

Retirement Services Department

Russell Crosby, Director

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Provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans

City Service Area

Strategic Support

Core Services

Administer Retirement Plans

Implement policies and procedures to deliver retirement benefits and maintain the retirement plans

Strategic Support: Retirement Boards' Support, Training, and Contract Administration

Retirement Services Department

Department Budget Summary

	2007-2008 Actual 1	2008-2009 Adopted 2	2009-2010 Forecast 3	2009-2010 Proposed 4	% Change (2 to 4)
Dollars by Core Service					
Administer Retirement Plans	\$ 2,661,696	\$ 3,132,375	\$ 3,322,605	\$ 3,952,688	26.2%
Strategic Support	150,940	247,368	273,498	273,498	10.6%
Total	\$ 2,812,636	\$ 3,379,743	\$ 3,596,103	\$ 4,226,186	25.0%
Dollars by Category					
Personal Services	\$ 2,812,636	\$ 3,379,743	\$ 3,596,103	\$ 4,226,186	25.0%
Total	\$ 2,812,636	\$ 3,379,743	\$ 3,596,103	\$ 4,226,186	25.0%
Dollars by Fund					
Federated Retirement	\$ 1,402,471	\$ 1,686,887	\$ 1,794,979	\$ 2,048,073	21.4%
Police & Fire Retirement	1,410,165	1,692,856	1,801,124	2,178,113	28.7%
Total	\$ 2,812,636	\$ 3,379,743	\$ 3,596,103	\$ 4,226,186	25.0%
Authorized Positions	28.13	29.25	29.25	33.25	13.7%

Retirement Services Department

Budget Reconciliation

(2008-2009 Adopted to 2009-2010 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2008-2009):	29.25	3,379,743
<hr/> Base Adjustments <hr/>		
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes and the following position reallocation:		216,360
- 1.0 Administrative Officer to Program Manager II		
Technical Adjustments Subtotal:	<u>0.00</u>	<u>216,360</u>
2009-2010 Forecast Base Budget:	29.25	3,596,103
<hr/> Budget Proposals Recommended <hr/>		
1. Retirement Services Department Reorganization	<u>4.00</u>	<u>630,083</u>
Total Budget Proposals Recommended	4.00	630,083
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2009-2010 Proposed Budget Total	33.25	4,226,186

Retirement Services Department

Budget Changes By Department

Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Retirement Services Department Reorganization	4.00	630,083	0
Strategic Support CSA <i>Administer Retirement Plans</i>			
<p>This proposal would realign the Investment Division in the Retirement Services Department with other California public pension plans to improve the structure of the department, achieve the best rate of return, and reduce systemic risk to meet the Federated and Police and Fire Retirement Plans' liability structure. To achieve this, two filled positions (1.0 Financial Analyst, 1.0 Staff Specialist) would be eliminated and six new positions (2.0 Retirement Investment Administrator I, 3.0 Retirement Investment Administrator II, 1.0 Analyst) are proposed to be added to the remaining three positions in the division. The Retirement Investment Administrators would provide senior investment and actuarial duties and the Analyst would support the Federated and Police and Fire Retirement Plans' Investment Policy and actuarial demands. The Retirement Services Department is working with the Federated and Police and Fire Retirement Plans' investment consultants to reduce both Plans' exposure to the general market risk by improving its portfolio diversification and increasing long-term allocation to alternative investments. This proposal has been approved by both the Federated and Police and Fire Retirement Boards. In the event these proposed changes result in the cost of staff salaries and indirect labor costs exceeding the cap on administrative costs (0.07% of 2009-2010 assets for the Federated Retirement System Fund), the City may need to meet and confer with select bargaining units regarding an increase or elimination of the 0.07% cap. (Ongoing costs: \$614,419)</p>			
Performance Results:			
Quality, Customer Satisfaction This reorganization is recommended to have the structure necessary to achieve the best rate of return and reduce the systemic risk to meet the Plans' liability structure. It is anticipated that exposure to general market risk will decrease with a more diversified portfolio.			
2009-2010 Proposed Budget Changes Total	4.00	630,083	0

Retirement Services Department

Departmental Position Detail

Position	2008-2009 Adopted	2009-2010 Proposed	Change
Account Clerk II	1.00	1.00	-
Accountant II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	2.00	1.00	(1.00)
Analyst I/II	7.00	8.00	1.00
Deputy Director, Federated	1.00	1.00	-
Deputy Director, Police & Fire	1.00	1.00	-
Director, Retirement Services	1.00	1.00	-
Financial Analyst	2.00	1.00	(1.00)
Information Systems Analyst	2.00	2.00	-
Network Technician II PT	0.75	0.75	-
Office Specialist II	2.00	2.00	-
Program Manager II	0.00	1.00	1.00
Retirement Investment Administrator I	0.00	2.00	2.00
Retirement Investment Administrator II	0.00	3.00	3.00
Secretary	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	1.00	1.00	-
Staff Specialist	1.00	0.00	(1.00)
Staff Technician	1.50	1.50	-
Total Positions	29.25	33.25	4.00

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