

POLICE AND FIRE PENSION FUND

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MEMORANDUM

Date: August 21, 2015

To: Bill Gulliford, Chairman Finance Committee
Anna Lopez Brosche, Vice Chair
Danny Becton
Aaron Bowman
Lori Boyer
John Crescimbeni
Reggie Gaffney

From: John Keane 
Executive Director – Administrator

Subject: FY2014-2015 Budget

As requested yesterday during the our Budget presentation, please find copies of our budget review as of June 30, 2015 as reported to the Board of Trustees at our July 2015 meeting.

As you will note, we are under budget by more than \$500,000 for FY2014-2015.

Thank you for your support of the Police and Fire Pension Fund Budget.

cc: Sam Mousa, Chief Administrative Officer
Mike Weinstein, Chief Financial Officer
Kirk Sherman, Council Auditor

	Budget For FY2014-2015	Budget for FYTD through Jun 2015	Actuals for FYTD through Jun 2015	Variance Under / (Over)	Explanation of Variance
1) Money Manager Fees	\$ 8,439,008	\$ 6,218,275	\$ 5,828,594	\$ 389,681	Subtotal 1)
i) Attributable to Current Year				\$ 379,329	Under budget due to asset allocation mix.
ii) Attributable to Prior Year				\$ 10,352	
a) Investment Balance	\$ 1,567,664,437	\$ 1,660,675,210	\$ 1,679,922,874	\$ 19,247,664	Higher Performance on Investments than the 7% estimated growth.
i) Attributable to Current Year		\$ 200,263,916	\$ 216,665,743	\$ 16,401,827	
ii) Attributable to Prior Year		\$ 1,460,411,294	\$ 1,463,257,131	\$ 2,845,837	
b) Average Manager Fees in Basis Points	52.5	52.7	48.5	4.20	
2) Staff Salaries & benefits, and all other professional services	\$ 3,052,584	\$ 2,144,211	\$ 2,031,667	\$ 112,544	Subtotal 2) includes 2a) through 2d)
a) Staff Salaries & benefits	\$ 1,350,218	\$ 903,269	\$ 750,284	\$ 152,985	2a) Subtotal of a1) and a2)
1) Staff Salaries	\$ 1,005,033	\$ 633,172	\$ 527,119	\$ 106,053	Have not hired the Deputy Executive Director-Assistant Administrator yet.
2) Staff Benefits	\$ 345,185	\$ 270,097	\$ 223,165	\$ 46,932	Have not hired the Deputy Executive Director-Assistant Administrator yet.
b) All other professional services	\$ 908,029	\$ 724,388	\$ 735,526	\$ (11,138)	2b) Subtotal of b1) through b10)
1) Actuary	\$ 110,200	\$ 110,200	\$ 142,479	\$ (32,279)	Over for special work on pension reform proposals.
2) Auditor	\$ 29,465	\$ 29,465	\$ 29,465	\$ -	
3) Investment Advisor	\$ 245,864	\$ 184,398	\$ 184,398	\$ -	
4) Investment Custodian	\$ 32,500	\$ 24,375	\$ 24,375	\$ -	
5) Legal	\$ 400,000	\$ 300,000	\$ 301,084	\$ (1,084)	
6) IS Alloc-Legal - Office of General Counsel	\$ 40,000	\$ 30,000	\$ 8,775	\$ 21,225	
7) Lobbyist	\$ -	\$ -	\$ 26,250	\$ (26,250)	Lobbyist used for Baldwin Insurance Premium State legislation.
8) Medical	\$ 15,000	\$ 14,700	\$ 14,700	\$ -	
9) Appraiser for Buildings - Real Estate Investments	\$ 5,000	\$ 5,000	\$ 4,000	\$ 1,000	
10) Media Relations Management	\$ 30,000	\$ 26,250	\$ -	\$ 26,250	Using Media Relations Budget for Lobbyist.
c) All other expenses	\$ 644,337	\$ 460,373	\$ 489,676	\$ (29,303)	2c) Subtotal of c1) through c4)
1) ITD Support	\$ 44,003	\$ 33,002	\$ 43,828	\$ (10,826)	Over for development work on schedules for the state financial report.
2) Building Rental	\$ 261,024	\$ 195,768	\$ 187,884	\$ 7,884	Under for PFPF allocating 550 sq ft of its first floor space to Hertz.
3) Bldg. Oper-Electricity	\$ 88,700	\$ 64,544	\$ 56,831	\$ 7,713	Under due to April fuel credit from JEA of \$4,403.
4) Judgements, Claims, etc.	\$ 1,000	\$ 1,000	\$ 44,198	\$ (43,198)	Over for Lawsuit Settlement
5) Other less than \$40,000	\$ 249,610	\$ 166,059	\$ 156,935	\$ 9,124	Under for postage, office supplies, and property insurance.
d) Contingency - buildout of 2nd Floor (new renter)	\$ 150,000	\$ 56,181	\$ 56,181	\$ -	
Total	\$ 11,491,592	\$ 8,362,486	\$ 7,860,261	\$ 502,225	Total - Subtotal 1) and Subtotal 2)

Budgetary Statement: Under Budget due to Money Manager Fees less due to asset allocation mix.
 Under Budget due to Deputy Executive Director-Assistant Administrator position being unfilled.