

Police and Fire Department Retirement Plan Board Evaluation-2025

**City of San Jose – Office of
Retirement Services**

Julie Becker, Partner

Benita Falls Harper, Associate Partner

Fiduciary services provided by Aon Consulting, Inc.

To protect the confidential and proprietary information included in this material, it may not be disclosed or provided to any third parties without the approval of Aon.



Contents

1

Board Member Individual Self-Assessment Results

2

Overall Board Evaluation Results

3

Board Education Results

4

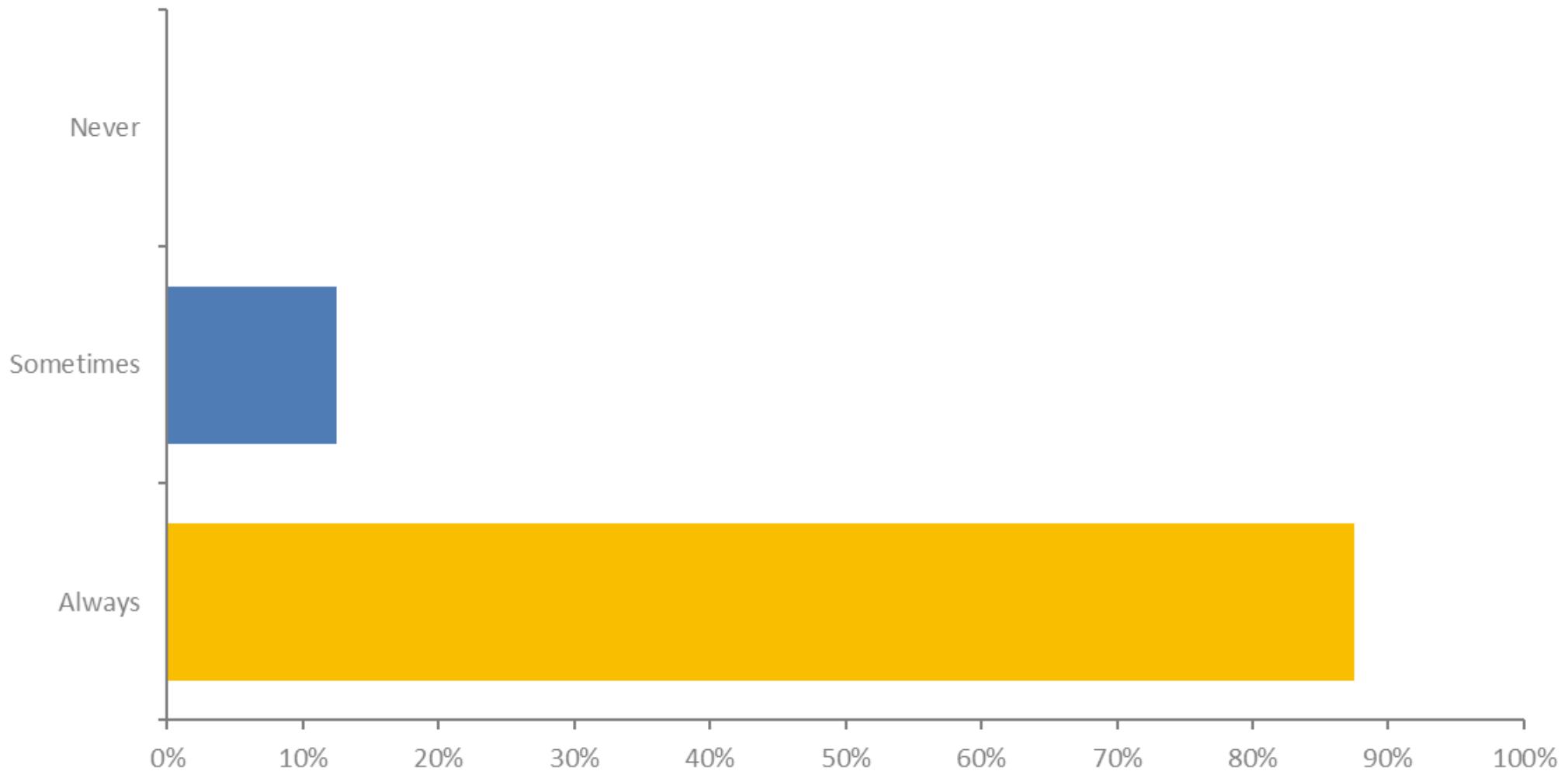
Open-Ended Questions Results

1

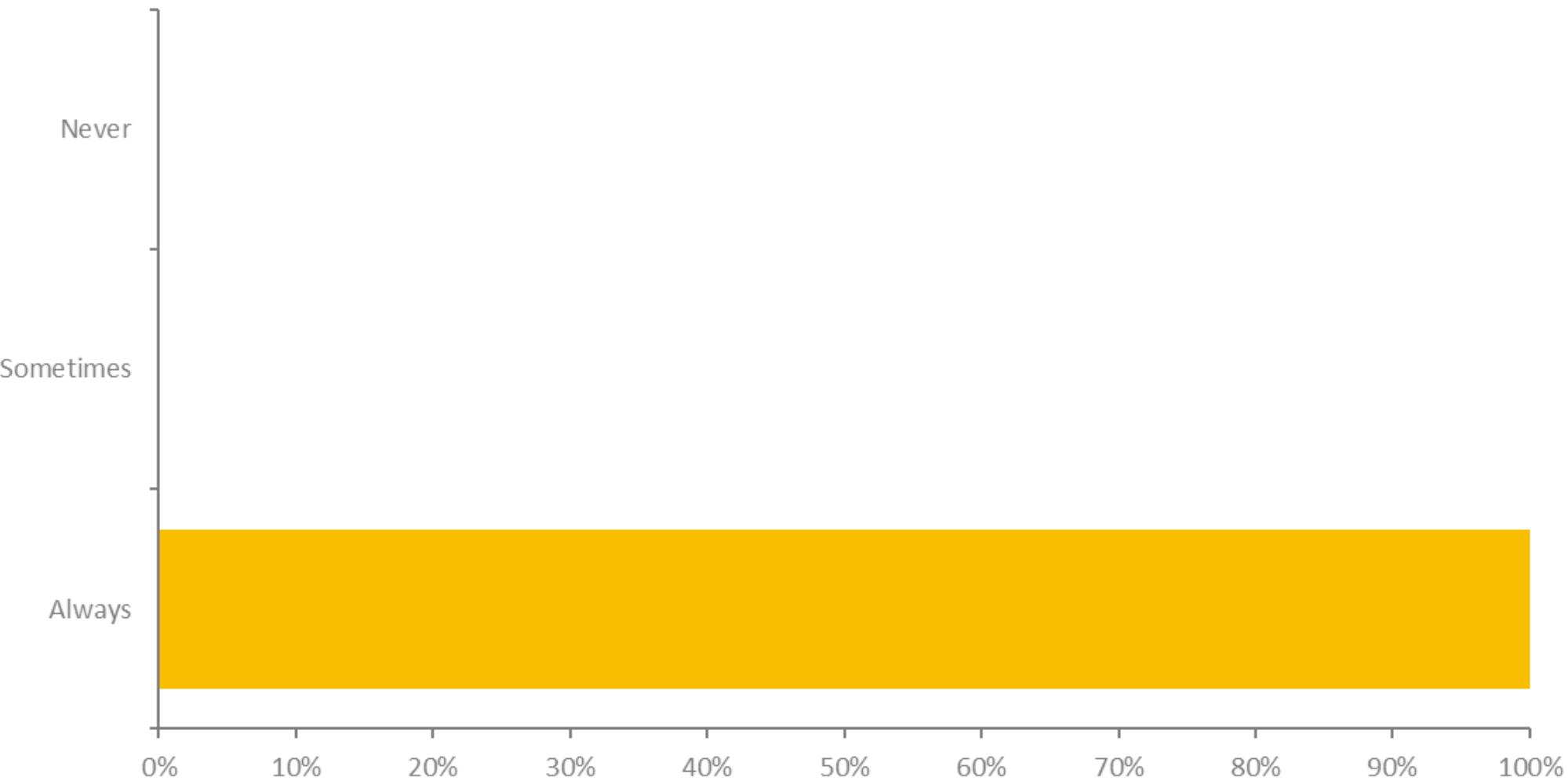
Board Member Individual Self-Assessment Results



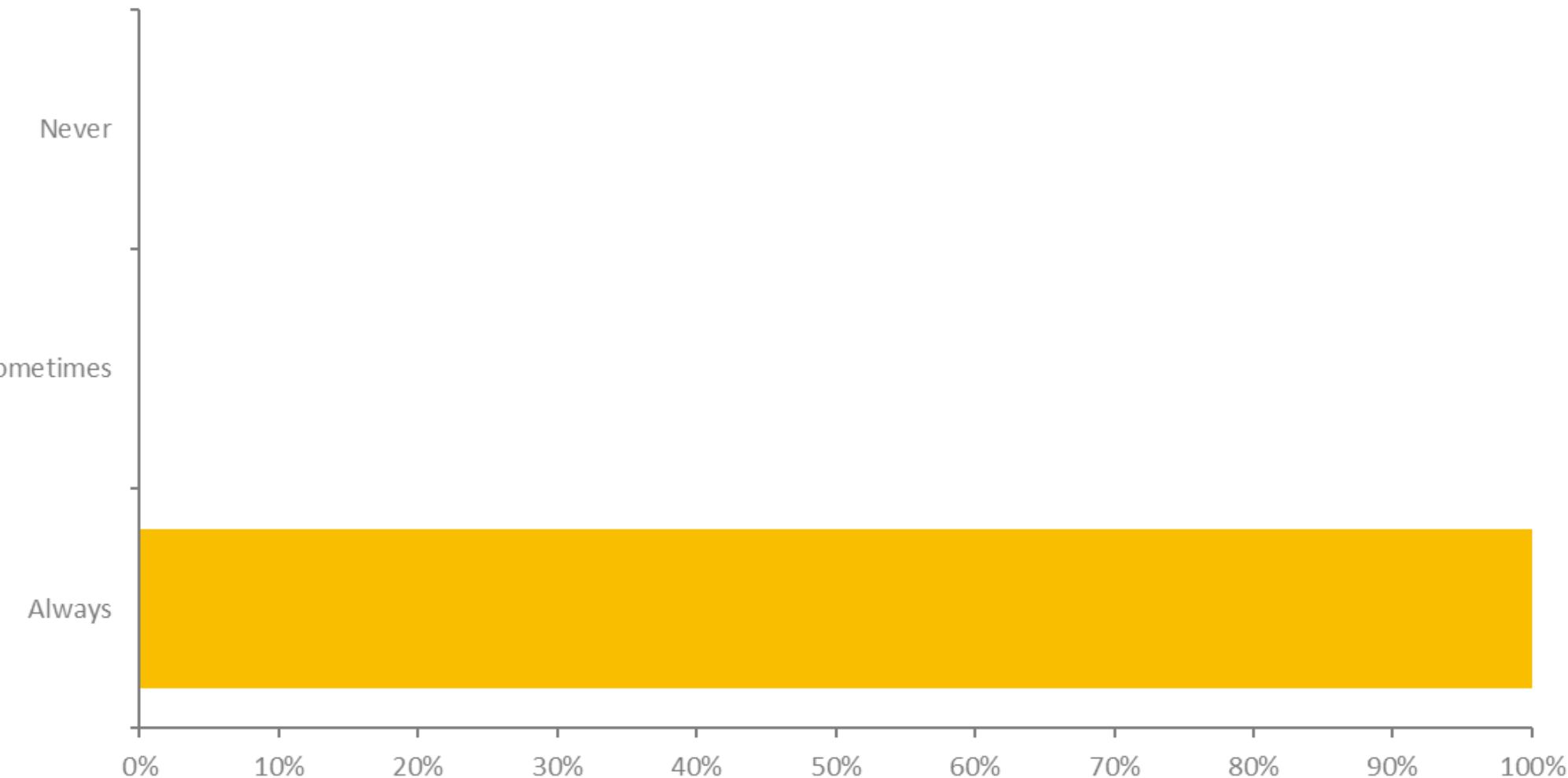
Q1: I attend and am prepared for board and my assigned committee meetings.



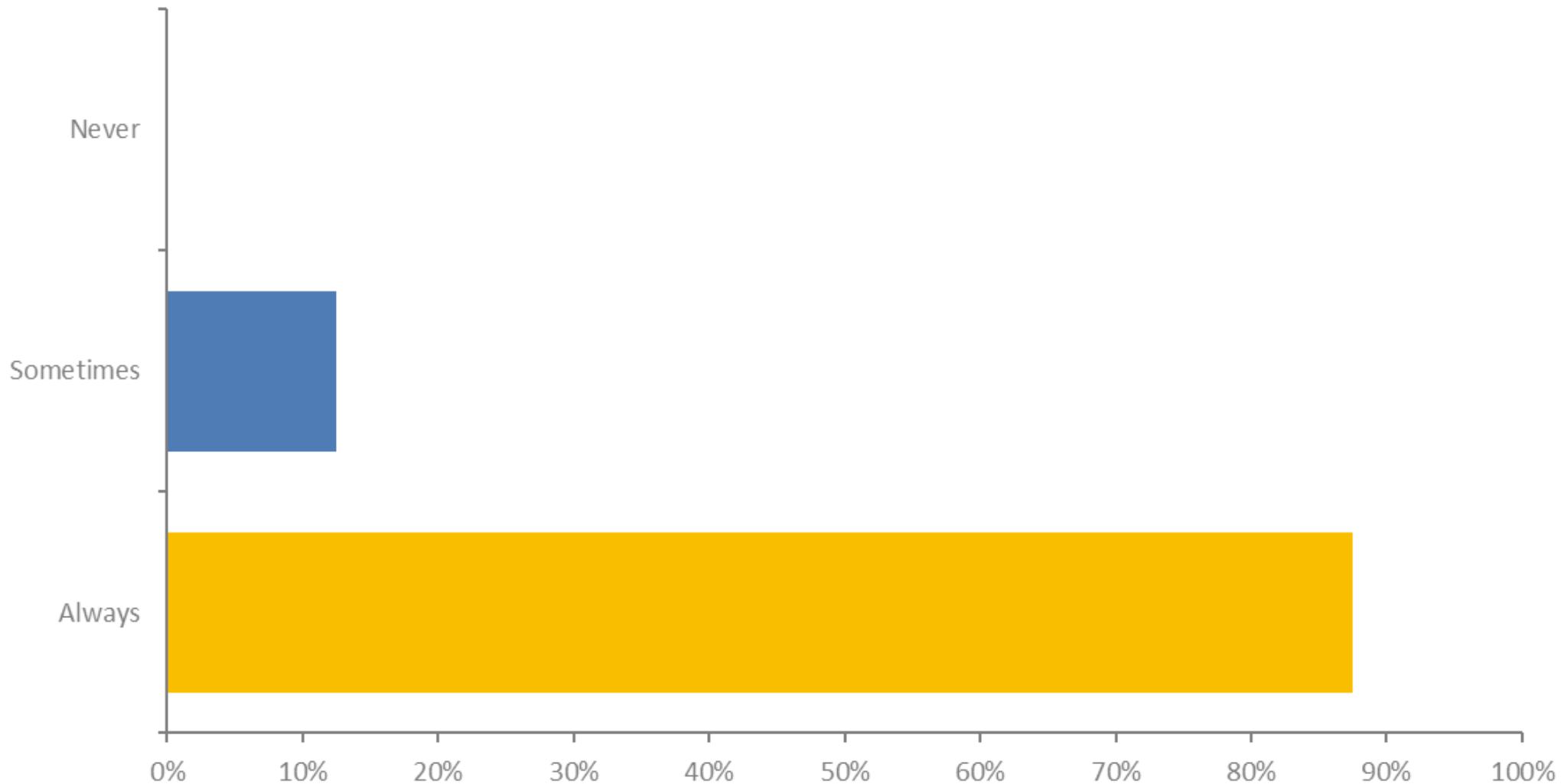
Q2: I understand my fiduciary duties regarding the funds for which we are responsible.



