



BOARD OF ADMINISTRATION

Meeting Minutes - Final Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, April 20, 2023

8:30 AM

City Hall, Wing Rooms 118-120, 200 E.
Santa Clara St. San Jose, CA 95113

HYBRID MEETING

PHYSICAL LOCATION:

City Hall, Wing Rooms 118-120, 200 E. Santa Clara St. San Jose, Ca 95113

ZOOM INFORMATION:

zoom.us

Dial In: +1 669 900 9128 US (San Jose)

Meeting ID: 987 2490 8689

Pass Code: 114042

BOARD MEMBERS

Spencer Horowitz, Chair (Term Expires 11/30/24)

Julie Jennings, Vice-Chair (Term Expires 11/30/23)

Anurag Chandra, Trustee (Term Expires 11/30/26)

Mark Keleher, Trustee (Term Expires 11/30/23)

Mark Linder, Trustee (Term Expires 11/30/24) -- No 1 The Plaza, Sonoma, CA 95476

Prachi Avasthy, Trustee (Term Expires 11/30/25)

Vacant, Trustee

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

Present: 5 - Mark Linder, Prachi Avasthy, Spencer Horowitz, Julie Jennings and Mark Keleher

Absent: 1 - Anurag Chandra

The Board of Administration of the Federated City Employees Retirement System and Health Care Trust met on Thursday, April 20, 2023, at 8:30 a.m. Chair Horowitz called the meeting to order at 8:30 a.m. followed by roll call.

Board Members Present: Spencer Horowitz, Julie Jennings, Mark Keleher and Prachi Avasthy.

Board Members Present via Zoom utilizing the Traditional Brown Act teleconferencing rules: Mark Linder.

Trustee Anurag Chandra was absent.

Retirement Staff Present: Roberto L. Peña, Barbara Hayman, Prabhu Palani, Benjie Chua-Foy, Stacey Fischer, Ron Kumar, Jay Kwon, Dhinesh Ganapathiappan, Eric Tsang, David Aung, Julie He, Chris Ha, Isela Chaparro, Khadijah Onyeije, Michelle San Miguel, Sherrell Aledo, Amy Dickinson and Sierra Kenoly-Chavez.

Retirement Staff Present via Zoom: Shilpi Dwivedi and Houman Boussina.

Also Present: Dev Davis, Council Liaison; Jared Pratt and Laura Wirick, Meketa Investment Group; Russ Richeda, Disability Counsel; Harvey Leiderman, General and Fiduciary Counsel; Sarah Steele, OER; and Shashikant Naik, Public Attendee.

Also Present via Zoom: Maytak Chin, General and Fiduciary Counsel; Kaci Boyer, Neurberger Berman; Marc Gesell, Verus; Dr. Rajiv Das, Medical Advisor; Kevin Baload, Journalist-WithIntelligence; David DeLong, PRNS; and Lara Walker, PRNS.

In accordance with the requirements of AB 2449, the Board of Administration ("Board") will generally, upon request, provide appropriate aids and services leading to effective communication for individuals with disabilities so they can participate equally in the Board's meetings, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, vision or other disabilities.

Anyone who requires an auxiliary aid or service for effective communication to participate in a Board meeting should contact the designated contact in Office of Retirement Services as far in advance of the scheduled meeting as possible. The Board strongly encourages individuals with disabilities to endeavor to submit requests for reasonable accommodation no later than five (5) business days before the scheduled meeting, as the Board may not be able to grant requests for reasonable accommodations without sufficient advance notice. The Board strongly encourages individuals with disabilities to submit their written requests via email or regular mail to facilitate tracking and response; however, if the submission of a written request constitutes a hardship, individuals may call the Office of Retirement Services to submit an oral request.

The designated contact in the Office of Retirement Services will endeavor to respond to each request within three (3) business days of receipt of the request. Depending on the request, the designated contact in the Office of Retirement Services may ask to schedule a time to discuss the request (which may occur virtually) to determine the most appropriate auxiliary aid or service, before the request is resolved.

