# Bureau of Fire & Police Disability & Retirement

## **Management Data**

Commissioner in Charge: Dan Saltzman

Bureau Director: Linda Jefferson

Website: http://www.portlandonline.com/fpdr

Administration: 1.9%

M/W/ESB Contract \$: 0.0% Prime & 0.0% Sub

#### **Workforce Data**

Minorities: 31.25% Female: 93.75%

Non-Represented: 82.00%

Span of Control: 3.8 positions per supervisor

Management Layers: 1 to 3

## **Resource and FTE Summary**

	FY 2012-13	FY 2013-14	FY 2013-14	FY 2013-14	FY 2013-14
	Adopted	Base	Reductions	Add Packages	Requested
General Fund	\$0	\$0	\$0	\$0	\$0
Property Taxes	112,072,367	117,336,842	0	2,863,427	120,200,269
Other Revenues	42,509,169	43,598,538	0	0	43,598,538
<b>Total Revenues</b>	\$154,581,536	\$160,935,380	\$0	\$2,863,427	\$163,798,807
FTE	16.20	16.20	0.00	0.00	16.20

# **Bureau Overview and Significant Issues**

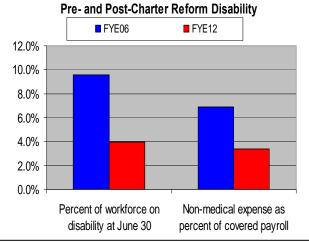
The Bureau of Fire & Police Disability & Retirement (FPDR) administers disability, death and retirement benefits to the sworn members of the Portland Fire and Police Bureaus and their survivors as defined in Chapter 5 of the Charter of the City of Portland. Nearly all sworn Fire and Police employees hired before January 1, 2007 are enrolled in a pension plan administered by FPDR. Sworn employees hired since that date are enrolled in the Oregon Public Employees Retirement System (PERS); FPDR makes the required PERS contributions on their behalf. In addition FPDR provides disability and death benefits for almost all sworn employees, regardless of hire date.

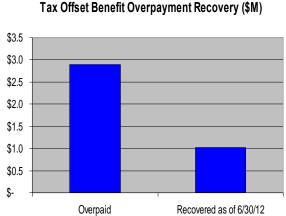
The bureau is comprised of the following four programs: Retirement System Payments, PERS Contributions, Disability & Death Benefits and Administration & Support. The FY 2013-14 requested operating budget for these four programs is \$123.4 million. Direct benefit costs and delivery costs of the retirement and disability programs represent 98% of the operating budget; the remaining 2% is allocated to the Administration and Support program. The budget request includes three decision packages to match "add back" packages requested by partner bureaus. Two of those packages comprise the estimated PERS contributions to be reimbursed to the Fire and Police Bureaus if all sworn positions requested in their packages are retained. The third package is to balance the add back requests of Office of Management and Finance service providers. The Requested Budget also includes fund-level requirements totaling \$40.4 million. Fund-level requirements include contingency, tax anticipation notes (TANs) and cash transfers.

The primary funding source for FPDR is property tax revenues totaling \$120.2 million. The estimated levy rate for FY 2013-14 is \$1.72 per \$1,000 of Measure 5 Real Market Value (RMV) or \$2.88 per \$1,000 of Measure 50 Assessed Value (AV). The Charter provides FPDR with separate property tax levy authority up to \$2.80 per \$1,000 of RMV. Other resources include tax anticipation notes (TANs), interest income, cash transfers, interagency revenues, subrogation income and beginning fund balance.

Significant issues and projects for FY 2013-14 include implementation of the eleven Charter amendments approved by Portland voters in November 2012, continued recovery of state tax offset benefits overpaid to members from 1991 to 2008, capital improvements to FPDR's new database that went live in October 2012, and an external audit of the Disability & Death Benefits program.

# PERFORMANCE DASHBOARD







# **Operating and Capital Requirements**

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2013-14	FY 2014-15
	Actuals	Adopted	Base	Request	Estimate
Operating - Base	\$128,268,613	\$154,486,036	\$160,905,380	\$163,768,807	\$171,117,105
Operating - One-Time Initiatives	0	0	0	0	0
Capital - New Construction	0	0	0	0	0
Capital - Major Maintenance	138,934	95,500	30,000	30,000	30,000
Unappropriated Ending Balance	15,143,884	0	0	0	0
Total	\$143,551,431	\$154,581,536	\$160,935,380	\$163,798,807	\$171,147,105

### **Overview of Major Projects and Initiatives**

**Charter Amendments:** Portland voters approved eleven amendments to the FPDR Plan in November 2012. FY 2013-14 will be the first full year the amendments are in effect. The most significant changes clarified the definition of final pay for FPDR Two pension calculations, created a six-month service requirement before new employees are covered by the FPDR Plan, and authorized interim disability benefits.

