

Firefighters' Retirement System
FRS BUDGET FOR FY 10-11

Category	Budget FY 10-11	Budget FY 09-10
ADMINISTRATIVE		
Salaries Expense	\$428,205	\$428,205
Payroll Tax Expense	6,208	6,208
Employee Retirement Cost	92,065	59,949
Employee Health Insurance Expense	40,175	49,024
Employee Life Insurance Expense	960	768
SUBTOTAL ADMINISTRATIVE	567,613	544,154
PROFESSIONAL SERVICES		
Medical Examinations	20,000	25,000
Accounting Fees	47,000	33,500
Actuarial Fees	71,640	77,640
IT Support Expense	23,100	21,000
Member Death Research Fees	1,275	1,250
Bank Service Charge	7,500	7,500
Contract Services	3,500	1,000
Legal Fees	50,000	4,900
SUBTOTAL PROFESSIONAL SERVICES	224,015	171,790
OFFICE		
Printing Expense	4,100	4,000
Postage Expense	22,000	25,500
Equipment Maintenance	5,000	6,500
Office Supplies	14,470	15,250
Dues and Subscriptions	8,600	7,750
General Liability Insurance	6,500	5,000
Advertising Expense	13,350	3,500
Net Building Expense	10,595	32,710
SUBTOTAL OFFICE	84,615	100,210
TRAVEL		
Board Members:		
Board Travel Expense - Board Meetings	16,275	18,100
Board Travel Expense - Conferences	4,600	3,600
Board Travel Expense - Board Business	1,000	1,000
Subtotal Board Travel Expense	21,875	22,700
Staff:		
Staff Travel Expense - Conferences	685	750
Staff Travel Expense - FRS Workshops	2,500	1,000
Staff Travel Expense - Routine	250	500
Subtotal Staff Travel Expense	3,435	2,250

Firefighters' Retirement System
FRS BUDGET FOR FY 10-11

Category	Budget FY 10-11	Budget FY 09-10
Hotel:		
Board Hotel Expense - Board Meetings	7,425	7,820
Board Hotel Expense - Conferences	3,965	5,570
Staff Hotel Expense - Conferences	3,440	2,900
Staff Hotel Expense - FRS Workshops	750	350
Subtotal Hotel Expense	15,580	16,640
OTHER		
Board Per Diem	5,625	6,750
Conference Registration - Board	1,675	1,225
Conference Registration - Staff	500	700
SUBTOTAL OTHER	7,800	8,675
GRAND TOTAL	924,933	866,419

FRS BUILDING BUDGET

FY 10-11

Category	Budgeted FY 10-11	Budgeted FY 09-10
Revenue:		
Monthly Rent from State Police	38,905	35,987
Expenses:		
Utilities	11,500	12,200
Phone	6,000	7,000
Building & grounds maintenance	32,000	49,497
Total Expense	49,500	68,697
Net Expense	10,595	32,710

The five year average of building and grounds maintenance is \$33,700.

FRS BUDGET DETAIL FOR FY 10-11

Salaries Expense **\$428,205**

Steven Stockstill: \$146,016

Kelli Chandler: \$99,496

Jason Starns: \$55,845

Debbie Charleville: \$48,848

Brent Philip: \$41,600

Penny Gandy: $35,000 * 1.04 = \$36,400$

If FRS's annual 4% merit increases were to be granted, salaries expense would total \$443,878. However, due to the down turns in the market, FRS' staff won't be paid merit raises in FY 2011. Therefore the current salaries will be budgeted.

Payroll Tax Expense **\$ 6,208**

Medicare portion is 1.45% of payroll

Employee Retirement Expense **\$92,064**

Retirement is 21.5% of payroll

Employee Health Insurance Expense **\$40,175**

All amounts were budgeted based upon rates established by the Office of Group Benefits.

Employee Life Insurance Expense **\$ 960**

Current employee rates are \$12 per person per month ($\$12 * 4 * 12 = 576$)

Brent & Penny rates \$16 per person per month ($\$16 * 2 * 12 = 384$)

Medical Examinations **\$20,000**

Medical examination expenses on a five year average reached \$35,424. However, with decreasing numbers of disability retirees requiring recertification and extensive medical examinations, FRS medical expenses decreased 45% in FY 2010. CY expenses are expected to be \$18,955. Although medical exams have decreased, FRS will continue to budget at its current level to allow for extensive testing for one or two members, therefore, FRS will budget \$20,000 for FY 2011.

