

Independent Accountant's Report on Applying Agreed-Upon Procedures

Boards of Administration and Chief Executive Officer
Federated City Employees' Retirement System
Police and Fire Department Retirement Plan

We have performed the procedures enumerated below on the City of San José Federated City Employees' Retirement System and the Police and Fire Department Retirement Plan (the "Retirement Plans") inclusion of invoice management fees in the investment performance of the Retirement Plans for the years ended June 30, 2015, through June 30, 2023 (the Subject Matter). The Retirement Plans' management are responsible for the Subject Matter.

The Retirement Plans have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Boards of the Retirement Plans in evaluating the inclusion of invoice management fees in the investment performance of the Retirement Plans for the years ended June 30, 2015, through June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. We obtained the total fund market values at June 30, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, and 2023, for the following funds:
 - Police and Fire Department Pension Plan (PF Pen)
 - Police and Fire Department Healthcare Trust (PF HCT)
 - Federated City Employees' Retirement System Pension Plan (Fed Pen)
 - Federated City Employees' Retirement System Healthcare Trust (Fed HCT)

Finding: No exceptions were noted as a result of this procedure.

2. We obtained the invoiced management fee transaction detail from the general ledger for each fund and period end from procedure 1 and summarized each fund's management fees by year end.

Finding: No exceptions were noted as a result of this procedure.

3. Using the total fund market values and invoiced management fees obtained in procedures 1 and 2, we calculated the ratio (percentage) of the invoiced management fees to total fund market values for each year.

Finding: No exceptions were noted because of this procedure.

4. We recalculated the respective years' investment returns by subtracting the invoiced management fee percentages calculated in procedure 3 from the one-year net returns as reported by Meketa in their June Quarterly Reviews.

Finding: Results of this procedure are presented below.

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Fund	Calculated Percentage of Invoiced Management Fees							
PF Pen	0.08%	0.11%	0.08%	0.08%	0.09%	0.10%	0.09%	0.10%
PF HCT	0.02%	0.03%	0.02%	0.03%	0.02%	0.00%	0.01%	0.00%
Fed Pen	0.07%	0.10%	0.07%	0.07%	0.09%	0.12%	0.12%	0.12%
Fed HCT	0.06%	0.09%	0.07%	0.06%	0.03%	0.03%	0.03%	0.03%
	Stated Returns							
PF Pen	7.73%	-4.97%	26.27%	3.08%	4.27%	6.89%	9.69%	-0.58%
PF HCT	8.11%	-9.60%	23.99%	2.18%	4.79%	3.56%	7.07%	0.42%
Fed Pen	7.47%	-4.40%	29.24%	3.57%	4.27%	5.91%	7.50%	-0.69%
Fed HCT	8.15%	-10.00%	24.78%	-0.09%	4.20%	4.92%	8.68%	-2.75%
	Adjusted Returns							
PF Pen	7.65%	-5.08%	26.19%	3.00%	4.18%	6.79%	9.60%	-0.68%
PF HCT	8.09%	-9.63%	23.97%	2.15%	4.77%	3.56%	7.06%	0.42%
Fed Pen	7.40%	-4.50%	29.17%	3.50%	4.18%	5.79%	7.38%	-0.81%
Fed HCT	8.09%	-10.09%	24.71%	-0.15%	4.17%	4.89%	8.65%	-2.78%

5. We recalculated the respective years' 3-year investment return and compared the results to the three-year net returns as reported by Meketa in their June Quarterly Reviews.

Finding: Results of this procedure are presented below.

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Fund	Stated 3-Year Returns					
PF Pen	8.93%	7.34%	10.72%	4.73%	6.93%	5.24%
PF HCT	6.61%	4.63%	9.91%	3.50%	5.13%	3.65%
Fed Pen	9.91%	8.57%	11.75%	4.58%	5.89%	4.18%
Fed HCT	6.69%	3.91%	9.11%	2.99%	5.92%	3.51%
	Adjusted 3-Year Returns					
PF Pen	8.84%	7.25%	10.63%	4.64%	6.83%	5.14%
PF HCT	6.59%	4.60%	9.88%	3.49%	5.12%	3.65%
Fed Pen	9.83%	8.48%	11.68%	4.48%	5.77%	4.06%
Fed HCT	6.62%	3.84%	9.06%	2.95%	5.89%	3.48%
	Differences					
PF Pen	0.09%	0.09%	0.09%	0.09%	0.10%	0.10%
PF HCT	0.02%	0.03%	0.02%	0.02%	0.01%	0.00%
Fed Pen	0.08%	0.08%	0.08%	0.10%	0.11%	0.12%
Fed HCT	0.08%	0.08%	0.05%	0.04%	0.03%	0.03%

6. We recalculated the respective years' 5-year investment return and compared the results to the five-year net returns as reported by Meketa in their June Quarterly Reviews.

Finding: Results of this procedure are presented below.

	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Fund	Stated 5-Year Returns				
PF Pen	6.80%	6.63%	9.74%	4.61%	3.81%
PF HCT	5.35%	4.44%	8.04%	3.58%	2.78%
Fed Pen	7.47%	7.16%	9.71%	4.07%	3.15%
Fed HCT	4.80%	4.17%	8.17%	2.91%	2.37%
	Adjusted 5-Year Returns				
PF Pen	6.71%	6.54%	9.65%	4.52%	3.73%
PF HCT	5.32%	4.42%	8.02%	3.57%	2.77%
Fed Pen	7.39%	7.07%	9.61%	3.97%	3.06%
Fed HCT	4.74%	4.11%	8.13%	2.88%	2.35%
	Differences				
PF Pen	0.09%	0.09%	0.09%	0.09%	0.08%
PF HCT	0.02%	0.02%	0.02%	0.01%	0.01%
Fed Pen	0.08%	0.09%	0.10%	0.11%	0.09%
Fed HCT	0.06%	0.06%	0.04%	0.04%	0.02%

We were engaged by the Retirement Plans to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on inclusion of invoice management fees in the investment performance of the Retirement Plans for the years ended June 30, 2015, through June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Retirement Plans and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Boards of Administration and Chief Executive Officer of the Retirement Plans, and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 14, 2023