



BOARD OF ADMINISTRATION

Meeting Agenda - Final

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

Thursday, August 20, 2020

8:30 AM

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

zoom.us

Dial In: +1 669 900 9128 US (San Jose)

Meeting ID: 958 3166 5473

Password: 583705

BOARD MEMBERS

Jay Castellano, Chair
Anurag Chandra, Vice-Chair
Spencer Horowitz, Trustee
Julie Jennings, Trustee
Mark Keleher, Trustee
Elaine Orr, Trustee
Qianyu Sun, Trustee

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

COVID-19 NOTICE

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79485 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the Office of Retirement Services and City Hall will not be physically open to the public and the Board Members will be teleconferencing from remote locations.

How to observe the Meeting (no public comment):

- 1) Cable Channel 26,
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

How to submit written Public Comment:

- 1) By email to retirement.department@sanjoseca.gov by 5:00 p.m. the day before the meeting.
- 1) By phone +1 669 900 9128. Meeting ID: 958 3166 5473. The Chair will recognize public comment after each item and will be notified to speak.
- 2) By online <https://sanjoseca.zoom.us>

a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before

speaking. Using multiple devices can cause an audio feedback.

b. When the Chair calls for the item on which you wish to speak, click on "Raise Hand." Speakers will be notified shortly before they are called to speak.

c. When called, please limit your remarks.

CLOSED SESSION

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

I. CLOSED SESSION NEW BUSINESS-DEFERRED/CONTINUED ITEMS

- A. **CLOSED SESSION**: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Executive Officer
- B. **CLOSED SESSION**: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Investment Officer

OPEN SESSION - will reconvene following Closed Session, estimated to be 9:30 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. Change In Status to Service-Connected Disability

- a. **Vito Maletta**, Alarm Technician, Police Department, Request for a Change in Status to a Service-Connected Disability Retirement, effective June 30, 2011; 15.01* years of service. **(TIME CERTAIN: 9:30 A.M. OR IMMEDIATELY FOLLOWING CLOSED SESSION)**

2. CONSENT CALENDAR

2.1 Approval of Service Retirements

- a. **Teresita L. Arriola**, Account Clerk II, Finance Department, effective August 8, 2020; 21.10* years of service.
- b. **John R. Doyle**, City Attorney, City Attorney's Office, effective August 8, 2020; 31.16* years of service. *(With Reciprocity 26.45 CSJ YOS + 4.71 PERS YOS)*
- c. **Timothy E. Duffy**, Maintenance Superintendent, Airport Department, effective August 8, 2020; 21.28* years of service.
- d. **Joseph A. Garvin**, Recreation Program Specialist, Parks, Recreation, and Neighborhood Services Department, effective September 19, 2020; 20.38* years of service.
- e. **Cynthia Y. Johnson**, Buyer III, Finance Department, effective August 8, 2020; 5.76* years of service.
- f. **Salvatore M. La Rosa, Jr.**, Maintenance Worker II, Department of Transportation, effective August 8, 2020; 30.01* years of service.
- g. **Mark T. Matthiessen**, Enterprise Technology Manager, Information Technology Department, effective July 25, 2020; 29.31* years of service.
- h. **Derrick Mazzola**, Maintenance Worker II, Department of Transportation, effective August 23, 2020; 21.24* years of service.
- i. **Sharon Y. Newton**, Deputy Director, Environmental Services Department, effective September 5, 2020; 29.28* years of service.
- j. **Maria T. Reyes**, Administrative Assistant, City Manager's Office, effective July 25, 2020; 36.23* years of services.

2.2 Approval of Deferred Vested

- a. **Sheryl Busansky**, Training Specialist, Fire Department, effective September 5, 2020; 5.66* years of service.
- b. **Tammy L. Church**, Parking and Traffic Control Officer, Department of Transportation, effective

August 13, 2020; 6.87* years of service.

