

Firefighters' Retirement System
FRS BUDGET FOR FY 12-13

Category	Budget FY 12-13	Budget FY 11-12
ADMINISTRATIVE		
Salaries Expense	\$ 529,057 ¹	\$ 428,205
Payroll Tax Expense	7,671	6,208
Employee Retirement Cost	126,974	108,122
Employee Health Insurance Expense	51,558	42,414
Employee Life Insurance Expense	1,008	\$ 864
SUBTOTAL ADMINISTRATIVE	716,268	585,813
PROFESSIONAL SERVICES		
Medical Examinations	23,500	23,500
Accounting Fees	48,410	47,000
Actuarial Fees	61,900	76,180
IT Support Expense	59,100	52,544
Member Death Research Fees	1,310	1,300
Bank Service Charge	7,250	7,000
Contract Services	55,000	1,000
Legal Fees	350,000	30,000
SUBTOTAL PROFESSIONAL SERVICES	606,470	238,524
OFFICE		
Printing Expense	4,200	4,500
Postage Expense	27,100	25,500
Equipment Maintenance	5,500	4,700
Office Supplies	15,000	12,400
Dues and Subscriptions	8,000	8,950
General Liability Insurance	5,600	6,150
Advertising Expense	3,500	21,450
Net Building Expense	135,215	31,205
SUBTOTAL OFFICE	204,115	114,855
TRAVEL		
Board Members:		
Board Travel Expense - Board Meetings	13,650	9,900
Board Travel Expense - Conferences	5,488	5,910
Board Travel Expense - Board Business	4,000	2,000
Subtotal Board Travel Expense	23,138	17,810
Staff:		
Staff Travel Expense - Board Meetings	-	-
Staff Travel Expense - Conferences	850	625
Staff Travel Expense - FRS Workshops	950	1,025
Staff Travel Expense - Routine	150	200
Subtotal Staff Travel Expense	1,950	1,850

Category	Budget FY 12-13	Budget FY 11-12
Hotel:		
Board Hotel Expense - Board Meetings	3,900	4,455
Board Hotel Expense - Conferences	14,045	8,565
Staff Hotel Expense - Board Meetings	-	-
Staff Hotel Expense - Conferences	4,353	3,618
Staff Hotel Expense - FRS Workshops	400	275
Subtotal Hotel Expense	22,698	16,913
OTHER		
Board Per Diem	4,875	4,500
Conference Registration - Board	5,025	2,825
Conference Registration - Staff	800	700
SUBTOTAL OTHER	10,700	8,025
GRAND TOTAL	\$ 1,585,339	\$ 983,790
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¹ Budgeted salary expense does not factor into timing of raises for employees,
ie. Budgeted salaries are not prorated for mid year raises.

Capital Items:

Windows Server		
Hardware configuration & installation	\$	14,168
Uninterruptable Power Supply		3,000
Install Accounting Program on new server		875
Subtotal Windows Server		18,043
Administrative Assistant Computer		1,500
Administrative Specialist Computer		1,500
Board room recording system		7,360
Total Capital Outlays	\$	28,403

FRS BUILDING BUDGET

FY 12-13

Category	Budgeted FY 12-13	Budgeted FY 11-12
Revenue:		
Monthly Rent from State Police	\$ -	\$ 14,195
Expenses:		
Utilities	15,350	12,250
Phone	5,825	5,650
Building & grounds maintenance	29,648	27,500
Demo old trash enclosure & build new enclosure	5,997	
Relocate handicap ramp and add catch basin in parking lot to drain water.	3,795	
Sign repair - remove old letters & stucco sign	750	
New letters for sign	3,000	
Dismantle and remove existing firetowers	7,500	
Remove existing tile & replace with slate tile - front & side	7,850	
Add new porch on front entrance	22,500	
Remove lower wood deck and make steps from upper deck to ground	3,000	
Replace roof on office & storage buildings	30,000	
Total Expense	\$ 135,215	\$ 45,400
Net Expense	\$ 135,215	\$ 31,205

Future items to consider:
Parking Lot repair/replacement

FRS BUDGET DETAIL FOR FY 12-13

Salaries Expense **\$ 529,057**

Steven Stockstill: \$146,016*1.04=\$151,857
Kelli Chandler: \$100,000*1.04=\$104,000
Layne McKinney: \$83,200
Jason Starns: \$55,845*1.04=\$58,078
Debbie Charleville: \$48,848*1.04=\$50,802
Brent Philip: \$41,600*1.04=\$43,264
Penny Gandy: \$36,400*1.04=\$37,856

Payroll Tax Expense **\$ 7,671**

Medicare portion is 1.45% of payroll

Employer Retirement Expense **\$ 126,974**

Retirement is 24% of payroll

Employee Health Insurance Expense **\$ 51,558**

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

Employee Life Insurance Expense **\$ 1,008**

Current employee rates are \$12 per person per month (\$12 * 7 * 12 = 864)

Medical Examinations **\$ 23,500**

For this line item, FY 2010-11 expenses were \$29,623 and, by comparison, FY 2011-12 expenses are expected to be approximately \$21,328. Therefore, FRS will budget \$23,500 for FY 2012-13.

