



BOARD OF ADMINISTRATION

Meeting Agenda - Final-revised Police & Fire Department Retirement Plan and Health Care Trust

Thursday, August 4, 2022

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: 915 9312 3728

Password: 075995

Drew Lanza, Chair, Public Member (Term Expires 4/30/23)
Andrew Gardanier, Vice-Chair, Fire Active Rep (Term Expires 11/30/23)
Sunita Ganapati, Trustee, Public Member (Term Expires 11/30/22)
David Kwan, Trustee, Public Member (Term Expires 11/30/24)
Howard Lee, Trustee, Public Member (Term Expires 11/30/22)
Eswar Menon, Trustee, Public Member (Term Expires 11/30/22)
Richard Santos, Trustee, Fire Retiree Rep (Term Expires 11/30/22)
Franco Vado, Trustee, Police Retiree Rep (Term Expires 11/30/24)
Dave Wilson, Trustee, Police Active Rep (Term Expires 11/30/25)

Pam Foley, City Council Liaison to the Board

Harvey Leiderman & Maytak Chin, General and Fiduciary Counsel

Roberto L. Peña, CEO, Office of Retirement Services

COVID-19 NOTICE

Consistent with AB361, this meeting 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.dept@sanjoseca.gov by 5:00 p.m. the day before the meeting.
- 2) By phone +1 669 219 2599 . Meeting ID 915 9312 3728. 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

CLOSED SESSION

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

I. CLOSED SESSION INVESTMENTS

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

II. CLOSED SESSION NEW BUSINESS

- A. **CLOSED SESSION:** CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2): ONE CASE.
- B. **CLOSED SESSION:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Executive Officer

- C. **CLOSED SESSION:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Investment Officer

OPEN SESSION - will reconvene following Closed Session, time certain 10:30 a.m. or soon thereafter

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

• PUBLIC/RETIREE/GENERAL COMMENTS - Not Related to A Specific Agenda Item

1. CONSENT CALENDAR

1.1 Approval Of Minutes

- a. Approval of the Board Minutes of June 2, 2022.

Attachments: [1.1a - PF Minutes 6.2.22-Final](#)

- b. Approval of the Board Minutes for the July 1, 2022 Special Meeting.

Attachments: [1.1b - SpcPFMin 7.1.22-Final](#)

1.2 Approval Of Travel for Conferences and Due Diligence

- a. Roberto L. Peña, CEO
- CalAPRS Virtual Administrators Roundtable - June 24, 2022.
- b. Prabhu Palani, CIO
- All & III Pan Institutional Roundtable, Metropolitan Club, New York City, September 13, 2022 - September 14, 2022.
- c. Sunita Ganapati, Trustee
- Pension Bridge Annual, Westin St. Francis, San Francisco, CA - April 18 - 20, 2022.
- d. David Kwan, Trustee
- CalAPRS Principles of Pension Governance, The Lodge at Tiburon, Tiburon, CA - August 29, 2022 - September 1, 2022.

1.3 Return of Contributions

- a. Voluntary/Involuntary. - None.

1.4 Communication/Information

- a. Police and Fire Retirement System Dashboard.

Attachments: [1.4a - P&F Dashboard for 8.4.22](#)

- b. Mayor's June Budget Message for Fiscal Year 2022-2023.

Attachments: [1.4b - Mayor's Budge Message](#)

- c. ORS's Quarterly Newsletter - The Retirement Connection: July 2022 Edition.

Attachments: [1.4c - ORS Retirement Connection-July 2022](#)

- d. Report of the Budget vs. Actual Expenses for 3rd Quarter FY 21-22. Receive and file.

Attachments: [1.4d - Q3 FY21-22 PF Budget Report](#)

- e. Report of the Plan Expenses for March, April and May 2022. Receive and file.

Attachments: [1.4e\(1\) - PFMarch22ExpenseReport](#)

[1.4e\(2\) - PFApril22ExpenseReport](#)

[1.4e\(3\) - PFMay22ExpenseReport](#)

1.5 Notice of Alternate Payee Benefit Election

- a. Approval of Alternate Payee Benefit election of Unreduced Lifetime Monthly Payment Option to be paid to Siv T. Langlo, ex-spouse of Police Lieutenant, **Gregory Lombardo** to be effective November 16, 2022 under Part 17, Section 3.36.3600 of the San Jose Municipal Code.

Attachments: [1.5a - SADRO - Lombardo](#)

1.6 Report out of Closed Session

- a. Report out of Closed Session from the October 3, 2019, April 1, 2021, January 6, 2022 and February 3, 2022 Board Meetings.

Attachments: [1.6a - PF Report out of closed session](#)

1.7 Education and Training

- a. The Cortex Report - July 2022, Conferences, Seminars and Educational Programs.

Attachments: [1.7a - Cortex Report - July 2022 Edition](#)

2. INVESTMENTS

- a. Oral update by CIO, Prabhu Palani.