ADA Designated Contact Information

Attention: Deputy Director/Chief Operations Officer, Office of Retirement Services
Address: 1737 N First St #600, San Jose, CA 95112
Email: #Retire_Admin@sanjoseca.gov
Phone: 408-794-1000 (ORS Main Line)

I. AB 2449 REMOTE APPEARANCE(S)

a. Just Cause Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have notified the Board of a "Just Cause" to attend this meeting via teleconference.

NONE

- ii. Call for Trustee(s) who wish to notify the Board of a "Just Cause" to attend this meeting via teleconference.

b. Emergency Circumstance(s) (Gov't Code § 54953)

- i. The following Trustee(s) have requested the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance."

NONE

- ii. Call for Trustee(s) requesting the Board approve their attendance of this meeting via teleconference due to an "Emergency Circumstance".

- iii. Take action on request(s) for remote appearance.

No action was taken for this agenda item.

OPEN SESSION

ORDERS OF THE DAY

Chair Horowitz read the following into the record:

A FEW GROUND RULES FOR THIS MEETING

- As such, all votes will be roll call votes.
- We are holding this meeting as a hybrid meeting, and so those who are attending virtually, please mute yourself unless you are speaking and if you wish to speak, please raise your hand and staff will alert the Chair.

ORDERS OF THE DAY:

- Items 2.8a pulled from the Consent Calendar and heard as Item 6 under New Business

A motion was made to modify the Orders of the Day.

Approved. (M.S.C. Keleher/Avasthy 5 0 0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

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

None.

1.1 Application for a Service-Connected Disability

- a. **Gina Oliva**, Maintenance Assistant, Parks, Recreation and Neighborhood Services Department, Request for a Service-Connected Disability Retirement, effective October 7, 2021, 8.91* years of service. (*Staff Disability Committee Recommendation: Denial*)

Ms. Stacey Fischer, Benefits Disability Analyst, read the applicant's case information into the record. Ms. Gina Oliva, the applicant was not present and in lieu of Ms. Oliva's attendance, ORS staff read a statement provided by Ms. Oliva to the Board. **Mr. Russ Richeda, Disability Counsel**, spoke to the evidence of the applicant's service connection. The injuries and its symptoms led to temporary work restrictions, but not permanent work restrictions and the City was able to accommodate those work restrictions. **Dr. Rajiv Das, Medical Advisor**, presented his conclusions after reviews of the medical records of the applicant. Dr. Das did not find the causation of the disability to be work related. **Starah Steele** from OER and **David DeLong** from PRNS were present, and did not have anything additional to add. After lengthy discussion a motion was put forward

A motion was made to deny the Service-Connected Disability application for Gina Oliva.

Approved. (M.S.C. Keleher/Jennings 5-0-0) The motion passed unanimously by roll call vote.
Trustee Chandra was absent.

2. CONSENT CALENDAR

A motion was made to approve the Consent Calendar.

Approved. (M.S.C. Keleher/Avasthy 5-0-0) The motion passed unanimously by roll call vote.
Trustee Chandra was absent.

2.1 Approval for a Service-Connected Disability

- a. **Ranak M. Majmudar**, Laboratory Technician II, Environmental Services Department, Request for a Service-Connected Disability retirement, effective January 30, 2019; 10.00* years of service. *(Staff Disability Committee Recommendation: Approval)*

2.2 Approval of Service Retirements

- a. **Linda Alexander**, Executive Assistant, Office of Retirement Services, effective March 31, 2023; 18.31* years of service.
- b. **Michael Beltramo**, Carpenter, Airport Department, effective March 24, 2023; 27.81* years of service.
- c. **Margie I. Bulger**, Senior Office Specialist, Planning, Building and Code Enforcement Department, effective March 31, 2023; 21.63* years of service.
- d. **Vada V. Burrow**, Legal Administrative Assistant, City Attorney's Office, effective March 31, 2023; 5.99* years of service. (Tier 2B)
- e. **Linda K. Charfauros**, Division Manager, Environmental Services Department, effective March 18, 2023; 30.32* years of service. *(With Reciprocity - 23.24 CSJ YOS + 7.08 PERS YOS)*
- f. **Chen-Tung Chiang**, Senior Engineer, Planning, Building and Code Enforcement Department, effective March 18, 2023; 24.10* years of service.
- g. **Julia H. Cooper**, Director of Finance, Finance Department, effective March 31, 2023; 32.38* years of service.
- h. **Weiping Ding**, Accountant II, Finance Department, effective March 31, 2023; 21.22* years of service. *(With Reciprocity - 15.02 CSJ YOS + 6.20 PERS YOS)*
- i. **Wayne A. Dore**, Network Technician III, Library Department, effective March 18, 2023;

32.29* years of service.

