

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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- 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 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.

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