Accounting Fees**\$47,000**

The current year's audit had a cost of \$33,500. However, FRS had an outstanding bid for audit services. Based on the factors of the winning bid, the FRS' anticipates a maximum cost of \$47,000 for the system's annual audit

Actuarial Fees**\$71,640**

FRS current year expenses are expected to be \$44,640. FRS FY 2011 budget will include a monthly retainer of \$3,720 (annual of \$44,640) and an additional \$27,000 for a Statutorily Required – Projection of Future Cash Flow Requirements.

IT Support Expense**\$23,100**

FRS' current IT support expenses are \$19,026. However, FRS expects the FY 2011 expenses to increase due to changes in its computer software. Therefore FRS will increase the amount it budgeted in FY 2010 by 10% and will budget \$23,100 in FY 2011.

Member Death Research Fees**\$1,275**

FRS conducts quarterly searches for members who are deceased, but are still sent benefits. Current expenses for Member Death Research Fees are anticipated to be \$1,272, so FRS will budget \$1,275 for FY 2011.

Bank Service Charge**\$7,500**

FRS anticipates current year service charges of \$7,433. This fee is based upon stop payment requests, check copy requests, and volume of transactions. FRS anticipates the current level of expense to continue for the upcoming year.

Contract Services**\$3,500**

For the current year, FRS anticipates spending approximately \$9,905 in the category of temporary staffing to prepare the board minutes and PI services. The five year average expenses incurred were \$3,497. FRS will budget the five year average due to expectations of having a full staff in FY 2011. Therefore, \$3,500 will be budgeted for possible temporary staffing needs, tape transcription or other one- time expenses.

Legal Fees**\$50,000**

FRS incurred legal fees of \$33,855 in FY 2010; these fees included the Bowers case, the Duty lawsuit, and the Land Baron investigation. However in FY 2011, FRS will budget its legal fees for the following: \$25,000 for the Land Baron investigation and \$25,000 for 6 Duty lawsuit hearings (travel and legal fees).

Printing Expense**\$4,100**

The current year expenses are anticipated at \$4,090. The five year average is approximately \$4,144. FRS expects FY 2011 expenses to be in line with the average expenses and will budget \$4,100.

Postage Expense**\$22,000**

The current year expenses are anticipated at \$16,974. However, FRS has averaged \$22,062 for the past five years. FRS anticipates the FY 2011 postage expense to be around its average and will budget \$22,000.

Equipment Maintenance**\$5,000**

Current year expenses are anticipated at \$4,927. The same fixed contract prices will occur in the upcoming year. These costs include copier maintenance, printer maintenance, etc.

Office Supplies**\$14,470**

In this line item FRS averaged \$14,468 over a two year period with the current year expense anticipated at \$12,895. In FY 2011, FRS will budget the two year average of \$14,470; because the two year average is more relevant than the five year average when it comes to the cost of supplies.

Dues and Subscriptions**\$8,600**

FRS currently has subscriptions for Tax Management Portfolios, Internal Revenue Codes, Louisiana Revised Statutes, and Pension Coordinator Series, LATEC membership for the board, and various other accounting and law publications. FRS does not subscribe to Westlaw. FRS expects to spend \$8,587 in the current year for dues and subscriptions and for this level of expense to continue in FY 2011.

General Liability Insurance**\$6,500**

FRS is billed for general liability insurance through the Department of Risk Management. The annual premium for FY 2010 was \$6,524. Since there have been no claims for FRS, no premium increases are anticipated for FY 2011.

Advertising Expense**\$13,350**

FRS has averaged approximately \$4,859 over the past five years for advertising expenses. CY expenses for FRS anticipate \$2,137 in cost for advertisement for vacant staff positions and RFP advertisements. These expenses are expected to decrease due to being fully staffed for FY 2011. However, in FY 2011 FRS will budget \$750 for legislative notices, and based on the input of the investment consultant, FRS expects 3 advertisements for investment services in FY 2011 and will budget \$12,600 (4,200*3) for that purpose. FRS will budget \$13,350 for advertising expense.

Net Building Expense **\$10,595**

See the building budget for this detail

Board Travel Expense for Board Meetings **\$16,275**

FRS currently averages \$1,085 per month for board member travel to FRS board meetings. FRS anticipates this level of expense to continue in the upcoming year (\$1,085 *12). FRS will budget travel expenses for three emergency board meeting (\$1,085*3).

