

Somerville Retirement Board Executive Director Profile

The Somerville Retirement Board (SRB) has retained the services of the Edward J. Collins Center for Public Management at the University of Massachusetts Boston to assist it in its search for an Executive Director. The Center is a part of the John W. McCormack Graduate School of Policy Studies. This profile describes our understanding of the organization, the challenges that are ahead for the successful candidate, and the professional and personal characteristics an ideal candidate will possess.

The City of Somerville

Somerville is a very densely populated urban community with a population of Seventy-six thousand on 4.2 square miles of land. The City has a strong Mayor/City Council form of government and has been going under something of a renaissance. Major parts of the city are within walking distance of subway and commuter rail stations and bus connections to downtown Boston and to the subway stations are excellent. The City, adjacent to Cambridge, is just a few miles from downtown Boston.

Background on the Somerville Retirement Board

The SRB is one of 105 Retirement Boards that operate under Massachusetts law to provide defined benefit retirement services to public employees. In Massachusetts, virtually all state and local current employees and retirees are covered by these systems, all of which operate under the same law, Chapter 32 of the Massachusetts General Laws. Like the other 105 Retirement Boards, a five member Board governs the SRB. The Board is comprised of the City Auditor, who serves *ex officio*, two members who are elected by the members of the system, one appointee of the Mayor and one member chosen by the four others.

The SRB is not a part of the city government. It is an independent legal entity with its own governance structure, legal base and balance sheet. Recently the long term Executive Secretary retired. The person in this position was in charge of day-to-day operations and served in the position for many years. The former Executive Secretary serves as a member of the current Board. For many years the SRB has been characterized by active and dedicated Board members who participate heavily in the day-to-day operations and management of the SRB's operations with SRB staff. Board members generally have been characterized by long tenures on the Board, the current Chair has served since 1978.

Traditionally, an Executive Secretary, two clerks and a staff accountant staffed the SRB. With the retirement of the Executive Secretary and one of the clerks, staffing is now down to two. The remaining clerk is approaching retirement age. In the short term the

staffing shortage is manageable only through the active engagement of the current Board members. In addition, the Public Employees Retirement Administration Commission (PERAC) web site (www.mass.gov/perac) has additional information about the Chapter 32 retirement system framework and about the SRB.

The current membership of the SRB includes Edward Bean, City Auditor who serves ex officio, Matthew Dias, Mayoral Appointment, Mary Phinney, elected member who formerly served as Executive Secretary and John Memory, elected member who also serves as Deputy Fire Chief. The Chair, John Rourke, is appointed by the other four members.

The SRB is a membership system. It has approximately 1,134 active employees and 1,262 retirees as members. The SRB serves employees of the Somerville Housing Authority and the City of Somerville.

The Current Situation

The SRB has served its members well, but is facing several transitions:

- It's experienced staff is turning over as employees reach retirement age,
- Long serving active members of the Board are likely to turn over in the next five-seven years,
- The legal framework for the SFB's work is growing more complex and
- A comprehensive transition to the utilization of IT is required.

Much of the work of the SRB has been carried out in a hands-on manner by the Board e.g. investment allocation and investment manager selection is carried out by the Board itself without the use of consultants. This saved money and achieved positive returns but there is uncertainty whether this kind of practice is sustainable. The new Executive Director must be able to work with the Board members to determine the optimum mix of *hands-on* staff and consulting expertise going forward.

Much of the current situation has been documented in a management report completed by the Abrahams Group (Abrahams Report) in February 2013. This report is posted on the Collins Center web site. Similarly recent PERAC audits can be found on the PERAC web site.

Perhaps most significantly the report recommends the creation of an Executive Director position, a Deputy Executive Director position and Administrative Assistant position. The report includes detailed job descriptions for these positions. The SRB is carrying out the recommendation in the report to recruit an Executive Director. The SRB expects the new

Executive Director to help refine the Abrahams report recommendations based on his/her experience and technical skills and evolving familiarity with the current operations of the SRB.

Challenges for the Executive Director

The first Executive Director must be a change agent, but one with the combination of technical, interpersonal and communication skills to develop a workable plan to transition from the current situation to the kind of operation envisioned in the Abrahams Group report. Specifically the new Executive Director must be able to

- Manage and lead a customer service operation that has extensive face-to-face interaction with current and retired members.
- Sustain existing services while planning for and implementing both appropriate staffing and new technology systems. The new Executive Director must develop a thoughtful and implementable technology plan in short order. The future staffing configuration should reflect utilization of new systems and business rules to support the SRB
- Serve as a hands-on manager who can lead the organization in a modernization effort but also *pitch in* to perform basic customer service tasks when required.
- Manage the complex reporting and control systems that are inherent in the operation of a highly regulated government function.
- Enlist the current Board members in an effort to document and transfer their long-term institutional knowledge of the SRB to the newly configured system.
- The new Executive Director needs to develop a professional working relationship with PERAC staff and with top management of Retirement Boards in municipalities with the most modern operations.
- Gain familiarity with Massachusetts Retirement Boards that possess the most well developed IT systems and determine which of these might be most easily and effectively adopted by SRB.
- Able to establish an organizational culture of continuous improvement that will result in the SRB becoming a model public defined benefit agency.
- Able to firmly exercise control of the ERB's finances including its operating budget and investment portfolio and ensure that accounting, actuarial, and statutory reporting requirements are met in a timely and professional manner.

- Able to manage a small but capable staff with sufficient operating knowledge to solve practical problems and address technical issues. Able to lend a hand when needed. Able to develop a system of staff development and support that enables permanent staff to develop enhanced skills and competencies.

Most importantly the new Executive Director needs to be able to quickly earn the trust and confidence of the Board and its employees, and that trust is prerequisite to fully establishing the Executive Director as the operational leader of the SRB.

The Ideal Candidate

The ideal candidate will have a Bachelor's degree and the knowledge typically gained through a Master's or professional degree program in a relevant field and more than ten years of public management experience. The successful candidate must be a well-rounded manager with a track record of managing complex customer service organizations preferably in a regulated environment. Service planning, financial and human resource management and the ability to build and foster a cohesive service delivery team are strengths vital to this position, as is the ability to develop and maintain positive professional relationships with board members and regulators. The successful candidate need not be a career retirement system administrator, but does need to have familiarity with public defined benefit plans. Knowledge of the statutory scheme that undergirds the Massachusetts public pension system is a real plus.

The Selection Process

A Screening Committee appointed by the Board will conduct confidential preliminary interviews assisted by Collins Center staff. Its charge is to screen candidates based on this profile and forward three to five candidates for consideration by the full board. The Screening Committee will not rank the recommended candidates. The full board will interview the candidates recommended by the Screening Committee and make an offer of employment. The Screening Committee anticipates that identification of candidates to be invited for interview will occur in late May and that final interviews will be conducted in June.

Salary and Compensation

The ERB will negotiate salary and conditions of employment DOQ. Direct salary is expected to be in the \$90K-120K range, DOQ. The board will consider negotiating an employment contract.

How to Apply

Applications are required to be submitted electronically. **SRB_ED** must appear in the subject line. Please send your resume with a cover letter addressing the job requirements to this email address: recruitment.umb@gmail.com. Applications should be submitted by May 15, 2013.

Please combine all of your documents in a single file, if possible. PDF format is preferred. Should you have any questions regarding this opportunity, or a recommendation of a colleague, please contact: Richard Kobayashi, Senior Consultant, (617 489-8812), or Mary Aicardi, Associate, (508) 215-8992)