



# BOARD OF ADMINISTRATION

## Meeting Minutes - Final Police & Fire Department Retirement Plan and Health Care Trust

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Thursday, January 6, 2022

8:30 AM

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### **MEETING TO BE HELD BY ZOOM CONFERENCE IN LIEU OF PHYSICAL LOCATION**

**zoom.us**

**Dial In: +1 669 219 2599 US (San Jose)**

**Meeting ID: 965 7122 7269**

**Password: 992384**

*Drew Lanza, Chair, Public Member (Term Expires 4/30/23)*

*Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/23)*

*Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/22)*

*Howard Lee, Trustee, Public Member (Term Expires 11/30/22)*

*Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)*

*Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)*

*Franco Vado, Trustee, Police Retiree Rep (Term Expires 11/30/21)*

*Dave Wilson, Trustee, Acting Police Active Rep (Term Expires 11/30/21)*

*Vacant, Trustee, Public Member (Term Expires 11/30/24)*

*Pam Foley, City Council Liaison to the Board*

*Harvey Leiderman & Maytak Chin, General and Fiduciary Counsel*

*Roberto L. Peña, CEO, Office of Retirement Services*

**Present:** 7 - Eswar Menon, Howard Lee, Andrew Lanza, Richard Santos, Sunita Ganapati, Dave Wilson and Franco Vado

**Excused:** 1 - Andrew Gardanier

### **AGENDA**

### **CALL TO ORDER AND ROLL CALL**

The Board of Administration of the Police and Fire Department Retirement Plan and Health Care Trust met via zoom on Thursday, January 6, 2022 at 8:30 a.m. Chair Drew Lanza called the Pension Plan and Health Care Trust meeting to order at 8:31 a.m. followed by roll call.

Trustee Santos departed the meeting at 9:54 a.m.

Retirement Staff Present via Teleconference: Roberto L. Peña, Prabhu Palani, Barbara Hayman, Jay Kwon, Ron Kumar, Dhinesh Ganapathiappan, David Aung, Christina Wang, Arun Nallasivan, Ellen Lee, Houman Boussina, Julie He, Eric Tsang, Sachin Sadana, Marti Zarate, and Michelle San Miguel.

Also Present via Teleconference: Harvey Leiderman, General and Fiduciary Counsel; Maytak Chin, General and Fiduciary Counsel; Laura Wirick, Meketa Investment Group; Jared Pratt, Meketa Investment Group; Bill Hallmark, Cheiron, Inc.; Michael Schionning, Cheiron, Inc.; Tim Doyle, Cheiron, Inc.; Joe Ebisa, Journalist; Rhadika Iyer, Public Attendee; Julie LeBlanc, Retired member.

### **CLOSED SESSION**

**CLOSED SESSION AGENDA ITEMS WILL BE HEARD AT 8:30 A.M.**

#### **I. CLOSED SESSION INVESTMENTS**

The Board entered into Closed Session at 8:32 a.m.

- A. CLOSED SESSION:** PURSUANT TO GOVERNMENT CODE SECTION 54956.81, TO CONSIDER PURCHASE OR SALE OF PARTICULAR, SPECIFIC PENSION FUND INVESTMENTS (ONE INVESTMENT).

The Board came out of Closed Session at 8:52 a.m.

#### **OPEN SESSION - will reconvene following Closed Session, estimated to be 9:00 a.m.**

The Board reconvened into Open Session at 8:53 a.m. There was no reportable action out of Closed Session

#### **• ORDERS OF THE DAY**

Chair Lanza read the following Orders of the Day into the record:

- All votes will be roll call votes.
- If you are not speaking, please be on mute to cut background noise.
- We run great, open meetings. But we need a different etiquette. Do not interrupt a presenter. Take notes and ask later during the comment period.
- Board Members please stay on this zoom meeting call after the regular meeting ends – the public Special meetings for each committee to address California Assembly Bill No. 361 will take place using the same zoom meeting ID and password.

