

## Welcome to The Retirement Connection!

### Message from CEO John Flynn



As we enter 2025, we finish a year of significant achievement on behalf of our members – retirees as well as active City employees who trust us to grow and safeguard their future retirement benefits. Readers will see an article in this issue about how solidly our investment strategies have been working to build both the Federated and Police & Fire Funds

to levels that will be needed to cover benefits and costs far into the future. And, of course, we have just finished another Open Enrollment period, providing information and processing to members to ensure they enroll in the plans that best suit their needs.

For me, it has been a whirlwind final quarter to the year, relocating from New York to be the new CEO of the City of San José's Office of Retirement Services. I've spent much of the time focused on the goals I outlined in the last issue of Retirement Connection: Meeting with staff and hearing their perspective and ideas -- they are the backbone of the work we do for our members. The Boards of both systems have also been generous with their time, giving input and insight into their styles and priorities.

I've also met with many of the City's department heads and key staff to understand how ORS integrates with their operations.

I'm building relationships with senior managers across the City spectrum.

Bottom line: this first few months has been about listening. I am here in the office every day, where I can continue to engage with trustees, staff, and City colleagues on a face-to-face basis.

I hope to begin engaging with members, too. I believe in the importance of open communication and value the experiences of our members. As part of our commitment to providing exceptional service to our members, we want to hear your experiences with the ORS team and services directly from you.

I am pleased to announce we recently added a "Contact the CEO" link to the homepage of our website, [www.sjretirement.com](http://www.sjretirement.com), that allows members to reach out to me directly. I invite you to please share your feedback, whether it's a compliment, suggestion, or concern, we're listening and committed to responding thoughtfully.

Together, we can continue building an increasingly better experience for everyone.

We will continue to update you through the Retirement Connection, our website, and social media when we identify workable channels of communication with members

Meanwhile, may 2025 be a happy, prosperous and healthy one for each and every member!

### Go Green; Read us Online

In an effort to 'go green' ORS will be moving to a default online publication model with the Summer, 2025 issue. The Retirement Connection newsletter will be delivered via email. Hard copies of the newsletter will be printed and mailed ONLY to members who specifically request receiving it that way.

To continue receiving a hard copy follow these instructions, visit our website at [www.sjretirement.com](http://www.sjretirement.com), log in to the Member Direct portal, go to Profile, and select either "Physical Newsletter Only" or "Both E-Newsletter and Physical Newsletter" for the Newsletter option by clicking on the dropdown arrow, then click "Update".

Don't have a Member direct account? No problem, send ORS an email to [retirement.dept@sanjoseca.gov](mailto:retirement.dept@sanjoseca.gov) or call us at 408-794-1000 if you would like to receive a printed copy of the newsletter.



### Staffing Updates

#### Retired:

- **Theresa Sitchler**, Benefit Analyst 11/1/2024  
We wish her the best in retirement!

#### Welcome to ORS:

- **Angie Santana**, Benefit Pension Analyst
- **Diana Medina**, Benefit Health Analyst

## 105-Year-Old Retired Firefighter an Expert at Retirement



We at The Office of Retirement Services want to wish San José retired Fire Captain Sam Seibert a most Happy New Year as he celebrates his 105th. Sam has enjoyed life to the fullest. He says he loved being a firefighter and helping create the San José Fire Museum. Sam retired in 1976 and has lived many years in retirement with gusto and a great sense of humor. At a birthday party in his honor last year, he offered secrets to his long life: Don't sit around too much. Plus, he loves his beer and soda despite what a doctor might advise.

## Tax Season is Back

With every New Year comes the new tax season. ORS will be mailing out payees' 1099R tax forms for 2024 tax year in January. They will also be available through your MemberDirect portal at [www.sjretirement.com](http://www.sjretirement.com). If you have not received your 1099R by mid-February, please contact us. Don't forget to keep us informed of any address changes.

If you plan on changing withholding choices, they must be made using the W4-P/W4-R forms. The W4-P is used to withhold federal income tax from your monthly pension benefit payments. The W4-R applies to withholding on one-time payments and rollovers.

Retirees do NOT need to complete the W4-P form if there are no withholding changes. More information on these forms and how to complete them is available on the website at [www.sjretirement.com](http://www.sjretirement.com).

## Looking to Retire This Year? Common-Sense Steps to a Low-Stress Last Day

So you've worked decades for this. Now you are eyeing that magic final day when you can sleep in, lose the business clothes, and quit the commute. For many, that day will be sometime this spring. Congratulations! But it's important to have realistic expectations about the process of getting to the official start of retirement.

We at ORS want to make the retirement process as painless as possible. Over the years, we have learned a few basic tips that help us reach our goal of getting you to retirement with as little stress as possible:

- Most important, recognize and accept that retiring is a process and it takes time.
- With that in mind, plan on getting your application into the Office of Retirement Services three months ahead of the retirement date you choose. We need time to ensure that you have the correct, required documentation, and to make notifications and necessary verifications.
- As for timing, you get to choose that date. We do recommend, however, that you choose a date at the end of a pay period. This saves steps to pro-rate payroll and benefit checks partial pay periods necessitate. It helps simplify the process of getting you to that bottom-line number and final approval.