- j. **Lili Etessam**, Senior Architect, Public Works Department, effective March 18, 2023; 22.16* years of service.
- k. **Parmjit Gill**, Accounting Technician, Finance Department, effective March 31, 2023; 22.86* years of service.
- l. **James Griego**, Wastewater Operator III, Environmental Services Department, effective March 31, 2023; 15.03* years of service.
- m. **Al Haro**, Maintenance Worker II, Department of Transportation, effective March 31, 2023; 21.09* years of service.
- n. **Jaime Hernandez**, Network Technician III, Library Department, effective March 18, 2023; 24.13* years of service.
- o. **Peter W. Herzog**, Supervisor, Trades, Airport Department, effective March 31, 2023; 15.31* years of service.
- p. **Jung Won Kim**, Senior Analyst, Human Resources Department, effective March 31, 2023; 22.68* years of service.
- q. **Lonnie H. Lang**, Accounting Technician, Office of Retirement Services, effective March 31, 2023; 26.11* years of service.
- r. **Edward Maez**, Air Conditioning Mechanic, Public Works Department, effective March 18, 2023; 17.15* years of service.
- s. **Dorothy K. Martinez**, Account Clerk II, Environmental Services Department, effective March 31, 2023; 34.07* years of service.
- t. **Tim S. Melany**, Wastewater Systems Operator, Environmental Services Department, effective March 31, 2023; 21.82* years of service.
- u. **Raymundo Partido**, Chemist, Environmental Services Department, effective March 18, 2023; 23.97* years of service.
- v. **Lisandra Valerio**, Building Management Administrator, Parks, Recreation and Neighborhood Services Department, effective March 25, 2023; 30.52* years of service.

- w. **Karl Van Gastel**, Building Inspector Supervisor, Planning, Building and Code Enforcement Department, effective March 18, 2023; 15.50*years of service.
- x. **Stevan Wonosaputra**, Instrument Person, Public Works Department, effective March 29, 2023; 20.40* years of service.
- y. **Yan Xu**, Information System Analyst, Department of Transportation, effective May 1, 2023; 9.18* years of service.
- z. **Kathryn Zoglin**, Senior Deputy City Attorney, City Attorney's Office, effective March 31, 2023; 9.34* years of service.

2.3 Approval of Deferred Vested

- a. **Christopher Blair**, Senior Airport Noise Specialist, Airport Department, effective April 26, 2023; 6.45* years of service.
- b. **Kathleen S. Drayson**, Administrative Officer, Environmental Services Department, effective March 29, 2023; 24.25* years of service. (*With Reciprocity - 16.29 CSJ YOS + 7.95 PERS YOS*)
- c. **Douglas K. Dubois**, Real Property Agent II, Public Works Department, effective April 23, 2023; 13.90* years of service. (*With Reciprocity - 1.47 CSJ YOS + 12.42 PERS YOS*)
- d. **Alex Garcia**, Parking and Traffic Control Officer, Department of Transportation, effective March 1, 2023; 6.20* years of service.

2.4 Approval of Board Minutes

- a. Approval of the Board Minutes of February 16, 2023.

2.5 Approval of Return of Contributions

- a. Voluntary | Involuntary.

2.6 Acceptance of Communication/Information Reports

- a. Return to in person meetings for members of the P&F and FCERS Boards of Administration - AB

2449 and Post Covid Public Meetings informational memorandum. Receive and file.

- b. Resolution No. 9108 - Zahra (Shara) Sedaghatpour- Denial of Change of Status from Service Retirement to Service-Connected Disability Retirement. Receive and file.
- c. Report of the Monthly Board Expenses for January 2023. Receive and file.
- d. Report of the Monthly Board Expenses for February 2023. Receive and file.

