



BOARD OF ADMINISTRATION

Meeting Agenda - Final-revised Police & Fire Department Retirement Plan and Health Care Trust

Thursday, June 4, 2020

8:30 AM

MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION

zoom.us

Dial In: 1-669-900-9128

Meeting ID: 978 1537 9444

Password: 436723

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)
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)
Vacant, Trustee, Public Member (Term Expires 11/30/22)

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 INVESTMENTS

- A. CLOSED SESSION:** PURSUANT TO GOVERNMENT CODE SECTION 54956.81, TO CONSIDER PURCHASE OR SALE OF PARTICULAR, SPECIFIC PENSION FUND INVESTMENTS (TWO INVESTMENTS).

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 May 7, 2020.

Attachments: [1.1a - PF Minutes - 5.7.20 - Final.pdf](#)

1.2 Approval Of Travel for Conferences and Due Diligence

- a. Prabhu Palani, CIO
- Trusted Insight Digital Conference - June 17, 2020.
- b. Eswar Menon, Trustee
- Pension Bridge 365, Online Money Management News and Information Service - May 19, 2020.

1.3 Return of Contributions

- a. Voluntary / Involuntary. - **None**

1.4 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.4a - Police and Fire Retirement Plan Dashboard for 6.4.20.pdf](#)

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

Attachments: [1.4b - City Auditor Recommendations 17-06 Retirement 4.27.20 -formatted.pdf](#)

- c. Report of the Plan Expenses for April 2020. Receive and file.

Attachments: [1.4c - PF April 2020 Monthly Board Expense.pdf](#)

- d. Financial Planning Article - "Measuring Performance" by Craig L. Israelsen - April 2020.

Attachments: [1.4d - Article Measuring Performance April 2020.pdf](#)

- e. Lump Sum Payment of Employer Retirement Contributions and Establishment of the Prepayment Amount for Fiscal Year 2020-21.

Attachments: [1.4e - Police & Fire Retirement Pension Prepayment Memo FY 2020-21 .pdf](#)

- f. 5-year Budget Projections for Police & Fire Under Prepayment Scenarios.

Attachments: [1.4f - 5-Year SJPF Projections 2020-Prepayments_2020-05-19s.pdf](#)

- g. Notification of Private Markets commitments to Arbour Lane COF II, Crestline PFF II, and Eagle Point DIF by Investment Staff.

Attachments: [1.4g - New Private Markets Commitments - 20200604.pdf](#)

h. Educational Travel Reports:

- Pension Bridge ESG Summit, InterContinental San Diego, San Diego, CA, February 10-11, 2020
- By Eswar Menon

Attachments: [1.4h -Content Report - ESG 2020 - E. Menon.pdf](#)

1.5 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Unreduced Lifetime Monthly Payment Option to be paid to Rachel Porter, ex-spouse of Police Captain, **Tim Porter** to be effective May 14, 2020 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

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

1.6 Education and Training

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

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

- b. CalAPRS 2020 Program Calendar.

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

- c. Pomerantz LLP 2020 Corporate Governance Roundtable Event, Waldorf Astoria, Beverly Hills, CA - June 16, 2020.

Attachments: [1.6c - 2020 Corporate Governance Roundtable.pdf](#)

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

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

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

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

2. INVESTMENTS

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Presentation of Calendar 4th Quarter 2019 Private Equity Report by Neuberger Berman.

Attachments: [2b - 12-31-2019 FOIA Investment Report for San Jose PF Department Retirement](#)

- c. Presentation of Calendar 1st Quarter 2020 Performance Report for Pension Fund by Meketa Investment Group.

Attachments: [2c - 1Q20_Performance Report_SJ PF Retirement v3_Meketa.pdf](#)

- d. Presentation of Calendar 1st Quarter 2020 Performance Report for Health Care Trust by Meketa Investment Group.

Attachments: [2d - 1Q20_Performance Report_SJ PF HCT_Meketa.pdf](#)

- e. Discussion and action to authorize the Secretary to negotiate and enter into an agreement with Albourne America, LLC, commencing July 1, 2020.

Attachments: [2e - Albourne Contract PF 052720.pdf](#)

- f. Discussion and action on 2020-2021 Private Markets Pacing Plan by Staff.

Attachments: [2f - 2020 Private Markets Pacing Plan Presentation v3.pdf](#)

- g. Discussion and action to authorize the Secretary to negotiate and enter into agreement(s) for consulting services.

Attachments: [2g - Consultant RFP memo 06.01.20v3.pdf](#)

- h. Discussion and action to authorize the Secretary to negotiate and enter into an agreement for custodian banking services, commencing October 1, 2020.

Attachments: [2h\(1\) - CustodianBankRFP Results 05-27-2020 Board.pdf](#)

[2h\(2\) - CustodianBankRFP Results 05-27-2020 Meketa.pdf](#)

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 and action regarding Resolution No. 4816 Police Tier 1 Contribution Rates/Amounts for FY 20-21.

Attachments: [4c - Contribution Rates ~ Police members Tier 1 ~ June 2020 Res #4816.pdf](#)

- d. Discussion and action regarding Resolution No. 4817 Police Tier 2 Contribution Rates/Amounts for FY 20-21.

Attachments: [4d - Contribution Rates ~ Police members Tier 2 ~ June 2020 Res #4817.pdf](#)

- e. Discussion and action regarding Resolution No. 4818 Fire Tier 1 Contribution Rates/Amounts for FY 20-21.