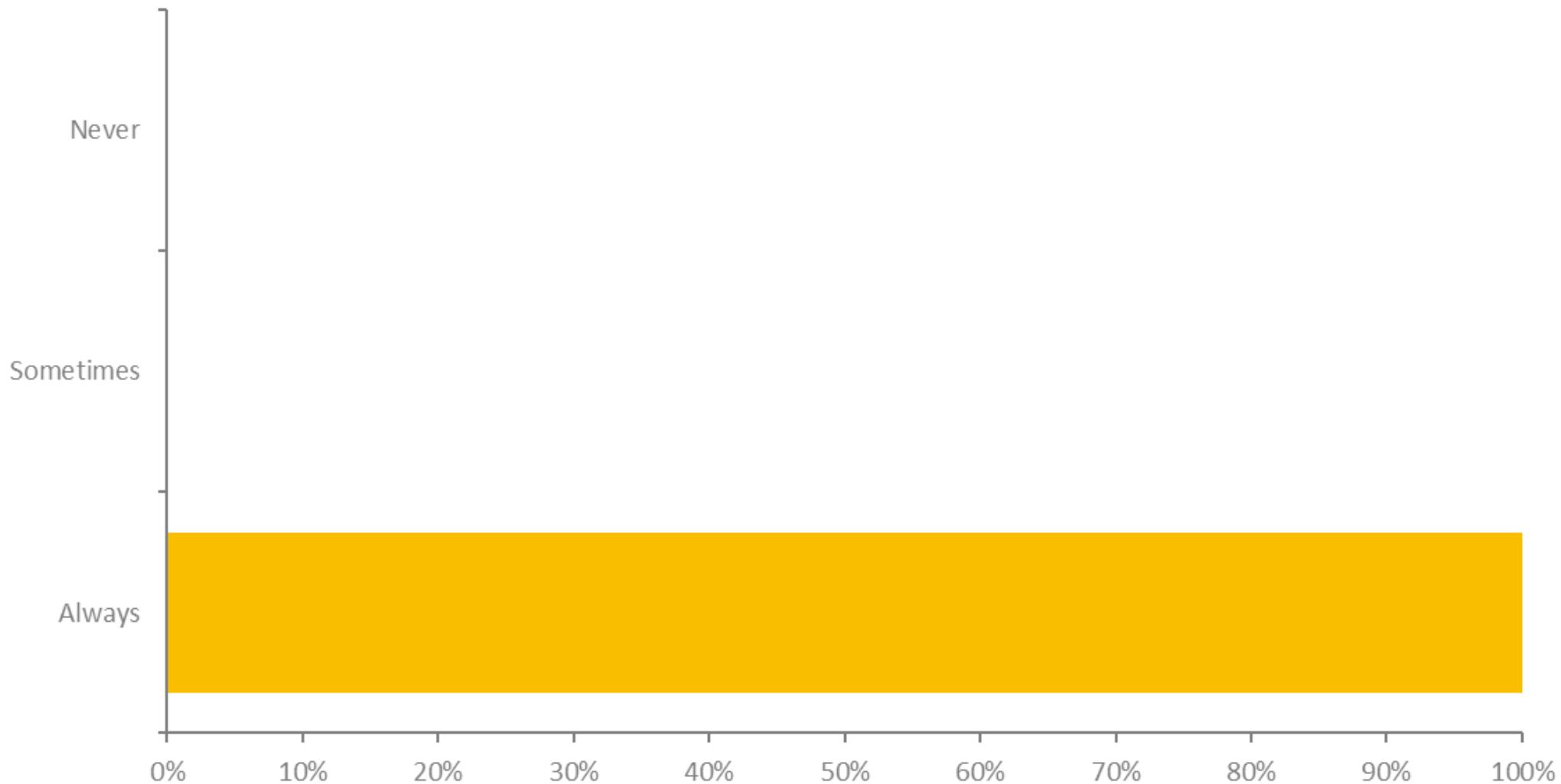
Q3: I understand conflicts of interest and refrain from activities that could give rise to the appearance of impropriety.



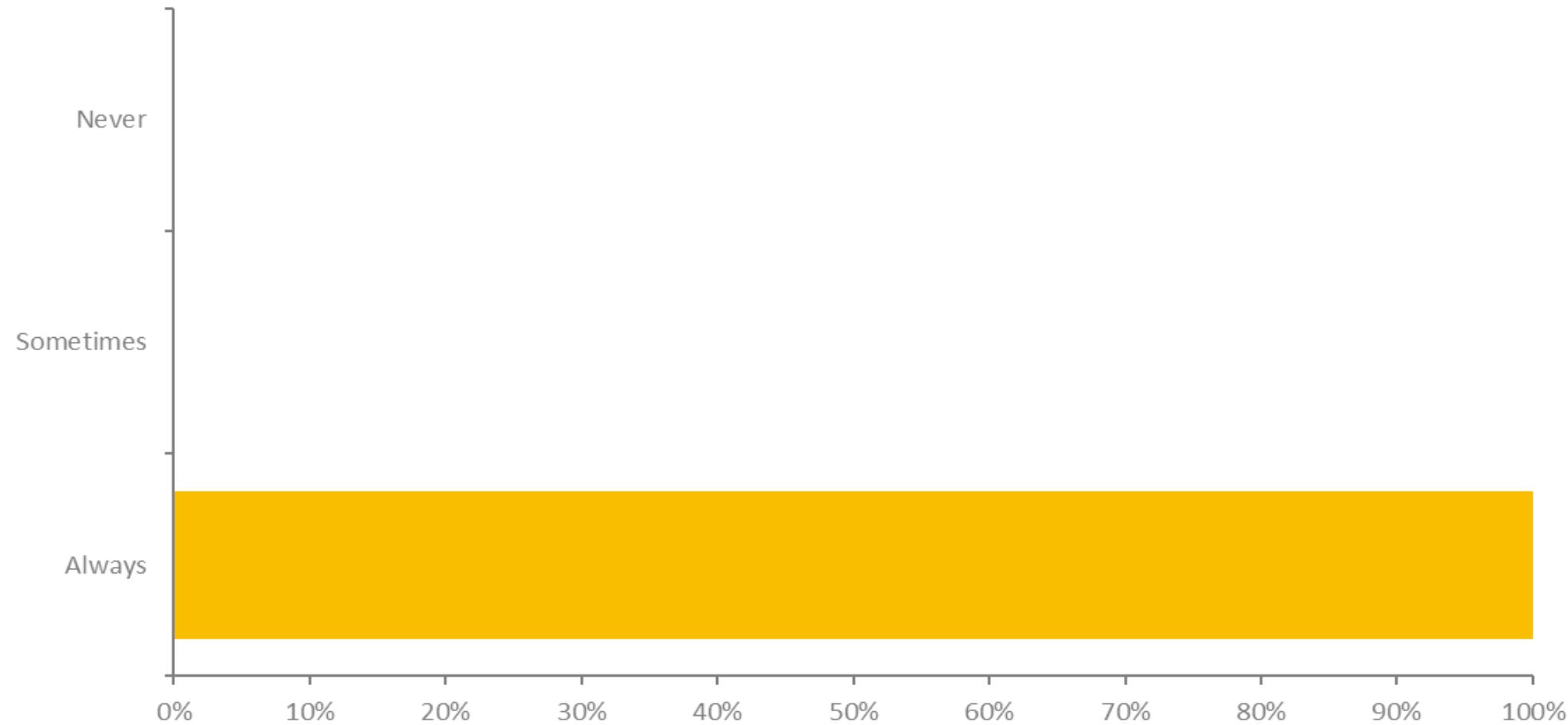
Q4: I contribute to the discussion in a meaningful and helpful way.



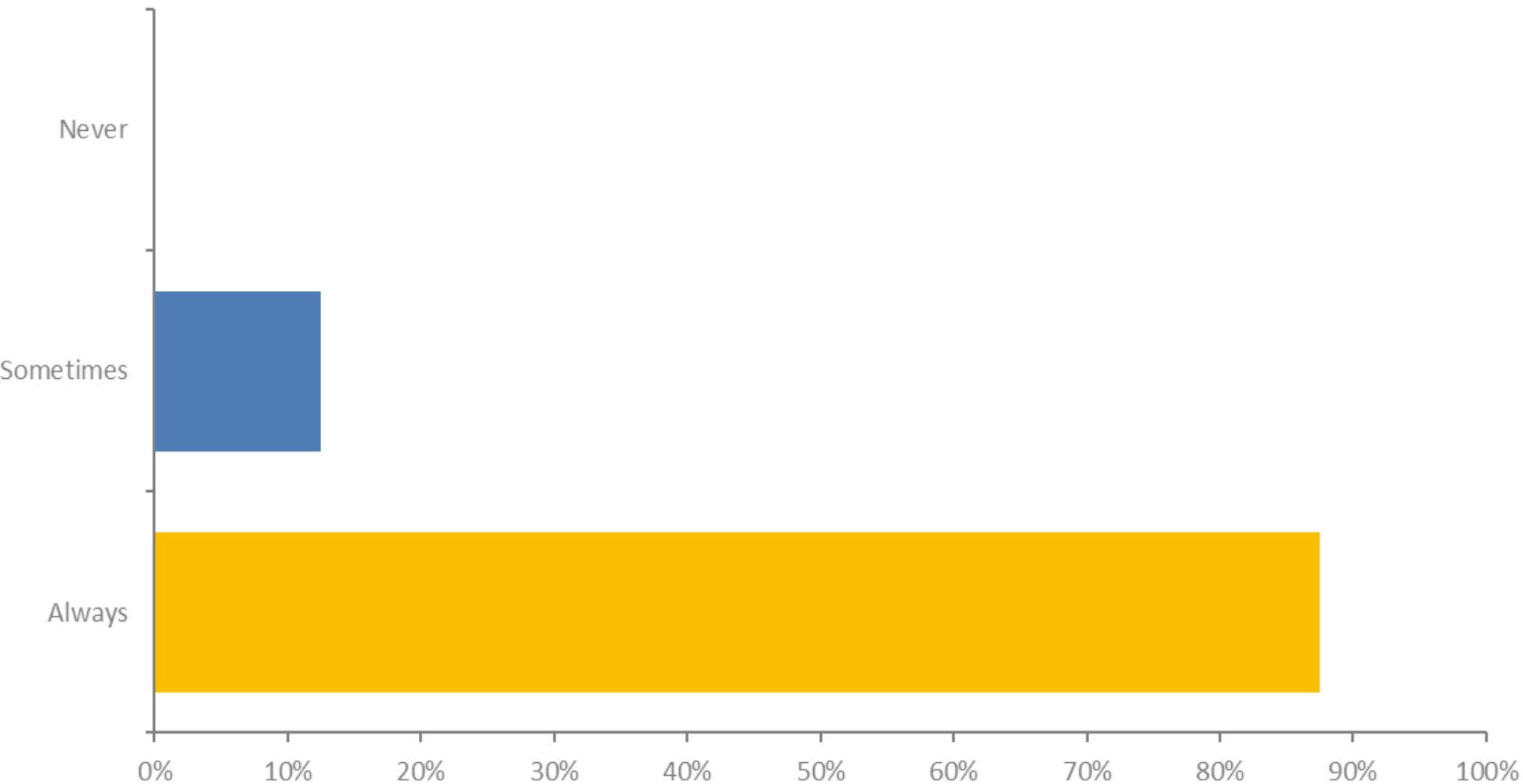
Q5: I have read and am familiar with board policies and procedures.



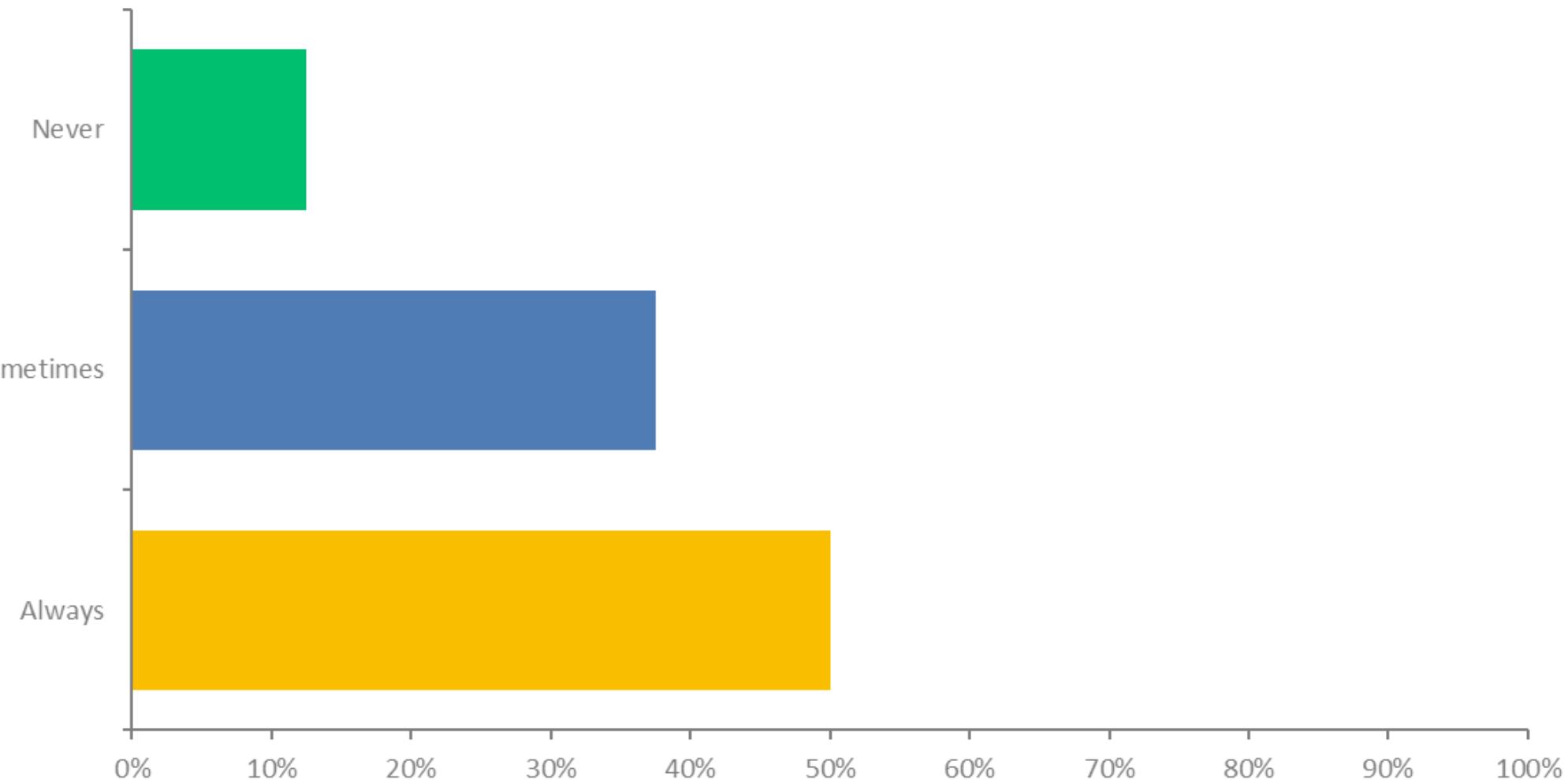
Q6: I believe the highest and best use of the Board is to establish policy and the role of the ORS staff is to implement board policy, and act accordingly.



