Police and Fire Retirement Plan Dashboard

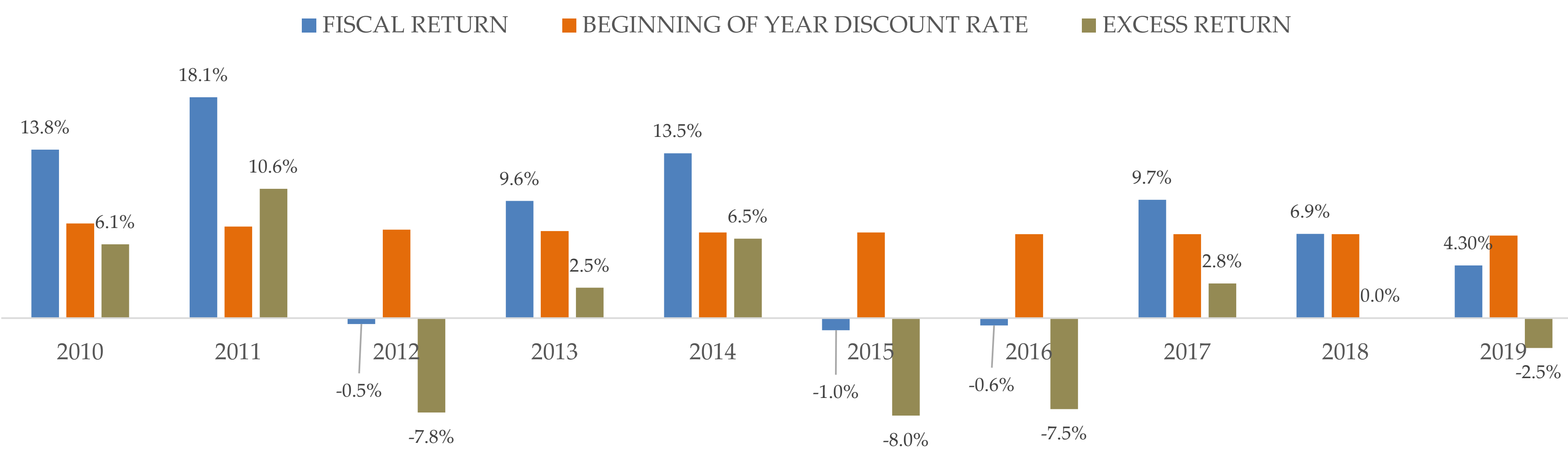
"OUR MISSION IS TO ENSURE PROMPT DELIVERY OF SERVICES AND BENEFITS TO OUR MEMBERS, AND TO COLLECT, INVEST, AND EXPEND SYSTEM ASSETS IN A PRUDENT, FAIR, AND TIMELY MANNER".

Contents

Police and Fire Discount Rate History

YEARS	FISCAL YEAR	10 YEAR US TREASURY RATE	DISCOUNT RATE	FISCAL YEAR RETURN*	EXCESS TO DISCOUNT RATE
	1997	6.51%	8.00%		
1	2010	2.97%	7.75%	13.8%	6.1%
2	2011	3.18%	7.50%	18.1%	10.6%
3	2012	1.67%	7.25%	-0.5%	-7.8%
4	2013	2.52%	7.125%	9.6%	2.5%
5	2014	2.53%	7.00%	13.5%	6.5%
6	2015	2.35%	7.00%	-1.0%	-8.0%
7	2016	1.49%	6.875%	-0.6%	-7.5%
8	2017	2.31%	6.875%	9.7%	2.8%
9	2018	2.85%	6.875%	6.9%	0.0%
10	2019	2.01%	6.75%	4.3%	-2.5%

Plan Return versus Discount Rate



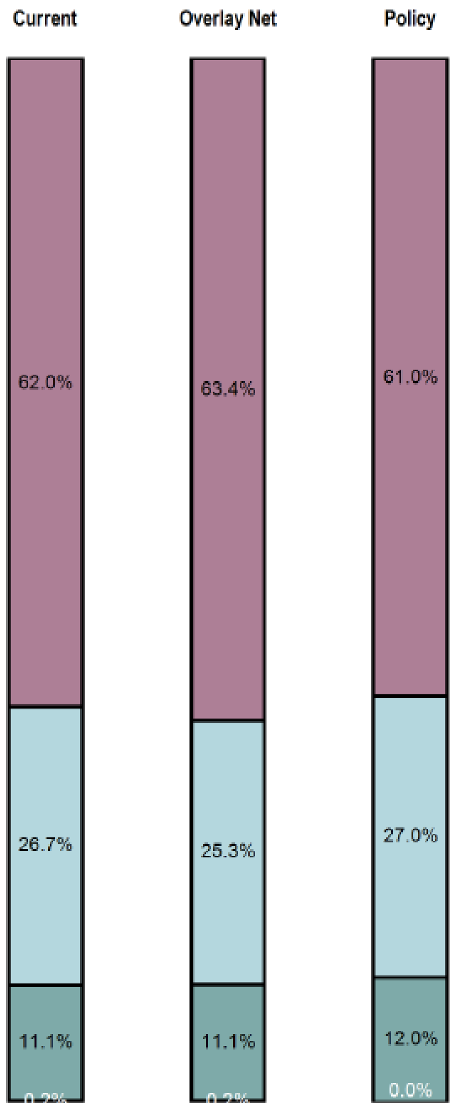
Source: Meketa. Annually updated.

INVESTMENT METRICS

City of San Jose Police and Fire Department Retirement Plan

Total Fund Aggregate

As of September 30, 2019



Allocation vs. Targets and Policy

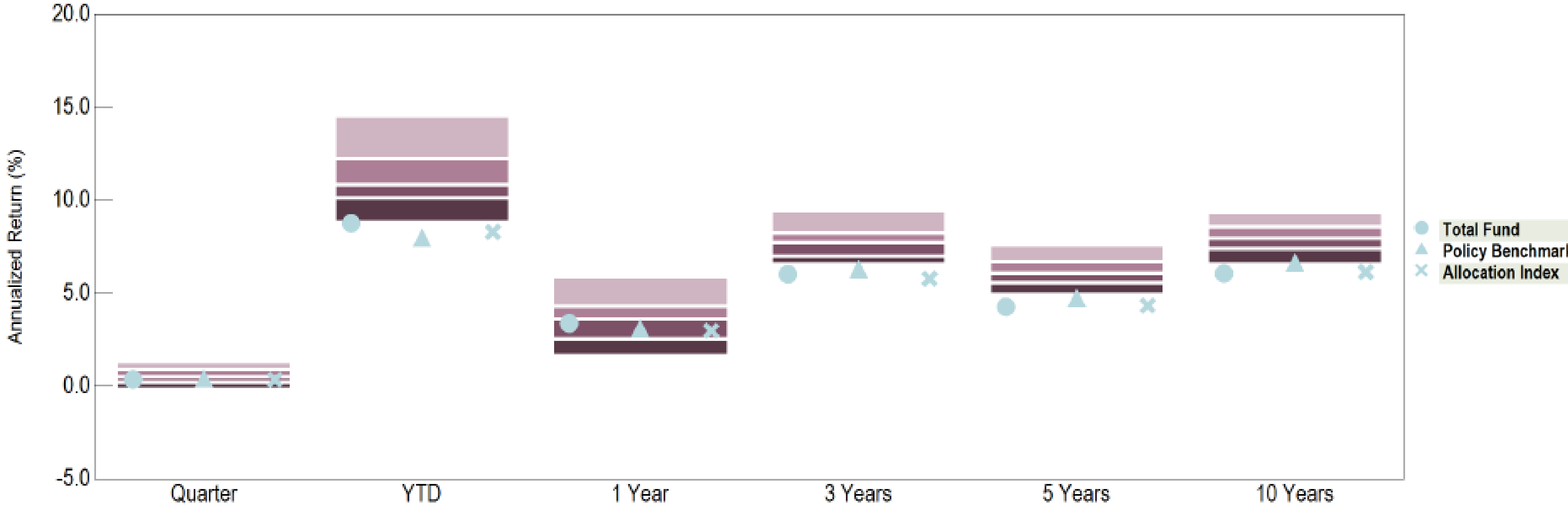
	Current Balance	Current Allocation	Russell Overlay Net Position	Policy	Difference
Growth	**$2,262,629,559**	**62.0%**	**63.4%**	**61.0%**	**1.0%**
Public Equity	$1,327,542,435	36.4%	37.7%	36.0%	0.4%
Private Markets	$800,991,638	22.0%	22.0%	22.0%	0.0%
Emerging Markets Debt	$116,408,582	3.2%	3.2%	3.0%	0.2%
High Yield Debt	$17,686,904	0.5%	0.5%	0.0%	0.5%
Zero Beta	**$972,604,251**	**26.7%**	**25.3%**	**27.0%**	**-0.3%**
Absolute Return	$245,833,056	6.7%	6.7%	5.0%	1.7%
Short-Term IG Bonds	$514,518,960	14.1%	14.1%	17.0%	-2.9%
Immunized Cash Flows	$178,715,836	4.9%	4.9%	5.0%	-0.1%
Cash	$33,536,399	0.9%	-0.4%	0.0%	0.9%
Other	**$406,070,271**	**11.1%**	**11.1%**	**12.0%**	**-0.9%**
Core Real Estate	$150,218,891	4.1%	4.1%	5.0%	-0.9%
Commodities	$72,932,360	2.0%	2.0%	2.0%	0.0%
Sovereign bonds ex-US	$108,342,865	3.0%	3.0%	3.0%	0.0%
TIPS	$74,576,155	2.0%	2.0%	2.0%	0.0%
Overlay	**$6,261,201**	**0.2%**	**0.2%**	**0.0%**	**0.2%**
Total	**$3,647,565,282**	**100.0%**	**100.0%**	**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] Cash composite includes the cash account, cash collateral in the Russell Investments Overlay program, and residuals from terminated manager assets.

