

Police and Fire Retirement Plan Dashboard



“OUR MISSION IS TO ENSURE PROMPT DELIVERY OF SERVICES AND BENEFITS TO OUR MEMBERS, AND TO COLLECT, INVEST, AND EXPEND SYSTEM ASSETS IN A PRUDENT, FAIR, AND TIMELY MANNER”.



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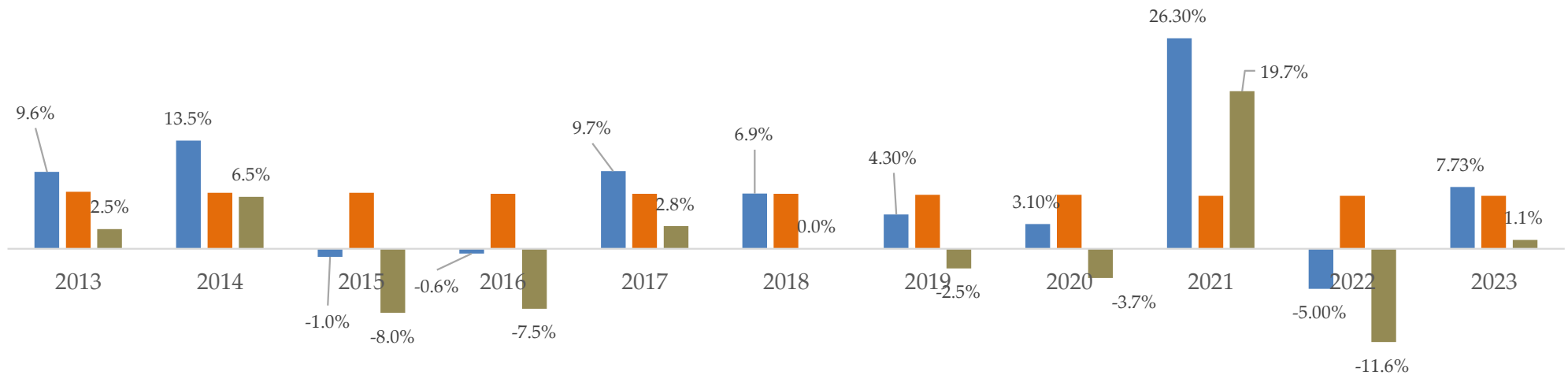
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Police and Fire Discount Rate History

<u>YEARS</u>	<u>FISCAL YEAR</u>	<u>10 YEAR US TREASURY RATE</u>	<u>DISCOUNT RATE</u>	<u>FISCAL YEAR RETURN*</u>	<u>EXCESS TO DISCOUNT RATE</u>
	1997	6.51%	8.00%		
1	2013	2.52%	7.125%	9.6%	2.5%
2	2014	2.53%	7.00%	13.5%	6.5%
3	2015	2.35%	7.00%	-1.0%	-8.0%
4	2016	1.49%	6.875%	-0.6%	-7.5%
5	2017	2.31%	6.875%	9.7%	2.8%
6	2018	2.85%	6.875%	6.9%	0.0%
7	2019	2.01%	6.75%	4.3%	-2.5%
8	2020	0.66%	6.75%	3.1%	-3.7%
9	2021	1.47%	6.63%	26.3%	19.7%
10	2022	3.01%	6.63%	-5.0%	-11.6%
11	2023	3.84%	6.63%	7.7%	1.1%

Plan Return versus Discount Rate

■ FISCAL RETURN ■ BEGINNING OF YEAR DISCOUNT RATE ■ EXCESS RETURN



INVESTMENT METRICS



City of San Jose Police and Fire Department Retirement Plan

Total Fund | As of September 30, 2023



	Current Balance (\$)	Current Allocation (%)	Russell Overlay Net position (%)	Policy (%)
Growth	3,323,876,602	69.7%	70.6%	71.0
Public Equity	1,942,663,794	40.7%	41.6%	42.0
Private Markets	1,198,576,408	25.1%	25.1%	25.0
Emerging Markets Debt	87,603,845	1.8%	1.8%	2.0
High Yield Bonds	95,032,556	2.0%	2.0%	2.0
Low Beta	820,009,940	17.2%	15.9%	16.0
Market Neutral Strategies	145,029,485	3.0%	3.0%	3.0
Immunized Cash Flows	612,361,864	12.8%	12.8%	13.0
Cash	62,618,591	1.3%	0.0%	0.0
Other	625,058,938	13.1%	13.5%	13.0
Core Real Estate	263,338,747	5.5%	5.5%	5.0
TIPS	97,187,517	2.0%	2.0%	2.0
Investment Grade Bonds	200,345,732	4.2%	4.5%	4.5
Long Term Govt Bonds	64,186,942	1.3%	1.5%	1.5
Total	4,768,945,480	100%	100%	100.0

1. Data in the column titled "Russel Overlay Net Position" is based on physical exposures, adjusted for synthetic positions provided by Russell Investments.

2. Policy Targets represent approved asset allocation from March of 2022.

3. All data on this page is from Russell Investments and reflects trades made on or before 6/30/2023. Data on subsequent pages is from the custodian and may not reflect all trades made on or before 6/30/2023 depending on the settlement date of transaction.

