



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Board of Administration for
the Police and Fire
Department Retirement
Plan

SUBJECT: Disability Retirement Study Results

DATE: 02-21-07

COUNCIL DISTRICT: City-Wide
SNI AREA:

RECOMMENDATION

Pursue a study of how work conditions and work environment in both the Police Department and the Fire Department may contribute to the number of disability retirements in the Police and Fire Department Retirement Plan.

OUTCOME

Approval of the recommendation would allow both departments to look into their current work conditions and work environments and determine whether there is anything that may contribute to the number of disability retirement applications being brought before the Board of Administration for the Police and Fire Department Retirement Plan.

BACKGROUND

In April of 2005, the Mayor and Vice Mayor sent a joint memo to the Rules Committee raising three concerns about the disability retirement policies and practices of the Police and Fire Department Retirement Plan's Board of Administration. These concerns were:

- 1) Were the City's public safety employees becoming disabled at a high rate as a result of being exposed to unsafe working conditions?

- 2) Was there a practice such that employees with fewer years of service were more likely to be denied disability retirements than employees eligible for regular service retirements after 20 years of service or more?
- 3) Did the City have a disproportionate rate of approvals for disability retirement, when compared to other California cities, and if so, were there ways to bring the rate more in line with comparable jurisdictions?

The Rules Committee approved this recommendation and directed that the audit's scope would include the disability retirement application process in the Police and Fire Department Retirement Plan and a comparison of disability retirement rates in other jurisdictions. The Board contracted with Towers, Perrin, Forster & Crosby, an independent consultant, to perform the study. A copy of the report is attached to this memorandum.

ANALYSIS

Among its findings, the Towers Perrin report responded to two important questions of concern to the Council: (1) employees with fewer years of service are not any more or less likely to be denied disability retirements than employees eligible for regular service retirement after 20 years of service; and (2) the Retirement Board is correctly, and proficiently, applying San Jose Municipal Code provisions in processing disability retirements. In addition, Towers Perrin concludes that the Retirement Board's decisions to grant or not to grant disability retirements are correct, well-documented and in accordance with applicable law.

Questions remain about the level of San Jose's rate of disability retirements. The Towers Perrin report found that "San Jose's public safety employees have a slightly lower-than-average rate of safety disability applications compared to other jurisdictions." A recent *Mercury News* article, as well as preliminary research conducted by the Mayor's office in 2005, conflicts with the findings by Towers Perrin. It would be useful as part of any subsequent study to attempt to reconcile these differences.

The Board recommends the Council direct the City Administration to develop and define a study to assess to what extent, if any, working conditions in the Police Department and Fire Department contribute to San Jose's number of public safety disability retirements. Furthermore, the Board recommends that City Administration include the San Jose Police Officers Association and International Association of Firefighters Local 230 in that process. If working conditions are a significant contributing factor, report back to the Council regarding what can be done to ameliorate those conditions. Working together, the employee organizations and the Administration would be in a position to define the study's scope to insure it effectively answers these questions.

PUBLIC OUTREACH

Not applicable.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

COST IMPLICATIONS

The costs of a study will need to be determined by the City Administration.

CEQA

Not a project.



EDWARD F. OVERTON
Secretary, Board of Administration
392-6703



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San José Police and Fire Department Retirement Plan

Disability Retirement Process Review

January, 2007

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Executive Summary

- Towers Perrin began this project as a result of a successful public bid, made in response to a Request for Qualifications (RFQ), issued by the Board of Administration of the Police and Fire Department Retirement Plan (Retirement Board). (A copy of the RFP is included in Appendix A.)
- The RFQ arose out of concerns of the Mayor and Vice Mayor of the City of San José (City), in an April 18, 2005 Memorandum.
 - The Memorandum expressed 3 concerns about the disability retirement policies and practices of the Retirement Board:
 1. Were the City's public safety employees becoming disabled at a high rate as a result of being exposed to unsafe working conditions?
 2. Was there a practice such that employees with fewer years of service were more likely to be denied disability retirements than employees eligible for regular service retirements after 20 years of service or more?
 3. Did the City have a disproportionate rate of approvals for disability retirement, when compared to other California cities, and if so, were there ways to bring the rate more in line with comparable jurisdictions?
- Most, but not all, of these concerns were translated into the RFQ.
 - The goal was determine the most qualified firm to assist the Retirement Board in developing and implementing a study and review of their processing and approval of disability retirement applications submitted by police and fire members of the retirement plan.

Executive Summary (continued)

- To accomplish the project, Towers Perrin did the following:
 - Conducted a custom survey to compare the City's disability retirement plan behaviors relative to other large California cities (See Appendix B);
 - Scrutinized a number of actual case files and benefit calculations for accuracy, methodology and consistency; and
 - Compared the statutory and administrative processes of other cities to determine if the City used "best practices" with respect to disability retirement processing.
- We coordinated our work with a team from the City, including several Retirement Board members and staff from the Department of Retirement Services.
- Our findings with respect to the 3 initial concerns are as follows:
 - The City's public safety employees actually have a slightly lower-than-average rate of safety disability applications compared to the other California cities.
 - We did not see any evidence of exposure to unsafe working conditions, although this was, for the most part, beyond the scope of the RFQ;
 - We found no proof that employees with fewer years of service were any more or less likely to be denied disability retirements than employees eligible for regular service retirements after 20 years of service or more; and
 - The City has an average rate of approvals of disability retirement applications when compared to other California cities.

Executive Summary (continued)

- Other findings are as follows:
 - The Retirement Board correctly, and proficiently, applies the provisions of the San José Municipal Code in processing disability retirement applications.
 - Based on the information we were provided, we find that the Retirement Board's decisions to grant, or not to grant, disability retirement applications are correct, well-documented and in accordance with applicable law.
 - The San José Municipal Code requirements and corresponding procedures for disability retirement are equal to, or better than, those in the comparable California public retirement systems we researched.
 - The files we reviewed told us that the Retirement Board applies the operative standards equally to applicants under age 40 and applicants over age 50.
 - All applications are processed in a similarly timely fashion.
 - Benefit calculation methodology is substantially accurate.
 - The Retirement Board grants disability retirements at a rate squarely at the average of other comparable California retirement systems for fire and police.
 - We did not uncover any employment factors unique to San José impacting the disability rates in San José versus similar jurisdictions.
 - We find no proof, nor any indirect indication, from the information we reviewed, that fraud or abuse of the disability application process exists in San José.



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Application Processing

Municipal Code Requirements

We reviewed the Retirement Board's procedures for granting disability retirement applications in light of local law and found them to be **in accord** with the applicable San José Municipal Code provisions, as shown:

San Jose Municipal Code		San Jose Department of Retirement Services Procedure	Meets San Jose Municipal Code Mandates ?
Section	Description		
3.36.350	The Retirement Board may make and enforce reasonable rules and regulations for the administration, management, and control of the retirement plan and fund, subject to the provisions of the San José Municipal Code and the Charter.	Administrative Discretion Granted to the Retirement Board	Yes
3.36.940 3.36.950	A member who is eligible to retire for disability may be retired for disability, on the retirement board's own motion (without a request or application being made by the member) or by application of the City Manager, office head or the member.	Filing of Application for Retirement	Yes
3.36.960	A medical examination shall be made by one or more physicians appointed by the Board	Medical Report(s) of the Medical Director	Yes
3.36.960	In addition, the member may submit a medical report from his or her own physician or surgeon.	Medical Report(s) of Outside Doctor(s)	Yes
3.36.920	If a member separates from City service or retires on a service retirement, they have one year from the date of separation or the service retirement date to apply for a disability retirement.	Change of Status Memo	Yes
3.36.900	"Disability," means disability of permanent or extended and uncertain duration, which renders a person physically or mentally incapable of assuming the responsibilities and performing the duties of the position then held by him and of any other position in the same classification of positions to which the city may offer to transfer him, as determined by the retirement board, on the basis of competent medical opinion.	DRS Memo Asking if Modified Duty is Available	Yes
3.36.900	"Service-connected disability" means disability of a member as a result of injury or disease arising out of and in the course of such member's employment with the city.	Memo from Police or Fire Department re Availability of Modified Duty Assignment	Yes
3.36.900	"Service-connected disability" means disability of a member as a result of injury or disease arising out of and in the course of such member's employment with the city.	Memo from Fire or Police re Usual and Customary Duties	Yes
3.36.960	The board may require additional medical examinations, or procure or require additional or other evidence before retiring a person for disability.	Accident Report(s)	Yes
ADA Titles I and II	Accommodation of restrictions are considered in light of essential duties for the job assignment according to the job description pursuant to the Americans with Disabilities Act	Job Description	Yes
3.36.450	The Retirement Board has the discretion to hold a hearing to determine any question involving any right, benefit or obligation of the retirement plan.	Discretionary Authority Granted for Board Hearings	Yes

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Municipal Code Requirements - Continued

- The Retirement Board **correctly**, and **capably** in our estimation, applies the applicable provisions of the San José Municipal Code in processing disability retirement applications.
 - **Exemplary Municipal Code Compliance**
 - The documentation we received showed that the Retirement Board and the Department of Retirement Service (DRS), which carries out its mandate, are in substantial compliance with the San José Municipal Code in processing disability retirement applications. (This is highlighted in the chart in the previous slide)
 - The outside attorney for the City's Retirement Board, Russ Richeda, is knowledgeable, responsive and very well-respected throughout the state for his expertise. We came across his name many times during our review of other retirement systems.
 - **Thorough Documentation**
 - We found a set of well-documented procedures and forms **actively** in use by the Department of Retirement Services.
 - **Well-Trained Staff**
 - Our review indicated that Ed Overton, DRS Director, operated a well-run department.
 - Staff were well-versed in their responsibilities and scope of authority.
 - They had a good understanding of the plan provisions and how the plan was supposed to operate. They were professional and responsive.
 - **Uncomplicated Communication**
 - Intra-office and inter-departmental communication were uncomplicated.
 - Participant communication material is in plain English, presented in a way that an average person can understand.

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Application Processing Under Age 40 Versus Over Age 50

- Based in the case files we reviewed, we found that the Board evenhandedly applies the operative standards to applicants, both those under age 40, and those over age 50.
 - As shown below, applicants over age 50, on the average, had a few more accident reports, likely due to more years of service in which to accumulate on-the-job injuries.
 - On average, applicants under age 40 sought more medical care and subsequently had more outside medical reports in their files, than older employees.
 - Weighting down the under-40 average is one 37-year old applicant who had 56 medical reports on file. (Application approved).

- As the data at right shows, all applications were processed in a similarly timely fashion. (See also Appendix D for further detail.)

