



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kay Winer

SUBJECT: AMENDMENTS TO THE CITY
PAY PLAN FOR VARIOUS
CLASSIFICATIONS

DATE: February 14, 2011

Approved

Date

2-22-11

RECOMMENDATION

Adoption of a resolution to:

1. Amend the City of San Jose Pay Plan effective March 8, 2011 to create the following classification:
 - a. Environmental Sustainability Manager (8206)
2. Amend the City of San Jose Pay Plan effective March 8, 2011 to change the job classification title of:
 - a. Investment Officer (7504) (formerly titled Retirement Investment Officer)

OUTCOME

If the above recommendations are approved, the City of San Jose Pay Plan will be amended to add the classifications of Environmental Sustainability Manager (8206) and change the classification title for Investment Officer (7504) (formerly titled Retirement Investment Officer).

BACKGROUND

When new job classifications are added or deleted, job titles are changed, or salaries are revised, relevant resolutions must be amended. The City Pay Plan reflects all job classification and compensation changes made through Council Resolution and is on file in the Human Resources Department and published on the City's internet and intranet sites.

ANALYSIS

Creation of New Classifications

- a. Environmental Sustainability Manager (8206) with an annual pay range of \$102,960 - \$128,236.42. This class is designed to develop and administer a comprehensive program of initiatives to support implementation of the City's Green Vision and direct the activities and programs of the Sustainability and Compliance Division. This is a single position class assigned to the Environmental Services Department, Technical Services Division, reporting to the Assistant Director. A separate classification is appropriate due to the specialized nature of the work. The salary range is equivalent to the current on-going pay range for Administrative Officer, which is work at a similar level of complexity. FY10-11 one-time reductions will be applied to the pay range once the class is created.

Classification Title Changes

- b. Investment Officer (7504) (formerly titled Retirement Investment Officer). The class is being re-titled and the job specification revised to include the duties of a position in the Finance Department responsible for fixed income portfolio management of the City's operating funds. It is appropriate to include these related duties in one classification with a more general title.

EVALUATION AND FOLLOW-UP

No additional City Council action is expected for these amendments.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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Although this does not meet any of the above criteria, this memo will be posted on the City's website for the March 8, 2011 Council meeting.

COORDINATION

This memorandum was coordinated with the Budget Office, Office of Employee Relations, the City Attorney's Office and the Human Resources Department.

COST SUMMARY/IMPLICATIONS

There are no cost implications pertaining to this resolution. Creation of new classifications does not create additional positions; new classes are created in order to better describe existing work.

CEQA

Not a project, File No. PP10-068 (b), Municipal Code, Title 3

/s/
KAY WINER
Director, Human Resources Department

For questions please contact Sarah Nunes, Employment Manager, at 975-1458.

Attachments:
Environmental Sustainability Manager (8206)
Investment Officer (7504)

City of San José
CLASS SPECIFICATION

**ENVIRONMENTAL SUSTAINABILITY MANAGER
(8206)**

DEPARTMENT	ACCOUNTABLE TO	FLSA STATUS
Environmental Services	Assistant Director	Exempt

CLASS SUMMARY

Responsible for developing and administering a comprehensive program of initiatives to support implementation of the City's Green Vision. Plans, organizes and directs the activities and programs of the Sustainability and Compliance Division; responsible for developing and implementing goals, objectives and guidelines; participates in and advises on the development of department policy; prepares and implements work plans, capital improvement and/or operations budgets; authorizes expenditures and directs allocation of grant funds; and performs related duties as required.

DISTINGUISHING CHARACTERISTICS

This is a single position assigned to the Environmental Services Department, reporting to the Assistant Director. This position has primary responsibility for management of environmental compliance and sustainability initiatives. This position is distinguished from Environmental Compliance Manager and Environmental Services Program Manager in that it serves as the highest level of classified management in the Sustainability and Compliance Division and directs the latter classifications.

QUALIFICATIONS

(These qualifications are typically required. An equivalent combination of education, experience, knowledge, skills, and abilities sufficient to satisfactorily perform the duties of the job may be substituted.)

Minimum Qualifications

Education and Experience

Bachelor's degree from an accredited college or university with major course work in environmental sciences, public or business administration or other directly related area (planning?) and six years of increasingly responsible experience in overseeing and administering complex environmental programs, including three years of progressively responsible supervisory experience.

Required Licensing (such as driver's license, certifications, etc.)

