DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

July 12, 2016

Issue: Amendment #1 to Fiscal Year 2015-2016 ERF Budget

Attachment: Proposed Amendment One to 2015-2016 ERF Budget

Discussion: Amendment one provides for the following changes:

The amendment allocates:

- $100 to Service Incentive Plan
- $90,000 to Temporary Help Services

The amendment reduces salaries by the total amount of $90,100

The amendment also allocates to:

- $15,000 to Printing
- $150,000 to Legal
- $10,000 to Other
- $20,000 to Furniture, Fixtures & Equipment
- $25,000 to Computer Equipment

The amendment reduces Investment Managers Fees by the total amount of $220,000.

The net change to the budget is zero.

We are utilizing temporary services to fill open positions until we can hire permanent employees. The increase in furniture, fixture and equipment and temporary help services is due to an increase in temporary employees. The increase in printing, legal fees, computer are attributed to the system changes and the communication plan about the new tier of benefits.

Recommendation: Approve the proposed Amendment #1 to FY 16 Budget.

EMPLOYEES' RETIREMENT FUND
EXPENDITURE BUDGET

	2015/2016 Budget	YTD EXPENDITURES Thru 5/31/16	AMENDMENTS	RESTATED BUDGET	% CHANGE	YTD % APPROPRIATION
ADMINISTRATIVE						
Salaries	2,318,200	1,351,193	-90,100	2,228,100	-3.89%	60.64%
Merits	0	0		-	0.00%	0.00%
Service Incentive Pay	1,400	1,488	100	1,500	7.14%	99.20%
Lump Sum Pay	129,400	77,556		129,400	0.00%	59.94%
Pensions	515,600	187,080		515,600	0.00%	36.28%
Flexible Benefits	165,000	89,064		165,000	0.00%	53.98%
FICWA/Medicare	80,000	18,733		80,000	0.00%	23.42%
Workers' Compensation	8,200	160		8,200	0.00%	1.95%
Temporary Help Services	150,740	196,731	90,000	240,740	59.71%	81.72%
sub total			0			
Supplies	35,000	15,501		35,000	0.00%	44.29%
Food Supplies	13,000	10,217		13,000	0.00%	78.59%
Meter Postage	50,000	31,259		50,000	0.00%	62.52%
Reference Books	0	0		-	0.00%	0.00%
Printing	42,500	44,291	15,000	57,500	35.29%	77.03%
City Forces	5,000	0		5,000	0.00%	0.00%
Copier	13,358	3,694		13,358	0.00%	27.65%
Property Insurance	0	0		-	0.00%	0.00%
Liability Insurance	177,400	173,227		177,400	0.00%	97.65%
Membership Dues	23,698	11,841		23,698	0.00%	49.97%
Subscriptions	4,300	3,773		4,300	0.00%	87.74%
Professional Development/Travel	152,000	78,057		152,000	0.00%	51.35%
Reimbursement for Vehicle Use	300	286		300	0.00%	95.33%
Data Services	92,278	80,058		92,278	0.00%	86.76%
Rent	270,000	174,564		270,000	0.00%	64.65%
Parking	35,500	26,936		35,500	0.00%	75.88%
Indirect Cost	0	0		-	0.00%	0.00%
sub total			15,000			
Legal	500,000	366,744	150,000	650,000	30.00%	56.42%
Accounting	60,000	56,666		60,000	0.00%	94.44%
Audit	60,000	23,725		60,000	0.00%	39.54%
Actuary	115,000	23,549		115,000	0.00%	20.48%
Election	18,000	14,915		18,000	0.00%	82.86%
Other	10,000	17,603	10,000	20,000	100.00%	88.01%
sub total			160,000			
Total	**5,045,874**	**3,078,912**	175,000	**5,220,874**	3.47%	58.97%
BENEFITS MANAGEMENT						
Disabilities/Continuations/Etc	16,000	3,825		16,000	0.00%	23.91%
Pension Benefit Information	1,500	0		1,500	0.00%	0.00%
Communications	0	0		-	0.00%	0.00%
Total	**17,500**	**3,825**	0	**17,500**	0.00%	21.86%
INVESTMENTS MANAGEMENT						
*Manager Fees	13,358,800	5,101,395	-220,000	13,138,800	-1.65%	38.83%
Investment Consultant	340,000	170,000		340,000	0.00%	50.00%
Custodial Fees	210,000	136,216		210,000	0.00%	64.86%
Total	**13,908,800**	**5,407,612**	-220,000	**13,688,800**	-1.58%	39.50%
CAPITAL						
Furniture, Fixtures, Equipment	20,000	973	20,000	40,000	100.00%	2.43%
Computer Equipment	88,800	79,295	25,000	113,800	28.15%	69.68%
Total	**108,800**	**80,268**	45,000	**153,800**	41.36%	52.19%
Total Budget and Expenditures	**19,080,974**	**8,570,617**	0	**19,080,974**	0.00%	44.92%

Note: Amendment #1: The budgeted manager fees include all funds except for real estate and private equity. Therefore, the actual fees are accrued, based upon actual invoices paid in the following period.