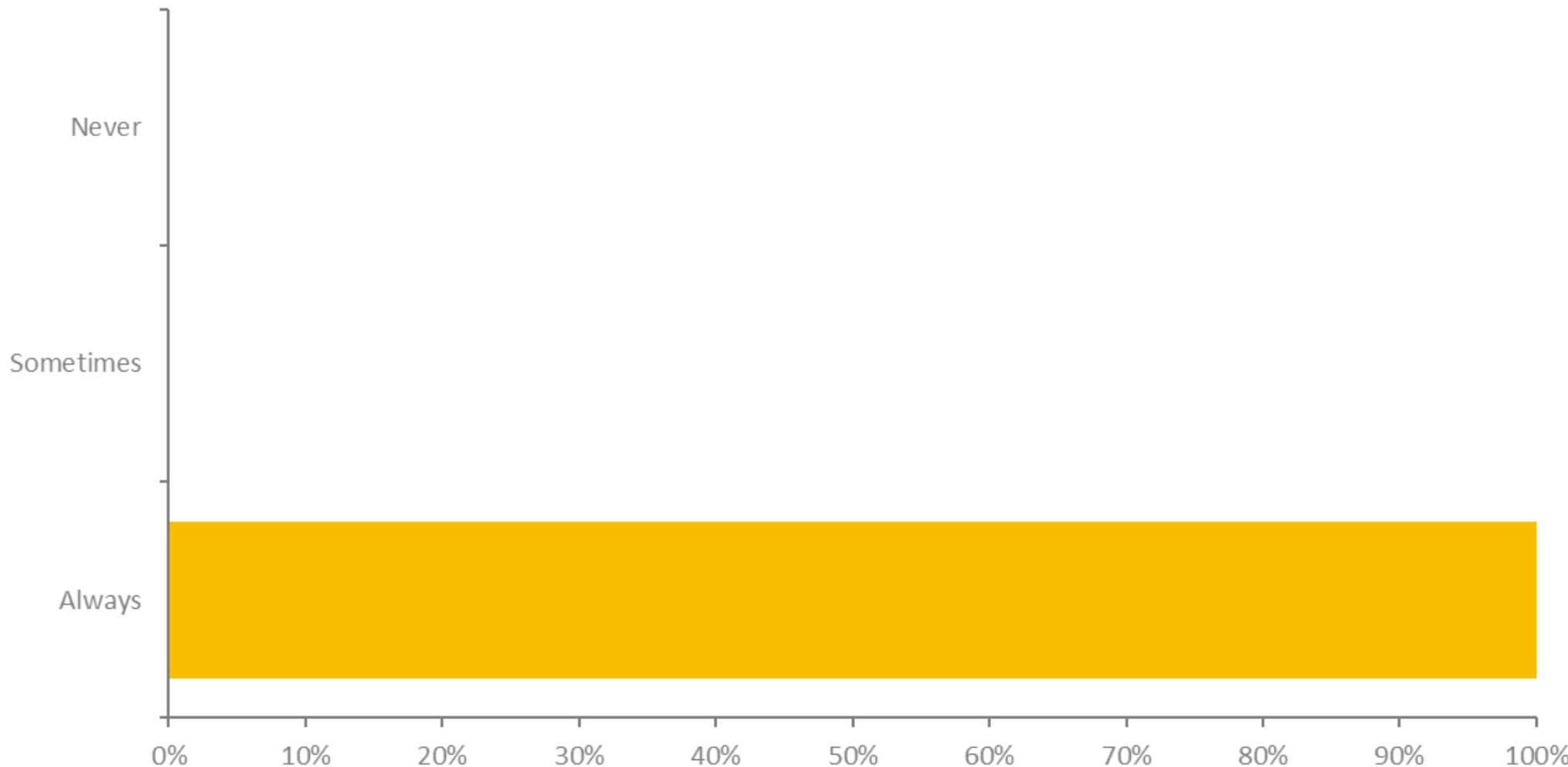
Q7: I show respect to ORS staff and service providers.



Q8: If I am aware of any Board governance problems, I know how to report those properly.



Q9: I make an effort to be educated on the aspects of the Plan that I do not understand.

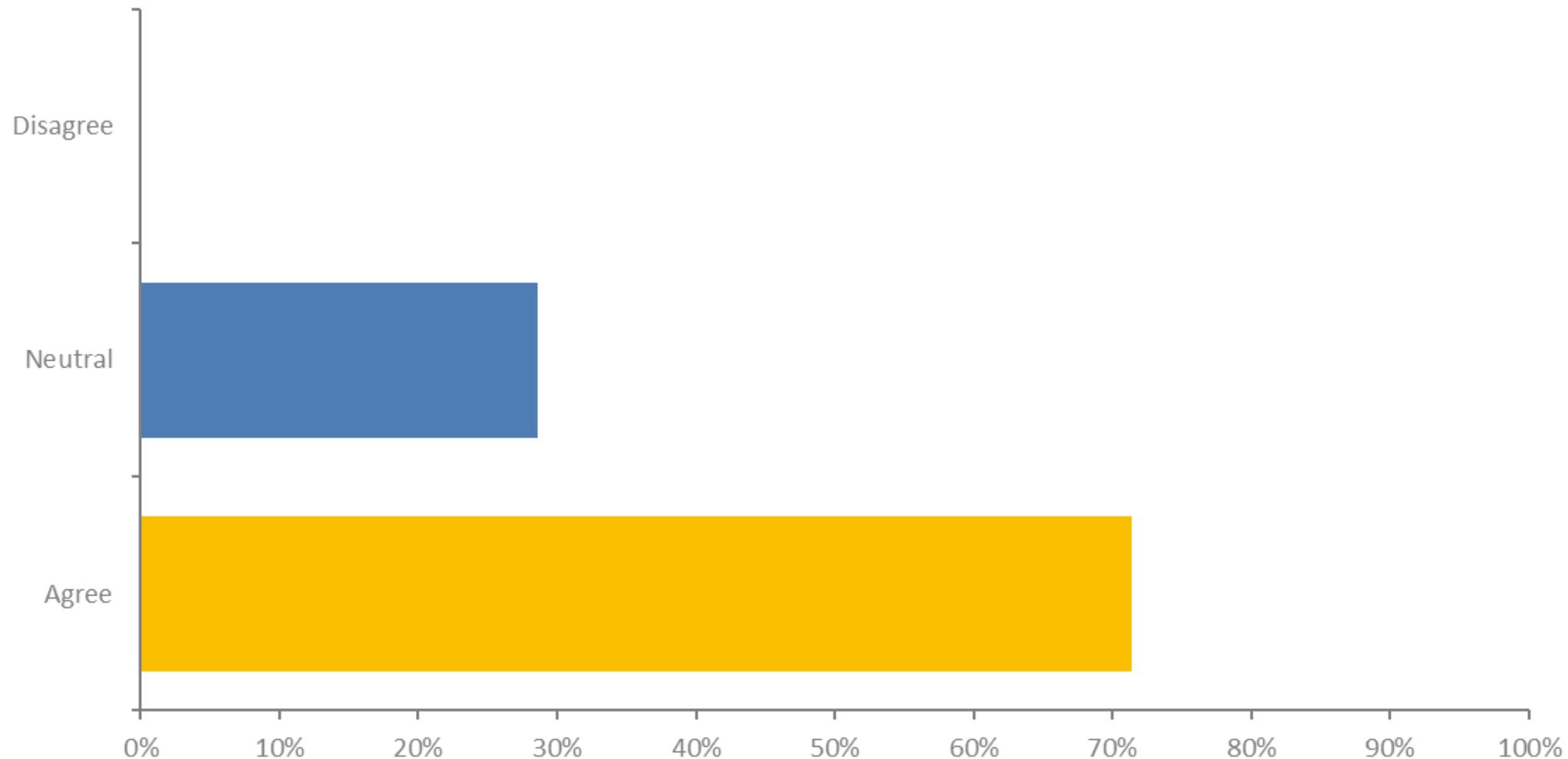


2

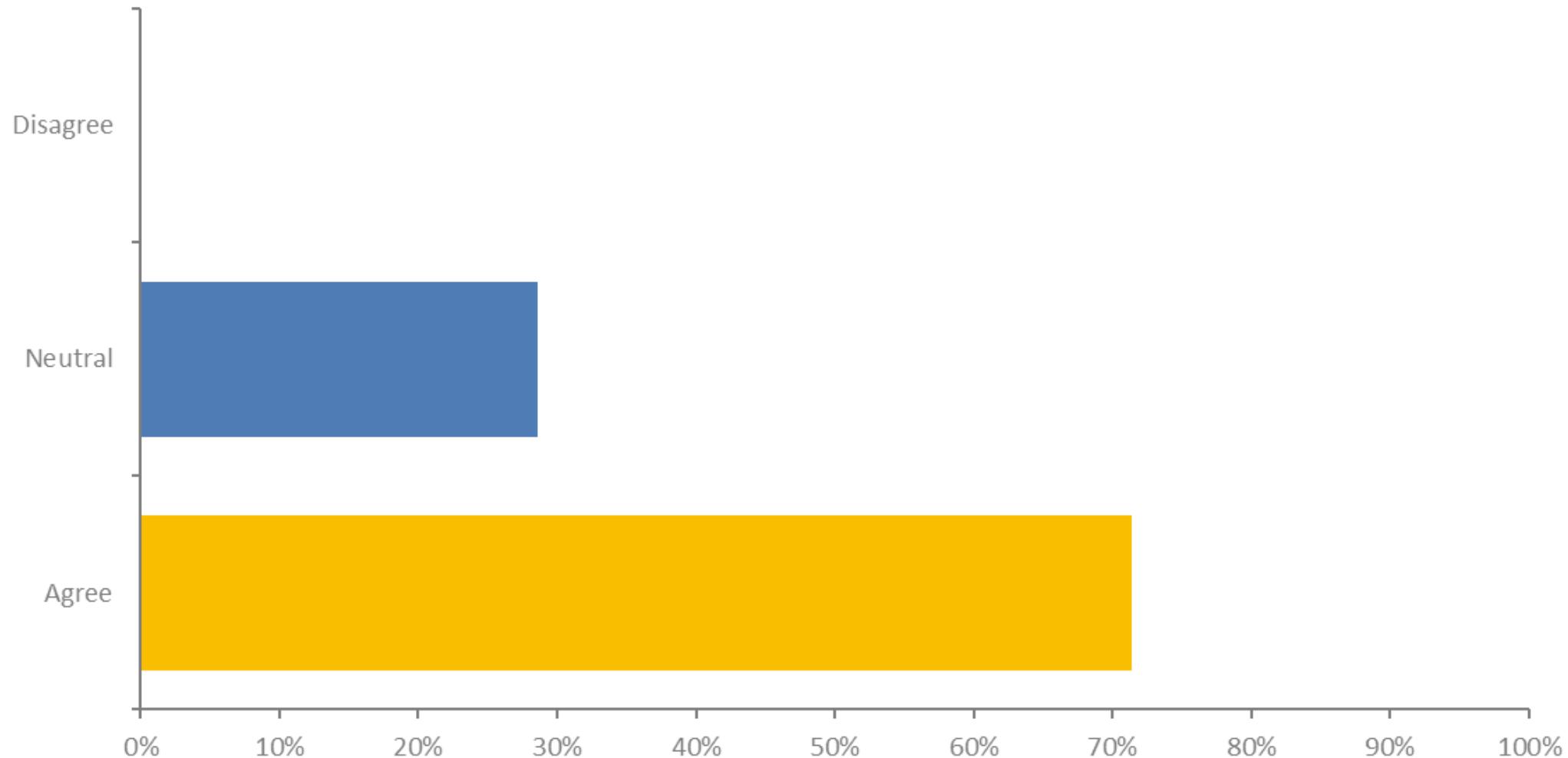
Overall Board Evaluation Results



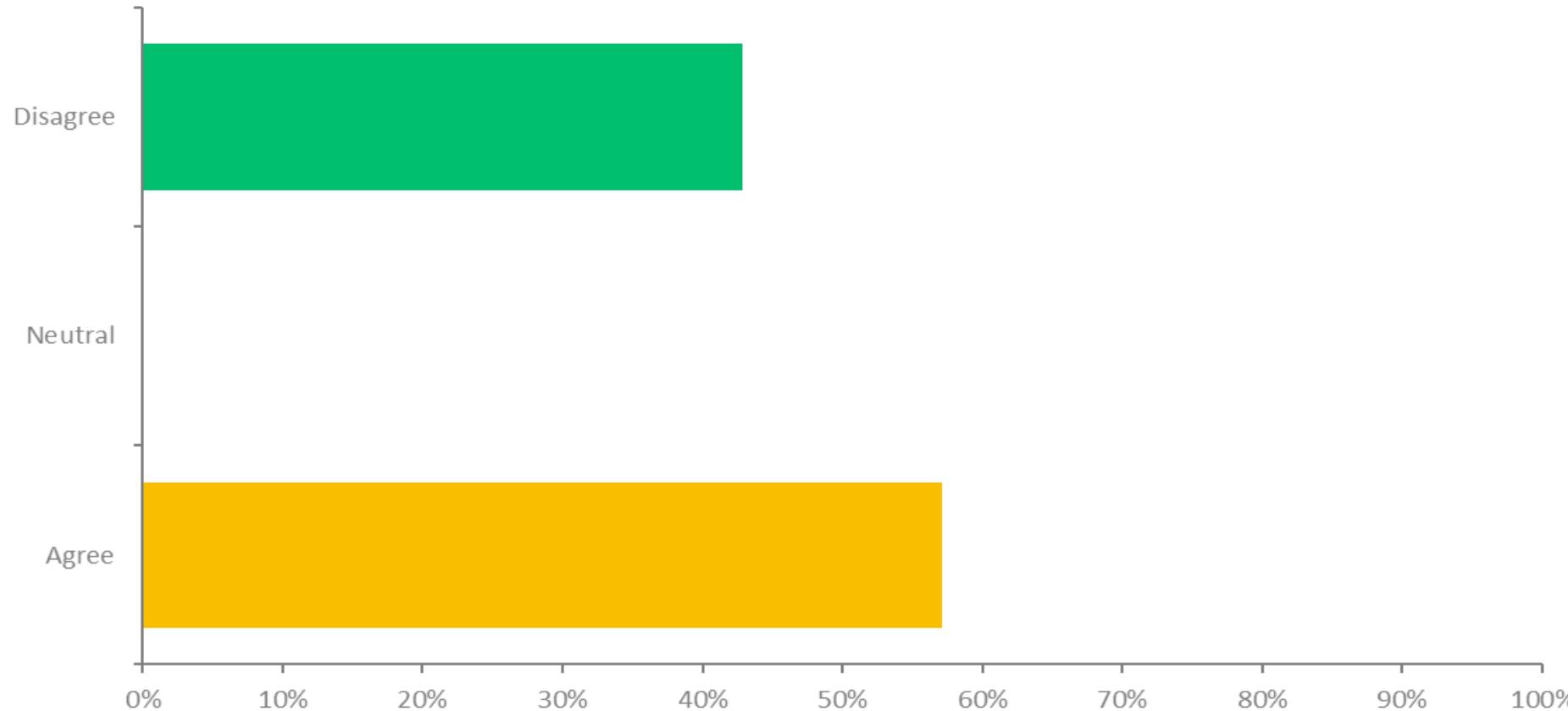
Q10: The Board does not “rubber-stamp” the recommendations of senior management or its external advisors.



