



# BOARD OF ADMINISTRATION

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

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Thursday, August 19, 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: +1 669 900 9128 US (San Jose)**

**Meeting ID: 943 0525 6378**

**Password: 637769**

### **BOARD MEMBERS**

*Spencer Horowitz, Chair*

*Vacant, Vice-Chair*

*Anurag Chandra, Trustee*

*Julie Jennings, Trustee*

*Mark Keleher, Trustee*

*Elaine Orr, Trustee*

*Vacant, Trustee*

### **CITY COUNCIL LIAISON TO THE BOARD**

*Dev Davis*

### **COUNSEL**

*Harvey Leiderman, General and Fiduciary Counsel*

*Roberto L. Peña, CEO, Office of Retirement Services*

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**\*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 +1 669 900 9128. Meeting ID: 943 0525 6378. 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.

**CALL TO ORDER AND ROLL CALL**

**Ceremonial Item**

Presentation of a commendation to Jay Castellano for his service as Trustee of the Federated Retirement Plan's Board of Administration.

**Attachments:**      [Ceremonial Item J. Castellano REV](#)

**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. CONSENT CALENDAR

#### 1.1 Approval of Service Retirements

- a. **Mae Rose C. Artida**, Office Specialist, Public Works Department, effective October 16, 2021; 20.38\* years of service.
- b. **David A. Bachur**, Police Data Specialist II, Police Department, effective August 7, 2021; 19.61\* years of service.
- c. **Adrian Barrientos**, Librarian II, Library Department, effective September 18, 2021; 22.47\* years of service.
- d. **Jose L. Campos**, Principal Construction Inspector, Public Works Department, effective October 16, 2021; 26.46\* years of service
- e. **Deborah B. Estreicher**, Librarian II, Library Department, effective September 4, 2021; 28.51\* years of service.
- f. **Rhodora G. Macaraeg**, Senior Engineering Technician, Public Works Department, effective September 4, 2021; 22.72\* years of service.
- g. **Stephen M. Pletsch**, Senior Construction Inspector, Public Works Department, effective October 16, 2021; 30.05\* years of service.
- h. **Carolyn Satake**, Secretary, Parks, Recreation and Neighborhood Services Department, effective August 21, 2021; 21.77\* years of service.
- i. **Edith E. Sutterlin**, Librarian II, Library Department, effective October 17, 2021; 7.15\* years of service.
- j. **Leo M. Tran**, Code Enforcement Inspector II, Planning, Building and Code Enforcement Department, effective October 16, 2021; 30.01\* years of service.
- k. **Thomas P. Valenzuela**, Associate Construction Inspector, Department of Transportation, effective August 21, 2021; 30.00\* years of service.
- l. **Laura Wada**, Associate Architect, Public Works Department, effective October 16, 2021; 18.05\* years of service
- m. **Caven F. Wilson**, Staff Specialist, Police Department, effective August 7, 2021; 22.93\* years of service.
- n. **Dhez Woodworth**, Economic Development Officer, Office of Economic Development, effective August 14, 2021; 24.97\* years of service.

#### 1.2 Approval of Deferred Vested

- a. **David T. Atkins**, Analyst, Human Resources Department, effective August 21, 2021; 7.83\* years of service.
- b. **P. Scott Brown**, Senior Analyst, Human Resources Department, effective August 22, 2021; 5.63\* years of service.
- c. **Steven L. Cameron**, Senior Public Safety Dispatcher, Fire Department, effective October 3, 2021; 14.51\* years of service (*With Reciprocity CSJ YOS 5.90 + PERS YOS 8.60*)
- d. **Victor A. Chavez**, Maintenance Worker II, Department of Transportation, effective July 22, 2021, 20.60\* years of service.
- e. **Adolfo Cruz**, Recreation Program Specialist, Parks, Recreation, and Neighborhood Services Department, effective September 3, 2021; 30.93\* years of service. (*With Reciprocity CSJ YOS 9.88 + PERS YOS 21.05*)
- f. **Robert E. Garcia**, Airport Operations Supervisor, Airport Department, effective October 12, 2021; 11.43 years of service.
- g. **Amanda L. Ramos**, Senior Analyst, Office of Retirement Services, effective August 22, 2021; 16.81\* years of service.
- h. **Deanna Zuniga**, Custodian, Airport Department, effective September 2, 2021; 10:20\* years of service.

