CH/Menon/Muyo – Alt: Santos)

Last Meeting: November 26, 2018 Next Meeting: September 5, 2019 (June 6, 2019 Meeting Cancelled)

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

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

Last Meeting: May 13, 2019 Next Meeting: August 5, 2019 (June 10, 2019 Meeting Cancelled)

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

b. Minutes from the February 11, 2019 Police and Fire Disability Committee meeting. Receive and file.

Attachments: 7.4b - 2-11-19 - PF DC Minutes - Signed

7.5 Joint Personnel Committee (Sunzeri - CH/Griarte/Muyo)

Last Meeting: February 20, 2019 Next Meeting: TBD

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

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• ADJOURNMENT

Next Meeting: August 1, 2019

Location of Next Meeting:
City Hall Council Chambers

***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.