

Retirement Services Department
Core Service: Administer Retirement Plans

PROGRAM	PROGRAM DESCRIPTION/OUTCOME	GENERAL FUND		ALL FUNDS		% Cost Recovery	Resources Managed/Program Revenue
		Cost	FTE	Cost	FTE		
Key Operational Service: Administer Retirement Benefits							
Administer Retirement Benefits	<p>This program administers all retirement benefits for the Police and Fire Plan and Federated System (Trust Funds) as per the San José Municipal Code. This program provides retirement planning, counseling, and education to active employees and assists retirees and beneficiaries with their post-retirement benefits needs. In 2007-2008, staff counseled 307 applicants and beneficiaries through the retirement process, provided health benefit services to 3,562 members, and offered 31 different education seminars.</p> <p>The outcome is providing and maintaining post-employment benefits (pension and medical) to retired City employees and their beneficiaries.</p>	\$0	0.0	\$1,395,000	12.3	0.0%	Retirement Benefits Program: \$252.0 million (11,300 members)
Key Operational Service: Supervise Investment of Retirement Plan Assets							
Manage Retirement Investments	<p>This program supervises the investment of assets in the Trust Funds. The investment team monitors the external investment managers and ensures that they comply with the Retirement Boards' investment policies and guidelines. The Trust Funds use Investment Policies to control the overall risk of the portfolio. As of June 30, 2009, the investment team oversees approximately \$4.0 billion in assets including ten real estate properties in seven states, monitors approximately 58 portfolios, coordinates with two investment consultants, two custodian banks, one commercial bank, and monitors approximately \$19.0 million in annual investment expenses, additionally it manages two actuarial consultants and four valuation processes.</p> <p>The outcome is maximizing the Trust Funds investment returns, mitigating the Funds risk exposure, and maximizing the Funds actuarial funded ratio.</p>	\$0	0.0	\$1,390,000	9.8	0.0%	Investment Program: \$4.0 billion in net plan assets

Retirement Services Department
Core Service: Strategic Support

PROGRAM	PROGRAM DESCRIPTION/OUTCOME	GENERAL FUND		ALL FUNDS		% Cost Recovery	Resources Managed/Program Revenue
		Cost	FTE	Cost	FTE		
Key Operational Service: Management of Trust Funds							
Management/ Administrative and Analytical Support	This program manages the Trust Funds, serves as liaison between the City and Boards of Administration for the Plans and prepares Board agendas and communications. The outcome is administrative management of the Trust Funds.	\$0	0.0	\$595,000	3.5	0.0%	
Financial Management/Contract Administration	This program maintains all accounting records for the Trust Funds, handles monthly pension disbursements of approximately \$21.0 million to 4,500 retirement beneficiaries, accounts for plan assets and prepares the Trust Fund's Comprehensive Annual Financial Reports (CAFR). The outcome is financial management of the Trust Funds.	\$0	0.0	\$495,000	5.0	0.0%	Retirement Plan Assets: \$4.0 billion Annual Retirement Benefit Contributions: \$186.0 million
Information Technology	This program provides all information technology support to the Retirement Services Department including on-site support for the Pension Gold retirement administration system, interfaces with the City's payroll, accounting, e-mail, and other communication systems. This program also provides information technology support to Board members and approximately 4,500 benefit recipients. The outcome is information technology management of the Trust Funds.	\$0	0.0	\$355,000	2.8	0.0%	
DEPARTMENT TOTAL		\$0	0.0	\$4,230,000	33.4		