



BOARD OF ADMINISTRATION

Meeting Minutes - Final Joint - Personnel Committee

Tuesday, December 7, 2021

1:00 PM

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: 970 5649 1424

Pass Code: 595659

Police & Fire Committee Members

Drew Lanza, Trustee

Eswar Menon, Trustee

Andrew Gardanier, Trustee

Federated Committee Members

Elaine Orr, Vice-Chair

Anurag Chandra, Trustee

Spencer Horowitz, Trustee

Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

Present 5 - Anurag Chandra, Elaine Orr, Eswar Menon, Drew Lanza, and Andrew Gardanier

Absent 1 - Spencer Horowitz

The Joint Personnel Committee met via zoom on Tuesday, December 7, 2021. The meeting was called to order at 1:06 p.m. by Vice-Chair Orr.

Staff Present via Zoom: Roberto Peña, Prabhu Palani, Linda Alexander, Michelle San Miguel and Marti Zarate.

Others Present via Zoom: Tom Iannucci, Cortex Applied Research; Maytak Chin, General Counsel.

- **Call to Order and Roll Call**
- **Orders of the Day**

Trustee Lanza spoke to the Orders of the day and stated that:

- All votes will be roll call votes.
- If you are not speaking, please be on mute to cut background noise.
- For discussion items, each trustee will have a turn to speak in roll call order, more than once if desired.
- The public will have an opportunity to speak on each item after trustees and again at the

end of the meeting on any other item not on the agenda as it pertains to the JPC.

AGENDA

CONSENT CALENDAR

A motion was made to approve the Consent Calendar.

Approved. (Menon/Lanza 5-0-0) The motion passed unanimously by roll call vote.

1. Approval of the Minutes December 7, 2021 JPC meeting.

NEW BUSINESS

2. Discussion and action on factual findings for use of California AB361's abbreviated teleconferencing procedures.

Counsel Chin introduced and spoke to the item. Ms. Chin explained the contents of the memo submitted to the Committee regarding evidentiary support for the Committee's consideration of factual findings necessary for election to adopt AB 361's abbreviated teleconferencing procedures, which included:

- (1) Governor's proclamation on the continued state of emergency due to the ongoing COVID 19 pandemic; and
- (2) the City Council's recent resolution that continued to impose and recommend social distancing in City facilities.

A motion was made to adopt these as the Committee's factual findings under AB361 to allow the Committee to continue meeting virtually for the next 30 days.

Approved. (M.S.C. Chandra/Gardanier 5-0-0) The motion passed unanimously by roll call vote.

OLD BUSINESS

3. Discussion on the results of the Mock performance evaluations for feedback and potential revisions for the CEO.

Tom Iannucci, Cortex Consulting, introduced and spoke to the item. He stated that the discussion would be centered on improving the process based on the full Boards comments. The Committee discussed the comments from the Board in regards to the mock evaluation process. Extensive discussion ensued. The Committee asked Mr. Iannucci to review the policy and procedures, make edits and bring back to a future Committee meeting.

4. Discussion and Action on the CEO/CIO compensation study.

Items #4 and #5 were heard together.

Prabhu Palani, CIO, introduced and spoke to the request to the Committee to conduct a new compensation study. The last compensation study took place in 2018 and the firm Koff & Associates was used. Mr. Palani suggested using a different firm, McLagan (owned by Aon Hewitt), to conduct a new survey as McLagan is renowned for their work with investment

professionals. The proposed compensation study would also be more comprehensive and would include analysis of CEO/CIO and Investment professional compensation and incentives. After extensive discussion, a motion was made.

A motion was made to request a budget from the Full Boards in order to conduct a compensation study for investment professionals for a potential investment incentive program and re-evaluate the CEO/CIO compensation ranges.

Approved. (M.S.C. Lanza/Chandra 5-0-0) The motion passed unanimously by roll call vote.

5. Discussion on incentives compensation.

See Item #4 for Committee action and vote.

6. Nomination and Election of Chair for the JPC Committee.

This item was heard after item #2.

Trustee Chandra nominated Trustee Orr for the position of Chair of the JPC. After discussion, Trustee Orr accepted the nomination and was elected unanimously by roll call vote to the position by the Committee.

- **Proposed Agenda Items**

Discussion on a potential strategy to implement an incentive program for the Investments program.

- **Public Comments**

None.

- **Adjournment**

The meeting adjourned at 2:50 p.m.

Minutes Recorded, Prepared and Respectfully submitted by,

Roberto L. Peña, CEO, Office of Retirement Services