Q11: Sufficient interaction and deliberation exist between Board members as part of the decision-making process.

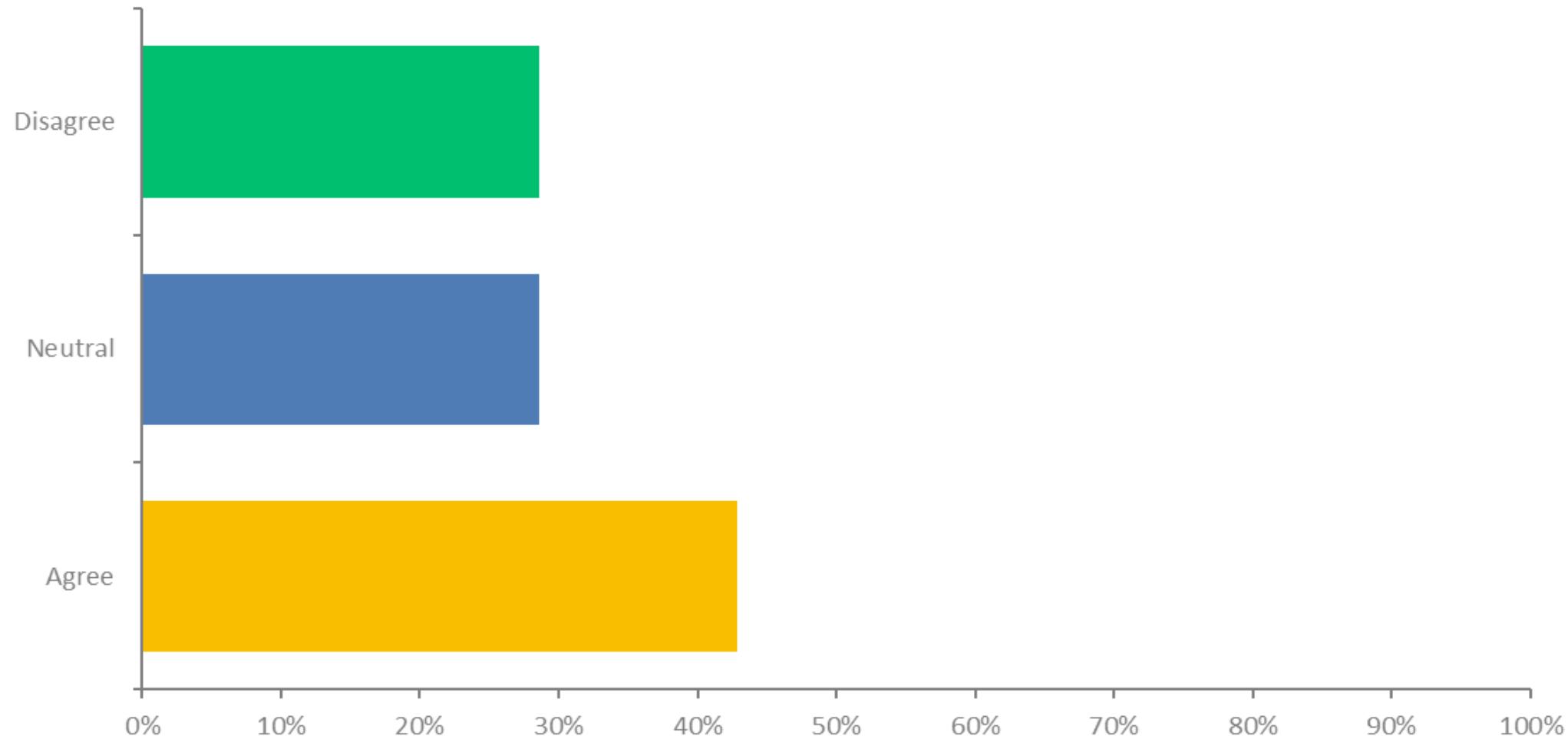


Q12: Board members keep decision-making at the policy level, delegate implementation of policy to Staff, and do not engage in micro-management.

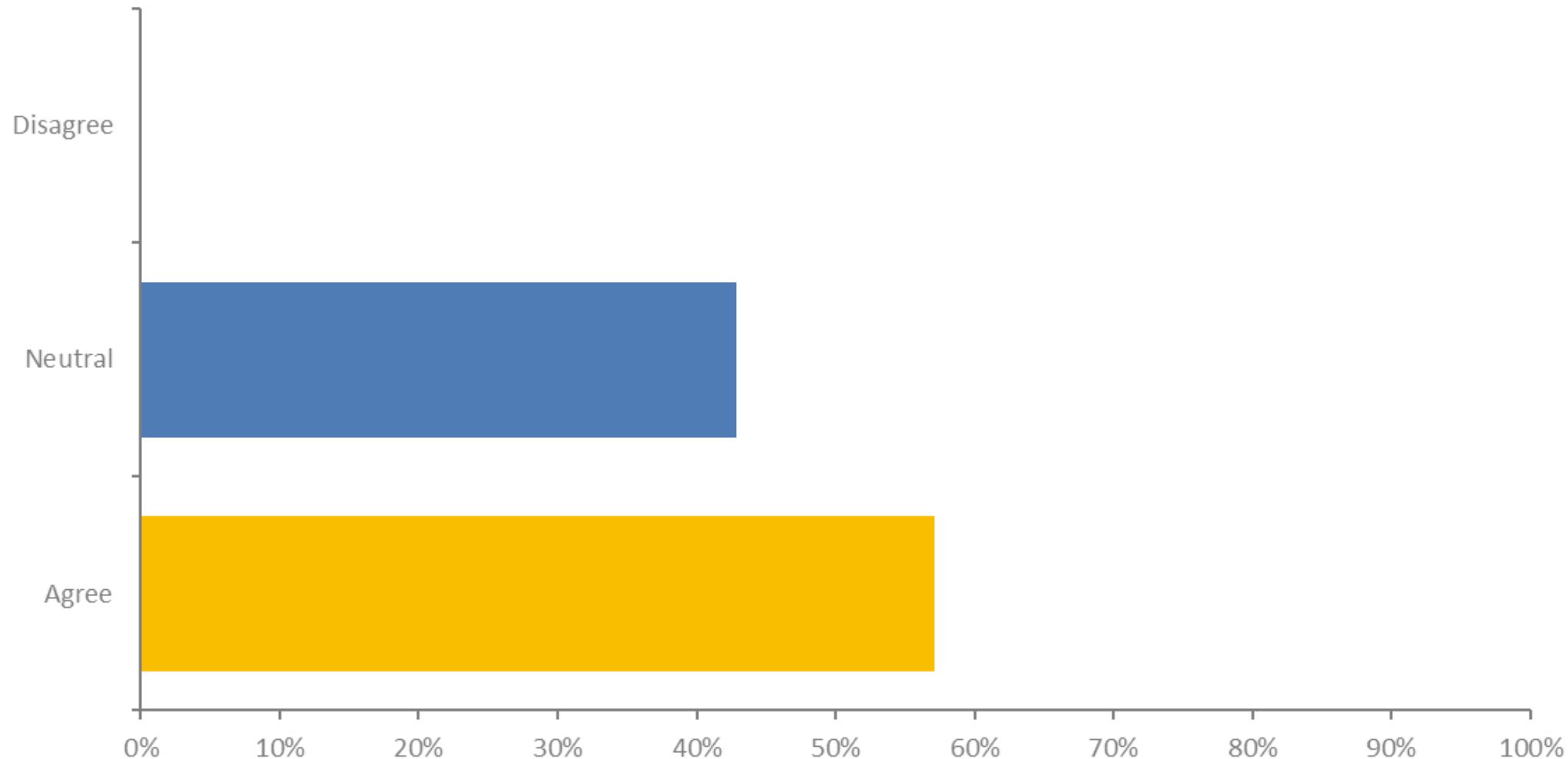


- *Board members frequently micromanage.*

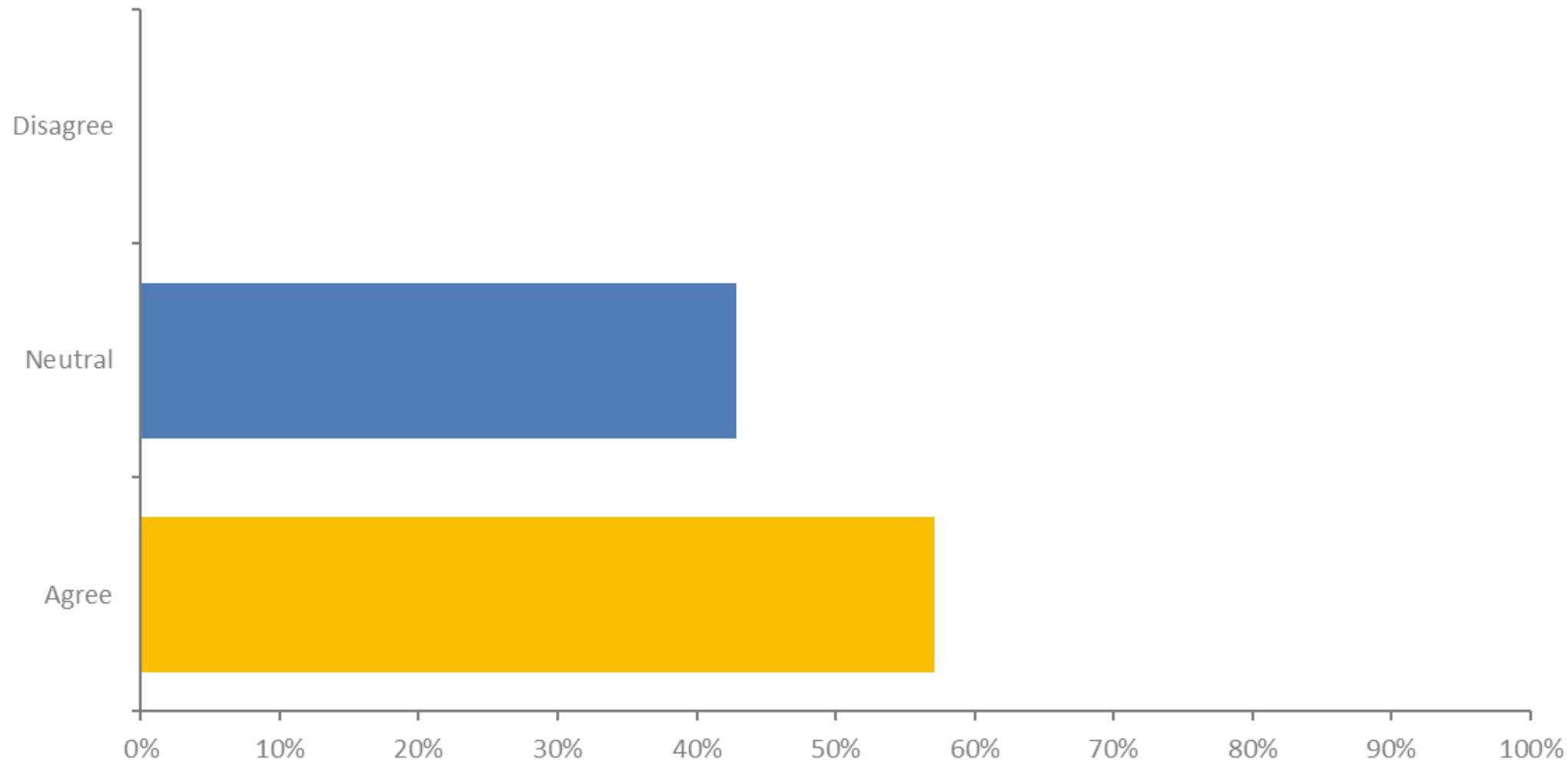
Q13: The Board understands what authority it has retained, why it has retained it, and what has been delegated and to whom.



