



BOARD OF ADMINISTRATION

City Hall
Wing Rooms 118-120
200 East Santa Clara
Street,
San Jose, CA 95113

Meeting Agenda - Final

Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, March 21, 2019

8:30 AM

City Hall, Wing Rooms 118-120

BOARD MEMBERS

Matt Loesch, Chair
Jay Castellano, Vice-Chair
Kurt Billick, Trustee
Anurag Chandra, Trustee
Elaine Orr, Trustee
Qianyu Sun, Trustee
Vacant, Trustee

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

CLOSED SESSION

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

I. CLOSED SESSION INVESTMENTS

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

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

To request an accommodation or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events or printed materials, please call Marti Zarate (408) 794-1112 as soon as possible, but at least three business days before the meeting.

ORDERS OF THE DAY

1. CONSENT CALENDAR

1.1 Approval of Service Retirements

- a. **Roger Abe**, Park Ranger, Parks, Recreation and Neighborhood Services Department, effective March 24, 2019; 28.46* years of service
- b. **Victoria Baxter**, Senior Analyst, Environmental Services Department, effective March 23, 2019; 19.78* years of service.
- c. **Donna Busse**, Deputy Director, Office of Retirement Services, effective March 9, 2019; 22.28* years of service.
- d. **Kellie Ann Carroll**, Senior Community Services Officer, Police Department, effective March 23, 2019; 26.78* years of service.
- e. **Tsang-Tse Chen**, HVAC Mechanic, Public Works Department, effective March 23, 2019; 29.62* years of service.
- f. **Kenneth Drew**, Senior Construction Inspector, Public Works Department, effective March 30, 2019; 21.34* years of service.
- g. **John Enriquez, Sr.**, Parking and Traffic Control Officer, Department of Transportation, effective March 23, 2019; 11.06* years of service.
- h. **Sharon W. Erickson**, City Auditor, City Auditor's Office, effective March 30, 2019; 23.90* years of service.
- i. **Annie Esget**, Principal Permit Specialist, Planning, Building and Code Enforcement Department, effective March 23, 2019; 15.50* years of service.
- j. **Danette M. Espitia**, Division Manager, Information Technology Department, effective March 30, 2019; 20.06* years of service.
- k. **Christina Gutierrez**, Assistant City Clerk, Office of the City Clerk, effective March 23, 2019; 21.19* years of service.
- l. **Ismael Liceralde**, Groundswoker, Environmental Services Department, effective March 1, 2019; 11.82* years of service.
- m. **Duane Bryan Lindsay**, Senior Maintenance Worker, Parks, Recreation and Neighborhood Services Department, effective March 9, 2019; 24.87* years of service.
- n. **Sandra Ann Llanos**, Gardener, Parks, Recreation and Neighborhood Services Department, effective March 23, 2019; 30.01* years of service.
- o. **Angelica Maria Lomeli Franco**, Park Ranger, Parks, Recreation and Neighborhood Services, effective March 27, 2019; 25.27* years of service.
- p. **Stephen Lowes**, Sanitary Engineer, Environmental Services Department, effective March 23, 2019; 28.24* years of service.
- q. **Marylou Lujan**, Messenger Clerk, Police Department, effective March 23, 2019; 11.15* years of service.

- r. **Laura Luu**, Supervising Accountant, Airport Department, effective March 30, 2019; 30.05* years of service.
- s. **Steven Macias**, Police Property Specialist II, Police Department, effective March 23, 2019; 30.03* years of service.
- t. **Karen D. Mack**, Senior Transportation Specialist, Public Works Department, effective March 30, 2019; 30.49* years of service.
- u. **Robert V. Matz**, Painter Supervisor, Environmental Services Department, effective March 23, 2019; 25.92* years of service.
- v. **Mark Allen Muser**, Air Conditioning Supervisor, Public Works Department, effective March 23, 2019; 28.04* years of service.
- w. **Jenny Nusbaum**, Principal Planner, Planning, Building and Code Enforcement Department, effective March 23, 2019; 19.50* years of service.
- x. **Raymond Pereira**, Wastewater Operator III, Environmental Services Department, effective March 23, 2019; 26.73* years of service.
- y. **Leif Regvall**, Housing Policy and Program Administrator, Housing Department, effective March 23, 2019; 6.92* years of service.
- z. **Cristina Rodriguez**, Senior Account Clerk, Library Department, effective March 9, 2019; 19.15* years of service.
- aa. **Leah Ruch**, Analyst II, Planning, Building and Code Enforcement, effective March 23, 2019; 27.22* years of service.
- bb. **Jerry Valdez**, Senior Facility Repair, Public Works Department, effective March 23, 2019; 17.69* years of service.
- cc. **Susan Blair Walsh**, Supervising Planner IV, Planning, Building and Code Enforcement Department, effective March 30, 2019; 26.97* years of service.

