



BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, August 5, 2021

8:30 AM

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

zoom.us

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

Meeting ID: 961 2802 9369

Password: 309655

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

Maytak Chin, 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 +1 669 219 2599 . Meeting ID: 961 2802 9369. 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

CLOSED SESSION

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

I. CLOSED SESSION NEW 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 9:30 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 for a Change in Status to Service-Connected Disability Retirement

- a. Debra Ward**, Battalion Chief, Fire Department, Request for a Change of Status to Service-Connected Disability Retirement, effective August 13, 2016; 27.52* years of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval of Deferred Vested / Non-Service-Connected Disability Retirement

- a. Nicholas A. Kluka**, Police Officer. Request for a Non-Service Connected Disability Retirement, effective May 5, 2021; 22.95* years of service. Pursuant to San Jose Municipal Code Section 3.36.302(E). (*With Reciprocity - 2.95 CSJ YOS + 20.00 PERS YOS*)

Attachments: [1.2a - Recip Disability Memo KLUKA](#)

1.3 Approval Of Minutes

- a.** Approval of the Board Minutes of June 3, 2021.

Attachments: [1.3a - PF Minu 6.3.21 Final](#)

1.4 Approval Of Travel for Conferences and Due Diligence

- a. Prabhu Palani, CIO
 - Pacific Pension and Investment Summer 2021 Roundtable, Virtual Conference - July 13 - July 15, 2021.
 - 2021 Pension Bridge Annual Conference, Virtual Program - July 27 - July 29, 2021.

1.5 Return of Contributions

- a. Voluntary / Involuntary.

Attachments: [1.5a - ROC - PF AUG 2021](#)

1.6 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.6a - P&F Dashboard for 8.5.21](#)

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

Attachments: [1.6b - PF May 2021 Expenses](#)

- c. Board Committee Assignments. Receive and file.

Attachments: [1.6c - Participants-PF - rev 6.7.21](#)

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

Attachments: [1.6d - Rev 2021 Meeting Sched-PF](#)

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

Attachments: [1.6e - Newsletter -July 2021](#)

- f. The Essential Allocator email regarding the City of San Jose Pension Plans, by Alicia McElhaney, July 16, 2021.

Attachments: [1.6f -The Essential Allocator email](#)

1.7 Report out of Closed Session

- a. Report out of Closed Session from the December 3, 2020 Police and Fire Board Meeting.

Attachments: [1.7a - PF Report out of CS](#)

1.8 Change of Retirement Application

- a. Approval for a change in effective date for **Phillip Mancini** from July 16, 2021 to July 17, 2021 for a Deferred Vested Retirement, approved at the June 3, 2021 Board meeting.

Attachments: [1.8a - Retire date change - Mancini](#)

1.9 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Reduced Lifetime Monthly Payment Option to be paid to Stacey Cleaver, ex-spouse of Police Sergeant, **Todd Cleaver** to be effective May 25, 2021 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

Attachments: [1.9a - Alternate Payee - Cleaver](#)

1.10 Approval of Administrative Matters

- a. Approval to amend the request for Board approval regarding the agreement with Segal Company for Actuarial Services as approved at the February 4, 2021 meeting.

Attachments: [1.10a - MEMO-SEGAL - Final](#)

1.11 Education and Training

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

Attachments: [1.11a - SJ- July 2021 Edition](#)

- b. CalAPRS Virtual Principles of Pension Governance for Trustees, September 28 - 30, 2021.

Attachments: [1.11b - CALAPRS Principles](#)

- c. CalAPRS Virtual Intermediate Courses in Retirement Plan Administration, November 3-5, 2021.

Attachments: [1.11c - CALAPRS Interm](#)

- d. CalAPRS Virtual Advanced Courses in Retirement Plan Administration, December 8 - 10, 2021.

Attachments: [1.11d - calaprs advanced202](#)

2. INVESTMENTS

- a. Oral Update by CIO, Prabhu Palani.
- b. Discussion on Pension Obligation Bonds by CIO Palani, Meketa Investment Group, & Verus Investments.

Attachments: [2b - POB Planning Draft v2](#)

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 Ordinance changes to clarify definition of FLSA Premium Pay. **(TIME CERTAIN: 11:00 A.M.)**

Attachments: [4c\(1\) - Memo - FLSA Ordinance Final](#)
 [4c\(2\) - FLSA Ordinance](#)

- d. Actuarial presentation by Cheiron on updated Pension Projections on preliminary investment returns as of June 30, 2021.