Source: Meketa. Quarterly updated.

INVESTMENT METRICS

Performance vs. InvestorForce Public DB > $1B Net (Annualized Return)

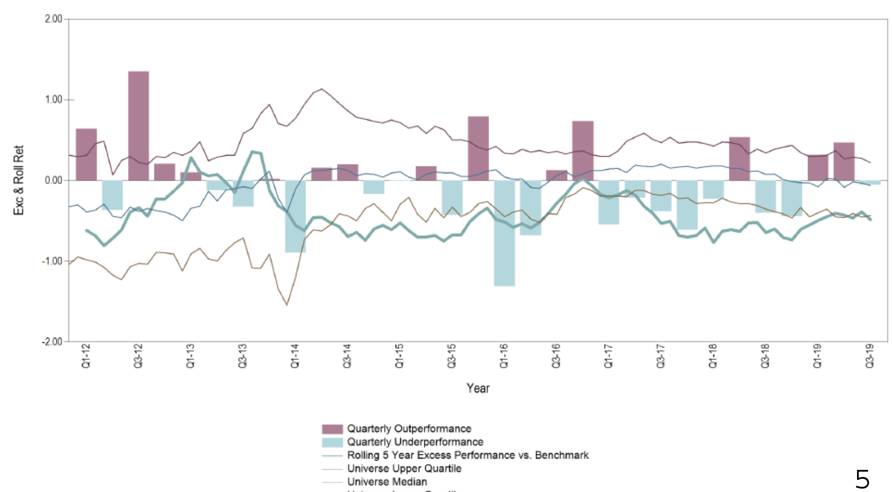


Performance vs. InvestorForce Public DB > $1B Net (Ranking)

Return (Rank)	Quarter		YTD		1 Year		3 Years		5 Years		10 Years	
5th Percentile	1.3		14.5		5.9		9.4		7.6		9.3	
25th Percentile	0.9		12.2		4.3		8.2		6.7		8.6	
Median	0.5		10.8		3.6		7.7		6.1		8.0	
75th Percentile	0.2		10.1		2.6		7.0		5.6		7.4	
95th Percentile	-0.2		8.9		1.7		6.6		5.0		6.6	
# of Portfolios	71		71		71		71		69		63	
Total Fund	0.4	(64)	8.7	(96)	3.4	(58)	6.0	(98)	4.3	(98)	6.1	(97)
Policy Benchmark	0.4	(60)	8.0	(97)	3.1	(62)	6.3	(97)	4.8	(98)	6.7	(94)
Investable Benchmark Portolio	0.3	(64)	8.3	(97)	3.0	(65)	5.8	(98)	4.3	(98)	6.2	(96)

Period

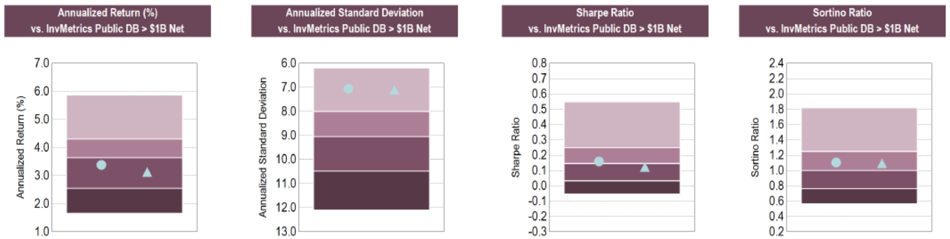
Quarterly Cumulative Excess Performance



Source: Meketa. Quarterly updated.

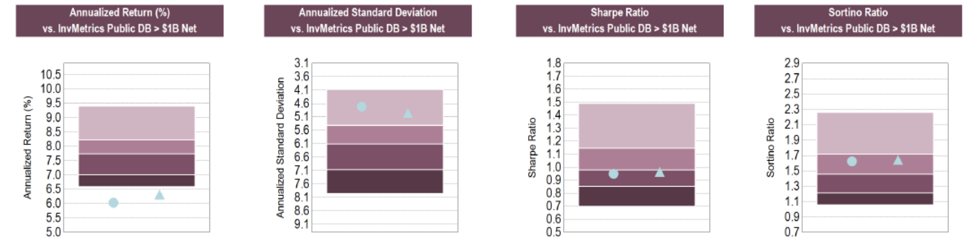
INVESTMENT METRICS

Risk Adjusted Performance – 1 Year



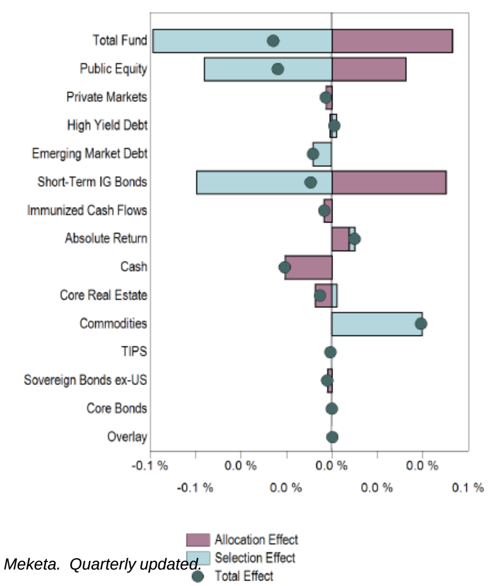
	Annualized Return (%)	Annualized Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund				
Value	3.4	7.1	0.2	1.1
Rank	58	12	48	38
Policy Benchmark				
Value	3.1	7.1	0.1	1.1
Rank	62	12	55	39
Universe				
5th %tile	5.9	6.2	0.5	1.8
25th %tile	4.3	8.0	0.3	1.3
Median	3.6	9.0	0.1	1.0
75th %tile	2.6	10.5	0.0	0.8
95th %tile	1.7	12.1	-0.1	0.6

Risk Adjusted Performance – 5 Years

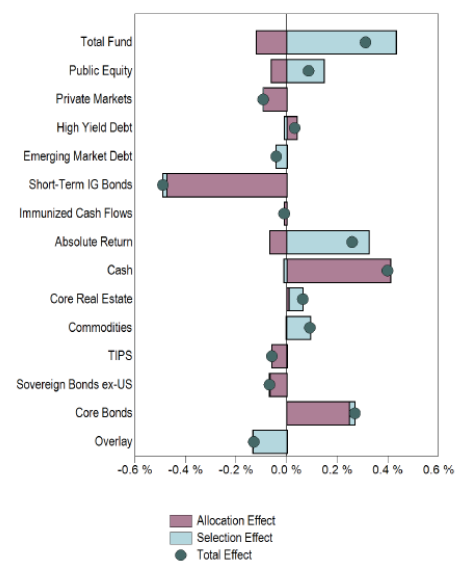


	Annualized Return (%)	Annualized Standard Deviation	Sharpe Ratio	Sortino Ratio
Total Fund				
Value	6.0	4.7	0.9	1.6
Rank	98	10	54	35
Policy Benchmark				
Value	6.3	4.9	1.0	1.6
Rank	97	13	52	34
Universe				
5th %tile	9.4	4.1	1.5	2.3
25th %tile	8.2	5.4	1.1	1.7
Median	7.7	6.1	1.0	1.5
75th %tile	7.0	7.0	0.9	1.2
95th %tile	6.6	7.9	0.7	1.1