Average Time to Process Application (Months)			
Approvals		Denials	
Under Age 40	Over Age 50	Under Age 40	Over Age 50
10	10	8	8

Average Number of Outside Medical Reports			
Approvals		Denials	
Under Age 40	Over Age 50	Under Age 40	Over Age 50
23	13	11	6

Average Number of Activity Limitations			
Approvals		Denials	
Under Age 40	Over Age 50	Under Age 40	Over Age 50
4	4	3	4

Average Number of Accident Reports			
Approvals		Denials	
Under Age 40	Over Age 50	Under Age 40	Over Age 50
6	13	7	10



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Disability Retirement Rates

Total Applications Received in 2005

- As illustrated on the chart that follows on the next page, the responding cities received, on average, 25 disability applications in 2005 from their fire and police personnel.
 - San José was right in line with this trend with 27 applications for fire and police combined.
 - San José received exactly the average number of police applications --13.
 - There were 17 applications from San José firefighters:
 - This is substantially above the survey average of 7 fire applications.
 - It ranks as the highest number in the state during 2005.
 - This is compelling because San José, at 698 firefighters, is well below the state average of 867 firefighters per city. (see page 14).
 - However when compared to other state firefighters' **rates** of application, the gap shrinks to 2.44% versus 2.12%.
 - Further study would be needed to find the reasons for this difference.
 - It could be the health of the recruits, training or on-going physical fitness programs.
 - There are fewer San José firefighters per citizen than in Sacramento, Long Beach or Fresno, where there are lower disability rates; those in San José may have to work harder to serve the community.
 - A disabled San José firefighter retires at age 54, versus age 52 for the average firefighter in other cities. These 2 extra years may mean more orthopedic injuries.
 - Unfortunately we cannot evaluate these or similar hypotheses without having more information. This is certainly a topic for further research.

Applications Received in Fiscal Year/Calendar Year 2005

Disability Applications	Sacramento	San Diego	Los Angeles	San Francisco	Long Beach	Fresno	Santa Ana	Riverside	Bakersfield	San Jose	Average
Number of disability retirement applications received in fiscal/calendar 2005?	12	54	51	Not reported	17	17	14	Not reported	10	27	25
Of these applications, how many were for non-service connected disability?	3	2	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	Not reported	3
Of these applications, how many were for service-connected disability?	9	52	51	Not reported	17	17	14	10	10	27	23
Of these service-related applications, how many were public safety members?	9	31	51	Not reported	13	17	14	10	7	27	20
Number of these applications received from police officers?	6	22	40	Not reported	6	12	7	7	4	13	13
Average age at date of police application?	48	48	Not reported	Not reported	40.1	57	Not reported	Not reported	39	51	47
Number of these applications received from fire fighters?	3	8	11	Not reported	7	5	7	3	3	17	7
Average age at date of fire application?	46	57	Not reported	Not reported	50	57	Not reported	Not reported	50	54	52

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Rates of Safety Disability Applications in 2005

	Total Safety Members in 2005 (a)	Total Safety Disability Applications in 2005 (b)	Rate of Safety Disability Applications in 2005 (b)/(a)
Santa Ana	553	14	2.53%
Riverside	557	10	1.80%
San Diego	3,102	54	1.74%
San José	2,004	27	1.35%
Long Beach	1,369	17	1.24%
Bakersfield	838	10	1.19%
Fresno	1,892	17	0.90%
Sacramento	2,303	12	0.52%
Los Angeles	12,762	51	NA
San Francisco	3,725	Not Reported	-
Average*	2,820	24	1.46%

- As shown at left, San José, at 1.35%, was just below the state average of 1.46% in the **rate** of disability applications **received**.
 - This rate represents the number of applications per total fire and police members in the City plan.
 - The second most densely populated city, Santa Ana, (see Appendix C) received the highest rate of public safety service-connected disability applications (2.53%).
 - We were not able to get complete data from San Francisco for this calculation.
 - We excluded the City of Los Angeles because it maintains an integrated disability management system which results in a artificially low number of disability retirement applications when compared to the other cities.
 - Applicants can enter in other parts of the disability system and may not be counted in the retirement plans' numbers.

*Average does not include San Francisco or Los Angeles, which has an integrated disability management system.

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Rates of Police Disability Applications in 2005

- Breaking down the numbers by fire versus police, we find that the police disability **application rate** in San José was just 1.00% of the police **population**.
 - This is below the 1.41% average for all the police officer groups.
 - This is interesting because disabled City police officers work until an average age of 51; the state average is only age 47. (See page 11).
 - The cities of Fresno, Long Beach and Sacramento fall below the average for San José.
 - All 3 of these cities are less densely populated than San José, which may contribute to the higher disability rate in San José.
 - As mentioned previously, there are a number of factors that may influence outcomes but that are beyond the scope of this study and might instead be the basis of a further study.

	Number of Police Members (e)	2005 Police Applications (f)	2005 Rate of Police Disability Applications (f)/(e)
Santa Ana	341	7	2.05%
Riverside	360	7	1.94%
Bakersfield	345	4	1.16%
San Diego	2,140	22	1.03%
San José	1,306	13	1.00%
Fresno	1,254	12	0.96%
Long Beach	922	6	0.65%
Sacramento	1,296	6	0.46%
Los Angeles	9,200	40	NA
San Francisco	2,093	Not Reported	-
Average*	1,907	13	1.41%

*Average does not include San Francisco or Los Angeles

Los Angeles information obtained from the websites of the fire and police departments: <http://lafd.org/> and <http://lapdonline.org>. San Diego information comes from <http://www.sandiego.gov/police/> and <http://www.city-data.com/city/San-Diego-California.html>

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Rates of Fire Disability Applications in 2005

- As shown at right, San José firefighters submitted disability applications at nearly 2 ½ times that of San José police officers: 2.44% for fire versus 1.00% for police.
 - Although the difference between San José **firefighters** and **police** is wide, at the state level the difference is much less pronounced; when compared to other firefighters the margin is only 2.44% versus 2.12%.
- We do not have sufficient data to explain this discrepancy between San José fire and police. A number of reasons come to mind:
 - In general, the cumulative, physical wear-and-tear may be greater for a firefighter than a police officer.
 - In addition, disabled firefighters work until an older age than police. The average age of the fire applicant was age 54 compared to age 51 for police. (See page 11)

	Number of Firefighter Members (c)	Fire Applications (d)	Rate of Fire Disability Applications (d)/(c)
Santa Ana	212	7	3.30%
Bakersfield	108	3	2.78%
San José	698	17	2.44%
Long Beach	416	7	1.68%
Riverside	197	3	1.52%
San Diego	962	8	0.83%
Fresno	638	5	0.78%
Los Angeles	3,562	11	NA
Sacramento	1,007	3	0.30%
San Francisco	1,632	Not Reported	-
Average*	867	7	2.12%

*Average does not include San Francisco or Los Angeles.

Rate of Approval of Safety Disability Applications in 2005

- As shown below, the Retirement Board grants disability retirements at an approval rate hovering at the average of the surveyed cities.
- The California average is 89.38%. San José is at a 90.00% approval rate.

	2005 Safety Disability Applications	Total Safety Approvals	Rate of Safety Approvals
San Francisco	Not reported		--
Riverside	Not reported		--
Bakersfield	Not reported		--
Long Beach	17	16	94.12%
Fresno	17	16	94.12%
Santa Ana	14	13	92.86%
San Jose	30	27	90.00%
San Diego	54	48	88.89%
Sacramento	12	10	83.33%
Los Angeles	51	42	82.35%
	24	21	89.38%

Approval Rates of Police and Fire Applications

- Closer inspection reveals that San José is on the **lower end** of the range for **approvals of police** disability applications: 76.92%.
 - Police officers statewide experienced a lower rate of approvals in 2005 than their firefighter counterparts.
- However, San José's **firefighter** approval rate in 2005 was **above** the state average -- at 100% versus 87.70% statewide.
 - As mentioned previously, San José had a slightly higher-than-average percentage rate for firefighter disability retirement applications in 2005.

	Number of police applications	Number of Police Approvals	Rate of Police Approvals
San Francisco	Not reported	-	--
Bakersfield	4	-	--
Long Beach	6	6	100.00%
Fresno	12	11	91.67%
San Diego	22	19	86.36%
Santa Ana	7	6	85.71%
Sacramento	6	5	83.33%
Los Angeles	40	31	77.50%
San Jose	13	10	76.92%
Riverside	7	4	57.14%
Average	13	10	79.81%

	Number of fire applications	Number of Fire Approvals	Rate of Fire Approvals
San Francisco	Not reported	-	--
Bakersfield	3	-	--
Los Angeles	11	11	100.00%
San Jose	17	17	100.00%
Santa Ana	7	7	100.00%
Fresno	5	5	100.00%
Long Beach	7	6	85.71%
Sacramento	3	2	66.67%
San Diego	8	5	62.50%
Riverside	3	1	33.33%
Average	7	6	87.70%



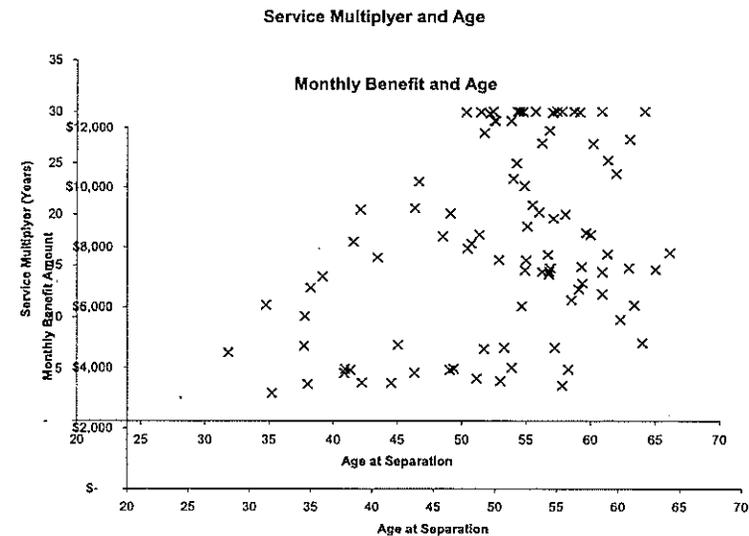
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Benefit Calculation Methodology

