
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 4:01pm on Tuesday, October 13, 2020, via Zoom.

Roll Call:

Mayor Sam Liccardo	City of San Jose
Councilmember Raul Peralez	Council District 3
Councilmember Pam Foley	Council District 9
Councilmember Dev Davis	Council District 6
Pat Waite	Citizens for Fiscal Responsibility
John Tucker	Non-Management Union AFSCME – MEF
Julie Jennings	Management Union IFPTE – CAMP
Sean Kaldor	IAFF, Local 230
Susan Devencenzi	San Jose Retired Employees' Association
Jim Shannon	Budget Director
Jay Castellano	Federated Retirement Board
Drew Lanza	Police and Fire Retirement Board
Roberto Pena	Retirement Services Director
Tim Bussey	Silicon Valley Organization
Prabhu Palani	Retirement Services Chief Investment Officer
Julia Cooper	Finance Director

Absent

Paul Kelly	Police Officer's Association (POA)
Ray Storms	Police and Fire Retirees' Association
Elaine Orr	Federated Retirement Board Trustee

Also Present

Jennifer Schembri	Director of HR/OER
Cheryl Parkman	Office of Employee Relations
Randi Perry	Office of Employee Relations
Eileen Neill	Verus Investments
Jay Kwon	Office of Retirement Services
Anne Harper	Cheiron
Bill Hallmark	Cheiron
Laura Wirick	Meketa
Nicholas Almeida	Mayor's Office
Nikolai Sklaroff	Finance Department

Orders of the Day

1. Roll Call

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. [An Update on Pension Obligation Bonds, Center for Retirement Research at Boston College](#)
- B. [Spotlight on Governmental Plan Pension Obligation Bonds, Buck Consultants](#)
- C. [Pension Obligation Bonds: Risky Gimmick or Smart Investment?, Governing Magazine](#)

Consent Calendar

- A. Approval of Minutes – Request for amendment made by Susan Devencenzi to correct the spelling of Sean Kaldor’s name. Upon motion with Ms. Devencenzi’s amendment by Councilmember Dev Davis, seconded by Jay Castellano and carried unanimously, the February 10, 2020 minutes were approved.

Reports and Information Only

- A. Presentation and Discussion on COVID-19 Impacts to pension portfolios -- Prabhu Palani, Chief Investment Officer discussed the actions taken by the Retirement Boards in response to the COVID-19 pandemic. The Boards adjusted asset allocations which positioned them well for the future. The Boards do not plan to revisit asset allocations again until next year.

- 1) [Presentation \(ORS\)](#)

- B. Presentation and Discussion on Pension Obligation Bonds -- Julia Cooper and Nikolai Sklaroff from the Finance Department discussed Pension Obligation Bonds (POBs). The presentation discussed the history of exploring Pension Obligation Bonds in the City of San Jose. The presentation discussed what POBs are, how they work, who is issuing POBs, how POBs can save money, potential benefits of a POB, and potential risks of POBs.

- 1) [Presentation \(Finance\)](#)

Bill Hallmark of Cheiron presented on Pension Obligation Bond (POB) history, POB theories including advantages and risks, and consideration of a POB for the City of San Jose.

- 2) [Presentation \(Cheiron\)](#)

New Business

1. Discussion of future agenda items and meeting topics
 - A. November agenda topic

Vince Sunzeri volunteered to help lead an agenda setting committee with Sean Kaldor.

Meeting Schedule and Agenda Items

The next meeting will be November 9, 2020 at 4:00pm, via Zoom.

Adjournment

The meeting adjourned at 5:44pm.

Mayor Sam Liccardo, Chair
Retirement Stakeholder Solutions Working Group