Other Qualifications

(Incumbents may be required to have different combinations of the listed qualifications, or more specific job-related qualifications depending on the position.)

Basic Knowledge, Skills and Abilities

(Needed at entry into the job in order to perform the essential duties.)

Knowledge of:

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ENVIRONMENTAL SUSTAINABILITY MANAGER
(8206)

- Principles and practices of administrative management, including goals and objectives, development, work planning, budget development and employee supervision;
- Principles and practices of program management, including development, planning, monitoring, evaluation and administration;
- Funding sources available to finance environmental compliance and sustainability programs;
- Principles and practices of effective employee supervision, including selection, training, work evaluation and discipline;
- Basic principles and practices of environmental compliance and sustainability; and
- Principles and practices of public outreach, including the planning, preparation and presentation of to educate the public on matters related to environmental sustainability.

Skill in and Ability to:

- Organize, assign, direct, review, and evaluate the work of assigned staff;
- Assess long and short term environmental compliance and sustainability needs, and design effective programs to meet these needs in a cost effective manner;
- Train staff in work procedures and provide for their professional development;
- Administer and manage a variety of environmental compliance and sustainability projects and programs;
- Deal tactfully and effectively with a wide variety of board and commission members, government officials, civic groups, contractors, regulatory industry representatives, students, the public and City staff;
- Recommend comprehensive environmental compliance and sustainability planning policy and programs based upon community needs, available resources and overall City priorities and policies;
- Coordinate environmental compliance and sustainability programs with other departments and agencies and prepare sound, oral and written reports and recommendations;
- Prepare clear, concise and accurate written studies, proposals and reports;
- Analyze pending legislation related to the environment and make recommendations for support or opposition based on City priorities; and
- Represent the City in meetings with the public, media and government bodies to promote program goals.

Desirable Qualifications

(Knowledge, skills and abilities; licenses, certificates, education, experience that is more position specific and/or likely to contribute to more successful job performance.)

- Expert knowledge in at least one of the following areas: Sustainability, Renewable Energy, Energy Efficiency, LEED; ISO 14001; and/or Environmental Compliance;
- Skill in building and maintaining effective working relationships with a wide variety of stakeholders similar to those at the City; and
- Knowledge of and experience with environmental compliance and sustainability programs at the regional, statewide, and national levels.

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(8206)

DUTY NO.	TYPICAL CLASS ESSENTIAL DUTIES: (These duties and estimated frequency are a representative sample; position assignments may vary depending on the business needs of the department.) Duties may include, but are not limited to, the following:	FRE-QUENCY*
1.	Manages multiple and complex environmental programs and/or projects in support of implementation of the City's Green Vision goals for Green Building, Climate, Recycled Water expansion, Greening the General Plan, and Zero Waste programs; the Urban Environmental Accords; and the Environmentally Preferable Purchasing Policy.	Continuous
3.	Identifies and obtains project financing for energy improvements and sustainability objectives; manages grants and revenue contracts, including preparation of proposals and negotiating scopes of work.	Frequent
5.	Ensures environmental compliance at City owned landfills and the Water Pollution Control Plant.	Continuous
6.	Leads proactive departmental environmental legislative review and advocacy by drafting and/or reviewing legislation related to the environment.	Occasional
7.	Develops and implements department wide environmental health, safety, and compliance programs.	Continuous
8.	Supervises staff by planning, directing, and assigning work activities; promoting skills development and advancement through in-house training and effective use of employee training programs; and establishing and implementing a performance review system.	Continuous
9.	Makes public presentations and conducts outreach by developing working relationships, conducting presentations for community groups and other constituents; and appears before commissions, committees, the Board of Supervisors, public and private agencies.	Frequent
	Prepares, justifies and implements the division's budget; monitors expenditures to ensure adherence to the approved budget and assists in overseeing the department's financial long-term planning.	Frequent
10.	Performs other duties of a similar nature or level.	As Required

*Frequency defined as %, (totaling 100%) *or* "Continuous" (daily or approximately 20%+), "Frequent"(weekly or approximately 15%+), "Occasional"(monthly or approximately 10%+), "As Required"(Intermittent or 5% or less)

CLASSIFICATION HISTORY *created 3/11; 8206s000*

City of San José
CLASS SPECIFICATION

INVESTMENT OFFICER (7504)

DEPARTMENT	ACCOUNTABLE TO	FLSA STATUS
Finance, Retirement Services	Assistant or Deputy Director or Division Manager	Exempt

CLASS SUMMARY

Responsible for the investment and reinvestment of the City's Pooled Investment Fund; manages pension assets and measures pension liabilities of the San Jose Federated City Employee's Retirement System and Police and Fire Department Retirement Plan; monitors and analyzes investment performance, assists in planning and developing investment strategies, executes investment strategies, monitors investment managers, reviews the pension and health benefits valuations, experience studies and contribution setting process and performs related duties as required.

