



BOARD OF ADMINISTRATION

Meeting Minutes Federated Investment Committee

Tuesday, March 24, 2020

11:00 AM

Call In Number: 1-888-204-5984

Participant Code: 509694

MEETING HELD TELEPHONICALLY

CALL TO ORDER AND ROLL CALL

The Federated Investment Committee met on Tuesday, March 24, 2020 at the Retirement Services Board Room, 1737 N. First Street, Suite 580, San Jose, California 95112. Chair Anurag Chandra called the meeting to order at 11:03 A.M.

Committee Members - Anurag Chandra, Elaine Orr and Qianyu Sun (all trustees joined by teleconference)

Retirement Staff: Roberto Pena (via teleconference), Prabhu Palani (via teleconference), Linda Alexander and Ellen Lee

Investment group staff: Brian Starr, Jay Kown, Dhinesh Ganapathiappan, Christina Wang, David Aung, Arun Nallasivan and Ron Kumar (all the investment staff joined via teleconference)

Also present: Harvey Leiderman, General and Fiduciary Counsel (via teleconference), Laura Wirick, Steve McCourt and Chris Theodor from Meketa Investment Group (via teleconference) and Eileen Neill and Danny Sullivan from Verus Investments (via teleconference)

Public member- Mark Keleher (via teleconference)

OPEN SESSION

ORDERS OF THE DAY

The Chair read a Statement regarding the holding of this meeting into the record.

Under the global financial circumstances posed by the Coronavirus outbreak, there is an immediate need for this investment committee to meet to consider opportunities impacting the retirement fund. We believe that addressing the global economic impact on the funds investments is an essential governmental function of the board as defined by the recent shelter in place order from county officials.

Based on the governor's emergency order of March 15th and 17th which suspended certain provisions of the state's open meeting laws and the obligation of the board and their committees to fulfill their fiduciary duties to preserve and protect the assets of the plan for the health and welfare of our members and beneficiaries. The Investment Committee intends to proceed as follows:

1. Committee will hold meetings and special meetings in compliance with the Brown Act and agenda requirements.
2. The meetings can take place with all or some of the trustees appearing telephonically. A

quorum does not have to be located within city limits.

3. Board has designated the office of the Retirement Services on North 1st Street as the single physical location where the public may participate in meetings. At a later date, we may make electronic access available for the public in which case we will dispense of physical location as authorized by the governor.

4. When making the physical premise available, one or more ORS employees will facilitate public participation subject to the social distancing order by county officials. Given their functions, those employees will be exempt from the county's shelter in place order.

5. All attendees must identify themselves upon entering the meeting whether physically, electronically or telephonically. The public members will have an opportunity to comment at appropriate time by the chair.

These procedures will remain in place until further notice.

A motion was made to approve the statement. The motion was passed unanimously by a roll call vote.

A motion was made to waive Sunshine. It was passed unanimously by a roll call vote.

1. Approval of minutes of the January 28, 2020 Federated Investment Committee Meeting.

A motion was made to approve the minutes.

Approved. (Sun/Orr) The motion passed unanimously by a roll call vote.

2. Risk Overview by Verus Investments.

Danny Sullivan from Verus presented a board overview of the risk dashboard. It is the plan to share this risk analysis with the committee on a quarterly basis. This report as of January 31, 2020 reported no material unintended risk that are being taken.

3. Discussion and action on strategic asset allocation.

The discussion on the Strategic Asset Allocation began with a current market overview from Steve McCourt of Meketa Investment Group. Laura Wirick and Chris Theorder spoke to the proposed asset allocation mixes and went over the risk/reward scenarios for each option. Eileen Neill and Danny Sullivan from Verus Investments, presented their analysis of the risk for the proposed asset allocation. Counsel Harvey Leiderman brought up the need to address actuarial concerns regarding the new proposed mixes. It was agreed that it would be a good idea for Cheiron to do some actuarial analysis.

Chair Chandra asked the committee to narrow the range of options to take to the board for approval. After further discussion, a motion was made to take the current mix, mix D, mix G, mix I and mix F as a peer comparison to the full board.

Approved (M.S.C. Sun/Orr) The motion was passed unanimously by roll call vote.

CLOSED SESSION


4. Closed session: Conference with Investment Consultant pursuant to Govt. Code section 54956.81 to consider purchase or sale of particular pension fund investment (1 investment).

There was no closed session.

- **ADJOURNMENT**

The meeting adjourned at 1:08 p.m.

APPROVED:

A handwritten signature in black ink, appearing to read "Roberto L. Peña", written over a horizontal line.

Roberto L. Peña

Office of Retirement Services