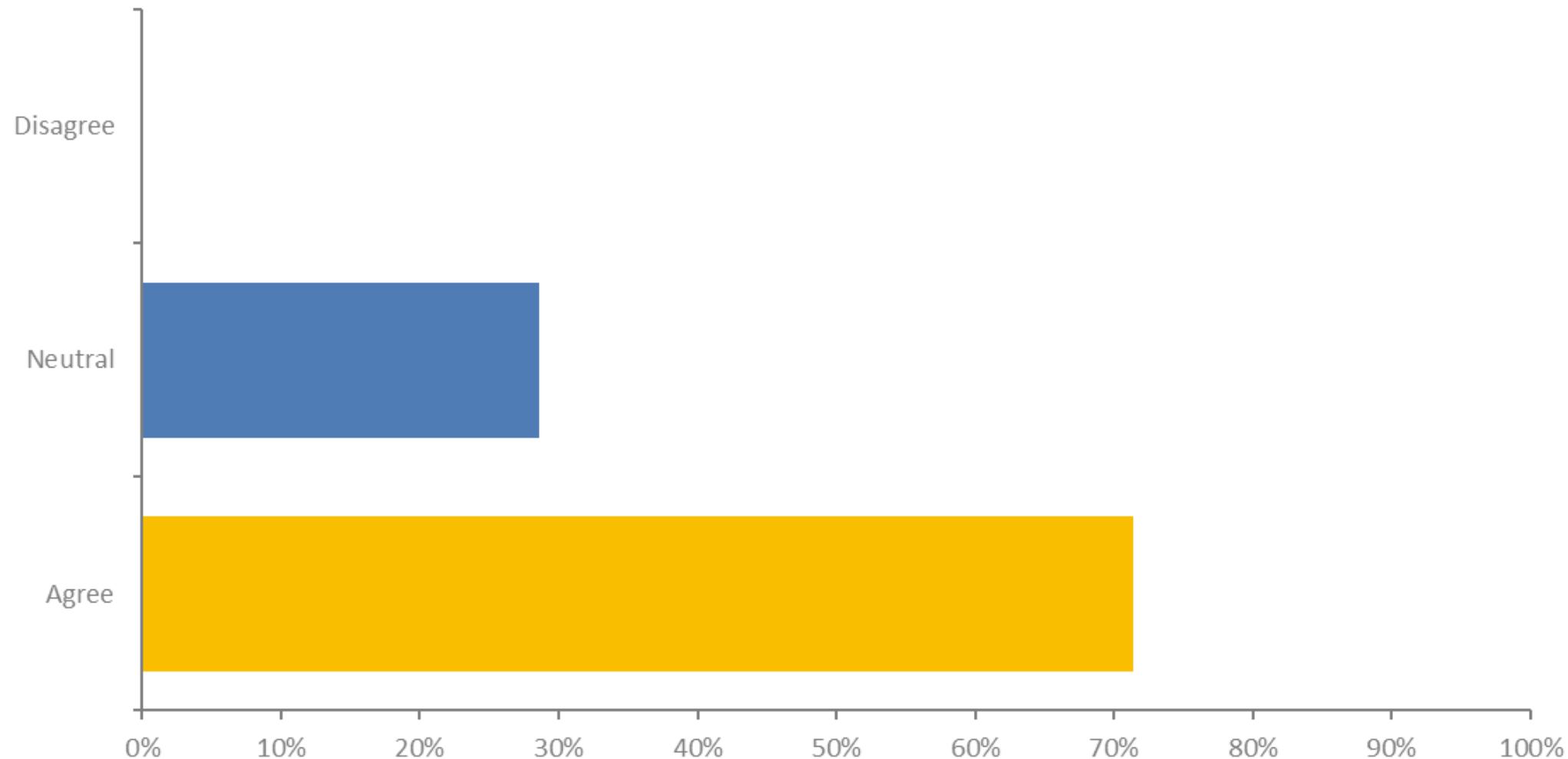
Q14: The Board engages in active oversight of the responsibilities it has delegated to ORS staff and service providers.



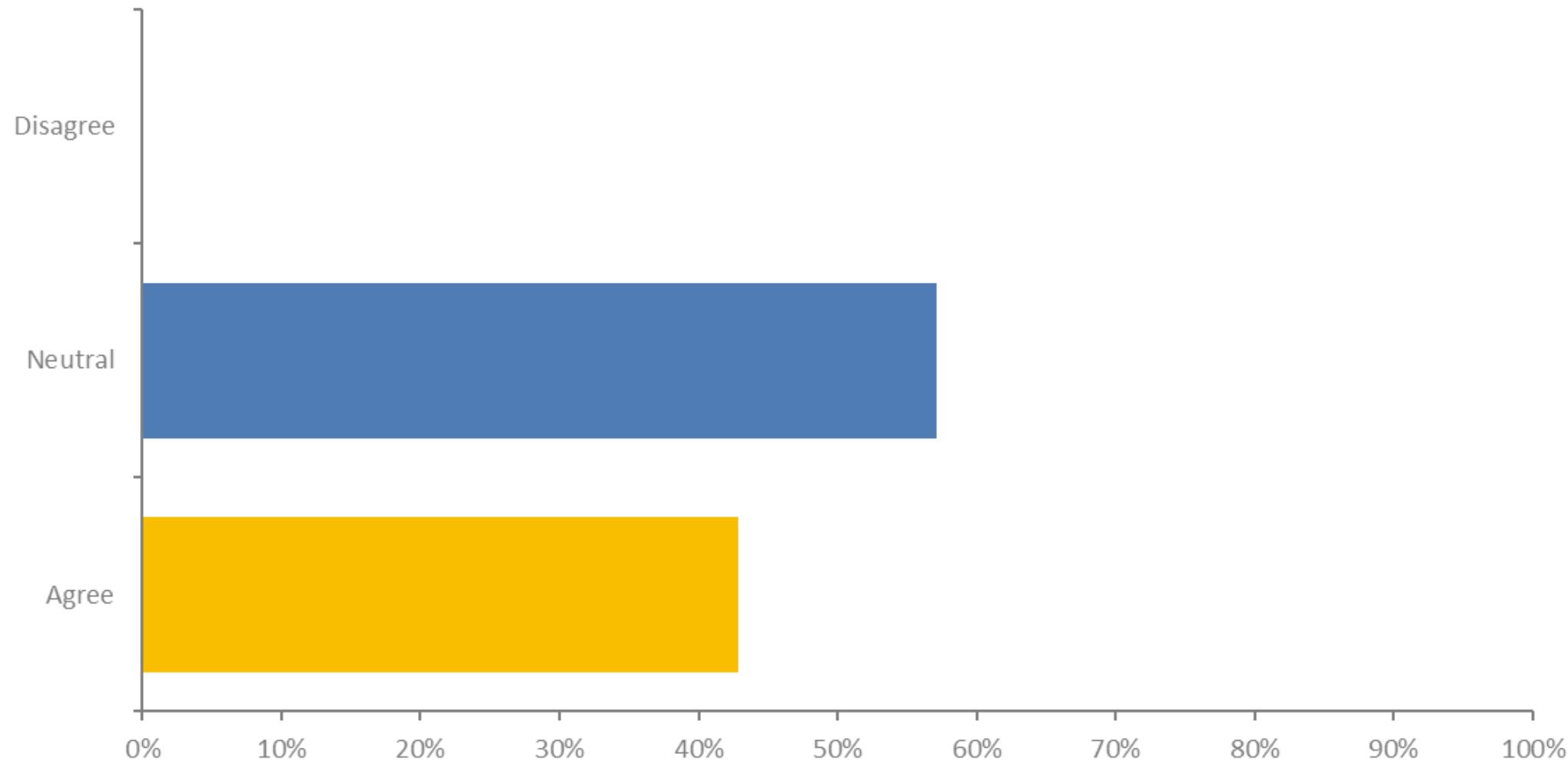
Q15: The Board operates in a manner that promotes a candid sharing of thoughts and ideas.



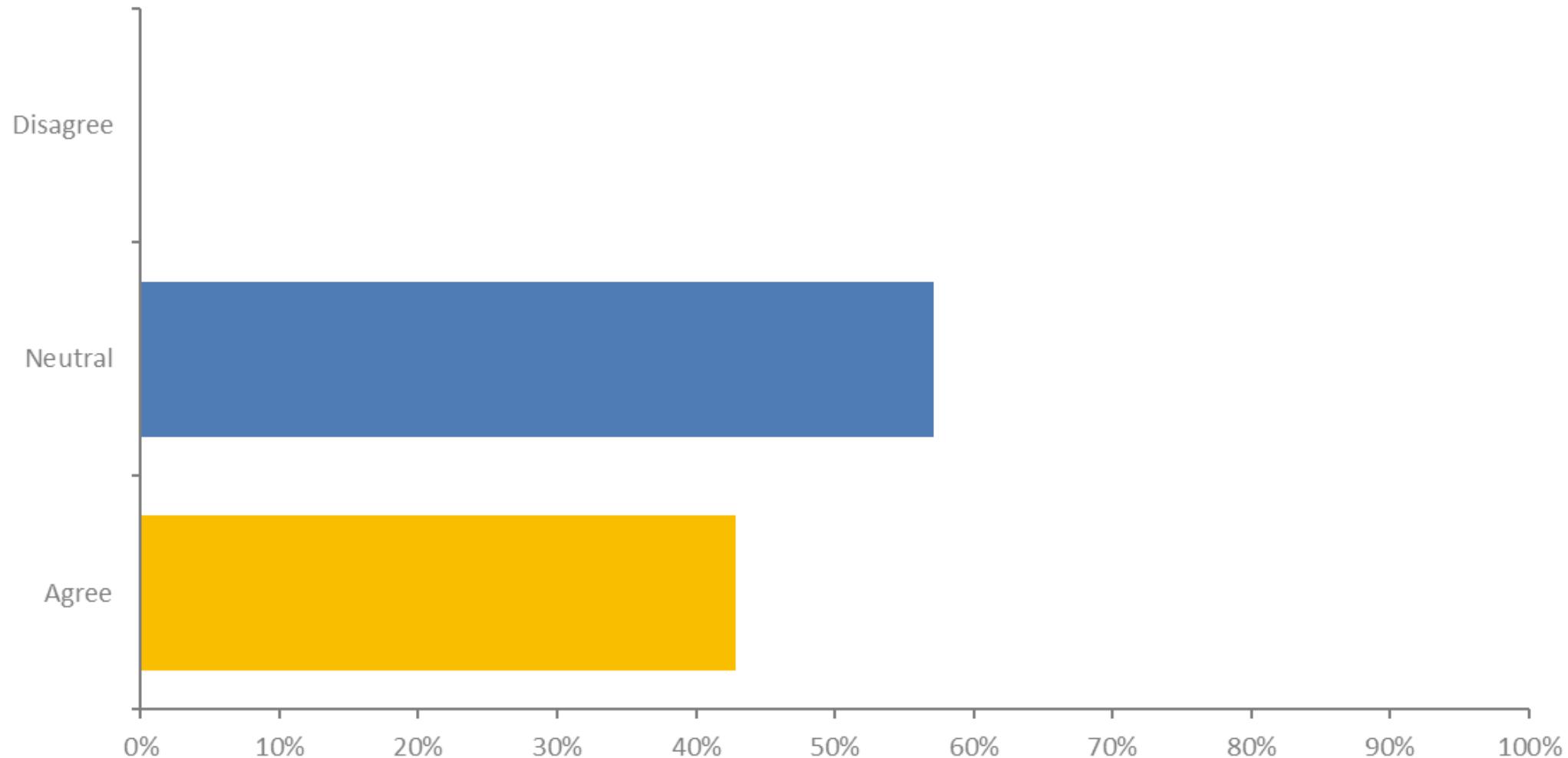
Q16: Meetings are reasonable length with appropriate time to address the most critical issues.



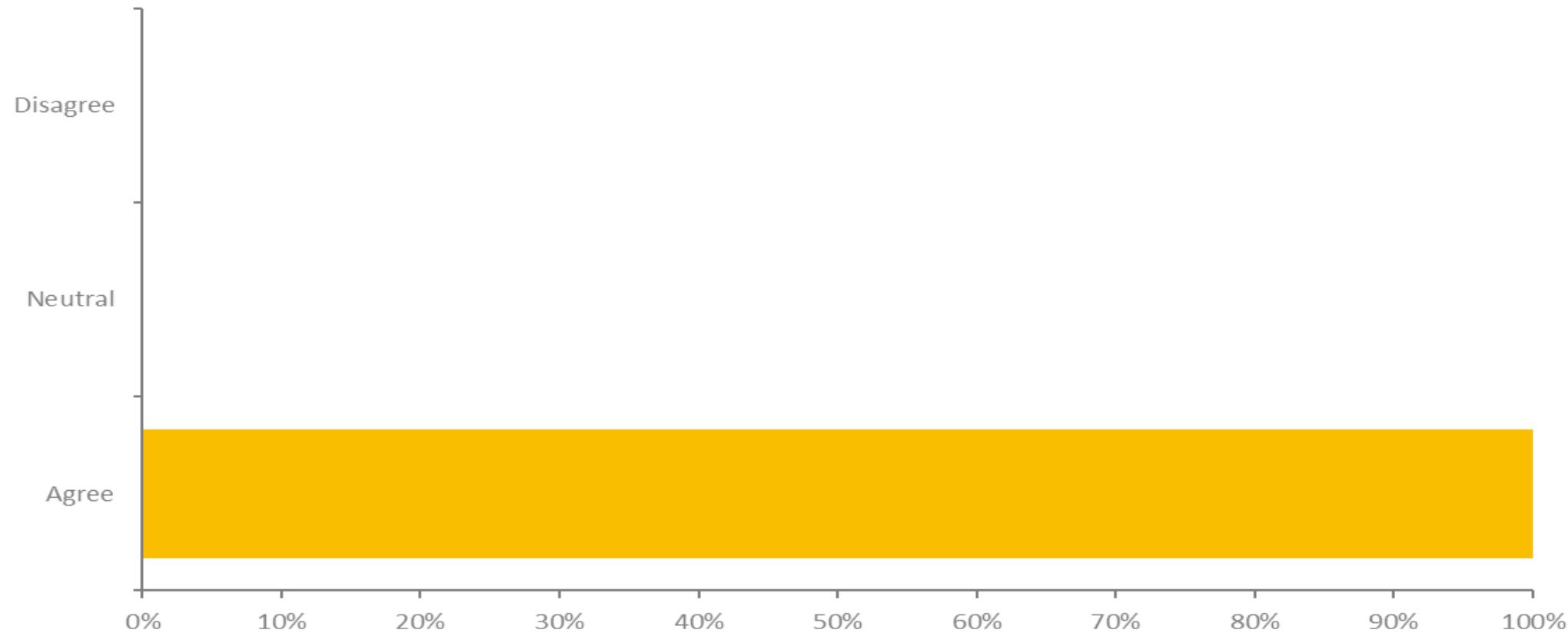
Q17: The Board operates with trust of each other, ORS staff, and the existing processes.