DISTINGUISHING CHARACTERISTICS

This is the professional management level class of the investment/actuarial classifications allocated to the City's Finance and Retirement Services Departments. Under general supervision, incumbents act as principal assistants to the Director, Assistant, or Deputy Director, or Division Manager. This class differs from the Retirement Actuarial Analyst I/II and Financial Analyst positions in that the Investment Officer performs duties that require more comprehensive knowledge of finance and higher level analysis of investments as well as a strong grasp of pension liabilities. This class differs from Debt Administrator in that the latter is responsible for the management and administration of the Citywide outstanding debt portfolio.

QUALIFICATIONS

(These qualifications are typically required. An equivalent combination of education, experience, knowledge, skills, and abilities sufficient to satisfactorily perform the duties of the job may be substituted.)

Minimum Qualifications

Education: Bachelor Degree from an accredited college or university in finance, financial engineering, mathematics, economics, actuarial science or a related field.

Experience: Five years of related work experience in a defined benefit retirement fund, investment consulting, investment management or pension consulting, or experience with investing funds for a municipality or working for a financial firm handling municipal investment accounts.

Licensing: Possession of at least one of the following certifications is required (except for Fixed Income Portfolio Manager – City Operating Funds specialty):

- Chartered Financial Analyst (CFA) Certification; or
- Chartered Alternative Investment Analyst (CAIA) Certification; or

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- Chartered Enterprise Risk Analyst (CERA) Certification; or
- Fellow or Associate of the Society of Actuaries (FSA or ASA).

Acceptable Substitutions: Post-graduate degree from an accredited college or university in finance, mathematics or economics or other field involving mathematical modeling may substitute for one year of the required experience . In addition, a Masters Degree in business, finance, accounting, public administration, economics or related field may substitute for one year of the required experience for the Fixed Income Operating Funds specialty.

Other Qualifications

(Incumbents may be required to have different combinations of the listed qualifications, or more specific job-related qualifications depending on the position.)

Basic Knowledge, Skills and Abilities

(Needed at entry into the job in order to perform the essential duties.)

Knowledge of:

- California Government Code Sections 53600 et seq. including competency in exercising fiduciary responsibilities to protect the interests of the City, tax and rate payers, and the public.
- Public fiscal administration as related to municipal cash flows and investments.
- Municipal organizations and management processes.
- Institutional investment methodologies as they apply to pension plans or municipal pooled investment funds.
- Alternative investments including private equity, hedge funds, commodities, Real Estate and Infrastructure.
- The behavior of pension liabilities with changes in interest rates, inflation and Capital markets.
- Markowitz optimization and methods of developing asset allocations in the context of pension liabilities.
- Advanced financial modeling such as option pricing techniques and stochastic modeling.

Skills and Abilities to:

- Analyze investment opportunities;
- Implement and execute investment strategies;
- Analyze the change in pension and health care liabilities;
- Establishing international and domestic capital market and economic macro and micro trends;
- Utilize personal computers to generate reports for investment management (e.g. spreadsheet modeling);
- Communicate effectively, both orally and in writing;
- Evaluate third party research;

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INVESTMENT OFFICER (7504)

- Provide prompt, efficient and responsive service;
- Exercise appropriate judgment in answering questions and releasing information; analyze and project consequences and/or recommendations;
- Make effective presentations to the Retirement Board, Mayor and City Council, City Manager, senior staff and other entities as appropriate.
- Manage, supervise, train, lead, mentor subordinate staff including management staff through completion of performance evaluations and providing career development.

Desirable Qualifications

(Knowledge, skills and abilities; licenses, certificates, education, experience that is more position specific and/or likely to contribute to more successful job performance.)

Knowledge of :

(for Fixed Income Portfolio Manager – City Operating Funds specialty)

- Institutional investment methodologies as they apply to municipal pooled investment funds.
- Fixed income security markets.
- Principles and practices of cash flow analysis.

