



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, June 20, 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

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 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 Approval of Service Retirements

- a. **Robert Adler**, Building Inspection Supervisor, Planning, Building and Code Enforcement Department, effective June 29, 2019; 22.64* years of service.
- b. **Michael Bever**, Police Data Specialist II, Police Department, effective July 27, 2019; 15.05* years of service.
- c. **Joe A. Garcia**, Deputy Director, Public Works Department, effective July 27, 2019; 30.03* years of service. *(With Reciprocity)*
- d. **Antoinette Hatfield**, Staff Specialist, Airport Department, effective June 15, 2019; 19.44* years of service.
- e. **Paul Anthony Hernandez**, Painter, Public Works Department, effective July 13, 2019; 24.37* years of service.
- f. **Gilbert Lasaca, Jr.**, Maintenance Supervisor, Department of Transportation, effective June 1, 2019; 30.01* years of service.
- g. **Michael Martin**, Associate Construction Inspector, Public Works Department, effective June 15, 2019; 34.15* years of service.
- h. **Geeta D. Nair**, Senior Accountant, Finance Department, effective May 25, 2019; 6.55* years of service. *(With Reciprocity - CSJ YOS 0.80 + 5.75 PERS YOS)*
- i. **Donald Samuel**, Instrument Technician IV, Environmental Services Department, effective June 29, 2019; 7.92* years of service.
- j. **Arieta Rita Tasi**, Contract Compliance Assistant, Public Works Department, effective July 13, 2019; 29.09* years of service.
- k. **Ramona Torres**, Police Data Specialist, Police Department, effective July 27, 2019; 30.01* years of service.
- l. **Irving Tosk**, Senior Property Manager II, Airport Department, effective May 18, 2019; 15.73* years of service.
- m. **Kelley L. Walsh**, Senior Zookeeper, Parks, Recreation and Neighborhood Services Department, effective June 29, 2019; 20.56* years of service.
- n. **Michael E. Will**, Division Manager, Parks, Recreation and Neighborhood Services Department, effective July 13, 2019; 30.01* years of service.
- o. **Michele Young**, Environment Service Program Manager, Environmental Services Department; effective July 13, 2019; 20.46* years of service.

1.2 Approval of Deferred Vested

- a. **Cheryl Bolin**, Recreation Supervisor, Parks, Recreation and Neighborhood Services, effective July 1, 2019; 11.98* years of service. *(With Reciprocity - CSJ YOS 4.28 + 7.70 PERS YOS)*
- b. **Timm Borden**, Deputy Director, Public Works Department, effective July 6, 2019; 32.95* years of

service. *(With Reciprocity - CSJ YOS 24.36 + 8.58 PERS YOS)*

- c. **Valerian Catunao**, Hazard Material Inspector II, Fire Department, effective July 1, 2019; 29.40* years of service. *(With Reciprocity - CSJ YOS 8.40 + 21.00 PERS YOS)*
- d. **Marc Freitas**, Building Maintenance Superintendent, Public Works Department, effective August 3, 2019; 27.43* years of service.
- e. **Tamera Lin Mordwinow**, Senior Office Specialist, Department of Transportation, effective May 8, 2019; 5.11* years of service.
- f. **Kerry Simpson**, Code Enforcement Inspector II, Planning, Building, and Code Enforcement Department, effective June 1, 2019; 23.70* years of service. *(With Reciprocity - CSJ YOS 11.00 + 12.70 PERS YOS)*
- g. **Victor Tirado**, Facility Attendant, Public Works Department, effective July 28, 2019; 12.71* years of service.

1.3 Approval of Board Minutes

- a. Approval of the Board Minutes of May 16, 2019.

Attachments: [1.3a - 5-16-2019 FED MINUTES - FINAL](#)

1.4 Approval of Return of Contributions

- a. Voluntary | Involuntary.

Attachments: [1.4a - Return of Contributions](#)

1.5 Acceptance of Communication/Information Reports

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

Attachments: [1.5a - City Auditor Recommendations 17-06 Retirement 5.8.19](#)

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

Attachments: [1.5b - Fed April Monthly Board Expenses](#)

- c. FY 19-20 Contribution Rate Letters to Federated Members.

Attachments: [1.5c - FED Contribution Rate Letters - Combined](#)

- d. **Educational Travel Reports:**

RAISE in the Presidio 2019, The Golden Gate Club, San Francisco, CA - May 9, 2019 - by Anurag Chandra.

Attachments: [1.5d - Travel Content Report - RAISE - A. Chandra](#)

1.6 Approval of Travel / Conference Attendance

- a. Qianyu Sun, Trustee
 - CALAPRS Principles of Pension Governance for Trustees, Pepperdine University, Malibu, CA - August 26 - 29 , 2019.
- b. Elaine Orr, Trustee
 - Women's Leadership Unbound Summit, The Ritz-Carlton, Half Moon Bay, CA - September 11 - 13, 2019.