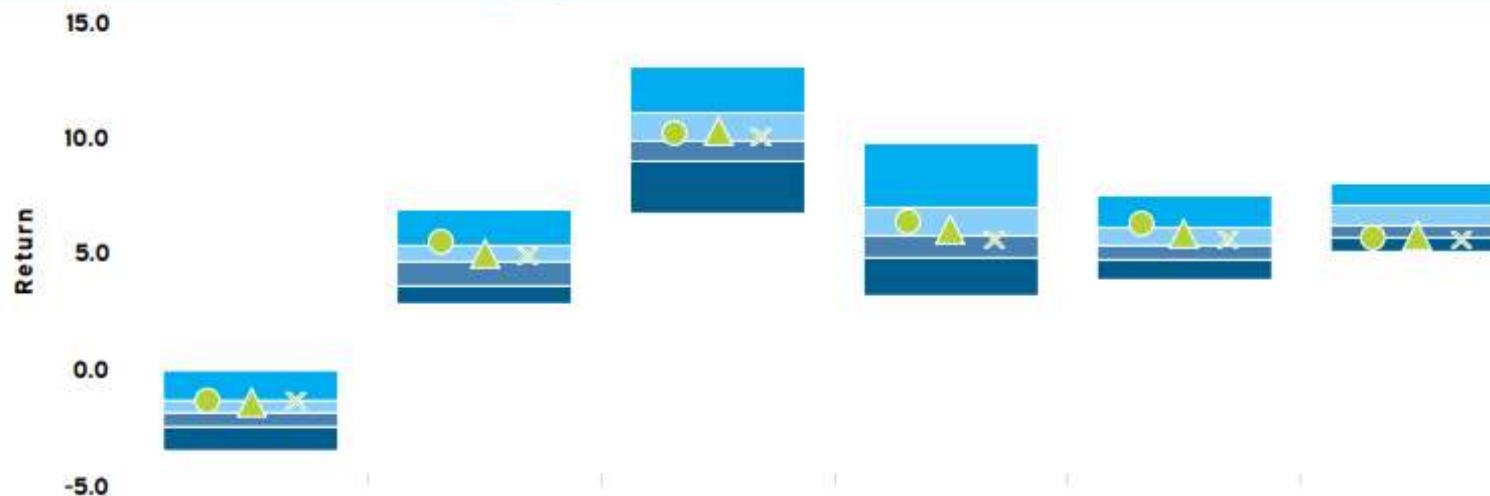
INVESTMENT METRICS



City of San Jose Police and Fire Department Retirement Plan

Total Fund | As of September 30, 2023

InvMetrics All Public DB Plans > \$1B Net Return Comparison Ending September 30, 2023



	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
● Total Fund	-1.3 (25)	5.5 (20)	10.1 (44)	6.3 (35)	6.2 (23)	5.6 (76)
▲ Policy Benchmark	-1.4 (27)	5.0 (34)	10.3 (39)	6.0 (43)	5.8 (32)	5.7 (74)
× Investable Benchmark Portfolio	-1.3 (25)	4.9 (38)	10.0 (48)	5.6 (55)	5.6 (36)	5.5 (82)
5th Percentile	-0.1	6.9	13.0	9.7	7.4	8.0
1st Quartile	-1.3	5.3	11.0	6.9	6.1	7.0
Median	-1.9	4.6	9.8	5.7	5.3	6.2
3rd Quartile	-2.5	3.5	8.9	4.8	4.7	5.7
95th Percentile	-3.5	2.8	6.7	3.1	3.8	5.1
Population	79	73	73	63	61	54

Parentheses contain percentile rankings.
Calculation based on monthly periodicity. Fiscal Year begins July 1.