2.7 Report out of Closed Session

- a. Report out of closed session from the January 19, 2023 board meeting.

2.8 Approval of Administrative Matters

- a. Approval of the updated FCERS Disability Committee Charter.

Maytak Chin, General and Fiduciary Counsel, updated the Board on the FCERS Disability Committee Charter and the proposed changes. Ms. Chin recommended the Board adopt the changes.

A motion was made to adopt the revised FCERS Disability Committee Charter.

Approved. (M.S.C. Jennings/Keleher 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- b. Fiduciary Insurance and Waiver of Recourse Fees for Policy Year March 2023-2024.

2.9 Approval of Travel / Conference Attendance

- a. Prabhu Palani, CIO
 - Crosslink 2023 Annual meeting, Rosewood Sand Hill, Menlo Park, CA March 16, 2023.
 - Pension Bridge Annual 2023, Hotel Fairmont, San Francisco, CA April 17-19th, 2023
 - Innovation Endeavors 2023 Summit, Napa, CA, April 25, 2023.
 - Milken Institute Global Conference, Beverly Hilton, Los Angeles, CA, April 30 - May 3, 2023.
- b. Anurag Chandra, Trustee
 - Pension Bridge Annual 2023, Hotel Fairmont, San Francisco, CA April 17-19th, 2023.

3. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

Chair Horowitz asked for a moment of silence for those who have served and passed away.

- a.** Notification of the death of **Jesus A. Carbonel**, Engineer II, retired July 3, 1993, died January 12, 2023. No survivorship benefits.
- b.** Notification of the death of **Steven P. Contreras**, Senior Maintenance Worker, retired March 31, 2011, died March 6, 2023. Survivorship benefits to Patricia Contreras.
- c.** Notification of the death of **Edward J. Enos**, Carpenter, retired February 15, 2003, died January 24, 2023. Survivorship benefits to Clarlene Enos.
- d.** Notification of the death of **Steven M. Gomes**, Maintenance Worker, retired October 27, 2012, died February 07, 2023. No survivorship benefits.
- e.** Notification of the death of **Mary Hom**, Supervising Application Analyst, retired June 30, 2012, died February 14, 2023. Survivorship benefits Edward Hom.
- f.** Notification of the death of **Enzi J. Lagattuta**, Carpenter, retired February 14, 1984, died January 1, 2023. No survivorship benefits.
- g.** Notification of the death of **John Laws**, Data Processing Operations Supervisor, retired November 1, 1986, died February 24, 2023. No survivorship benefits.
- h.** Notification of the death of **Gay L. Lesmister**, Custodian, retired August 24, 2010, died January 30, 2023. No survivorship benefits.
- i.** Notification of the death of **Zhijia Ling**, Principal Account Clerk, retired March 28, 2015, died January 29, 2023. Survivorship benefits to Guojian Feng, spouse.
- j.** Notification of the death of **Raymond K. Morales**, Groundworker, retired October 23, 1982, died November 30, 2022. No survivorship benefits.
- k.** Notification of the death of **Suzanne T. Shynne**, Analyst II, retired June 24, 2002, died November 15, 2022. No survivorship benefits.
- l.** Notification of the death of **Metha D. Sizemore**, Outreach Coordinator, retired March 22, 2008, died December 29, 2022. No survivorship benefits.

- m. Notification of the death of **Margaret Sturdevant**, Account Clerk II, retired October 1, 1989, died February 14, 2023. No survivorship benefits.
- n. Notification of the death of **Warren Trester**, Building Plans Engineer, retired September 7, 1996, died February 23, 2023. Survivorship benefits to Melene Trester.
- o. Notification of the death **Kathy Tsukamoto**, Administrative Assistant, retired November 30, 2022, died February 12, 2023. Survivorship benefits to Donald Tsukamoto, Spouse.
- p. Notification of the death of **Russell Wylde**, Building Construction Inspector, retired July 7, 1991, died February 17, 2023. No survivorship benefits.

4. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

CIO Palani updated the Board and on the following unaudited estimated performance and answered questions:

- For FYTD through April 18, 2023, the Pension Plan was up 4.94%.
- For FYTD through April 18, 2023, the Health Care Trust was up 7.91%.

- b. Presentation of Calendar 3rd Quarter 2022 Private Equity report by Neuberger Berman.

CIO Palani introduced Kaci Boyer Neuberger Berman, who presented the calendar 3rd Quarter 2022 Private Equity report and answered questions from the Board.

- c. Presentation of Calendar 3rd Quarter 2022 Private Markets report by Meketa Investment Group.

Jared Pratt, Meketa Investment Group, presented the calendar 3rd Quarter 2022 Private Markets and answered questions from the Board.

- d. Presentation of Calendar 4th Quarter 2022 Performance report for Pension Plan by Meketa Investment Group.

Laura Wirick, Meketa Investment Group, presented the calendar 4th Quarter 2022 Performance report for Pension Plan and answered questions from the Board. She commented on the Plan's Watchlist, but did not suggest any changes based on those on the Watchlist. She reported that the value of the San Jose Federated City Employees' Retirement System assets on December 31, 2022 was \$2.8 billion, compared to \$2.7 billion at the end of the prior quarter. The System had net cash outflows of \$49 million and \$121 million of investment gains during the quarter.

- e. Presentation of Calendar 4th Quarter 2022 Performance report for Health Care Trust by Meketa Investment Group.

Laura Wirick, Meketa Investment Group, presented the calendar 4th Quarter 2022 Performance report for Health Care Trust and answered questions from the Board. He reported that the value of the San Jose Federated Retiree Health Care Trust's assets was \$361.4 million on December 31, 2022, compared to \$342.0 million at the end of the prior quarter. The Trust had \$3.9 million of net cash outflows for the quarter, and \$23.3 million of investment gains during the three-month period.

- f. Discussion and action on strategic asset allocation for pension fund by Meketa Investment Group.

This Item was deferred to the May 18, 2023 Board meeting.

- g. Discussion and action regarding the prefunding of the City's retirement contribution.

Jay Kwon, Senior Investment Officer, spoke to the item and answered questions from the Board. Mr. Kwon stated that the City has already opted not to pre-fund contributions this year, however, staff would like to offer the full discount rate on the record.

A motion was made to approve providing the City with the full discount rate.

Approved. (M.S.C. Keleher/Jennings 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- h. Discussion and action to renew the investment consulting agreement with Meketa Investment Group for one year for the amount not-to-exceed \$350,500.

Items 4h, 4i, and 4j were heard together, but were voted on separately.

Ron Kumar introduced and spoke to the renewal of agreements between the Board and Meketa Investment Group for investment consulting, Verus Advisory and Barra LLC for risk consulting and services. CIO Palani and Mr. Kumar responded to questions from the Trustees.

A motion was made to renew the investment consulting agreement with Meketa Investment Group for one year for an amount not-to-exceed \$350,500.

Approved. (M.S.C. Linder/Avasthy 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- i. Discussion and action to renew the risk consulting agreement with Verus Advisory, Inc. for one year for an amount not-to-exceed \$125,000.

Items 4h, 4i, and 4j were heard together, but were voted on separately.

A motion was made to renew the risk consulting agreement with Verus Advisory, Inc. for one year for an amount not-to-exceed \$125,000.

Approved. (M.S.C. Linder/Keleher 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- j. Discussion and action to renew the risk data service agreement with Barra LLC for one year for an

amount not-to-exceed \$96,000.

Items 4h, 4i, and 4j were heard together, but were voted on separately.

A motion was made to renew the risk data service agreement with Barra LLC for one year for an amount not-to-exceed \$96,000.

Approved. (M.S.C. Keleher/Linder 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

5. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- a. Discussion and action regarding approval to increase the FY22-23 administrative budget for professional services by \$100,000 to a total of \$950,000. *(Deferred from March 16, 2023, meeting)*

CEO Roberto Peña and Ms. Barbara Hayman, Deputy Director, presented and spoke on the item. Ms. Hayman discussed the proposed increase and the recommendations to approve and answered questions from the Board.

A motion was made to approve to increase the FY 22 23 administrative budget for professional services by \$100,000 to a total of \$950,000..

