



*Investment Program*

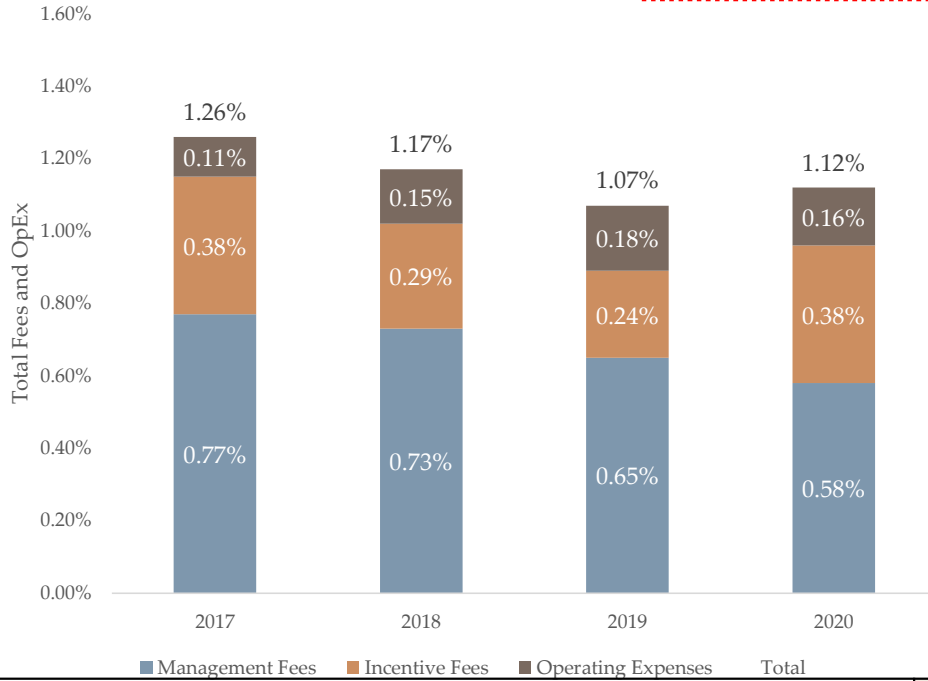
---

OFFICE OF RETIREMENT SERVICES

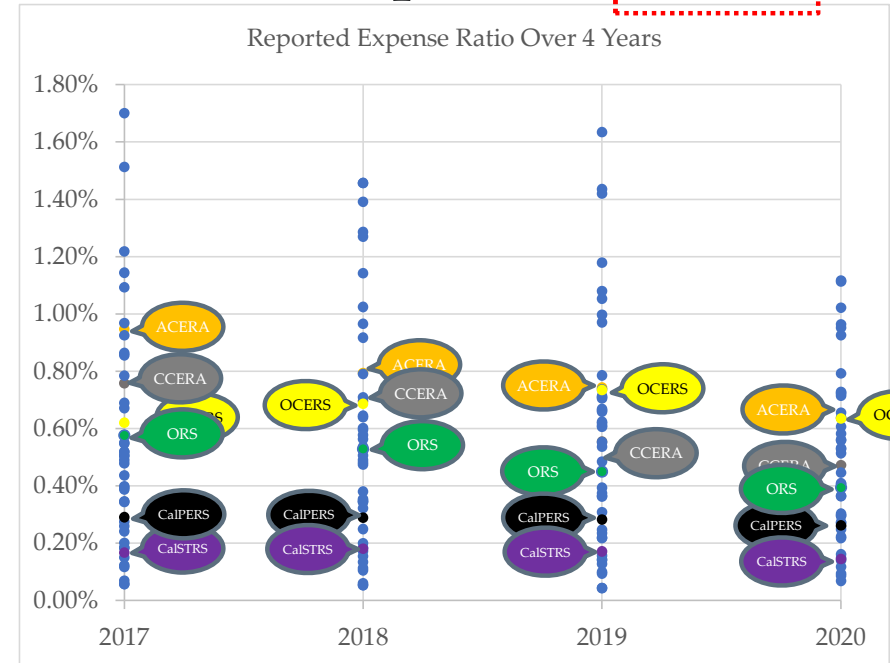
---

Investment Fees Analysis

# Total Expense Ratio (Comprehensive)

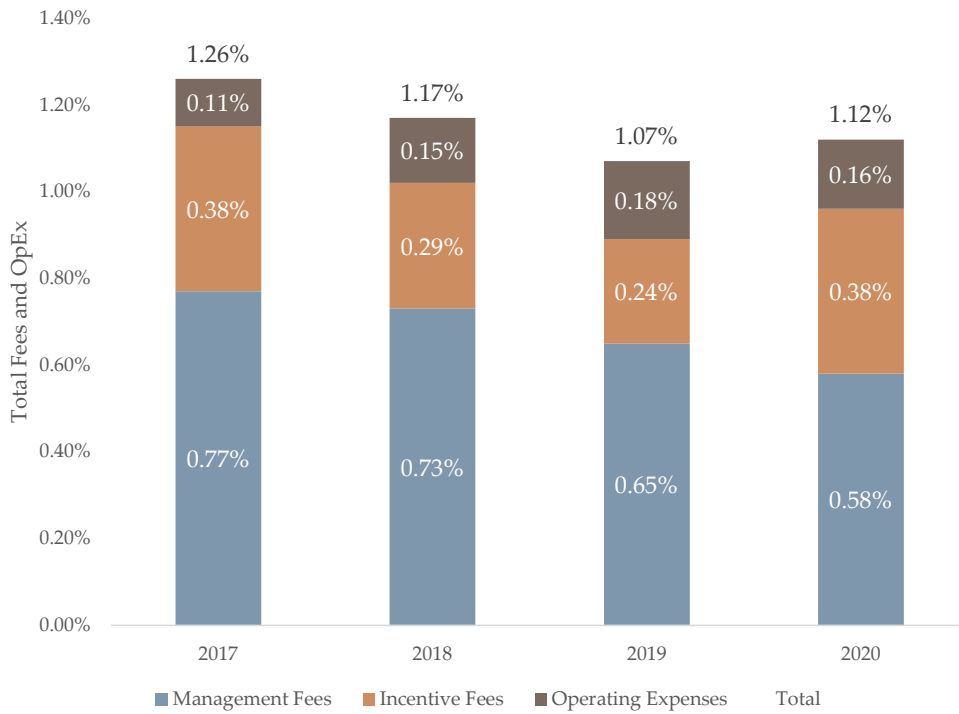