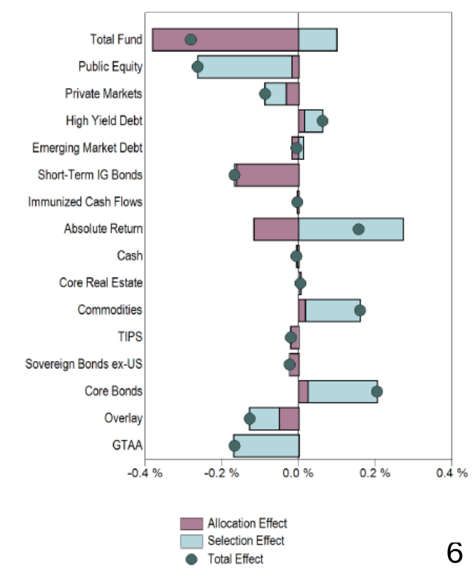
Attribution Effects – 3 Months



Attribution Effects – 1 Year



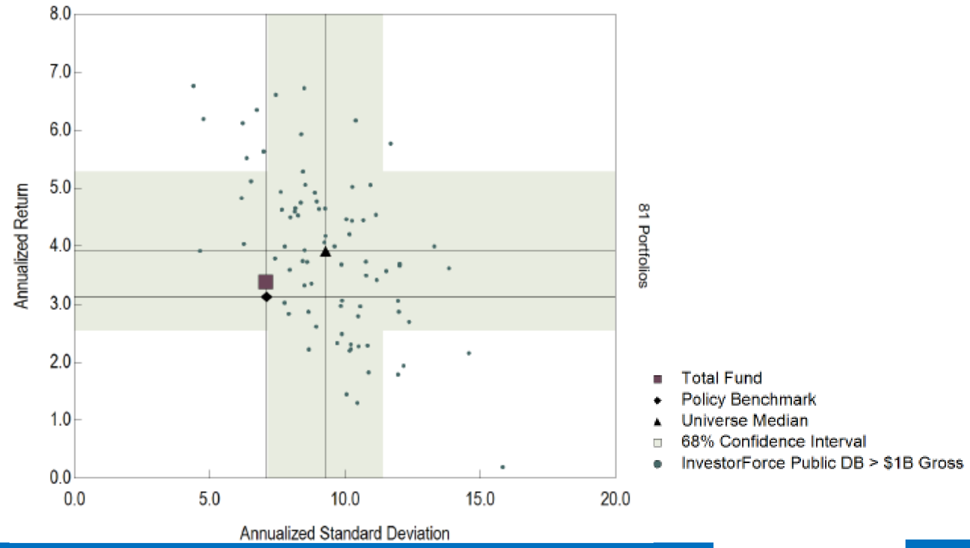
Attribution Effects – 3 Years



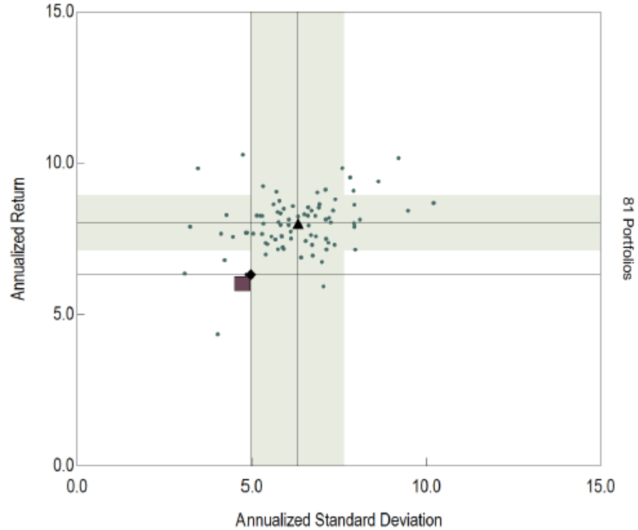
Source: Meketa. Quarterly updated.

INVESTMENT METRICS

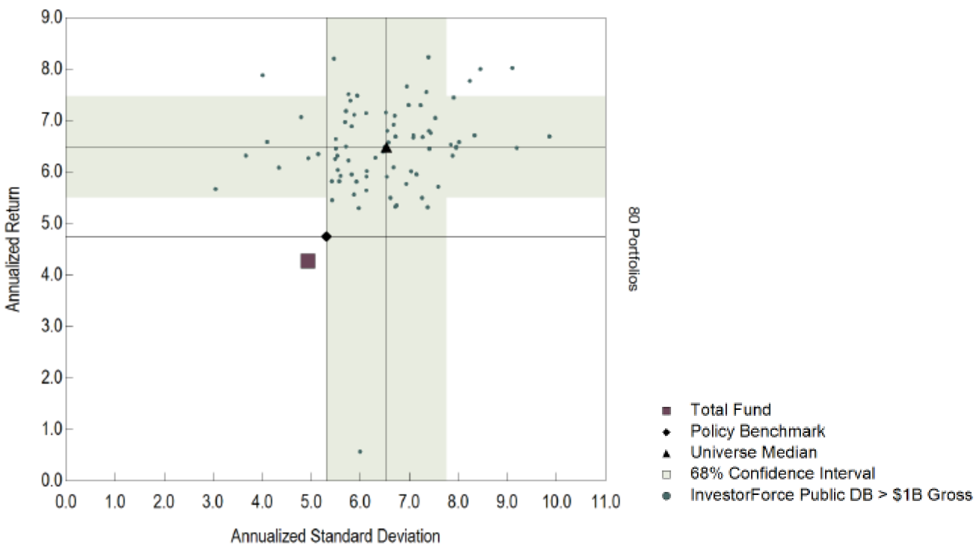
Plan Risk vs. Return – 1 Year



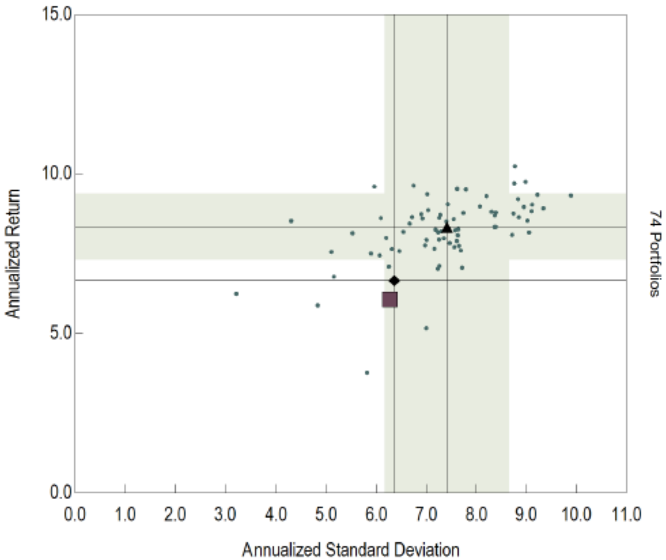
Plan Risk vs. Return – 3 Years



Plan Risk vs. Return – 5 Years



Plan Risk vs. Return – 10 Years

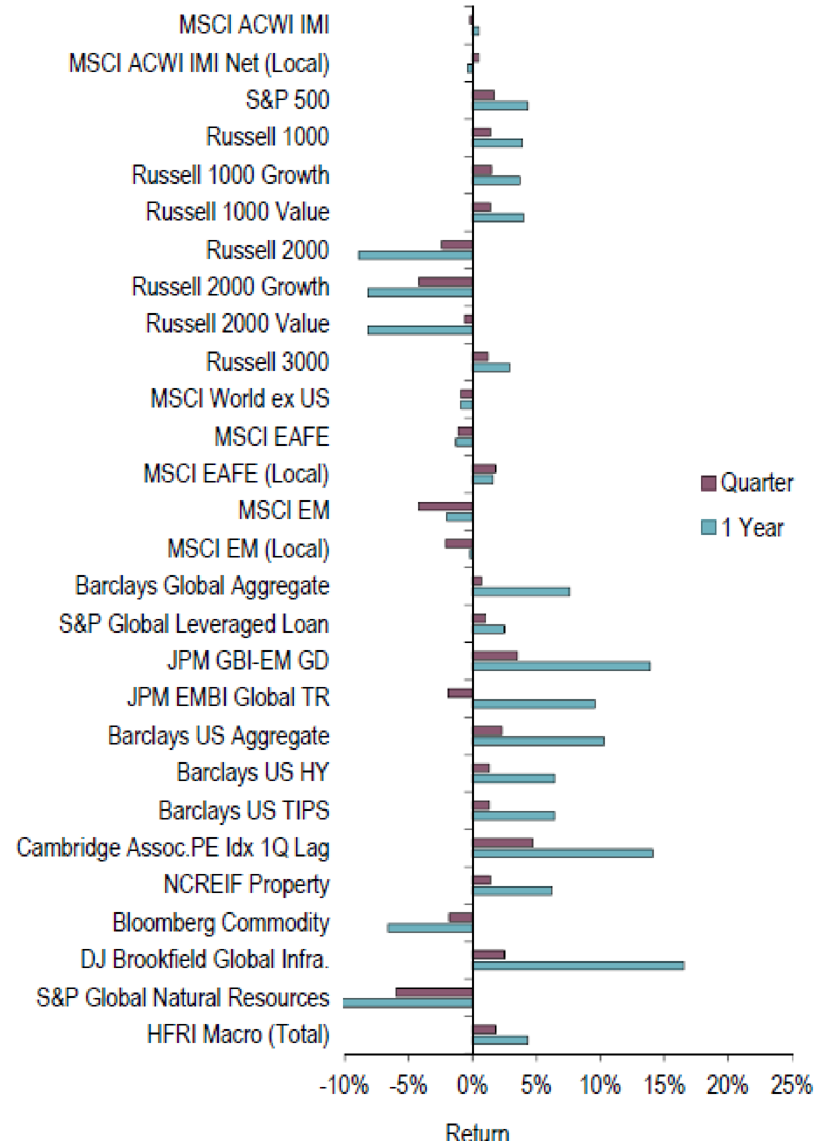


Source: Meketa. Quarterly updated.

