DISCUSSION SHEET

Employees' Retirement Fund
Board of Trustees Meeting

March 14, 2017

Issue: Amendment One to Fiscal Year 2016-2017 ERF Budget

Attachment: Proposed Amendment One to 2016-2017 ERF Budget

Discussion: Amendment One provides for one change:

The amendment adds the additional amounts to:

$299,550 to Temporary Help Services
$299,550 from Investment Manager Fees

The net change to the ERF Budget is zero.

We are utilizing individuals from temporary hiring agencies to hire accounting, investments, and IT professionals. We budgeted two people for 3 months as temporary, but the contracts were extended due to project needs. Two additional people have been added as temporary staff in IT and Investments.

Recommendation: Approve the proposed Amendment One to FY 2016-2017 ERF Budget.

EMPLOYEES' RETIREMENT FUND
EXPENDITURE BUDGET

	2016/2017 Budget	YTD EXPENDITURES Thru 1/31/17	AMENDMENTS	RESTATED BUDGET	% CHANGE	YTD % APPROPRIATION	Under/(Over) Budget
ADMINISTRATIVE							
Salaries	2,553,600	789,439		2,553,600	0.00%	30.91%	1,764,160.52
Merits	104,000	0		104,000	0.00%	0.00%	104,000.00
Service Incentive Pay	1,600	0		1,600	0.00%	0.00%	1,600.00
Lump Sum Pay	138,100	0		138,100	0.00%	0.00%	138,100.00
Pensions	602,700	111,283		602,700	0.00%	18.46%	491,416.94
Flexible Benefits	234,000	59,783		234,000	0.00%	25.55%	174,217.35
FICWA/Medicare	91,700	10,977		91,700	0.00%	11.97%	80,722.84
Workers' Compensation	8,200	0		8,200	0.00%	0.00%	8,200.00
Temporary Help Services	93,230	96,714	299,550	692,330	321.30%	13.97%	595,616.54
sub total			299,550				
Supplies	35,000	11,015		35,000	0.00%	31.47%	23,984.93
Food Supplies	15,000	5,120		15,000	0.00%	34.14%	9,879.64
Meter Postage	50,050	31,026		50,050	0.00%	61.99%	19,024.35
Reference Books	0	0		0	0.00%	0.00%	-
Printing	55,800	15,382		55,800	0.00%	27.57%	40,418.47
City Forces	5,000	0		5,000	0.00%	0.00%	5,000.00
Copier	20,000	0		20,000	0.00%	0.00%	20,000.00
Property Insurance	0	0		0	0.00%	0.00%	-
Liability Insurance	180,000	151,177		180,000	0.00%	83.99%	28,823.00
Membership Dues	20,000	9,008		20,000	0.00%	45.04%	10,992.50
Subscriptions	4,300	2,169		4,300	0.00%	50.44%	2,131.19
Professional Development/Travel	140,000	40,132		140,000	0.00%	28.67%	99,868.05
Reimbursement for Vehicle Use	500	180		500	0.00%	35.92%	320.40
Data Services	150,000	52,836		150,000	0.00%	35.22%	97,164.16
Rent	270,000	103,035		270,000	0.00%	38.16%	166,964.75
Parking	36,595	0		36,595	0.00%	0.00%	36,595.00
Indirect Cost	0	0		0	0.00%	0.00%	-
sub total			0				
Legal	600,000	237,546		600,000	0.00%	39.59%	362,454.47
Accounting	60,000	18,667		60,000	0.00%	31.11%	41,333.32
Audit	50,000	0		50,000	0.00%	0.00%	50,000.00
Actuary	71,000	22,140		71,000	0.00%	31.18%	48,860.00
Election	9,700	0		9,700	0.00%	0.00%	9,700.00
Other	20,000	0		20,000	0.00%	0.00%	20,000.00
sub total			0				
Total	**5,620,075**	**1,767,627**	299,550	**5,919,625**	5.33%	29.86%	4,151,998.42
BENEFITS MANAGEMENT							
Disabilities/Continuations/Etc	16,000	2,750		16,000	0.00%	17.19%	13,250.00
Pension Benefit Information	1,500	0		1,500	0.00%	0.00%	1,500.00
Communications	0	0		0	0.00%	0.00%	-
Total	**17,500**	**2,750**	0	**17,500**	0.00%	15.71%	14,750.00
INVESTMENTS MANAGEMENT							
Manager Fees	12,336,530	2,779,293	-299,550	12,036,980	-2.43%	23.09%	9,257,686.73
Investment Consultant	348,000	172,500		348,000	0.00%	49.57%	175,500.00
Custodial Fees	210,000	99,816		210,000	0.00%	47.53%	110,183.80
Total	**12,894,530**	**3,051,609**	-299,550	**12,594,980**	-2.32%	24.23%	9,543,370.53
CAPITAL							
Furniture, Fixtures, Equipment	160,000	19,570		160,000	0.00%	12.23%	140,430.00
Computer Equipment	195,000	51,503		195,000	0.00%	26.41%	143,497.02
Total	**355,000**	**71,073**	0	**355,000**	0.00%	20.02%	283,927.02
Total Budget and Expenditures	**18,887,105**	**4,893,059**	0	**18,887,105**	0.00%	25.91%	**13,994,045.97**

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

Amendment 1: Proposed at the March 14, 2017 Board Meeting: Increased temporary help ($299,550) and reduced investment manager fees ($299,550)