#### **1. CONSENT CALENDAR**

A motion was made to approve the Consent Calendar.

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Approved. (M.S.C. Santos/Lee 7-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier was absent.

### **1.1 Approval for a Change in Status to Service-Connected Disability Retirement**

- a. **Julie La Blanc**, Fire Engineer, Fire Department, Request for a Change of Status to Service Connected Disability Retirement, effective October 22, 2017; 25.06\* years of service. *(Disability Committee Recommendation: Approval)*
- b. **Jacqueline Lonero-Bidinost**, Police Sergeant, Police department, , Request for a Change of Status to Service-Connected Disability Retirement, effective October 7, 2017; 27.30\* years of service. *(Disability Committee Recommendation: Approval)*
- c. **Raymond Nibbi**, Fire Captain, Fire Department, , Request for a Change of Status to Service Connected Disability Retirement, effective January 27, 2018; 26.96\* years of service. *(Disability Committee Recommendation: Approval)*
- d. **Robert Pasquale**, Police Officer, Police Department, Request for a Change of Status to Service Connected Disability Retirement, effective October 1, 2020, 21.05\* years of service. *(Disability Committee Recommendation: Approval)*
- e. **Elliott Sagan**, Police Officer, Police Department, Request for a Change of Status to Service Connected Disability Retirement, effective October 1, 2020; 13.35\* years of service. *(Disability Committee Recommendation: Approval)*

### **1.2 Approval Of Minutes**

- a. Approval of the Board Minutes of December 2, 2021.
- b. Approval of the Board Minutes of the December 17, 2021 Special Meeting.

### **1.3 Approval Of Travel for Conferences and Due Diligence**

- a. Prabu Palani, CIO
  - Innovation Endeavors Annual Summit, Rosewood Sand Hill, Palo Alto, CA - January 19, 2022.

### **1.4 Return of Contributions**

- a. Voluntary/Involuntary. - **None.**

## **1.5 Communication/Information**

- a. Police and Fire Retirement System Dashboard.
- b. Report of the Plan Expenses for November 2021. Receive and file.

## **1.6 Report out of Closed Session**

- a. Report out of Closed Session from the September 9, 2021 Police and Fire Board Meeting.

## **1.7 Change of Retirement Application**

- a. Approval for a change in effective date for **Scott Diehl** from December 25, 2021 to March 5, 2022 for a Service Retirement, approved at the December 2, 2021 Board meeting.

## **1.8 Education and Training**

- a. The Cortex Report - January 2022, Conferences, Seminars and Educational Programs.
- b. CalAPRS General Assembly, San Diego Mission Bay Resort, San Diego, CA - March 5-8, 2021.

## **2. INVESTMENTS**

- a. Oral update by CIO, Prabhu Palani.

**CIO Palani updated the Board on the following:**

- The Investment Committee reviewed the Investment Policy Statement that is on the agenda for approval.
- For Fiscal Year-To-Date as of January 4, 2022 the Pension Plan was up approximately 5.16%.
- For Fiscal Year-To-Date as of January 4, 2022 the Health Care Trust was up approximately 2.6446%.

- b. Discussion and action regarding the revised Investment Policy Statement for Police and Fire Department Retirement Plan and approval of Resolution No. 4825, as recommended by the Investment Committee.

**Laura Wirick, Meketa Investment Group, spoke to the revised Investment Policy Statement (IPS) and answered questions from the Board.**

**A motion was made to approve the revised Investment Policy Statement for the Police and**

Fire Department Retirement Plan and to approve Resolution No. 4825.

Approved. (M.S.C. Santos/Ganapati 7-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier was absent.

- c. Discussion and action regarding the Investment Policy Statement for Police and Fire Department Retiree Health Care Trust and approval of Resolution No. 4826, as recommended by the Investment Committee.

Jared Pratt, Meketa Investment Group, spoke to the Investment Policy Statement (IPS) for the Health Care Trust and answered questions from the Board.

