

Boards and Commissions Application

Profile

Mark

First Name

Keleher

Last Name

Email Address

Please note, applications are continuously accepted to the City of San Jose Boards and Commissions. The Board or Commission you select may or may not indicate there is a vacancy. Your application will remain on file for one year from the date of submission. During the year, your application may be considered for unanticipated vacancies.

Which Boards would you like to apply for?

Federated City Employees' Retirement System: Submitted

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Public members of the Board of Administration of the San Jose Police and Fire Department Retirement Plan or the Federated City Employees Retirement System must live within 50 miles of San Jose City Hall and meet specified eligibility requirements.

Employee members of the Retirement Boards must be active employees who are members of the respective retirement plan. The Police and Fire Department representative must be an employee of the Police or Fire Department respectively. The employee representatives to the Federated Board shall be employed by different departments.

Retiree members of the Retirement Boards must be persons who have retired under the provisions of the respective retirement plan.

Are you a resident of San Jose?

☐ Yes ☒ No

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Member Category: *

☒ Public Member**Length of Residency**

None Selected

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

If not a resident, do you live within 50 miles of San Jose City Hall?

☒ Yes ☐ No

What district do you live in? To verify, please click here: <https://eservices.sccgov.org/rov/?tab=dt> *

☒ N/A - Retirement Board Applicants Only

[Redacted]

Street Address

San Francisco

City

[Redacted]

Suite or Apt

CA

State

94133

Postal Code

[Redacted]

Primary Phone

[Redacted]

Alternate Phone

Retired

Employer

Consultant and Volunteer

Job Title

[Redacted]

Current Employer Address

Pacific Apps

Current Employer of Spouse

[Redacted]

Address of Current Employer of Spouse

COO

Spouse's Job Title

If you or your spouse is retired and receiving a pension, please state source of pension.

I am not currently receiving a pension. I will receive a pension from Merrill Lynch and BNY Mellon.

Demographics (Optional)

The demographic information you choose to provide is **VOLUNTARY** and **OPTIONAL**. This information will be kept separate from your application and will not be used for evaluating applications or making appointments. The City of San José will use this information to solely conduct research and compile statistical reports regarding the composition of its Board and Commission applicants.

Question applies to multiple boards

Ethnicity

Question applies to multiple boards

To which gender identity do you most identify?

[Redacted]

Interests & Experiences

High School, College, Professional, Vocational, or Other Schools Attended. Please include Major or Field of Study, Dates Attended, Degree and Date of Degree.

1994 Chartered Financial Analyst 1992 The Wharton School of the University of Pennsylvania, Masters in Business Administration in Finance 1987 Georgetown University, Bachelor of Science in Finance 1983 St. Pius X, High School Diploma FINRA Licensed: Series 3, 7, 24, 55, 63 & 65 (Inactive)

List any position or office held in any governmental agency, civic, or charitable organization including the dates

Mentor, Stanford School of Business' Seed Program Mentor, Santa Clara University's Miller Center

English

Languages Spoken

Special Awards or Recognitions Received

FTSE Global Markets 2009 20:20 Award – Awarded to 20 Global Financial Executives who positioned their Firms for growth during the financial crisis. While CEO of the BNY Mellon Transition Management business the transition team received 106 total awards from industry groups and magazines and was selected 6 times as the Global Provider of the Year. In 2009 the transition team was recognized as provider of the year by FT Pension Investment Provider and the International Custody & Fund Administration.

Please state why you want to become a member of this Board or Commission including specific objectives which you would work toward as a member. If you are applying for the Board of Fair Campaign and Political Practices, please indicate any familiarity or experience you may have with campaign laws.

I have extensive experience with Investment Management and the unique problems facing Public Pensions. I would like to use my experience and knowledge to help ensure that the people who have worked hard all their lives to better our cities and state have a solid pension plan to help support them in their retirement.