3. OLD BUSINESS CONTINUED-DEFERRED ITEMS

- a. Oral report out of Closed Session from the June 2, 2022 Police and Fire Board Meeting - Settlement with Stephen Gallagher regarding SJMC 3.26.830.
- b. Discussion and action on whether to apply SJMC § 3.36.830 for the cancellation and termination of member Kenneth E. Williams' retirement allowance due to felony conviction. (*Deferred from the May 5, 2022 Board meeting at the member's request*)

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 on new Performance Review Process for the CEO/CIO position.

Attachments: [4c - MEMO - Drew L. CEO.CIO.FINAL](#)

- d. Discussion and action regarding the reallocation of \$31,000 from the personnel expenses category and \$14,000 from the non-personnel/equipment category for a total amount of \$45,000 to cover the shortfall in the professional services category for the FY21-22 Administrative budget amount.

Attachments: [4d - Reallocation of FY21-22 Admin Budget](#)

- e. Update on Cheiron's projections based on preliminary investment returns for FY 21-22.

Attachments: [4e - SJPF Projection Update8.4.22](#)

- f. Discussion and action on Committee Assignments.

Attachments: [4f - BOARDS-COMMITTEES-PF-Updated 7.27.22](#)

- g. Discussion on the topics for the Joint Meeting of the Boards and City Council.

Attachments: [4g - 2022 Annual Joint Meeting Agenda](#)

- h. Discussion and action on factual findings for use of California Assembly Bill 361's abbreviated teleconferencing procedures.

5. RETIREMENTS

5.1 Service Retirements

- a. **David R. Anaya**, Police Lieutenant, Police Department, effective August 6, 2022; 26.84* years of service.
- b. **Daniel P. Anderson**, Police Officer, Police Department, effective August 20, 2022; 26.87* years of service.
- c. **Paulo M. Brito**, Fire Engineer, Fire Department, effective August 6, 2022; 28.40* years of service.

(With Reciprocity - 20.74 CSJ YOS + 7.65 PERS YOS)

- d. **Corey Green**, Police Officer, Police Department, effective September 3, 2022; 26.13* years of service.
- e. **Shane Lueddeke**, Police Officer, Police Department, effective August 20, 2022; 26.84* years of service.
- f. **Jeffrey P. Riley**, Fire Captain, Fire Department, effective September 4, 2022; 26.61* years of service.
- g. **Randall Brian Schriefer**, Police Captain, Police Department, effective August 6, 2022; 27.05* years of service. *(With Reciprocity - 23.45 CSJ YOS + 3.60 PERS YOS)*
- h. **Bryan J. Wong**, Firefighter, Fire Department, effective July 24, 2022; 28.92* years of service. *(With Reciprocity - 27.51 CSJ YOS + 1.41 PERS YOS)*

5.2 Deferred Vested

- a. **Lamont J. Cusseaux**, Police Sergeant, Police Department, effective August 12, 2022; 27.97* years of service. *(With Reciprocity - 19.76 CSJ YOS + 8.20 PERS YOS)*

6. DEATH AND SURVIVORSHIP NOTIFICATIONS (Moment of Silence)

- a. Notification of the death of **Robert Hollars**, Police Lieutenant, retired January 8, 1992, died June 22, 2022. Survivorship benefits to Valerie Hollars, Spouse.
- b. Notification of the death of **Eduardo E. Medina**, Fire Engineer, retired March 18, 2000, died May 7, 2022. Survivorship benefits to Connie Medina, Spouse.

7. COMMITTEE MINUTES, REPORTS and RECOMMENDATIONS

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

Last Meeting: July 29, 2022 (Special) Next Meeting: August 4, 2022 (Special), August 24, 2022 (Regular)

- a. Oral update from the Chair of the Investment Committee.
- b. Minutes of the April 26, 2022 Police and Fire Investment Committee meeting. Receive and file.

Attachments: [7.1b - PF IC Minutes 4.26.22](#)

- c. Minutes of the Special Investment Committee meeting from May 5, 2022. Receive and file.

Attachments: [7.1c - SPCIC 5.5.22 -Final](#)

7.2 Audit/Risk Committee (Ganapati-CH/Lee/Wilson)

Last Meeting: July 29, 2022 (Special) Next Meeting: August 4, 2022 (Special), August 18, 2022 (Regular)

- a. Oral update from the Chair of the Audit/Risk Committee.
- b. Minutes of the February 17, 2022 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 - JointACMin 2-17-22 - Final](#)
- c. Minutes of the Special Police and Fire Audit Committee meeting from May 5, 2022. Receive and file.
Attachments: [7.2c - SPCAC 5.5.22 - Final](#)
- d. 1/1/22 - 3/31/22 Quarterly Travel and attendance for Police & Fire. Receive and file.
Attachments: [7.2d - PFTravel Analysis 1-1-22-3-31-22](#)
- e. Update on the City Auditor's Recommendation to the Office of Retirement Services. Receive and file.
Attachments: [7.2e - City Aud Recomm17-06](#)
- f. Report on the Reconciliation of Contributions Audit by Internal Auditor, Houman Boussina. Receive and file.
Attachments: [7.2f\(1\) Pres ReconciliationAudit Public](#)
 [7.2f\(2\) - ReconciliationAudit_Final](#)
- g. Discussion and action on the Committees' recommendation to approve the FY 21-22 Office of Retirement Services Plans Audit Plan by Grant Thornton.
Attachments: [7.2g - FY22 GT Audit Plan](#)