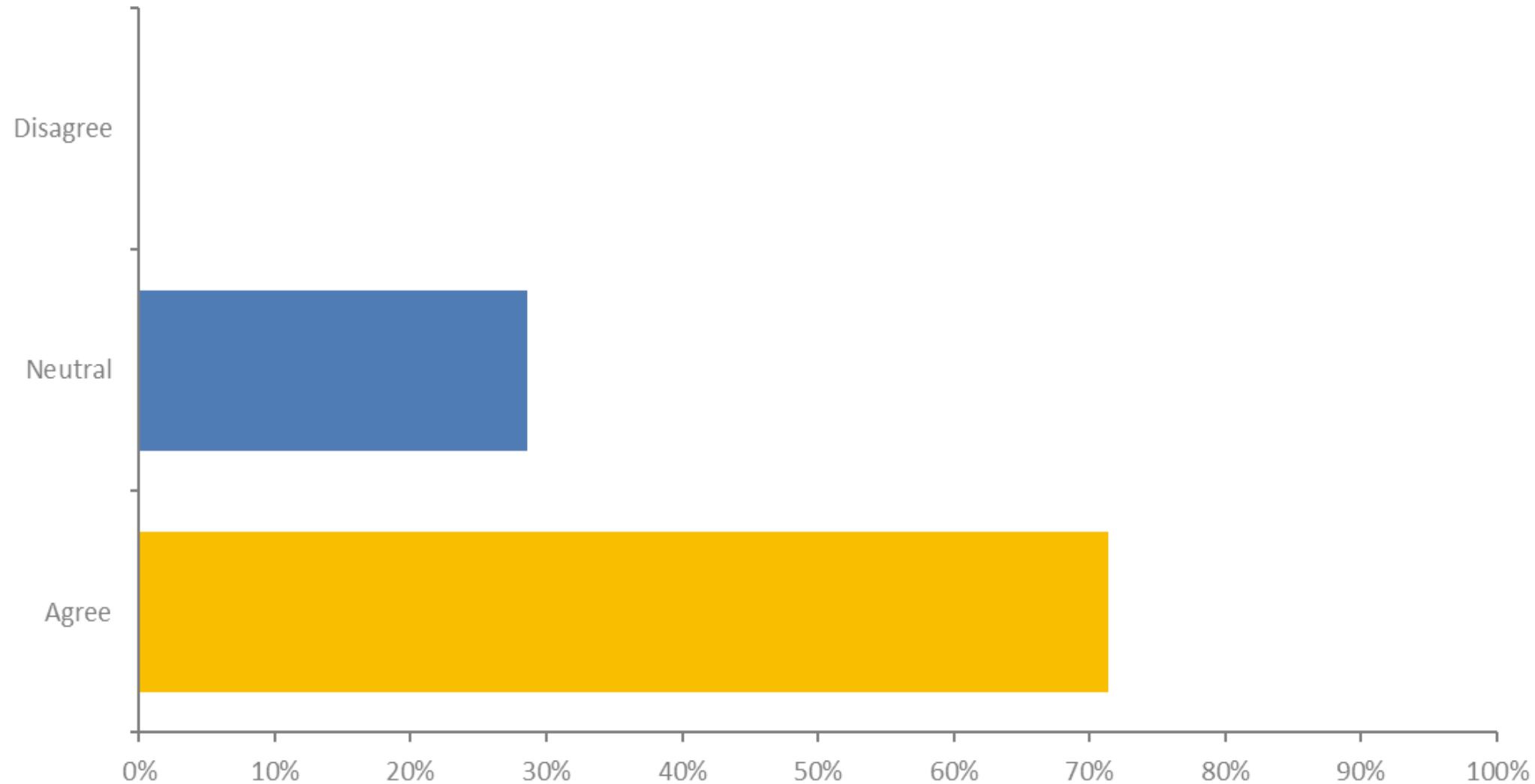
Q18: The Board stays abreast of public pension fund issues and trends.



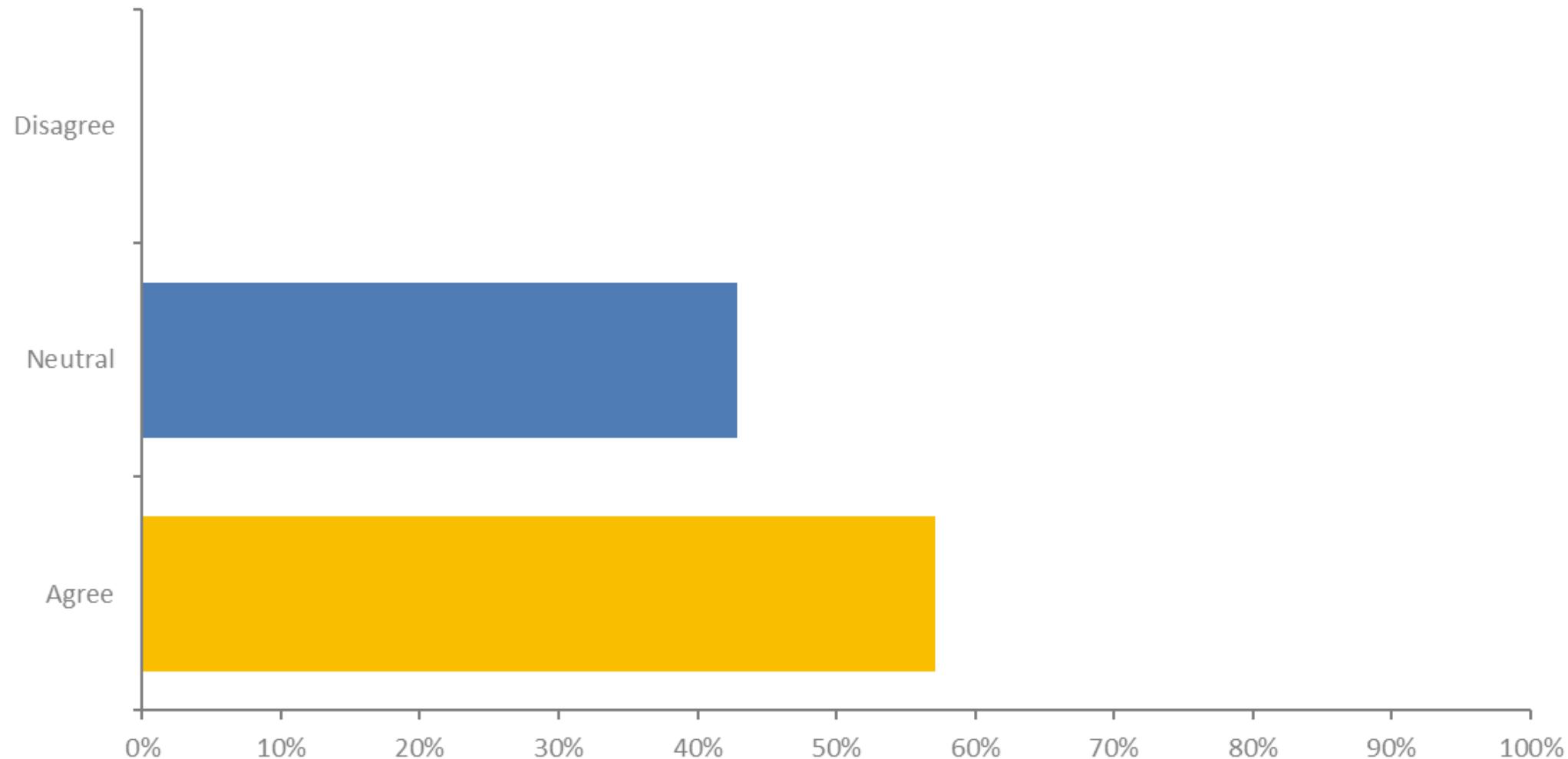
**Q19: The Board's actions reflect a commitment to the Board's Mission
(Our mission is to ensure prompt, professional delivery of services
and benefits to our members, and to collect, invest, and expend
system assets in a prudent, fair, and timely manner.)**



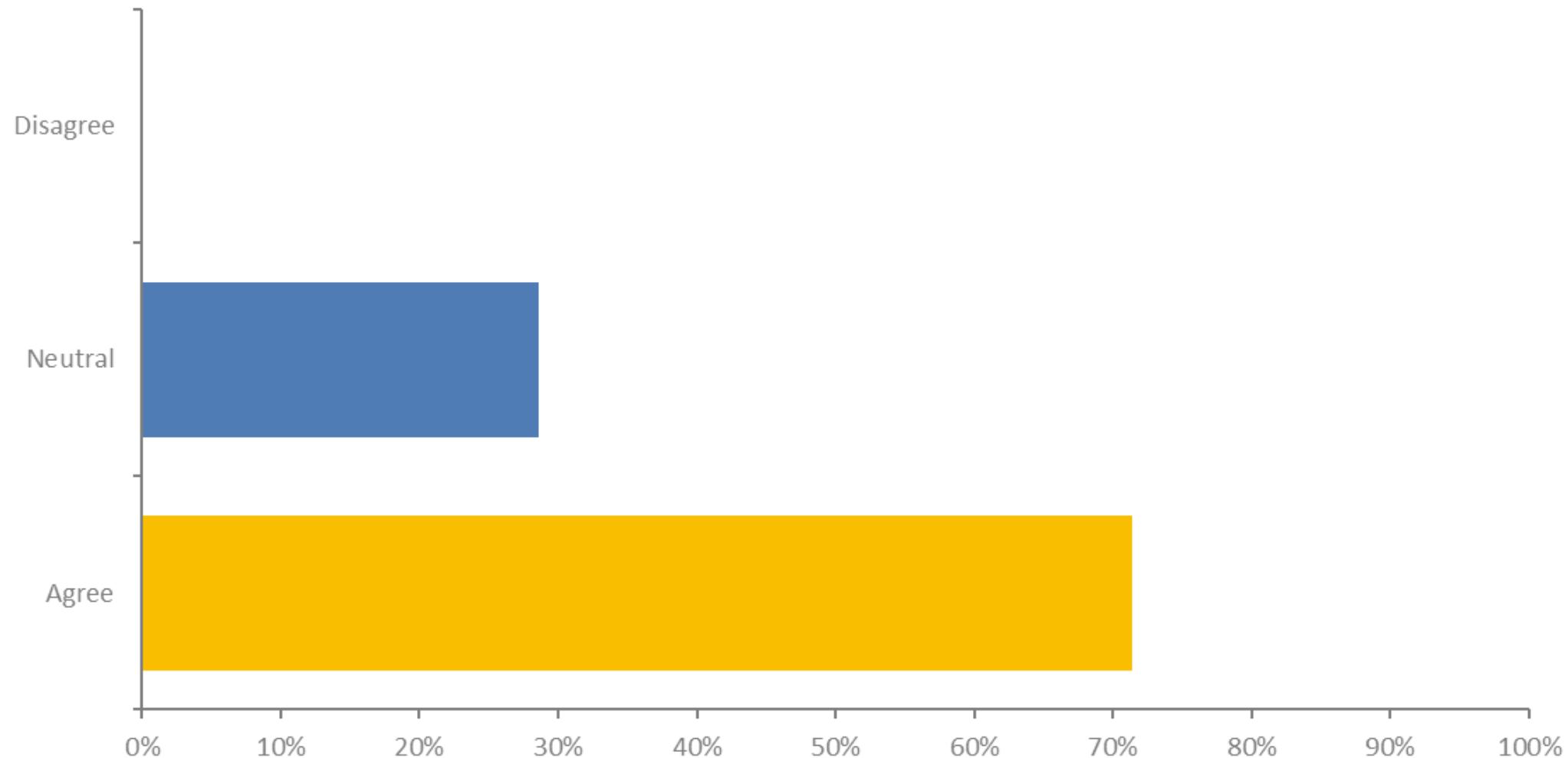
Q20: The Board uses its committees effectively.



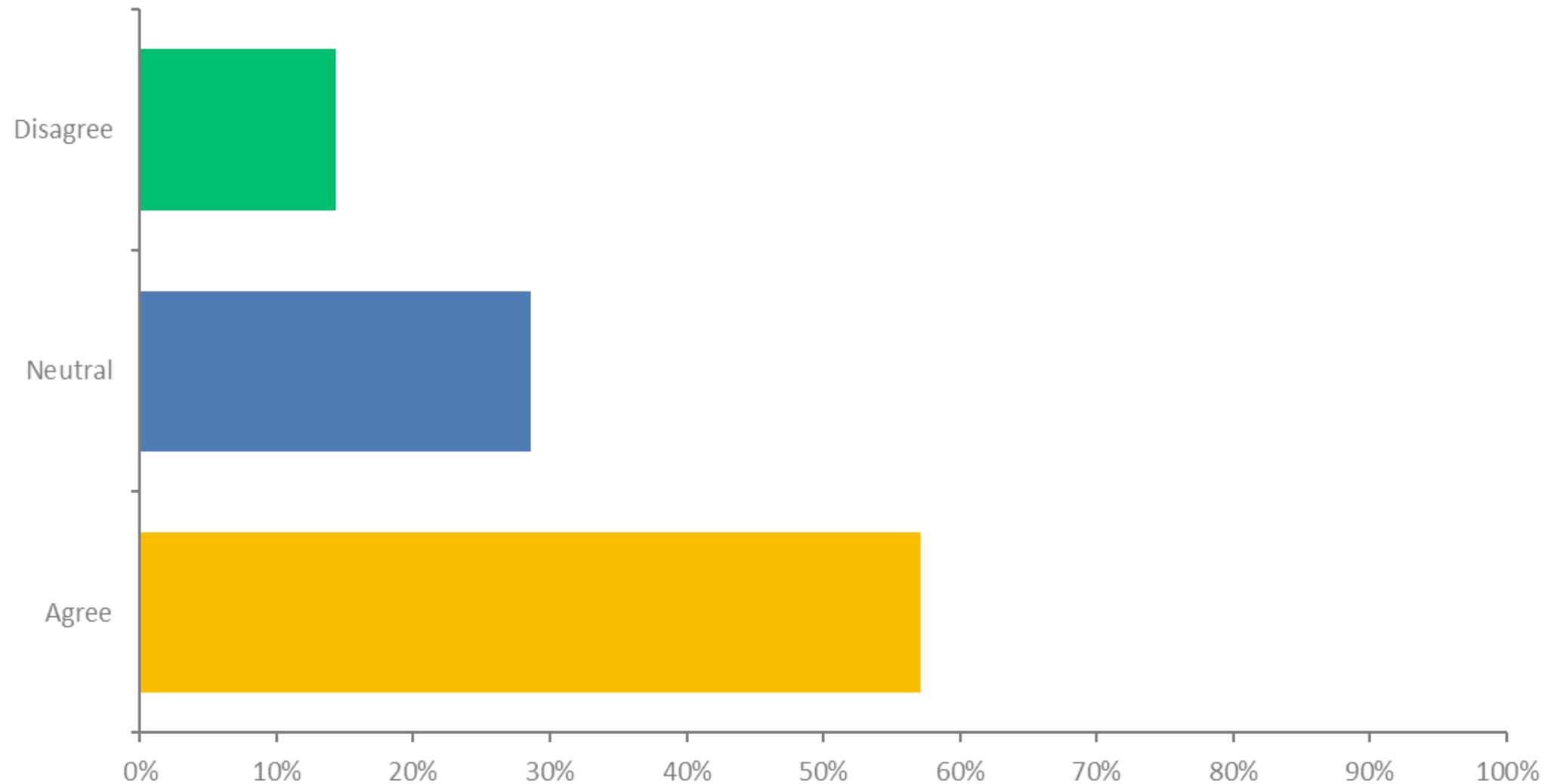
Q21: Board/committee meetings are goal-driven with an emphasis on action or education.



