
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.

Staff called the meeting of the Retirement Stakeholder Solutions Working Group to order at 4:00pm on Monday, January 13, 2020, City Hall, Committee Rooms.

Roll Call:

Mayor Sam Licarrdo	City of San Jose
Councilmember Raul Peralez	Council District 3
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
Susan Devencenzi	San Jose Retired Employees' Association
Jim Shannon	Budget Director
Matt Loesch	Federated Retirement Board
Vince Sunzeri	Police and Fire Retirement Board
Roberto Pena	Retirement Services Director
Prabhu Palani	Retirement Services Chief Investment Officer
Tim Bussey	Silicon Valley Organization
Elaine Orr	Federated Retirement Board Trustee

Absent

Councilmember Dev Davis	Council District 6
Sean Kaldor	IAFF, Local 230
Paul Kelly	Police Officer's Association (POA)
Ray Storms	Police and Fire Retirees' Association
Julia Cooper	Finance Director

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 Matt Loesch and carried unanimously, the [December 9, 2019](#) minutes were approved.

Public Record

Mayor Liccardo provided the documents contained in the Public Record section were not required reading materials for working group members, but rather should be utilized as resources documents.

- A. [Society of Actuaries Blue Ribbon Panel on Public Pension Plan Funding](#)
- B. [Stanford Institute for Economic Policy Research Report: Pension Math](#)
- C. [Stanford Institute for Economic Policy Research Report: Analysis of San Jose Retirement Plans Investment Portfolios](#)
 - a. [Retirement Board Response](#)
- D. [Federated City Employees' Retirement System Final Pension Valuation Report](#)
- E. [Verus Presentation: Enterprise Risk Tolerance Assessment](#)
- F. [Center for State & Local Government Excellence Issue Brief: Stability in Overall Pension Plan Funding Masks a Growing Divide](#)
- G. [Center for Retirement Research at Boston College: An Overview of the Pension/OPEB Landscape](#)

Reports and Information Only

- 1. Budget Office
 - A. Budget Forecast – Jim Shannon presented information on how small input changes can make big impacts on the City's General Fund resources, and modeled information of retirement impacts on the Five-Year Forecast and examples of forecast sensitivity regarding the Discount Rate.
 - 1. [Presentation](#)
- 2. Cheiron, Inc.
 - A. Public Pension Plan Amortization Schedules and Assumptions- Bill Hallmark presented an overview of the City's pension funding, and information related to funding targets, impacts of assumptions, amortizations methods, and types of amortizations. Mr. Hallmark discussed in depth the City's layered fixed period amortization and modeled Tier 1 Police & Fire and Federated amortization payments, Tier 1 UAL and projected payments, projected contribution amounts, and projected variability in contributions. Mr. Hallmark also discussed dedicated contribution streams and had a dynamic chart that was able to immediately reflect how additional annual contributions would affect the UAL in each retirement plan.
 - 1. [Presentation](#)
- 3. Retirement Plan Investment Fees - **Deferred to February 10, 2020 meeting**
 - 1. [Presentation](#)
 - (i) [October 1, 2019 City Council Presentation](#)

New Business

- 1. Discussion of future agenda items and meeting topics
 - A. February agenda topic
 - a) Discussion regarding investment fees- deferred from January meeting
 - B. March agenda topic
 - a) Discussion regarding Pension Obligation Bonds

Meeting Schedule and Agenda Items

The next meeting will be February 10, 2020 at 4:00pm, Wing Committee Rooms 118-120.

Adjournment

The meeting adjourned at 5:15pm

Mayor Sam Licarrdo, Chair
Retirement Stakeholder Solutions Working Group