




ALLIANCE
RESOURCE CONSULTING LLC

**Chief Executive Officer
Office of Retirement Services
City of San Jose, CA**

The City of San Jose

Known as the “Capital of Silicon Valley,” the City of San José plays a vital economic and cultural role anchoring the world’s leading region of innovation. Encompassing 180 square miles at the southern tip of the San Francisco Bay, San José is Northern California’s largest city, third largest in the State, and the 10th largest city in the nation. With more than one million residents, San José is one of the most diverse large cities in the United States. San José’s transformation into a global innovation center has resulted in one of the largest concentrations of technology companies and expertise in the world, including major tech headquarters like Cisco, Adobe, Samsung, and eBay as well as start-ups and advanced manufacturing.

San José’s quality of life is unsurpassed. Surrounded by the Diablo and Santa Cruz mountain ranges and enjoying an average of 300 days of sunshine a year, residents have easy access to the beaches along the California coast including Santa Cruz, Monterey, and Carmel-by-the-Sea; Yosemite and Lake Tahoe in the Sierra Nevada; local and Napa Valley wine country, and the rich cultural and recreational life of the entire Bay region.

San José has received accolades for its vibrant neighborhoods, healthy lifestyle, and diverse attractions from national media including Business Week and Money magazines. The downtown area is home to high-rise residential projects, theaters, museums, and diverse entertainment attractions such as live music, live theater, cafes, restaurants, and nightclubs. Inquiring minds are served by The Tech Interactive, the San José Museum of Art, and many local galleries and venues. The City is served by 19 of the 32 public school districts in the County, and over 300 private and parochial schools provide residents with a range of educational choices. Universities in and near the City include San José State University, Santa Clara University, Stanford University, and three University of California campuses.

The City Government

The City of San José is a full-service Charter City and operates under a Council-Manager form of government. The City Council consists of ten (10) council members elected by district and a mayor elected at large. The City Manager, who reports to the Council, and her executive team provide strategic leadership that supports the policy-making role of the Mayor and the City Council, and motivates and challenges the organization to deliver high quality services that meet the community’s needs. Department heads, including the Director of Finance, are appointed by the City Manager with confirmation by the City Council. The City actively engages with members of the community through Council-appointed boards and commissions.

In addition to providing a full range of municipal services including police and fire, San José operates an airport, a municipal water system, a regional wastewater treatment facility, some 200 neighborhood and regional parks, and a library system with 24 branches. The City also oversees convention, cultural, and hospitality facilities that include the San José McEnery Convention Center, Center for the Performing Arts, California Theater, Mexican Heritage Plaza, and the SAP Center San José – home of the National Hockey League San José Sharks.

City operations are supported by 7,033 full-time equivalent positions and a total operating and capital budget of \$6.2 billion (for the 2023-24 fiscal year). San José is dedicated to maintaining the highest fiscal integrity and maintaining its consistently high credit ratings to ensure the consistent delivery of quality services to the community. Extensive information regarding San José can be found on the City website at www.sanjoseca.gov.

The Office of Retirement Services

In 2000, the Office of Retirement Services became a separate City of San José department. The Office of Retirement Services serves at the direction of the two independent Boards of Administration (“Boards”) for the two retirement plans for City employees (the Federated City Employees Retirement System (“Federated”) and the Police and Fire Department Retirement Plan).

Unlike for other City Departments, the Chief Executive Officer and the Chief Investment Officer for the Office of Retirement Services are hired and appointed by the Boards for Federated and the Police and Fire Department Retirement Plan.

There are approximately 15,300 active, retired and survivor participants that are served by the Office of Retirement Services.

The Office of Retirement Services’ (ORS) mission is to “Provide quality service in the delivery of pension and related benefits and maintain financially sound pension plans.” There are five funds managed by ORS, FCERS and the Police and Fire Department Retirement Plan. Each of the pension trust funds has companion retiree healthcare trust fund with overlapping membership within the relevant plan. The Funds are:

- ▶ Federated Retiree Health Care Trust Fund
- ▶ Federated Retirement Fund
- ▶ Fire Retiree Health Care Trust Fund
- ▶ Police and Fire Retirement Fund
- ▶ Police Retiree Health Care Trust Fund

The 2023-2024 service delivery goals are:

- ▶ Manage Retirement Plans’ assets and seek solutions to increase investment returns and reduce volatility and cost, while mitigating risk.
- ▶ Work with the Retirement Plans’ actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to remove risk from the plans, and decrease volatility.
- ▶ Provide quality retirement planning, counseling, and financial reporting.

ORS is responsible for interfacing with active, retired, and survivor participants of the plan; with the City Manager, Mayor, and City Council of the City of San Jose; with the boards of the five plans; and the retained professionals (e.g. legal, actuarial, financial, insurance, and information technology) that are part of the team.

The Federated City Employees’ Retirement System currently holds assets valued at \$3.3 billion and the assets of the Police and Fire Department Retirement Plan are currently valued at \$5.0 billion. The Federated board has seven trustees and the Police and Fire board has nine. All boards are made up of independent trustees (typically with financial expertise) and trustees drawn from active and retired City employees. The CEO of ORS and the Board trustees are fiduciaries of these plans.