Please state any other information which you feel would be useful in reviewing your application

In addition to speaking at numerous conferences globally I have repeatedly authored and co-authored articles. Authored: • “Small Versus Large - Will Small Cap Stocks Continue to Outperform?” (July 2010). • “Policy Implementation in an Illiquid World” (December 2008). • “Problems, Issues, and Concerns in Australian and Global Transition Management: An Overview” (Centre for Investor Education, February 2008, Chief Executive Officers' Summit). • “Avoiding the Raw Risk of Expensive Delays” (FT Mandate, July/August 2004). • “Smooth Passage,” Benefits Canada, April 2003. • “In Praise of Transition,” Canadian Investment Review, Winter 2003. Co-Authored • “The Quest for Beta: Balancing Risks with Costs and Returns” (June 2010). • “Transition Managers: Role and Use of Risk and Performance Measurement,” in Portfolio Analysis, Advanced Topics in Performance Measurement, Risk and Attribution, March 2006. • “Working Together,” Global Investor Magazine, October 2005.

Do you own property in the City of San José?

☐ Yes ☒ No

If yes, please list the addresses here.

Do you rent property in the City of San José?

☐ Yes ☒ No

If yes, is it a month-to-month lease?

☐ Yes ☒ No

State and local law require that you abstain from participation in decisions that may affect your financial interests, including sources of income, interest in real property, personal finances or investments. In addition, if appointed, you may be required to fill out a disclosure statement which identifies certain of your financial interest beginning with the immediate twelve-month period prior to your appointment. Please review the scope of your board/commission in Municipal Code Chapter 2.08. Based on your best judgment, does this Board or Commission make decisions that may affect sources of income, interests in real property, personal finances or investments of you or your spouse?

☐ Yes ☒ No

If yes, please explain. Please identify any organizations, associations, corporations, or entities by which you are employed or associated that might be affected by decisions of this Board or Commission, and the positions you hold in these entities.

Question applies to multiple boards

If appointed, you will be required to fill out a disclosure statement, which identifies certain of your financial interests beginning with the immediate twelve-month period prior to your appointment and annually on or before April 1 of each year thereafter. Please confirm that you have read Fair Political Practices Commission (FPPC) Form 700 Reference Pamphlet and agree to file required FPPC Form 700 Statements of Economic Interest, as required by current City Council Conflict of Interest resolution.

☒ Yes ☐ No

Question applies to multiple boards

Have you ever been required to file a Statement of Economic Interest (Form 700) and failed to do so?

☐ Yes ☒ No

Question applies to multiple boards

If yes, please explain in complete detail.

Question applies to multiple boards

Please confirm that you have reviewed and agree to comply with the San Jose Municipal Code Chapter 12.08 (Prohibition of Gifts), City of San Jose Ethics Policy (City Policy Manual 1.2.1), and City of San Jose Gift Policy (City Policy Manual 1.2.2).

☒ Yes ☐ No

Tom Loeb

Reference 1 Name

[REDACTED]

Reference 1 Address

[REDACTED]

Reference 1 Phone

Vikas Oswal

Reference 2 Name

[REDACTED]

Reference 2 Address

[REDACTED]

Reference 2 Phone

Supplemental Questions

Have you ever attended a meeting of the Commission(s) to which you are applying?

☐ Yes ☒ No

Would you be available to attend meetings at the scheduled time?

☒ Yes ☐ No

Please describe your experience in serving on a Commission or Board.

BNY Mellon Beta and Transition Management CEO 2001-2014 Mellon Capital - Member of Senior Management Committee 2007-2014 MBSC Securities Corporation - Executive Vice President San Francisco Branch Manager 2001-2014 MBSC Securities Corporation - Member of New Product Review Committee 2005-2014 Alan Biller and Associates - Member Senior Management Committee 2016-2017

Considering your experience and activities in business, labor, professional, social, or other organizations, indicate the experience, training, knowledge and/or skills which qualify you for appointment to the selected commission(s).