- c. **Gerardo F. De Guzman**, Associate Engineer, Public Works, effective September 23, 2020; 16.98* years of service.
- d. **Daryl Gerstenberger**, Buyer II, Finance Department, effective August 5, 2020; 10.69* years of service.
- e. **Nancy Gonzalez**, Police Data Specialist, Police Department, effective July 5, 2020; 6.11* years of service.
- f. **Stephen K. Lau**, Associate Engineer, Planning, Building and Code Enforcement Department, effective August 2, 2020; 7.92* years of service.
- g. **Bernadette M. Mantler**, Public Safety Dispatcher II, Fire Department, effective August 15, 2020; 6.27* years of service.
- h. **Hector E. Marin**, Associate Engineer, Fire Department, effective July 31, 2020; 12.92* years of service. *(With Reciprocity 1.92 CSJ YOS + 11 PERS YOS)*
- i. **Roberta S. Navarro**, Data Programmer, Information Technology Department, effective August 31, 2020; 8.45* years of service.
- j. **Erik A. Osorio**, Associate Engineer, Planning, Building and Code Enforcement Department, effective July 21, 2020; 9.87* years of service.
- k. **Maria E. Rodriguez**, Senior Office Specialist, Human Resources Department, effective September 20, 2020; 7.99* years of service.
- l. **Joel A. Slavit**, Planner II, Parks, Recreation and Neighborhood Services, effective August 30, 2020; 33.35* years of service. *(With Reciprocity 13.35 CSJ YOS + 20.00 PERS YOS)*
- m. **E. Dan Suriaga**, Senior Analyst, Department of Transportation, effective September 26, 2020; 26.81* years of service. *(With Reciprocity 6.74 PERS YOS + 13.32 CSJ YOS + 6.75 SFCERS YOS)*

2.3 Approval of Board Minutes

- a. Approval of the Board Minutes of June 18, 2020.

Attachments: [2.3a - 6-18-20 - Fed Minutes - Final](#)

2.4 Approval of Return of Contributions

- a. Voluntary | Involuntary.

Attachments: [2.4a - Return of Contributions.pdf](#)

2.5 Acceptance of Communication/Information Reports

- a. Report of the Plan Expenses for May 2020. Receive and file.

Attachments: [2.5a - Fed May 2020 Monthly Board Expense.pdf](#)

- b. **Proposed** 2021 Scheduled Board and Standing Committee Meetings.

Attachments: [2.5b - Proposed 2021 Meeting Schedule MEMO - FCERS.pdf](#)

- c. ORS's Quarterly Newsletter - The Retirement Connection.

Attachments: [2.5c - Summer 2020 - The Retirement Connection Newsletter.pdf](#)

- d. Article: Metric Spotlights Ability of Public Plan to Endure Pandemic, by Bill Hallmark, NCPERS PERSist, Spring 2020.

Attachments: [2.5d - NCPERS Article by Bill Hallmark.pdf](#)

- e. Notification of Private Markets Commitments to Lime Rock New Energy I and Orion Mine Finance Fund III by Investment Staff.

Attachments: [2.5e - New Private Markets Commitments - 20200820.pdf](#)

- f. TIDE Ten featuring Prabhu Palani, CIO

LinkedIn Interview:

<https://www.youtube.com/watch?v=zydkNEfowhc#action=share> <<https://www.youtube.com/watch?v=zydkNEfowhc>>

Attachments: [2.5f - TIDE Ten featuring Prabhu Palani - LINK.pdf](#)

- g. Board response to the Civil Grand Jury Recommendation regarding Performance measures for the CEO and CIO.

Attachments: [2.5g - Update from Boards to Civil Grand Jury.pdf](#)

- h. San Jose Spotlight article: "San Jose pension plans face perilous future in COVID-19 economy", by Adam F. Hutton, August 4, 2020.

Attachments: [2.5h - SJ Spotlight Article.pdf](#)

- i. Financial Times - Private Letter: Investments are the Bright Spot in Pension Landscape, July 2, 2020.