Benefit Calculation Methodology

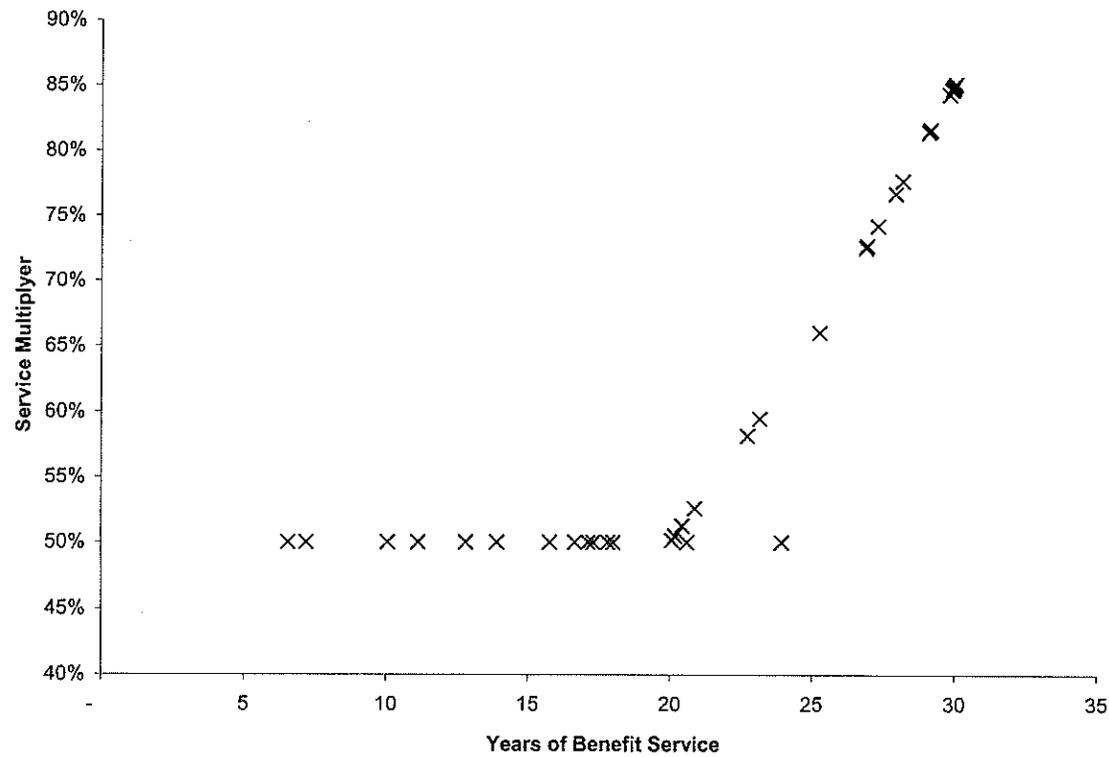
- We reviewed 48 benefit calculations for correct application of the plan's disability benefit provisions. Based on the data provided we found the following:
 - All were Duty Related Disability Retirements
 - Age and Years of Service
 - Age at separation ranged from age 31 to age 64
 - Years of Service ranges from over 5 to a maximum of 30 (the plan limits service for disability benefits to 30 years)
 - Final average earnings for benefit purposes
 - Ranged from over \$6,300 to over \$14,000 per month, with an average of \$8,595
 - Monthly Benefit Amount
 - Ranged from over \$3,100 to over \$10,500 per month, with an average of \$6,048



Review of Benefit Calculation Methodology (continued)

■ Benefit Service Multiplier

- Disability benefits under the plan are based on years of service, with a minimum of 50% and a maximum of 85%.
- The benefit multipliers under the plan were all within this range, with an average of 69.1% for the group reviewed.



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Comparability of the San José Process

Comparison of Procedural Requirements

- San José's procedural requirements are substantially similar to, and often better than, the 10 other cities.
- The San José procedures are very similar to those of CalPERS –which is often said to embody “best practices” in its procedures. Examples we found included:
 - Files have signed authorizations to disclose protected health information
 - The applicant's physical limitations are well-articulated
 - ADA accommodation is attempted at every opportunity
 - Applicants are given an assigned DRS “buddy” to guide them throughout the process.
- All of the files we reviewed included the following documentation
 - Order of Contents Checklist
 - A completed disability retirement application form
 - Usual and Customary Duties Memo from Department
 - Memo from Board Asking if Modified Duty is Available
 - Modified Duty Memo from Department
 - Activity Limits Memo from Medical Director
 - Number of Activity Limitations By Medical Director
 - Medical Reports of the Board's Medical Director
 - Medical Reports of Outside Doctors
 - OSHA/Accident Reports
 - Job Description

San José Review Process (Description for Applicants)

- Step 1:** You submit a retirement application to the Retirement Department.
- Step 2:** The Retirement Department sends a letter to you and your Department Head advising of approximate Board hearing date and name of assigned Retirement Staff member.
- Step 3:** The Retirement Department sends a letter to Risk Management requesting copies of medical records relating to the basis for a disability retirement. (If your application is for a nonservice-connected disability, the request for medical records is sent to Employee Health Services.) You may also submit copies of your medical records.
- Step 4:** The Retirement Department sends a copy of your application and medical records to the Retirement Board's Medical Director.
- Step 5:** Medical Examinations are scheduled at the discretion of the Retirement Board's Medical Director.
- Step 6:** When the report from the Medical Director is received, the Retirement Department sends the list of any work restrictions to your department requesting determination if modified duty is available.
- Step 7:** If you qualify for Reemployment (Alternate Employment), the Retirement Department sends the Medical Director's list of work restrictions to Human Resources to determine if there are suitable positions available.
- Step 8:** When all reports and memoranda are received, the Retirement Department places your application on the Board's agenda.
- Step 9:** The applicant meets with Retirement Department staff to answer questions and fill out necessary forms. We strongly encourage you to bring your spouse to this meeting.
- Step 10:** The Retirement Board hears the application at the Board meeting. If your disability application is approved by the Board, your retirement is normally effective on that day.

Medical Examination

After you complete your disability retirement application, a copy of it and copies of medical reports submitted by you or received from Risk Management or Employee Health Services will be sent to the Retirement Board's Medical Director.

You may be sent to independent doctors for evaluation of your condition to assist in the determination of whether you are disabled.

The Medical Director will review your own doctor's report(s) together with the independent doctors' medical reports. The Medical Director will then submit a report to the Retirement Board in order to assist them in their decision as to whether or not you are disabled.

The Retirement Board will make the final decision at the Board meeting as to whether or not you are disabled and whether or not your disability is work related. If the Board is satisfied that you meet the eligibility requirements, they will grant your retirement and you will receive a disability retirement allowance.

Your retirement is usually effective as of the day of the Board approval.

From San Jose Police & Fire Department Retirement Plan Handbook, page 34

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Employment Factors

Civilianization and Light Duty

- Although largely beyond the scope of this project, we did not come across any employment factors unique to San José that explain the discrepancy, if any, between the disability rates in San José versus similar jurisdictions (e.g. San José firefighters' slightly higher disability application rates).
- We noticed that San José was the only city reporting both civilianized administrative positions and permanent light duty positions (for police). Although we were surprised by this finding, we did not find any statistical bearing in the application or approval/denial rates for San José.

Do you have permanent light duty disability positions...	...for police officers?	...for fire fighters?
	San Jose	Yes
Sacramento	No	No
San Diego	No	No
Los Angeles	No	No
San Francisco	No	No
Long Beach	Yes	No
Fresno	No	No
Santa Ana	No	No
Riverside	No	No
Bakersfield	No	No

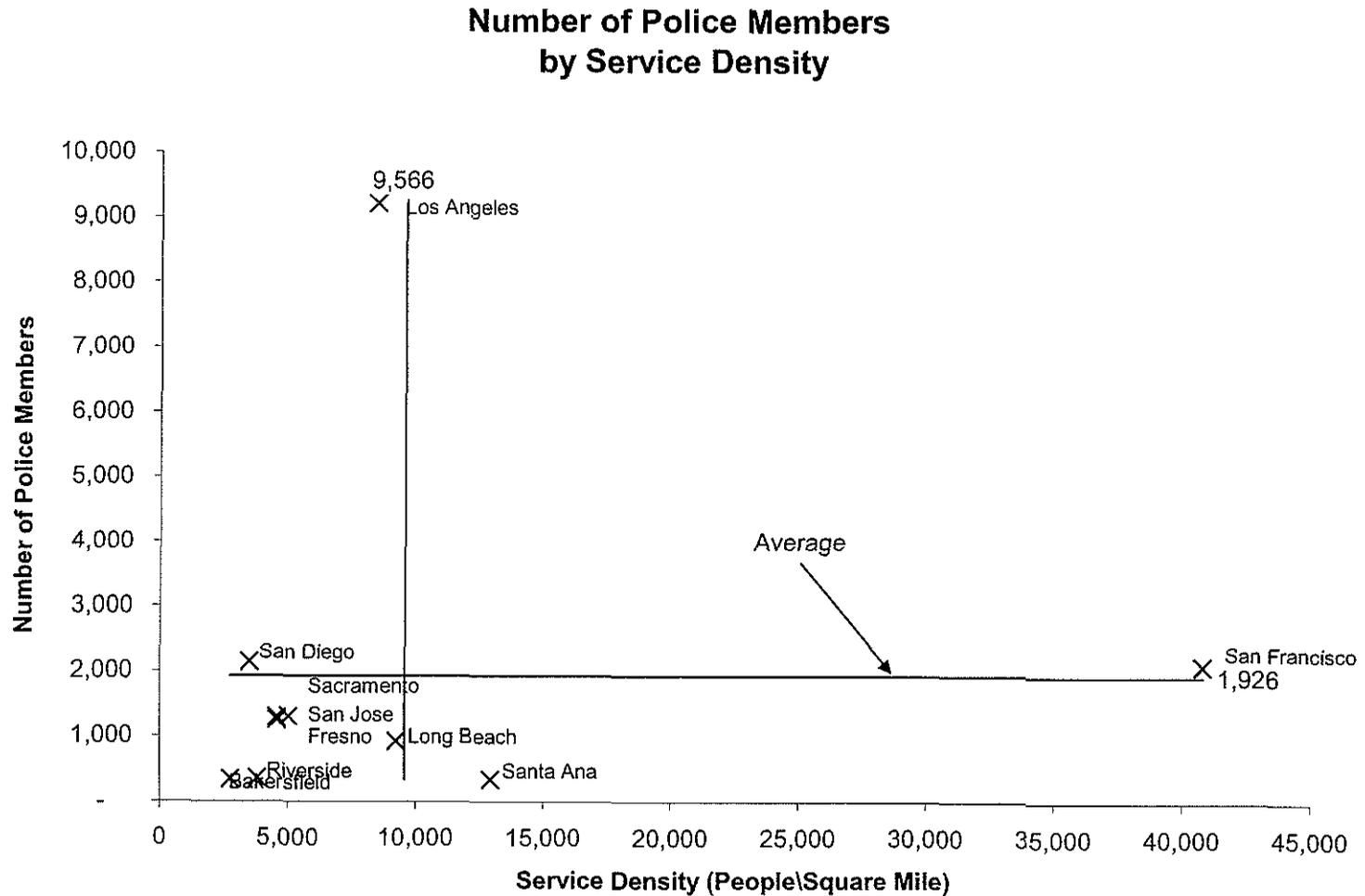
Have administrative positions in your police department and or fire department been civilianized thereby freeing up officers and firefighters for active duty work?	
San Jose	Yes
Sacramento	No
San Diego	No
Los Angeles	No
San Francisco	No
Long Beach	No
Fresno	No
Santa Ana	No
Riverside	No
Bakersfield	No