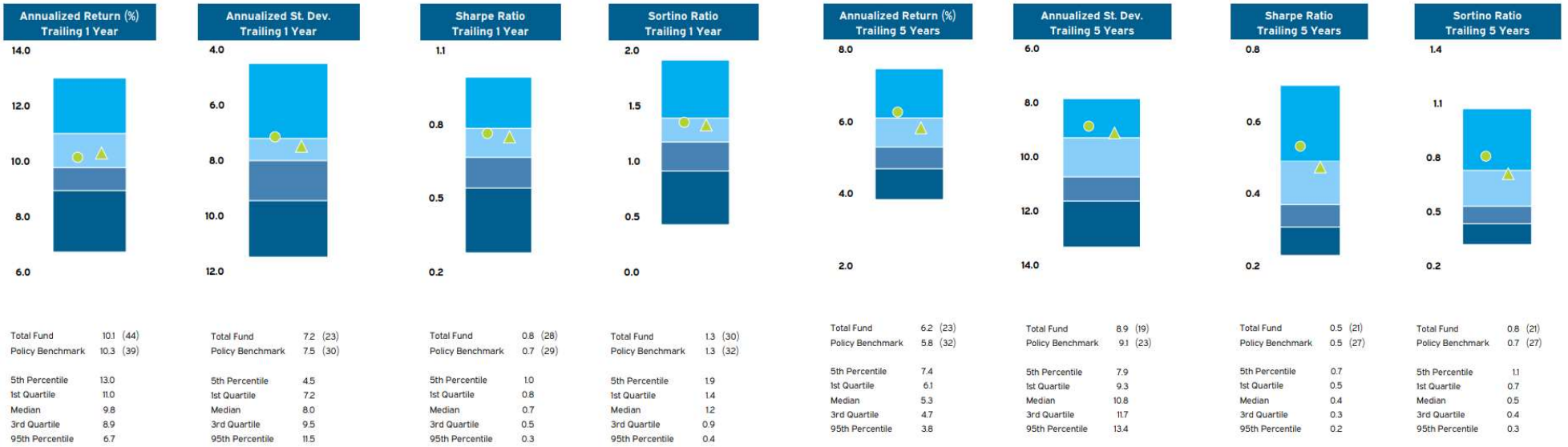
INVESTMENT METRICS

Risk Adjusted Performance – 1 Year

Risk Adjusted Performance – 5 Years

Total Fund | One Year As of September 30, 2023

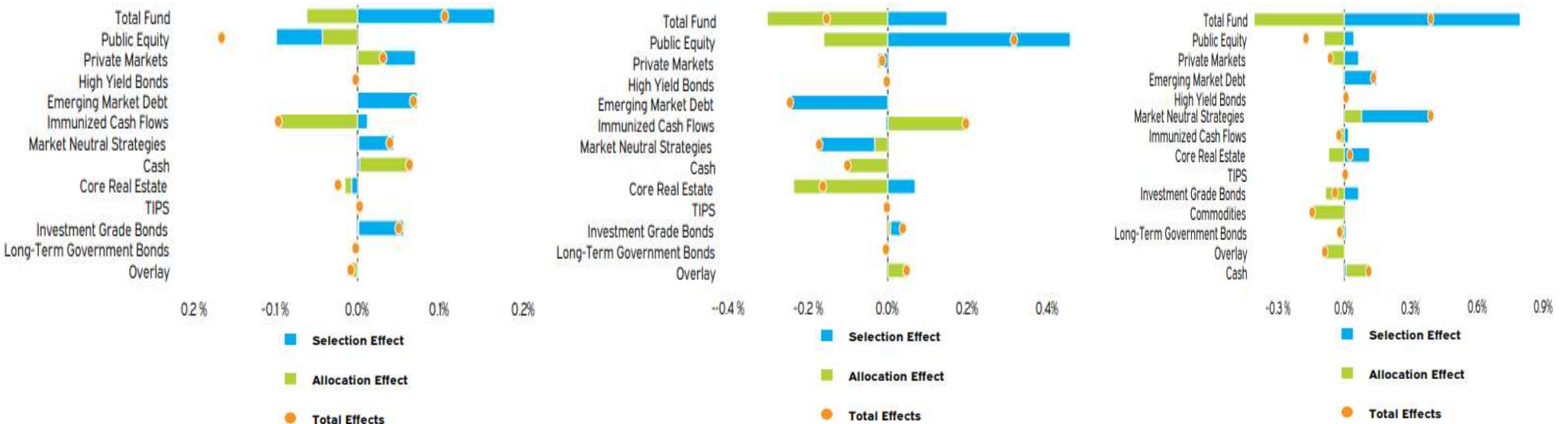
Total Fund | Five Years As of September 30, 2023



Attribution Effects – 3 Months

Attribution Effects – 1 Year

Attribution Effects – 3 Years

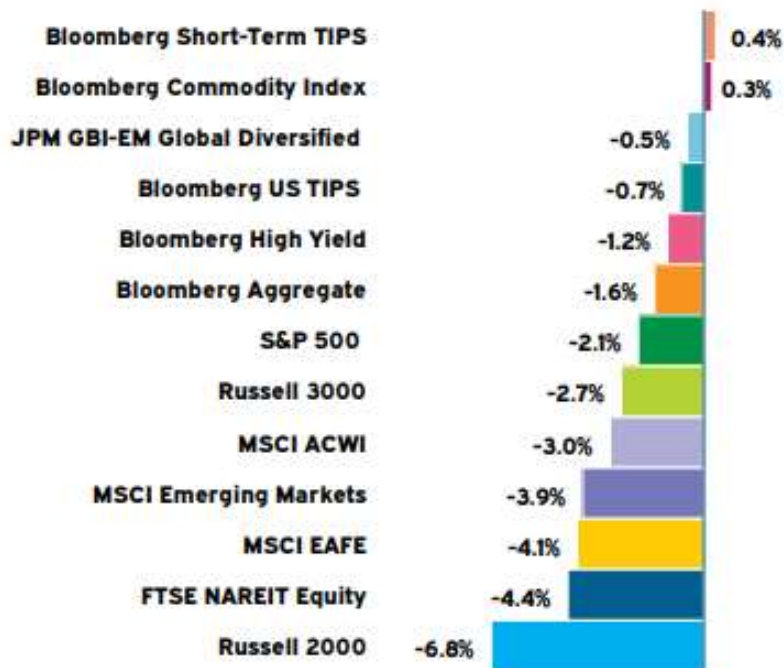


Source: Meketa. Quarterly updated.

