BOARD OF ADMINISTRATION

Meeting Agenda - Final-revised

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

Thursday, May 19, 2022 **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: 974 5697 3981

Password: 252520

BOARD MEMBERS

Spencer Horowitz, Chair (Term Expires 11/30/24)
Julie Jennings, Vice-Chair (Term Expires 11/30/23)
Anurag Chandra, Trustee (Term Expires 11/30/22)
Mark Keleher, Trustee (Term Expires 11/30/23)
Elaine Orr, Trustee (Term Expires 11/30/22)
Mark Linder, Trustee (Term Expires 11/30/24)
Prachi Avasthy, Trustee (Term Expires 11/30/25)

CITY COUNCIL LIAISON TO THE BOARD
Dev Davis

COUNSEL
Harvey Leiderman and Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

*** COVID-19 NOTICE ***
Consistent with AB 361 and City of San Jose Resolution Nos. 79485, 80237, 80266, 80290, 80323, 80343, 80363, 80400, 80445 and 80481 this meeting 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.dept@sanjoseca.gov by 5:00 p.m. the day before the meeting.
2) By phone +1 669 219 2599 . Meeting ID 974 5697 3981. 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 INVESTMENTS

A. **CLOSED SESSION:** PURSUANT TO GOVERNMENT CODE SECTION 54956.81, TO CONSIDER PURCHASE OR SALE OF PARTICULAR, SPECIFIC PENSION FUND INVESTMENTS (ONE INVESTMENT).

OPEN SESSION - will reconvene following Closed Session, estimated to be 8:45 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

• PUBLIC/RETIREE/GENERAL COMMENTS - Not Related to a Specific Agenda item

1. Request Change In Status to Service-Connected Disability Retirement

a. **Ismael Liceralde**, Grounds Worker, Environmental Services Department, Request for Change of Status from Non Service-Connected Disability Retirement to Service-Connected Disability Retirement, effective March 1, 2019; 11.83* years of service. *(Committee Recommendation: Denial)* **(TIME CERTAIN: 10:00 a.m.)**

2. CONSENT CALENDAR

2.1 Approval of Service Retirements

a. **William E. Bailey**, Building Inspector Combo, Planning, Building and Code Enforcement Department, effective May 28, 2022; 21.42* years of service.

b. **Becki L. Gomez**, Senior Account Clerk, Finance Department, effective July 9, 2022; 8.20* years of service.

c. **Irene Mora**, Office Specialist II, Parks, Recreation and Neighborhood Services Department, effective June 11, 2022; 25.81* years of service.

d. **Hong K. Ni**, Network Engineer, City Attorney's Office, effective May 14, 2022; 22.96* years of service.

e. **David A. Torres**, Recreation Supervisor, Parks, Recreation, Neighborhood Services Department, effective June 11, 2022; 27.65* years of service.

2.2 Approval of Deferred Vested

a. **Ronald Estrada**, Senior Engineer, Fire Department, effective June 24, 2022; 23.50* years of service. *(With Reciprocity CSJ YOS 18.81 + PERS YOS 4.69)*

b. **Jerry M. Gutierrez**, Engineering Technician II, Department of Transportation, effective May 5, 2022; 18.29* years of service.

c. **Leslie G. (Nathanson) Hamilton**, Planner II, Planning, Building and Code Enforcement Department, effective May 12, 22; 5.91* years of service.

2.3 Approval of Board Minutes

a. Approval of the Board Minutes of April 21, 2022.

Attachments: 2.3a - 4-21-22 - Fed Minutes - Final

b. Approval of the Board Minutes from the Special Meeting of April 11, 2022.

Attachments: 2.3b - 4-11-22 - SP Fed Minutes - Final

2.4 Approval of Return of Contributions

a. Voluntary/Involuntary.