- **EXECUTIVE LEADERSHIP:** Business executive and strategist who successfully built a global investment management and investment service business from start up to award winning global provider.
- **EXECUTION:** Decisive leader adept at developing concepts, communicating vision, marshaling resources, and driving results.
- **GLOBAL ACUMEN:** Experienced at managing high-functioning, cross-cultural, globally dispersed teams and able to provide leadership through periods of rapid growth and regulatory change.
- **KNOWLEDGE:** Expertise in investment portfolio management, transaction cost analysis, trading, and derivatives.
- **CLIENT BASE:** Clients served included Fortune 100 Pension Plans, Sovereign Wealth Plans, Endowments, and Super-Annuation Schemes.

What is your understanding of the purpose of the Commission?

To assist and advise on the management of the plan's assets and administration.

Please list three issues facing the City that you feel the Commission should address.

1) The funding status of the Pension 2) The funding status of the OPEB 3) The declining ratio of active members to beneficiaries given the underfunded status of the Pension and OPEB plans.

I would like to say . . .

I would be greatly pleased and honored to offer my services to The Federated Pension Plan. Over the course of my career, I have managed multi-billion asset allocation strategies, structured billions in Hedges, and advised some of the largest institutional investors in the world including Abu Dhabi Investment Authority, the Kuwait Investment Authority, the New Zealand Superannuation Fund. I have also advised US state plans such as the Public Employee Retirement System of Idaho and the State of Wisconsin Investment Board. My client list included several hundred plans from all over the world.

(Optional) Please upload a resume.

Retirement Board Questions Only

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Please list your applicable experience or expertise relevant to public retirement plan administration. *

- ☒ Institutional investment experience
- ☒ Investment management
- ☒ Other

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Please summarize your qualifications to serve as a member of the Retirement Board? Briefly highlight your skills, training, education, qualifications, experience (licenses and/or certifications) and personal qualities that you will bring to the Board and share with the organization.

I have a Master's degree in Finance from the Wharton School of the University of Pennsylvania and have been a CFA Charter holder since 1994. I also have decades of experience in institutional investing and have worked with some of the most sophisticated and largest asset owners in the world.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Please discuss your pension plan and/or investment management and oversight experience including the development of key financial policies.

While at BNY Mellon I directly managed in excess of \$4 Billion in ERISA and Charitable Assets on behalf of Pensions and Foundations. I also have managed \$100's of Billions in large scale institutional restructurings with the largest transaction being \$17 Billion. Finally while at Alan Biller and Associates I helped oversee the investment management of over \$40 Billion in fully discretionary assets.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Please describe your understanding of the relationship between the Retirement Board and City Council? The City Administration? Retirement Services staff? Employee bargaining units? Plan participants and beneficiaries?

The Retirement Board manages the assets of the plan and works with the City Council to ensure that assets are invested according to plan and that adequate contributions are made to defense the plan's liabilities. The board also works with the other constituents and stake holders to ensure smooth operations and transparency.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

What do you perceive as the short and long-term goals of the Retirement Board?

Short Term, the Retirement Board should be focused on cost control and ongoing oversight of the managers. Longer-term the board should be focused on increasing contributions and maintaining the correct asset Allocation that will achieve the funding status that will the plan to meet it's obligations.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Do you believe that the retirement funds that are invested by the retirement boards are public funds? Why or why not?

The assets in a pension fund should be solely used for the benefit of plan participants. This is true even if the plan is overfunded. If the plan were abolished, and the participants were paid in full, then I believe that the money could be used for other purposes.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Have you read the report by the City Auditor entitled, "Pension Sustainability: Rising Pension Costs Threaten the City's Ability to Maintain Service Levels?" This report is available at: <https://www.sanjoseca.gov/DocumentCenter/View/3208>

☒ Yes ☐ No

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

If so, how is this report applicable to the work you would do as a Retirement Board Member?

The report clearly shows the dilemma faced by the board, the city, and the beneficiaries. Faced with increased benefits, modest expected returns, and a declining active work force, both the plan and the city face significant challenges. It is incumbent upon the board to work with all stakeholders to minimize the pain of the situation through increased contributions by workers, the city, and prudent investing.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

How do you ensure that you are maintaining an in-depth and up-to-date knowledge of institutional investing and the capital market environment?

