



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: October 19, 2018

**SUBJECT: PUBLIC MEMBER APPOINTMENTS TO THE BOARD OF
ADMINISTRATION FOR THE FEDERATED CITY EMPLOYEES'
RETIREMENT SYSTEM AND POLICE AND FIRE RETIREMENT PLAN**

RECOMMENDATION

1. Board of Administration for the Federated City Employees' Retirement System
 - a. Interview applicant(s) for appointed to the Public Member Seats on the Federated City Employees' Retirement Board;
 - b. Appoint up to two (2) applicants to the Public Member Seats on the Federated City Employees' Retirement Board to a term ending November 30, 2022; and
 - c. If any vacancies remain, direct the City Clerk to continue recruitment efforts and bring forward additional applicants for consideration.
2. Board of Administration for Police and Fire Retirement Plan
 - a. Interview applicant(s) for appointed to the Public Member Seats on the Police and Fire Retirement Board;
 - b. Appoint up to three (3) applicants to the Public Member Seats on the Police and Fire Retirement Board to a term ending November 30, 2022; and
 - c. If any vacancies remain, direct the City Clerk to continue recruitment efforts and bring forward additional applicants for consideration.

OUTCOME

Appointment to the upcoming Public Member seats will allow the 7-member Board of Administration for the Federated City Employees' Retirement System (Federated Board) and the 9-member Board of Administration for the Police and Fire Retirement Plan (Police and Fire Board) to be fully constituted Boards.

BACKGROUND

San José Municipal Code Sections 2.08.1020 (Federated Board) and 2.08.1240 (Police and Fire Board) requires each public member appointed to the Boards, to reside within a fifty-mile radius of San José City Hall, possess a high level of knowledge and expertise, and to possess at least

twelve years of experience relevant to the administration of public retirement plan. Per the municipal code, there are no term limits for Public Members.

Additionally, persons such as current and former city employees; current or former elected or appointed city officials; retired members of, or persons participating in or receiving benefits from the federated city employees' retirement system; a representative from any union or bargaining unit representing city employees; any immediate family member of a city employee or persons participating in or receiving benefits from the federated city employees' retirement system are not eligible to serve as public members.

Board of Administration for the Federated City Employees' Retirement System

San Jose Municipal Code Section 2.08.1010 requires that one of the seven members of the Board of Administration for the Federated City Employees' Retirement System be a retired member of that plan along with two active employees. The active employees must be from different departments. In addition, the Code requires that four members of the Federated Retirement Board be public members. There are two (2) upcoming Public Member vacancies due to the term expiration of Trustees Anurag Chandra and Michael Armstrong on November 30, 2018.

Board of Administration for the Police and Fire Retirement Plan

San Jose Municipal Code Section 2.08.1210 specifies that two of the nine members of the Police and Fire Board be retired members of the plan – one Police retiree and one Fire retiree – and two active employees, one from the Police Department and one from the Fire Department. The Code further specifies that five public members be appointed to the Board. There are three (3) upcoming Public Member vacancies due to the expiration of terms for Trustees Ghia Griarte, Jeremy Evnine, and Stephen Brennan on November 30, 2018.

ANALYSIS

On August 2, 2018 the Office of the City Clerk issued a vacancy flyer recruiting for the Public Member Seats on both Retirement Boards. Recruitment for these seats closed on September 23, 2018. At the close of recruitment, the Office of the City Clerk received three (3) applications for the Federated Board and two (2) applications for the Police and Fire Board.

The Office of Retirement Services reviewed the application and has confirmed that all applicants have met the requirements set forth in San José Municipal Code Sections 2.08.1020 and 2.08.1220. All applicants have been invited to be interviewed by the City Council on October 30, 2018.

The applicant interview order was determined using the California Secretary of State's Randomized Alphabet Drawing for the November 6, 2018 General Election Ballot. Applicants will be sequestered in another location so that they may not view or hear the interviews of other applicants until they are called to appear.

Board of Administration for the Federated City Employees' Retirement System

- Anurag Chandra
- Eswar Menon
- Elaine Orr

Board of Administration for the Police and Fire Retirement Plan

- Elaine Orr (if not appointed to the Federated Retirement Board, eligible for appointment)
- Vikas Oswal
- Ghia Griarte

The recruitment period is coordinated with the Office of Retirement Services and is determined based on the upcoming term expiration dates and departmental obligations. At the end of the recruitment period on September 23, 2018, Elaine Orr applied solely for the Federated Board. On October 11, 2018, the Office of Retirement Services notified the Office of the City Clerk that Federated Board applicant Elaine Orr expressed interest in also applying to the Police and Fire Board. Although the recruitment period has ended, there is no prohibition against allowing Ms. Orr to be considered for appointment to the Police and Fire Retirement Board since the application, recruitment process, and eligibility requirements for both the Public Member Seat on both Boards are identical. Moreover, the Office of Retirement Services has no objection to Ms. Orr's request to be considered for both Boards. Therefore, to ensure the Police and Fire Board is fully constituted at the expiration of the current members' terms, her application can also be considered for the Police and Fire Board if she is not appointed to the Federated Board.

If any seats remain unfilled, it is recommended that the recruitment be referred back to the City Clerk to secure additional applicants for consideration.

The application of the candidates are attached. Memoranda from the Office of the City Attorney and the Department of Planning, Building, and Code Enforcement regarding their conflicts of interest and code enforcement reviews are also included.

EVALUATION AND FOLLOW-UP

A core duty of the Office of the City Clerk is to minimize vacancies on the Boards and Commissions. If any vacancies remain, it is recommended that the City Council direct the City Clerk to continue recruitment.

PUBLIC OUTREACH

The Office of the City Clerk conducted several open recruitments for the Public Member Seat beginning August 2, 2018 through September 23, 2018 with the following recruitment efforts:

- Council Offices and Boards and Commission secretary's newsletters and distribution tools
- Posted on the City's Brown Act Board
- Posted on the City Manager's Weekly Report
- Posted on the City's main website and Clerk's Office webpage
- Posted on City Calendar
- Distributed to all community centers and library branches
- Promoted through NextDoor.com from August 7, 2018 through August 22, 2018

This memorandum has been posted on the City Clerk's website as part of the October 30, 2018 City Council Meeting Agenda.

COORDINATION

This memorandum has been coordinated with the Office of Retirement Services, Office of the City Attorney and the Department of Planning, Building, and Code Enforcement.

COMMISSION RECOMMENDATION/INPUT

The recommended actions have no commission input or recommendation.

CEQA

Not a Project, File No. PP17-010, City Administrative Activities, resulting in no changes to the physical environment.



TONI J. TABER, CMC
City Clerk

For questions, please contact Elaine Trinh, Deputy City Clerk, at (408) 535-1260.