A motion was made to approve the Investment Policy Statement for the Police and Fire Department Retiree Health Care Trust and approve Resolution No. 4826.

Approved. (M.S.C. Santos/Ganapati 7-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier was absent.

### **3. OLD BUSINESS CONTINUED-DEFERRED ITEMS**

- a. Discussion and action on Final Pension Valuation Results as of June 30, 2021 to be presented by Cheiron.

Trustee Santos departed the meeting prior to the vote after this item was presented.

Bill Hallmark, Cheiron Inc., introduced and spoke to the Final Pension Valuation results as of June 30, 2021 and answered questions from the Board.

A motion was made to approve the Final Pension Valuation results as of June 30, 2021.

Approved. (M.S.C. Lanza/Lee 6-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier and Trustee Santos were absent.

- b. Discussion and action on the recommendation by the JPC to authorize the engagement of consultants to conduct a compensation study for the CEO/CIO and investment staff positions.

This item was heard after 4c.

CIO Palani introduced the item for discussion, providing the Board with a brief background on the item. Mr. Palani spoke to the work that has been done by the JPC and the recommendation made by the Committee. CEO Peña spoke to what the Federated Board had approved at their last Board meeting and recommended that the P&F Board also approve a not-to-exceed budget for the project of \$150,000.00 (total for both funds) to allow for flexibility. Mr. Palani spoke to the proposed services from vendors McLagen and Koff & Associates.

A motion was made to approve a not-to-exceed budget of \$150,000.00 to conduct compensation studies, the cost of which will be split evenly by both Boards.

Approved. (M.S.C. Lanza/Vado 6-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier and Trustee Santos were absent.

**4. NEW BUSINESS**

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

This item was heard after 4b.

CEO Peña updated the Board on the following:

- The Office of Retirement Services (ORS) has paused the plan to return to on-site work more frequently. CEO Peña will keep the Board apprised of the return to on-site work plan.
- ORS remains closed to the general public. Virtual appointments are still being accepted.
- Employees of ORS going to the office has diminished due to the Omicron variant.
- Retiree 1099's will be going out by the end of the month.
- Guaranteed Purchasing Power (GPP) calculations are being done this month and some retirees may notice a difference in their paychecks.
- 415b limits have increased by \$15,000.00 per the Internal Revenue Service (IRS). Impacted retirees will be notified by staff.
- The City Council will need to pass a resolution regarding the Police Active Seat, currently occupied by Trustee Dave Wilson, to allow for Mr. Wilson to begin his second term.
- Staff continues to work with the City Clerk to fill the vacant public member seat.

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

This item was heard after 3b.

Councilwoman Foley updated the Board on pending matters before the Council.

- c. Discussion and possible action on preliminary Other Post Employment Benefits (OPEB) Valuation Results as of June 30, 2021 presented by Cheiron.

This item was heard after 3a.

Bill Hallmark, Cheiron Inc., introduced and spoke to the preliminary Other Post Employment Benefits (OPEB) results as of June 30, 2021. Michael Schionning, Cheiron Inc., also spoke to the preliminary OPEB results and answered questions from the Board.

There was no action for this item, it will return next month for action.

- d. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

This item was heard after 4a.

Counsel Chin introduced and spoke to the item. Ms. Chin explained the contents of the memo submitted to the Board regarding evidentiary support for the Board's consideration of factual findings necessary for election to adopt AB 361's abbreviated teleconferencing procedures, which included:

- (1) Governor's proclamation on the continued state of emergency due to the ongoing COVID-19 pandemic; and

(2) the City Council's recent resolution that continued to impose and recommend social distancing in City facilities.

A motion was made to adopt these as the Board's factual findings under AB361 to allow the Board to continue meeting virtually for the next 30 days.

Approved. (M.S.C. Lanza/Wilson 6-0-0) The motion passed unanimously by roll call vote. Vice-Chair Gardanier and Trustee Santos were absent.

