



BOARD OF ADMINISTRATION

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

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, October 3, 2019

8:30 AM

City Hall, Wing Rooms 118-120

Vincent Sunzeri, Chair, Public Member (Term Expires 11/30/20)
Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/19)
Ghia Griarte, Trustee, Public Member (Term Expires 11/30/22)
Drew Lanza, Trustee, Public Member (Term Expires 4/30/23)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)
Nick Muyo, Police Retiree Rep (Term Expires 11/30/20)
Vikas Oswal, Trustee, Public Member (Term Expires 11/30/22)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)
Franco Vado, Trustee, Police Active Rep (Term Expires 11/30/21)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

AGENDA

CALL TO ORDER AND ROLL CALL

CLOSED SESSION

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

I. CLOSED SESSION OLD BUSINESS/CONTINUED-DEFERRED ITEMS

- A. CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) - DECIDING WHETHER TO INITIATE LITIGATION (ONE CASE).

II. CLOSED SESSION INVESTMENTS

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

OPEN SESSION - will reconvene following Closed Session, estimated to be 9:30 a.m.

To request an accommodation or alternative format under the Americans with Disabilities Act for Board 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 Minutes

- a. Approval of the Board Minutes of September 5, 2019.

Attachments: [1.1a - PF Minutes 9.5.19 - Final.pdf](#)

1.2 Return of Contributions

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

1.3 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.3a - Police and Fire Retirement Plan Dashboard for 10.3.19.pdf](#)

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

Attachments: [1.3b - City Auditor Recommendations 17-06 Retirement 7.12.19.pdf](#)

- c. Report of the Plan Expenses for June 2019. Receive and file.

Attachments: [1.3c - PF June 2019 Monthly Board Expense.pdf](#)

- d. Communication to retirees regarding the launch of the new Member Direct Portal.

1.4 Approval of Administrative Matters

- a. Adoption of Resolution No. 4814 accepting Cheiron's report regarding the expected cost impact of proposed amendments to San José Municipal Code section 3.36.1200 (remarriage provision).

Attachments: [1.4a - Resolution # 4814 - Accepting Cheiron's Report on cost impact of propos](#)

1.5 Report out of Closed Session

- a. Report out of Closed Session from the December 6, 2018 Police & Fire Board meeting.

Attachments: [1.5a - PF Report out of Closed Session - 20191003.pdf](#)

1.6 Education and Training

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

Attachments: [1.6a - San Jose Cortex Report - Sept 2019.pdf](#)

- b. CalAPRS 2019 Program Calendar.

Attachments: [1.6b - 2019 CalAPRS Calendar.pdf](#)

- c. 2019 Pension Bridge Alternatives Conference, The Beverley Wilshire, Beverly Hills, CA - October 28 - 29, 2019.

Attachments: [1.6c - 2019 Pension Bridge Alternatives Conference Agenda.pdf](#)

2. INVESTMENTS

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

- b. Presentation of Calendar 1st Quarter 2019 Private Markets Report by Meketa Investment Group.

Attachments: [2b - Q1 19 PM Interim Report San Jose PF Public.pdf](#)

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS - None

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 review of economic assumptions for June 30, 2019 actuarial valuations:
- o Price inflation (Pension and OPEB valuations)
 - o Wage inflation (Pension and OPEB valuations)
 - o Discount rate (Pension valuation only)

- d. Discussion and action on adjustments to amortization schedule to smooth projected contributions.

- e. Nominations for the position of Board Chair for calendar year 2020.

Attachments: [4e\(1\) - Election of Board Officers- CLEAN.pdf](#)

[4e\(2\) - PFBoardChairCharter-CLEAN.pdf](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Mark S. Alvares**, Police Officer, Police Department, effective November 2, 2019; 25.20* years of service.