Board Travel Expense for Conferences **\$4,600**

For the current year, FRS incurred or is anticipating expense for the following travel based on prior year cost:

5 trustees to attend the LAPERS Conference in New Orleans	=	\$1,700
1 Trustee to attend 2 NCPERS Conferences	=	\$2,900

Board Travel Expense for Board Business **\$1,000**

For the current year, FRS anticipates board business expense of \$750. FRS anticipates this level of expense to continue in FY 2011 and will budget \$1,000 in anticipation of trustee travel related to the Regions lawsuit and the lawsuit in Natchitoches, in addition to attending legislative hearings.

Staff Travel Expense for Conferences **\$685**

For the current year, FRS incurred expenses \$817. These costs include 6 staff members to the LAPERS conference (\$680), and other local conferences (\$137). For FY 2011, FRS will budget expenses of \$685 for staff travel expense. The cost includes: 6 staff members to LAPERS (\$685).

Staff Travel Expense Workshops and Site Review **\$2,500**

For the current year, FRS has expended \$2,455, and has a five year average of \$1,154 for travel related to educational presentations and site reviews. FRS expects workshop travel expenses to be around the current years' expenses, so FRS will budget \$2,500 in FY 2011 for workshops for the education of members and site visits for employer reviews.

Staff Travel Expense Routine **\$250**

Current year expenses are anticipated at \$25. However, FRS' five year average for routine travel expenses is \$375. FRS expects the cost for routine travel to be below the average and will budget \$250 in FY 2011 for staff routine travel.

Board Hotel Expense Board Meetings **\$7,425**

FRS averages \$495 per month in hotel expense for board members to attend our monthly meetings. FRS does not anticipate any increase in hotel rates for FY 2011. Therefore, an annual expense of \$5,940 (495*12) is anticipated for four board members. FRS, will also budget \$1,485 (495*3) in hotel expense for three emergency board meeting.

Board Hotel Expense for Conferences **\$3,965**

For FY 2011 FRS is anticipating hotel expense for the following based on prior year cost:

5 Trustees to attend the LAPERS in New Orleans	\$2,865
1 Trustee to attend 2 NCPERS Conference	\$1,100

Staff Hotel Expense for Conferences **\$3,440**

FRS expects to spend \$3,440 for staff members to attend the LAPERS conference (6 members at \$159 per night for 3 nights = \$2,862, 6 members at \$32 for parking for 3 nights = \$576.)

Staff Hotel Expense for FRS Workshops and Site Review **\$ 750**

For the current year, FRS had hotel expenses associated with site reviews and FRS educational workshops of \$589. The five year average is approximately \$309. FRS does anticipate additional expenses in FY 2011 and will budget \$750.

Board Per Diem **\$5,625**

FRS has budgeted for \$75 for 5 board members to attend 15 meetings. (15 are allowed by law)

Conference Registration Board **\$1,675**

The current year expenses for conference registration are LAPERS \$525, and 2 NCPERS conferences \$1,150 for a total of \$1,675 (\$525 + \$1,150). In FY 2011, FRS will budget for the same board members to attend LAPERS \$525 (7*\$75), and 2 NCPERS \$1,150.

Conference Registration Staff **\$ 500**

For FY 2011, FRS will budget for 6 staff members attend the LAPERS conference (6*\$75= \$450) and \$50 for the CLE conference.