Employment Factors Unique to San José

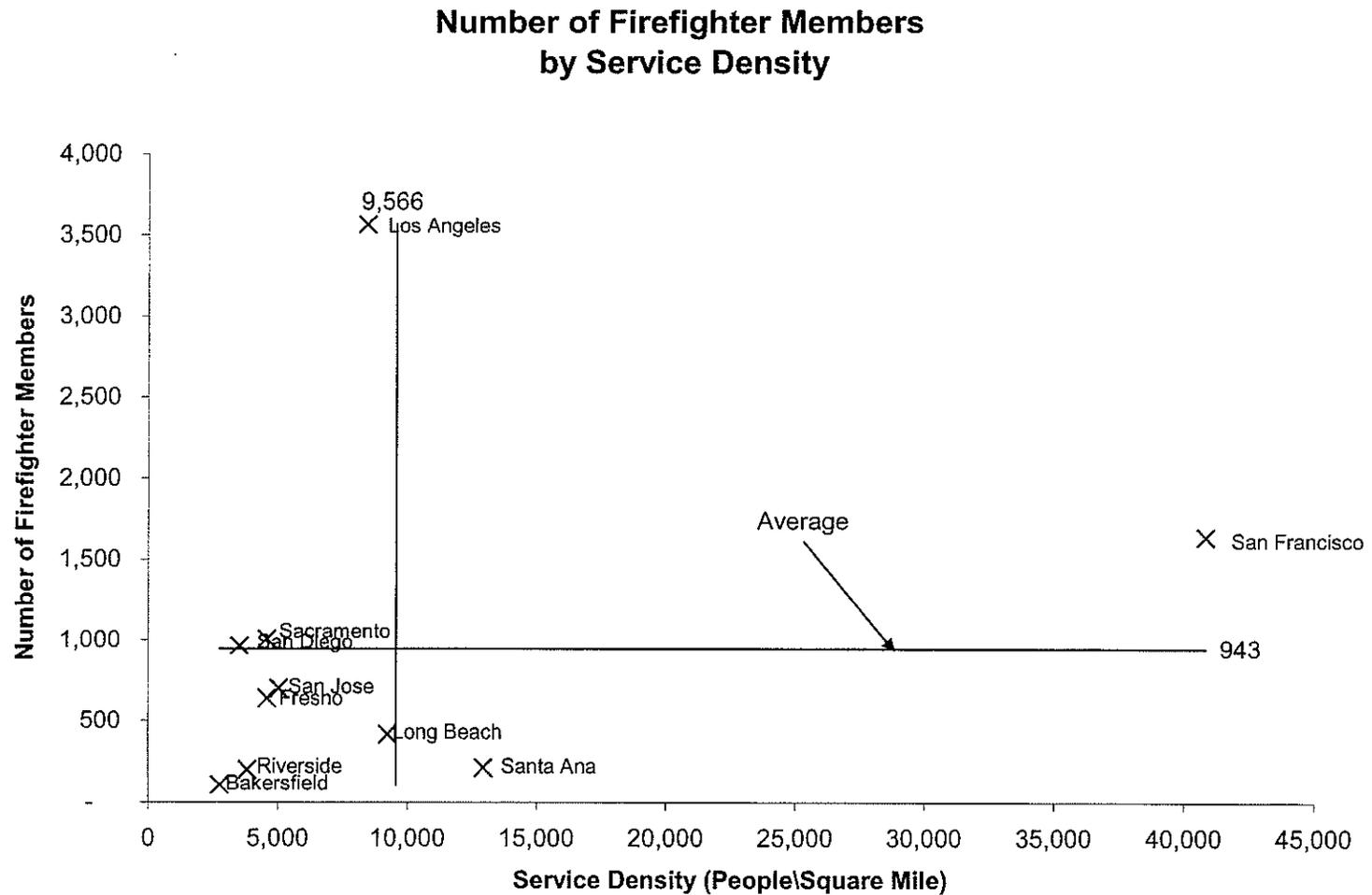
- San José was below average in the number of police officers and fire fighters for its service density when compared to other California cities. (See charts which follow.)
 - This indicates somewhat fewer sworn personnel per population and service area.
- In spite of this lower than average staffing, San José had a disability application rate lower than the average as well. This may indicate several possible conclusions:
 - San José Fire and Police may be doing a better-than-average job of safety training than other comparable cities.
 - San José Fire and Police has a younger sworn force, being a younger city, and this means fewer years of accumulated physical incidents impacting its members.
- Long Beach and Sacramento had the lowest rates of police disability. They also had physical maintenance and testing programs, indicating a direct link between disability rates and officers' physical fitness in these cities.

	Did you have a physical health maintenance program for fire fighters?	Did you have annual testing of the physical condition of fire fighters?
City of Sacramento	Yes	Yes
Long Beach	Yes	Yes
Fresno	Yes	Yes
San Francisco	Yes	No Response
City of Riverside	No	Yes
Bakersfield	No	No
City of San Diego	No	No
Los Angeles	No	No
City of Santa Ana	No	No

Number of Police Members by Service Density

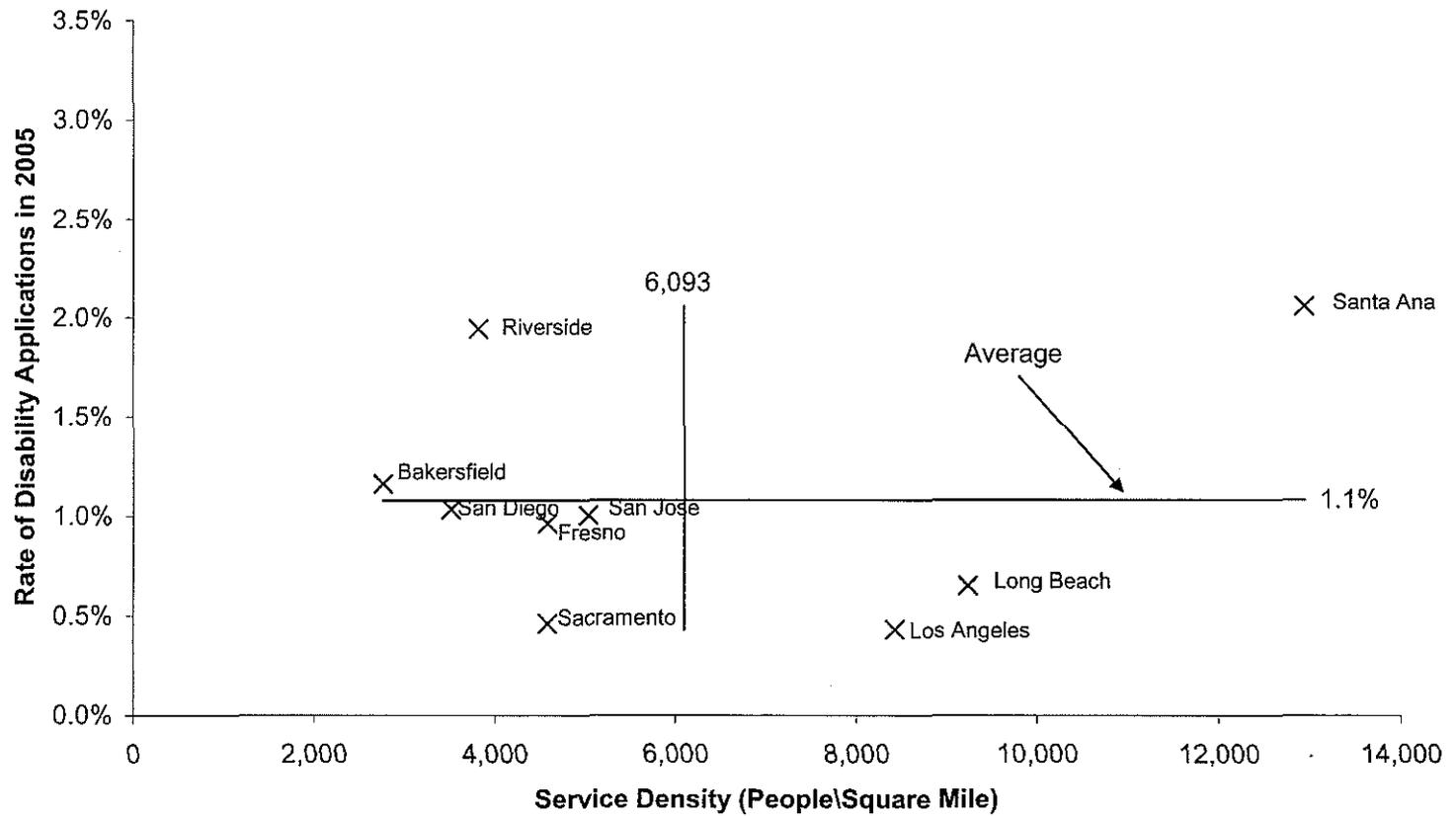


Number of Firefighters by Service Density



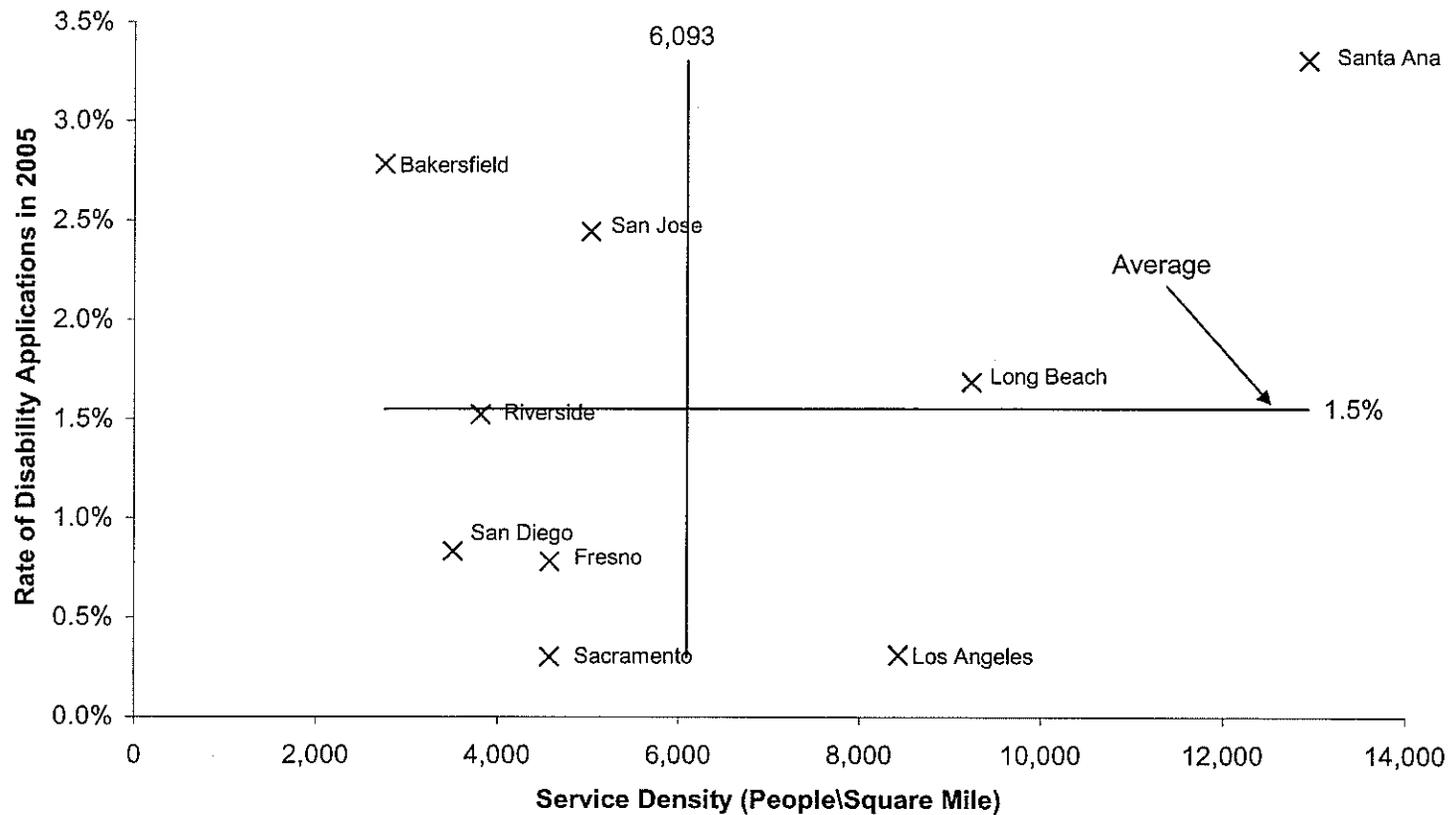
Rate of Police Disability Applications by Service Density