CAPITAL MARKET OVERVIEW

Market Environment – 3Q19 Overview

Benchmark	Scope	3Q19 (%)	1 YR (%)	3 YR (%)	5YR (%)	10 YR (%)
Global Equity						
MSCI ACWI IMI	World	-0.2	0.5	9.4	6.6	8.4
MSCI ACWI IMI Net (Local)	World (Local Currency)	0.5	-0.4	8.0	5.9	7.3
Domestic Equity						
S&P 500	Large Core	1.7	4.3	13.4	10.8	13.2
Russell 1000	Large Core	1.4	3.9	13.2	10.6	13.2
Russell 1000 Growth	Large Growth	1.5	3.7	16.9	13.4	14.9
Russell 1000 Value	Large Value	1.4	4.0	9.4	7.8	11.5
Russell 2000	Small Core	-2.4	-8.9	8.2	8.2	11.2
Russell 2000 Growth	Small Growth	-4.2	-9.6	9.8	9.1	12.2
Russell 2000 Value	Small Value	-0.6	-8.2	6.5	7.2	10.1
Russell 3000	All Cap Core	1.2	2.9	12.8	10.4	13.1
International Equity						
MSCI World ex US	World ex-US	-0.9	-0.9	6.5	3.1	4.8
MSCI EAFE	International Developed	-1.1	-1.3	6.5	3.3	4.9
MSCI EAFE (Local)	International Developed (Local Currency)	1.8	1.6	8.3	6.0	7.0
MSCI EM	Emerging Markets	-4.2	-2.0	6.0	2.3	3.4
MSCI EM (Local)	Emerging Markets (Local Currency)	-2.1	-0.2	7.6	5.5	5.9
Global Fixed Income						
Barclays Global Aggregate	Global Core Bonds	0.7	7.6	1.6	2.0	2.3
S&P Global Leveraged Loan	Bank Loans	1.0	2.5	4.4	3.4	5.0
JPM GBI-EM GD	Emerging Markets Bonds (Local Currency)	3.5	13.9	7.2	7.6	7.9
JPM EMBI Global TR	Emerging Market Bonds	-1.9	9.6	3.6	0.1	2.2
Domestic Fixed Income						
Barclays US Aggregate	Core Bonds	2.3	10.3	2.9	3.4	3.7
Barclays US HY	High Yield	1.3	6.4	6.1	5.4	7.9
Barclays US TIPS	Inflation	1.3	7.1	2.2	2.4	3.5
Other						
Cambridge Assoc. PE Index 1Q Lag	Private Equity	4.7	14.1	16.6	13.4	14.9
NCREIF Property	Real Estate	1.4	6.2	6.8	8.6	9.8
Bloomberg Commodity	Commodities	-1.8	-6.6	-1.5	-7.2	-4.3
DJ Brookfield Global Infrastructure	Infrastructure	2.5	16.5	7.8	5.2	10.9
S&P Global Natural Resources	Natural Resources	-6.0	-11.0	7.0	1.1	1.7
HFRI Macro	Hedge Funds	1.8	4.3	1.3	1.3	1.3



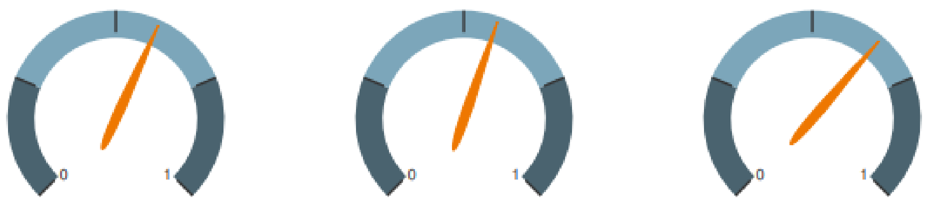
Source: Meketa, Quarterly updated.