Attachments: 2.4a - ROC

2.5 Acceptance of Communication/Information Reports

a. Educational Travel Reports:

- Pension Bridge Annual, Westin St. Francis, San Francisco, CA - April 18 - 20, 2022 - by Elaine Orr.
- Pension Bridge Annual, Westin St. Francis, San Francisco, CA - April 18 - 20, 2022 - by Anurag Chandra.
- CALAPRS Virtual Trustees' Roundtable, April 29, 2022 - by Spencer Horowitz.
- Women's Venture Capital Summit, Ritz-Carlton, Half Moon Bay, CA, May 4 - 6, 2022 - by Elaine Orr.

Attachments: 2.5a(1) - Travel Content Report - E. Orr
2.5a(2) - Travel Content Report - A. Chandra
2.5a(3) - Travel Content Report - S. Horowitz
2.5a(4) - Travel Content Report - E. Orr - WVCS

2.6 Approval of Travel / Conference Attendance

a. Spencer Horowitz, Trustee
- CALAPRS Virtual Trustees' Round Table, April 29, 2022.

b. Mark Linder, Trustee
- CALAPRS Virtual Trustees' Round Table, April 29, 2022.

c. Elaine Orr, Trustee
- CALAPRS Virtual Trustees' Round Table, April 29, 2022.

d. Julie Jennings, Trustee
- SACRS - UC Berkeley Program, Claremont Hotel, Berkeley, CA - July 17 - 20, 2022.

e. Prabhu Palani, CIO
- Roundtable with Nirmala Sitharaman, Indian Finance Minister, Hotel Four Seasons, East Palo Alto, CA, April 25, 2022
- Meketa West Coast Gathering 2022, Westin Carlsbad Resort, Carlsbad, CA, May 16, 2022.

3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

a. Notification of the death of **Marion H. Aitken**, Secretary I, retired August 4, 1979, died April 14, 2022. No survivorship benefits.

b. Notification of the death of **Oswald Briones**, Equipment Maintenance Supervisor, retired January 7, 1990, died April 15, 2022. No survivorship benefits.

c. Notification of the death of **Sharon Cianciarulo**, Typist Clerk II, retired June 29, 1985, died March

26, 2022. No survivorship benefits.

d. Notification of the death of **Marian DeVincenzi**, Clerk Typist II, retired July 1, 1995, died March 20, 2022. No survivorship benefits.

e. Notification of the death of **William Eppler**, Associate Engineer, retired July 3, 1993, died March 4, 2022. No survivorship benefits.

f. Notification of the death of **Darrell Rigdon**, Custodian, retired March 31, 2001, died November 9, 2021. No survivorship benefits.

g. Notification of the death of **Cesario Rodriguez**, Senior Planner, retired March 10, 2007, died February 15, 2022. No survivorship benefits.

h. Notification of the death of **Nancy Schuster**, Senior Account Clerk, retired March 30, 2013, died April 10, 2022. Survivorship benefits to Ron Schuster, Spouse.

i. Notification of the death of **Ted Tedesco**, City Manager retired July 13, 1986, died March 2, 2022. No survivorship benefits.

4. INVESTMENTS

a. Oral update by CIO, Prabhu Palani.

b. Discussion and action on private markets pacing plan by staff.

Attachments: 4b - 2022 Private Markets Pacing Plan

c. Discussion and action regarding the revised Investment Policy Statement for San Jose Federated City Employees' Retirement System and approval of Resolution No. 9104.

Attachments: 4c(1) - FED Pension IPS Redlined 05-19-2022
4c(2) - FED Pension IPS - Resol #9104 May 2022

5. OLD BUSINESS-DEFERRED/CONTINUED ITEMS - None.

6. 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 regarding Resolution No. 9102 Federated Tier 1 and Resolution No. 9103 Federated Tier 2 Contribution Rates/Amounts for FY 22-23.

Attachments: 6c(1) - Fed 22-23 Contribution Rates Cover Memo
6c(2) - CR Fed Tier 1 - June 2022 - 9102
6c(3) - CR Fed Tier 2 - June 2022 - 9103
6c(4) - FYE 2023 Pension-OPEB Contributions

d. Discussion and action on creation of a Federated Disability Committee.