Rate of Police Disability Applications in 2005 by Service Density (Excluding San Francisco)



Rate of Fire Disability Applications by Service Density

Rate of Fire Disability Applications in 2005 by Service Density (Excluding San Francisco)



Policy Changes Being Considered

- San Diego, Long Beach, Fresno, and Santa Ana have reported that they have made procedural and process changes during the last three years to their disability retirement programs. Changes include:
 - Deferring approval process to a disability committee instead of automatic hearings with various boards.
 - Implementing the input of an outside medical advisor for objective feedback on employee disability claims.
 - Implementing compliance related changes dictated by relevant court precedence.

Changes to Disability Procedures and Policies

Survey Question:	Did you make any changes to the procedures and processes related to disability applications during the last three (3) years? If so, briefly describe.
San Jose	No Changes
Sacramento	No Changes
San Diego	<ul style="list-style-type: none"> ■ Beginning in early 2006, the Board permitted staff to recommend denials rather than refer all contested cases to hearing. ■ Disability matters are now heard by a committee instead of a full Board. ■ The Board now retains the right to refer matters to hearing rather than affording denied claims an automatic right to further hearing. ■ The Board has ordered re-examination of some matters and submissions of annual affidavits by all disability recipients who are not service age eligible.
Los Angeles	<ul style="list-style-type: none"> ■ No Changes
San Francisco	<ul style="list-style-type: none"> ■ No Changes
Long Beach	<ul style="list-style-type: none"> ■ For non-safety employees that are P & S'd, they are no longer sent to our Health Department for a special medical exam.
Fresno	<ul style="list-style-type: none"> ■ We added an independent medical advisor to review medical evidence and make recommendations to the Board. ■ We also have our independent legal counsel review evidence to decide if the case needs to go to the medical advisor for review.
Santa Ana	None, other than compliance with Nolan vs. City of Anaheim.
Riverside	No Changes
Bakersfield	No Changes



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Possibilities for Further Study

Out of Scope Issues

- The present study covers some of the most important parts of the Plan's disability process. There are a number of factors that are beyond the scope of this study and might instead be the basis of a further study.
- Important issues, not covered by this study which could impact initial application filing rates include:
 - On-the-Job Safety, Health and Training
 - Do the San José Police and Fire Departments provide less safety training than police and fire departments of comparable jurisdictions throughout California?
 - Is the physical training program for San José police and firefighters less comprehensive than that of comparable jurisdictions?
 - Does San José offer less psychological counseling to police and firefighters after traumatic events than do the police and fire departments of comparable jurisdictions?
 - Do on-going mid-career medical exams for police and firefighters reduce police and fire disability rates?
 - Personnel Practices
 - Does San José hire, on the average, older police and firefighters than comparable jurisdictions?
 - Do San José police personnel and firefighters work to an older age than others in California?
 - Is San José more lenient in enforcing its weight restrictions than other jurisdictions?
 - Does more stringent medical screening of new hires reduce disability rates?

Out of Scope Issues (continued)

- Work Conditions
 - Do lower staffing levels in active firefighting positions and in police patrol positions affect the rate of disability retirements?
 - Does San José accrue more overtime per firefighter and patrol officer than do the police and fire departments of comparable jurisdictions statewide?
 - Does San José have a higher percentage of police and firefighters in the field, rather than in sedentary administrative positions (and so have a greater exposure to injuries), than do the police and fire departments of comparable jurisdictions.
- Injury and Return-to-Work Programs
 - Is San José tougher on workers compensation claims (and so encouraging more disability retirement applications) than comparable jurisdictions?
 - Has adoption of DROP programs in the cities of Fresno, San Diego, and Los Angeles reduced the number of police and fire disability retirement applications in these jurisdictions?
 - Does San José allow less time off to recover from work-related injuries than do the police and fire departments of comparable jurisdictions?
 - Would more light duty positions in San José reduce the number of disability retirement applications? Fire has no light duty because the jobs are done by civilians and Police is discretionary.



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Appendix A- Scope and Methodology

Methodology & Assumptions

- We conducted a limited review of the participant data, the processes that make up the plan, and the procedures used in the administration of the Plan.
 - **Scope:** The scope of our review includes the documents we examined, the individuals we interviewed, and the particular tests employed.
 - **Sample:** Our report of particular transactions was based on a random sample of such transactions.
 - **Assumptions:**

In collecting and analyzing the data we assumed:

 - The authenticity of the documents we examined.
 - The persons we interviewed accurately described the procedures and processes used in the administration of the Plan.
 - The transactions we examined were representative of transactions used in the Plan.
- The methods of investigation and analysis used to examine the plan are, in our experience, adequate to identify deficiencies in the Plan's documents, procedures, and transactions.
 - However, because of the limited nature of our review, an assurance of the applicability of the results cannot be given.
 - We are providing this report to you in our capacity as consultants familiar with the administration and operation of employee benefit plans. This report is not intended to be, and should not be construed as, legal advice; Towers Perrin is not a law firm and cannot provide legal opinions.
 - This report is for your benefit and may not be relied upon by any other party without our prior written consent. This report does not constitute a formal opinion of this firm.

Documentation Reviewed

- The Retirement Board provided us with access to the documentation listed below.
- We also conducted in-depth, independent research to complete our analysis, using a large number of public, legal and proprietary databases.

Documentation Reviewed

- San Jose Municipal Code Title 3 Personnel 1, Part II Retirement Plans, Chapter 3.36: 1961 Police And Fire Department Retirement Plan
- Police & Fire Department Retirement Plan Handbook
- Organizational chart of plan administration (to assist in selection of interview participants)
- Various administrative forms relating to disability benefits processing and approval process
- Participant notices and form letters regarding disability
- Minutes of the Board of Administration
- Police and Fire Department Retirement Plan Comprehensive Financial Annual Reports for the City of San Jose for 2004 and 2005
- Job specifications for Fire Fighter
- Job specifications for Police Officer
- Police & Fire Department Retirement Plan Survivorship Benefits (rev. 6/26/96)
- Police & Fire Department Retirement Plan Benefits Fact Sheet (rev. 1/21/05)

Data Files Reviewed

- We also reviewed the following data and files provided to us:
 - Distributions/benefit calculations for 50 representative disability retirement participants
 - Case files of 5 applicants under age 40 approved for disability
 - Case files of 5 applicants under age 40 not approved for disability
 - Case files of 5 applicants over age 50 approved for disability
 - Case files of 5 applicants over age 50 not approved for disability

Request For Qualifications

The Board of Administration of the San José Police and Fire Department Retirement Plan invites interested parties to respond to the following Request for Qualifications.

I. PURPOSE OF REQUEST FOR QUALIFICATIONS

The Board of Administration of the San José Police and Fire Department Retirement Plan is issuing this Request for Qualifications to determine the most qualified firm to assist the Board in developing and implementing a protocol for the study and review of the Board's processing and approving applications for disability retirement submitted to it by members of the retirement plan.

II. BACKGROUND TO REQUEST FOR QUALIFICATIONS

The San José Police and Fire Department Retirement Plan is a public retirement system organized under and governed by the California Constitution at Article 16, section 17, the charter of the City of San José, and the applicable provisions of the San José Municipal Code. Management of the system, including general administration, control over investments, and benefit determination, is vested in the Board.

The Board of Administration is composed of seven members, an active firefighter, an active police officer, a retiree, a member of the Civil Service Commission, two members of the San José City Council, and one member from city administration.

The system is a defined benefit plan, and the benefits are set forth in the San José Municipal Code. The types of benefits provided by the system include service retirement allowances, disability retirement allowances (both service and non-service-connected), survivor benefits, and health benefits.

At present there are approximately 2,100 active members of the system and 1,400 retirees and beneficiaries. The current market value of system assets is approximately two billion dollars. The system pays out approximately seventy-five million dollars a year in benefits.

Staff support to the Board is provided by the Department of Retirement Services. Edward F. Overton is Director of Retirement Services and oversees a staff of twenty-two.

Request For Qualifications (continued)

III. SUBSTANTIVE SCOPE OF SERVICES UNDER REQUEST FOR QUALIFICATIONS

The retirement plan provides for a service-connected disability benefit and a non-service-connected disability benefit. These benefits are described on page 14 of the plan's comprehensive annual financial report for the fiscal year ended June 30, 2004 as follows:

SERVICE-CONNECTED DISABILITY

If an employee suffers a service related disability before retirement, an annual benefit is paid equal to 50% of final compensation. For members with more than 20 years of service, the monthly retirement allowance is the final average salary multiplied by 50%, plus the final average salary multiplied by 2.5% for each year over 20 if a member retires prior to February 4, 1996 (Maximum benefits, 75% of final average salary). After February 4, 1996 but prior to February 4, 2000, the monthly allowance consists of the final average salary multiplied by 50%, plus final average salary multiplied by 3% for each year over 20 years of service (Maximum benefit, 80% of final average salary). After February 4, 2000, the monthly allowance consists of the final average salary multiplied by 50%, plus final average salary multiplied by 3% for each year over 20 but less than 25 years of service, plus 4% of final average salary for each year over 25 but less than 30 years of service (Maximum benefit, 85% of final average salary).

