



# Memorandum

**TO: Police and Fire Department Retirement Plan  
Board of Administration**

**FROM: Roberto L. Peña**

**SUBJECT: Administrative Budget vs Actual Expenses for  
Fiscal Year-To-Date Quarter Ended March  
31, 2023 (Accrual Basis)**

**DATE: April 19, 2023**

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Attached is an itemized list of the Administrative and Professional Budget vs. Actual Expenses for the Police and Fire Department Retirement Plan for the fiscal year 2022-2023 quarter ending March 31, 2023. The Budget vs. Actual expenses represent all administrative and professional fees processed by the Plan, excluding benefit payments and investment related fees.

This budget vs. actual expense report ending March 31, 2023 has some notable variances: personnel expenses are lower than the quarterly budget due to staff vacancies. Professional expenses are over the quarterly budget due to an increase in litigation and temporary staff expenses. Overall expenses are within the approved annual budget for each category, even though there are overages in some line items. The approved budget is based on categories and not line items.

## Certification

All Budgetary, Actual and Accrued expenditures for the fiscal year quarter ending March 31, 2023 were either approved by the Board or directly authorized by prior Board actions or policies.

## Recommendation

Staff recommends acceptance of the Police and Fire Department Retirement Plan Administrative and Professional Budget vs. Actual & Accrued Expenses report for the fiscal year 2022-2023 quarter ending March 31, 2023.

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Roberto L. Peña  
Chief Executive Officer  
Office of Retirement Services

**POLICE AND FIRE DEPARTMENT PLAN  
BUDGET TO ACTUALS (ACCRUAL BASIS)  
AS OF MARCH (Q3) FY 22-23**

MAJOR BUDGET CATEGORY										
Minor Budget Category	Q3 ACTUALS & ACCRUAL 2022/2023	YTD ACTUALS & ACCRUAL 2022/2023	MODIFIED BUDGET BASED ON QUARTERLY PORTION 2022/2023	QUARTERLY (OVER) UNDER BUDGET	QUARTERLY PERCENT- AGE USED	ANNUAL MODIFIED BUDGET 2022/2023	ANNUAL (OVER) UNDER BUDGET	ANNUAL PERCENT- AGE USED	ANNUAL MODIFIED BUDGET TO BNYM MV OF PLAN ASSETS IN BPS	YTD ACTUALS TO BNYM MV OF PLAN ASSETS IN BPS
	(B)	(A)	(B1)	(B1) - (B)	(B) / (B1)	(A1)	(A1) - (A)	(A) / (A1)	as of 03/31/23 MV	\$ 4,867,898,869
<b>PERSONNEL EXPENSES</b>										
Permanent Staff Expense <sub>1</sub>	1,004,605	3,181,190	\$ 1,115,750	\$ 111,145	90%	\$ 4,463,000	\$ 1,281,810	71%		
<b>TOTAL PERSONNEL EXPENSES</b>	<b>1,004,605</b>	<b>3,181,190</b>	<b>1,115,750</b>	<b>111,145</b>	<b>90%</b>	<b>4,463,000</b>	<b>1,281,810</b>	<b>71%</b>	<b>9</b>	<b>7</b>
<b>NON-PERSONNEL / EQUIPMENT</b>										
Rent	56,774	167,634	\$ 55,500	\$ (1,274)	102%	222,000	54,366	76%		
Insurance <sub>2</sub>	207,848	211,284	\$ 64,000	\$ (143,848)	325%	256,000	44,717	83%		
IT Hardware/Software	23,454	50,725	\$ 27,250	\$ 3,796	86%	109,000	58,275	47%		
Postage and printing	14,683	46,384	\$ 15,000	\$ 317	98%	60,000	13,616	77%		
LRS - Annual Maintenance Fee <sub>3</sub>	-	52,160	\$ 12,500	\$ 12,500	0%	50,000	(2,160)	104%		
Training and travel	2,547	13,967	\$ 6,250	\$ 3,703	41%	25,000	11,033	56%		
Other non-personnel and equipment	16,652	33,952	\$ 18,250	\$ 1,598	91%	73,000	39,048	47%		
<b>TOTAL NON-PERSONNEL / EQUIPMENT</b>	<b>321,958</b>	<b>576,105</b>	<b>198,750</b>	<b>(123,208)</b>	<b>162%</b>	<b>795,000</b>	<b>218,895</b>	<b>72%</b>	<b>2</b>	<b>1</b>
<b>PROFESSIONAL SERVICES</b>										
Legal <sub>4</sub>	142,105	282,573	\$ 68,750	\$ (73,355)	207%	275,000	(7,573)	103%		
Actuary / actuarial audit <sub>5</sub>	15,504	50,850	\$ 65,500	\$ 49,996	24%	262,000	211,150	19%		
External auditor	-	84,908	\$ 21,250	\$ 21,250	0%	85,000	92	100%		
Temporary staffing agencies <sub>6</sub>	48,093	104,898	\$ 23,000	\$ (25,093)	209%	92,000	(12,898)	114%		
Pension administration system	375	15,584	\$ 6,000	\$ 5,625	6%	24,000	8,416	65%		
Other professional services	3,400	15,983	\$ 15,000	\$ 11,600	23%	60,000	44,018	27%		
<b>TOTAL PROFESSIONAL SERVICES</b>	<b>209,476</b>	<b>554,795</b>	<b>199,500</b>	<b>(9,976)</b>	<b>105%</b>	<b>798,000</b>	<b>243,205</b>	<b>70%</b>	<b>2</b>	<b>1</b>
<b>MEDICAL PROVIDERS / SERVICES</b>										
Medical Director & Support <sub>7</sub>	20,995	122,292	\$ 67,500	\$ 46,505	31%	270,000	147,708	45%		
<b>TOTAL MEDICAL PROVIDERS / SERVICES</b>	<b>20,995</b>	<b>122,292</b>	<b>67,500</b>	<b>46,505</b>	<b>31%</b>	<b>270,000</b>	<b>147,708</b>	<b>45%</b>	<b>1</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>1,557,035</b>	<b>4,434,382</b>	<b>\$ 1,581,500</b>	<b>24,465</b>	<b>98%</b>	<b>\$ 6,326,000</b>	<b>\$ 1,891,618</b>	<b>70%</b>	<b>13</b>	<b>9</b>