### **1.3 Approval of Board Minutes**

- a. Approval of the Board Minutes of June 17, 2021.

**Attachments:**      [1.3a - 6-17-21 - Fed Min. - Final](#)

### **1.4 Approval of Return of Contributions**

- a. Voluntary | Involuntary.

**Attachments:**      [1.4a - ROC](#)

### **1.5 Acceptance of Communication/Information Reports**

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

**Attachments:**      [1.5a - ORS Newsletter -July 2021](#)

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

**Attachments:**      [1.5b - The Essential Allocator](#)

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

**Attachments:**      [1.5c - Monthly Expensses Reports](#)

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

**Attachments:**      [1.5d - Rev 2021 Mtg Schedule](#)

e. **Educational Travel Report:**

- CalAPRS Advanced Principals of Pension Governance for Trustees, Virtual Program - June 7, 9, 11, 2021 - by Julie Jennings.
- CalAPRS Advanced Principles of Pension Governance for Trustees, Virtual Program - June 7, 9, 11, 2021 - by Spencer Horowitz.
- SACRS Virtual Spring Conference - May 12-14, 2021 - by Spencer Horowitz.

**Attachments:**      [1.5e\(1\) - Content Rpt - Jennings](#)

[1.5e\(2\) - Content Rpt - Horowitz](#)

[1.5e\(3\) - Content Rpt - Horowitz](#)

- f. The Institutional Investor article: San Jose's Pension Funds Post Record-Breaking Returns, by Alicia McElhaney, August 4, 2021.

**Attachments:**      [1.5f - Institutional Investor](#)

## **1.6 Approval of Travel / Conference Attendance**

a. **Prabhu Palani, CIO**

- Pacific Pension and Investment Summer 2021 Roundtable, Virtual Conference - July 13 - July 15, 2021.
- Trusted Insight Platform LP Ecosystem Day - July 22, 2021
- 2021 Pension Bridge Annual Conference, Virtual Program - July 27 - July 29, 2021.

## **1.7 Approval of Change in Retirement Date**

- a. Approval for a change in effective date for **Kathryn L. Rolland** from July 7, 2021 to August 2, 2021 for a Deferred Vested Retirement, approved at the June 17, 2021 Board meeting.

**Attachments:**      [1.7a - Date Change - Rolland](#)

## **1.8 Report out of Closed Session**

- a. Report out of Closed Session from the April 15, 2021 Federated Board Meeting.

**Attachments:**      [1.8a - Fed Report out of CS](#)

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

- a. Notification of the death of **Lucille Baldauf**, Accountant I, retired February 23, 1985, died April 14, 2021. No survivorship benefits.