NON-SERVICE-CONNECTED DISABILITY

Retirement for a non-service-connected disability with at least 2 years of service will provide the following benefit: For members with 2 to 20 years of service, the monthly retirement allowance is 32% multiplied by the final compensation for the first two years plus 1% for each additional year of service. After February 4, 1996 but prior to February 4, 2000, for members with over 20 years of service, the benefit consists of 50% of final average salary, plus final average salary multiplied by 3% for each year over 20 years of service (Maximum benefit, 80% of final average salary). After February 4, 2000, the monthly allowance consists of 50% of the final average salary, plus final average salary multiplied by 3% for each year over 20 but less than 25 years of service, plus 4% of final average salary for each year over 25 but less than 30 years of service (Maximum benefit, 85% of final average salary).

Request For Qualifications (continued)

As of June 30, 2004, the system had a total of 725 retirees retired for service-connected disability and 18 for non-service-connected disability. In fiscal year 2003-2004, the Board approved 23 service-connected disability retirements and did not approve any non-service-connected disability retirements.

Questions have recently been raised about the process by which the Board considers disability retirement applications and the decisions on applications made by the Board. One of the functions which the Board will expect from a consultant is assistance in refining the optimum approach to answering these questions.

Among the questions that have been raised include:

1. Whether the Board correctly applies the applicable provisions of the San José Municipal Code in processing disability retirement applications;
2. Whether the Board's decisions to grant or not to grant disability retirement applications are correct and in accord with applicable law;
3. Whether or not any fraud or abuse of the disability application process exists;
4. Whether applicants are receiving the proper amount of benefits;
5. Whether the Board applies the operative standards more rigorously to applicants under age 40 than the applicants over age 50;
6. Whether applications are processed in a timely fashion;
7. Whether the number of disability applications submitted to the Board has increased over time and whether the percentage of applications granted by the Board has increased over time;
8. Whether the Board grants disability retirements at a rate significantly higher than the rate for public safety applications at other comparable California public retirement systems;
9. Whether the San José Municipal Code requirements for a disability retirement differ substantially from those in comparable California public retirement systems; and
10. Whether employment factors unique to San José explain the discrepancy, if any, between the rates of disability retirements among public safety personnel in San José and those of public safety personnel in similar jurisdictions.

The Board is interested in the advice of the consultant on how to approach these questions, including the desirability of dividing them into logical categories and answering them in phased sequence.

Request For Qualifications (continued)

IV. PROCEDURAL SCOPE OF SERVICES UNDER REQUEST FOR QUALIFICATIONS

The Board is interested in working with its retained consultant to determine the parameters of an internal review which may include the following:

1. The relationship of the Department of Retirement Services (DRS) with other city departments involved in processing of disability retirement applications;
2. Internal controls for the processing of disability retirement applications used by DRS;
3. Contacting current disability retirees to determine if sufficient recovery has occurred to affect the retiree's eligibility for disability benefits;
4. Meeting with DRS personnel to discuss operational activities in the administration of the disability review process;
5. Development of a procedure for reviewing disability files;
6. Reviewing a statistically significant number of disability files;
7. Identifying areas, if any, to improve the administration of disability retirement applications; and
8. Comparing DRS procedures with the procedures of other comparable charter cities and collect data necessary for the comparison.

The Board is also interested in working with its retained consultant to determine a comprehensive work plan which may include the following:

1. An entrance conference to discuss the project and to present the qualifications of the staff assigned to the project;
2. A detailed work schedule identifying the tasks to be performed during each week of the project and the project team member responsible for completing the task;
3. Weekly teleconferences to discuss the progress of the project;
4. Written progress reports submitted to the Director via email to describe project status as of the reporting date, including tasks completed and not completed by the projected date and any difficulties encountered; and
5. Completion of working papers to be made available to Board representatives upon request.

Request For Qualifications (continued)

V. CONTENT OF RESPONSE TO REQUEST FOR QUALIFICATIONS

Each firm responding to this RFQ shall provide written responses to the following questions.

1. Briefly describe your firm, including the types of services offered; the year founded; the form of organization (e.g., corporation, partnership, etc.); the number, size, and location of offices; number of employees; and a general description of the firm's financial condition.
2. Describe the project team, including the education level of each team member, professional credentials, and experience with public agencies.
3. Describe your experience with studies substantially similar or identical to that requested in this RFQ. For each such study, indicate the client, the number of months between commencing the study and completing it, the number of professional staff who performed significant work on the study. Please provide a copy of the study.
4. Describe your experience in studies similar to that requested in this RFQ.
5. Describe how you intend to perform the medical components of the study. Do you have medical doctors on staff? If not, how will you obtain the needed medical expertise?
6. Describe how you intend to perform the legal components of the study. Do you have attorneys on staff? If not, how will you obtain the needed legal expertise?
7. Describe the role for surveys in the study. What steps do you propose to take to insure that the surveys are completed accurately and that a sufficient number of responses are received?
8. The Board understands that there are many nuances, both legal and practical, in the manner in which disability retirement applications are reviewed in different California retirement systems. For example, some disability retirements convert to service upon a disabled retiree's reaching the minimum retirement age for service retirement. For comparison purposes, however, that retirement, as far as the Board is concerned, should continue to be viewed as a disability retirement. Or, in other jurisdictions light duty positions may be more prevalent than in San José, thereby decreasing the number of disability retirement applications. How do you propose to insure to the degree reasonably possible that any comparisons between the disability process in the Police and Fire Department Retirement Plan and other systems are done on an "apple to apple" basis?

Remainder of RFQ on procedure for submitting the RFQ response has been omitted.

Request For Qualifications (continued)

9. Provide a fee proposal for the services requested in this RFQ. You may submit on either an hourly rate basis or on a "not-to-exceed" project basis. Please set forth the hourly rate of each team member. Include each and every fee, expense, or charge that you propose.
10. Provided a detailed timeline and work product schedule which addresses the topics outlined in section IV of this RFQ.
11. Provide references from three clients, preferably public retirement systems, for which you performed services within the last five (5) years that are similar to those requested in this RFQ.
12. Please list all contracts you have had with the Board of Administration or with the City of San José in the past ten years.
13. Please indicate the amount of professional liability insurance or its equivalent that you maintain.
14. Please indicate if you agree to the following:

Attorneys Fees: If the Board or the City of San José shall be made a party to any litigation commenced by or against you arising out of your operations and as a result of which you are held liable, in whole or in part, by settlement, adjudication, or otherwise, then you shall pay all costs and reasonable attorney fees incurred by or imposed upon the Board or the City of San José in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.
15. Has your firm been sued in the last five (5) years with respect to its consulting services? If yes, please explain.



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Appendix B: Survey Background

Survey Method, Focus and Participants

- The survey was created using an on-line survey tool with live follow-up to all recipients.
- We submitted surveys to the 13 largest California cities with populations of 250,000 or greater.
 - We considered this a more than adequate survey sample size, based on our prior experience to garner the comparability information we needed.
 - In total, 10 of the 13 cities provided responses. This response rate (77%) is considered a high response rate, based upon our experience with surveys of this nature.
 - Every city provided responses to at least 90% of the survey questions. Questions not responded to were often due to information not being readily available to the survey respondent.
- The responding cities included:
 - Bakersfield
 - Fresno
 - Long Beach
 - Los Angeles
 - Riverside
 - Sacramento
 - San Diego
 - San Francisco
 - San José
 - Santa Ana

City Name	System Name
Sacramento	PERS & SCERS
San Diego	San Diego City Employees' Retirement System (SDCERS)
Los Angeles	Los Angeles Fire & Police Pension System
San Francisco	San Francisco City and County Employees' Retirement System
Long Beach	California Public Employees' Retirement System (CalPERS)
Fresno	City of Fresno Fire and Police Retirement System
Santa Ana	CalPERS
Riverside	CalPERS
San José	San José Police and Fire Department Retirement Plan
Bakersfield	CalPERS

*The cities of Anaheim, Oakland, and Stockton did not respond to the survey.

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Survey Format

Page 1 of 2

**City of San Jose Police and Fire Department Retirement Services
Survey of Disability Retirement Programs**

Name of person(s) completing this questionnaire _____
Title(s) _____
Telephone number(s) _____

Section I Background

Name of your city _____
Population of your city _____
Please describe the geographic area served by your city in approximate square miles: _____
Total population served by your police department? _____
Total population served by your fire department? _____
Comments _____

Name of your retirement system _____
Total members in the plan: Actives _____
Retirees _____
Terminated Vested _____

Has your police department been operating at less than full budgeted staffing in the last fiscal year? _____
If yes, do you require officers to work overtime to make up the staffing shortfall?
Has your fire department been operating at less than full budgeted staffing in the last fiscal year? _____
If yes, do you require firefighters to work overtime to make up the staffing shortfall?

Section II Disability Applications

As of the end of Fiscal Year 2005 (July 30, 2005) or the calendar year ending December 31, 2005:

1) What was your total retirement plan membership in fiscal/calendar 2005? _____
a) Of your total retirement plan membership, what is your total non-safety membership? _____
b) Of your total retirement plan membership, what is your total safety membership? _____
i) Of the safety members, how many are firefighters? _____
ii) Of the safety members, how many are police officers? _____

2) How many disability retirement applications did you receive in fiscal/calendar 2005? _____
Of these applications,
a) How many were for non-service connected disability? _____
b) How many were for service-connected disability? _____
i) Of these service-related applications, how many were public safety members? _____
(1) Number of these applications received from police officers? _____
(2) Average age at date of application? _____
(3) Number of these applications received from fire fighters? _____
(4) Average age at date of application? _____

Page 2 of 2

**City of San Jose Police and Fire Department Retirement Services
Survey of Disability Retirement Programs**

3) How many disability retirement applications were denied in fiscal/calendar 2005 _____?
a) Of those denied, how many were non-safety personnel _____?
b) Of those denied, how many were safety personnel _____?
i) Of the safety denials, how many were for non-service connected disability? _____
ii) Of the safety denials, how many were for service-connected disability? _____
iii) Of the safety denials, how many were denials of police officers? _____
iv) Of the safety denials, how many were denials of fire fighters? _____

4) What was your total full-time equivalent human resources staff in fiscal/calendar 2005? _____
What was the total fulltime equivalent staff count providing services related to disability applications? (This includes managerial and clerical staff, and staff directly involved in reviewing and processing the disability applications. Please do not include any legal staff in this count.) _____
If possible, please provide a breakdown by position or attach organizational chart.

Section III Other

As of the end of Fiscal Year 2005 (July 30, 2005) or the calendar year ending December 31, 2005:

1) Did you have a physical health maintenance program for
a) Police officers? Yes _____ No _____
b) Fire fighters? Yes _____ No _____
If so, could you briefly describe them below, or attach them?

2) Did you have annual testing of the physical condition of:
a) Police officers? Yes _____ No _____
b) Fire fighters? Yes _____ No _____
If so, could you briefly describe them below, or attach them?

