



BOARD OF ADMINISTRATION

Meeting Agenda - Final-revised Federated City Employees' Retirement System and Federated City Employees' Health Care Trust

Thursday, November 19, 2020

8:30 AM

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

zoom.us

Dial In: +1 669 900 9128 US (San Jose)

Meeting ID: 990 7562 7380

Password: 124903

BOARD MEMBERS

Jay Castellano, Chair
Anurag Chandra, Vice-Chair
Spencer Horowitz, Trustee
Julie Jennings, Trustee
Mark Keleher, Trustee
Elaine Orr, Trustee
Qianyu Sun, Trustee

CITY COUNCIL LIAISON TO THE BOARD

Dev Davis

COUNSEL

Jenni Kregel, 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 +1 669 900 9128. Meeting ID: 990 7562 7380. 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.

OPEN SESSION

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. **Pamela E. Cornelison**, Community Program Administrator, Library Department, effective November 14, 2020; 13.15* years of service. (*With Reciprocity CSJ YOS 5.09 + MCERA YOS 8.05*)
- b. **Wayne A. Dore**, Network Technician III, Library Department, effective December 12, 2020; 30.02* years of service.

- c. **Curtis B. Eikerman**, Airport Operations Manager, Airport Department, effective December 12, 2020; 24.29* years of service.
- d. **Cary L. Greene**, Planner IV, Airport Department, effective December 12, 2020; 33.98* years of service. *(With Reciprocity)*
- e. **Gary J. Hansen**, Enterprise Information Technology Engineer I, Information Technology Department, effective November 28, 2020; 13.92* years of service.
- f. **Robert R. Swenson**, Airport Operations Manager, Airport Department, effective December 12, 2020; 17.96* years of service.
- g. **Amado M. Valdez**, Associate Engineer, Environmental Services Department, effective November 14, 2020; 23.39* years of service.
- h. **Charles O. Wehrle**, Maintenance Worker, Department of Transportation, effective November 14, 2020; 23.00* years of service.

1.2 Approval of Deferred Vested

- a. **Maxe C. Cendana**, Property Manager, Airport Department, effective November 14, 2020; 14.06* years of service.
- b. **Mark Marney**, Deputy Director, Parks, Recreation and Neighborhood Services Department, effective December 2, 2020; 17.66* years of service. *(With Reciprocity CSJ YOS 2.15 + SDCERS YOS 15.51)*
- c. **Guadalupe Miramontes**, Custodian, Airport Department, effective December 12, 2020; 12.43* years of service.
- d. **Patrick G. Skillsky**, Building Inspector, Planning, Building and Code Enforcement Department, effective October 5, 2020; 5.77* years of service.
- e. **Heather A. Villarica**, Public Safety Radio Dispatcher, Police Department, effective December 13, 2020; 26.15* years of service. *(With Reciprocity CSJ YOS 8.65 + PERS YOS 17.50)*

1.3 Approval of Board Minutes

- a. Approval of the Board Minutes of October 15, 2020.

Attachments: [1.3a - 10-15-20 Fed Board Minutes - Final](#)

1.4 Approval of Return of Contributions

- a. Voluntary | Involuntary.

Attachments: [1.4a - Agenda ROC Review - FED End of Oct 27, 2020 final](#)

1.5 Acceptance of Communication/Information Reports

- a. Report of the plan expenses for September 2020. Receive and file.

Attachments: [1.5a- Fed September 2020 Monthly Board Expenses](#)

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

Attachments: [1.5b - Fed Q1 Quarterly Budget Report](#)

- c. **Corrected** 2021 Scheduled Board and Standing Committee Meetings. Receive and file.

Attachments: [1.5c - 2021 Meeting Schedule MEMO - FCERS-signedV2 - Corrected](#)

1.6 Approval of Travel / Conference Attendance

- a. Elaine Orr, Trustee

- Virtual 2020 SASB Symposium, November 30 - December 1, 2020.

2. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Gavin Coffing**, Recreation Supervisor, retired August 28, 2004, died September 4, 2020. Survivorship benefits to Sandra MacDiarmid, Spouse.
- b. Notification of the death of **Kathryn Lang**, Department Information Technology Manager, active employee, died April 25, 2020. Survivorship benefits to John Lang, Spouse.
- c. Notification of the death of **Bernice Moody-Falk**, Recreation Specialist, retired July 14, 2001, died September 20, 2020. No survivorship benefits.
- d. Notification of the death of **Theresa Morreira-Warn**, Property Manager II, retired January 17, 2015, died October 12, 2020. Survivorship benefits to Monty Warn, Spouse.
- e. Notification of the death of **William Ponders**, Plant General Operations Supervisor, retired March 6, 2004, died August 23, 2020. Survivorship benefits to Edith Ponders, Spouse.
- f. Notification of the death of **Shelaine Soleh**, Business Systems Analyst, retired August 9, 2001, died September 1, 2020. Survivorship benefits to Willy Soleh, Spouse.

3. INVESTMENTS

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

4. OLD BUSINESS-DEFERRED/CONTINUED ITEMS

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

Attachments: [4a\(1\) - MEMO - CEO.CIO Compensation-Both Boards](#)

[4a\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

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

Attachments: [4b\(1\) - MEMO - CEO.CIO Compensation-Both Boards - Copy](#)
[4b\(2\) - FY2019-2020 Management Performance Program \(MPP\) Award Guideli](#)

5. NEW BUSINESS

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

Attachments: [5c - SJFCERS 2020 Economic Assumption Review 2020-11-11s.pdf](#)

6. COMMITTEES/REPORTS/RECOMMENDATIONS

6.1 Investment Committee (Chandra, Orr, Sun – Alt: Keleher)

Last Meeting: October 27, 2020 Next Meeting: December 22, 2020

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

Attachments: [6.1b - Joint IC meeting 08.25.20 minutes \(signed\)](#)

- c. Minutes of the August 25, 2020 Federated Investment Committee meeting. Receive and file.

Attachments: [6.1c - FED IC meeting 08.25.20 minutes \(signed\)](#)

6.2 Governance Committee (Horowitz, Castellano, Keleher)

**Last Meeting: June 18, 2020 Next Meeting: December 17, 2020
(September 3, 2020 Meeting Cancelled)**

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

6.3 Audit Committee (Keleher, Jennings, Sun)

Last Meeting: October 15, 2020 Next Meeting: February 18, 2021

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

- b. Minutes of the August 20, 2020 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 - 8-20-20 - Joint AC Minutes - \(Signed\)](#)

- c. 7/1/20-9/30/20 Quarterly Travel and attendance analysis for Federated. Receive and file.

Attachments: [6.3c- Trustee Travel Analysis.FED 7-1-2020-9-30-2020](#)

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

Attachments: [6.3d - City Auditor Recommendations 17-06 Retirement 8.18.20 -formatted](#)

- 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: [6.3e\(1\) - FED and PF FY20 AC Presentation \(10.8\)](#)

[6.3e\(2\) - 2020 FED-Report-on-Internal-Control-Letter-Final Signed \(11.5\)](#)

- f. Discussion and action on the Committees' recommendation to approve the Federated City Employees' Retirement System's Comprehensive Annual Financial Reports (CAFR) for the Fiscal Year 2019-2020.

Attachments: [6.3f - 2020 Federated CAFR 11.06.20 FULL audited](#)

6.4 Joint Personnel Committee (Orr, Castellano, Chandra)

Last Meeting: November 10, 2020

Next Meeting: TBD

- a. Oral update from the Chair of the Joint Personnel Committee.

- b. Minutes of the September 8, 2020 Joint Personnel Committee. Receive and file.

Attachments: [6.4b - 9.8.2020 JPC Minutes](#)

- c. Minutes of the October 20, 2020 Joint Personnel Committee. Receive and file.

Attachments: [6.4c - 10-20-20 JPC Minutes](#)

- d. Discussion and action on the Committee's 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.

7. EDUCATION & TRAINING

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

Attachments: [7a - San Jose Cortex Report - November 2020](#)

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.