

SAN JOSÉ RETIREMENT BOARDS

JOINT PERSONNEL COMMITTEE CHARTER

INTRODUCTION

1. The San José Retirement Boards are jointly responsible for appointing and prescribing the duties of the CEO and CIO, and recommending to Council the total compensation for the positions of CEO, CIO, and the professional investment staff. The CEO, in turn, is responsible for appointing and prescribing the duties of the professional and technical employees and clerical employees of the Office of Retirement Services.
2. To assist the Boards in carrying out their human resources-related responsibilities, the Boards have established a Joint Personnel Committee ("JPC"), to consist of three voting members of the Board of the Federated City Employees' Retirement System ("Federated Board"), and three voting members of the Board of the Police and Fire Department Retirement Plan ("PF Board").
3. In the case of each Board:
 - (a) Appointees to the JPC shall include the Chair of the Board, the Chair of the Investment Committee, and a third member to be appointed by the Board, unless otherwise designated by the Board under circumstances satisfactory to that Board.
 - (b) If the Chair of the Board is a participant in the Plan, the third appointee shall not be a participant; and if the Chair of the Board is not a participant, the third appointee shall be a participant.

COMMITTEE OPERATIONS

4. The JPC shall operate in accordance with all applicable legislation, City requirements, and board policy. These include but are not limited to the following:
 - (a) The JPC shall annually elect from amongst its members, a JPC Chair ("Chair") and JPC Vice-Chair ("Vice-Chair"). The JPC Chair and Vice-Chair shall be from different groups of committee members. One group is comprised of members appointed by the Federated Board. The other group is comprised of members appointed by the PF Board. Neither the Federated Board Chair nor the PF Board Chair shall occupy the position of JPC Chair.
 - (b) The terms of the Chair and Vice-Chair positions shall be one year, with a term

limit of two consecutive terms. No individual may exceed said term limit without the affirmative vote of five (5) members of the JPC.

- (c) When a new Chair is elected, the new Chair must be from the group that is not the incumbent's group.
- (d) The Chair shall preside at meetings of the JPC. In the absence of the Chair, the JPC Vice-Chair shall preside.
- (e) The Chair and Vice-Chair shall jointly establish the agenda for JPC meetings.
- (f) The Chair and Vice-Chair shall regularly report to their respective Board on the JPC's activities.
- (g) The presence of at least two committee members appointed by the Federated Board and at least two committee members appointed by the PF Board shall constitute a quorum.
- (h) All actions of the JPC shall be by an affirmative vote of the majority of the members present, provided a quorum is present and at least two committee members from each Board voted in support of the motion.
- (i) All actions of the JPC shall be approved by each Board to be effective, unless otherwise provided herein, or otherwise authorized by the Boards.
- (j) The JPC shall meet semi-annually, or as deemed necessary by the JPC, or by mutual agreement of the Chair and Vice-Chair.
- (k) The meetings of the JPC shall be noticed and held in accordance with the Ralph M. Brown Act (Govt. C. §54950 et seq.) and City Sunshine Ordinances. Unless otherwise authorized by law, the meetings shall be open to the public.
- (l) The JPC shall keep minutes of its meetings.
- (m) If the votes cast for and against a motion are equal in number, and a good faith effort to gather consensus fails to yield a majority vote during the same JPC meeting, or at a subsequent JPC meeting, the JPC shall refer the matter to a joint

meeting of the full Boards for consideration, where a majority of each Board must vote in favor of the motion in order for the motion to be carried. In the case of an impasse by the two Boards, the motion fails and the status quo shall prevail.

5. The JPC shall establish other operational rules, procedures, calendars, and agendas, as necessary, provided they are consistent with the City Charter, Ordinances, and the policies of the Boards.

DUTIES AND RESPONSIBILITIES

Performance Evaluation

6. The JPC shall:
 - (a) Recommend to the Boards a CEO Performance Evaluation Policy and any amendments thereto.
 - (b) Recommend to the Boards a CIO Performance Evaluation Policy and any amendments thereto.
 - (c) On an annual basis, coordinate an evaluation of the CEO's performance, in accordance with the process described in the CEO Performance Evaluation Policy. Key responsibilities of the JPC related to this process include, but are not limited to, the following:
 - (i) Recommending the evaluation criteria and associated weights to be used in evaluating the CEO's performance to the Boards for approval.
 - (ii) Approving any surveys or other assessment tools to be used in evaluating the CEO's performance.

Note that the CEO will regularly evaluate the performance of the CIO with input from each Board.

Compensation

7. The JPC shall:
 - (a) Regularly review compensation of equivalent positions in United States Public Pension Plans for the positions of CEO, CIO, and investment professional staff,

in accordance with City Charter 810.1 (e).

- (b) Recommend to the Boards the overall compensation structure for the positions of CEO, CIO, and the investment professional staff. The overall compensation structure shall include a description of the base salary structure, and incentive and/or bonus compensation structure, if applicable.
- (c) Recommend to the Boards each year the total compensation, including base salary and incentive and/or bonus compensation, for the CEO and CIO, and the investment professional staff.

Benefits

8. The JPC shall:

- (a) Review from time to time the Boards' strategy for providing retirement and health benefits to staff who serve in unclassified positions within the Retirement Office, and who are therefore not automatically enrolled as members of the City's employee retirement and health benefits plans (i.e., the CEO, CIO, and professional investment staff) and advise the Boards accordingly.

Other

9. The JPC shall:

- (a) Periodically review and discuss succession planning and related risks with the CEO, and advise the Boards as appropriate;
- (b) Coordinate employment searches for the position of CEO, and recommend candidate finalist(s) for the Boards to interview;
- (c) Work with the CEO to coordinate searches for the position of CIO and make recommendations to the Boards.
- (d) Appoint any consultants or advisors to be retained in connection with the recruitment or evaluation of the CEO and CIO, or with compensation or related matters;
- (e) Recommend to the Boards a Compensation Disclosure Policy regarding public disclosure of staff compensation and related matters;

- (f) Periodically review its terms of reference and those of the CEO and, through its Chair and Vice-Chair, advise the Governance Committees with respect to modifications, as appropriate;
- (g) Recommend to the Boards any additional Board-level human resources or compensation-related policies that may be required, and any amendments thereto;
- (h) Perform any other duties that are assigned to it by either of the Boards; and
- (i) Regularly report to the Boards on its activities through its Chair and Vice-Chair.

POLICY REVIEW & HISTORY

- 10. The Boards shall review this charter at least once every three years.
- 11. The Boards adopted this charter on:
 - August 4, 2016 – Police & Fire Retirement Board
 - August 18, 2016 – Federated Retirement Board
- 12. Amended by the Federated Retirement Board: December 21, 2017
- 13. Amended by the Police & Fire Retirement board: January 4, 2018