

Welcome to The Retirement Connection!

Message from CEO Roberto L. Peña



This sounds like a familiar update, but I promise – this time, it’s going to happen: Both Retirement Boards will return to meeting in person starting with our March meetings after the long retreat to Zoom meetings with the pandemic. By the time members read this, the Police and Fire trustees will have held their

March 2 meeting in person.

As thrilled as we are to gather once again in person, there is a complication. Renovations are due to begin at our regular Board meeting room. During renovations we will hold meetings at temporary locations, including the Council Chambers. Members who want to attend should be sure to check our online calendar prior to the meeting to confirm

the location until we can return to our regular Board room. Members will also continue to have the choice to watch the Board meetings livestream on our website.

Meanwhile, it is a busy season for us at ORS and for our members. As of the anticipated distribution date of this issue, most will have been meeting tax deadlines, ORS has received its annual actuarial report (see related article in this issue), and of course, the Spring months are always busy since it is a popular time of year for employees to retire.

Finally, I want to thank staff who worked so hard this Winter – as they do each year – to coordinate assistance and resources for members during the Open Enrollment period and to process all those changes by year’s end. Once again, they stepped up and met the challenge in what was another smooth Open Enrollment period and transition.

Did you know you can make communications choices and safely send documents to ORS online?

Many members are unaware that they can make choices in how they receive communications from ORS through their Member Direct portal, as well as safely download to send multiple documents to ORS online. Here’s a quick look at how to accomplish frequently needed tasks online:

1. **Choose the way you receive the Retirement Connection newsletter.** If you have a Member Direct portal account, login and go to “Profile” at top right of menu bar. It will show “Newsletter Preferences” choice. You will see a drop-down bar that offers the option to get the newsletter both as an e-newsletter and a physical (paper copy) newsletter, or to get an e-newsletter only, or a physical newsletter only, or no newsletter at all. If you don’t have a Member Direct account, you can opt out of the hard-copy newsletter by going to our website at www.sjretirement.com, clicking on “Publications” at top right, and clicking on “here.”
2. **Securely send attachment(s) through Member Direct.** Login to your Member Direct portal at <https://memberdirect.sjretirement.com>. Go to the Message Center. Click “Send a New Message.” Enter a subject, a message body, and add document(s) to the message by clicking on “Add Attachment(s)” button. You may attach multiple documents to your message, *but you must attach them one at a time*. One attachment can be up to 25 MB and the total message plus attachment size limit is 1GB. The system will accept files from many document types. Once the message is complete and the file(s) attached, just send the message.



Newly-elected Mayor Matt Mahan joined volunteers in a recent cleanup day in the Seven Hills neighborhood during which the crew removed 2,460 pounds of trash. The effort was just one event in the Parks, Recreation and Neighborhood Services Department’s BeautifySJ program. A variety of cleanup efforts are conducted frequently throughout the City, and may be a perfect fit for retirees who would like to volunteer an occasional day to help keep their own neighborhood clean, safe and beautiful. Those interested in participating can go to bit.ly/Inaugur-ACTION to sign up for Volunteer opportunities and get information on upcoming Inaugur-Action clean-up events coming soon to you and your neighborhood.

Finding the right financial advisor for you

Many members are building retirement nest eggs in pieces – typically, starting with their City of San Jose-earned pension and Social Security benefits, and often supplementing those pieces with an investment portfolio. For members who are in the financial planning stage of their careers, knowing how to choose a manager is an important step toward succeeding in that third bucket of retirement funds. Consider this checklist when choosing the professional who will best meet your needs:

What kind of services do you need? Some financial advisors will provide additional advice, such as insurance planning, debt repayment, and even estate planning. If you are single, you may need only the basic financial investment services financial managers offer.

Is your financial manager a fiduciary? Being a fiduciary, he or she is required to invest and manage your funds in your best interest. Non-fiduciary financial planners usually work on commission they earn by selling investment, insurance and related products, and are not necessarily required to advise you in your best interest.

