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## City of San José

### Retirement Stakeholder Solutions Working Group

For information about this meeting, contact the Office of Employee Relations by phone (408) 535-8152 or email [cheryl.parkman@sanjoseca.gov](mailto:cheryl.parkman@sanjoseca.gov).

Staff called the meeting of the Retirement Stakeholder Solutions Working Group to order at 4:00pm on Monday, December 9, 2019, City Hall, Committee Rooms.

#### Roll Call:

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Mayor Sam Licarrdo	City of San Jose
Councilmember Raul Peralez	Council District 3
Councilmember Dev Davis	Council District 6
Councilmember Pam Foley	Council District 9
Pat Waite	Citizes for Fiscal Responsibility
LaVerne Washington	Non-Management Union AFSCME – MEF
Julie Jennings	Management Union IFPTE – CAMP
Paul Kelly	Police Officer’s Association (POA)
Susan Devencenzi	San Jose Retired Employees’ Association
Ray Storms	Police and Fire Retirees’ Association
Jim Shannon	Budget Director
Julia Cooper	Finance Director
Matt Loesch	Federated Retirement Board
Vince Sunzeri	Police and Fire Retirement Board
Ghia Griate	Police and Fire Retirement Board Investment Committee
Roberto Pena	Retirement Services Director
Prabhu Palani	Retirement Services Chief Investment Officer
Tim Bussey	Silicon Valley Organization
Elaine Orr	Federated Retirement Board Trustee

#### Absent

Sean Kaldor	IAFF, Local 230
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#### Also Present

Jennifer Schembri	Director of HR/OER
Cheryl Parkman	Office of Employee Relations
Sarah Steele	Office of Employee Relations

#### Orders of the Day

1. Roll Call
2. Approval of Minutes – Upon motion by Councilmember Raul Peralez, seconded by Councilmember Dev Davis and carried unanimously, the [November 12, 2019](#) minutes were approved.

## Reports and Information Only

### 1. Budget Office/Finance Department

A. Budget Overview and Historical Perspective – Jim Shannon presented information related to the City’s 2019-2020 Adopted Budget including, special funds and capital programs, General Fund funding sources, and General Fund uses. Information was also presented related to the history of General Fund shortfalls solved, budgeted positions, escalating retirement costs, past strategies to address the General Fund shortfall, and retirement impacts on budget development.

B. Rating Agencies’ Views on Pension Obligations- Julia Cooper presented information related to the City of San Jose’s credit rating from Moody’s Investors Service, Standard & Poor’s and Fitch. Information was also presented regarding pension obligations as a driver in the rating process.

a) [Presentation](#)

### 2. Mayor’s Office

A. Retirement Challenges and Retirement Stakeholder Solutions Working Group Roadmap – Mayor Liccardo presented information on the challenges faced by the City of San Jose and the proposed roadmap for the working group including, topics for discussion for the upcoming meetings.

a) [Presentation](#)

## New Business

### 1. Discussion of future agenda items and meeting topics

#### A. New ideas to reduce UAL

a) New Revenue Sources directed specifically to reduce UAL

b) Risk transfer/Lump-sum buy out

c) Untapped resources to evaluate different approaches such as Boston College Research Center for Retirement Management and the Academy of Actuaries.

#### B. Items as set forth in Mayor’s March Budget Message

a) Reduction of “Fee drag” on Investment Returns

b) Alteration of Amortization Schedules

c) Pension Obligation Bonds

## Meeting Schedule and Agenda Items

The next meeting will be January 13, 2019 at 4:00pm, Wing Committee Rooms 118-120.

## Adjournment

The meeting adjourned at 5:15pm

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Mayor Sam Liccardo, Chair  
Retirement Stakeholder Solutions Working Group