

SAN JOSE POLICE & FIRE DEPARTMENT RETIREMENT PLAN
2021 BOARD PERFORMANCE ASSESSMENT
REPORT OF FINDINGS

BACKGROUND

The Board Performance Assessment Policy requires the Board to self-assess its performance every two years. This Report of Findings summarizes the results of the Board's 2021 assessment. Seven of the nine Board members completed an on-line survey and five Board members participated in follow-up telephone interviews with Cortex to elaborate on their survey responses.

SUMMARY OF KEY FINDINGS

Overall Evaluation

Board members provided a highly positive evaluation of the Board's performance, providing an average score for Board performance of 9.1 out 10 (the 2019 score was 9.0).

Areas of Strong Performance

Board members noted strong Board performance in the following areas:

1. The Board operates in a highly collegial, professional, and efficient manner.
2. The Board's success in navigating the pandemic, as evidenced by:
 - a. Quickly take advantage of the market correction at the start of the pandemic,
 - b. Continuing to hold effective board and committee meetings,
 - c. Continuing providing quality service to members, and
 - d. Taking deliberate and decisive action on disability issues.
3. Member communications has also improved.

Improvement Opportunities

Board members identified a small number of improvement opportunities, including:

1. Find ways to delegate more to Board committees
2. Continue finding ways to reduce the number and length of Board meetings.
3. Undertake a project to determine how past governance decisions led to the current funding position (governance attribution).
4. Prepare for the possibility that the CEO and CIO may retire at the same time; such a situation would be even more challenging if multiple Board members were also to leave the Board at the same time.
5. Continue to work to improve telephone response time for plan members and consider providing a live attendant.
6. Continue to be vigilant about accepting the outputs of the asset allocation modeling exercises and not attempting to make minor adjustments to the outputs based on intuition.

7. Consider whether committee reports to the Board should contain greater detail regarding the activities and discussion that occur at committee meetings and an indication of what the committee will be doing at subsequent meetings.
8. Consider providing more in-house education for the Board and continue to enhance the Board Education Policy; e.g., include mentor support to new trustees, more recommendations regarding external education, and more guidelines regarding educational concepts Board members should focus on.
9. Consider the value of having the Investment Committee meet periodically with the investment consultants to discuss potential improvements to the Fund.

We trust the above report will be of assistance to the Governance Committee and we look forward to reviewing it with the Committee and answering any questions.