Remember, ORS is here to advise, assist, and provide resources to help you through this significant life change. There will be available workshops, counseling sessions, and other resources to help. See more information on our website at [www.sjretirement.com](http://www.sjretirement.com).

## COLAs on the Way

Cost of living increases (COLAs) for Police and Fire retirees will show up in the February monthly benefit payment for those Police & Fire members who were retired on or before January 31 and in the April benefit payment for Federated members who were retired on or before March 31.



For more information on the COLA visit our website: [www.sjretirement.com](http://www.sjretirement.com).

## Retirement Workshops Announced (Duration 2 hours)

Need help planning for retirement, learning the ins-and-outs of the process and other questions? Once again, the Office of Retirement Services has scheduled free Retirement Planning Workshops for Federated and Police & Fire active members who expect to retire within 1-2 years. These classes help members navigate the retirement process. The quarterly workshops are held online via Zoom. Interested members can register on our website at [www.sjretirement.com](http://www.sjretirement.com). Select “Members” from the menu. Then select your Plan (Police and Fire or Federated), select “Active > Retirement Planning > Member Education.” Each workshop is two hours long and includes time to answer questions. The workshop dates and times are shown in the table below.

Group counseling is also available through ORS to those ready to retire and who have submitted an application for retirement. These sessions are also held online via Zoom. They are scheduled through our retirement application processor, Marivic Co-Garcia. Her email is: [maria.co-garcia@sanjoseca.gov](mailto:maria.co-garcia@sanjoseca.gov).

### Police and Fire:

Date	Time
02/27/2025	8:30 AM - 10:30 AM
05/22/2025	1:00 PM - 3:00 PM
08/28/2025	8:30 AM - 10:30 AM

### Federated:

Date	Time
02/13/2025	1:00 PM - 3:00 PM
05/08/2025	8:30 AM - 10:30 AM
08/14/2025	1:00 PM - 3:00 PM

## IRS Announces Maximum Benefits for 2025

The IRS has increased the maximum benefit limits for defined benefit retirement plans under IRS Code Section 415(b) (1) (A) by \$5,000 to \$280,000, effective January 1, 2025. The increase reflects an increase in the cost of living while complying with IRS regulations.

## Required Tax Withholding Information

The Tax Equity and Fiscal Responsibility Act of 1982 requires that ORS remind you each year that your retirement benefit is subject to federal income tax and that you have the right to NOT have the federal tax withholding applied to your regular benefit payment. If you don't want to make a change to your withholding selection, you don't need to take any action. If you wish to change your withholding status, you can submit a federal W-4P form securely through Member Direct, by mail, fax or drop-off at the ORS office. Go to [www.sjretirement.com](http://www.sjretirement.com). Click on “Member Portal Login.” You can find more details on our website, too. Withholding only applies to the taxable portion of your benefit payment.

## Investment Strategy Literally Paying Off

The Boards of both the Police & Fire and Federated pension funds have long adhered to an investment strategy that positions the Funds to grow to meet the needs of members now and in the future in an approach that withstands the extraordinary ups and downs we've experienced. They have invested prudently and managed risk. New rankings of similar, large defined public pension plans would suggest mission accomplished.

Investment Metrics measures the rankings of public defined benefit plans with assets exceeding \$1 billion by rating them from 1 to 100 percent, with 1 being the best managed funds and 100 the worst. In the most recent report, San José's Federated Pension Fund's five-year return earned a rating of 8.5 percent while the Police & Fire Fund's five-year return ranking was 7.8 percent. This places the Federated pension fund solidly in the top 10 percentile of peer group public pension plans across the nation, while Police and Fire is in the top 29 percentile.

Chief Investment Officer, Prabhu Palani, his staff, and the investment consultants we retain continuously monitor market risks against the backdrop of potentially greater earnings – a major factor in how we achieve such strong ratings in uncertain times.

# The Retirement Connection

1737 N. First Street, Suite 600, San José, CA 95112

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## GO GREEN!

Visit our website at [www.sjretirement.com](http://www.sjretirement.com), log in to Member Direct, go to Profile, select “e-Newsletter Only” for the Newsletter option by clicking on the dropdown arrow, then click “update”.

## PLEASE KEEP US INFORMED

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Richard Santos  
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## Upcoming Board Meetings

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](http://www.sjretirement.com). Please check our website for the latest information.

**Police and Fire Board meetings** are held on the 1st Thursdays of each month at **9:00 a.m.** except in July. Upcoming meetings will be held on the following dates:

February 6th • March 6th • April 3rd (the April meeting will be held at our offices 1737 North First Street, Suite 600 | San José, CA 95112)

**Federated Board meetings** are held on the 3rd Thursdays of each month at **8:30 a.m.** except in July. Upcoming meetings will be held on the following dates:

February 20th • March 20th • April 17th

### BOARD UPDATES

Gretchen Flicker was appointed to the Police and Fire Board on December 3rd, 2024.

David Woolsey was appointed to the Police and Fire Board on December 19th, 2024.

Police and Fire Board Member Dave Wilson has retired and left the Board.

We thank him for his service and wish him well!

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

### Upcoming City Closures

Lunar New Year: January 29th  
President's Day: February 17th  
Cesar Chavez Day: March 31st

### CONTACT US!

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