7.3 Governance Committee (Vado - CH/ Ganapati/Santos)

Last Meeting: July 29, 2022 (Special) Next Meeting: August 4, 2022 (Special), September 1, 2022 (Regular)

- a. Oral update from the Chair of the Governance Committee.
- b. Minutes of the Special Governance Committee meeting from May 5, 2022. Receive and file.
Attachments: [7.3b - SPCGC 5.5.22 - Final](#)

7.4 Disability Committee (Santos - CH/Lanza - Alts: Menon/Vado)

Last Meeting: July 29, 2022 (Special) Next Meeting: August 4, 2022 (Special), August 8, 2022 (Regular)

- a. Oral update from the Chair of the Disability Committee.
- b. Minutes of the Special Disability Committee meeting from May 5, 2022. Receive and file.

Attachments: [7.4b - SPCDC 5.5.22 -Final](#)

7.5 Joint Personnel Committee (Gardanier/Lanza/Menon -VC)

Last Meeting: March 4, 2022 (Regular) Next Meeting: TBD

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

• PROPOSED AGENDA ITEMS

• ADJOURNMENT

Next Meeting: September 1, 2022

*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.

The Code of Conduct

(<https://www.sanjoseca.gov/home/showpublisheddocument/12901/63667000496663000>

0) is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

1. Public Meeting Decorum:

- a) Persons in the audience will refrain from behavior which will disrupt the public meeting. This will include making loud noises, clapping, shouting, booing, hissing or engaging in any other activity in a manner that disturbs, disrupts or impedes the orderly conduct of the meeting.
- b) Persons in the audience will refrain from creating, provoking or participating in any type of disturbance involving unwelcome physical contact.
- c) Persons in the audience will refrain from using cellular phones and/or pagers while the meeting is in session.
- d) Appropriate attire, including shoes and shirts are required in the Council Chambers and Committee Rooms at all times.
- e) Persons in the audience will not place their feet on the seats in front of them.
- f) No food, drink (other than bottled water with a cap), or chewing gum will be allowed in the Council Chambers and Committee Rooms, except as otherwise pre-approved by City staff.
- g) All persons entering the Council Chambers and Committee Rooms, including their bags, purses, briefcases and similar belongings, may be subject to search for weapons and other dangerous materials.

2. Signs, Objects or Symbolic Material:

- a) Objects and symbolic materials, such as signs or banners, will be allowed in the Council Chambers and Committee Rooms, with the following restrictions: § No objects will be larger than 2 feet by 3 feet.
 - No sticks, posts, poles or other such items will be attached to the signs or other symbolic materials.
 - The items cannot create a building maintenance problem or a fire or safety hazard.
- b) Persons with objects and symbolic materials such as signs must remain seated when displaying them and must not raise the items above shoulder level, obstruct the view or passage of other attendees, or otherwise disturb the business of the meeting.
- c) Objects that are deemed a threat to persons at the meeting or the facility infrastructure are not allowed. City staff is authorized to remove items and/or individuals from the Council Chambers and Committee Rooms if a threat exists or is perceived to exist. Prohibited items include, but are not limited to: firearms (including replicas and

antiques), toy guns, explosive material, and ammunition; knives and other edged weapons; illegal drugs and drug paraphernalia; laser pointers, scissors, razors, scalpels, box cutting knives, and other cutting tools; letter openers, corkscrews, can openers with points, knitting needles, and hooks; hairspray, pepper spray, and aerosol containers; tools; glass containers; and large backpacks and suitcases that contain items unrelated to the meeting.

3. Addressing the Council, Committee, Board or Commission:

- a) Persons wishing to speak on an agenda item or during open forum are requested to complete a speaker card and submit the card to the City Clerk or other administrative staff at the meeting.
 - b) Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the total amount of time allocated for public testimony for each public speaker or for an agenda item is in the discretion of the Chair of the meeting and may be limited when appropriate. (California Government Code Section 54954.3; Council Policy 0-37) Applicants and appellants in land use matters are usually given more time to speak. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Council, Committee, Board or Commission.
 - c) Speakers should discuss only the agenda item when called to speak for that item, and only topics related to City business when called to speak during open forum on the agenda.
 - d) Speakers' comments should be addressed to the full body. Requests to engage the Mayor, Council Members, Board Members, Commissioners or Staff in conversation will not be honored. Abusive language is inappropriate.
 - e) Speakers will not bring to the podium any items other than a prepared written statement, writing materials, or objects that have been inspected by security staff.
 - f) If an individual wishes to submit written information, he or she may give it to the City Clerk or other administrative staff at the meeting.
 - g) Speakers and any other members of the public will not approach the dais at any time without prior consent from the Chair of the meeting.
- Failure to comply with this Code of Conduct which will disturb, disrupt or impede the orderly conduct of the meeting may result in removal from the meeting and/or possible arrest.