Attachments: [4d - SJ P&F Updated Projections](#)

- e. Discussion and action on staff's recommendation for approval for the CEO to negotiate and execute an Agreement with Work Health Solutions to provide Disability Medical Evaluation Services to the Board for an amount not to exceed \$250,000 for fiscal year 2021-22 with two one-year extension options to extend beyond June 30, 2022.

Attachments: [4e - BMA recommendation PF](#)

- f. Update on ORS Communications Plan by Barbara Hayman.

Attachments: [4f - Update Strategic plan Aug21](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Gregory W. Alameda**, Fire Captain, Fire Department, effective August 5 2021; 25.52* years of service.
- b. **Robert L. Bacon, Jr.**, Battalion Chief, Fire Department, effective August 7, 2021; 25.06* years of service.
- c. **Scott Campbell**, Firefighter, Fire Department, effective September 2, 2021; 25.61* years of service.
- d. **Peter Caponio**, Fire Captain, Fire Department, effective August 7, 2021; 26.52* years of service.
- e. **Brian Endicott**, Fire Captain, Fire Department, effective August 7, 2021; 25.05* years of service.
- f. **Steven P. Nelson**, Fire Captain, Fire Department, effective August 7, 2021; 26.05* years of service.
- g. **David J. Tindall**, Deputy Chief, Police Department, effective July 24, 2021; 26.99* years of service.
(With Reciprocity CSJ YOS 25.76 + PERS YOS 1.22)

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Robert Browning**, Police Sergeant, retired July 3, 1993, died June 18, 2021. Survivorship benefits to Laurel Browning, Spouse.
- b. Notification of the death of **Allan Canepa**, Firefighter, retired September 2, 1987, died April 29, 2021. No survivorship benefits.
- c. Notification of the death of **Paul Farlow**, Police Sergeant, retired January 2, 1993, died May 18, 2021. No survivorship benefits.
- d. Notification of the death of **William P. Hackett**, Fire Engineer, retired November 6, 1991, died May 2, 2021. No survivorship benefits.
- e. Notification of the death of **Jerry Mathis**, Fire Engineer, retired April 6, 1988, died May 8, 2021. Survivorship benefits to Maria Mathis, Spouse.
- f. Notification of the death of **Thomas Perez**, Police Lieutenant, retired September 22, 1995, died April 22, 2021. Survivorship benefits to Estrella Perez, Spouse.
- g. Notification of the death of **John Schaar**, Firefighter, retired January 5, 1982, died January 23, 2021. Survivorship benefits to Dorothy Schaar, Spouse.
- h. Notification of the death of **William Sims**, Police Sergeant, retired September 3, 1993, died January 4, 2021. No survivorship benefits.
- i. Notification of the death of **William B. Staples**, Assistant Fire Chief, retired August 5, 2000, died May 18, 2021. Survivorship benefits to Janice Staples, Spouse.
- j. Notification of the death of **Gary Zobrosky**, Fire Engineer, retired January 31, 2004, died March 2, 2021. Survivorship benefits to Judy Zobrosky, Spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: June 22, 2021

Next Meeting: August 24, 2021

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the April 20, 2021 Police and Fire Investment Committee meeting. Receive and file.

Attachments: [7.1b - PF IC min 04.20.21](#)

- c. Minutes of the April 20, 2021 Joint Investment Committee meeting. Receive and file.

Attachments: [7.1c - Joint IC min 04.20.21](#)

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

Last Meeting: May 20, 2021 **Next Meeting: August 19, 2021**

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

7.3 Governance Committee (Muyo - CH/ Santos/ Lee)

Last Meeting: June 3, 2021 **Next Meeting: September 9, 2021**

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the March 4, 2021 Joint Governance Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.
Attachments: [7.3b - JGC Final Minutes 3.4.21](#)
- c. Discussion and action on the Committees' recommendation to approve the Succession Planning Policy.

Attachments: [7.3c - Memo Succ Plan Plcy](#)

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

Last Meeting: June 7, 2021 **Next Meeting: August 16, 2021**

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes from the April 5, 2021 Police and Fire Disability Committee meeting. Receive and file.
Attachments: [7.4b- PF DC 4-5-21 Mins- Final](#)
- c. 2021 1st Quarter Dashboard Reports and the 2021 1st Quarter Detailed Statistics Reports. Receive and file.

Attachments: [7.4c\(1\) - Q1 2021 P&F DashRep](#)
[7.4c\(2\) - P&F Q1 2021 DET STATS](#)

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

Last Meeting: April 30, 2021 **Next Meeting: TBD**

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

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• **ADJOURNMENT**

Next Meeting: September 9, 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.