I read various investment magazines and articles and try to stay as engaged as possible.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Given the current status of the capital markets, where do you see opportunities to increase return and reduce risk in the pension portfolios? What is your experience with risk budgeting?

I believe that alternatives such as private equity and real estate offer great opportunities and can reduce overall risk by providing increased diversification.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Please describe your views on the role of asset allocation and provide detail on your recommended asset classes and proportions for pension funds like those serving the employees of the City of San Jose.

Asset Allocation is key to successfully investing long-term. I would suggest a traditional mix of public markets, and about 20% in alternatives. Given the liquidity problems associated with alternatives, I would want to fully understand the liability forecast before increasing the weight of alternatives in the portfolio.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Should pension plans like those in San Jose invest in alternative investments such as private equity, commodities, infrastructure or separate account real estate? If so, how? If not, why?

Yes. These areas can offer excellent risk adjusted returns. I would think that the Pension Plan should invest in funds or accounts managed by professional asset managers rather than making direct investments.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

How would you evaluate an investment manager? When would you terminate an investment manager? How should due manager diligence be conducted?

Managers should be evaluated on historic returns, depth of team, passion for investment and fiduciary track records. Managers should be terminated due to poor performance relative to their peers or due to a fiduciary transgression. They may also need to be terminated to implement a new asset allocation strategy. All managers should be visited on site at least once a year and respond to questionnaire on their procedures and proposals.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

What should be included in a pension plan's statement of investment policies? Please address the roles of trustees, staff, consultants, investment managers and custodians in asset allocation, portfolio structure, manager selection and due diligence, rebalancing, reporting and analysis.

The Statement of Investment Policy should address the investment goals of the plan, the risk tolerance of the plan, permitted asset classes and target asset allocation. The role of trustees is to oversee the implementation of the plan's investment strategy and to work with Staff and Consultants in hiring and firing Investment managers and managing the administration of the plan. Custodians ensure safe-keeping of the assets and record keeping for the plan and its beneficiaries,

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Individuals applying for appointment as public members of the Board are ineligible for appointment to the Board if they meet certain criteria. Please confirm if you meet any of the following criteria:

None Selected

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Have you ever been convicted of a misdemeanor within the past five years or a felony within the past ten years (except for minor traffic offenses that resulted only in a fine)?

☐ Yes ☒ No

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

If yes, please explain in complete detail. State the nature and approximate date of the conviction, the sentence imposed, whether the sentence has been completed, and any other information you consider relevant.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Are you or your firm currently or within the past five years been the subject of any litigation or claims resulting from any investment activity, advice, a fiduciary relationship, or regarding alleged financial improprieties?

☒ Yes ☐ No

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

If yes, please provide details.

BNY Mellon has been the subject of various litigated matters and claims. I am unaware of any details of any pending litigation or claims faced by BNY Mellon. I am unaware of any similar issues at Alan Biller. I personally have never been the subject of any litigation while an employee of either institution. I did offer sworn testimony to the SEC, DOJ, and USPS when requested.

Question applies to Federated City Employees' Retirement System, Police and Fire Retirement Plan Board

Are you or your firm currently or within the past five years been the subject of any investigation or disciplinary action by any governmental and/or regulatory body (SEC, NASD, states Attorney General or Insurance Commissioner, etc.)?

☒ Yes ☐ No

If yes, please provide details.

BNY Mellon has been the subject of various investigations and actions taken by Governmental and regulatory bodies. I am unaware of any similar issues at Alan Biller. I personally have never been the subject of any investigations while an employee of either institution

Verification

By checking the box below, you agree with the following statement.

I agree that all of the information contained in my responses to the questions on this application are true and accurate to the best of my knowledge. I further agree that, by checking the box below and submitting this application, online or otherwise, I am affixing my digital signature to this form as of the date submitted.

☒ I Agree *