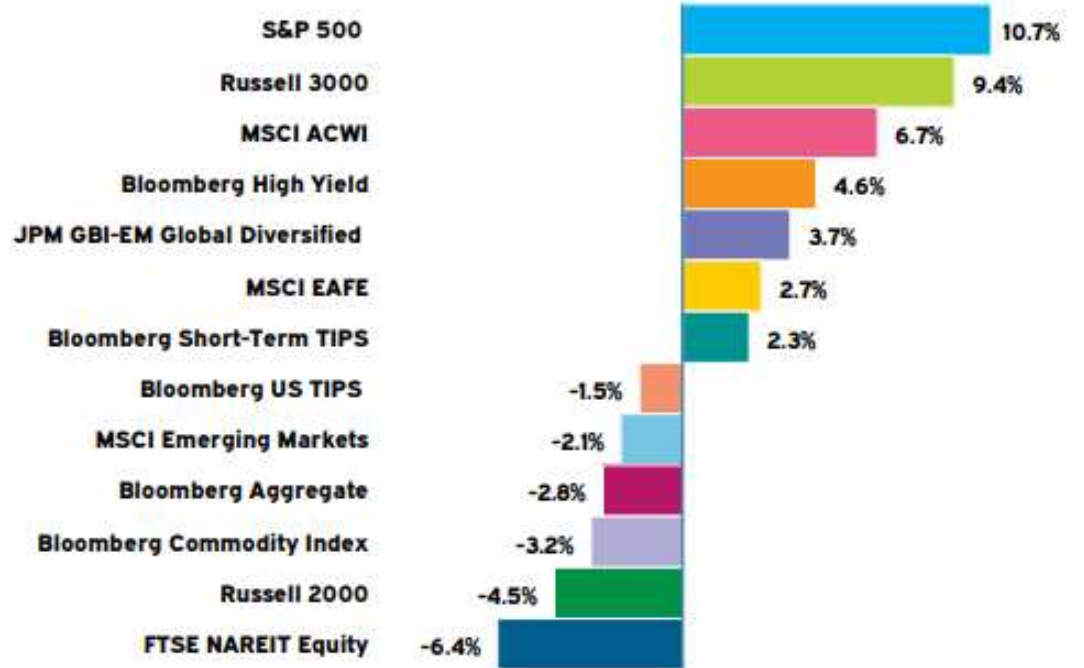
CAPITAL MARKET OVERVIEW

Index Returns¹

QTD



YTD



RISK METRICS

San Jose Police and Fire Portfolio Risk Report

September 30, 2023

1 Portfolio risk



Portfolio: 10.7%



Policy: 11.0%



Peer Group: 10.9%



Liability: 10.3%

2 Portfolio equity beta



3 Portfolio interest rate risk - Duration