3) Did you have permanent light duty disability positions, for:
a) Police officers? No _____ Yes _____ Number _____
b) Fire fighters? No _____ Yes _____ Number _____

4) Did you make any changes to the procedures and processes related to disability applications during the last three (3) years?
If so, could you briefly describe them below, or attach them?

5) Are you considering any changes, or plan to implement changes, in your disability procedures and processes?
If so, could you briefly describe them below, or attach them?

6) Have administrative positions in your police department and or fire department been civilianized thereby freeing up officers and firefighters for active duty work? If so, could you briefly describe them below, or attach them?

7) Do you have other observations as to policy changes that may impact the rates of disability retirement applications in your jurisdiction with respect to police and fire? If so, could you briefly describe them below, or attach them?

Survey Basics: Actives, Retirees and Term Vested

- The demographic data shows San José is one of the larger of the medium sized cities. It is surpassed in area and average population by only two respondents - Los Angeles and San Diego. (See appendix A for further demographic detail.)
- Despite being one of the larger medium-sized cities the data collected showed:
 - The number of active participants (Actives) in the San José plan is relatively smaller (by a factor of at least 2) than cities with fewer square miles and people, such as Sacramento and San Francisco
 - The number of retired members (Retirees) in the San José plan is dramatically smaller than cities with fewer square miles and people such as Sacramento and San Francisco (these cities are much older than San José)
 - San José's Actives are 3 times fewer than the average. However, it is noteworthy that not all cities reported, such as Long Beach
 - All other cities were dramatically higher in terms of the number of term vested in the plan

	Actives	Retirees	Terminated Vested
Los Angeles	12,453	11,859	0
San Diego	9,436	3,728	1,998
Sacramento	PERS - 4,286 SCERS - 195	PERS - 1,128 SCERS - 1,353	Not Available
San Francisco	4,481	2,481	109
Riverside	3,727	2,172	Not Available
San José	2,004	1,445	69
Santa Ana	2,150	Not Available	Not Available
Bakersfield	1,575	845	Unknown
Fresno	1,288	784	42
Long Beach	1,066	Unknown	Unknown
Average	Unknown	Unknown	Unknown
	4,242	3,331	444

Survey Basics: Retirement Membership

- Active Safety Personnel in all cities was heavily populated by police members.
 - In San José , Fresno and Long Beach the ratio of Police Officers to Firefighters was 2:1.
 - San Francisco was the exception; the ratio between Police Officers and Firefighters was 1.25 to 1.0.
 - The average total membership is inflated by San Francisco. San José is more in line with Riverside and Bakersfield, even though San José is almost 2 times the size in square miles and almost triple in population compared to Bakersfield and Riverside.

	Total active members in retirement plan during fiscal/calendar 2005	Total non-safety membership	Total safety membership	Of the safety members, number of firefighters	Of the safety members, number of police officers
San Francisco	29,164	25,439	3,725	1,632	2,095
Los Angeles*	12,453	0	12,453	3,562	10,354
San Diego*	17,429	10,388	7,041	962	2,140
Sacramento	2303	0	2,303	1,007	1,296
Long Beach	Unknown	4,783	3,414	416	922
Riverside	2,150	1,593	557	197	360
Bakersfield	2,133	1,295	838	108	345
San José	2,004	2,004	2,004	698	1,306
Fresno	1,892	0	1,892	638	1,254
Santa Ana	1,575	0	553	212	341
Average*	7,254	6,608	3,478	943	2,041

*San Diego and Los Angeles did not provide a breakdown between police and fire fighter membership in the total active safety membership so the totals do not total 100% and the averages may be skewed. The Los Angeles fire and safety numbers were obtained from the websites of the fire and police departments: <http://lafd.org/> and <http://lapdonline.org>. San Diego information from <http://www.sandiego.gov/police/> and

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Appendix C- City Demographics

City Demographics — Population in Areas Served

- The average population of the surveyed cities is 923,130 people.
 - San José has a population of 894,493, slightly below the population average.
 - Los Angeles and San Diego were the only two cities above the average.
 - San Francisco was reported with a population count of 720,000, which was slightly lower than San José .
 - All other city populations were below 500,000.
- All cities, with the exception of San Francisco and Sacramento, reported as having their police and fire fighters serve only their city's population. (San Francisco and Sacramento's police and fire serve those living in the unincorporated areas of the service area.)

City Name	Total Population	Population Served by Police	Population Served by Fire
Los Angeles	3,960,000	3,960,000	3,960,000
San Diego	1,305,736	1,305,736	1,305,736
San José	894,943	894,943	894,943
San Francisco	720,000	2,000,000*	2,000,000*
Fresno	476,000	476,000	450,000
Long Beach	461,564	461,564	461,564
Sacramento	452,959	452,959	500,000
Santa Ana	349,100	349,100	349,100
Bakersfield	311,000	311,000	249,000
Riverside	300,000	300,000	300,000
Average Population	923,130	1,051,130	1,000,924

*Includes unincorporated areas of the County of San Francisco and the San Francisco International Airport.

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City Demographics — Population, Area and Density

- The cities ranged in size from 49 square miles to 200 square miles, the average size being 144 square miles.
 - San José is 178 square miles, which is just slightly above the average, keeping the city more on the medium-large size in terms of square miles.
 - Los Angeles and San Diego are the only other cities larger in square miles than San José .
 - San Francisco, Santa Ana, Long Beach, Sacramento and Riverside are below the average of 184; each of those cities measures less than 100 square miles.
- City service density is the size of the population served compared to the city's geographic size.
 - San José is only moderately dense, surpassed by San Francisco, Santa Ana, Long Beach and Los Angeles.
 - Bakersfield and Fresno are the least dense.
 - Bakersfield has a population density of 2,752 people per square mile, half that of San José , whose population density is 5,028 people per square mile.
 - The population of San José is 2½ larger than Bakersfield but is 65 square miles smaller.

City Name	Total Population Served	Service Area in Square Miles	Service Density (People/ Square Mile)
San Francisco	2,000,000	49	40,816
Santa Ana	349,100	27	12,930
Long Beach	461,564	50	9,231
Los Angeles	3,960,000	470	8,426
San José	894,943	178	5,028
Fresno	476,000	104	4,577
Sacramento	452,959	99	4,575
Riverside	300,000	79	3,812
San Diego	1,305,736	372	3,510
Bakersfield	311,000	113	2,752
Average	972,637	184	5,298



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Appendix D- Application Processing

Review of Applications Approved — Applicants Under Age 40

Item	Applicants Under Age 40				
	Approved				
DOB	12-28-66	11-9-66	12-8-70	5-7-68	12-13-66
Age	37	38	31	34	38
Years of Service at Application	10.05	12.8	6.55	11.14	7.18
Initial Date of Application	6-16-04	1-28-04	3-2-02	8-26-02	8-2-04
Order of Contents Checklist (decisions after 3/11/04)	X	X	--	--	X
Change of Status Memo	Separated while on disability leave and modified duty	Separated 1-30-05 while on unpaid leave. Returned to modified duty prior to dis ret application.	NA --on modified duty	NA – off work since 8/20/01	NA – off work on unpaid leave, died 4-16-05
Usual and Customary Duties Memo from Department	9-8-04 Duties are modified to 20 hrs/week	1-24-04	4-3-02 Duties are modified	9-12-02 Applicant has been off work, so no information 1-16-03	NA - off work
Memo from Board Asking if Modified Duty is Available	11-19-04	5-16-05	8-2-02 9-16-2002		12-2-04
Modified Duty Memo from Department	11-14-04 Tow hearing officer position available	5-17-05 No positions available	8-12-02 Modified duty available	1-15-03 No modified duty positions open.	12-3-04 No FT permanent modified duty positions open.
Activity Limits Memo from Medical Director	11-19-04	5-12-05	7-30-02 9-10-02	1-2-03	12-1-04
Number of Activity Limitations By Medical Director	4	Unable to participate in any employment	4 Later unable to work more than 6 hrs/day	6	2
Medical Report(s) of the Board's Medical Director	Initial 11-18-04 Supplemental: 1-18-05 4-18-05	5-19-05	Initial 7-30-02 Supplemental: 9-9-02	1-2-03	Initial 12-15-04 Supplemental: 4-18-05
Medical Report(s) of Outside Doctor(s)	56	3	33	4	19
OSHA/Accident Report(s)	1 police report 7 OSHA reports	4	5	0	5
Job Description	Police Officer	Police Officer	Police Officer	Police Officer	Firefighter
Final Decision Date	8-4-05	8-4-05	10-3-02	2-6-03	2-5-05
Total Decision Time	14 Months	19 Months	7 Months	6 Months	6 Months
Comments/Notes	Attorney for applicant submitted statement for 1-6-05 hearing	Suicidal PTSD, anxiety, depression. Ruptured disc		Spinal injury on police motorcycle	Injury due to roof collapse at fire

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Review of Applications Approved — Applicants Over Age 50

Item	Applicants Over Age 50				
	Approved				
DOB	3-24-47	1-16-46	1-6-46	8-16-53	3-10-47
Age	57	55	56	52	58
Years of Service at Application	30.46	20.87	30	29.97	30.82
Initial Date of Application	2-10-04	6-16-01	3-20-03	8-3-04	6-29-04
Order of Contents Checklist (decisions after 3/11/04)	X	--	--	X	X
Change of Status Memo	Currently on modified duty	11-19-01 Retired 8-2-01	Incomplete file received	Service retirement 1-30-05 pending disability resolution 2-21-06	4-22-05 Retired 8-1-04 while on modified duty
Usual and Customary Duties Memo from Department	2-23-04	--	Incomplete file received	1-12-06	7-19-04
Memo from Board Asking if Modified Duty is Available	5-19-04 Already on light duty	11-19-01	Incomplete file received	2-14-06	4-13-05
Modified Duty Memo from Department	5-19-04 No full-time long term modified duty assignments	6-23-01	Incomplete file received	2-14-06 No modified duty assignments would have been available NA already retired	4-14-05 and 5-18-05 No modified duty assignments would have been available NA already retired
Activity Limits Memo from Medical Director	5-18-04	11-13-01	3-17-03	NA already retired	NA already retired
Number of Activity Limitations By Medical Director	4	3	5	3	3
Medical Report(s) of the Board's Medical Director	4/7/04	11-13-01	3-17-03	2-16-06	4-13-05
Medical Report(s) of Outside Doctor(s)	5	3	4	20	5-18-05 (supplemental) 30
OSHA Accident Report(s)	5	13	Incomplete file received	20	15
Job Description	Fire Captain	Firefighter	Fire Engineer	Battalion Chief	Fire Engineer
Final Decision Date	8-5-04	12-6-01	Incomplete file received	3-2-06	6-2-05
Total Decision Time	6 Months	6 Months	Unable to ascertain	15 Months	12 Months
Comments/Notes		Applied for disability status simultaneously with retirement		Duration calculated from service retirement date	