Is your financial manager fee-based or working on commission? This relates to the above point. Fee-based managers typically charge either a flat or hourly fee, or a percentage on earnings, and are fiduciaries; those on commission earn their living by selling particular financial products and are not fiduciaries.

Is your financial planner certified?

Asking these questions can help you choose the right financial manager for your needs, the first step in reaching your goal of building adequate supplemental income for a secure, satisfying retirement.

Quarterly Question

Q: Like many police and fire members, I served in the military before coming to work in San Jose. I'm told that I can buy service credit for my time in the military. How does that work?

A: Yes, indeed, you can buy service credit for your time in the Armed Forces or Merchant Marines of the United States! Eligible prior military service means active military service with the Armed Forces or the Merchant Marines; where all of the following conditions are satisfied:

The military service was performed prior to the member's first employment by the City of San Jose.

The member does not receive any service credit towards a military pension for the same period of time.

The member does not receive any service credit in a reciprocal system for the same period of time.

The military service is continuous.

The military service for which the member elects to purchase service credit does not exceed four years.

*If you have met all the requirements listed above you must also elect the purchase within 30 days after filing the application for retirement. The cost is actuarially calculated and will include all additional benefits that accrue to the member or member's survivors who purchase military service credit. The Police and Fire Retirement Plan will pay for one actuarial calculation for purchasing your military service time. *If the member does not retire within thirty days, the member is responsible to pay for a new actuarial calculation, currently the cost is \$900.00, by check made out to "Police and Fire Department Retirement Plan".**

It is important to note that this service purchase does not count towards medical or dental coverage.

Here at ORS, we have an analyst who has developed a bit of a specialty in helping former military members navigate this process. (See this issue's Profile article to meet Jesselle Holcomb.)

And by the way: Thank you for your service!

Kudos

Kudos to the hardworking staff of the **Benefits Team** at ORS who helped members through another busy Open Enrollment season at the end of 2022. In addition to resuming the popular in-person Health Fair that had been suspended since the outbreak of the Covid pandemic, the staff coordinated a variety of counseling and educational resources about this year's options, and processed hundreds of applications for new coverage or changes in coverage choices. Here is a snapshot of the services provided during Open Enrollment and in the days following enrollment to process members' choices:

- 616:** Number of members' changes processed
- 65:** Members attending webinars or personal counseling appointments with Anthem or Kaiser
- 10:** Number of webinars offered by Anthem and Kaiser
- 33:** Number of hours dedicated to personal counseling appointments by Anthem and Kaiser
- 417:** Number of members who submitted choices through Member Direct portal
- 89:** Number of Medicare transactions processed.



Profile:

Jesselle Holcomb

Benefit Analyst

Q: Tell us about your journey to ORS and your work as a benefit analyst.

A: I graduated from Santa Clara University, majoring in Psychology and Business. It turns out this combination was a perfect fit for my current job. After college, I worked for a non-profit assisting low-income families find childcare that would allow them to work. I was a case manager, then a supervisor with this non-profit. I first joined the City of San Jose in 2009 as a retirement benefit analyst. I learned so much over the next five years. In 2014, I decided to take a break to raise my daughter and son – the best job of my life. Once they were in school full time, I returned to work.

Q: What are your duties?

A: I have experience at ORS with all the specialized benefits “desks” and issues: Divorce, return of contributions, purchasing service time elsewhere, deaths, education, training new staff, etc. Since returning last summer, I assist members dealing with the retirement process and guide members and surviving spouses in the case of death. My newest area of focus is helping former military members understand the benefits they may be entitled to, such as purchasing service credit for military time. I enjoy the research and analytics of this project. Each case completed gives me great satisfaction and a sense of accomplishment.

Q: What’s most satisfying or challenging about your work?

A: The challenge is the large work load, especially early in the year. But the gratification is worth it to work alongside fellow City employees, helping them through the retirement process. My favorite moment is to say to a new retiree, “Thank you for your service to our City, and congratulations on your retirement.”

