

# Oklahoma Teachers Retirement System (715)

Lead Administrator: Tom Spencer, Executive Director

Lead Financial Officer: Sam Moore

FY'17 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administration 01					\$1,988,976	\$1,988,976
Finance 02					\$673,141	\$673,141
Client Services 03					\$2,026,698	\$2,026,698
Board 04					\$27,500	\$27,500
Investments 05					\$1,430,123	\$1,430,123
Information Tech 88-01					\$784,500	\$784,500
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,930,938</b>	<b>\$6,930,938</b>

\*Source of "Other" and % of "Other" total for each. \*All expenditures of OTRS come from one source: Oklahoma Teachers' Retirement Fund. It is set up as a revolving fund but is a trust fund that can only be used for the exclusive benefit of the participants of the System.

FY'16 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'16 Carryover		\$0	\$0	\$0	\$0	\$0
FY'16 GR Refund**						N/A

\*Source of "Other" and % of "Other" total for each. OTRS is nonappropriated so there is no carryover.

\*\*Indicate how the FY'16 General Revenue refund was budgeted  
N/A

What Changes did the Agency Make between FY'16 and FY'17?	
<b>1.) Are there any services no longer provided because of budget cuts?</b>	There were no direct budget cuts for nonappropriated agencies. OTRS is always focused on keeping expenses and fees down as low as possible.
<b>2.) What services are provided at a higher cost to the user?</b>	Not applicable
<b>3.) What services are still provided but with a slower response rate?</b>	Not applicable.
<b>4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.</b>	Yes. A performance based stipend was given to staff based on performance evaluations under 260:25-7-27. (See attached document)

FY'18 Expected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration 01				\$2,045,282	\$2,045,282	2.83%
Finance 02				\$700,797	\$700,797	4.11%
Client Services 03				\$2,091,605	\$2,091,605	3.20%
Board 04				\$27,500	\$27,500	0.00%
Investments 05				\$1,447,167	\$1,447,167	1.19%
Information Tech 88-01				\$1,036,878	\$1,036,878	32.17%
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$7,349,229</b>	<b>\$7,349,229</b>	<b>6.04%</b>

\*Source of "Other" and % of "Other" total for each. \*All expenditures of OTRS come from one source: Oklahoma Teachers' Retirement Fund. It is set up as a revolving fund but is a trust fund that can only be used for the exclusive benefit of the participants of the System.

FY'18 Top Five Budget Adjustments		
		\$ Amount
Request 1: Description	Addition of Information Technology personnel	\$249,192
Request 2: Description	Compensation adjustments	\$121,788
<b>Total</b>		<b>370,980</b>

**How would the agency handle a 5% appropriation reduction in FY'18?**

**How would the agency handle a 7.5% appropriation reduction in FY'18?**

**How would the agency handle a 10% appropriation reduction in FY'18?**

**Is the agency seeking any fee increases for FY'18?**

N/A	<b>\$ Amount</b>
	\$0

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

N/A however TRS does not anticipate any significant capital or technology expenditures in FY 2018.

**Federal Government Impact**

**1.) How much federal money received by the agency is tied to a mandate by the Federal Government?**

No federal funds are received.

**2.) Are any of those funds inadequate to pay for the federal mandate?**

No federal funds are received.

**3.) What would the consequences be of ending all of the federal funded programs for your agency?**

No federal funds are received.

**4.) How will your agency be affected by federal budget cuts in the coming fiscal year?**

No federal funds are received.

**5.) Has the agency requested any additional federal earmarks or increases?**

No federal funds are received or requested.

**Division and Program Descriptions**

<b>Division Name</b>	<b>Administrative Services</b>
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The Administration Division is composed of the chief executive, legal and human resource functions of the agency. It provides overall direction to the agency and is the primary administrative support for the Board of Trustees.

<b>Division Name</b>	<b>Finance</b>
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The Finance Division provides all accounting, budgeting, contracting, accounts receivable, accounts payable, employer reporting and financial statement preparation services for the agency.

<b>Division Name</b>	<b>Client Services</b>
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The Client Services Division provides benefit estimates, benefit projections, retirement calculation, withdrawal administration, death benefit administration, information center and education services to its 173,000 active, retired and inactive clients.

<b>Division Name</b>	<b>Investment</b>
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The Investment Division monitors investment policy compliance, prepares investment related fund transfers, provides investment analysis to the Board, monitors investment manager compliance, and coordinates all investment activity with the Board's outside investment consultant.

<b>Division Name</b>	<b>Data Processing</b>
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The agency has one I.T. staffer who is not a full-time employee at this time. Virtually all I.T. services are provided by the ISD Division of OMES.

**FY'17 Budgeted FTE**

	<b>Supervisors</b>	<b>Classified</b>	<b>Unclassified</b>	<b>\$0 - \$35 K</b>	<b>\$35 K - \$70 K</b>	<b>\$70 K - \$\$\$</b>
Administration			5			5
Finance			7			7
Client Services			24		8	16
Investments			2			2
<b>Total</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>0</b>	<b>8</b>	<b>30</b>

FTE History					
	2017 Budgeted	2016	2013	2010	2006
Administration	5	4	5	4	10
Finance	7	7	5	7	6
Client Services	24	24	20	26	22
Investments	2	2	1	1	3
Information Technology			3	5	9
<b>Total</b>	<b>38</b>	<b>37</b>	<b>34</b>	<b>43</b>	<b>50</b>

Performance Measure Review					
	FY'16	FY'15	FY'14	FY'13	FY'12
<b>Measure I</b> Number of Completed Client calls (incoming)					
Estimate:	80,000	80,000	160,915	159,322	165,151
Actual (FY 2010-12 were total calls to TRS)	74,077	69,978	82,608	86,537	157,745
<b>Measure II</b> Death benefits processed					
Estimate:	1,600	1,550	3,000	3,000	1,577
Actual	2,053	1,647	1,514	1,505	1,468
<b>Measure III</b> Retirement contracts processed					
Estimate:	3,200	3,100	3,400	3,400	3,280
Actual	2,906	3,027	3,012	3,050	3,106
<b>Measure IV</b> Disability contracts processed					
Estimate:	110	110	90	90	88
Actual	84	102	100	111	104
<b>Measure V</b> Enrollment applications processed					
Estimate:	8,600	9,000	7,100	7,193	7,135
Actual	8,183	8,519	8,802	8,183	5,688
<b>Measure VI</b> Withdrawal requests processed					
Estimate:	3,000	3,400	3,000	3,000	2,866
Actual	2,453	2,324	3,443	2,954	3,573
<b>Measure VII</b> Increase funded ratio					
Estimate:	64.50%	62.50%	58.50%	56.50%	54.50%
Actual	65.70%	66.60%	63.20%	57.20%	54.80%
<b>Measure VIII</b> Meet or exceed rate of return assumption					
Estimate:	8.00%	8.00%	8.00%	8.00%	8.00%
Actual	-2.00%	3.50%	22.40%	17.80%	1.80%

Revolving Funds			
	FY'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures	June '16 Balance
<b>TRS Revolving Fund - 200</b>	\$51,655,086	\$52,202,832	\$3,557,683
Statutory Authority?			
Source of Funds:			
Employee and employer contributions.			
What is the fund spent on?			
Administrative expenses.			
Is there a cap on the fund?			
No.			