



BOARD OF ADMINISTRATION

Meeting Agenda - Final-revised Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, October 15, 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: 945 5413 3184

Password: 630987

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.
- 2) By phone +1 669 900 9128. Meeting ID: 945 5413 3184. The Chair will recognize public comment after each item and will be notified to speak.
- 3) 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

- A. **CLOSED SESSION**: CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a). *SHAHRIVAR v. CITY OF SAN JOSE, ET AL, SANTA CLARA COUNTY SUPERIOR COURT NO. 20CV366329*

II. 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 (TWO INVESTMENTS).

III. CLOSED SESSION OLD BUSINESS

- 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 10:30 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. CONSENT CALENDAR

1.1 Approval of Service Retirements

- a. George A. Acosta**, Groundskeeper, Parks, Recreation, and Neighborhood Services Department, effective October 17, 2020; 22.59* years of service
- b. Ray G. Castro**, Senior Construction Inspector, Public Works Department, effective September 19, 2020; 20.10* years of service.
- c. Evelyn Cisneros**, Senior Account Clerk, Finance Department, effective September 19, 2020; 24.41* years of service.
- d. Cay Denise Mackenzie**, Senior Emergency Services Planner, City Manager's Office, effective October 17, 2020; 28.19* years of service.
- e. Dale M. Mora**, Groundskeeper, Parks, Recreation, and Neighborhood Services Department, effective October 17, 2020; 26.27* years of service.
- f. Paul K. Murphy**, Carpenter, Public Works Department, effective October 31, 2020; 20.98* years of service.
- g. Eric V. Newton**, Operations Manager, Department of Transportation, effective October 10, 2020; 30.12* years of service.
- h. Raymond Simpson**, Division Manager, Fire Department, effective October 17, 2020; 25.87* years of service.
- i. Margaret Mary Tobias**, Program Manager I, Parks, Recreation, and Neighborhood Services Department, effective October 31, 2020; 8.59* years of service.
- j. Vincent M. Tovar**, Code Enforcement Inspector II, Planning, Building and Code Enforcement Department, effective October 17, 2020; 22.93* years of service.

- k. **Shellyne Urban**, Program Manager I, Environmental Services Department, effective October 17, 2020; 30.64* years of service.
- l. **Janet L. Zumwalt**, Legal Analyst, City Attorney's Office, effective September 19, 2020; 7.19* years of service.

1.2 Approval of Deferred Vested

- a. **Geraldine Luna**, Associate Environmental Specialist, Environmental Services Department, effective October 17, 2020; 5.36* years of service.

1.3 Approval of Board Minutes

- a. Approval of the Board Minutes of August 20, 2020.
- b. Approval of the Board Retreat Minutes of September 17, 2020.

Attachments: [1.3a - 8-20-20 Fed Minutes - Final](#)

Attachments: [1.3b - 9-17-20 Fed Retreat 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. Report of the plan expenses for July and August 2020. Receive and file.
- b. 10-16-2020 Joint Meeting of the City Council, The Federated City Employees' Retirement Board and The Police & Fire Department Retirement Board - Agenda

Attachments: [1.5a\(1\) - Fed July 2020 Monthly Board Expense](#)
 [1.5a\(2\) - Fed August 2020 Monthly Board Expense](#)

Attachments: [1.5b - Joint Meeting Agenda 10.16.20](#)

- c. 2021 Scheduled Board and Standing Committee Meetings. Receive and file.

Attachments: [1.5c - 2021 Meeting Schedule MEMO - FCERS-signed](#)

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

Attachments: [1.5d - City of SJ Retirement Newsletter-Oct 2020_v7-FINAL REVISED](#)

1.6 Approval of Termination of Retirement Benefits

- a. Approval of request from **Laurence Wagner** to terminate retirement benefits effective October 17, 2020 allowing for reinstatement into the Plan effective October 18, 2020. (Service Retirement effective April 21, 2019, approved at the April 18, 2019 Board meeting).

Attachments: [1.6a - L. Wagner-Termination of Ret. Benefits](#)

1.7 Approval of Travel / Conference Attendance

- a. Elaine Orr, Trustee
- Virtual Toigo Annual Gala - September 16, 2020
- b. Anarug Chandra, Trustee
- Virtual Asia Pacific Private Equity & Venture Capital Web Meeting - September 28 - September 30, 2020.
- c. Spencer Horowitz, Trustee
- ATTENDANCE CANCELLED BY TRUSTEE - Virtual CALAPRS Trustee Roundtable - October 23, 2020
 - SACRS Fall Conference - Virtual Conference - November 10 - 13, 2020.
- d. Jay Castellano, Trustee
- SACRS Fall Conference - Virtual Conference - November 10 - 13, 2020.

1.8 Report out of Closed Session

- a. Report out of Closed Session from the August 5, 2020 Federated Board meeting.

Attachments: [1.8a - Fed Report out of Closed Session - 20201015](#)

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **David Alvarez**, Land Surveyor, retired June 1, 1999, died September 1, 2020. Survivorship benefits to Bertha Alvarez, Spouse.
- b. Notification of the death of **Florence Blake**, Chemistry Lab Technician II, retired October 14, 1990, died August 8, 2020. No survivorship benefits.
- c. Notification of the death of **John Richard Doyle**, City Attorney, retired August 8, 2020, died August 23, 2020. Survivorship benefits to Beckie Jane Barnier, Spouse.
- d. Notification of the death of **Estle Green**, Senior Plant Mechanic, retired February 18, 2012, died June 16, 2020. Survivorship benefits to Adele Green, Spouse.
- e. Notification of the death of **Melvin Hill**, Senior Civil Engineer, retired May 17, 1985, died July 14, 2020. Survivorship benefits to Mary Hill, Spouse.
- f. Notification of the death of **Rafael Jimenez**, Director of Citizen Advocacy, retired January 5, 1985,

died May 16, 2020. No survivorship benefits.