RISK METRICS

1 Portfolio risk

Portfolio: 9.1% | Policy: 8.7% | Peer Group: 9.9% | Liability: 11.4%

2 Portfolio equity beta

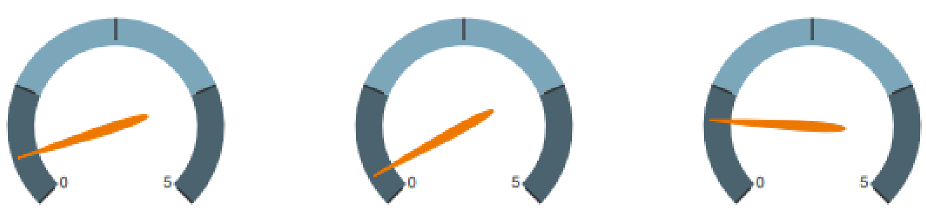


Portfolio: 0.59 | Policy: 0.57 | Peer Group: 0.65

3 Portfolio interest rate risk - Duration

Portfolio: 1.0 | Policy: 0.8 | Peer Group: 1.3 | Liability: 14.3

4 Portfolio credit risk - Spread duration

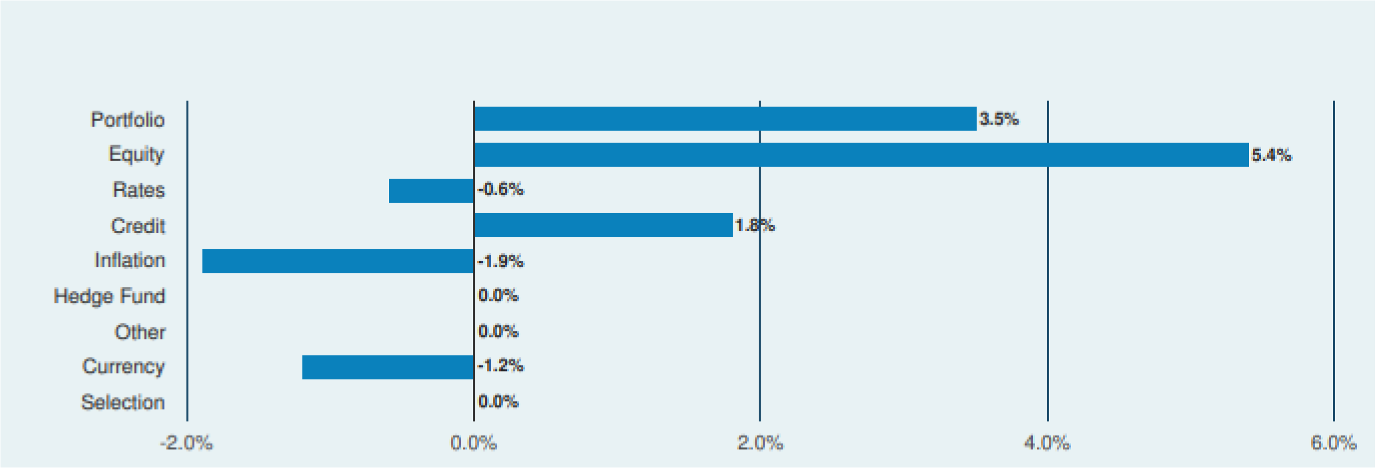


Portfolio: 0.5 | Policy: 0.3 | Peer Group: 0.9

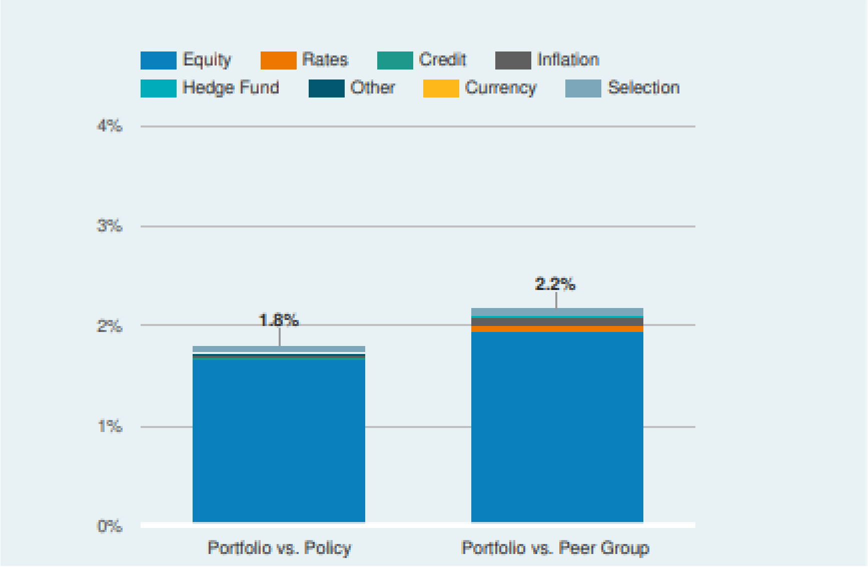
Source: Verus

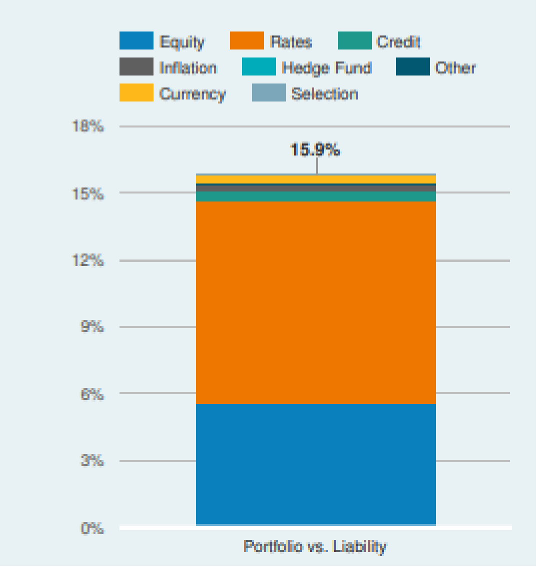
RISK METRICS

Risk factor weight relative to target



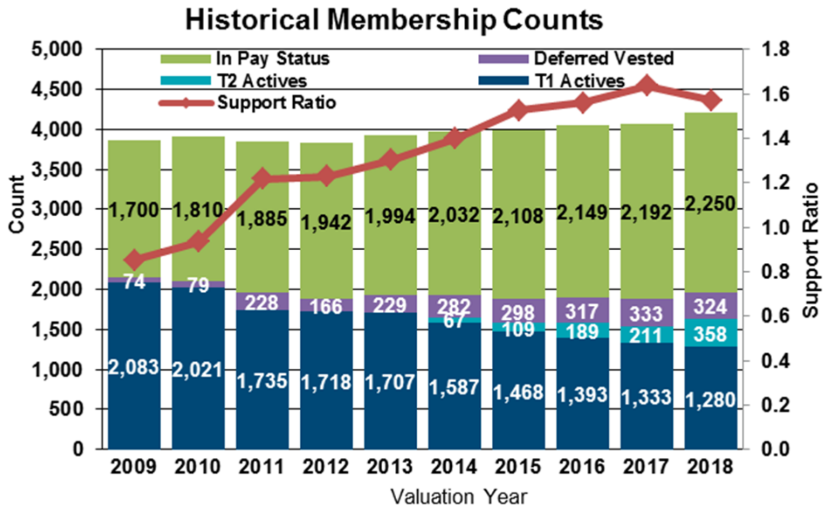
Active risk contribution by risk factor

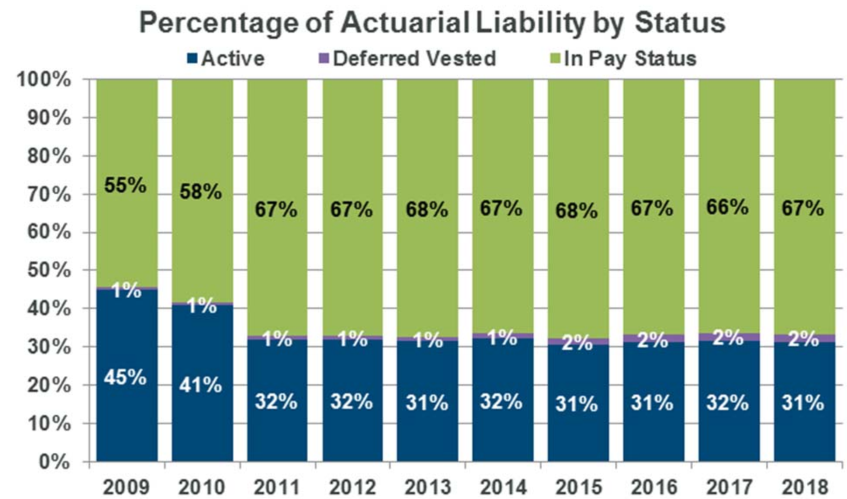


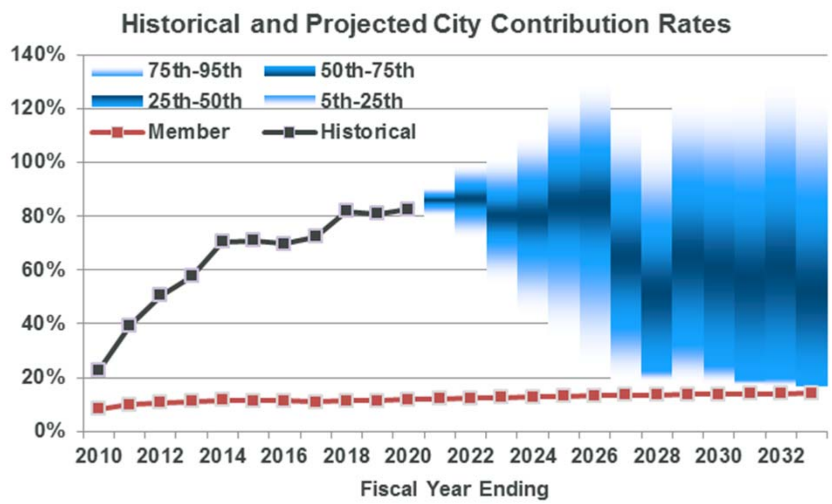


Source: Verus

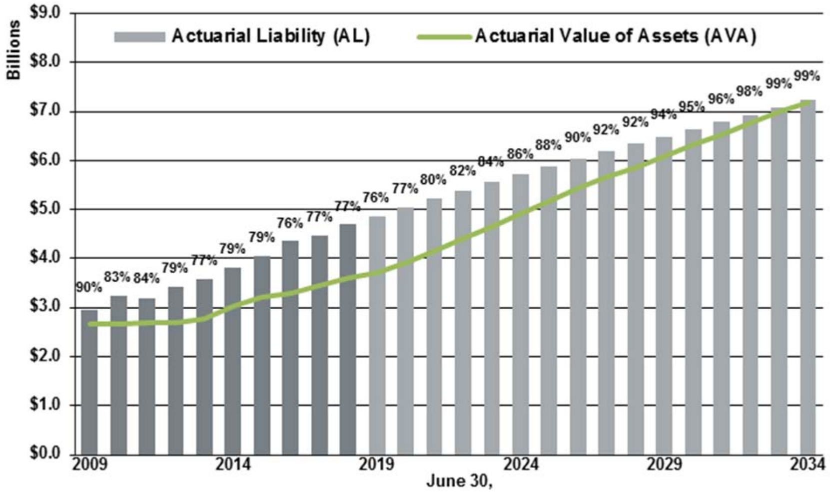
Actuarial Metrics

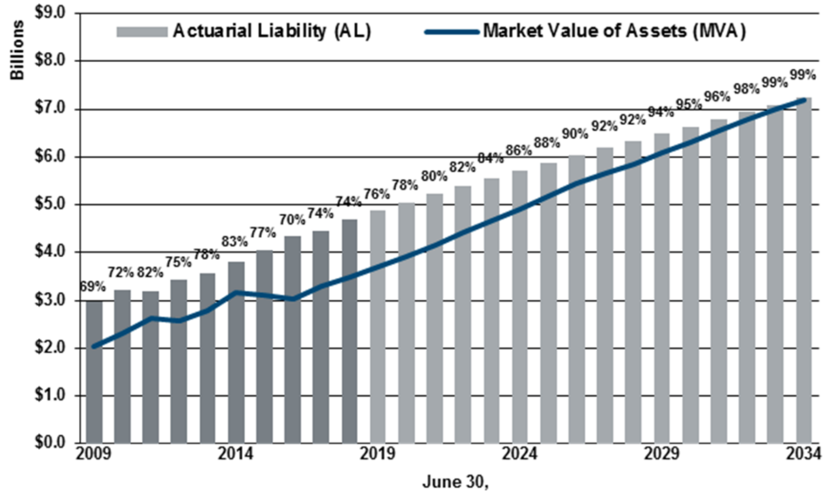




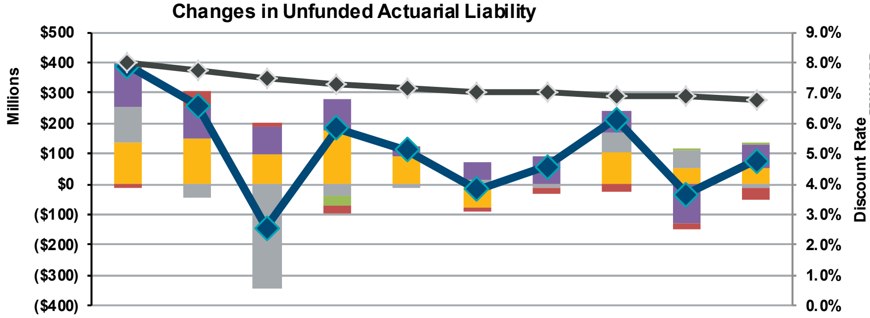


Actuarial Metrics



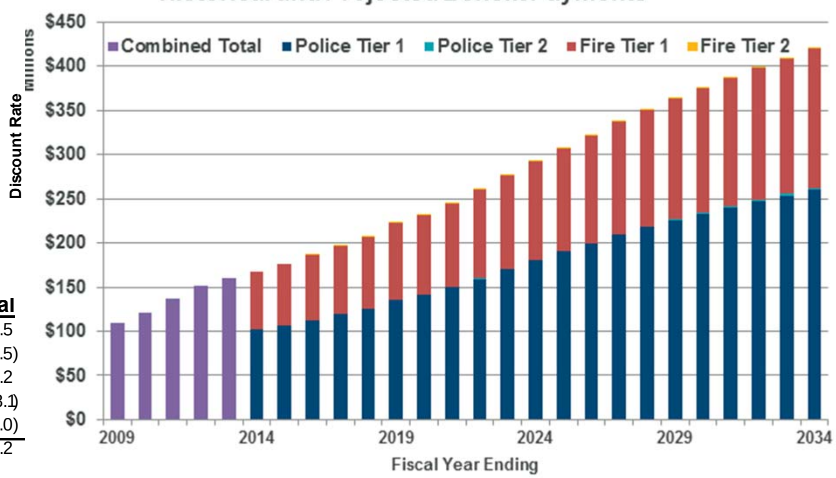


Changes in Unfunded Actuarial Liability



