



BOARD OF ADMINISTRATION

1737 N. First Street, Suite
580 5th Floor Board Room,
San Jose, CA 95112

Meeting Minutes Police and Fire Investment Committee

Tuesday, October 22, 2019

1:00 PM

1737 N. First Street, Suite 580 5th Floor
Board Room, San Jose, CA 95112

CALL TO ORDER AND ROLL CALL

The Joint Investment Committee met on Tuesday, October 22, 2019 at the Retirement Services Board Room, 1737 N. First Street, Suite 580, San Jose, California 95112. Chair Ghia Griarte called the Police and Fire meeting to order at 1:00 p.m.

Present 3 - Ghia Griarte, Vikas Oswal, and Eswar Menon

Absent 1 - Andrew Gardanier

Retirement Staff present: Roberto Pena, Prabhu Palani, Brian Starr, Jay Kwon, Dhinesh Ganapathiappan, Christina Wang, David Aung, Arun Nallasivan, Linda Alexander, Ron Kumar and Ellen Lee

Also present: Laura Wirick of Meketa Investment Group, Andrew Sierocinski and Amo Sahota of Klarify FX and Mary Davidson of Zeno An Solutions

• **ORDERS OF THE DAY**

OPEN SESSION

1. Approval of Minutes of August 27, 2019 Police and Fire Investment Committee Meeting.

A motion was made to approve the minutes.

Approved (M.S.C. Oswal/Menon) The motion was passed unanimously.

2. Oral Update from CIO.

There was no update from CIO.

3. Presentation of FX Transactions Cost Analysis by Klarify FX.

Mr. Sahota and Mr. Sierocinski from Klarify FX presented the process and cost analysis for the Police and Fire plan. They believe that the program is working effectively.

4. Presentation on Equity Transactions Cost Analysis by Abel Noser.

Ms. Davidson from Abel Noser presented the transaction process and cost analysis for the Police and Fire plan. She noted that the cost for the US market investment managers is consistent with historical data. Though Oberweis cost seems high, but when benchmarked

against other small cap fund, their costs seemed reasonable.

5. Discussion on venture capital pacing plan for Police and Fire Department Retirement Plan by staff.

Investment Officer Brian Starr presented the venture capital pacing plan. There is a recommendation to use Fund of Funds method since direct investment takes a long time. CIO Palani suggested either a 70-20-10 or 40-50-10 as allocation goals. It was agreed that this item will be brought back at the December meeting for further discussion.

CLOSED SESSION

- **ADJOURNMENT**

Police and Fire Meeting was adjourned at 2:45 p.m.

APPROVED:

Roberto L. Peña, CEO
Office of Retirement Services