<<https://www.ft.com/content/570dfbc7-0099-4099-9522-8157d0c70f66>>

Attachments: [2.5i - Financial Times - Private Letter, July 2, 2020](#)

2.6 Approval of Travel / Conference Attendance

- a. Elaine Orr, Trustee

- 2020 Pension Bridge Annual Conference, Virtual Program - August 24 - 28, 2020.
- SOCAP Conference, Virtual Program, October 20 - 23, 2020.

- b. Jay Castellano, Trustee

- TRAVEL CANCELLED BY ORGANIZER - NCPERS Trustee Education Seminar, Las Vegas, NV - May 9 - 10, 2020.
 - SACRS Public Pension Investment Management Program, Virtual Conference - July 28 -August 13, 2020.
 - CALAPRS Trustees Roundtable, Virtual Conference, October 23, 2020.
- c. Spencer Horowitz, Trustee
- SACRS Public Pension Investment Management Program, Virtual Conference - July 28 -August 13, 2020.
- d. Julie Jennings, Trustee
- SACRS Public Pension Investment Management Program, Virtual Conference - July 28 -August 13, 2020.
 - SACRS Summer Series Webinar, Virtual Conference - August 18 - 20, 2020.
 - CALAPRS Trustees Round Table, Virtual Conference - October 23, 2020
- e. Roberto L. Pena, CEO
- CALAPRS Administrators' Institute 2020 - Virtual Program, September 24 - 25, 2020.
- f. Prabhu Palani, CIO
- 2020 Pension Bridge Annual Conference, Virtual Program - August 24-28, 2020.

2.7 Report out of Closed Session

- a. Report out of Closed Session from the June 18, 2020 Federated board meeting.

Attachments: [2.7a - Fed Report out of Closed Session - 20200820.pdf](#)

3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Sylvia Berry**, Custodian, retired June 10, 2000; died May 21, 2020. Survivorship benefits to Robert Berry, Spouse.
- b. Notification of the death of **Crispulo Espiritu**, Associate Civil Engineer, retired November 7, 1992, died April 20, 2020. Survivorship benefits.
- c. Notification of the death of **James Fahey**, Senior Maintenance Worker, retired July 7, 2001, died May 21, 2020. Survivorship benefits to Loretta Fahey, Spouse.
- d. Notification of the death of **Jordon Freitas**, Senior Police Property Clerk, retired March 4, 1989, died June 25, 2020. Survivorship benefits to Georgia Freitas, Spouse.
- e. Notification of the death of **Vivian Frelix-Hart**, Housing Policy Plan Administrator, retired March 5, 2011, died June 15, 2020. No survivorship benefits.
- f. Notification of the death of **Mary Green**, Typist Clerk II, retired November 7, 1992, died June 21, 2020. No survivorship benefits.

- g. Notification of the death of **Mark E.D. Johnson**, Senior Custodian, retired January 21, 2013, died May 29, 2020. No survivorship benefits.
- h. Notification of the death of **Franklin Knofler**, Acting City Manager, retired February 1, 1979, died July 1, 2020. No survivorship benefits
- i. Notification of the death of **George Kobayashi**, Senior Librarian, retired May 22, 1993, died June 20, 2020. No survivorship benefits.
- j. Notification of the death of **Santos Mejia**, Maintenance Worker II, retired November 19, 2007, died June 11, 2020. Survivorship benefits to Isabel Mejia Spouse.
- k. Notification of the death of **Loretta M. Oak**, Network Engineer, retired February 13, 2016, died June 23, 2020. Survivorship benefits to Kenneth A. Oak, Spouse.
- l. Notification of the death of **Kenneth Oliver**, Principal Account Clerk, retired November 8, 2006, died May 11, 2020. No survivorship benefits.
- m. Notification of death of **Lester Page**, Building Inspector Supervisor, retired March 24, 2018, died June 6, 2020. Survivorship benefits to Gloria Meeks, Domestic Partner.
- n. Notification of the death of **Elizabeth J. Rue**, Secretary, retired October 4, 1987, died July 8, 2020. No survivorship benefits.
- o. Notification of the death of **Jimmy R. Torres, Sr.**, Carpenter, retired June 18, 2005, died July 9, 2020. No survivorship benefits.

4. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.
- b. Presentation of Calendar 4th Quarter 2019 Private Markets Report by Meketa Investment Group.

Attachments: [4b - Q419 Annual Report_SJ FED_Public v2.pdf](#)
- c. Discussion and approval for the Secretary to negotiate and execute a three-year extension of the agreement with JP Morgan for Emerging Market Debt benchmarking data for \$10,000 per year shared 50/50 with Police and Fire Department Plan.

Attachments: [4c - P&F FED Contract Renewals -BarraJPM 07-23-2020.pdf](#)
- d. Discussion and approval for the Secretary to negotiate and execute a two-year extension of the agreement with Barra, LLC for risk system data for \$157,500 per year shared 50/50 with Police and Fire Department Plan.

Attachments: [4d - P&F FED Contract Renewals -BarraJPM 07-23-2020.pdf](#)

5. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- a. Discussion of potential topics for the Federated Strategic Planning meeting in September.

Attachments: [5a\(1\) - Cover Memo Strategic Planning Session](#)
 [5a\(2\) - Draft Strategic Planning Session Agenda](#)

6. NEW BUSINESS

- a. Oral update from the CEO of Retirement Services, Roberto L. Pena.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion and action to amend existing contract for Medlink.

Attachments: [6c - MedLink 2nd amendment to FED Board 8.17.2020 bh signed.pdf](#)

- d. Discussion and action to pay Medlink invoice.

Attachments: [6d - MedLink Invoice Memo to FED Board 8.17.2020 bh signed.pdf](#)

- e. Discussion and action on the Strategic Communication Plan Timeline.

Attachments: [6e - Strategic plan timeline Aug 2020](#)

- f. Discussion and action on the topics for the Joint Meeting of the Boards and City Council.

Attachments: [6f\(1\) - Agenda - Joint Meeting between Boards and CC - 2019.pdf](#)
 [6f\(2\) - City Council Amended Agenda Joint Meeting with Boards Amended 5.1](#)

7. COMMITTEES/REPORTS/RECOMMENDATIONS

7.1 Investment Committee (Chandra, Orr, Sun – Alt: Keleher)

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

Last Meeting: May 26, 2020

Next Meeting: August 25, 2020

7.2 Governance Committee (Horowitz, Castellano, Keleher)

Last Meeting: June 18, 2020

Next Meeting: September 3, 2020

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

7.3 Audit Committee (Keleher, Jennings, Sun)

Last Meeting: May 21, 2020

Next Meeting: August 20, 2020

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

7.4 Joint Personnel Committee (Orr, Castellano, Chandra)

Last Meeting: August 11, 2020

Next Meeting: TBD

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes of the May 13, 2020 Joint Personnel Committee meeting. Receive and file.

Attachments: [7.4b - JPC Minutes 5-13-20](#)

8. EDUCATION & TRAINING

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

Attachments: [8a - San Jose Cortex Report - September 2020 Edition.pdf](#)

- b. CALAPRS Administrators' Institute 2020, Virtual Program - September 24-25, 2020.

Attachments: [8b - CALAPRS Administrators' Institute 2020.pdf](#)

- c. CALAPRS Trustees Roundtable, Virtual Program - October 23, 2020

Attachments: [8c - CALAPRS Trustees Roundtable.pdf](#)

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

Attachments: [8d - SACRS Fall 2020 Conference.pdf](#)

FUTURE AGENDA ITEMS

PUBLIC/RETIREE COMMENTS

ADJOURNMENT

This meeting will be adjourned in the memory of Edward Franklin Overton. Ed was the Director of Retirement Services for approximately 34 years and Trustee of the Federated Board for approximately 10 years. Ed spent over 40 years serving the City of San Jose, the Office of Retirement Services and its members. Our sincere condolences to Ed's family. Ed was a gentle giant and will be missed.

*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.