Firefighters' Retirement System
Expense Five Year Lookback

Category	FY 09-10	FY 08-09	FY 07-08	FY 06-07	FY 06-05	5 Yr Avg
ADMINISTRATIVE						
Salaries Expense	\$411,367	\$339,663	\$418,869	\$318,124	\$302,174	358,040
Payroll Tax Expense	5,966	5,603	5,489	4,350	4,268	5,135
Employee Retirement Cost	51,908	47,378	51,711	36,801	49,528	47,465
Employee Health Insurance Expense	38,547	44,546	43,917	37,259	35,283	39,910
Employee Life Insurance Expense	672	644	744	720	816	719
SUBTOTAL ADMINISTRATIVE	508,460	437,835	520,729	397,254	392,069	451,269
PROFESSIONAL SERVICES						
Medical Examinations	21,546	41,312	37,292	48,204	31,359	35,943
Accounting Fees	33,500	24,000	38,313	24,450	23,341	28,721
Actuarial Fees	41,535	50,560	46,160	47,740	47,973	46,793
Architect Fees	0	0	109,741	0	0	21,948
IT Support Expense	25,292	18,465	24,518	13,083	15,317	19,335
Member Death Research Fees	1,272	942	965	676	333	838
Bank Service Charge	7,211	2,688	7,280	7,398	7,568	6,429
Contract Services	9,995	4,680	2,568	0	334	3,515
Legal Fees	26,942	74,168	3,895	153,583	9,688	53,655
SUBTOTAL PROFESSIONAL SERVICES	167,293	216,813	270,732	295,134	135,912	217,177
OFFICE						
Printing Expense	3,783	3,537	5,589	5,555	1,951	4,083
Postage Expense	17,727	31,020	25,861	20,982	15,474	22,213
Equipment Maintenance	4,648	5,685	5,867	8,454	10,864	7,104
Office Supplies	12,542	16,042	15,125	13,389	11,154	13,651
Short-Lived Equipment	0	0	0	1,304	5,683	1,397
Dues and Subscriptions	7,556	11,463	8,768	12,999	5,889	9,335
General Liability Insurance	6,524	5,018	5,306	5,663	3,441	5,190
Advertising Expense	1,837	10,323	8,927	2,692	214	4,799
Net Building Expense	21,417	20,296	73,368	26,854	30,672	34,522
SUBTOTAL OFFICE	76,034	103,385	148,812	97,892	85,342	102,293

Firefighters' Retirement System
Expense Five Year Lookback

Category	FY 09-10	FY 08-09	FY 07-08	FY 06-07	FY 06-05	5 Yr Avg
TRAVEL						
Board Members:						
Board Travel Expense - Board Meetings	12,376	15,628	12,014	11,014	12,671	12,741
Board Travel Expense - Conferences	5,421	6,075	8,321	2,663	0	4,496
Board Travel Expense - Board Business	1,048	364	2,807	0	1,252	1,094
Subtotal Board Travel Expense	18,845	22,067	23,143	13,677	13,923	18,331
Staff:						
Staff Travel Expense - Board Meetings	0	0	0	0	1,465	293
Staff Travel Expense - Conferences	709	1,103	982	1,324	0	824
Staff Travel Expense - FRS Workshops	2,455	517	972	1,118	708	1,154
Staff Travel Expense - Routine	36	1,288	268	231	56	376
Subtotal Staff Travel Expense	3,200	2,908	2,222	2,673	2,228	2,646
Hotel:						
Board Hotel Expense - Board Meetings	4,675	6,766	5,249	5,744	9,577	6,402
Board Hotel Expense - Conferences	4,202	9,823	22,579	10,414	0	9,404
Staff Hotel Expense - Board Meetings	0	0	0	0	0	0
Staff Hotel Expense - Conferences	3,365	2,677	2,964	4,670	0	2,735
Staff Hotel Expense - FRS Workshops	589	288	320	101	246	309
Hotel Expense - Third Parties	0	0	0	0	0	0
Subtotal Hotel Expense	12,831	19,555	31,112	20,929	9,823	18,850
OTHER						
Board Per Diem	4,275	5,025	4,425	4,200	3,675	4,320
Conference Registration - Board	1,675	3,775	9,075	775	350	3,130
Conference Registration - Staff	1,057	1,470	1,872	4,885	785	2,014
SUBTOTAL OTHER	7,007	10,270	15,372	9,860	4,810	9,464
GRAND TOTAL	793,670	812,833	1,012,122	837,419	644,107	820,030

FRS BUILDING EXPENSE HISTORY

BUDGET FORMAT

Category	FY 09-10	FY 08-09	FY 07-08	FY 06-07	FY 05-06	5 Yr. Avg
Revenue:						
Monthly Rent from State Police	28,390	28,390	28,390	28,390	28,390	28,390
Expenses:						
Utilities	11,868	11,378	7,583	12,980	14,410	11,644
Phone	5,338	6,211	6,181	6,170	5,951	5,970
Building & grounds maintenance	32,601	31,098	102,892	36,093	38,702	48,277
Total Expense	49,807	48,687	116,656	55,243	59,063	65,891
Net Expense	21,417	20,297	88,266	26,853	30,673	37,501