



# BOARD OF ADMINISTRATION

## Meeting Agenda - Final

### Police & Fire Department Retirement Plan and Health Care Trust

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Thursday, March 4, 2021

8:30 AM

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

**[zoom.us](https://zoom.us)**

**Dial In: +1 669 219 2599 US (San Jose)**

**Meeting ID: 973 5877 8912**

**Password: 366887**

*Drew Lanza, Chair, Public Member (Term Expires 4/30/23)*  
*Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/23)*  
*Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/22)*  
*Howard Lee, Trustee, Public Member (Term Expires 11/30/22)*  
*Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)*  
*Nick Muyo, Trustee, Acting Police Retiree Rep (Term Expired 11/30/20)*  
*Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)*  
*Vincent Sunzeri, Trustee, Public Member (Term Expires 11/30/24)*  
*Vacant, Trustee, Police Active Rep (Term Expires 11/30/21)*

*Pam Foley, City Council Liaison to the Board*

*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](mailto:retirement.department@sanjoseca.gov) by 5:00 p.m. the day before the meeting.
- 2) By phone +1 669 219 2599 . Meeting ID: 973 5877 8912. 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.

**AGENDA**

**CALL TO ORDER AND ROLL CALL**

**OPEN SESSION**

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 Non-Service-Connected Disability Retirement**

- a. **Khuong Nguyen**, Police Officer, Police Department, Request for a Non Service-Connected Disability Retirement, effective March 4, 2021; 8.26\* years of service. (*Disability Committee Recommendation: Approval*)

**1.2 Approval for a Service-Connected Disability Retirement**

- a. **Andrew Watson**, Police Officer, Police Department, Request for a Service-Connected Disability Retirement, effective March 4, 2021; 12.40\* years of service. (*Disability Committee Recommendation: Approval*)

### **1.3 Approval Of Minutes**

- a. Approval of the Board Minutes of February 4, 2021.

**Attachments:**      [1.3a - PF Meeting Minutes 2.4.21 - Final](#)

### **1.4 Approval Of Travel for Conferences and Due Diligence**

- a. Sunita Ganapati, Trustee
- CalAPRS Virtual General Assembly, March 8 - 9, 2021. - **CANCELLED**
  - Council of Institutional Investors Virtual Spring Conference, March 8 - 10, 2021.

### **1.5 Return of Contributions**

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

### **1.6 Communication/Information**

- a. Police and Fire Retirement System Dashboard.

**Attachments:**      [1.6a - Police and Fire Retirement Plan Dashboard for 3.4.21](#)

- b. Report of the Plan Expenses for January 2021. Receive and file.

**Attachments:**      [1.6b - PF January Board Expenses Reports](#)

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

**Attachments:**      [1.6c - Revised 2021 Meeting Schedule MEMO-PF 3.4.21 - Signed](#)

- d. Police and Fire OPEB (Health Care) Actuarial Determined Contributions (ADC).

**Attachments:**      [1.6d - PF OPEB \(Health Care\) Actuarial Determined Contributions \(ADC\) email](#)

### **1.7 Education and Training**

- a. The Cortex Report - March 2021, Conferences, Seminars and Educational Programs.

**Attachments:**      [1.7a - San Jose Cortex Report – March 2021 Edition](#)

- b. CalAPRS Virtual General Assembly, March 8 - 9, 2021.

**Attachments:**      [1.7b - Virtual General Assembly 2021 Flyer](#)

- c. CalAPRS Virtual Trustees Roundtable, May 10, 2021.

## **2. INVESTMENTS**

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Presentation of Calendar 3rd Quarter 2020 Private Equity Report by Neuberger Berman.  
**Attachments:** [2b - 09-30-2020 FOIA Investment Report for San Jose Police Fire Department](#)
- c. Presentation of Calendar 3rd Quarter 2020 Private Markets Report by Meketa Investment Group.  
**Attachments:** [2c - Q3 2020 PM Report San Jose PF PUBLIC v3](#)
- d. Presentation of Calendar 4th Quarter 2020 Performance Report for Pension Plan by Meketa Investment Group.  
**Attachments:** [2d - 4Q20 Performance Report SJ PF Retirement v2](#)
- e. Presentation of Calendar 4th Quarter 2020 Performance Report for Health Care Trust by Meketa Investment Group.  
**Attachments:** [2e - 4Q20 Performance Report SJ PF HCT](#)
- f. Discussion and action on the City's prefunding option for fiscal year 2021 - 2022.  
**Attachments:** [2f\(1\) - Prefunding memo 2021 PF 02.11.21 with signature](#)  
[2f\(2\) - Reed Smith memo on prefunding](#)  
[2f\(3\) - Prefunding Risk Mitigation Process Recommendation](#)
- g. Approval to renew the following Board contracts:  
  
Abel Noser  
Klarity Fx  
Bloomberg Index Services  
Dynamo Software  
eVestment Alliance  
Pitchbook  
  
**Attachments:** [2g - P&F Investment Related Contract Renewals 03-01-2021V2](#)

### **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 on the Office of Retirement Services proposed administrative budget for FY 2021 - 2022.

