



BOARD OF ADMINISTRATION

Meeting Agenda - Final

Police & Fire Department Retirement Plan and Health Care Trust

Thursday, November 5, 2020

8:30 AM

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: 984 5391 6959

Password: 233669

Andrew Gardanier, Chair, Fire Active Rep (Term Expires 11/30/23)
Drew Lanza, Vice-Chair, Public Member (Term Expires 4/30/23)
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)
Nick Muyo, Trustee, Police Retiree Rep (Term Expires 11/30/20)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)
Vincent Sunzeri, Trustee, Public Member (Term Expires 11/30/20)
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

COVID-19 NOTICE

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79485 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the Office of Retirement Services and City Hall will not be physically open to the public and the Board Members will be teleconferencing from remote locations.

How to observe the Meeting (no public comment):

- 1) Cable Channel 26,
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

How to submit written Public Comment:

- 1) By email to retirement.department@sanjoseca.gov by 5:00 p.m. the day before the meeting.
- 2) By phone +1 669 219 2599 . Meeting ID: 984 5391 6959. The Chair will recognize public comment after each item and will be notified to speak.
- 3) By online <https://sanjoseca.zoom.us>

- a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
- b. When the Chair calls for the item on which you wish to speak, click on "Raise Hand."
Speakers will be notified shortly before they are called to speak.
- c. When called, please limit your remarks.

AGENDA

CALL TO ORDER AND ROLL CALL

OPEN SESSION

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

Ceremonial Item

Presentation of a commendation to Nick Muyo for his service as Trustee of the Police & Fire Retirement Plan's Board of Administration.

Attachments: [Nick Muyo. Commendation~11.5.2020.w e-signatures.pdf](#)

1. CONSENT CALENDAR

1.1 Approval for a Service Connected Disability retirement

- a. **Robert Foster**, Police Officer, Police Department, Request for a Service-Connected Disability Retirement, effective November 5, 2020; 24.20* years of service. (*Disability Committee Recommendation: Approval*)

- b. **Justin Holliday**, Police Officer, Police Department, Request for a Service-Connected Disability Retirement effective November 5, 2020; 23.16*year of service. (*Disability Committee Recommendation: Approval*)

1.2 Approval of Deferred Vested / Non-Service-Connected Disability retirement

- a. **Christopher Schulz**, Police Officer. Request for a Non-Service Connected Disability Retirement, effective June 9, 2020; 13.48* years of service. Pursuant to San Jose Municipal Code Section 3.36.302(E). (*With Reciprocity - 6.96 CSJ YOS + 6.52 PERS YOS*)

Attachments: [1.2a - PF Reciprocal Disability memo for Schultz bh signed - PUBLIC.pdf](#)

1.3 Approval Of Minutes

- a. Approval of the Board Minutes of October 1, 2020.

Attachments: [1.3a - PF Meeting Minutes 10.1.20 - Final.pdf](#)

1.4 Return of Contributions

- a. Voluntary / Involuntary.

Attachments: [1.4a - ROC - PF November 2020.pdf](#)

1.5 Change of Retirement Application

- a. Approval for a change in effective date for **William Miller** from October 31, 2020 to December 12, 2020 for a Service Retirement, approved at the October 1, 2020 Board meeting.

Attachments: [1.5a - Change Retirement Date Memo - Miller, William.pdf](#)

1.6 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.6a - Police and Fire Retirement Plan Dashboard for 11.5.20.pdf](#)

- b. ORS's Quarterly Newsletter - The Retirement Connection.

Attachments: [1.6b - City of SJ Retirement Newsletter-Oct 2020 v7-FINAL REVISED.pdf](#)

- c. Report of the Plan Expenses for July 2020, August 2020 and September 2020. Receive and file.

Attachments: [1.6c\(1\) - PF July 2020 Monthly Board Expense.pdf](#)

[1.6c\(2\) - PF August 2020 Monthly Board Expense.pdf](#)

[1.6c\(3\) - PF September 2020 Monthly Board Expenses.pdf](#)

- d. Report of the Budget vs. Actual Expenses for 1st Quarter FY 20-21. Receive and file.

Attachments: [1.6d - PF Q1 Quarterly Budget Report.pdf](#)

1.7 Education and Training

- a. The Cortex Report - November 2020, Conferences, Seminars and Educational Programs.

Attachments: [1.7a - San Jose Cortex Report - November 2020.pdf](#)

- b. SACRS Fall 2020 Conference, Virtual Conference - November 10-13, 2020.

Attachments: [1.7b - SACRS Fall 2020 Conference - Virtual.pdf](#)

2. INVESTMENTS

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

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Discussion and action on the CEO's compensation/executive-leave.

Attachments: [3a\(1\) - MEMO - CEO.CIO Compensation-Both Boards.pdf](#)

[3a\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

- b. Discussion and action on the CIO's compensation/executive-leave.

Attachments: [3b\(1\) - MEMO - CEO.CIO Compensation-Both Boards - Copy.pdf](#)

[3b\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

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. Presentation of preliminary 2020 pension actuarial valuation results and discussion and action on amortization payment increase rate (Pension valuation only) and economic assumptions for the June 30, 2020 actuarial valuations:

- o Price inflation (Pension and OPEB valuations)
- o Wage inflation (Pension and OPEB valuations)
- o Expected Rate of Return/Discount rate (Pension valuation only)

- d. Discussion and action on the nomination process and election for the position of Board Chair and Vice-Chair for calendar year 2021.

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

- e. Nomination for the position of Board Vice-Chair for calendar year 2021.