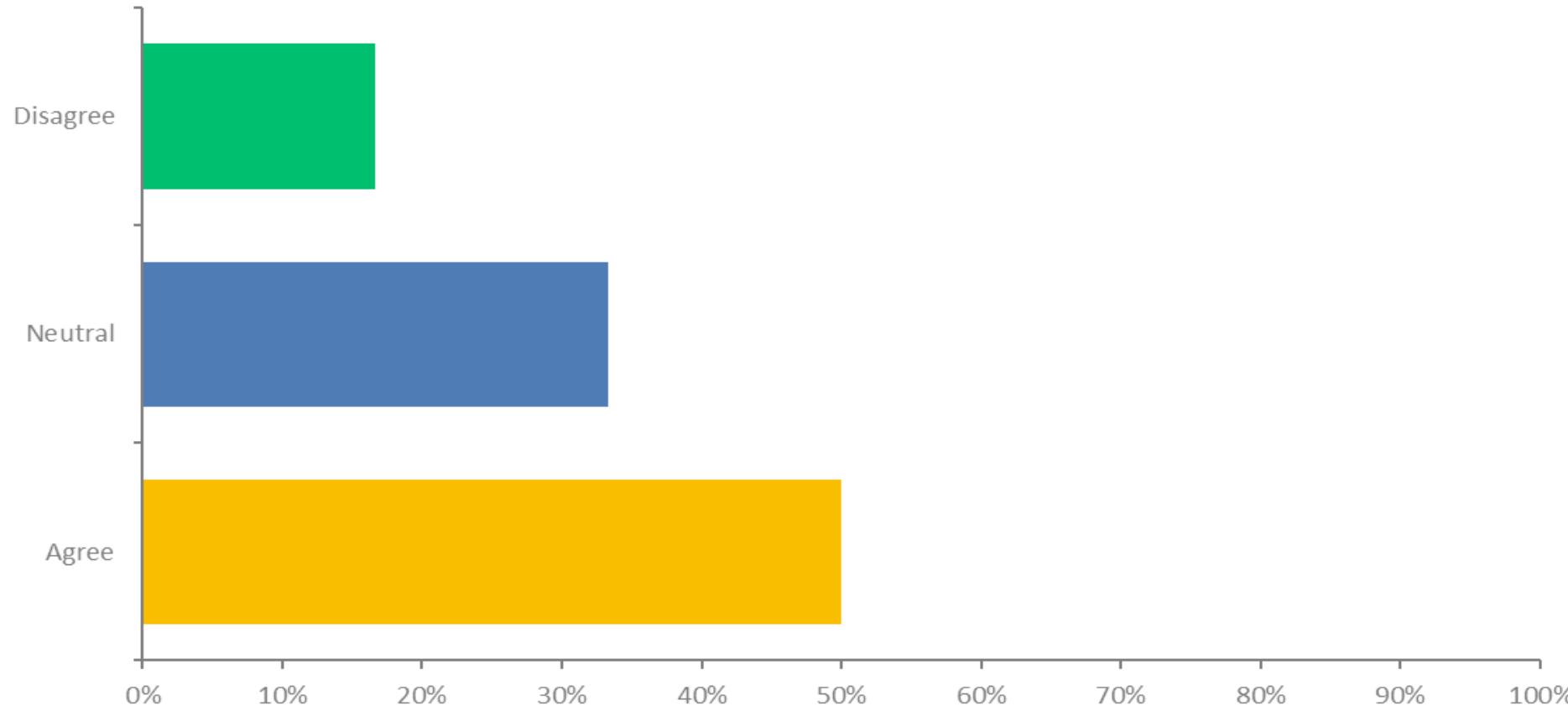
Q22: The Board receives sufficient information in a timely manner to make fully informed decisions.



Q23: The Board has a culture of encouraging continuing education.

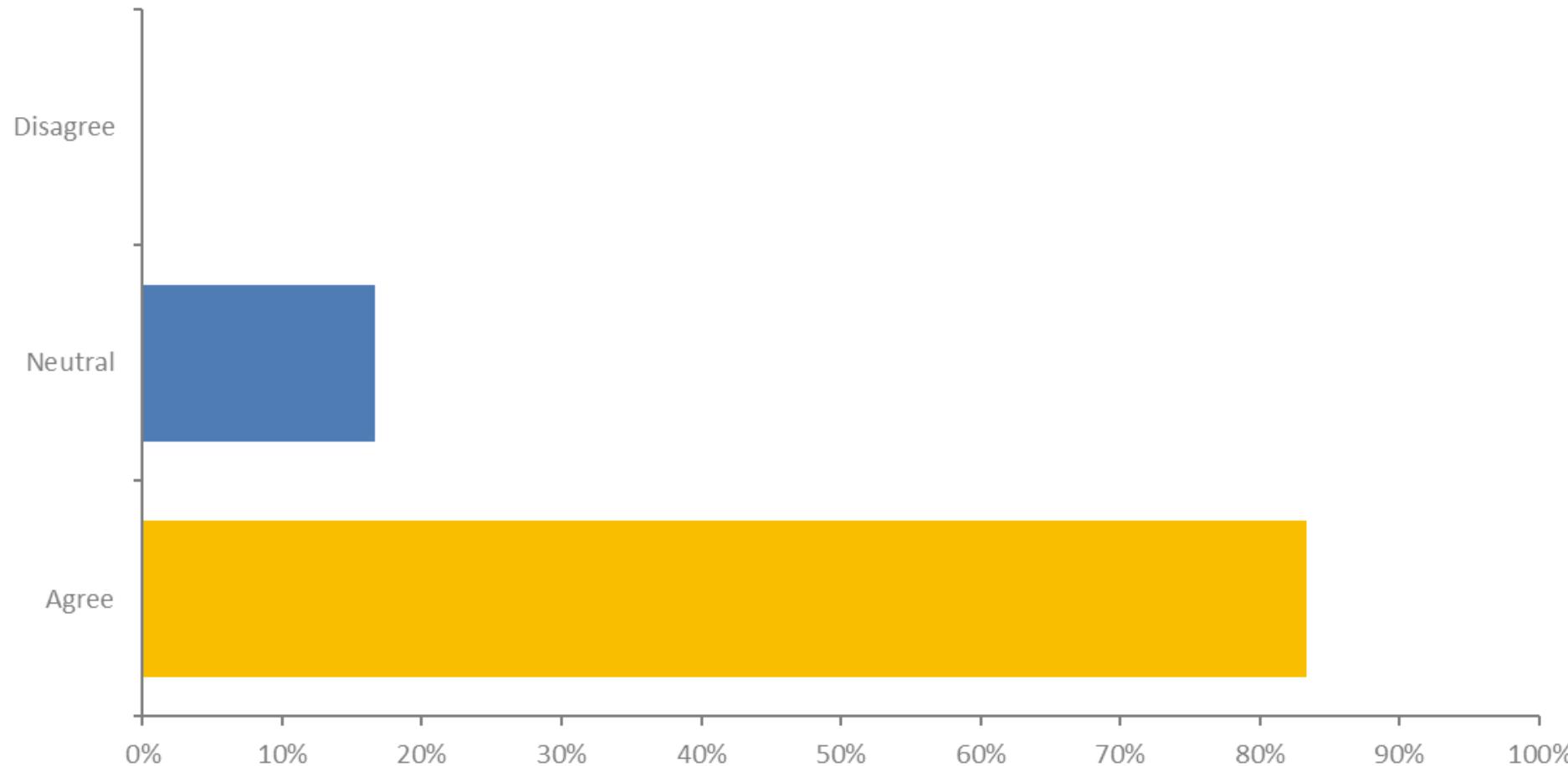


Q24: Qualitative assessments of investment managers, consultants and other providers are routinely performed and discussed with the Board.



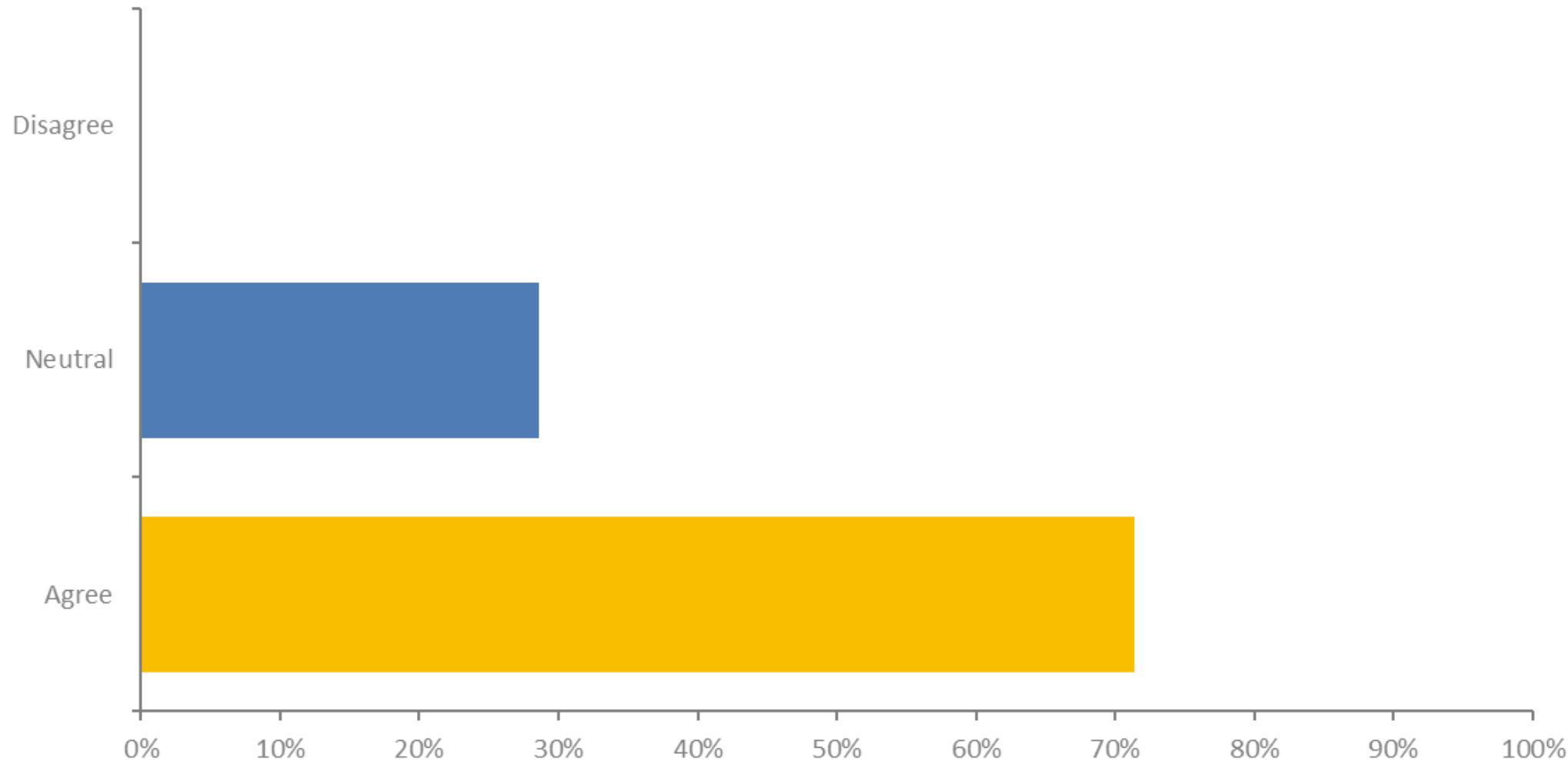
- *I believe yes, but not being on the investment committee have not witnessed it.*

Q25: The Board is committed to continually improving by taking prompt action when opportunities for enhancement are identified.

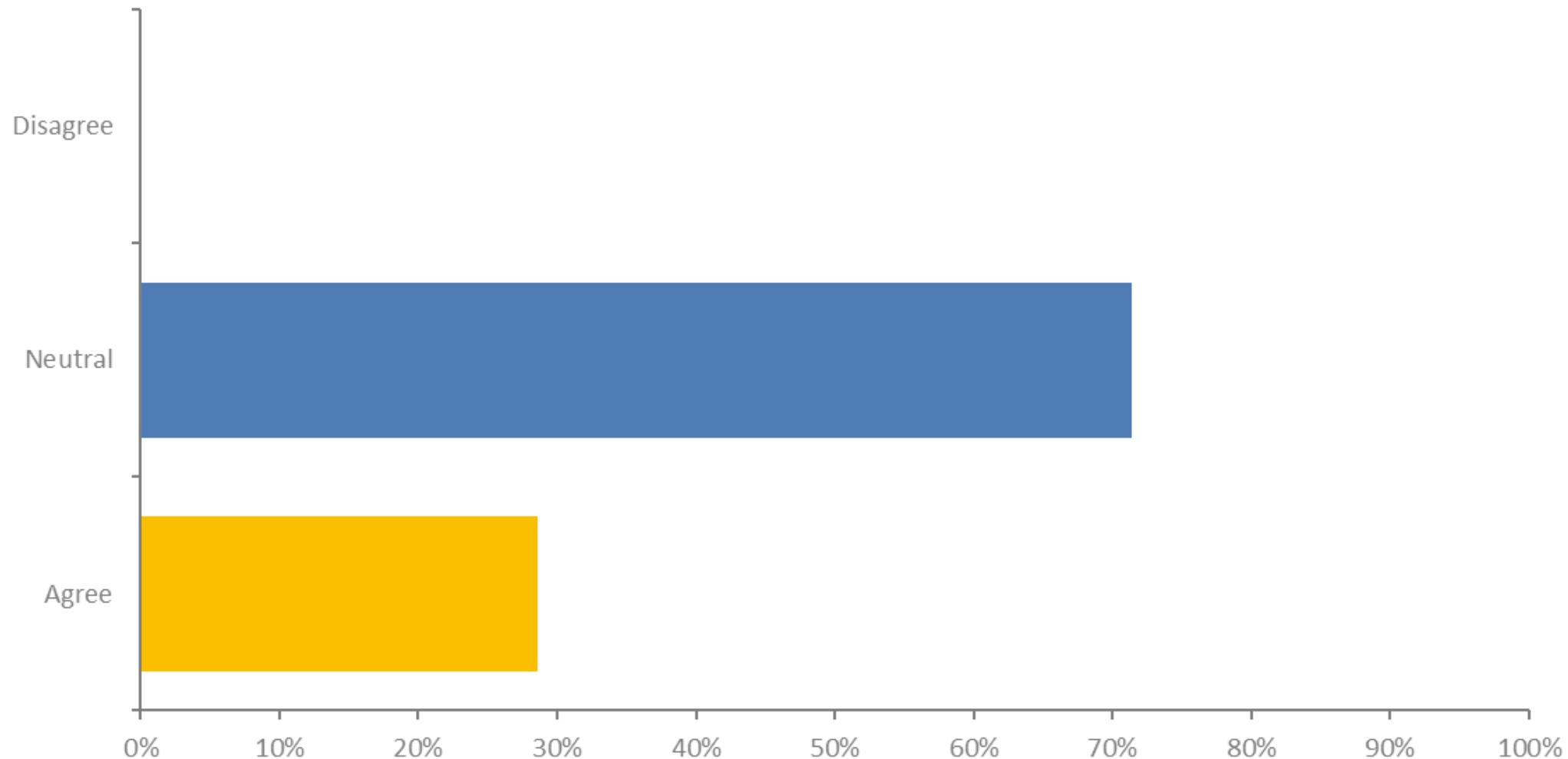


- I believe the board wants to take prompt action, but it isn't always achieved (i.e., investment policy statement)*