4 Portfolio credit risk - Spread duration



Portfolio: 0.5



Policy: 0.5

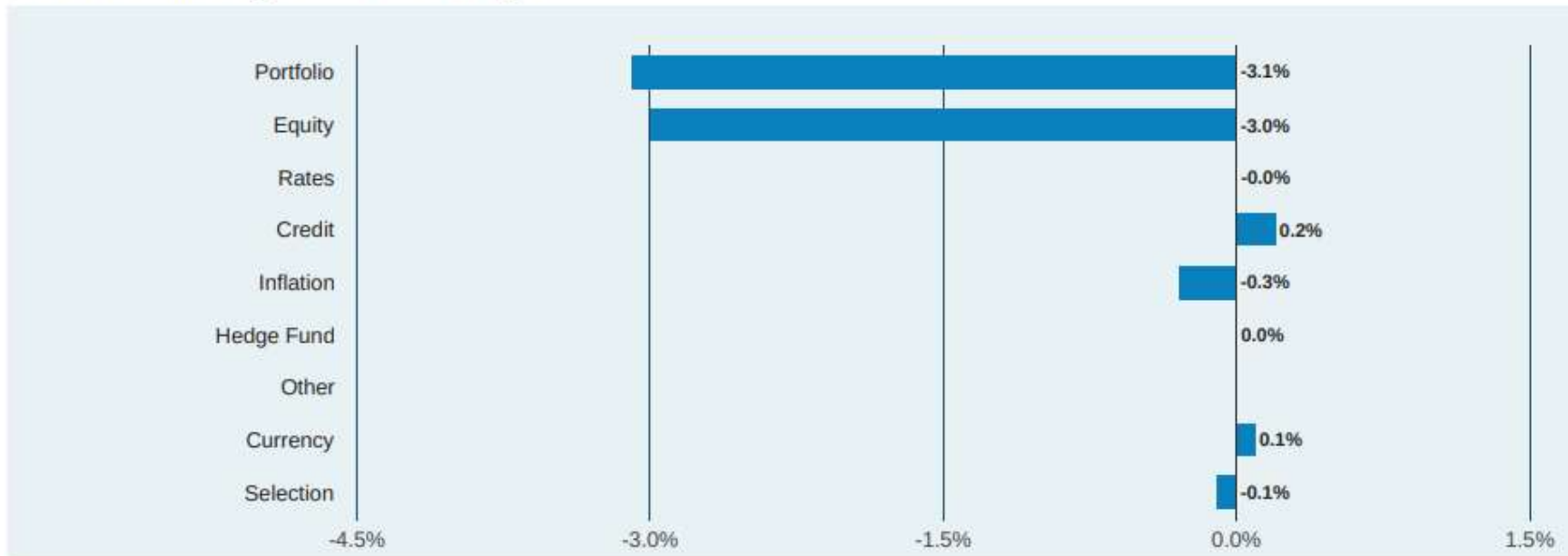


Peer Group: 0.9

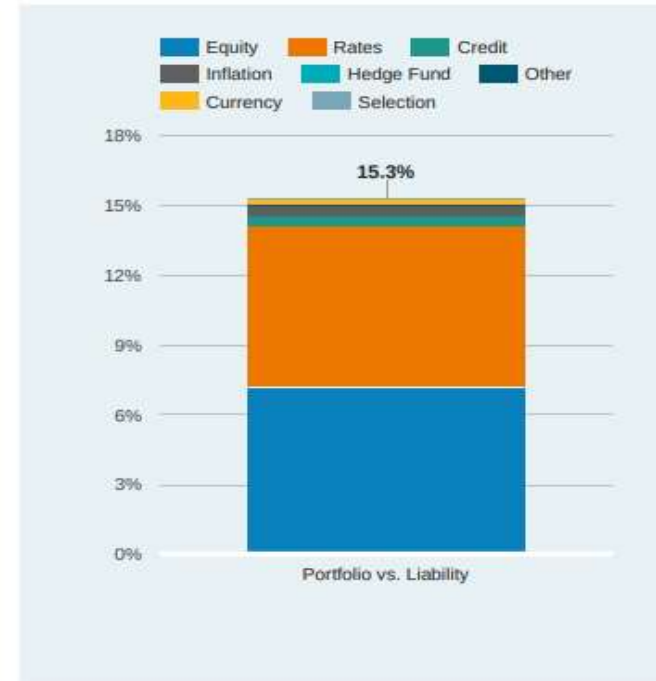
Liability: 13.1

RISK METRICS

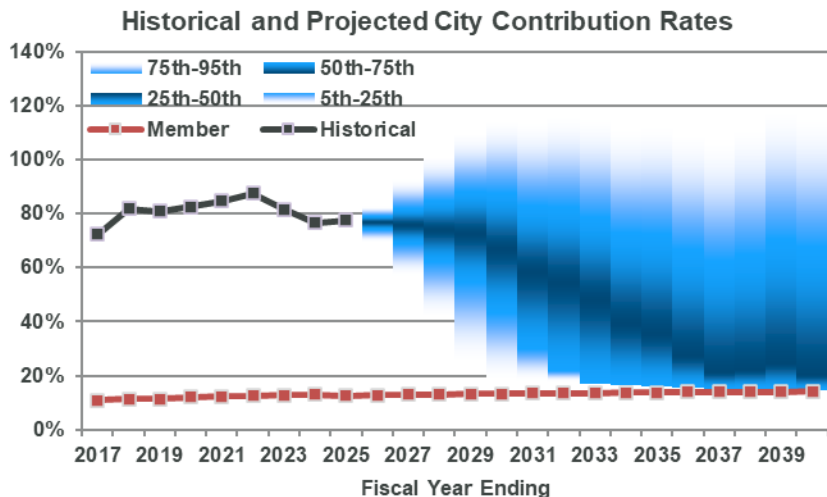
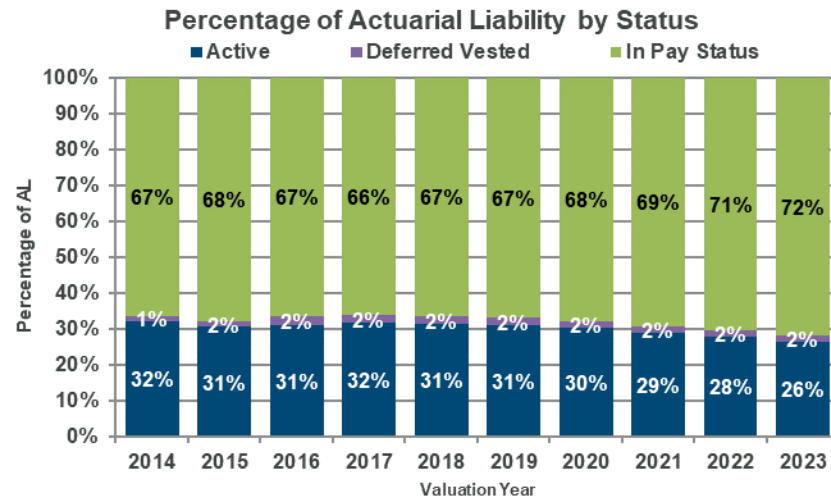
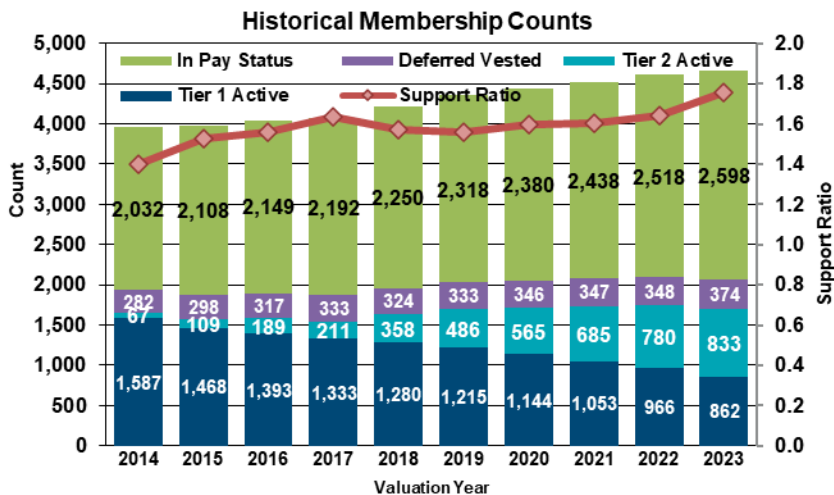
7 Risk factor weight relative to target