(for Risk Management specialty)

- Qualitative and quantitative risk methods;
- Comprehensive knowledge of risk measurement techniques.
- The behavior of pension liabilities with changes in interest rates, inflation and Capital markets.

(for Quantitative Analysis specialty)

- Institutional investment methodologies as they apply to pension plans.
- Markowitz optimization and methods of developing asset allocations in the context of pension liabilities.
- Advanced financial modeling such as option pricing techniques and stochastic modeling.

(for Actuary Specialty)

- The behavior of pension liabilities with changes in interest rates, inflation and capital markets.
- Advanced financial modeling such as option pricing techniques and stochastic modeling.

(for Public Securities Specialty)

- Institutional investment methodologies as they apply to pension plans.
- Public security markets such as fixed income and public equities.
- Markowitz optimization and Methods of developing asset allocations in the context of pension liabilities.
- Advanced financial modeling such as option pricing techniques and stochastic modeling.

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(for Non-Public Securities Specialty)

- Institutional investment methodologies as they apply to pension plans.
- Markowitz optimization and Methods of developing asset allocations in the context of pension liabilities.
- Advanced financial modeling such as option pricing techniques and stochastic modeling.

Skills and Abilities to:

(for Fixed Income Portfolio Manager – City Operating Funds specialty)

- Analysis and execution of fixed income investment opportunities;
- Interact effectively and collaboratively with consultants and Broker/Dealers;
- Strategically evaluate investment and market opportunities;
- Evaluating capital market and economic trends.
- Effectively manage City's banking relationship

(for Risk Management specialty)

- Identify key risks and propose measurement and monitoring processes and procedures;
- Evaluate and model total fund risk;
- Analyze the change in pension and health care liabilities;
- Work collaboratively with external risk vendors to compile risk data;
- Analyze and assess output from external risk models;
- Assess and propose additional tools for risk management;
- Evaluate market environments and present portfolio recommendations.

(for Quantitative Analysis specialty)

- Analyze investment opportunities;
- Establishing Capital market and economic trends including micro and macro both international and domestic;
- Interact effectively and collaboratively with consultants;
- Strategically evaluate investment and market opportunities;

(for Actuary Specialty)

- Analyze the change in pension and health care liabilities;
- Interact effectively and collaboratively with Actuarial consultants;
- Analyze financial and statistical data regarding the pension plan;
- Evaluate third party research;

(for Public Securities Specialty)

- Analyze investment opportunities;
- Establishing Capital market and economic trends including micro and macro both international and domestic;

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- Deal effectively with general partners, limited partners and members of investment organizations, members of the Retirement Board ;
- Interact effectively and collaboratively with consultants;
- Strategically evaluate investment and market opportunities;
- Analyze financial and statistical data regarding partnerships and investments;

(for Non-Public Securities Specialty)

- Same as for Public Securities specialty but as it applies to Non-Public markets.

DUTY NO.	TYPICAL CLASS ESSENTIAL DUTIES: (These duties and estimated frequency are a representative sample; position assignments may vary depending on the business needs of the department.) Duties may include, but are not limited to, the following:	FRE-QUENCY*
1.	Apply institutional investment methodologies as they apply to pension plans.	Continuous
2.	Provide alternative investments including private equity, hedge funds, commodities, Real Estate and Infrastructure.	Continuous
3.	Review and monitor the behavior of pension liabilities with changes in interest rates, inflation and Capital markets.	Continuous
4.	Apply Markowitz optimization and methods of developing asset allocations in the context of pension liabilities.	Continuous
5.	Oversee the day-to-day management of the City's investment portfolio by making recommendations regarding investment strategy; preparing and reviewing financial and credit analyses of various investment options; and negotiating purchases, sales and exchanges of marketable securities.	Continuous
6.	Oversee and administer the City's cash flow analyses.	Continuous
7..	Provide daily senior management oversight of the City's cash management, payment processing and cashiering functions including assigning, monitoring, evaluating and providing professional and technical guidance to staff engaged in City's banking operations, including receipt, disbursement and safekeeping of City monies.	Continuous
8.	Establish priorities, performing short-term and long-term strategic planning related to the City's investment program and departmental operations.	Frequent
9.	Confer with brokers and consultants regarding investment activities and strategies.	Frequent
10.	Establish Capital market and economic trends including micro and macro both international and domestic;	Occasional
11.	Perform advanced financial modeling such as option pricing techniques and stochastic modeling.	Occasional
12.	Direct and/or prepare complex financial, statistical and narrative reports, correspondence and other documents for variety of audiences including the Director, Assistant Director, Division Manager, City Manager and the Mayor and City Council.	Occasional
13.	Perform other duties of a similar nature or level.	As Required

