

2016



Legislative Reference Bureau

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# DEFERRED COMPENSATION

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## 2016 Proposed Plan and Executive Budget Review

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Budget Hearing: October 9, 2015

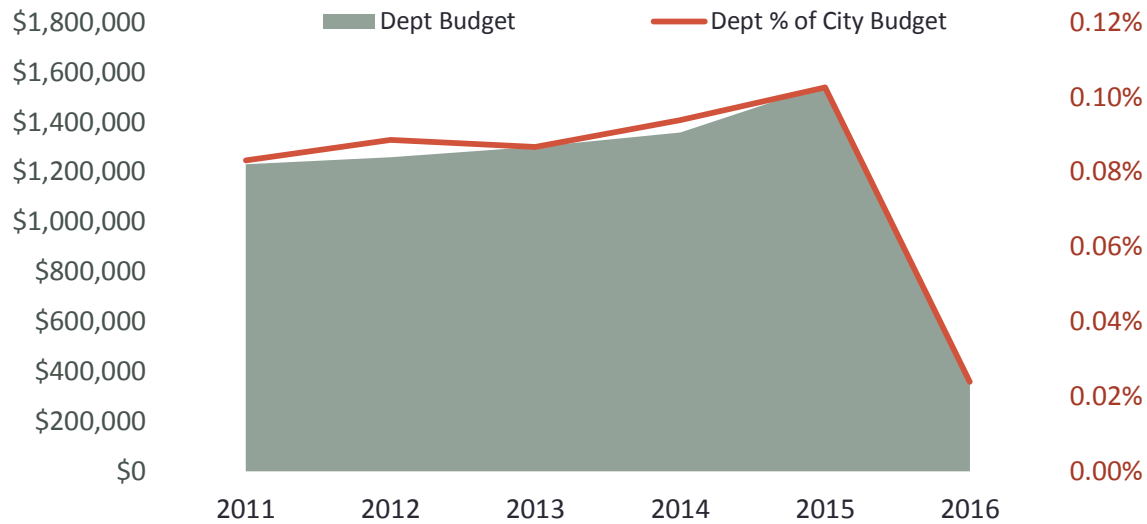
Last Updated: October 5, 2015



**\$370,485**  
Proposed 2016 Budget

**\$1,178,814**  
Change in Proposed Budget

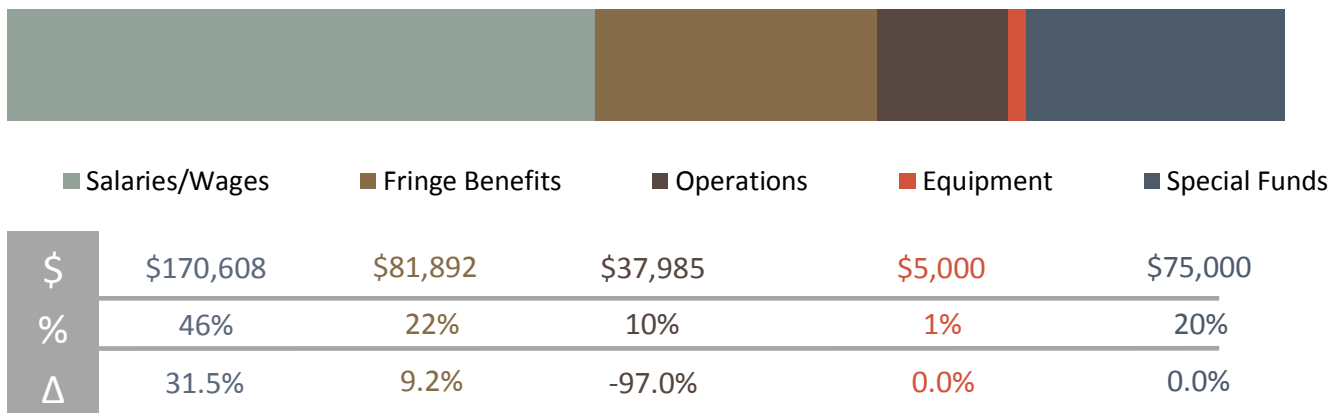
**76.1%**  
% Change in Proposed Budget



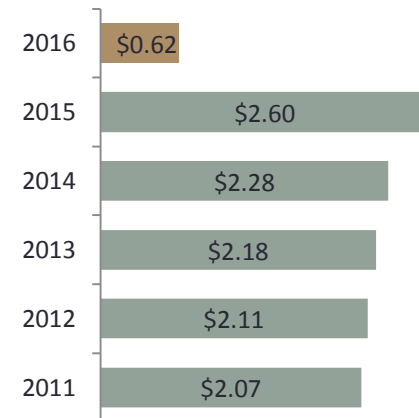
**Departmental Budget Impact**

The Deferred Compensation budget is funded entirely through the Plan assets, as approved by the 9-member Deferred Compensation Board and, therefore, does not have an effect on the Tax Levy or General City Budget.