# Peer Comparison (CAFR's)

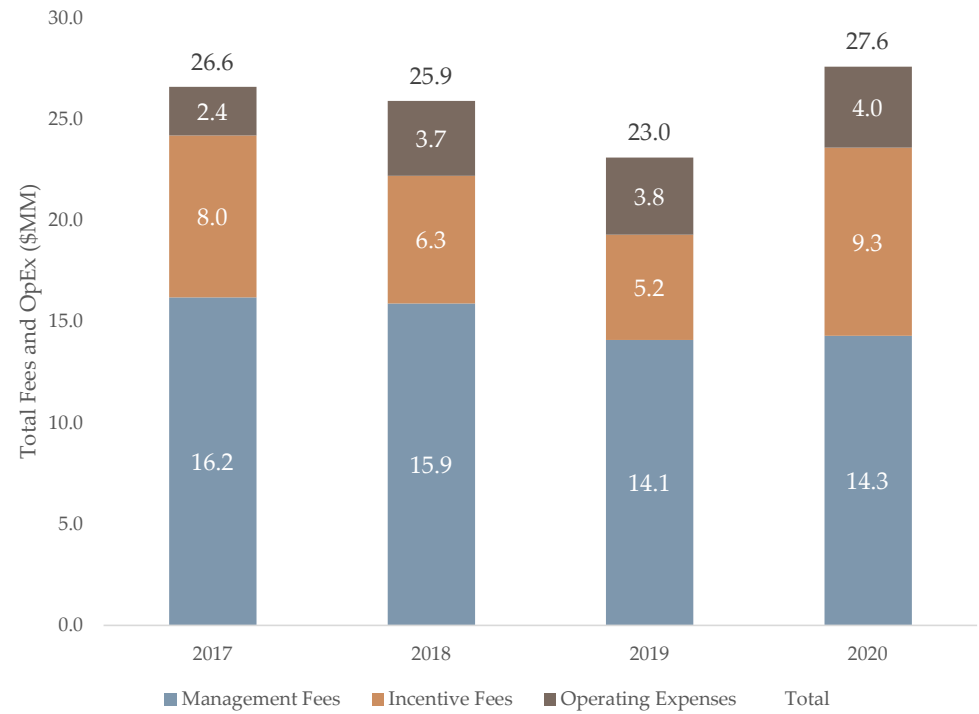


10.6% (2017)	-3.9% (2018)	14%(2019)	16% (2020)	San Jose Plan Return	7.5% (2017)	5.9% (2018)	4.3% (2019)	3.6% (2020)
San Jose Federated Pension Annual Fee Report				Source	Public Plans Database (from CAFRs)			
Calendar year basis				Time Periods	Fiscal year basis			