Approved. (M.S.C. Jennings/Keleher 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- b. Discussion and action on the Office of Retirement Services proposed administrative budget for FY23-24. *(Deferred from March 16, 2023 meeting)*

Ms. Barbara Hayman, Deputy Director, presented and spoke on the item.

A motion was made to approve the ORS administrative budget for FY 23 24.

Approved. (M.S.C. Jennings/Linder 5 0 0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- c. Discussion and action on adoption of Resolution No. 9107 Cost of Living Adjustment rate for 415(b) Qualified Participants under the Grandfather Rule for members retired prior to January 1, 1990. *(Deferred from March 16, 2023, meeting)*

Ms. Barbara Hayman, Deputy Director, spoke on the item. Ms. Hayman explained the resolution settings for COLA rates for those qualified participants impacted 415(b) from the IRS and she answered questions from the Board.

A motion to adopt the Resolution No. 9107 Cost of Living Adjustment rates for 415(b) Qualified Participants under the Grandfather Rule for members retired prior to January 1, 1990.

Approved. (M.S.C. Keleher/Avasthy 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

6. NEW BUSINESS

- a. Oral update from the CEO of Retirement Services, Roberto L. Peña.

CEO Peña updated the Board on the following:

- The Federated retirees will see the 3% Cost of Living increase in their April pension checks.
- Retirees who are impacted with the 415(b) IRS limits will see adjustments in their benefits this April, per IRS guidelines to increase the 415(b) limit.
- ORS welcomes new staff Amy Dickinson, Senior Benefits Analyst and Sierra Kenoly-Chavez, Benefits Analyst.
- Staff is conducting interviews for the vacant Staff Specialist position vacated by Marti Zarate when she retired.
- Executive Assistant, Isela Chapparo, is leaving the ORS as she pursuing opportunity outside the City.
- Michelle San Miguel will be interim Executive Assistant.
- The April edition of ORS's Quarterly newsletter, The Retirement Connection, has been distributed via mail and e-mail.
- The actuarial evaluation results for Boards for 2022 was presented at City Council on April 4th. The presentation was well received.

- b. Oral update from the City Council Liaison to the Board.

Council Liaison Dev Davis updated the Board on pending matters before the Council.

- c. Discussion and action on compensation adjustment to current salary ranges for CEO, CIO and Investment Officers.

Chair Horowitz led the discussion on JPC's recommendations for adjusting the current salary range for the CEO, CIO and Investment Staff. The Board will recommend a salary adjustment to the City Council, however, the City Council will make the final decision.

A motion was made to increase the salary range for the CEO position to the 75th percentile of comparators, as stated in the February 3, 2023 memorandum to the Board from Koff & Associates.

Approved. (M.S.C. Keleher/Avasthy 5 0 0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

A motion was made to increase the salary range for the CIO and Investment Officer positions to the 75th percentile of comparators, as stated in the February 3, 2023 memorandum to the Board from Koff & Associates.

Approved. (M.S.C. Keleher/Avasthy 5 0 0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- d. Discussion and action to authorize the CEO to negotiate and execute an agreement between the Board of Administration for the Federated City Employees' Retirement System and Macias Gini

and O'Connell LLP ("MGO") for audit services for the maximum contract amount of \$750,000.

Benjie Chua Foy, Accounting Division Manager, spoke to the item and provided background on the Request for Proposal (RFP) process utilized for this search. Ms. Chua Foy spoke to the results of the RFP and explained the Macias Gini and O'Connell (MGO) scored the highest overall during the bid review process. Staff recommends engaging MGO for a five year term with two one year extension options for a maximum contract of \$750,000 per plan to account for the two one year options and for contingencies.

A motion was made to authorize the CEO to negotiate and execute an agreement between the Plan and Macias Gini and O'Connell LLP ("MGO") for audit services for the maximum contract amount of \$750,000.

Approved. (M.S.C. Keleher/Jennings 5 0 0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

- e. Discussion and action regarding Resolution No. 9109 Federated Tier 1 and Resolution No. 9110 Federated Tier 2 Contribution Rates/Amounts for FY23-24.