11 Active risk contribution by risk factor

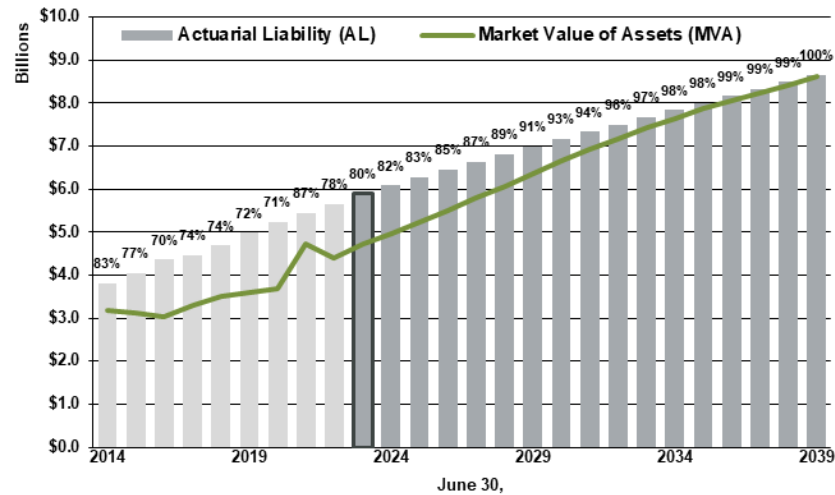
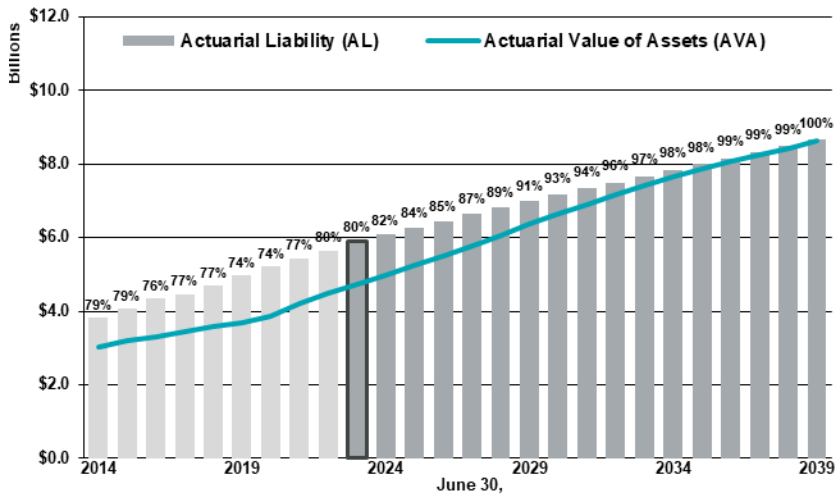