## **5. RETIREMENTS**

### **5.1 Service Retirements**

Chair Lanza read the Service Retirements into the record.

A motion was made to approve the Service Retirements.

Approved. (M.S.C. Vado/Menon 6-0-0) The motion passed unanimously by roll call vote. Vice-Chair Gardanier and Trustee Santos were absent.

- a. **Sheryl C. Acosta**, Police Officer, Police Department, effective January 22, 2022; 25.84\* years of service.
- b. **Joseph S. Ardizzone**, Police Sergeant, Police Department, effective January 22, 2022; 29.90\* years of service. (*With Reciprocity CSJ YOS 26.62 + PERS YOS 3.64*)
- c. **Amador G. Bueno**, Police Officer, Police Department, effective January 22, 2022; 27.59\* years of service. (*With Reciprocity CSJ YOS 22.17 + PERS YOS 5.41*)
- d. **Scott L. Burke**, Fire Captain, Fire Department, effective January 9, 2022; 28.96\* years of service. (*With Reciprocity CSJ YOS 24.49 + STANCERA YOS 4.47*)
- e. **James E. Cowan**, Fire Captain, Fire Department, effective January 8, 2022; 26.69\* years of service.
- f. **Michael Del Bando**, Fire Captain, Fire Department, effective January 22, 2022; 24.06\* years of service.
- g. **Chris Harmount**, Fire Inspector, Fire Department, effective January 22, 2022; 27.01\* years of service.
- h. **Paul L. Hickey**, Police Officer, Police Department, effective January 22, 2022; 25.82\* years of service.

- i. **Edward S. Leglu**, Fire Captain, Fire Department, effective January 9, 2022; 27.53\* years of service.
- j. **Jose A. Martinez**, Police Officer, Police Department, effective January 22, 2022; 25.03\* years of service.
- k. **Kyle Oki**, Police Sergeant, Police Department, effective January 22, 2022; 29.11\* years of service.
- l. **Christopher Peuler**, Fire Engineer, Fire Department, effective January 8, 2022; 25.93\* years of service.
- m. **Kelvin Pham**, Police Officer, Police Department, effective January 22, 2022; 27.41\* years of service.
- n. **Jimmy L. Robnett**, Police Officer, Police Department, effective January 1, 2022; 22.75\* years of service. *(With Reciprocity FCERS YOS 18.63 + CSJ Police YOS 4.11)*
- o. **Jeff Silva**, Fire Captain, Fire Department, effective January 22, 2022; 25.50\* years of service.
- p. **William G. Thornton**, Battalion Chief, Fire Department, effective January 22, 2022; 26.89\* years of service.
- q. **Barry Torres**, Police Sergeant, Police Department, effective January 22, 2022; 31.61\* years of service.
- r. **Nathan Trang**, Police Officer, Police Department, effective January 22, 2022; 26.26\* years of service.
- s. **Erik C. Wescott**, Fire Captain, Fire Department, effective January 9, 2022; 24.02\* years of service.
- t. **Bryan J. Wong**, Firefighter, Fire Department, effective January 22, 2022; 27.92\* years of service. *(With Reciprocity CSJ YOS 27.00 + PERS YOS 0.91)*

## **5.2 Deferred Vested**

Chair Lanza read the Deferred Vested Retirement into the record.

A motion was made to approve the Deferred Vested Retirement.



Approved. (M.S.C. Lanza/Wilson 6-0-0) The motion passed unanimously by roll call vote.  
Vice-Chair Gardanier and Trustee Santos were absent.

- a. **Kevin A. Baughn**, Police Officer, Police Department, effective January 22, 2022; 25.84\* years of service. (*With Reciprocity CSJ YOS 18.59 + PERS YOS 7.25*)

## **6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)**

The Chair read the Death Notifications into the record and asked for a moment of silence for those who served and passed away. Trustee Wilson said a few kind words.