San Jose Federated Pension				Data points	San Jose Federated Pension 46 diversified U.S. Public Plans \$3-10 B & CA Public Plans			

### Total Fees (%)



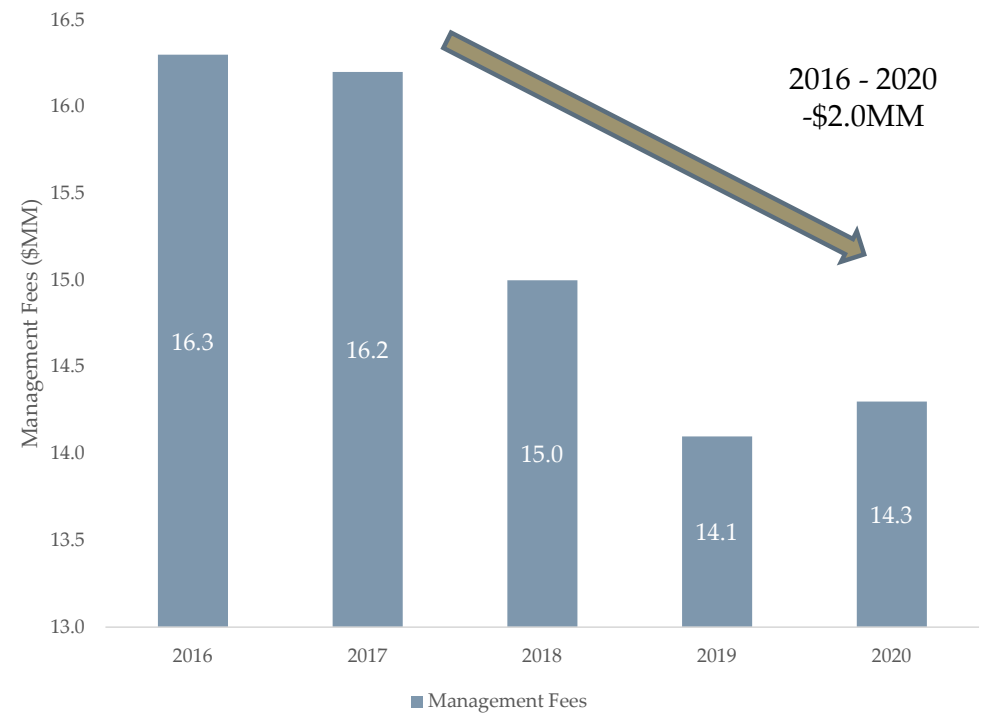
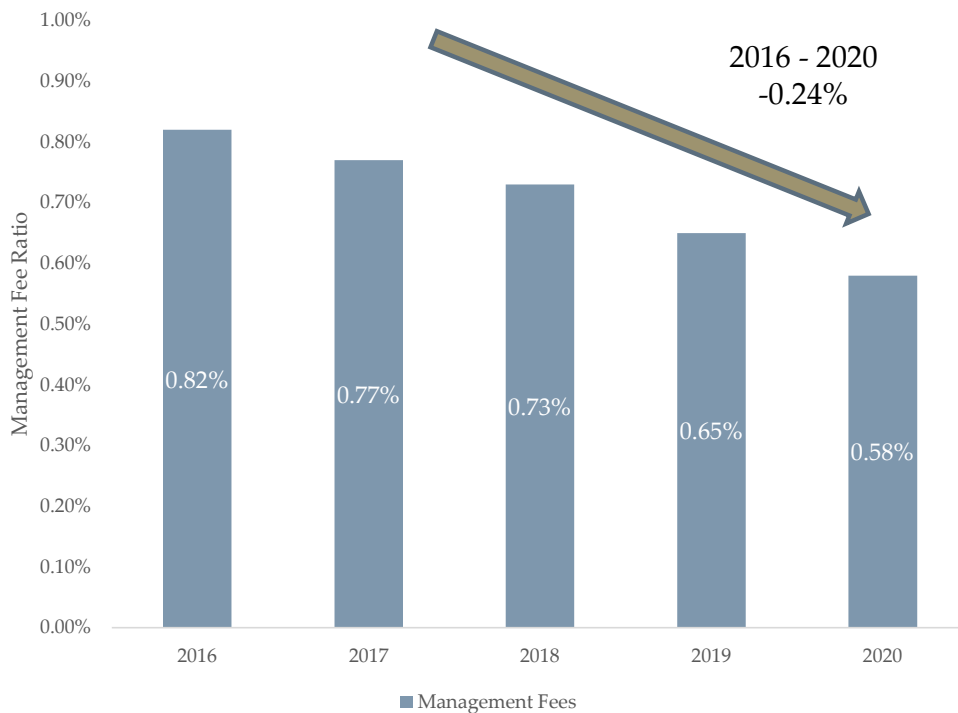
### Total Fees (\$MM)