For more information, please visit: <https://www.sjretirement.com/>

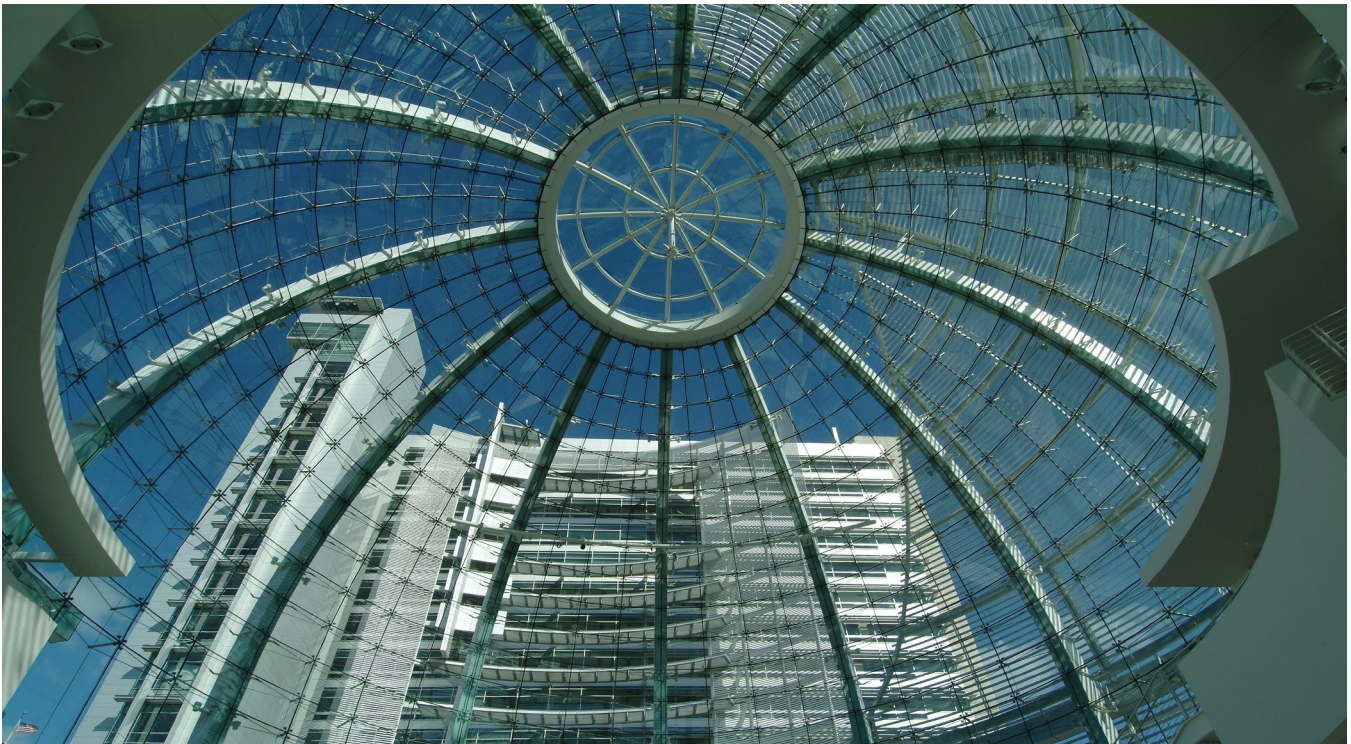
The Opportunity

The Director of the Office of Retirement Services serves as the Chief Executive Officer (CEO) and directs a staff of 43 people to lead, manage, and administer the day-to-day operations of ORS. Uniquely reporting to both boards, the CEO of ORS is a key leadership role tasked with ensuring that the fiduciary responsibility of one of the largest city pension plans and ensure it remains operationally healthy and well managed.

The ORS team has an impressive track record of turning around its investment performance and implementing industry best practices. As ORS enters a new era, key areas of focus for the incoming CEO of ORS will be:

- ▶ **Leadership** – Be an engaged and on-site presence. Foster a positive and responsive professional environment. Inspire the workforce and lead a fresh re-branding effort that best represents ORS and its future goals.
- ▶ **Collaboration** – Work besides the Chief Investment Officer, be the key liaison between both Boards, the Mayor and City Council, the City Manager’s Executive Team, the unions, legal counsel and other stakeholders.
- ▶ **Organization Review** – Evaluate each division within ORS to determine operational efficiency. Implement additional best practices as needed to ensure optimal performance.
- ▶ **Personnel Management** – Have an open-door policy and be accessible to staff at all levels. Be inclusive and interactive with the diverse staff.
- ▶ **Customer Service** – Review current customer service operations and be proactive in implementing new processes to improve the customer accessibility and experience with ORS.
- ▶ **Information Technology** – A new platform was implemented two years ago. Build on the new technology momentum and continue to build out the system to revise member portals, improve communication features and further automation of antiquated processes.

The position is open due to the upcoming retirement of the incumbent.