Q: Share a bit about Jesselle away from the office.

A: I love the outdoors – hiking or just sitting on the beach listening to the waves. I’m happy spending time with my family doing just about anything, but exploring new cities, time outdoors, and sharing new locations and food together is wonderful. I take lots of photos and enjoy creating albums and scrapbooks. I’m very involved with our church and I’m the leader of my daughter’s Brownie troop. It’s awesome helping girls develop values and confidence.

Staffing Updates

- **Sachin Sadana**, pursuing opportunities outside the City.
- **Linda Alexander**, Executive Assistant and **Lonnie Lang**, Accounting Technician retired on March 30. We wish them the best on their retirement!

Welcome to ORS!

- **Isla Chaparro**, Executive Assistant

Actuarial Report continues to show progress

It’s that time of year again when our actuary reports on the state of our two retirement funds and their sufficiency to pay obligated benefits to retirees now and in the future. This year’s report continues to show gradual progress in building the needed funds for both pension plans, while there remains work to do to reach our goals for the employee benefits plans (which fund benefits such as retiree health care).

We have gleaned a few bottom-line takeaways from these dense reports for members. Of course, anyone wishing to wade through the full report can do so at www.sjretirement.com.

The Federal Employees’ Fund current balance is 57% of funds needed to fund long-term obligations, slightly up from the 55.1% we reported for the fiscal year ending June 30, 2021, and up from the 52.3% the prior year.

The Federal Employees’ Fund to pay non-monetary benefits is currently 60.3%, down from 66.3% we reported last year, but still up from the 52.3% reported the prior year.

The Police & Fire Fund is reported at 79.6%, up from 77.4% the year ending June 30, 2021 and continuing to increase from the 73.6% reported the prior year.

The Police & Fire Fund to pay non-monetary benefits is reported at 38.8%, down slightly from the 39.8% reported for the year ending June 30, 2021, but still significantly up from the 30.7% reported the prior year.

It’s important to note that the workforce is changing. The number of Tier 2 active employees continues to rise, while there is a continual decrease due to attrition in Tier 1 active membership.

Every five years an actuarial audit to determine the pension and benefits funds valuations is conducted to verify these annual calculations done by the Board actuary. That five-year audit will offer comments on the methodology and results of the annual valuations.

As with other public pension plans, San Jose’s Boards have funding policies and plans to reach funding goals. San Jose’s policies have a goal of attaining 100 percent funding in approximately 20 years, if the assumptions upon which the policies were developed are met.



The Retirement Connection

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GO GREEN!

Send ORS an email to retirement.
dept@sanjoseca.gov if you would like
to receive your copy of the newsletter
electronically, via email or if you prefer
to access the newsletter online at our
website www.sjretirement.com

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Upcoming Board Meetings

Due to renovations currently in progress at City Hall, some meetings will be held in the Council Chambers or Wing Room 118-120, please check our website for the latest information.

Police and Fire Board meetings are held on the 1st Thursdays of each month except in July.
Upcoming meetings will be held on the following dates:

April 6 • May 4 • June 1

Federated Board meetings are held on the 3rd Thursdays of each month except in July.
Upcoming meetings will be held on the following dates:

April 20 • May 18 • June 15

BOARD UPDATES

The Board vacancies for recruitment are posted on the City Clerk's website at:
<https://sanjose.granicus.com/boards/w/923860ac785826ef>

All meetings unless otherwise posted on the Agenda, are at City Hall, 200 E. Santa Clara Street,
Wing Rooms 118-120. Meetings are also live-streamed on our website at www.sjretirement.com

Upcoming City Closures

March 31 - Cesar Chavez
May 29 - Memorial Day
June 19 - Juneteenth
July 4 - Fourth of July

CONTACT US!

408-794-1000 or 1-800-732-6477
Our staff directory can be found on our
website at: www.sjretirement.com
Click on "About us"/"Office Staff" or email
us at retirement.dept@sanjoseca.gov