

POLICE AND FIRE PENSION FUND

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MEMORANDUM

To: Board of Trustees
From: Devin Carter, CPA
Chief Financial Officer
Subject: Proposed FY17 Operating Budget
Date: June 17, 2016

The proposed operating budget for fiscal year 2016-2017 is \$11,386,747, an overall reduction of 5% from the previous fiscal year.

	FY16	FY17	
	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>
Admin	1,370,707	1,213,903	-11%
Operating	482,010	559,895	16%
Professional	9,836,452	9,416,829	-4%
Building	255,650	172,220	-33%
Parking	<u>24,250</u>	<u>23,900</u>	-1%
Total	11,969,069	11,386,747	-5%

Proposed budget highlights, changes from the prior year:

- Admin (salaries and benefits) are down due to retirement of staff.
- Operating increased due to cost of fiduciary insurance and IT system maintenance cost.
- Professional services (actuary, custodian, money managers, etc.) decreased due to renegotiating fees and changes in investment strategy.
- Facilities (parking and garage) decrease due to less repairs and maintenance scheduled.
- Continued growth in the number of retirees.
- Multiple professional service contracts expire in 2017.
- Exploring technology for operational efficiency: automation, faster communication, and business analytics.

Professional Services Budget

	<u>FY15</u>		
	<u>Actual</u>	<u>FY16</u>	<u>FY17</u>
Actuary	142,479	145,000	140,000
Auditor	29,465	29,465	29,465
Investment Advisor	245,864	245,864	245,864
Investment Custodian	32,500	32,500	32,500
Attorney-Legal	369,066	400,000	300,000
Money Managers	8,057,850	8,924,623	8,500,000
Medical	23,400	15,000	25,000
Appraiser	3,500	4,000	4,000
Consultants	-	-	100,000
Lobbyist	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
	8,944,123	9,836,452	9,416,829

Notes

Auditor, KBLD expires 2017

Lobbyist, Governance expires 2017

Advisor, Summit expires 2017

Actuary, PBC expires 2017

Contingency - Sales Tax Ballot

Actuary	75,000
Auditor-Big 4	<u>100,000</u>
	175,000

*These are estimates for consultants to review any new funding assumptions and accounting changes.

**Jacksonville Police & Fire Pension Fund
 FY2016-2017
 Proposed Budget**

**2016-06-6
 attachment**

	<u>FAMIS Index Code</u>	<u>Budget For FY2015-2016</u>	<u>Budget For FY2016-2017</u>
Administration:			
Permanent/Probationary Salaries	PFPF621AD-01201	\$ 441,911	\$ 580,400
Permanent/Probationary Salaries-Non Oracle	PFPF621AD-01205	\$ 448,370	\$ 200,000
Terminal Leave	PFPF621AD-01302	\$ 110,707	\$ -
Part-Time Salaries	PFPF621AD-01306	\$ 20,800	\$ 20,000
Salaries Overtime	PFPF621AD-01401	\$ 500	\$ 500
Leave Sellback	PFPF621AD-01503	\$ 81,277	\$ 19,765
Special Pay	PFPF621AD-01511	\$ 3,975	\$ 3,624
Payroll Taxes (FICA)	PFPF621AD-02101	\$ 16,294	\$ 1,240
Medicare Tax	PFPF621AD-02102	\$ 16,059	\$ 11,147
Pension Contributions	PFPF621AD-02201	\$ 118,589	\$ 288,443
Disability Trust Fund - ER	PFPF621AD-02207	\$ 1,338	\$ 2,352
GEPP Defined Contr - DC ER	PFPF621AD-02213	\$ 8,146	\$ -
PFPF Defined Contr - DC ER	PFPF621AD-02214	\$ 10,440	\$ -
Group Dental Plan	PFPF621AD-02301	\$ 3,570	\$ 3,615
Group Life Insurance	PFPF621AD-02303	\$ 2,504	\$ 2,744
Group Hospitalization	PFPF621AD-02304	\$ 81,118	\$ 74,964
Workers Compensation	PFPF621AD-02401	\$ 5,109	\$ 5,109