1.2 Approval of Deferred Vested

- a. **Eusebio Espitia**, Code Enforcement Supervisor, Planning, Building and Code Enforcement, effective March 30, 2019; 30.75* (*With Reciprocity - CSJ YOS 23.82 + PERS YOS 6.93*)
- b. **Frank Gaska**, Concrete Finisher, Department of Transportation, effective February 9, 2019; 22.56* years of service.
- c. **Leslie Paige Hoover**, Senior Public Safety Dispatcher, Police Department, effective March 16, 2019; 13.02* years of service.
- d. **Clark K. Owen**, Network Engineer, Department of Transportation, effective February 8, 2019; 8.99 years of service.

1.3 Approval of Board Minutes

- a. Approval of the Board Minutes of February 21, 2019.

Attachments: [1.3a 2-21-2019 FED MINUTES - FINAL](#)

1.4 Approval of Return of Contributions

- a. Voluntary | Involuntary.

Attachments: [1.4a - Return of Contributions](#)

1.5 Acceptance of Communication/Information Reports

- a. Matrix of the City Auditor's Recommendations from the 2017 Audit. Receive and file.

Attachments: [1.5a - City Auditor Recommendations 17-06 Retirement 1.24.19](#)

- b. Report of the Plan Expenses for January 2019. Receive and file.

Attachments: [1.5b - Fed Jan 2019 Expenses](#)

- c. Memorandum from the City Manager on decision not to prefund FY 2019-2020 City Pension and Retiree Health Care Contributions.

Attachments: [1.5c - FED - City Pension and Retiree HC Contributions](#)

- d. Mayor's March Budget Message for Fiscal Year 2019-2020.

Attachments: [1.5d - Mayor's March Budget Message Memorandum-4](#)

1.6 Approval of Travel / Conference Attendance

- a. Kurt Billick, Trustee
- Pension Bridge Annual 2019, Westin St. Francis Hotel, San Francisco, CA - April 9-10, 2019.
- b. Jay Castellano, Trustee
- CALAPERS Trustees Roundtable, Marriott Burbank Airport Hotel, Burbank, CA - June 7, 2019.
 - CALAPERS Principles of Pension Governance for Trustees, Pepperdine University, Malibu, CA - August 26-29, 2019.
- c. Elaine Orr, Trustee
- CalAPRS General Assembly, Monterey Marriott, Monterey, CA - March 2-5, 2019 - CANCELLED

1.7 Approval of Administrative Matters

- a. Renewal Notice of Fiduciary Insurance Policy for FY 2019-2020.

Attachments: [1.7a - Fiduciary Insurance Invoice for Trustees - Fed 2019-2020](#)

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Irene M. Athearn**, System Control Supervisor, retired August 21, 1999, died January 4, 2019. Survivorship benefits to Alban G. Athearn, Spouse.
- b. Notification of the death of **Dennis A. Hannon**, Parks Maintenance Worker I, retired January 1, 2005, died January 25, 2019. No survivorship benefits.
- c. Notification of the death of **Dorothy Kimble**, Senior Event Coordinator, retired March 31, 1991, died November 17, 2018. No survivorship benefits.
- d. Notification of the death of **Juan Moreno**, Senior Building Inspector, retired July 14, 2018, died January 20, 2019. Survivorship benefits to Patricia Moreno, Spouse.
- e. Notification of the death of **Catherine Rios**, Account Clerk II, retired December 2, 2006, died February 5, 2019. No survivorship benefits.
- f. Notification of the death of **Oralia Tarango**, Typist Clerk II, retired November 7, 1992, died September 1, 2018. No survivorship benefits.
- g. Notification of the death of **Robert Watanabe**, Groundsworker, retired May 3, 1997, died December 14, 2018. Survivorship benefits to Mayko Watanabe, Spouse.

3. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

- a. Discussion and action on Whether Lump Sum Payment Options are Available for Reclassified Member Contribution by Ice Miller, Tax Consultant.
- b. Discussion on proposed topics and revised date for the Joint Meeting with the Retirement Boards and City Council.

Attachments: [3b - Memo RE Joint Meeting - Proposed Topics and Dates](#)

4. NEW BUSINESS

- a. Oral update from the CEO of Retirement Services, Roberto L. Peña.
- b. Oral update from the City Council Liaison to the Board.
- c. Discussion and action on the Office of Retirement Services proposed administrative budget for FY 2019-2020.

Attachments: [4c\(1\) - Fed 2019-20 budget presentation 3.21.19](#)
 [4c\(2\) - Fed Proposed Budget for FY1920](#)
 [4c\(3\) - Fed 19-20 Budget Workbook v2](#)

- d. Update by Fiduciary Counsel on Supreme Court decision on Cal Fire matter.

5. INVESTMENTS

- a. Oral update from the CIO of Retirement Services, Prabhu Palani.

6. COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 Investment Committee (Loesch, Billick, Chandra)

**Last Meeting: December 18, 2018 Next Meeting: March 26, 2019
(January 22, 2019 Fed Meeting Cancelled)**

- a. Oral update from the Chair of the Investment Committee.

6.2 Governance Committee (VAC, Orr, Sun)

**Last Meeting: November 26, 2018 Next Meeting: June 6, 2019
(March 7, 2019 Meeting Cancelled)**

- a. Oral update from the Chair of the Governance Committee.

6.3 Audit Committee (Castellano, VAC, Orr)

Last Meeting: February 21, 2019 Next Meeting: May 16, 2019

- a. Oral update from the Chair of the Audit Committee.
- b. Minutes of the October 18, 2018 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.

Attachments: [6.3b - 10-18-18 - Joint AC Minutes - \(Signed\)](#)

- c. 10/1/18-12/31/18 Quarterly Travel and attendance analysis for Federated. Receive and file.

Attachments: [6.3c - 2-21-2019 Audit Committee Trustee Travel Analysis - FED](#)

- d. Update on the City Auditor's Recommendations to the Office of Retirement Services.

Attachments: [6.3d - City Auditor Recommendations 17-06 Retirement 1.24.19](#)

- e. Update on the Pension Administration System.

Attachments: [6.3e - Audit Committee PAS update Memo](#)

6.4 Joint Personnel Committee (VAC, Loesch, Chandra)

Last Meeting: February 20, 2019 Next Meeting: TBD

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes from the August 23, 2018 Joint Personnel Committee meeting. Receive and file.

Attachments: [6.4b - 8-23-18 JPC Minutes - \(Signed\)](#)

7. EDUCATION & TRAINING

- a. The Cortex Report March 2019 - Conferences, Seminars, and Educational Programs.

Attachments: [7a - The Cortex Report - San Jose - March 2019](#)

- b. CALAPRS 2019 Program Calendar.

Attachments: [7b - 2019 CALAPRS Calendar](#)

- c. The Pension Bridge Annual Conference, Westin St. Francis Hotel, San Francisco, CA - April 9-10, 2019.

Attachments: [7c - Pension Bridge Annual 2019 - Agenda](#)

FUTURE AGENDA ITEMS

PUBLIC/RETIREE COMMENTS

ADJOURNMENT

*Estimated

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of Retirement Services, 1737 N. First Street, Suite 600, San José CA 95112 at the same time that the public records are distributed or made available to the legislative body.

Access the video or audio, the agenda and related reports for this meeting by visiting the Retirement Services website at <http://sjrs.legistar.com/calendar.aspx>. If you have any questions, please contact the Office of Retirement Services at (408) 794 - 1000.