

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE G

The proposed measure, if approved, would amend the City of San José Charter related to the boards and City staff administering the City's retirement plans. The San José City Council placed this measure on the ballot.

Under the current Charter, the City Council can establish boards and commissions and appoints all their members, the City Manager is the appointing authority for the Retirement Services Department Director and staff, and the City Attorney retains outside attorneys. By ordinance, the City Council currently sets the stipends for board and commission members.

The proposed measure would amend the Charter to expressly provide for the City Council's establishment of one or more retirement boards and to specify the City Council's authority to appoint at least a majority, but not all, of the retirement board members. The appointment and the removal process of the board members would continue to be set forth by ordinance. The renamed Salary Setting Commission would make a biennial recommendation to the City Council regarding the monthly stipend for any non-City employee member of a retirement board designated by ordinance to receive a stipend.

Additionally, the proposed measure would amend the Charter to authorize the retirement board or boards to hire and prescribe the duties of the chief executive officer and chief investment officer within the Office of Retirement Services (the "Office") who would serve at the pleasure of the retirement boards.

The chief executive officer would have the authority to hire and oversee the Office's employees, subject to any applicable Civil Service Rules. The compensation for the chief executive officer, chief investment officer, and the investment professional staff would continue to be set by the City Council. The retirement boards in recommending the compensation amounts to the City Council would be required to consider compensation of equivalent positions in comparable United States Public Pension plans.


The Office's chief executive officer, the chief investment officer and the investment professional staff will be positions in the City's Unclassified Civil Service. Unclassified Civil Service employees may be terminated without cause and do not have the same disciplinary hearing rights afforded to Classified Civil Service employees. These employees would not be members of the defined benefit pension or retirement healthcare plans. These modifications would not apply to any incumbent filling those positions on the date this proposed measure takes effect.

In addition to these changes, under the proposed Charter amendment, each retirement board is required to (1) administer the applicable retirement plan in accordance with the fiduciary duties and obligations under the law; (2) adopt an operating budget approved by the City Council; and (3) comply with all public meeting requirements under

applicable laws. Each board would be authorized to contract with attorneys for services related to the retirement plans' administration.

Voting yes on this measure is a vote to amend the Charter to modify governance of the City retirement plans.

Voting no on this measure is a vote to maintain the current Charter provisions related to the retirement plans' governance.



RICHARD DOYLE, CITY ATTORNEY
CITY OF SAN JOSE

The above statement is an impartial analysis of Measure G. If you would like to read the full text of the measure, see www.sanjoseca.gov/clerk/election.asp or call 408-535-1260 and a copy will be sent at no cost to you.