Actuarial Metrics

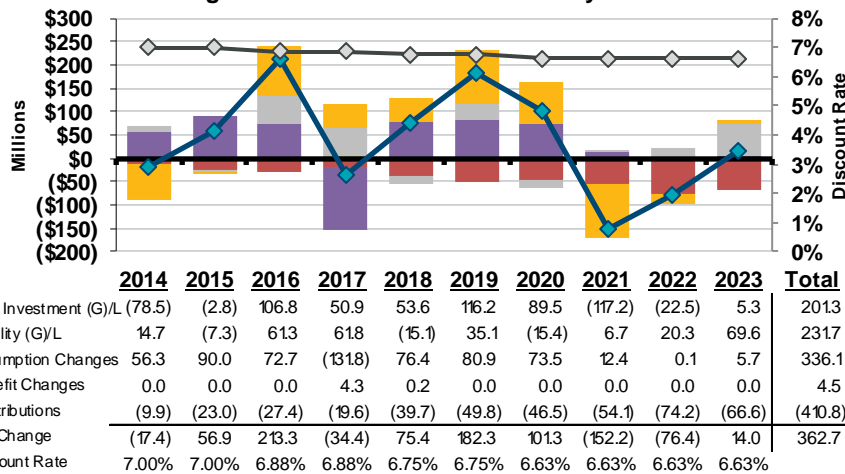


June 30, 2023 Valuation

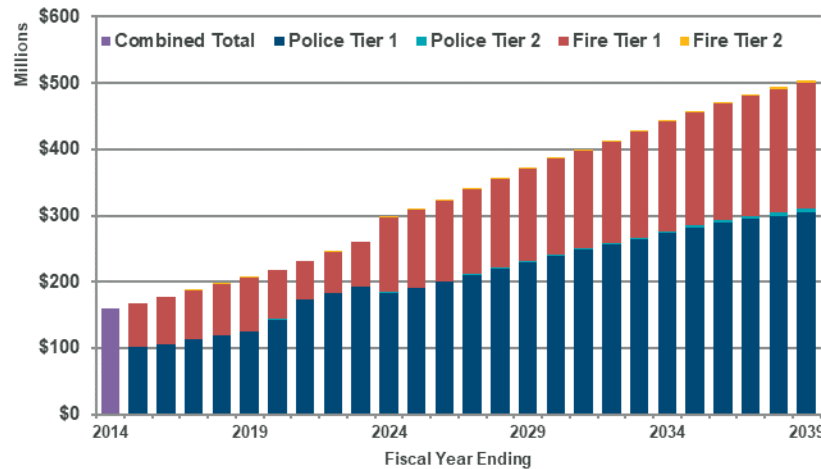
Actuarial Metrics



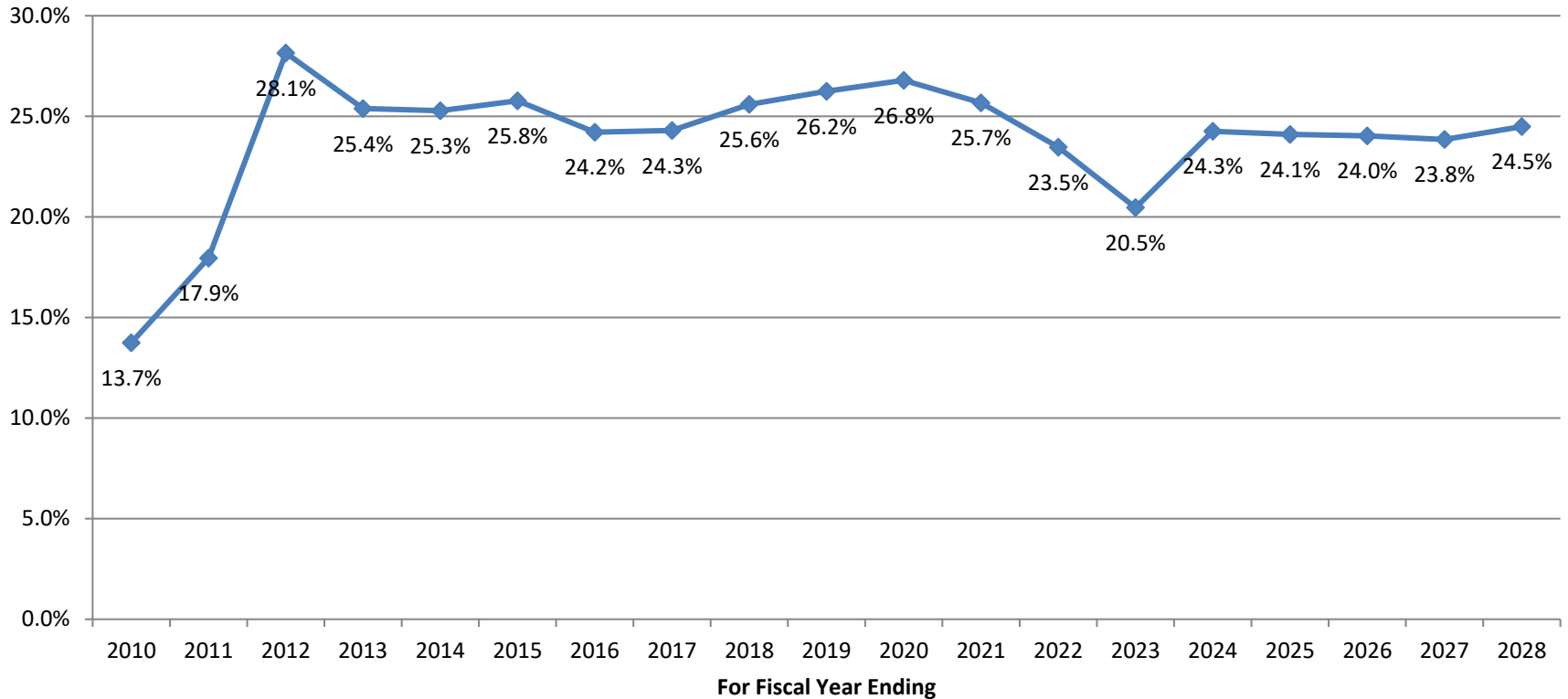
Changes in Unfunded Actuarial Liability



Historical and Projected Benefit Payments

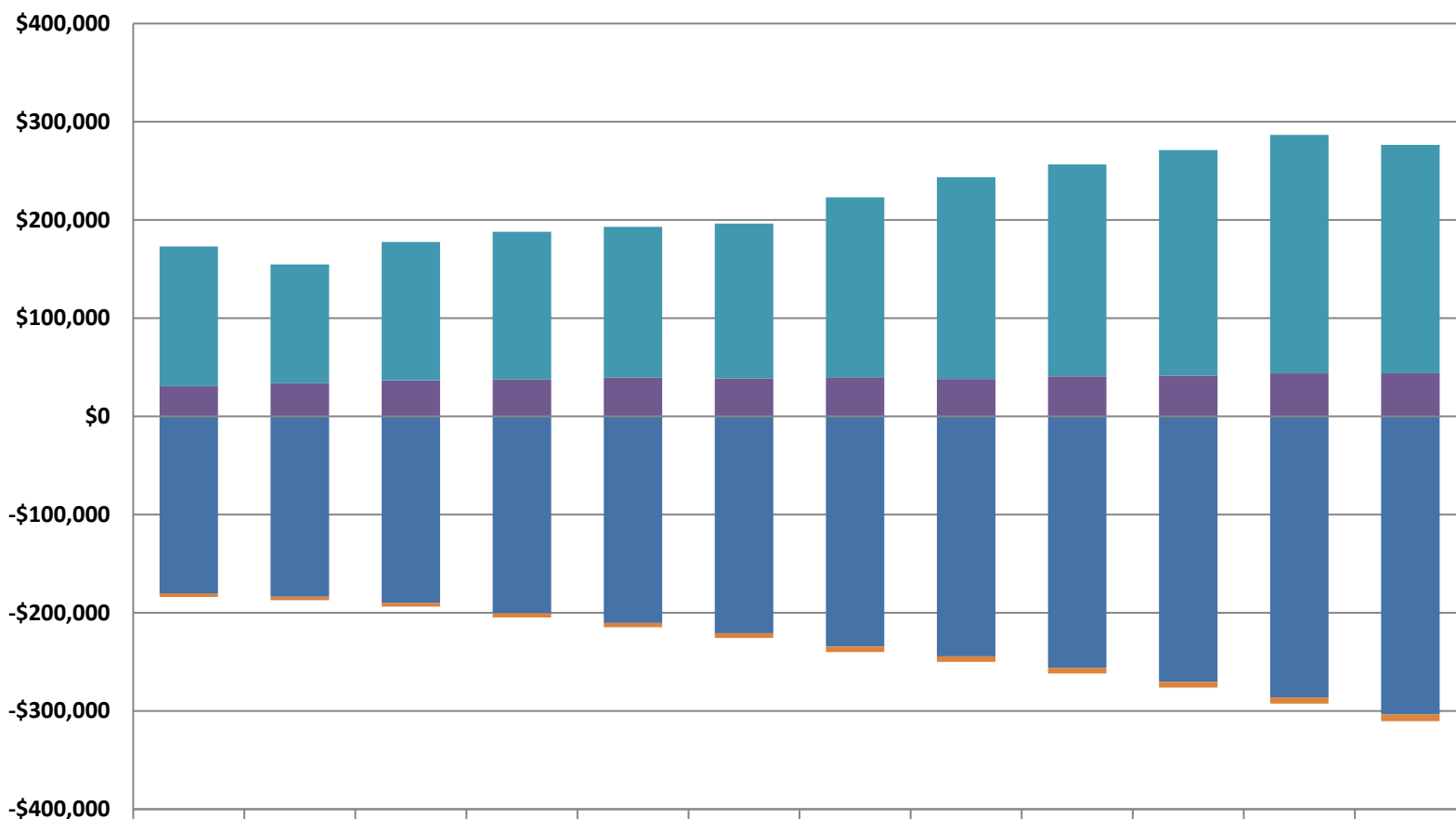


Contributions as % of City Budget



Contribution amounts represent the combined amounts for Federated and Police and Fire. Fiscal years 2024-2028 are the projected contributions and City budget based on the City's 5-Year Forecast and Revenue Projections (General Fund Forecast Expenditure Summary I-25)

Net Cash Flow / Total Additions and Deductions Before Investment Income/Expense (In Thousands)



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrative Expenses	(3,643)	(3,501)	(3,734)	(4,314)	(4,393)	(4,817)	(5,623)	(5,495)	(5,727)	(5,874)	(6,205)	(6,934)
Benefits	(180,199)	(183,636)	(189,907)	(200,458)	(210,389)	(220,831)	(234,316)	(244,411)	(256,039)	(270,284)	(286,334)	(303,352)
Employer Contributions	142,214	121,042	140,850	150,189	153,545	157,624	183,094	205,362	215,831	229,767	242,809	232,513
Employee Contributions	30,819	33,725	36,789	37,764	39,515	38,696	39,968	38,126	40,780	41,508	43,769	43,960

**POLICE AND FIRE RETIREMENT PLAN
2023 DISABILITY RETIREMENT STATISTICS**

**DISABILITY RETIREMENT APPLICATION OVERVIEW BY QUARTER
2023 (CALENDAR YEAR)**

QUARTER (CY)	BEGIN OF QTR. OUTSTANDING APPLICATIONS*	NEW APPLICATIONS RECEIVED	APPROVED BY BOARD**	DENIED BY BOARD**	WITHDRAWN BY APPLICANT	END OF QTR. OUTSTANDING APPLICATIONS*	APPLICATIONS ACTIVELY BEING PROCESSED	DEFERRED BY ATTORNEY OR APPLICANT
1 (Jan-Mar)	137	6	3	0	1	139	55	13