*Federated Pension Plan Data*  
 Source: ORS, State Street, BNY Mellon

## Control what we can control: Management fees

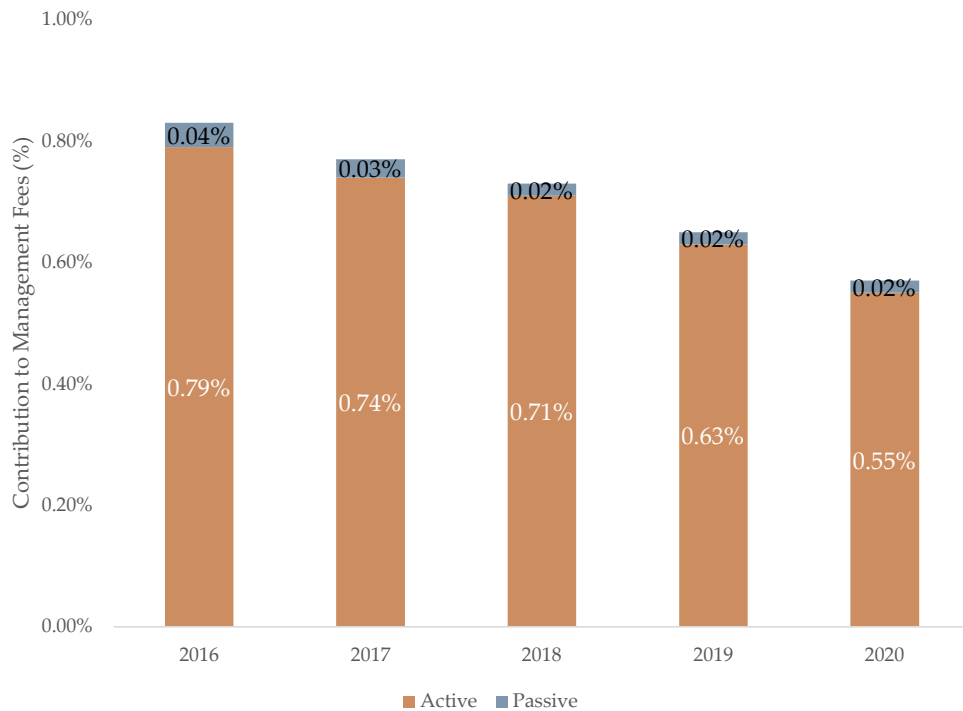
Management fees have been reduced from 82bps to 58bps or  $-\$2.0\text{MM}$  over the last 5 years