- b. Notification of the death of **Judith Boes**, Senior Office Specialist, retired February 8, 2008, died June 10, 2021. Survivorship benefits to Stanley O. Sharpe, Spouse.
- c. Notification of the death of **JoAnn Briese**, Clerk, retired December 5, 1997, died April 6, 2021. No survivorship benefits.
- d. Notification of the death of **Mary Brown**, Staff Analyst II, retired January 22, 1989, died May 7, 2021. No survivorship benefits.
- e. Notification of the death of **Dale Burrious**, Associate Architect, retired July 15, 2017, died July 1, 2021. No survivorship benefits.
- f. Notification of the death of **Mildred Fadden**, Principal Account Clerk, retired June 1, 1996, died April 6, 2021. No survivorship benefits.
- g. Notification of the death of **Audrey Furey**, Senior Engineering Technician, retired October 24, 1992, died April 9, 2021. No survivorship benefits.
- h. Notification of the death of **Robert A. Glenn**, Maintenance Assistant II, retired July 16, 1999, died June 26, 2021. No survivorship benefits.
- i. Notification of the death of **Byron O. Jones**, Real Property Agent II, retired March 9, 2000, died April 4, 2021. Survivorship benefits to Barbara Jones, Spouse.
- j. Notification of the death of **Charles Lamance**, Building Inspector, retired July 1, 2001, died August 3, 2020. No survivorship benefits.
- k. Notification of the death of **Larry Lisenbee**, Budget Director, retired January 13, 2007, died June 11, 2021. No survivorship benefits.
- l. Notification of the death of **John W. Marsh**, Senior Construction Inspector, retired January 4, 1992, died May 24, 2021. Survivorship benefits to Cristina Marsh, Spouse.
- m. Notification of the death of **Ricardo G. Martinez**, Civil Engineer I, retired January 2, 1991, died April 7, 2021. No survivorship benefits.
- n. Notification of the death of **David Pieruccini**, Code Enforcement Inspector, retired March 31, 2018, died June 9, 2021. No survivorship benefits.
- o. Notification of the death of **Paul Riemer**, Grounds Worker, retired November 7, 1992, died March 25, 2021. No survivorship benefits.
- p. Notification of the death of **Daniel Sandoval**, Associate Engineering Technician, retired November 7, 1992, died June 20, 2021. Survivorship benefits to Yvonne Sandoval, Spouse.
- q. Notification of the death of **Leonard Wise**, Senior Plant Operator, retired March 13, 2004, died June 24, 2021. No survivorship benefits.
- r. Notification of the death of **Jerry Yoshida**, Planner II, retired March 27, 2010, died April 21, 2021. Survivorship benefits to Gloria Yoshida, Spouse.

### **3. INVESTMENTS**

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.
- b. Discussion on Pension Obligation Bonds by CIO Palani, Meketa Investment Group, & Verus Investments.

**Attachments:**      [3b\(1\) - POB - Meketa](#)  
                                 [3b\(2\) - POB - Verus](#)

### **4. 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. Actuarial presentation by Cheiron on updated Pension Projections on preliminary investment returns as of June 30, 2021.

**Attachments:**      [4c - FCERS Proj Update 8-10-21](#)

- d. Discussion of City staff's objectives and approach to potential issuance of Pension Obligation Bonds (POBs). (TIME CERTAIN 11:00 A.M.)

**Attachments:**      [4d - City Pres. Fed Board 8-19-21](#)

- 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 \$100,000 for fiscal year 2021-22 with two one-year extension options to extend beyond June 30, 2022.

**Attachments:**      [4e - BMA Memo](#)

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

**Attachments:**      [4f - Update on Strategic Com Plan](#)

- g. Discussion and action on the Election of Board Vice-Chair.

**Attachments:**      [4g\(1\) - FED Election Board Ofcrs](#)  
                                 [4g\(2\) - FED Board Chair Charter](#)  
                                 [4g\(3\) - FED Vice Chair Charter](#)

- h. Discussion and action on Board Committee Assignments.

**Attachments:**      [4h - Comm. Assign. Rev 6-28-21](#)

- i. Discussion on how meetings will be held after September 30, 2021 (Virtual or In-person).

## **5. COMMITTEES/REPORTS/RECOMMENDATIONS**

### **5.1 Investment Committee (Chandra, Orr, Keleher)**

**Last Meeting: April 20, 2021      Next Meeting: August 24, 2021**

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

### **5.2 Governance Committee (Horowitz, Jennings, Vacant)**

**Last Meeting: June 17, 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:**      [5.2b - JGC Final Minutes 3.4.21](#)
- c. Discussion and action on the Committees' recommendation to approve the Succession Planning Policy.

**Attachments:**      [5.2c - Memo SuccPlan Plcy](#)

### **5.3 Audit Committee (Keleher, Jennings, Horowitz)**

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

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

### **5.4 Joint Personnel Committee (Orr, Chandra, Vacant)**

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

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

## **6. EDUCATION & TRAINING**

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

**Attachments:**      [6a - Cortex Report](#)

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

**Attachments:**      [6b - CALAPRS Principles of PG](#)

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



Attachments:      [6c - CALAPRS Intermediate 2021](#)

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

Attachments:      [6d - CALAPRS Advanced 2021](#)

## **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.