The Ideal Candidate

The Boards of Trustees seeks a visionary, energetic and proven leader with public pension expertise to be its next long-term CEO of ORS. The ideal candidate will be able to usher change in a nurturing and supportive way, communicate to stakeholders in a trust-worthy and calm manner and be hands on and supportive with employees.

The selected candidate will be detailed-oriented, operationally-driven and able to manage the organization with commitment and integrity. They will be confident when making a difficult decision and able to navigate and address political pressures or conflicts in a neutral way while best protecting the needs of ORS.

The ideal candidate will possess the following qualifications:

- ▶ A bachelor's degree (preferably a master's degree) in Business Administration, Economics, Finance, Actuarial Science, Law or closely related field; and at least five years (8 to 10 years is desirable) of increasingly responsible professional, full-time supervisory or management experience in a large and/or complex pension fund system.
- ▶ Public sector or multi-employer pension system experience is highly desirable, although private sector experience will also be considered.
- ▶ Knowledge of California public pension legislation.

The ideal candidate will have effective presentation skills and a high level of diplomacy. They should be capable of keeping the Boards informed of material communication issues and developments; keeping staff, the Boards, and the City apprised of relevant developments of the plans; acting as a liaison between the Boards and the plan sponsor organization. The selected candidate will be active externally outside of San José to understand best practices and developments regarding public pension plans; and assisting the City Council in recruiting, selecting, and retaining independent board members, specifically those with deep knowledge of pension fund financial workings.

The ideal candidate will be well -rounded and familiar with the specific annual budgeting process city governments follow. They will have high level of investment knowledge that will complement ORS' Chief Investment Officer's leadership. Lastly, the CEO of ORS will thrive in taking a hard-working department and reshape it for the future as part of their legacy.



Compensation

The CEO of ORS' salary range is currently \$244,000 - \$345,000; placement within this range will be dependent upon the qualifications and experience of the individual selected. This salary includes an approximate five percent (5%) ongoing non-pensionable compensation. The salary is supplemented by an attractive benefits package that includes, but is not limited to:

Retirement – Competitive defined benefit retirement plan with full reciprocity with CalPERS.

Health Insurance – The City contributes 85% towards the premium for the lowest-priced non-deductible plan. Several plan options are available.

Dental Insurance – The City contributes 100% of the premium of the lowest-priced plan for dental coverage.

Personal Time – Vacation is accrued initially at the rate of three weeks per year with amounts increasing up to five weeks after 15 years of service. Vacation accrual may be adjusted for successful candidates with prior public service to reflect a vacation accrual rate commensurate with total years of public service. Executive Leave of 40 hours is granted annually and depending upon success in the Management Performance Program, could increase to up to 80 hours. Sick Leave is accrued at the rate of approximately 8 hours per month.

Holidays – The City observes 15 paid days annually.

Deferred Compensation – The City offers an optional 457(b) plan.

Flexible Spending Accounts – The City participates in Dependent Care Assistance and Medical Reimbursement Programs.

Insurance – The City provides a term life insurance policy equal to two times annual salary. Long-term disability and AD&D plans are optional.

Employee Assistance Program (EAP) – The City provides a comprehensive range of services through its EAP.

Executive Management Benefits –

<https://www.sanjoseca.gov/home/showpublisheddocument?id=21323>

Health Benefits –

<https://www.sanjoseca.gov/your-government/departments-offices/human-resources/benefits>

How to Apply

Please apply **on-line** by **March 11, 2024** at www.alliancerc.com. For questions, inquiries or candidate recommendations, please contact:

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Alliance Resource Consulting LLC

LinkedIn: <https://www.linkedin.com/company/alliance-resource-consulting>

An Equal Opportunity/ADA Employer

INFORMATION FOR INTERNAL CITY CANDIDATES INTERESTED IN
OFFICE OF RETIREMENT SERVICES
CHIEF EXECUTIVE OFFICER POSITION

Who can apply for the position? Anyone can apply for the position. However, if you are a member of either the Federated City Employees' Retirement System ("Federated") or the San Jose Police and Fire Department Retirement Plan ("P&F Plan"), then there may be additional considerations to take into account when accepting the position as the Chief Executive Officer ("CEO") of the Office of Retirement Services ("ORS").

Retirement Benefit: Any person holding the position of CEO will be in CalPERS during their tenure as CEO. Since each applicant's situation may be different, questions about an applicant's retirement benefits in the event that he or she decides to pursue the CEO opportunity can be addressed to the recruiter, Alliance Resource Consulting (contact information provided below).

Retired Members: If you are a retired member of one of the two San Jose retirement plans, then your retirement allowance will be suspended on the effective date of employment as ORS' CEO and will continue to be suspended while you hold the CEO position. Once you leave the position as CEO, your retirement allowance from the San Jose retirement plan will be reinstated.

Other Benefit Questions: If you have other benefits related questions, please reach out to Federated and P&F Plan's executive search firm:

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All inquiries regarding this position will be treated with confidentiality and will be handled by Alliance Resource Consulting. Please do not reach out to any trustees of the Boards and direct your questions to Alliance Resource Consulting.

Coordination

This Informational Notice was prepared in coordination with the City Attorney's Office and the Boards of Administration for the Federated and P&F Plan's outside general fiduciary counsel.