*Explanations are provided if the Quarterly variance is at least \$25,000 over budget or at least \$10,000 under budget and/or if the Annual variance is over compared to the annual budget.*

<sub>1</sub> Permanent Staff Expense - Due to staff vacancies.

<sub>2</sub> Insurance - Annual fiduciary insurance payment. Annual amount is within budget.

<sub>3</sub> LRS - Annual Maintenance Fee - Overage is due to the annual fee increase, which was not budgeted for.

<sub>4</sub> Legal - Overage is due to unanticipated litigation, which was not budgeted for.

<sub>5</sub> Actuary / actuarial audit - Services provided as needed. Annual amount is within budget.

<sub>6</sub> Temporary staffing agencies - Overage is due to additional temp positions, which was not budgeted for.

<sub>7</sub> Medical Director & Support - Services provided as needed.

**POLICE & FIRE PLAN ASSET BUDGET SUMMARY  
THROUGH Q3 FY22-23**

DESCRIPTION	IMPLEMENTATION BUDGET (ENTIRE 5 YEARS) *	EXPENDED FY14-15	EXPENDED FY15-16	EXPENDED FY16-17	EXPENDED FY17-18	EXPENDED FY18-19	EXPENDED FY19-20	EXPENDED FY20-21	EXPENDED FY21-22	EXPENDED FY22-23 (TO-DATE)	EXPENDED PROJECT TO- DATE	% REMAINING IN BUDGET
<b>LRS</b>												
IMPLEMENTATION SERVICES	\$ 2,482,640	\$ -	\$ 542,259	\$ 429,073	\$ 4,735	\$ 1,195,713	\$ 663,880	\$ -	\$ -	\$ -	\$ 2,835,661	-14%
PENSION ADMINISTRATION SYSTEM LICENSE FEE	180,000	-	132,927	-	-	-	-	-	-	-	132,927	26%
SOFTWARE (COMMODITY) AND INSTALLATION	9,896	-	-	-	-	-	-	-	-	-	-	100%
REPLACEMENT OF SYSTEM (INCLUDES 5 YEARS POST IMPLEMENTATION COSTS)	313,430	-	16,212	-	-	-	90,400	37,500	37,500	37,500	219,112	30%
<b>LRWL</b>												
COUNSELING & ADVISE ON PROJECT ISSUES	539,750	58,933	186,253	148,080	236,473	260,755	121,576	-	-	-	1,012,069	-88%
<b>GRAND TOTAL</b>	<b>\$ 3,525,716</b>	<b>\$ 58,933</b>	<b>\$ 877,650</b>	<b>\$ 577,153</b>	<b>\$ 241,207</b>	<b>\$ 1,456,468</b>	<b>\$ 875,857</b>	<b>\$ 37,500</b>	<b>\$ 37,500</b>	<b>\$ 37,500</b>	<b>\$ 4,199,768</b>	<b>-19%</b>
<b>ACCUMULATED ARMOTIZATION</b>						<b>\$ (133,809)</b>	<b>\$ (408,727)</b>	<b>\$ (412,979)</b>	<b>\$ (641,123)</b>		<b>\$ (1,596,637)</b>	
<b>GRAND TOTAL</b>						<b>\$ 1,322,660</b>	<b>\$ 467,130</b>	<b>\$ (375,479)</b>	<b>\$ (603,623)</b>	<b>\$ 37,500</b>	<b>\$ 2,603,131</b>	

\*Please note some budgeted items cannot be capitalized due to the types of services being provided. These items include Software Support Services, Pension Administration System Maintenance Fee, and Disaster Recovery Plan for a total budgeted amount of \$1,115,903 (or \$557,952 per Plan).