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Dan I. Hall**, Electrical Inspector, retired May 7, 1983, died February 18, 2019. No survivorship benefits.
- b. Notification of the death of **James W. Kerr**, Plant Operator, retired June 1, 1996, died March 29, 2019. No survivorship benefits.
- c. Notification of the death of **John R. Lane**, Building Project Specialist II, retired September 4, 1998, died May 8, 2019. No survivorship benefits.
- d. Notification of the death of **Susan T. Marcus**, Staff Analyst II, retired December 14, 1985, died February 4, 2019. No survivorship benefits.
- e. Notification of the death of **Barbara Occhipinti**, Police Records Clerk II, retired June 21, 1986, died March 31, 1991. No survivorship benefits.
- f. Notification of the death of **Joseph Paskert**, Maintenance Supervisor, retired January 7, 1990, died February 8, 2019. No survivorship benefits.
- g. Notification of the death of **Gerardo Rios**, Heavy Equipment Operator, retired March 22, 2008, died May 29, 2019. Survivorship benefits to Anita Rios, spouse.
- h. Notification of the death of **Sheryl Silva**, Principal Construction Inspector, retired July 17, 1993, died April 20, 2019. No survivorship benefits.

3. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- a. Discussion on the process to attract potential candidates for the public member seat for the Board of Administration.

Attachments: [3a - FED Public Recruitment](#)

- b. Discussion and action regarding the repayment of the worker's compensation offset for Danny Horning. (*Deferred from April agenda*)

Attachments: [3b - Horning, Danny - Revised](#)

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 proposed topics, goals and objectives for the September Federated Board Retreat.

Attachments: [4c- FED Board Retreat topics](#)

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

Attachments: [4d - 2020 Meeting Schedule MEMO - FCERS - Proposed](#)

- e. Discussion and action on Cortex Consulting services agreement for FY 2019-20 for the amount of \$45,000.

Attachments: [4e - 3rd Amendment to Cortex Agreement Cover Memo](#)
[4e\(2\) - CORTEX FEDERATED 2019 AGREEMENT FOR PROFESSIONAL SEI](#)

5. INVESTMENTS

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Discussion and action on Private Markets pacing plan(s) presented by Staff.

Attachments: [5b - 2019 Pacing Plan Presentation](#)

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

Attachments: [5c - SJFED Q4 2018 Quarterly Report - FOIA v2](#)

- d. Presentation of Calendar 4th Quarter 2018 Private Markets Report by Meketa Investment Group.

Attachments: [5d - Q4 18 PM Interim Report San Jose Fed Public](#)

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

Attachments: [5e - 190528 San Jose Federated ERS 1Q19 Performance Review V3](#)

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

Attachments: [5f - 190528 San Jose Federated City RHC 1Q19 Performance Review V2](#)

6. COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 Investment Committee (Loesch, Chandra, Vacant)

Last Meeting: May 28, 2019

Next Meeting: August 27, 2019

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the March 26, 2019 Federated Investment Committee Meeting. Receive and file.

Attachments: [6.1b - 03.26.19 FED IC Minutes](#)

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

Attachments: [6.1c - 03.26.2019 Joint IC minutes](#)

- d. Revised Investment Policy Statement. Receive and file.

Attachments: [6.1d\(1\) - 190503 Fed FINAL IPS with April Board Edits](#)
 [6.1d\(2\) - Fed IPS Final updated April 2019 - clean copy](#)

6.2 Governance Committee (Orr, Sun, Vacant)

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

Next Meeting: September 5, 2019

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

6.3 Audit Committee (Castellano, Orr, Vacant)

Last Meeting: May 16, 2019

Next Meeting: August 15, 2019

- a. Oral update from the Chair of the Audit Committee.
- b. 1/1/19-3/31/19 Quarterly Travel and attendance analysis for Federated. Receive and file.

Attachments: [6.3b - Trustee Travel Analysis FED 1-1-2019-3-31-2019](#)

- c. 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: [6.3c - 2-21-19- Minutes - Joint Audit Com - Final](#)

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

Attachments: [6.3d - City Auditor Recommendations 17-06 Retirement 5.8.19](#)

- e. Update on the Pension Administration System Implementation project. Receive and file.

Attachments: [6.3e - Audit Committee PAS Update May 16 2019 combined](#)

- f. Discussion and action on Audit Committee recommendation for the FY 19 Office of Retirement Services Retirement Plans Audit Planning by Grant Thornton.

Attachments: [6.3f - FY19 ORS Retirement Plans Audit Planning Audit Committee Presentation](#)

6.4 Joint Personnel Committee (Loesch, Chandra, Vacant)

Last Meeting: February 20, 2019

Next Meeting: TBD

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

7. EDUCATION & TRAINING

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

Attachments: [7a - Cortex Report - San Jose - May 2019](#)

- b. CALAPRS 2019 Program Calendar.

Attachments: [7b - 2019 CALAPRS Calendar](#)

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

Attachments: [7c - CalAPRS Principles of Pension Govt for Trustees 8.26-29.2019](#)

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

Attachments: [7d - SACRS - UC Berkeley - July 2019](#)

FUTURE AGENDA ITEMS

PUBLIC/RETIREE COMMENTS

ADJOURNMENT

NEXT MEETING: August 15, 2019

LOCATION OF NEXT MEETING:

Office of Retirement Services,

1737 N. First St, Suite 580

5th Floor Board Room

*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.