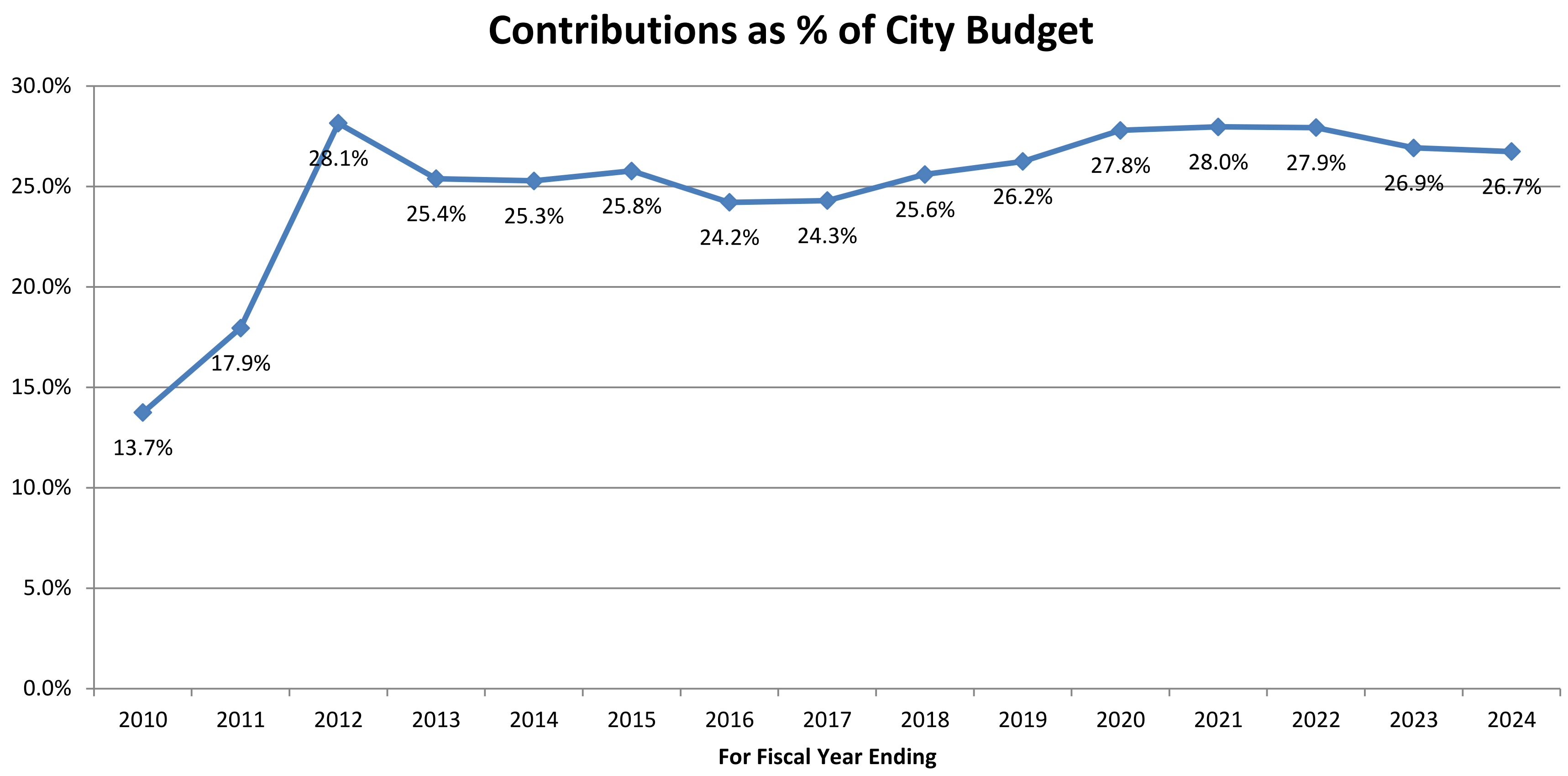
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
AVA Investment (G)/L	138.4	149.6	96.5	172.8	91.3	(78.5)	(2.8)	106.8	50.9	53.6	778.5
Liability (G)/L	113.5	(43.9)	(346.1)	(39.4)	(9.9)	14.7	(7.3)	61.3	61.8	(15.1)	(210.5)
Assumption Changes	145.4	104.2	89.1	107.7	28.2	56.3	90.0	72.7	(131.8)	76.4	638.2
Benefit Changes	0.0	0.0	0.0	(32.5)	0.0	0.0	0.0	0.0	4.3	0.2	(28.1)
Contributions	(9.9)	49.9	17.1	(24.6)	2.2	(9.9)	(23.4)	(27.0)	(19.6)	(39.7)	(85.0)
Net Change	387.3	259.8	(143.5)	184.0	111.9	(17.4)	56.5	213.7	(34.4)	75.4	1093.2
Discount Rate	8.00%	7.75%	7.50%	7.25%	7.13%	7.00%	7.00%	6.88%	6.88%	6.75%	

Historical and Projected Benefit Payments



January 4, 2019

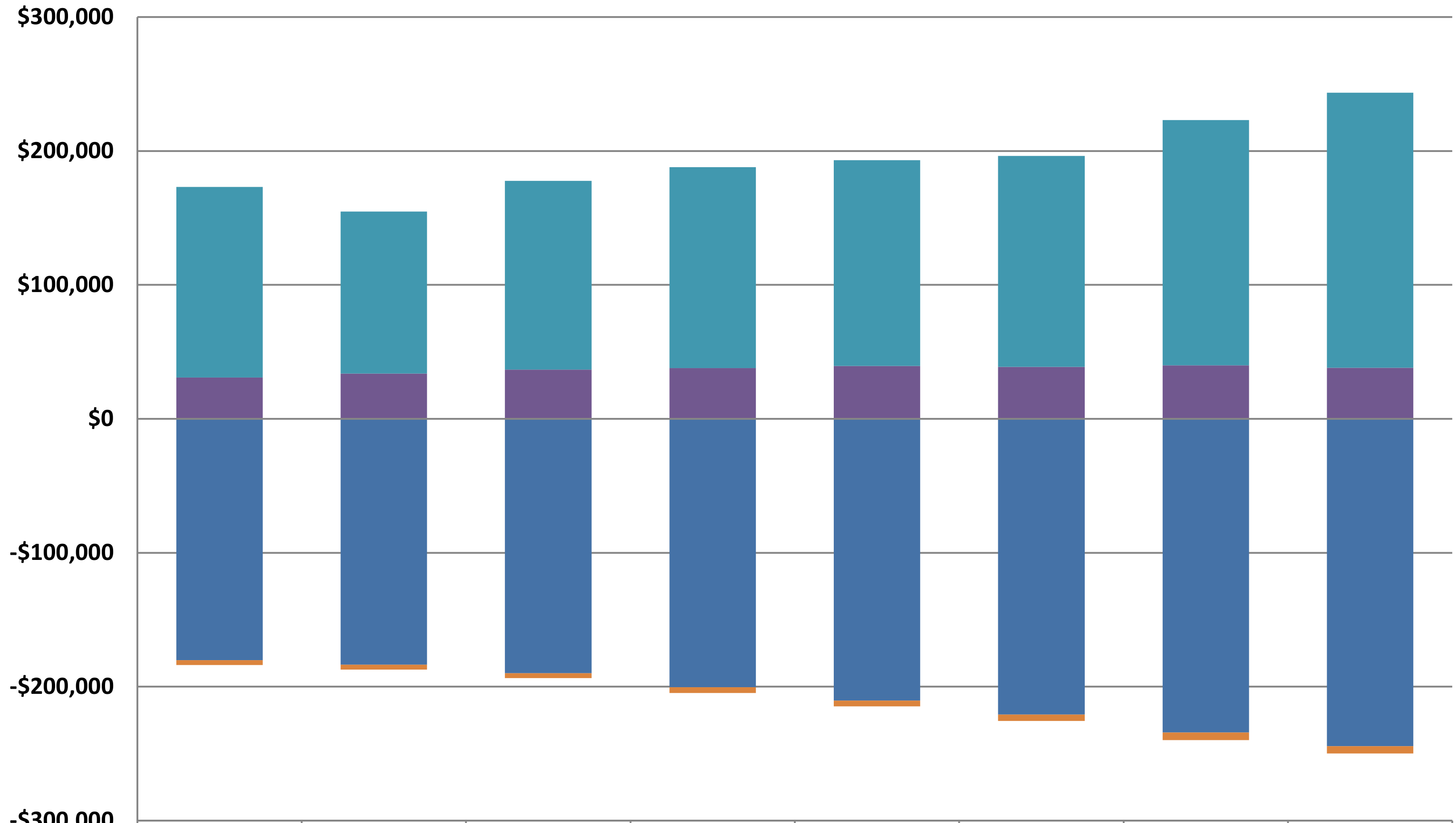
CHEIRON Classic Values, Innovative Advice



Contribution amounts represent the combined amounts for Federated and Police and Fire. Fiscal years 2020-2024 are the projected contributions and City budget based on the City's 5-Year Forecast and Revenue Projections.

