BOARD OF ADMINISTRATION

Meeting Minutes

Federated Investment Committee

Tuesday, February 20, 2024 | **9:00 AM** | **1737 North First Street, Suite 580 San Jose, CA 95112**

HYBRID MEETING

PHYSICAL LOCATION:
1737 North First Street, Suite 580, San Jose, CA 95112

ZOOM INFORMATION:
zoom.us
Dial In: +1 669 2192599 US (San Jose)
Meeting ID: 94494413955
Pass Code: 275951

Anurag Chandra, Chair
Spencer Horowitz, Trustee
Matthew Faulkner, Trustee

Roberto L. Peña, CEO, Office of Retirement Services
Prabhu Palani, Chief Investment Officer

The Federated Investment Committee met in person at the Office of Retirement Services, 1737 North First Street, Suite 580, San Jose, CA 95112 and via Zoom on Tuesday, February 20, 2024. The meeting was called to order at 9:02 a.m. by Chair Chandra followed by a roll call.

Committee members present: Anurag Chandra, Spencer Horowitz and Matthew Faulkner.

Retirement Staff present: Jay Kwan, Dhinesh Ganapathiappan, Cynthia Ayala, Christina Wang, Eric Tsang, Chris Ha, David Aung, Harrison Pearce, Arun Nallasivan, Julie He and Ellen Lee.

Investments Staff via Zoom: Roberto Pena, Prabhu Palani and Barbara Hayman.

Also present via Zoom: Laura Wirick, Meketa Investments, Jared Pratt, Meketa Investments, Zach Stevens, Meketa Investments, Lauren Giodano, Meketa Investments, Ian Schirato, Meketa Investments, Eileen Neill, Verus Investments, and Joe Ebisa, With Intelligence.

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.**

- **CALL TO ORDER AND ROLL CALL**
- **ORDERS OF THE DAY**

OPEN SESSION

1. Approval of minutes of the December 13, 2023 Federated Investment Committee meeting.

A motion was made to approve the minutes of the December 13, 2023 Federated Investment Committee meeting.

Approved (M.S.C Horowitz/Faulkner 3-0) The motion was passed by a roll call vote.

2. Oral Update by CIO, Prabhu Palani

CIO Palani discussed the agenda for today's meeting.

3. Discussion and action on CMAs by Meketa Investment Group.

Ms. Laura Wirick, Mr. Zach Stevens, and Ms. Lauren Giodano from Meketa Investments gave an overview of Meketa's capital market expectations. After a thorough discussion, Trustee

Horowitz requested staff and consultants to model the effects of moving 2% of plan from core bonds (IG bonds) to long term UST. There will be further discussions on capital market assumptions at the next board meeting.

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

Senior Investment Officer, Jay Kwon, presented the background on prefunding. He stated that according to the methodology adopted a few years ago, the City should be offered the full discount rate. A motion was made to adopt the staff recommendation of offering the City the full discount rate.

Approved (M.S.C. Horowitz/Chandra 3-0) The motion was passed by a roll call vote.

CLOSED SESSION

- ## PROPOSED AGENDA ITEMS

Trustees would like to have an update on emerging markets later in the year.

- ## PUBLIC COMMENTS

- ## ADJOURNMENT

The meeting was adjourned at 10:50 a.m.

Minutes Recorded, Prepared and Respectfully submitted by,

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Roberto L. Peña, CEO, Office of Retirement Services