**Tax Offset Benefit Overpayment Recovery:** The recovery of state tax offset benefits overpaid to members from 1991 to 2008 will continue in FY 2013-14, with repayment expected to be substantially complete by the end of the fiscal year. By July 1, 2014 less than \$500 in FPDR Two overpayments will remain to be collected.

**FPDR System Migration:** FPDR completed the migration of its software system to an SQL platform in October 2012. Planned post go-live improvements will continue through FY 2013-14.

**Disability Program Audit:** The FPDR Board of Trustees has established a goal that disability and pension program audits be completed every five years. The last disability program audit was completed in June 2009. The audit will include assessment of FPDR disability management practices, processes, and outcomes.

# Bureau of Fire & Police Disability & Retirement Program Summary Template

1. Program Title Manager Phone #	2. Program Description	3. Staff (FTE)		4. Requirements		5. Percent	6. Resources					8. Program Rankings	
		Regular	Limited Term	Operating	Capital	Admin	General Fund	Rates, Fees & IAs	Federal, State & Local	Other	7. Output or Efficiency Measure(s)	Bureau	BAC
Retirement System Payments Nancy Hartline 503.823.5501	This program provides pension benefits to retired sworn members of the Fire and Police Bureaus who were hired prior to January 1, 2007, and their survivors. Mandated by Chapter 5 of the Portland City Charter. Operating budget includes cost of one staff person.	1.00		104,747,346		0.1%		7,200			Percentage of members whose final pay was 99% or more of last estimate FY 2011-12 Actuals: 100% FY 2013-14 Target: 95% Percentage of pension estimates processed within one week FY 2011-12 Actuals: 80% FY 2013-14 Target: 80% Percentage of workshop participants who rated workshop helpful FY 2011-12 Actuals: 100% FY 2013-14 Target: 100% Number of pension estimates FY 2011-12 Actuals: 225 FY 2013-14 Target: 246 Number of pre-retirement workshop participants FY 2011-12 Actuals: 25 FY 2013-14 Target: 30 Number of retirements from active service FY 2011-12 Actuals: 74 FY 2013-14 Target: 51 Number of pension recipients FY 2011-12 Actuals: 1,936 FY 2013-14 Target: 1,995	mandated)	NA

# Bureau of Fire & Police Disability & Retirement Program Summary Template

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Manager Phone #		Regular	Limited Term	Operating	Capital	Admin	General Fund	Rates, Fees & IAs	Federal, State & Local	Other	7. Output or Efficiency Measure(s)	Bureau	BAC	
Kimberly Mitchell 503.823.3071	This program provides wage replacement benefits for injuries and illnesses, medical benefits, vocational rehabilitation benefits and funeral benefits for FPDR members and death benefits for their survivors. Mandated by Chapter 5 of the Portland City Charter. Operating cost includes staff of eight and some materials and services associated with program delivery.	8.00		8,435,326		10.8%				8,435,326	Medical savings as % of total medical costs FY 2011-12 Actuals: 36.5% FY 2013-14 Target: 36.3% Percentage of disability decisions in 90 days FY 2011-12 Actuals: 98% FY 2013-14 Target: 99% Percentage of disability decisions in 60 days FY 2011-12 Actuals: 89% FY 2013-14 Target: 87% Percentage of disability decisions in 30 days FY 2011-12 Actuals: 63% FY 2013-14 Target: 71% Number of long-term disability recipients FY 2011-12 Actuals: 90 FY 2013-14 Target: 61 Number of members on short-term disability FY 2011-12 Actuals: 196 FY 2013-14 Target: 196 Number of new no-time-loss claims FY 2011-12 Actuals: 116 FY 2013-14 Target: 115 Number of new time-loss claims FY 2011-12 Actuals: 142 FY 2013-14 Target: 161	2 (Charter mandated)	NA	
Nancy Hartline 503.823.5501	This program reimburses the Fire and Police Bureaus for the contributions they make to the Oregon Public Employees Retirement System on behalf of their sworn members hired January 1, 2007 or later. Mandated by November 2006 change to Chapter 5 of the Portland City Charter.	- 1	-	4,949,699		0.0%				4,949,699	None	3 (Charter mandated)	NA	
	This program provides the general adminstrative and support services that the bureau requires to fulfill its mission.	7.20	-	2,353,424	30,000	57.8%		1,285,000		1,098,424	Administrative cost as a percentage of bureau budget FY 2011-12 Actuals: 1.91% FY 2013-14 Target: 1.94%	4	NA	
Fund Level Expenses	This line contains fund-level expenses, which includes all debt service, cash transfers, contingency, and unappropriated fund balance.	NA	NA	40,419,585		NA				40,419,585		NA	NA	
Total		16.20	-	160,905,380.00	30,000.00		-	1,292,200	-	159,643,180				

# **Bureau of Fire & Police Disability & Retirement**

All positions except Fire and Police liaisons are fully funded by FPDR resources; none are in decision packages. The liaisons are regular Fire or Police positions funded half by FPDR through an interagency agreement.