- b. **Kevin P. McMillin**, Police Officer, Police Department, effective October 5, 2019; 25.86* years of service. (*With Reciprocity - 22.42 CSJ YOS + 3.44 PERS YOS*)
- c. **Aurelio Rodriguez**, Police Officer, Police Department, effective September 21, 2019; 27.30* years of service.
- d. **Nicholas L. Speaks**, Police Officer, Police Department, effective October 5, 2019; 25.14* years of service. (*With Reciprocity*)

5.2 Deferred Vested

- a. **Alan M. Lee**, Police Sergeant, Police Department, effective October 13, 2019; 26.11* years of service.

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Gary Flair**, Fire Engineer, retired October 12, 1971, died August 10, 2019. No survivorship benefits.
- b. Notification of the death of **Victor Hernandez**, Police Officer, retired July 15, 2006, died July 15, 2019. Survivorship benefits to Suzan Hernandez, Spouse.
- c. Notification of the death of **Jack Spinler**, Fire Engineer, retired March 5, 1985, died August 5, 2019. No survivorship benefits.
- d. Notification of the death of **Richard Thomas**, Police Sergeant, retired January 10, 1987, died July 16, 2019. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Griarte - CH/Gardanier/Menon/Oswal)

Last Meeting: August 27, 2019 **Next Meeting: October 22, 2019**

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

7.2 Audit/Risk Committee (Lanza - CH/Menon/Vado – Alt: Gardanier)

Last Meeting: August 15, 2019 **Next Meeting: October 17, 2019**

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

7.3 Governance Committee (Vado - CH/Muyo/Oswal – Alt: Santos)

Last Meeting: September 5, 2019 **Next Meeting: December 5, 2019**

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the November 26, 2018 Joint Governance Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.
Attachments: [7.3b - JGC Minutes - 11.26.18 - Signed.pdf](#)
- c. Discussion and action on approval of Forward Calendar for the Joint Governance Committee.
Attachments: [7.3c - JGC Forward Calendar.pdf](#)
- d. Discussion and action on minor revisions to governance policies and charters to achieve full consistency across the two Boards:
 - a. Governance Committee Charter
 - b. Audit Committee Charter
 - c. Board Communications Policy
 - d. Board Performance Assessment Policy
 - e. Policy on Vendor Selection (to reflect recent changes to IPS)**Attachments:** [7.3d\(1\) - Cover Memo.pdf](#)
 [7.3d\(2\) - P&FGov Committee Charter Revised.pdf](#)
 [7.3d\(3\) - P&FGov Committee Charter CLEAN.pdf](#)
 [7.3d\(4\) - P&F Audit Committee Charter Revised.pdf](#)
 [7.3d\(5\) - P&F Audit Committee Charter CLEAN.pdf](#)
 [7.3d\(6\) - P&F Board Communications Plcy Revised.pdf](#)
 [7.3d\(7\) - P&F Board Communications Plcy CLEAN.pdf](#)
 [7.3d\(8\) - P&F Board Performance Assess Plcy Revised.pdf](#)
 [7.3d\(9\) - P&F Board Performance Assess Plcy CLEAN.pdf](#)
 [7.3d\(10\) - P&F Vendor Selection Plcy Revised.pdf](#)
 [7.3d\(11\) - P&F Vendor Selection Plcy CLEAN.pdf](#)
- e. Discussion and action on amendments to the charters of the CEO and CIO:
 - a. To confirm the relationship between the two positions for the benefit of JPC, which is developing the performance evaluation policies for each position.
 - b. To reflect recent changes to IPS
 - c. To eliminate any unnecessary inconsistencies between the Boards**Attachments:** [7.3e\(1\) - P&F CEO Charter Revised.pdf](#)
 [7.3e\(2\) - P&F CEO Charter CLEAN.pdf](#)
 [7.3e\(3\) - P&F CIO Charter - Revised.pdf](#)
 [7.3e\(4\) - P&F CIO Charter - CLEAN.pdf](#)
- f. Discussion and action on initiating the 2019 Board Self-Evaluation.

