



Memorandum

**TO: Federated City Employees' Retirement System
Board of Administration**

FROM: Roberto L. Peña

**SUBJECT: Administrative Budget vs Actual Expenses for
Fiscal Year-To-Date Quarter Ended March
31, 2024 (Accrual Basis)**

DATE: April 16, 2024

Attached is an itemized list of the Administrative and Professional Budget vs. Actual Expenses for the Federated City Employees' Retirement System for the fiscal year 2023-2024 quarter ending March 31, 2024. The Budget vs. Actual expenses represent all administrative and professional fees processed by the System, excluding benefit payments and investment related fees.

This budget vs. actual expense report ending March 31, 2024, has no notable variances. All categories are in line with the quarterly budget. While 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, 2024 were either approved by the Board or directly authorized by prior Board actions or policies.

Recommendation

Staff recommends acceptance of the Federated City Employees' Retirement System Administrative and Professional Budget vs. Actual & Accrued Expenses report for the fiscal year 2023-2024 quarter ending March 31, 2024.

Roberto L. Peña
Chief Executive Officer
Office of Retirement Services

**FEDERATED RETIREMENT SYSTEM
BUDGET TO ACTUALS (ACCRUAL BASIS)
AS OF MARCH (Q3) FY 23-24**

MAJOR BUDGET CATEGORY										
Minor Budget Category	Q3 ACTUALS & ACCRUAL 2023/2024	YTD ACTUALS & ACCRUAL 2023/2024	MODIFIED BUDGET BASED ON QUARTERLY PORTION 2023/2024	QUARTERLY (OVER) UNDER BUDGET	QUARTERLY PERCENT- AGE USED	ANNUAL MODIFIED BUDGET 2023/2024	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 03/31/24 MV	\$ 3,433,922,872
PERSONNEL EXPENSES										
Permanent Staff Expense ₁	1,030,684	3,139,863	\$ 1,114,000	\$ 83,316	93%	\$ 4,456,000	\$ 1,316,137	70%		
TOTAL PERSONNEL EXPENSES	1,030,684	3,139,863	1,114,000	83,316	93%	4,456,000	\$ 1,316,137	70%	12.97641259	9
NON-PERSONNEL / EQUIPMENT										
Rent	78,903	196,194	\$ 57,500	\$ (21,403)	137%	230,000	\$ 33,806	85%		
Insurance ₂	-	3,802	\$ 60,000	\$ 60,000	0%	240,000	\$ 236,199	2%		
IT Hardware/Software	21,245	60,106	\$ 32,500	\$ 11,255	65%	130,000	\$ 69,894	46%		
Postage and printing	23,320	52,538	\$ 25,000	\$ 1,680	93%	100,000	\$ 47,462	53%		
LRS - Annual Maintenance Fee	-	54,591	\$ 13,750	\$ 13,750	0%	55,000	\$ 409	99%		
Training and travel	6,067	24,674	\$ 7,500	\$ 1,433	81%	30,000	\$ 5,326	82%		
Other non-personnel and equipment	17,983	40,123	\$ 21,750	\$ 3,767	83%	87,000	\$ 46,877	46%		
TOTAL NON-PERSONNEL / EQUIPMENT	147,516	432,027	218,000	70,484	68%	872,000	\$ 439,973	50%	3	1
PROFESSIONAL SERVICES										
Legal ₃	94,030	238,560	\$ 153,500	\$ 59,470	61%	614,000	\$ 375,440	39%		
Actuary / actuarial audit ₄	141,390	221,339	\$ 73,750	\$ (67,640)	192%	295,000	\$ 73,661	75%		
External auditor ₅	11,884	102,634	\$ 23,750	\$ 11,866	50%	95,000	\$ (7,634)	108%		
Temporary staffing agencies	16,920	81,609	\$ 33,000	\$ 16,080	51%	132,000	\$ 50,391	62%		
Pension administration system	766	16,149	\$ 8,500	\$ 7,734	9%	34,000	\$ 17,851	47%		
Other professional services	11,275	15,450	\$ 15,250	\$ 3,975	74%	61,000	\$ 45,550	25%		
TOTAL PROFESSIONAL SERVICES	276,265	675,741	307,750	31,485	90%	1,231,000	\$ 555,259	55%	4	2
MEDICAL PROVIDERS / SERVICES										
Medical Director & Support	16,992	62,687	\$ 36,250	\$ 19,258	47%	145,000	\$ 82,313	43%		
TOTAL MEDICAL DIRECTOR & SUPPORT	16,992	62,687	36,250	19,258	47%	145,000	\$ 82,313	43%	0	0
GRAND TOTAL	1,471,458	4,310,318	\$ 1,676,000	204,542	88%	\$ 6,704,000	\$ 2,393,682	64%	20	13

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

₁ Permanent Staff Expense - Due to staff vacancies.

₂ Insurance - This fiduciary insurance is annual. The invoice has not been received yet.

₃ Legal - Due to lag in receipt of invoices.

₄ Actuary / actuarial audit - Services provided as needed. Annual amount is within budget.

₅ External Auditor - Overage is due to the change in auditors. The budget was based on the fees of the previous auditors.

**FEDERATED CITY EMPLOYEE PLAN ASSET BUDGET SUMMARY
THROUGH Q3 FY23-24**

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	EXPENDED FY23-24 (TO DATE)	EXPENDED PROJECT TO- DATE	% REMAINING IN BUDGET
LRS													
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	37,500	256,612	18%
LRWL													
COUNSELING & ADVISE ON PROJECT ISSUES	539,750	58,932	186,253	148,080	236,473	260,755	121,576	-	-	-	-	1,012,069	-88%
TOTAL	\$ 3,525,716	\$ 58,932	\$ 877,650	\$ 577,153	\$ 241,207	\$ 1,456,468	\$ 875,857	\$ 37,500	\$ 37,500	\$ 37,500	\$ 37,500	\$ 4,237,268	-20%
ACCUMULATED ARMOTIZATION						\$ (133,809)	\$ (408,727)	\$ (412,979)	\$ (422,869)	\$ (428,565)		\$ (1,806,948)	
GRAND TOTAL						\$ 1,322,660	\$ 467,130	\$ (375,479)	\$ (385,369)	\$ (391,065)	\$ 37,500	\$ 2,430,320	

*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).