- Attachments:**      [4c\(1\) - Replacement - PF Proposed Budget for FY2022 Memo](#)  
[4c\(2\) - DRAFT PF Budget 21-22 2.18.21 replacement](#)  
[4c\(3\) - PF 21-22 budget presentation 3.4.21 - revised](#)

- d. Discussion and action on exercising the first of two one-year options for fiscal year ending June 30, 2021 with Grant Thornton, LLP for audit services.

**Attachments:**      [4d - Audit Services - Exercise Options GT](#)

- e. Discussion and action on Fiduciary Insurance and Waiver of Recourse Fees for Policy Year March 2021 - 2022.

**Attachments:**      [4e\(1\) - Fiduciary Insurance Invoice for Trustees - P&F 2021-2022](#)  
[4e\(2\) - Insurance Marketplace Realities 2021 – Fiduciary](#)

- f. Educational discussion on Seeking Diversity and Inclusion Through the Contracting Process presented by Fiduciary Counsel.

**Attachments:**      [4f - San Jose P&F, Diversity and Inclusion Slide Deck](#)

## **5. RETIREMENTS**

### **5.1 Service Retirements**

- a. **Joaquin Barreto**, Police Sergeant, Police Department, effective January 31, 2021; 25.08\* years of service.

### **5.2 Deferred Vested**

- a. **David Santos**, Police Captain, Police Department, effective March 15, 2021; 25.30\* years of service.

## **6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)**

- a. Notification of the death of **George De La Rocha**, Police Officer, retired February 6, 2003, died January 20, 2021. No survivorship benefits.
- b. Notification of the death of **Phillip J. Hada**, Police Sergeant, retired September 6, 1989, died January 24, 2021. Survivorship benefits to Karee Hada, Spouse.
- c. Notification of the death of **Ronald Shannon**, Firefighter, retired July 7, 1981, died November 23, 2020. No survivorship benefits.
- d. Notification of the death of **Joe Vasta**, Police Officer, retired March 6, 1997, died January 22, 2021. Survivorship benefits to Pennie Vasta, Spouse.
- e. Notification of the death of **Raymond Wendling**, Police Officer, retired February 19, 1995, died January 8, 2021. Survivorship benefits to Bonita Wendling, Spouse.

## **7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS**

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

**Last Meeting: February 23, 2021**                      **Next Meeting: April 20, 2021**

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes from the December 22, 2020 Police and Fire Investment Committee meeting. Receive and file.

**Attachments:**            [7.1b - PF IC meeting minutes 12.22.20 \(signed\)](#)

- c. Minutes from the December 22, 2020 Joint Investment Committee meeting. Receive and file.

**Attachments:**            [7.1c - Joint IC meeting minutes 12.22.20 \(signed\)](#)

### **7.2 Audit/Risk Committee (Lee - CH/Muyo/Vacant)**

**Last Meeting: February 18, 2021**                      **Next Meeting: May 20, 2021**

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the October 15, 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 - 10-15-20 - Minutes - Joint Audit Committee - Final](#)

- c. 10/1/20-12/31/20 Quarterly Travel and attendance analysis for Police and Fire. Receive and file.

**Attachments:**            [7.2c - Trustee Travel Analysis 10-1-20-12-31-20-PF](#)

- 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 1.28.21 -formatted](#)

- e. Discussion on the 2020 Internal ORS staff survey by Office of Retirement Services, Senior Internal Auditor, Houman Boussina.

**Attachments:**            [7.2e\(1\) - IAD Audit Committee 021821-Revised](#)

[7.2e\(2\) - FINAL StaffSurvey ORS 2020](#)

- f. Discussion and action on the Assessment of the Internal Audit Division by Office of Retirement Services, Senior Internal Auditor, Houman Boussina.

**Attachments:**            [7.2f - AnnualQA Memo 2020 FINAL](#)

- g. Discussion on the Status of Audit Recommendations by Office of Retirement Services, Senior Internal Auditor, Houman Boussina.

Attachments:      [7.2g - InternalAudit\\_2021\\_RecommendationStatus\\_Final](#)

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

**Last Meeting: December 17, 2020**                      **Next Meeting: March 4, 2021**

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

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

**Last Meeting: February 8, 2021**                      **Next Meeting: April 5, 2021 (March 8, 2021 Meeting Cancelled)**

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes from the December 7, 2020 Police and Fire Disability Committee meeting. Receive and file.

Attachments:      [7.4b - PF DC 12-7-20 - Minutes - Final](#)

**7.5 Joint Personnel Committee (Sunzeri - CH/Lanza/Menon)**

**Last Meeting: November 10, 2020**                      **Next Meeting: TBD**

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

**• PROPOSED AGENDA ITEMS**

**• PUBLIC COMMENTS**

**• ADJOURNMENT**

**Next Meeting: April 1, 2021**

\*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.