**Departmental Budget Appropriation Category**



**Budget per Capita**



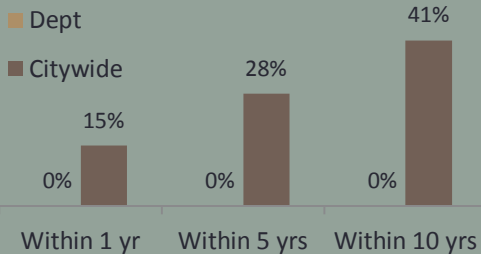
**\$170,608**

Salary for Deferred Compensation Plan Executive Director and Administrative Assistant IV

**\$34,588**

Increase in salary from former Executive Director to newly hired Executive Director – a 40% jump.

**Retirement Eligible**



0

Change in Positions

0.0%

% Change in Positions

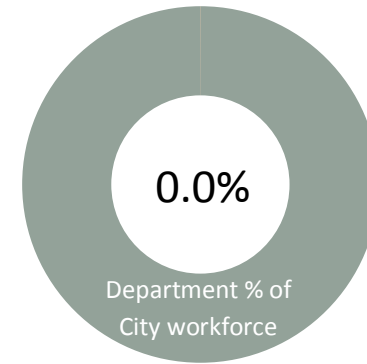
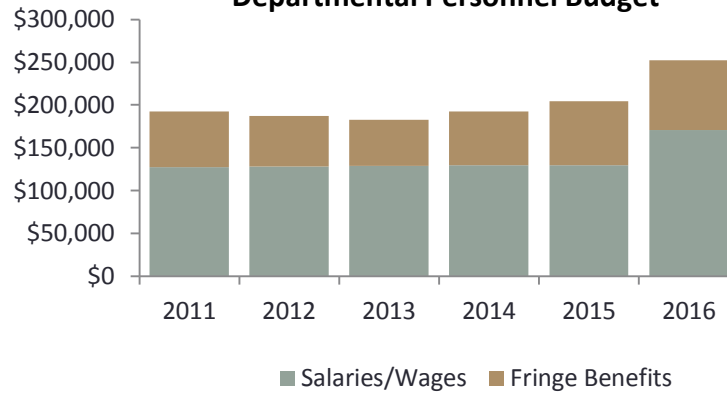
0

Current Vacancies

0

Voluntary Separations

**Departmental Personnel Budget**



**Staffing Update**

- Department only has 2 employees.
- There are no current vacancies.
- Neither employee is eligible for retirement.

**Staffing Update**

- New Executive Director hired in mid-2015.
- Extensive experience in financial sector.
  - Former Assistant City Attorney with experience advising the Deferred Compensation Plan.

2

2

2

2

2

2

**Department Positions  
2011-2016**

**\$798 million**

Deferred Compensation Plan assets as of December 31, 2014, an increase of \$17 million from June 30, 2014.

**7,488**

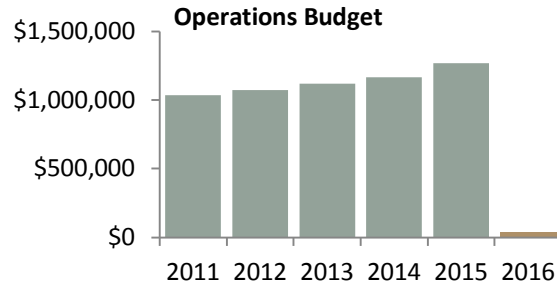
Active and retired participants as of December 31, 2014, an increase of 78 from June 30, 2014.

**1.7**

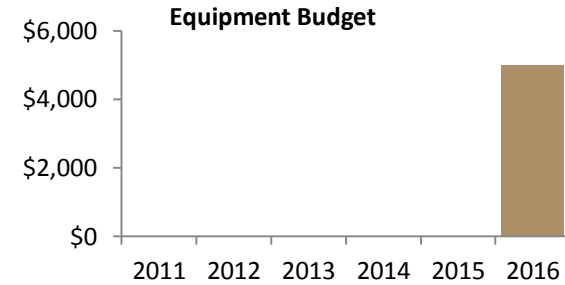
Professional fees and staff salaries and benefits for 2016 are estimated to be \$1.37 million or 1.7 basis points of total plan assets.

**No Levy**

The Plan's expenses are entirely self-funded.



84% | 85% | 86% | 86% | 82% | 10%  
Operations percent of department budget



0% | 0% | 0% | 0% | 0% | 1%  
Equipment percent of department budget

**Revenue**

No revenue is generated by this department.

The Plan receives participants' contributions and pays its expenses from those contributions.

**Operating Expenditures**

Operating expenditures decrease \$1.2 million in the City Budget. Refer to "Plan Budget" box.

Request-for-Proposal process to determine a new third-party administrator is underway. This competitive process will likely result in lower fees charged to the Plan.

City Attorney services to the Plan, previously rendered free of charge, will be reimbursed by the Plan beginning in 2016.

**Special Purpose Accounts**

This department has no Special Purpose Accounts.

**Grants**

This department receives no grant funding.

**Capital Requests**

This department has made no capital requests.

**Plan Budget**

In 2016, the Plan's budget will be considered approved by the Plan's 9-member fiduciary board.

All professional fees and other operating expenditures will no longer run through City accounts.

This budget will be presented to the Finance and Personnel Committee during budget deliberations.