

**TO:** Board of Administration of the Federated  
City Employees' Retirement System

**FROM:** John Flynn

**SUBJECT:** Request for an Overstrength Benefits  
Division Manager Position

**DATE:** June 18, 2026

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## **RECOMMENDATION**

Discussion and action to approve one full-time overstrength Benefits Division Manager through January 2, 2027.

## **BACKGROUND**

The Office of Retirement Services (ORS) requests approval for a temporary overstrength Benefits Division Manager (Job Code 8074) position in anticipation of the current Benefits Division Manager's expected retirement on January 2, 2027. The requested position is a limited succession planning measure tied to a specific retirement event and would be eliminated upon the incumbent's retirement and completion of the transition period.

ORS administers benefits for two defined benefit retirement plans, each governed by a separate Board of Administration. The Benefits Division Manager is the senior manager responsible for the Benefits Division and is a key link between Benefits operations, the Chief Operating Officer, the Chief Executive Officer, City Administration, and the Retirement Boards.

The Benefits Division Manager provides management oversight, policy and procedural control, issue escalation, Board support, vendor and program coordination, and leadership for the staff who perform member service, benefit administration, disability retirement, survivor benefit, retiree health, and customer service functions. The role supports the management structure that sustains timely and accurate benefit administration for active members, retirees, beneficiaries, and other stakeholders.

The ORS organization chart demonstrates the breadth of this responsibility. The Benefits Division Manager sits within the senior operations structure under the Chief Operating Officer and oversees multiple Benefits work groups, including pension administration, health and Medicare programs, customer service, administrative support, and senior analyst functions. This structure places the position at the center of senior operational oversight for the Benefits Division and makes continuity in the role important to the division's oversight model.

## **ANALYSIS**

The overstrength position addresses a known transition risk in one of ORS' mission critical divisions. Approval would allow ORS to begin recruitment before the existing position becomes vacant. A comprehensive recruitment requires a public posting period, interviews, selection, offer acceptance, and time for the selected candidate to provide notice to their current employer.

Beginning recruitment following the incumbent's retirement would likely leave the Benefits Division with a senior leadership vacancy for several months, with no availability for transition.

At present, the Benefits Division Manager oversees and coordinates the following core areas:

- Pension Programs Administration
- Disability Retirement Administration
- Retiree Health and Medicare Program Administration
- Customer Service and Member Communications
- Business-Led Technology Innovation and PensionGold Coordination
- Cross-Functional Initiatives, Special Projects, Senior Management Coordination, and Board Support

The position also provides senior management oversight for benefit program compliance with Board direction, Municipal Code requirements, Internal Revenue Code requirements, Government Auditing Standards internal control requirements, and applicable administrative standards. This work supports reliable plan administration and Board oversight.

The immediate operational concern is continuity of senior leadership and oversight. The current ORS structure places the Benefits Division Manager role at a senior management level, and ORS has a limited internal acting bench for this specialized position. Assigning the role to the Chief Operating Officer during recruitment would shift responsibility for specialized division management upward, while the Chief Operating Officer remains responsible for other major operational areas, including Accounting and Information Technology. A dedicated overlap period protects executive capacity and maintains the senior management structure expected by the Boards and City Administration.

The related transition concern is the preservation of practical institutional knowledge. The successor will need to understand two retirement systems, Board direction and expectations, City requirements, benefit program rules, disability and survivor processes, retiree health administration, PensionGold, internal controls, vendor relationships, staff capabilities, pending initiatives, and the rhythm of Board related work. Direct overlap with the incumbent gives the successor exposure to live issues and practical decision points before the successor assumes full responsibility.

Approval of the overstrength position would allow ORS to recruit and hire a successor while the incumbent remains employed. The overlap period would provide direct knowledge transfer, mentoring, training, familiarization with ORS operations, systems, policies, procedures, pending initiatives, and stakeholder relationships, and exposure to live operational, management, and Board-related issues. This structured transition supports continuity for the division and reduces avoidable transition risk.

This request is temporary, limited, and tied to a specific retirement event. The position would expire upon the incumbent Benefits Division Manager's retirement and completion of the transition period. Approval would allow ORS to manage a planned leadership transition responsibly while

maintaining the senior oversight structure expected by the Retirement Boards and City Administration. The estimated cost is approximately \$80,000. ORS expects to absorb this cost within the approved FY 2027 budget through normal vacancy savings and personnel expenditure management.

Staff recommends approval of the overstrength Benefits Division Manager position to preserve leadership continuity, support oversight by the Board and City Administration, and provide a structured transition for the division.

**FUNDING:**

This impact assumes that ORS will be able to hire and onboard the new Benefits Division Manager with a start date of August 31. This proposed schedule is aggressive and enables ORS to move quickly for the right candidate in the right situation.

The table below shows the approximate costs associated with this request:

<b>Job Code</b>	<b>Title</b>	<b>Approx # of Pay Periods</b>	<b>Approx Cost in FY 2027 (Using Top Range)</b>
8074	Division Manager	9	\$123,500

This specific overstrength request was developed after the FY 2027 budget was prepared and approved. The request has an estimated budget impact of approximately \$123,500 (split evenly between the two boards) and will temporarily increase the number of full-time positions within ORS by one. ORS expects to absorb this cost within the approved FY 2027 budget through current vacancy savings. FY 2027 will begin after this action is considered, and actual vacancy savings and personnel expenditures will develop throughout the fiscal year. ORS will monitor this assumption and present a mid-year budget update to the Boards if year-to-date personnel costs indicate additional budget authority is needed.

Costs will be allocated per the table below:

<b>Funding</b>
Retirement Plans: 135-770983004001– 50% 134-770983004001– 50%

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John Flynn  
Chief Executive Officer