2 (Apr-June)	139	7	3	0	2	141	68	13
3 (July-Sept)	141	7	10	0	1	137	71	13
4 (Oct-Dec)	137	12	10	0	4	135	99	14

*Not Including Deferred Applications
**Detailed in the Application Processing Time table

**DISABILITY RETIREMENT APPLICATION PROCESSING TIME BY APPLICANT
2023 QUARTER 3 (CALENDAR YEAR)**

Board Agenda	Dept	Type of Disability Retirement	Applicant Status	Days From App. Rec'd. to MMI***	Days From MMI to IME Appt	Days From Report to Committee	Days From Committee to Board	Total Days (App. To Board)	Board Action	Name	Notes
October	Police	Service-Connected	Leave of Absence	200	1,695	67	20	1,994	Approved	R. Dalaison	
October	Fire	Service-Connected	Total Temp Disability	363	1,646	66	20	2,101	Approved	V. Dupree	
October	Fire	Service-Connected	Total Temp Disability	229	1,218	66	20	1,539	Approved	E. Hernandez	
October	Fire	Service-Connected	Total Temp Disability	85	1,239	84	20	1,435	Approved	G. King	
October	Police	Service-Connected	Service Retirement	0	4,531	95	20	4,651	Approved	G. Torres	
December	Fire	Service-Connected	Total Temp Disability	346	1,493	88	31	1,966	Approved	J. Chavez	
December	Police	Service-Connected	Temp Modified Duty	0	1,566	87	31	1,606	Approved	C. Crooker	
December	Police	Service-Connected	Temp Modified Duty	0	1,471	118	31	1,626	Approved	R. Finnie	
December	Police	Service-Connected	Temp Modified Duty	359	1,562	108	31	2,067	Approved	F. Mills	
December	Police	Service-Connected	Leave of Absence	86	1,309	118	31	1,550	Approved	J. Sivertsen	

***MMI (Maximum Medical Improvement)

Appendix



- Investment Dashboard – Updated Quarterly
- Actuarial Dashboard – Updated Annually
- Accounting Dashboard – Updated Annually
- Benefits Dashboard – Updated Quarterly