Attachments: [4e - Vice Chair Charter - CLEAN.pdf](#)

5. RETIREMENTS

5.1 Service Retirements

- a. **Erick H. Enderle**, Police Officer, Police Department, effective October 31, 2020; 27.25* years of service. *(With Reciprocity - 24.07 CSJ YOS + 3.17 PERS YOS)*
- b. **Edgardo L. Garcia**, Police Chief, Police Department, effective December 12, 2020; 28.46* years of service.
- c. **Leslie N. Martin**, Police Officer, Police Department, effective December 5, 2020; 20.29* years of service.
- d. **Doug McLeod**, Fire Captain, Fire Department, effective October 21, 2020; 29.05* years of service. *(With Reciprocity - 20.36 CSJ YOS + 8.69 PERS YOS)*
- e. **Elizabeth Oliveira**, Police Officer, Police Department, effective December 2, 2020; 25.15* years of service. *(With Reciprocity - 12.71 CSJ YOS + 12.44 STANCERA YOS)*

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Arthur Dundon**, Fire Captain, retired November 3, 1994, died August 18, 2020. No survivorship benefits.
- b. Notification of the death of **Roberta Farrow**, Firefighter, retired January 6, 2005, died August 5, 2020. Survivorship benefits to Charles Farrow, Spouse.
- c. Notification of the death of **Richard Gurley**, Police Officer, retired March 3, 1994, died September 11, 2020. Survivorship benefits to Jada Gurley, Spouse.
- d. Notification of the death of **Norman McCain**, Police Officer, retired March 31, 1994, died August 24, 2020. No survivorship benefits.
- e. Notification of the death of **Harold Richardson**, Fire Engineer, retired June 22, 1991, died May 30, 2020. No survivorship benefits.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

7.1 Investment Committee (Menon - CH/Gardanier/Lanza/Sunzeri)

Last Meeting: October 27, 2020

Next Meeting: December 22, 2020

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes from the August 25, 2020 Police & Fire Investment Committee meeting. Receive and file.

Attachments: [7.1b - PF IC meeting 08.25.20 minutes.pdf](#)

- c. Minutes from the August 25, 2020 Joint Investment Committee meeting. Receive and file.

Attachments: [7.1c - Joint IC meeting 08.25.20 minutes.pdf](#)

7.2 Audit/Risk Committee (Vado - CH/Lee/Muyo)

Last Meeting: October 15, 2020

Next Meeting: February 18, 2021

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the May 21, 2020 Joint Audit Committee meeting for the Federated City Employee's Retirement System and the Police and Fire Retirement Plan. Receive and file.

Attachments: [7.2b - Joint AC Minutes 5-21-20 - Final.pdf](#)

- c. 4/1/20-6/30/20 and 7/1/20-9/30/20 Quarterly Travel and attendance analysis for Police and Fire. Receive and file.

Attachments: [7.2c\(1\) - Travel Analysis 4-1-20-6-30-20-PF.pdf](#)

[7.2c\(2\) - Travel Analysis 7-1-20-9-30-20-PF.pdf](#)

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

Attachments: [7.2d - City Auditor Recommendations 17-06 Retirement 8.18.20 -formatted.pdf](#)

- e. Discussion and action on the Committees' recommendation to approve the Communication to the Board of Administration of the City of San Jose Police and Fire Department Retirement Plan and the Federated City Employees' Retirement system from Grant Thornton, LLP (GT) the Plan's external auditor:

a. Independent auditor's report on the internal control over financial reporting and on compliance and other matters based on an Audit of Financial Statements performed in accordance with Government Auditing Standards and Management comments and recommendations.

b. Required communications

Attachments: [7.2e\(1\) - FED and PF FY20 AC Presentation \(10.8\).pdf](#)

[7.2e\(2\) - PF Report on Internal Control Letter \(DRAFT 10.28\).pdf](#)

[7.2e\(3\) - PF Findings 2020 \(DRAFT 10.28\).pdf](#)

- f. Discussion and action on the Committees' recommendation to approve the Police and Fire Department Retirement Plan's Comprehensive Annual Financial Reports (CAFR) for the Fiscal Year 2019-2020.

Attachments: [7.2f - 2020 Police and Fire CAFR full cafr 10 28 20 a.pdf](#)

7.3 Governance Committee (Muyo - CH/ Santos/ Lee – Alt: Ganapati)

Last Meeting: March 3, 2020 (September 3, 2020 Meeting Cancelled) Next Meeting: December 17, 2020

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

7.4 Disability Committee (Santos - CH/Lanza - Alts: Muyo/Sunzeri)

Last Meeting: October 5, 2020 Next Meeting: November 9, 2020

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes from the September 8, 2020 Police and Fire Disability Committee meeting. Receive and file.

Attachments: [7.4b - PF DC 9-8-20 - Minutes - Final.pdf](#)

7.5 Joint Personnel Committee (Sunzeri - CH/Gardanier/Menon)

Last Meeting: October 20, 2020 Next Meeting: November 10, 2020

- a. Oral update from the Chair of the Joint Personnel Committee.
- b. Minutes of the September 8, 2020 Joint Personnel Committee meeting. Receive and file.

Attachments: [7.5b - 9.8.2020 JPC Minutes.pdf](#)

- c. Discussion and action on the Committees' recommendation to engage Koff & Associates for a new CEO Compensation Study for an amount not-to-exceed \$25,000 to be split between the Boards' of Administration for the Police & Fire Retirement Plan and Federated City Employees' Retirement System.

• PROPOSED AGENDA ITEMS

• PUBLIC COMMENTS

• ADJOURNMENT

Next Meeting: December 3, 2020

*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.