Professional Services	PFPF621AD-03109	\$ 9,836,452	\$ 9,416,829
Travel Expense	PFPF621AD-04002	\$ 10,000	\$ 13,000
Postage	PFPF621AD-04101	\$ 4,000	\$ 4,000
Telephone & Telegraph	PFPF621AD-04102	\$ 6,100	\$ 3,000
IS Alloc-ITD NTG S	PFPF621AD-04204	\$ 2,500	\$ -
IS Alloc-Legal	PFPF621AD-04205	\$ 30,000	\$ 30,000
IS Alloc-Copier Consolid	PFPF621AD-04207	\$ 6,000	\$ 6,000
IS Alloc-Copy Ctr/Messeng	PFPF621AD-04211	\$ 18,000	\$ 18,000
IS Alloc-Fleet Repair	PFPF621AD-04216	\$ 110	\$ -
IS Alloc-Fleet Parts/Gas	PFPF621AD-04217	\$ 5,100	\$ 2,000
IS Alloc-Mailroom Chgs	PFPF621AD-04221	\$ 37,000	\$ 40,895
IS Alloc-Computer Sys Main/Security	PFPF621AD-04221	\$ 45,000	\$ 100,000
Insurance & Bonds	PFPF621AD-04501	\$ 2,700	\$ 30,000
Repairs & Maintenance	PFPF621AD-04603	\$ 4,500	\$ 4,500
Building Rental	PFPF621AD-04907	\$ 258,000	\$ 258,000
Miscellaneous Services	PFPF621AD-04938	\$ 15,000	\$ 15,000
Judgements, Claims, etc.	PFPF621AD-04997	\$ 5,000	\$ 5,000
Office Supplies	PFPF621AD-05101	\$ 11,000	\$ 11,000
Furniture & Equipment < \$1,000	PFPF621AD-05208	\$ 1,500	\$ 1,500
Employee Training	PFPF621AD-05401	\$ 6,000	\$ 6,000
Dues & Subscriptions	PFPF621AD-05402	\$ 12,000	\$ 12,000
Furniture & Equipment > \$1,000	PFPF621AD-05402	\$ 2,500	\$ -

Total Administrative Expenditures

\$ 11,689,169 **\$ 11,190,627**

Building Operations

Building OP-Electricity	PFPF621BLDG-04301	\$ 83,200	\$ 84,700
Building OP-Water & Sewer	PFPF621BLDG-04304	\$ 7,750	\$ 7,800
Building OP-Insurance & Bonds	PFPF621BLDG-04501	\$ 28,000	\$ 28,000
Building OP-Repairs & Maintenance	PFPF621BLDG-04603	\$ 105,000	\$ 20,000
Building OP-Sanitation Charges	PFPF621BLDG-04906	\$ 1,700	\$ 1,720
Building OP-Miscellaneous Charges	PFPF621BLDG-04938	\$ 30,000	\$ 30,000

Total Building Operations Expenditures

\$ 255,650	\$ 172,220
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Parking Garage Operations

Parking OP-Electricity	PFPF621PARK-04301	\$ 4,800	\$ 4,500
Parking OP-Water & Sewer	PFPF621PARK-04304	\$ 450	\$ 400
Parking OP-Insurance & Bonds	PFPF621PARK-04501	\$ 9,000	\$ 9,000
Parking OP-Repairs & Maintenance	PFPF621PARK-04603	\$ 5,000	\$ 5,000
Parking OP-Miscellaneous Charges	PFPF621PARK-04938	\$ 5,000	\$ 5,000

Total Parking Operations Expenditures

\$ 24,250	\$ 23,900
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Total Facilities Expenditures

\$ 279,900	\$ 196,120
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Total Administrative & Facilities Expenditures

\$ 11,969,069	\$ 11,386,747
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