Applications Not Approved — Applicants Under Age 40

Item	Applicants Under Age 40 Not Approved			
DOB	5-21-69	12-20-62	07-24-62	10-21-65
Age	37	38	36	33
Years of Service at Application	9	6.79	14.68	6.68
Initial Date of Application	12-10-03	12-14-00	6-17-99	04-19-98
Order of Contents Checklist (decisions after 3/11/04)	X	NA	NA	NA
Change of Status Memo	NA	NA	NA	
Usual and Customary Duties Memo from Department	1-21-04	1-09-01	--	4-24-98
Memo from Board Asking if Modified Duty is Available	1-8-04	5-9-01	11-22-99	--
Modified Duty Memo from Department	1-27-04	5-16-01	11-24-99	2-09-99
	Able to perform as modified	Not able to perform	Able to perform as modified	Able to perform- no modifications
Activity Limits Memo form Medical Director	4-21-04	5-5-01	11-19-99	9-15-98
Number of Activity Limitations By Medical Director	7	3	5	0
Medical Report(s) of the Board's Medical Director	5-5-04	5-08-01	11-19-99 12-08-99	9-15-98 3-17-99
Medical Report(s) of Outside Doctor(s)	27	3	12	3
OSHA Accident Report(s)	7	7	12	2
Job Description	Police Sergeant	Fire Fighter	Police Sergeant	Police Officer
Final Decision Date	8-5-04	6-7-01	1-06-00	3-11-99
Total Decision Time	9 Months	7 Months	7 Months	11 Months
Comments/Notes	File cabinet injury			Sexual orientation lawsuit

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Review of Applications — Applicants Over Age 50 Not Approved

Item	Applicants Over Age 50 Not Approved				
DOB	1-26-53	5-12-47	3-28-52	11-5-48	11-5-59
Age	50	52	50	54	45
Years of Service at Application	27.56	21.14	19.32	25.33	21.84
Date of Disability Retirement Application(s)	12-15-03	2-19-03	6-1-03	4-26-04	4-27-05
Order of Contents Checklist	X	--	X	X	X
Change of Status Memo	5-20-04 Original retirement date: 1-31-03	7-28-03 Early retirement date: 11-14-99	2-24-03 Resigned at full duty: 8-14-02	9-24-04 Retired at full duty: 8-7-03	On disability leave since 3/19/04
Usual and Customary Duties Memo from Department	1-20-04 Retired at full duty	3-5-03 Retired at full duty	7-24-03 Resigned at full duty	5-14-04 Retired at full duty	5-18-05 Unable to determine
Memo from Board Asking if Modified Duty is Available	5-10-04	6-12-03	6-5-03	3-3-04	9-14-05
Modified Duty Memo from Department	5-21-04 Could have performed as modified	7-9-03 Could have performed as modified	1-27-03 Alternate employment not available	9-14-04 Could have performed as modified	9-20-05 Have modified position available
Activity Limits Memo from Medical Director	5-10-04	6-9-03	2-27-04	9-3-04	9-15-05
Number of Activity Limitations By Medical Director	5	4	8	3	2
Medical Report(s) of the Board's Medical Director	5-5-04	5-30-03	9-1-03	9-15-04	9-15-05
Medical Report(s) of Outside Doctor(s)	7	7	6	3	5
OSHA Accident Report(s)	10	4	20	6	6
Job Description	Police Lieutenant	Police Officer	Police Sergeant	Police Officer	Police Officer
Final Decision Date	8-05-04	8-7-03	5-6-04	10-7-04	10-6-05
Total Decision Time	9 Months	6 Months	13 Months	6 Months	6 Months
Comments/Notes	Former service retiree	Former early retiree	Resigned; offered voc rehab-declined; clinical depression	Former service retiree	Off on DL at time of application; problem with thumb

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City of San José Firefighter Job Specification -page 1 of 2

CLASS PURPOSE

- Responds to fire alarms and other emergency calls; protects life and property; combats, extinguishes, and prevents fires. Does related work.

TYPICAL DUTIES AND RESULTS (Any one position may not include all the duties listed, nor do the examples cover all duties which may be performed.)

- Responds to emergency calls, fire alarms and non-emergency calls for assistance as a member of a fire company.
- Operates resuscitators, radio, and illumination generators.
- Administers first aid.
- Lays and connects hoselines; holds nozzles and directs water streams; raises and climbs ladders.
- Enters burning buildings to remove persons from danger.
- Uses chemical extinguishers, axes, hooks, lines, power-driven tools, cutting torches and other equipment.
- Ventilates buildings to release heat and smoke.
- Places salvage covers to prevent water damage.
- Overhauls and cleans up after a fire to prevent rekindling.
- Checks fire scene for point of origin and source of ignition, and preserves evidence which may indicate arson or cause of fire.
- Returns company equipment to its proper place before leaving the emergency scene.
- Cleans and maintains station quarters and grounds; cleans, maintains and tests emergency equipment and apparatus, and participates in drills and training sessions.
- Studies and becomes familiar with district streets, fire hydrants, building occupancy and contents, and the location of alarm boxes and non-ambulatory citizens.
- Conducts distribution of emergency telephone stickers, pre-fire plans of target hazards, school fire drills, bicycle licensing, voter registration, and station visits by school, scout and youth groups.
- Compiles and submits information on equivalent runs, resuscitator use, accidents, and fire inspections.
- Assists with the fire alarm system, fire communications, Fire Department stores, and other duties as assigned in the Bureau of Support Services.
- Performs the less complex, less demanding duties involving fire prevention inspections and other aspects of enforcing the Fire Codes and related laws, including weed abatement in the Fire Prevention Bureau.
- Performs in other administrative assignments as required.
- Performs as a relief driver.
- Maintains state of readiness in cases of emergency call-back while off duty.

DISTINGUISHING CHARACTERISTICS

- Incumbents perform responsible rescue work and firefighting. The work requires an understanding of lifesaving and firefighting methods gained through a program of specialized training, and through experience. Duties may involve considerable physical exertion and potential risk to health and emergency readiness. Supervision is normally received from the class of Fire Captain.

City of San José Firefighter Job Specification -page 2 of 2

MINIMUM KNOWLEDGE, SKILLS, ABILITIES, AND PERSONAL CHARACTERISTICS

- Ability to visualize how mechanical things work and understand the interrelationship of parts.
- Ability to remember and learn from oral instruction.
- Ability to comprehend and learn from written material and follow written instructions.
- Ability to read maps, diagrams, and plans.
- Ability to keep records and complete forms.
- Ability to analyze situations quickly and reach sound conclusions.
- Ability to remain calm and function effectively in emergency situations.
- Ability to get along with a variety of people in a community living environment.
- Ability to present information and ideas to individuals or groups working as an effective team member.
- Ability to perform work activities which require endurance, balance, coordination, arm and shoulder strength, leg and back strength.
- Ability to learn the terminology and procedures used in the fire service.
- Willingness to perform custodial and housekeeping chores, to wear a uniform, to work in a hazardous environment and risk personal safety if necessary, to learn and study on one's own time, to work various shifts, and to take orders.
- Tolerance for others and for their attitudes.
- Motivation for all aspects of the job.

COMPETENCY KNOWLEDGE, SKILLS, AND ABILITIES

- Knowledge of: applicable government codes, terminology and procedures used in the fire service, construction materials and principles, safety clothing, fire equipment and apparatus, use and maintenance of radio communications, electrical and natural gas emergency procedures, fire ground technology, water shed fires and fire line construction, fire prevention, suspicious fire procedures, hose evolutions, the theory of combustion, emergency care for the injured, rescue tools and techniques, radiological instrumentation, structural firefighting procedures, salvage, overhaul, ventilation, the buildings and streets within station boundaries, ropes and knots, hazardous materials.
- Skills: Operating a variety of hand and power tools, identifying potential fire hazards, applying codes to actual inspection situations, treating injuries and burns, performing company evolutions, reading records and pre-fire planning forms.

EDUCATION

- High school graduation or equivalent GED certification.

LICENSES/CERTIFICATES

- Valid California driver's license.
- Incumbents are required to obtain Emergency Medical Technician (EMT) certification prior to completing probation and must maintain current EMT certification thereafter.

NECESSARY SPECIAL QUALIFICATIONS

- Candidates for Firefighter may be required to meet such age, medical and physical standards as the City Charter provisions and the Civil Service Commission rules may prescribe, including height and weight standards.

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City of San José Police Officer Job Specification

CLASS PURPOSE:

- Under general supervision, performs law enforcement duties of moderate difficulty in the protection of life and property. Performs related work as required.

TYPICAL DUTIES AND RESULTS: (Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)

- Patrols a specified district or beat on foot, motorcycle, patrol wagon or car.
- Gives information to pedestrians and motorists; checks for parking and traffic violations; writes citations; directs traffic; and escorts convoys.
- Responds to radio calls and investigates complaints, disturbances or accidents, administers first aid in emergencies.
- Watches for suspicious cars; curfew violators, and wanted persons; makes arrests for violations of laws and ordinances.
- Serves warrants and subpoenas; picks up prisoners; transports and assists in booking and jailing prisoners; appears in courts.
- Investigates conditions hazardous to life or property; makes initial investigations of crime and crime scenes; may assist detectives in criminal investigation work.
- Writes reports; reads bulletins, reports, orders and implements indicated changes as appropriate.

DISTINGUISHING CHARACTERISTICS

- Work normally consists of routine Police tasks performed according to department rules and regulations. Incumbents receive general and special instructions and must be able to act without direct supervision. The absence of ongoing supervisory responsibility distinguishes this class from the class of Police Sergeant. Work may involve personal danger.

QUALIFICATIONS

Minimum Knowledge, Skills and Abilities

- Knowledge of public relations in law enforcement.
- Knowledge of safe automobile operation involving the vehicle code.
- Knowledge of principles of first aid.
- Ability to be courteous but firm with the public.
- Ability to react quickly and calmly under emergency conditions.
- Ability to make sound decisions.
- Skill in observation and memory of places, names, and incidents.

Competency Knowledge, Skills and Abilities

- Ability to develop skill in the use of firearms.
- Ability to analyze situations and to adopt an effective course of action.
- Ability to read and understand laws, ordinances, departmental policies, rules, and written or oral instructions.
- Ability to write reports.
- Skill in verbal, numerical, and abstract reasoning.

TRAINING AND EXPERIENCE

- Completion of two (2) years of college (60 semester units or 90 quarter units) from an accredited college or university. Units need not be in Police Science.

LICENSES/CERTIFICATES

- Possession of a valid driver's license.

NECESSARY SPECIAL QUALIFICATIONS

- Must meet all prescribed medical, physical and citizenship requirements.
- Possession of a valid driver's license authorizing operation of a motor vehicle in the State of California.
- As a condition of employment in some designated positions, possession of a valid State of California Class A or B driver's license with applicable endorsements may be required in the performance of job duties.

Rev 4/92