Attachments: [4e - Contribution Rates ~ Fire members Tier 1 ~ June 2020 Res #4818.pdf](#)

- f. Discussion and action regarding Resolution No. 4819 Fire Tier 2 Contribution Rates/Amounts for FY 20-21.

Attachments: [4f - Contribution Rates ~ Fire members Tier 2 ~ June 2020 Res #4819.pdf](#)

- g. Discussion and action on Cortex Consulting services agreement for FY 2020 - 21 for the amount of \$45,000.

Attachments: [4g\(1\) - Cortex-PF Cover Memo 6.4.2020.pdf](#)
 [4g\(2\) - CORTEX POLICE AND FIRE FY 2020-21 AGREEMENT FOR PROFES](#)

- h. Discussion and action on Annual Performance Evaluation Policy and Performance Metrics for the CEO/CIO positions. (*Joint Personnel Committee Recommendation: Approval*)

Attachments: [4h\(1\) - CoverMemo.pdf](#)
 [4h\(2\) - CEO Perf Eval Plcy Draft.pdf](#)
 [4h\(3\) - Current CEO Performance Eval Policy.pdf](#)
 [4h\(4\) - CIO Perf Eval Plcy Draft.pdf](#)
 [4h\(5\) - Worksheet_CEO Evaluation.pdf](#)
 [4h\(6\) - Sample CEO Perf Eval Rpt.pdf](#)
 [4h\(7\) - CEO Perf Eval Rpt - Background Docs.pdf](#)

- i. Discussion and Action on Municipal Code Changes Related to the Tier 1 Rehire Interest Costs.

Attachments: [4i - Retirement Board Memo Tier 1 Costs Memo Final signed.pdf](#)
 [4i\(2\) - Muni Code Changes Related to Interest 5.29.2020](#)
 [4i\(3\) - June 1, 2020 Memo to Boards re Reclassified Tier 1 Members.pdf](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Jeffrey D. Enslin**, Police Officer, Police Department, effective July 4, 2020; 25.30* years of service.
(*With Reciprocity - 23.07415 CSJ + 2.23000 PERS YOS*)
- b. **Shawn San Miguel**, Fire Engineer, Fire Department, effective July 11, 2020; 25.25* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Timothy Gallagher**, Fire Engineer, retired August 5, 1999, died January 23, 2020. No survivorship benefits.

- b. Notification of the death of **James La Mar**, Fire Captain, retired August 2, 1989, died March 26, 2020. No survivorship benefits.
- c. Notification of the death of **Donald L. Torguson**, Firefighter, retired January 2, 1974, died April 11, 2020. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: May 26, 2020 **Next Meeting: August 25, 2020**

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the Special March 11, 2020 Police and Fire Investment Committee meeting. Receive and file.
Attachments: [7.1b - Special PF IC meeting minutes 03.11.20 \(signed\).pdf](#)
- c. Minutes of the March 24, 2020 Police and Fire Investment Committee meeting. Receive and file.
Attachments: [7.1c - PF IC meeting minutes 03.24.20 \(signed\).pdf](#)
- d. Minutes of the Special April 20, 2020 Police and Fire Investment Committee meeting. Receive and file.
Attachments: [7.1d - Special PF IC meeting minutes 04.20.20 \(signed\).pdf](#)
- e. Minutes of the December 17, 2019 Joint Investment Committee meeting. Receive and file.
Attachments: [7.1e - Joint IC meeting minutes 12.17.19 \(signed\).pdf](#)

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

Last Meeting: May 21, 2020 **Next Meeting: August 20, 2020**

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the February 20, 2020 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 - Joint AC Minutes 2-20-20 - signed.pdf](#)
- c. 1/1/20 - 3/31/20 Quarterly Travel and attendance analysis for Police and Fire. Receive and file.
Attachments: [7.2c - Travel Analysis 1-1-20-3-31-20-PF.pdf](#)
- d. Update on the City Auditor's Recommendations to the Office of Retirement Services. Receive and file.

Attachments: [7.2d - City Auditor Recommendations 17-06 Retirement 4.27.20 -formatted.pdf](#)

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

Attachments: [7.2e\(1\) - Memo PAS project may 2020 final signed \(1\).pdf](#)
 [7.2e\(2\) - Presentation PAS project may 2020 PP.pdf](#)

- f. Report on Service Retirement Application Process and Benefits Recalculation Audits. Receive and file.

Attachments: [7.2f - Service Retirement Application Process and Benefits Recalculation Audit.](#)

- g. Discussion and action on the Committee's recommendation to approve the Office of Retirement Services Retirement Plans Audit Plan by Grant Thornton for FY ending June 30, 2020.

Attachments: [7.2g - FY20 CoSJ Fed and PF Plans Audit Planning Audit Committee Presentat](#)

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

Last Meeting: March 5, 2020 **Next Meeting: June 18, 2020**

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

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

Last Meeting: March 9, 2020 **Next Meeting: August 10, 2020 (June meeting cancelled)**

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

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

Last Meeting: May 13, 2020 **Next Meeting: TBD**

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes of the February 25, 2020 Joint Personnel Committee. Receive and file.

Attachments: [7.5b - JPC Minutes 2-25-20 - signed.pdf](#)

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• ADJOURNMENT

Next Meeting: August 6, 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.