Benjie Chua-Foy, Accounting Division Manager, briefly spoke to the request to approve Resolution No. 9109 Federated Tier 1 and Resolution No. 9110 Federated Tier 2 Contribution Rates/Amounts for FY 2023-2024 with attachments as back-up materials.

A motion was made to approve Resolution No. 9109 Federated Tier 1 and Resolution No. 9110 Federated Tier 2 Contribution Rates/Amounts for FY 2023-2024.

Approved. (M.S.C. Keleher/Linder 5-0-0) The motion passed unanimously by roll call vote. Trustee Chandra was absent.

7. COMMITTEES/REPORTS/RECOMMENDATIONS

7.1 Investment Committee (Chandra, Horowitz, Keleher)

Last Meeting: March 13, 2023

Next Meeting: April 25, 2023

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

Trustee Horowitz provided an update on the contents of the last Investment Committee meeting.
- b. Minutes of the December 20, 2022, Federated Investment Committee meeting. Receive and file.

The Minutes were received and filed.
- c. Minutes of the January 10, 2023 Special Federated Investment Committee meeting. Receive and file.

The Minutes were received and filed.

- d. Minutes of the January 12, 2023, Special Federated Investment Committee meeting. Receive and file.

The Minutes were received and filed.

7.2 Governance Committee (Jennings, Keleher, Linder)

Last Meeting: February 16, 2023 (Special) Next Meeting: June 15, 2023

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the Special Governance Committee meeting from January 19, 2023. Receive and file.

There was no update.

The Minutes were received and filed.

7.3 Audit Committee (Keleher, Jennings, Avasthy)

Last Meeting: February 16, 2023 Next Meeting: May 18, 2023

- a. Oral update from the Chair of the Audit Committee.
- b. Minutes of the Special Audit Committee meeting from January 19, 2023. Receive and file.
- c. Minutes of the October 20, 2022, Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.
- d. Update on the City Auditor's Recommendation to the Office of Retirement Services. Receive and file.
- e. Status of Audit Recommendations by Internal Auditor, Houman Boussina. Receive and file.

Trustee Keleher briefly spoke to the contents of the last meeting.

The Minutes were received and filed.

The Minutes were received and filed.

The report was received and file.

The report was received and filed.

- f. 2022 Internal Staff Survey by Internal Auditor, Houman Boussina. Receive and file.

The report was received and filed.

7.4 FCERS Disability Committee (Linder, Jennings, Keleher - Alt: Avasthy)

Last Meeting: February 16, 2023 (Special) Next Meeting: April 20, 2023

- a. Oral update from the Chair of the FCERS Disability Committee.

CEO Peña reported on the training that have taken place at the Committee and stated the final training would take place after the conclusion of the Board meeting.

- b. Minutes of the Special Disability Committee meeting from January 19, 2023. Receive and file.

The Minutes were received and filed.

7.5 Joint Personnel Committee (Chandra, Horowitz, Jennings)

Last Meeting: April 3, 2023 Next Meeting: TBD

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

Trustee Horowitz provided an update on the work being undertaken by the Committee.

- b. Minutes from the January 12, 2023 Joint Personnel Committee meeting. Receive and file.

The Minutes were received and filed.

- c. Minutes from the February 9, 2023 Joint Personnel Committee meeting. Receive and file.

The Minutes were received and filed.

8. EDUCATION & TRAINING

Received and filed.

- a. The Cortex Report - May 2023, Conferences, Seminars and Educational Programs.

- b. CalAPRS 2023 Program Calendar.

- c. CALAPRS Virtual Trustee Round Table, May 5, 2023.
- d. SACRS Annual Spring Conference, Paradise Point Resort & Spa, San Diego, CA - May 9 - 12, 2023.

- **PROPOSED AGENDA ITEMS**

None.

- **ADJOURNMENT**

The meeting adjourned at 11:53 a.m.

Minutes Recorded, Prepared and Respectfully Submitted by,

SPENCER HOROWITZ, CHAIR
BOARD OF ADMINISTRATION
ATTEST:

ROBERTO L. PEÑA, CEO
OFFICE OF RETIREMENT SERVICES