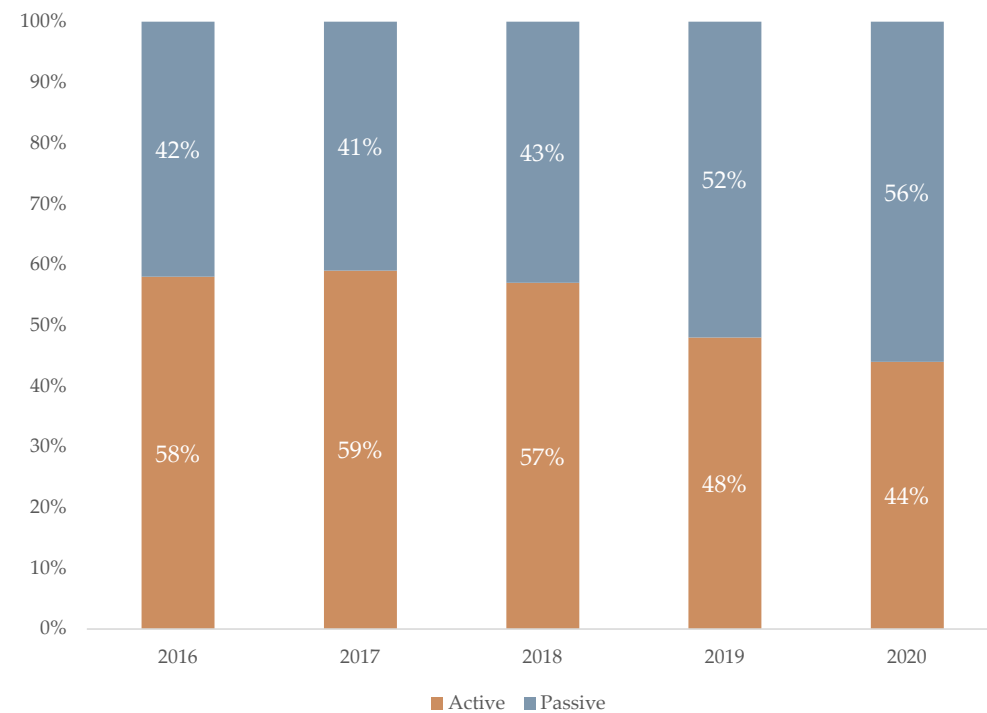
Federated Pension Plan Data  
Source: ORS, State Street, BNY Mellon

## Lower management fee driven by higher allocation to passive strategies

Contribution to Management Fees (%)



