

Retirement Services Department

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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

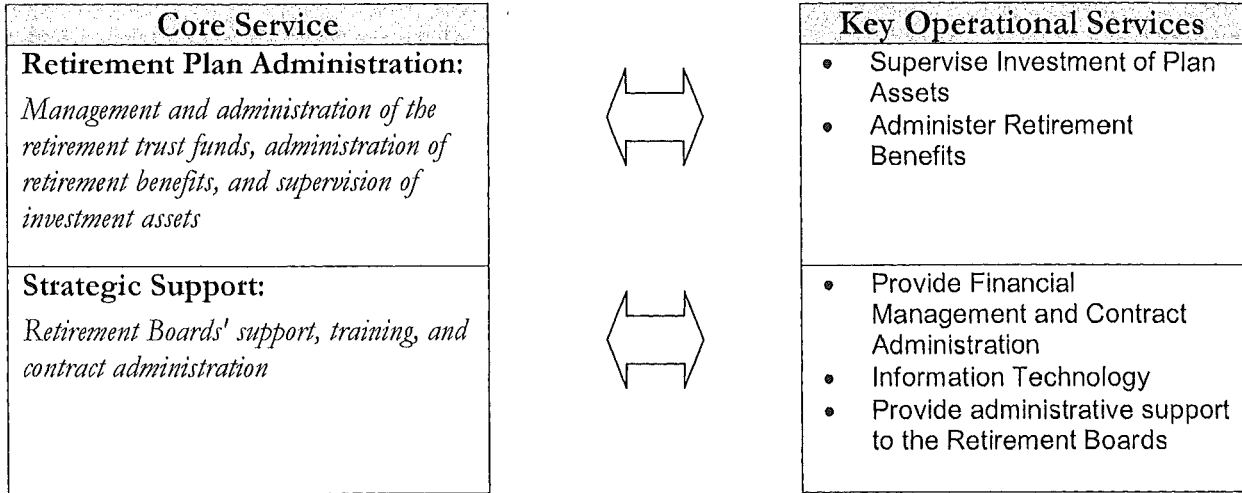
Retirement Plan Administration

Management and administration of the retirement trust funds, administration of retirement benefits, and supervision of investment assets

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

Retirement Services Department

Service Delivery Framework



Retirement Services Department

Department Budget Summary

Expected 2014-2015 Service Delivery

- Manage Retirement Plans' assets and seek solutions to increase investment returns, and reduce volatility and cost, while mitigating risk.
- Work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to de-risk plans, reduce volatility, and reduce intergenerational shifting of liabilities.
- Provide quality retirement planning, counseling, and financial reporting.

2014-2015 Budget Actions

- The addition of a Senior Auditor will address operational audits and perform tasks related to addressing the City Auditor's recommendations, including higher class pay and Fair Labor Standards Act issues.
- The addition of a Staff Technician will provide administrative support for the new Chief Investment Officer and the investment group.
- The conversion of a Network Technician II from part-time to full-time status will provide additional technical support in implementing and maintaining electronic information to both retirement plans.

Operating Funds Managed

- Federated Retiree Health Care Trust Fund
- Federated Retirement Fund
- Fire Retiree Health Care Trust Fund
- Police and Fire Retirement Fund
- Police Retiree Health Care Trust Fund

Retirement Services Department

Department Budget Summary

	2012-2013 Actual 1	2013-2014 Adopted 2	2014-2015 Forecast 3	2014-2015 Proposed 4	% Change (2 to 4)
Dollars by Core Service					
Retirement Plan	\$ 2,352,736	\$ 3,009,342	\$ 3,562,239	\$ 3,711,148	23.3%
Administration					
Strategic Support	1,444,650	2,009,683	2,031,022	2,146,981	6.8%
Total	\$ 3,797,386	\$ 5,019,025	\$ 5,593,261	\$ 5,858,129	16.7%
Dollars by Category					
Personal Services					
Salaries/Benefits	\$ 3,797,386	\$ 5,019,025	\$ 5,593,261	\$ 5,858,129	16.7%
Total	\$ 3,797,386	\$ 5,019,025	\$ 5,593,261	\$ 5,858,129	16.7%
Dollars by Fund					
Federated Retirement	\$ 1,897,542	\$ 2,510,691	\$ 2,797,901	\$ 2,931,057	16.7%
Police & Fire Retirement	1,899,844	2,508,334	2,795,360	2,927,072	16.7%
Total	\$ 3,797,386	\$ 5,019,025	\$ 5,593,261	\$ 5,858,129	16.7%
Authorized Positions by Core Service					
Retirement Plan	22.25	21.50	22.50	23.50	9.3%
Administration					
Strategic Support	13.25	15.00	14.00	15.25	1.7%
Total	35.50	36.50	36.50	38.75	6.2%