Attachments: 6d(1) - FED Disability Summary of Process
6d(2) - Disability Committee Checklist

e. Discussion on Ordinance to Amend San Jose Municipal Code Section 3.28.700 and Section 3.28.725 Related to the Normal Contribution for Tier 1 Members at Thirty Years of Service.

Attachments: 6e(1) - Fed Memo Ordinance - Contrib-30yrs
6e(2) - Ordinance - Contrib-30yrs

f. Review of new process and timeline for accomplishing annual CEO and CIO performance evaluations.

Attachments: 6f(1) - CIO Eval Process
6f(2) - CEO-CIO Leadership and Mgmt Surveys

g. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

Attachments: 6g - AB 361 Memo

7. COMMITTEES/REPORTS/RECOMMENDATIONS

7.1 Investment Committee (Chandra, Horowitz, Orr)

Last Meeting: April 26, 2022 (Regular) **Next Meeting: May 19, 2022 (Special)**

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

b. Minutes of the February 18, 2022 Federated Investment Committee meeting. Receive and file.

Attachments: 7.1b - FED IC meeting minutes 02.18.22 (signed)

c. Minutes of the February 22, 2022 Joint Investment Committee meeting. Receive and file.

Attachments: 7.1c - Joint IC meeting minutes 02.22.22 (signed)

d. Minutes of the February 22, 2022 Federated Investment Committee meeting. Receive and file.

Attachments: 7.1d - FED IC meeting minutes 02.22.22 (signed)

e. Minutes of the March 18, 2022 Federated Investment Committee meeting. Receive and file.

Attachments: 7.1e - FED IC meeting minutes 03.18.22 (signed)

f. Minutes of the April 14, 2022 Federated Investment Committee meeting. Receive and file.

Attachments: 7.1f - FED IC meeting minutes 04.14.22 (signed)

7.2 Governance Committee (Jennings, Keleher, Linder)

Last Meeting: April 21, 2022 (Special) **Next Meeting: May 19, 2022 (Special)**

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

b. Minutes of the Special Governance Committee meeting from March 17, 2022. Receive and file.

Attachments: 7.2b - 3-17-22 - SP GC Minutes - Final

7.3 Audit Committee (Keleher, Jennings, Avasthy)

Last Meeting: April 21, 2022 (Special) **Next Meeting: May 19, 2022 (Special)**

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

b. Minutes of the Special Audit Committee meeting from March 17, 2022. Receive and file.

Attachments: 7.3b - 3-17-22 - SP AC Minutes - Final

7.4 Joint Personnel Committee (Orr, Chandra, Horowitz)

Last Meeting: March 4, 2022 (Regular) **Next Meeting: TBD**

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

8. EDUCATION & TRAINING

a. The Cortex Report - May 2022, Conferences, Seminars and Educational Programs.

Attachments: 8a - San Jose Cortex Report - May 2022 Edition

• PROPOSED AGENDA ITEMS

• 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.

The Code of Conduct (https://www.sanjoseca.gov/home/showpublisheddocument/12901/636670004966630000) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

1. Public Meeting Decorum:
a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
e) Persons in the audience will not place their feet on the seats in front of them.
f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

2. Signs, Objects or Symbolic Material:
a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions: § No objects will be larger than 2 feet by 3 feet.
-No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
-The items cannot create a building maintenance problem or a fire or safety hazard.
b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

3. Addressing the Council, Committee, Board or Commission:
a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
b) Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the total amount of time allocated for public testimony for each public speaker or for an agenda item is in the discretion of the Chair of the meeting and may be limited when appropriate. (California Government Code Section 54954.3; Council Policy 0-37) Applicants and appellants in land use matters are usually given more time to speak. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
c) Speakers should discuss only the agenda item when called to speak for that item, and only topics related to City business when called to speak during open forum on the agenda.
d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council

Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.
Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.