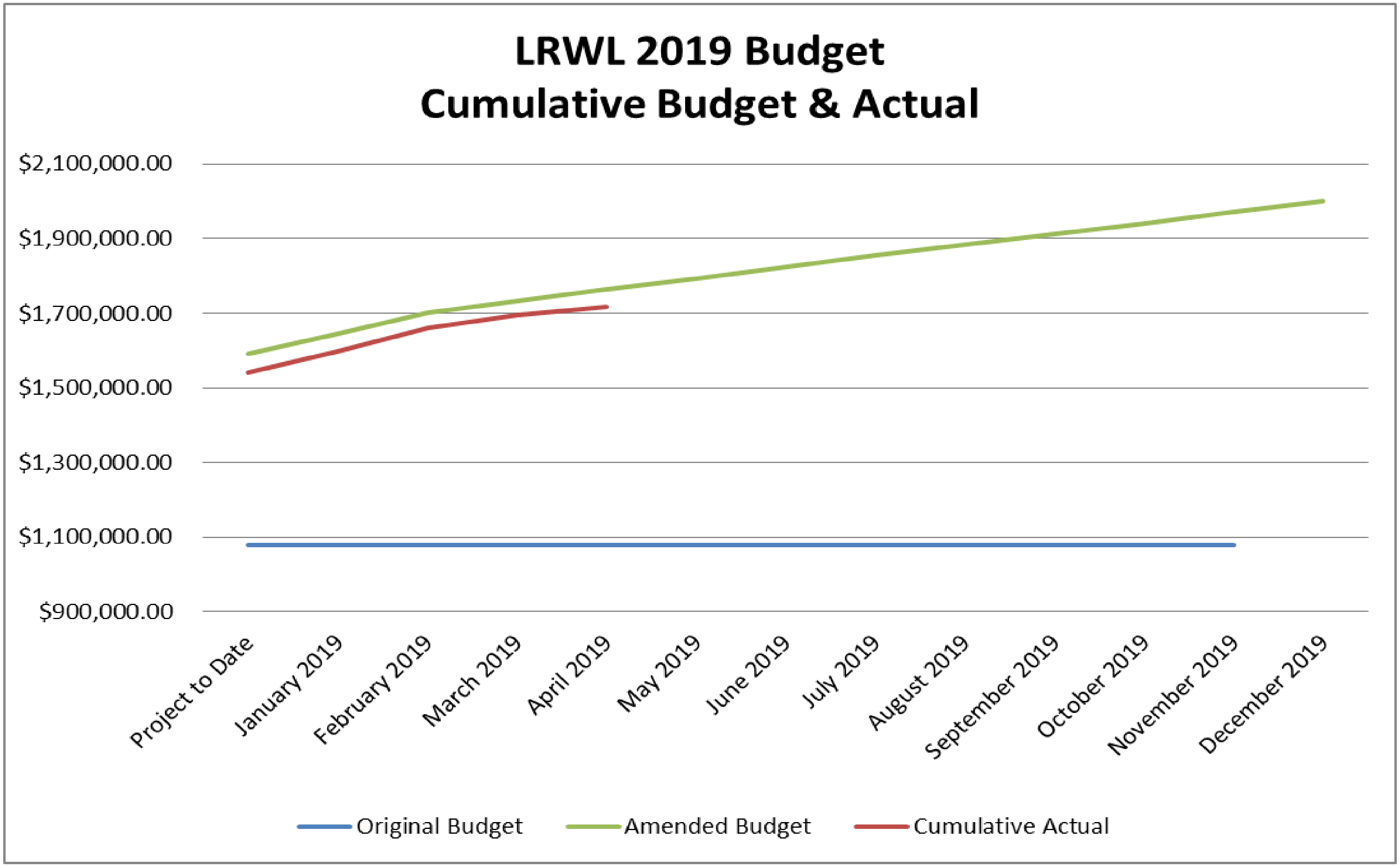
Changes as of 10/17/19

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

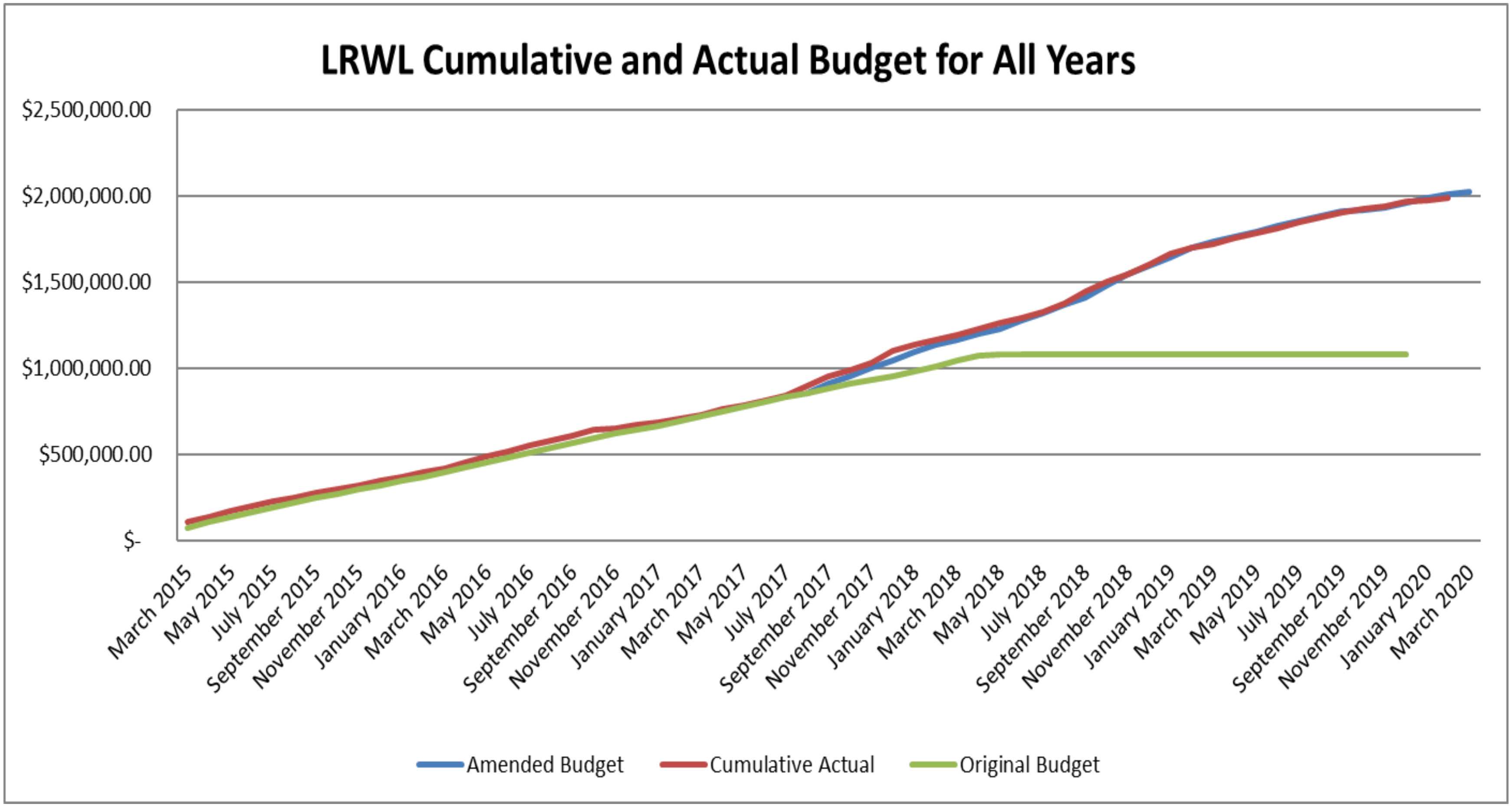


	2012	2013	2014	2015	2016	2017	2018	2019
Administrative Expenses	(3,643)	(3,501)	(3,734)	(4,314)	(4,393)	(4,817)	(5,623)	(5,495)
Benefits	(180,199)	(183,636)	(189,907)	(200,458)	(210,389)	(220,831)	(234,316)	(244,411)
Employer Contributions	142,214	121,042	140,850	150,189	153,545	157,624	183,094	205,362
Employee Contributions	30,819	33,725	36,789	37,764	39,515	38,696	39,968	38,126