Retirement Services Department

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2013-2014):	36.50	5,019,025
<hr/> Base Adjustments <hr/>		
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes and the following position reallocations:		574,236
- 1.0 Administrative Assistant to 1.0 Staff Technician		
- 1.0 Assistant Director to 1.0 Assistant Director and Chief Investment Officer		
- 1.0 Information Systems Analyst to 1.0 Department Information Technology Manager		
- 1.0 Office Specialist II to 1.0 Staff Technician		
- 1.0 Principal Accountant to 1.0 Division Manager		
Technical Adjustments Subtotal:	0.00	574,236
2014-2015 Forecast Base Budget:	36.50	5,593,261
<hr/> Budget Proposals Recommended <hr/>		
1. Retirement Services Accounting and Investment Divisions Staffing	2.00	228,648
2. Retirement Services Information Technology Staffing	0.25	36,220
Total Budget Proposals Recommended	2.25	264,868
2014-2015 Proposed Budget Total	38.75	5,858,129

Retirement Services Department

Budget Changes By Department




Proposed Budget Changes	Positions	All Funds (\$)
1. Retirement Services Accounting and Investment Divisions Staffing	2.00	228,648
<i>Strategic Support CSA</i> <i>Retirement Plan Administration</i> <i>Strategic Support</i>		
<p>This action adds 1.0 Senior Auditor in the Accounting Division and 1.0 Staff Technician in the Investment Division. The Senior Auditor will address operational audits, including reviewing work completed in the Benefits Division for retirements, health option changes, and other divisions to ensure they are following policies and procedures. Additionally, the Senior Auditor will perform most of the tasks related to addressing the City Auditor's recommendations, which include higher class pay and Fair Labor Standards Act issues. The Staff Technician will assist the Assistant Director and Chief Investment Officer with administrative functions and operational duties including preparing Investment Committee agendas and packets, posting agendas, reviewing capital calls, travel coordination, processing packets and invoices, and other clerical duties. (Ongoing costs: \$230,188)</p>		
Performance Results:		
<i>Quality</i> This action will provide the necessary administrative assistance to support the fiduciary and governance requirements of the Retirement Boards and Committees, as well as improve the Department's operational activities.		
2. Retirement Services Information Technology Staffing	0.25	36,220
<i>Strategic Support CSA</i> <i>Strategic Support</i>		
<p>This action converts 0.75 Network Technician II PT to 1.0 Network Technician II to provide additional technical support in implementing and maintaining electronic information for both retirement plans. The Department has experienced an increase in the number of retirement board and ad-hoc committee meetings that require additional technical support including electronic packets. In addition, the Department will have several upcoming projects, including a new pension administration system that requires additional technical support. (Ongoing costs: \$36,342)</p>		
Performance Results:		
<i>Quality</i> This action will provide the necessary technical support to address an increase in retirement board and committee meetings and assist in the preparation for the implementation of the new pension administrative system.		
2014-2015 Proposed Budget Changes Total	2.25	264,868

Retirement Services Department

Performance Summary

Retirement Plan Administration

Performance Measures

	2012-2013 Actual	2013-2014 Target	2013-2014 Estimated	2014-2015 Target
 % of active members that feel that Retirement Services had a positive impact on their ability to make decisions to achieve retirement goals	90%	100%	95%	100%
 % of portfolios analyzed for compliance with investment policy	100%	100%	100%	100%
 % of members (active and retired) that rate department services as very good or excellent based on accuracy and usefulness of work	85%	100%	90%	100%

Changes to Performance Measures from 2013-2014 Adopted Budget: No

Activity and Workload Highlights

	2012-2013 Actual	2013-2014 Forecast	2013-2014 Estimated	2014-2015 Forecast
# of active and retired members surveyed	175	400	250	400
# of portfolios analyzed annually	51	70	115	125
# of agendized Board meetings	106	110	117	127
Investment committee work plan projects	94	35	47	100

Changes to Activity & Workload Highlights from 2013-2014 Adopted Budget: No

Retirement Services Department

Departmental Position Detail

Position	2013-2014 Adopted	2014-2015 Proposed	Change
Account Clerk II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	0.00	(1.00)
Analyst I/II	7.00	7.00	-
Assistant Director	1.00	0.00	(1.00)
Assistant Director and Chief Investment Officer	0.00	1.00	1.00
Department Information Technology Manager	0.00	1.00	1.00
Deputy Director	1.00	1.00	-
Director, Retirement Services	1.00	1.00	-
Division Manager	1.00	2.00	1.00
Financial Analyst	1.00	1.00	-
Information Systems Analyst	3.00	2.00	(1.00)
Network Technician II PT	0.75	0.00	(0.75)
Network Technician II	0.00	1.00	1.00
Office Specialist II	2.00	1.00	(1.00)
Principal Accountant	1.00	0.00	(1.00)
Retirement Actuarial Analyst I/II	2.00	2.00	-
Retirement Investment Officer	5.00	5.00	-
Senior Account Clerk	1.00	1.00	-
Senior Accountant	2.00	2.00	-
Senior Analyst	1.00	1.00	-
Senior Auditor	0.00	1.00	1.00
Staff Specialist	1.00	1.00	-
Staff Technician	2.00	5.00	3.00
Staff Technician PT	0.75	0.75	-
Total Positions	36.50	38.75	2.25