- a. Notification of the death of **Neil Jameson**, Firefighter, retired January 30, 1993, died November 22, 2021. No survivorship benefits.
- b. Notification of the death of **Gary R. Thompson**, Sergeant, retired September 11, 1979, died October 15, 2021. No survivorship benefits.

## **7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS**

### **7.1 Investment Committee (Menon - CH/Gardanier/Lanza/Lee)**

**Last Meeting: December 17, 2021 (Regular Meeting) Next Meeting: January 6, 2022 (Special Meeting)**

- a. Oral update from the Chair of the Investment Committee.  
  
Chair Menon briefly updated the Board on the contents of the last meeting.
- b. Minutes of the Special Investment Committee meeting from November 4, 2021. Receive and file.  
  
This Committees/Reports/Recommendations was received and filed.
- c. Minutes of the P&F Investment Committee meeting from August 26, 2021. Receive and file.  
  
This Committees/Reports/Recommendations was received and filed.

### **7.2 Audit/Risk Committee (Ganapati-CH/Lee/Wilson)**

**Last Meeting: December 2, 2021 (Special Meeting) Next Meeting: January 6, 2022 (Special Meeting)**

- a. Oral update from the Chair of the Audit/Risk Committee.

There was no update.

- b. Minutes of the October 21, 2021 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.  
**This Committees/Reports/Recommendations was received and filed.**
- c. Minutes of the Special Audit/Risk Committee meeting from November 4, 2021. Receive and file.  
**This Committees/Reports/Recommendations was received and filed.**

### **7.3 Governance Committee (Vado - CH/ Ganapati/Santos)**

**Last Meeting: December 2, 2022 (Special Meeting)    Next Meeting: January 6, 2022 (Special Meeting)**

- a. Oral update from the Chair of the Governance Committee.  
**There was no update.**
- b. Minutes of the Special Governance Committee meeting from November 4, 2021. Receive and file.  
**This Committees/Reports/Recommendations was received and filed.**

### **7.4 Disability Committee (Santos - CH/Lanza - Alts: Menon/Vado)**

**Last Meeting: December 6, 2021 (Regular Meeting)    Next Meeting: January 6, 2022 (Special Meeting) and January 10, 2022 (Regular Meeting)**

- a. Oral update from the Chair of the Disability Committee.  
**Chair Lanza briefly spoke to the contents of the last meeting.**
- b. Minutes from the October 12, 2021 Police and Fire Disability Committee meeting. Receive and file.  
**This Committees/Reports/Recommendations was received and filed.**
- c. Minutes of the Special Disability Committee meeting from November 4, 2021. Receive and file.  
**This Committees/Reports/Recommendations was received and filed.**

**7.5 Joint Personnel Committee (Gardanier/Lanza/Menon)**

**Last Meeting: December 7, 2021**

**Next Meeting: January 6, 2022**

- a. Oral update from the Chair of the Joint Personnel Committee.  
  
Chair Lanza updated the Board on the last meeting's discussions.
- b. Minutes of the April 30, 2021 Joint Personnel Committee meeting. Receive and file.  
  
This Committees/Reports/Recommendations was received and filed.
- c. Discussion on the results of the Mock performance evaluations for feedback and potential revisions for the CEO.  
  
Chair Lanza and CEO Peña briefly spoke to the item; more work will be done at the Committee level.
- d. Notification of the Nomination and Election of Chair for the JPC Committee.  
  
Chair Lanza notified the Board that the JPC elected Trustee Orr of the Federated Board to serve as Chair of the Committee for 2022.

- **PROPOSED AGENDA ITEMS**

None.

- **PUBLIC COMMENTS**

None.

- **ADJOURNMENT**

The meeting adjourned at 11:03 a.m.

\*Estimated

Minutes Recorded, Prepared and Respectfully Submitted by,

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DREW LANZA, CHAIR  
BOARD OF ADMINISTRATION

ATTEST:

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ROBERTO L. PEÑA, CEO  
OFFICE OF RETIREMENT SERVICES