As of April 1, 2019



As of 4/1/2020



LRWL Cumulative and Actual Budget for All Years
$2,500,000.00
$2,000,000.00
$1,500,000.00
$1,000,000.00
$500,000.00
$-
March 2015
May 2015
July 2015
September 2015
November 2015
January 2016
March 2016
May 2016
July 2016
September 2016
November 2016
January 2017
March 2017
May 2017
July 2017
September 2017
November 2017
January 2018
March 2018
May 2018
July 2018
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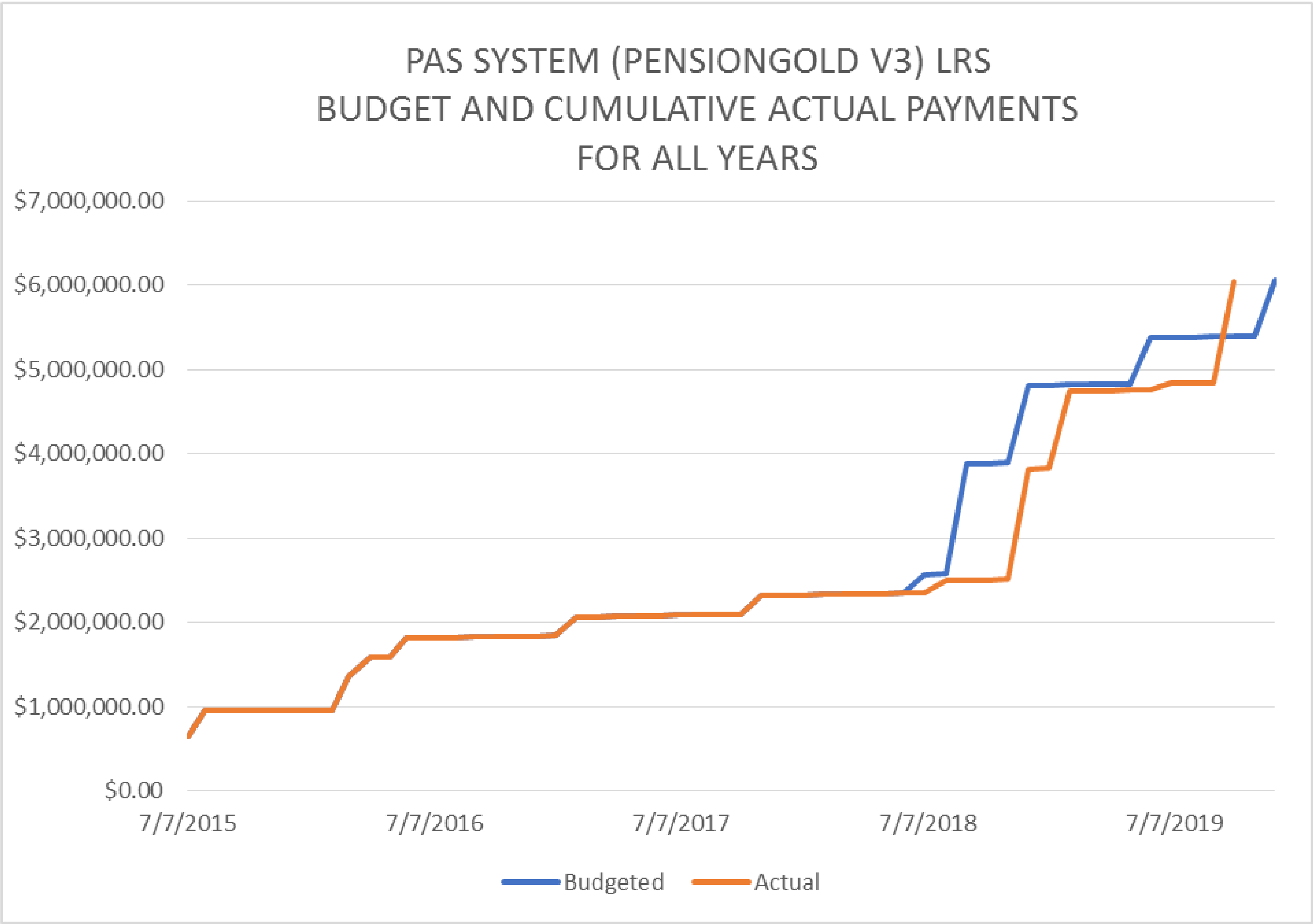
November 2018
January 2019
March 2019
May 2019
July 2019
September 2019
November 2019
January 2020
March 2020
Amended Budget
Cumulative Actual
Original Budget


PAS SYSTEM (PENSIONGOLD V3) LRS
BUDGET AND CUMULATIVE ACTUAL PAYMENTS
FOR ALL YEARS
$7,000,000.00
$6,000,000.00
$5,000,000.00
$4,000,000.00
$3,000,000.00
$2,000,000.00
$1,000,000.00
$0.00
7/7/2015
7/7/2016
7/7/2017
7/7/2018
7/7/2019
Budgeted
Actual

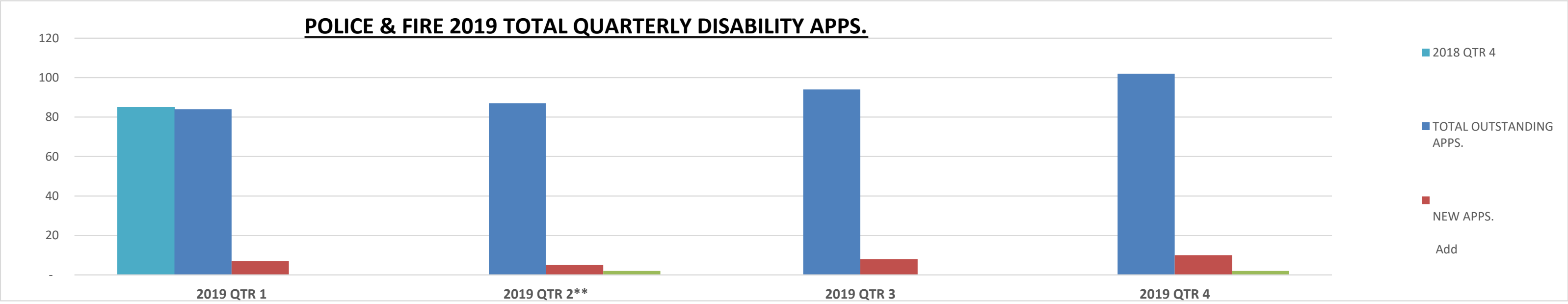
POLICE AND FIRE
2019 QUARTERLY DISABILITY STATISTICS

QUARTERLY STATISTICS	NEW APPS. Add	Interim Non-Service Connected Apps. (NSCD) NSCD Added in this Column Then subtracted in Completed Apps. Add	COMPLETED APPS. Subtract	TOTAL OUTSTANDING APPS.	BREAKOUT DETAIL OF "TOTAL OUTSTANDING APPS." APPS. DEFERRED BY ATTORNEY OR APPLICANT	APPS. THAT ARE NOT MMI AND ARE NOT READY TO PROCEED	APPS. THAT ARE MMI AND ARE READY FOR INDEPENDENT MEDICAL EVALUATION (IME)	APPS. FOR WHICH IME EXAM IS DONE, IME REPORT IS REC'D. AND READY FOR BOARD MEDICAL ADVISOR REPORT	APPS. FOR WHICH BOARD MEDICAL ADVISOR REPORT WAS REC'D. AND ARE READY FOR COMMITTEE MEETING	APPS. FOR WHICH COMMITTEE DECISION WAS RENDERED AND READY TO GO TO THE BOARD	TOTAL OUTSTANDING APPS.
2018 QTR 4	4	1	3	85	25	46	3	6	2	3	85
2019 QTR 1	7	1	9**	84	27	51	4	2	0	0	84
2019 QTR 2**	5	0	2	87	27	54	2	1	3	0	87
2019 QTR 3	8	1	2**	94	29	60	4	0	0	1	94
2019 QTR 4	10	0	2	102	29	68	3	0	0	2	102

SOURCE: QUARTERLY STATISTICS REPORT

**2019 QTR 1: 9 Completed Apps. Includes 1 Interim NSCD App., and 2 Apps. Withdrawn-Discontinued

**2019 QTR 3: 2 Completed Apps. Includes 1 Interim NSCD App.



October-December 2019
Completed Applications Processing Times

	Month of Board Approval	Fire or Police	Service Connected Disability Retirement (SCD) or Non-Service-Connected Disability Retirement (NSCD)	Change of Status (COS) From Service Ret. to Disability Ret.	Days From App. Rec'd. to MMI	Days From MMI to IME Appt.	Days From IME Appt. to Med. Advisor Report	Days From Med. Advisor Report to Committee	Days From First Agenda Date too Final Board Date	Days From App. To Final Board	Approved or Denied	Notes
1	November, 2020	Police	SCD	No	27	163	39	48	94	371	Approved	Marcello Oliveri
	November, 2020	Fire	SCD	Yes	410	171	139	348	31	1,099	Approved	Richard Toledo

SOURCE: DETAILED QUARTERLY STATISTICS REPORT

Appendix

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