- g.** Notification of the death of **Lyle Long**, Associate Construction Engineer, retired August 10, 2000, died June 8, 2020. Survivorship benefits to Patricia Long, Spouse.
- h.** Notification of the death of **Harry Mavrogenes**, Redevelopment Manager, retired June 25, 2011, died September 20, 2020. Survivorship benefits to Olga Mavrogenes, Spouse.
- i.** Notification of the death of **Laura McRae**, Librarian III, retired March 30, 1980, died August 28, 2020. No survivorship benefits.
- j.** Notification of the death of **Edward Overton**, Director, retired March 24, 2007, died August 6, 2020. Survivorship benefits to Adele Overton, Spouse.
- k.** Notification of the death of **Judy Palovcsik**, Staff Technician, retired January 19, 1999, died August 25, 2020. No survivorship benefits.
- l.** Notification of the death of **Daniel Perez**, Recreation Program Specialist, Active Employee, died August 9, 2020. Survivorship benefits to Loretta Perez, Spouse.
- m.** Notification of the death of **Gary Ruckle**, Deputy Director, retired December 8, 2001, died August 19, 2020. No survivorship benefits.
- n.** Notification of the death of **Antoinette Sanzone**, Principal Account Clerk, retired November 6, 1982, died August 3, 2020. No survivorship benefits.
- o.** Notification of the Death of **Mary Sugimoto**, Executive Secretary, retired February 28, 1987, died August 1, 2020. No survivorship benefits.
- p.** Notification of the death of **Rocci Trillo**, Maintenance Worker I, retired February 8, 2014, died August 3, 2020. No survivorship benefits.
- q.** Notification of the death of **Melvin Tung-Loong**, Gardener, retired November 7, 1992, died July 29, 2020. No survivorship benefits.
- r.** Notification of death of **Jose S. Villa**, Groundswoker, retired February 1, 2003, died September 20, 2020. No survivorship benefits.

3. INVESTMENTS

- a.** Oral update from the CIO of Retirement Services, Prabhu Palani.
- b.** Presentation of Calendar 1st Quarter 2020 Private Equity Report by Neuberger Berman.
Attachments: [3b - 03-31-2020 FOIA Investment Report for San Jose Federated City Employee](#)
- c.** Presentation of Calendar 1st Quarter 2020 Private Markets Report by Meketa Investment Group.
Attachments: [3c - Q1 2020 PM Report SJ Fed PUBLIC](#)
- d.** Presentation of Calendar 2nd Quarter 2020 Performance Report for Pension Plan by Meketa

Investment Group.

Attachments: [3d - 2Q20_Performance Report_SJ Fed ERS v4](#)

- e. Presentation of Calendar 2nd Quarter 2020 Performance Report for Health Care Trust by Meketa Investment Group.

Attachments: [3e - 2Q20_Performance Report_SJ Fed HCT](#)

- f. Presentation of Investment Fee Report for Calendar Year 2019 by Investment Staff.

Attachments: [3f\(1\) - Fed Annual Fee Report Presentation - 2019](#)

[3f\(2\) - Fed Annual Fee Report 2019_Final](#)

- g. Discussion and approval for the Secretary to negotiate and execute a two-year extension of the agreement with Bloomberg Finance, LP for \$150,000 per year shared 50/50 with Police and Fire Plan.

Attachments: [3g - FED Contract Renewal Bloomberg 10-06-2020](#)

4. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- a. Discussion on Tier 1 Rehire Amortization Costs Implementation and Member Statements.

Attachments: [4a - Boards Memo - Tier 1 Rehire - Interest and MemberDirect Final](#)

5. 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 on CEO's compensation.

Attachments: [5c\(1\) - MEMO - CEO.CIO Compensation-Both Boards](#)

[5c\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

- d. Discussion and action on CIO's compensation.

Attachments: [5d\(1\) - MEMO - CEO.CIO Compensation-Both Boards - Copy](#)

[5d\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

6. COMMITTEES/REPORTS/RECOMMENDATIONS

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

Last Meeting: August 25, 2020

Next Meeting: October 27, 2020

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the May 26, 2020 Joint Investment Committee meeting. Receive and file.

Attachments: [6.1b - Joint IC meeting 05.26.20 minutes \(signed\)](#)

- c. Minutes of the May 26, 2020 Federated Investment Committee meeting. Receive and file.

Attachments: [6.1c - FED IC meeting 05.26.20 minutes \(signed\)](#)

6.2 Governance Committee (Horowitz, Castellano, Keleher)

Last Meeting: June 18, 2020 Next Meeting: December 17, 2020
(September 3, 2020 Meeting Cancelled)

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

6.3 Audit Committee (Keleher, Jennings, Sun)

Last Meeting: August 20, 2020 Next Meeting: October 15, 2020

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

6.4 Joint Personnel Committee (Orr, Castellano, Chandra)

Last Meeting: September 8, 2020 Next Meeting: October 20, 2020

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes of the August 11, 2020 Joint Personnel Committee meeting. Receive and file.

Attachments: [6.4b - JPC Minutes 8.11.20](#)

7. EDUCATION & TRAINING

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

Attachments: [7a - San Jose Cortex Report - November 2020](#)

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

Attachments: [7b - CALAPRS Trustees Roundtable](#)

- c. SACRS Fall 2020 Conference, Virtual Conference - November 10-13, 2020.

Attachments: [7c - SACRS Fall 2020 Conference - Virtual](#)

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.