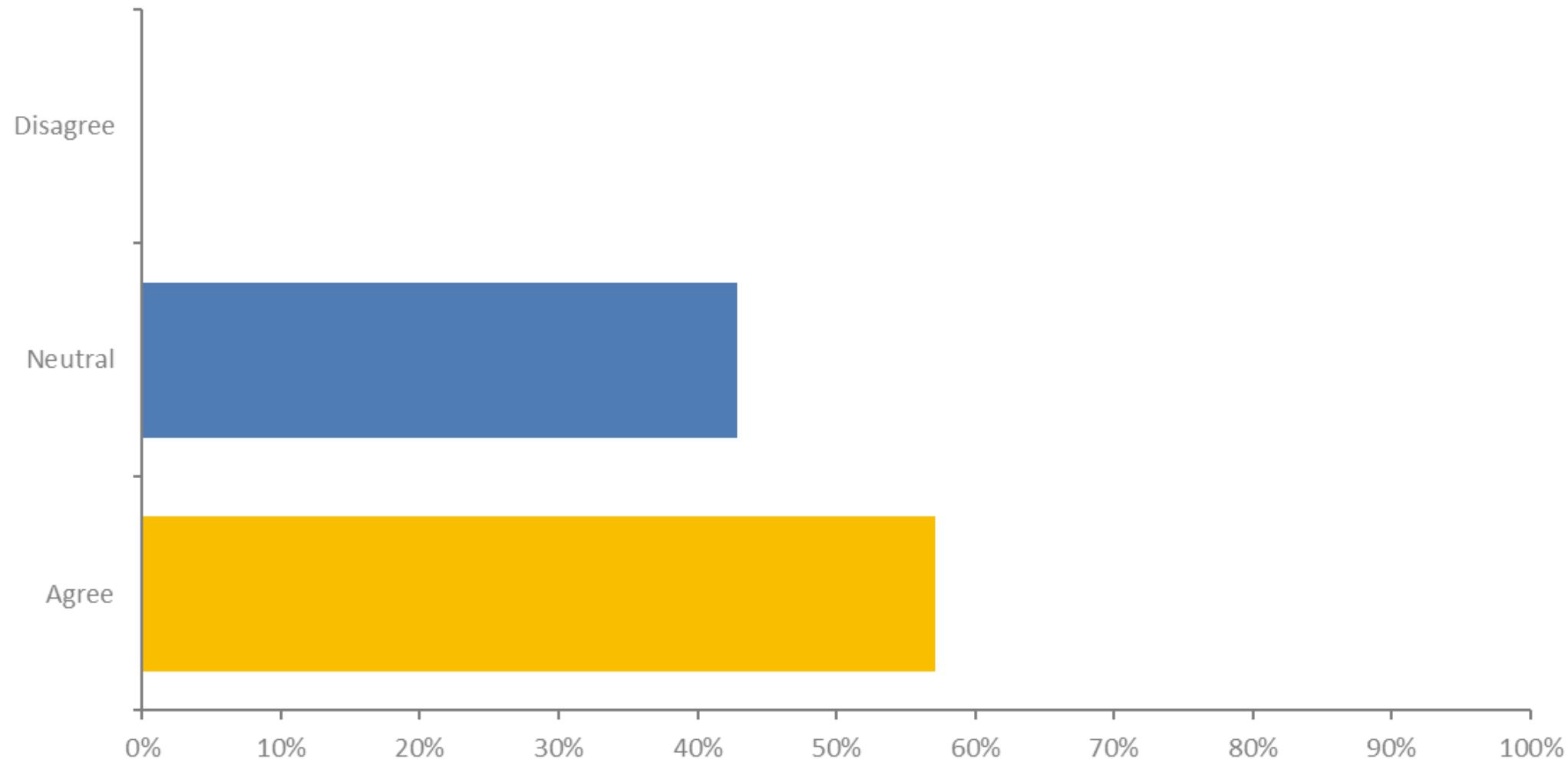
Q26: Appropriate attention is devoted to controlling operational risk, investment risk, and fiduciary risk.



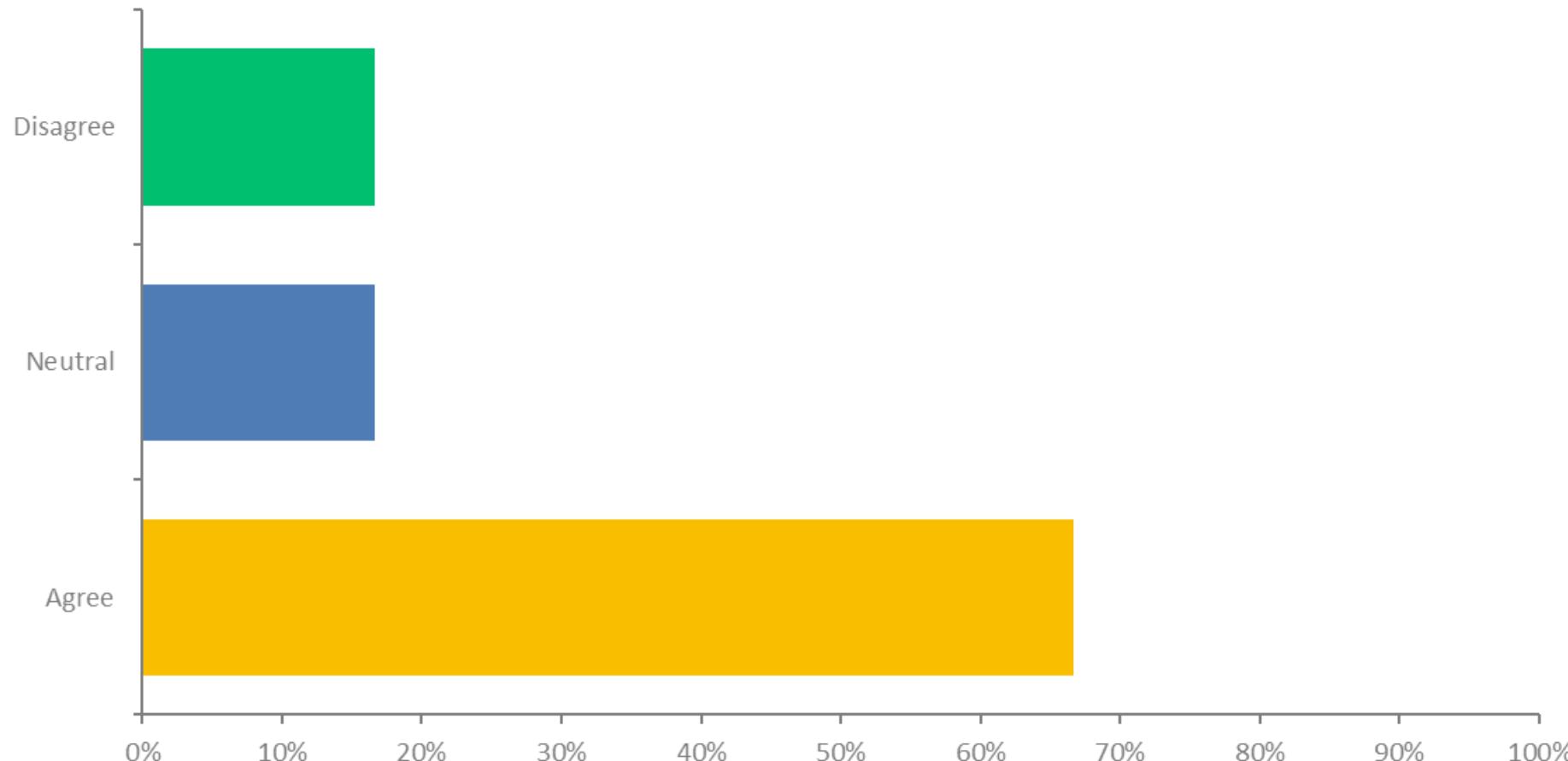
Q27: Board members are consistent about being prepared for meetings and staying engaged.



Q28: The Board ensures that ORS staff provides new Trustees with a prompt, thorough education.



Q29: The Board receives sufficient information to determine if the Plan is in compliance with the policies it has adopted.



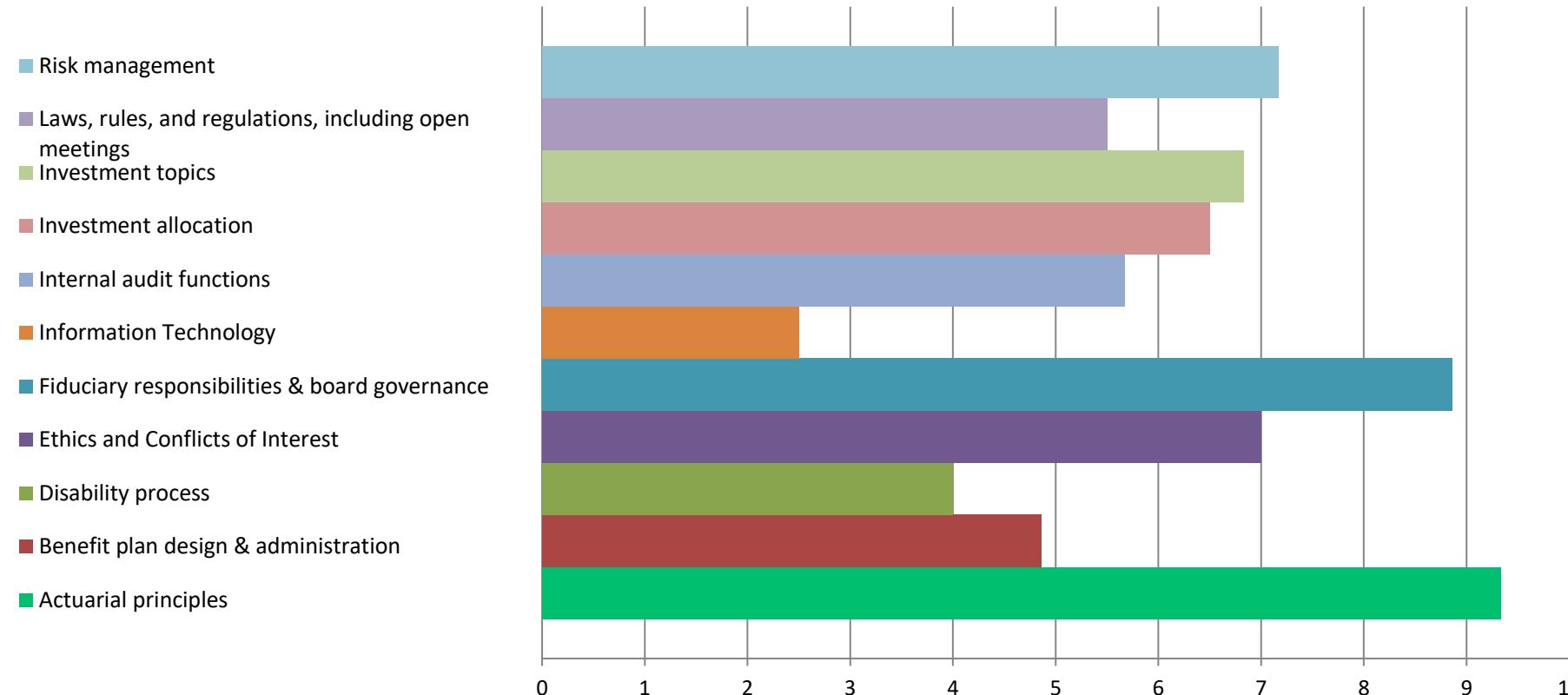
- *There is no feedback loop. I think the new CEO has done a better job of ensuring we are in compliance.*
- *This is an area where I believe we could provide better reports or KPIs*

3

Board Education Results



Q30: Please rank the order of the following continuing board educational topics. The purpose is to identify the subjects you are interested in pursuing to become better equipped to participate in the Board's discussions and fulfill your responsibilities. The data collected will be shared with the CEO to plan for upcoming in-house educational topics.



Q31: What other continuing board educational topics do you believe would be beneficial to you to perform your board duties.

- *For risk management, I would like to see broad enterprise risk management education not just risk management as it applies to investments.*
- *more thorough on our investments (real estate)*

4

Open-Ended Questions Results



Q32: What are the Board's greatest strengths?

- *Diverse points of views and collaboration*
- *Effective CEO; responsive and knowledgeable staff*
- *Diversity of backgrounds of board trustees*
- *We have board members who are engaged and genuinely care about the plan and its participants.*
- *work well together*

Q33: What do you believe is needed to assist the Board in becoming even better?

- *Appreciation of other board member's perspective*
- *More open discussions amongst board members, especially between service members and public members*
- *More training on fiduciary responsibilities*
- *Better balance between strategic planning/oversight vs micromanaging*
- *The Board needs to improve our communication and discussion of topics within Brown Act limits. Ideally we would get to a place where all board members believe they had enough time to understand issues coming to the board, the ability to discuss and digest comments from other trustees prior to a vote. This is particularly true for information coming out of committee meetings.*
- *one member votes sometimes against majority but does not help solve the issue*

Q34: What are the top 3 priorities for the Board over the next year?

- *Hiring new CIO; Stability of investment team; Improved compensation plan for investment team through City*
- *Attract and hire a suitable replacement CIO; prepare for staff turnover; strengthen short and long term financial outlook.*
- *Finalize latest version of IPS; Fill leadership role to ensure continuity; Improve governance and risk management*
- *1) Fill key executive leadership roles 2) strengthen trustee collaboration 3) Revamp MPP process*
- *Creating a strategic plan; Based on recent information - hiring of a new CIO; Beginning review of governance policies and procedures*
- *funding, investments, lower city contributions, provide 4 star service for the retirees*

Q35: What do you hope to gain during the Board Self-Assessment discussion?

- *Appreciation of other board members' perspectives and convergence on priorities*
- *A better functioning and efficient board*
- *Understanding of the view of other trustees*
- *A clear plan for improving the efficiency of the board and communication.*
- *what others think*

Q36: Any additional comments?

- *this is healthy and beneficial*

Legal Disclosures and Disclaimers

Consulting services provided by Aon Consulting, Inc. ("ACI"). The information contained herein is given as of the date hereof and does not purport to give information as of any other date. The delivery at any time shall not, under any circumstances, create any implication that there has been a change in the information set forth herein since the date hereof or any obligation to update or provide amendments hereto.

This document is not intended to provide, and shall not be relied upon for, accounting, legal or tax advice or investment recommendations. Any accounting, legal, or taxation position described in this presentation is a general statement and shall only be used as a guide. It does not constitute accounting, legal, investment, and/or tax advice and is based on ACI's understanding of current laws and interpretation.

This document is intended for general information purposes only and should not be construed as advice or opinions on any specific facts or circumstances. The comments in this summary are based upon ACI's preliminary analysis of publicly available information unless otherwise noted. The content of this document is made available on an "as is" basis, without warranty of any kind. ACI disclaims any legal liability to any person or organization for loss or damage caused by or resulting from any reliance placed on that content. ACI reserves all rights to the content of this document. No part of this document may be reproduced, stored, or transmitted by any means without the express written consent of ACI.

Aon Consulting, Inc.
200 E. Randolph Street
Suite 700
Chicago, IL 60601

© Aon plc 2025. All rights reserved.