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*Frequency defined as %, (totaling 100%) *or* "Continuous" (daily or approximately 20%+), "Frequent"(weekly or approximately 15%+), "Occasional"(monthly or approximately 10%+), "As Required"(Intermittent or 5% or less)

Fixed Income Portfolio Manager – City Operating Funds specialty

In addition to the duties listed above, the Treasury specialty supports the following projects:

1. Researching and providing recommendations for technology enhancements for the Investment and Cash Management operations.
2. Overseeing Requests for Proposal processes for services such as Banking, Custodial Services, and Investment Financial Advisor.
3. Review and recommendation of portfolio restructuring opportunities
4. Responsible for the annual review process of Financial Institutions/Brokers/Dealers
5. Responsible for the review process of Broker/Dealer relationships
6. Preparation of annual portfolio interest earnings projections
7. Lead the annual review of the City's Investment Policy

Quantitative Analysis specialty

In addition to the duties listed above, the Quantitative Analysis Specialty supports the quantitative modeling involved in the following projects:

1. Development of tactical asset allocations; hedging schemes; a Global Macro program; LDI strategies;
2. Review and recommendation of changes to the Pension Plan Investment Structure; Calculate risk budgeting analytics for risk decomposition and performance attribution;
3. Preparation of monitoring reports;
4. Support of Investment Operations on quantitative tasks such as assessing individual investments profitability;
5. Support of investment manager searches

Risk Management specialty

In addition to the duties listed above, the Risk Management Specialty is responsible for modeling work focusing on risk modeling and risk management in relation to the following projects:

1. Development and implementation of interest, inflation and equity hedging strategies;
2. Review of the risk elements of the Pension Plan Investment Structure and calculation of risk budgeting analytics for risk decomposition and performance attribution;
3. Risk quantification of the alternative investment program;
4. Provision of guidance regarding the selection and monitoring of investment managers;
5. Review and monitoring of the Investment Policy guidelines.

Actuary specialty

In addition to the duties listed above, the Actuary Specialty is responsible for:

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1. Guiding the investment consultants in performing the asset liability studies for asset allocation;
2. development of LDI and hedging strategies;
3. Guiding the production of six Actuarial reports;
4. Review of experience studies;
5. Review of the basis for contribution rate setting;
6. Review of benefit enhancement costings;
7. Contribution to the pension section of bond disclosures;
8. Review of the basis of the split between pension monies and health monies for the purpose of setting up the new Health Trust;
9. Development of measurements of long-term operational liquidity.

Public Securities specialty

In addition to the duties listed above, the Retirement Investment Officer – Public securities is responsible for:

1. Provide guidance and perform due diligence on investment managers especially Public securities;
2. Provide guidance regarding the monitoring of equity and fixed income investment managers;
3. Review and monitoring of the Investment Policy guidelines as they relate to Public securities;
4. Asset allocation: guide the investment consultants in performing the asset liability studies;
5. The development of a tactical asset allocation;
6. The development of a hedging scheme;
7. The development of a Global Macro program;
8. The development of LDI strategies;
9. Review and recommend changes to the Pension Plan Investment Structure; Calculate risk budgeting analytics for risk decomposition and performance attribution;

Non-Public Securities specialty

In addition to the duties listed above, the Retirement Investment Officer – Non-Public securities is responsible for:

1. Provide guidance regarding the selection of Non-Public investment managers;
2. Provide guidance regarding the monitoring of Private Equity and Absolute Return managers;
3. Review and monitoring of the Investment Policy guidelines as they relate to Non-Public investments;
4. Asset allocation: guide the investment consultants in performing the asset liability studies;

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5. The development of a tactical asset allocation;
6. The development of a hedging scheme;
7. The development of a Global Macro program;
8. The development of LDI strategies;
9. Review and recommend changes to the Pension Plan Investment Structure; Calculate risk budgeting analytics for risk decomposition and performance attribution;
10. Develop an alternative investment program.

CLASSIFICATION HISTORY: Created 8/09, Rev & Retitled 3/11 (formerly Retirement Investment Officer; s001
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