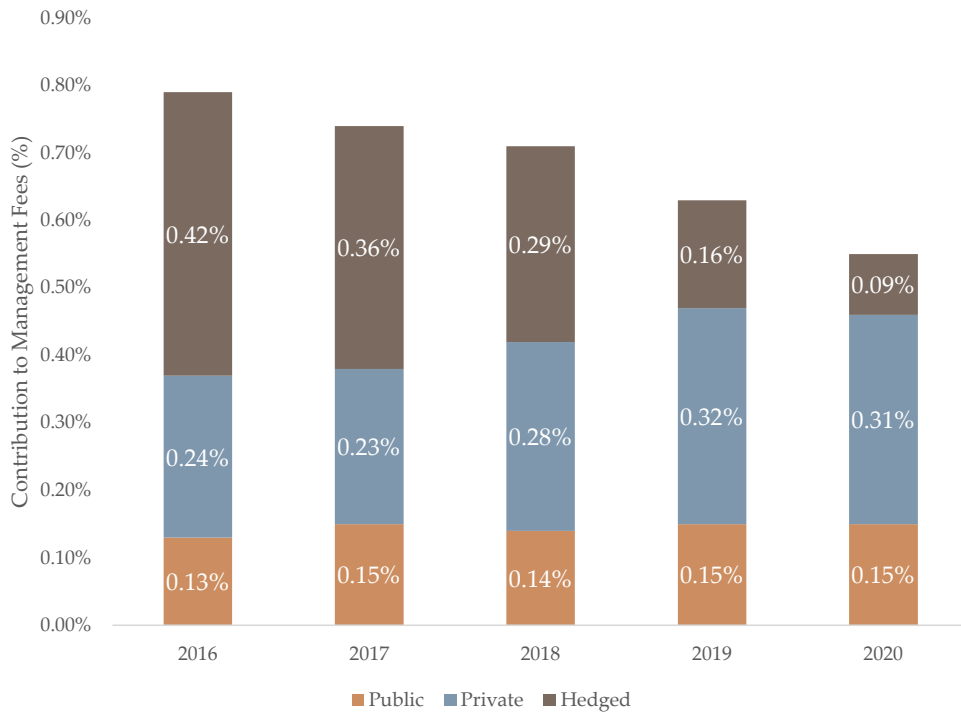
Average Allocation by Fund Type (%)



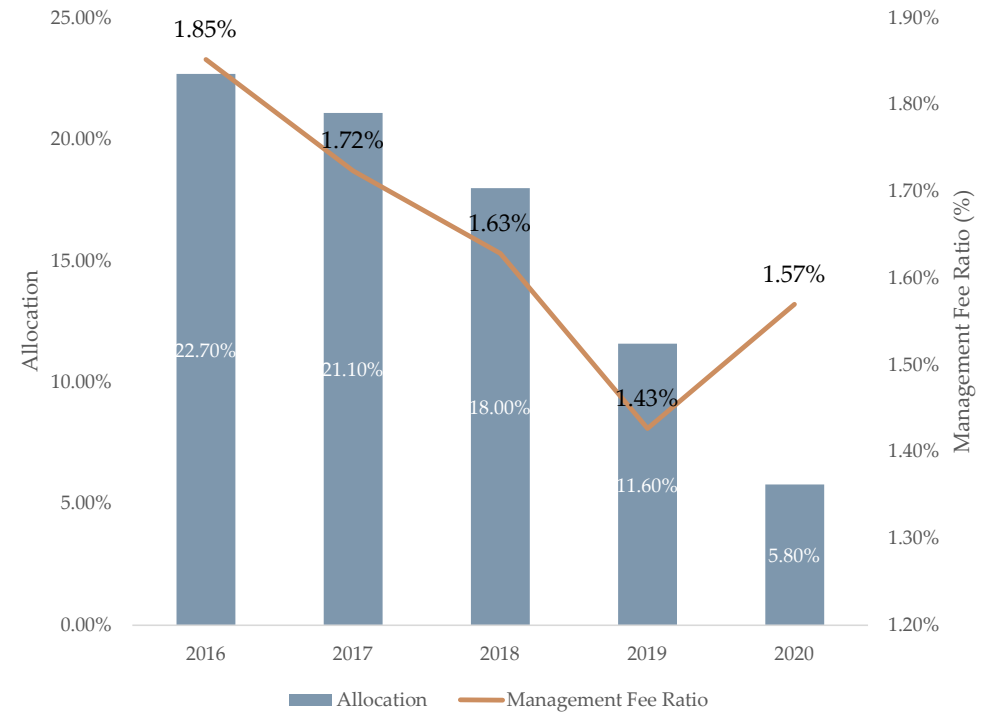
*Active strategies is inclusive of Private, hedged and long only public strategies  
 Federated Pension Plan Data  
 Source: ORS, State Street, BNY Mellon*

# Active management fees also driven lower by reducing both allocation to hedged strategies and management fee ratio

Contribution to Management Fees (%)



Hedged Allocation and Management Fee Ratio



Federated Pension Plan Data  
 Source: ORS, State Street, BNY Mellon