Accounting Fees **\$ 48,410**

The current year's audit had a cost of \$47,000. FRS will budget for a slight increase of 3% due to the amount of litigation involving the FRS portfolio.

Actuarial Fees

\$ 61,900

For this line item, FY 2011-12 expenses are expected to be \$48,180. In FY 2012-13, FRS will budget regular monthly retainer of \$4,325 (\$51,900 annualized) plus an additional \$10,000 for any study requested by the Board.

IT Support Expense

\$ 59,100

The I.T. support expenses for FY 2011-12 was budgeted at \$52,544 to cover general I.T. support, but annualized expenses are expected to be approximately \$58,416. In FY 2012-13, FRS expects this level of expense to continue. Therefore, the FRS budget includes the monthly lease of the AS400 server of \$2,337 (annual cost of \$28,044), plus \$30,456 for general I.T. support services and \$600 for offsite backup fees.

Member Death Research Fees

\$ 1,310

FRS conducts quarterly searches for members who are deceased but are still receiving benefits. Current expenses for Member Death Research Fees are \$326.75 per quarter. No increase is expected for the next year.

Bank Service Charge

\$ 7,250

FRS anticipates CY bank service charges of \$7,257. This fee is based on the level of checks cleared as compared to the use of ACH transactions, also stop payment requests, check copy requests, and the overall volume of transactions. In the upcoming fiscal year, FRS will budget \$7,250 for bank service charges.

Contract Services

\$ 55,000

For the current year, FRS has incurred fees of \$157,353 in contract services mainly due to the cost of the Fletcher review conducted by Ernst & Young. However, in the prior 4 years, FRS has averaged \$4,500. FRS expects a portion of the fees related to the Fletcher liquidation to occur in the upcoming year of approximately \$50,000 in addition to the 4 year averaged of \$4,500. Therefore, \$55,000 will be budgeted for FY 12-13.

Legal Fees

\$ 350,000

FRS has incurred legal fees of \$265,000 through March of FY 2011-12; these fees include the Regions lawsuit, the Duty lawsuit, the Land Baron investigation, Commonwealth investigation and lawsuit, and the Fletcher lawsuit. FRS anticipates these fees to continue due to the litigation anticipated with the UCBI holding, the winding up of additional Fletcher funds, the replacement of Land Baron as managers, and the continuation of the Commonwealth bankruptcy proceedings.

Printing Expense	\$ 4,200
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For this line item, the CY expenses are anticipated to be \$3,905. The five year average is \$4,189. In FY 2012-13 FRS will budget \$4,200 which is in-line with the five year average.

Postage Expense	\$ 27,100
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For this line item, the CY expenses are anticipated to be \$27,101. The five year average is \$25,765. FRS has a two year average of \$27,108. No additional mail outs are anticipated. Therefore, In FY 2012-13 FRS will budget \$27,100 which is in line with CY expenses.

Equipment Maintenance	\$ 5,500
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For this line item, the CY expenses are anticipated to be \$6,596. The five year average is \$5,474. In FY 2012-13, FRS expects expenses to be in-line with its five year average and will budget \$5,500. These costs include copier maintenance, printer maintenance, etc.

Office Supplies	\$ 15,000
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For this line item, CY expenses are anticipated to be \$17,940, and the 5 year average is \$14,939. The FY 12-13 expense is expected to be near the 5 year average at approximately \$15k.

Dues and Subscriptions	\$ 8,000
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FRS has subscriptions for Tax Management Portfolios, Internal Revenue Codes, Louisiana Revised Statutes, the Pension Coordinator series, and various other accounting and law publications. FRS also pays dues to LAPERS and LaTec professional organizations. FRS expects to spend \$7,876 in FY 2011-12. In FY 2012-13 FRS will budget \$8,000 which is in-line with CY expenses plus an additional subscription for the Wall Street Journal.

General Liability Insurance	\$ 5,600
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FRS is billed for general liability insurance through the Department of Risk Management. The annual premium for FY 2011-12 was \$5,628. Since there have been no claims for FRS, no premium increases are anticipated for FY 2012-13.

Advertising Expense\$ 3,500

The five year average for advertising is \$5,333. However, in FY 2012-13 FRS will budget \$500 for legislative notices and \$3,000 for the high yield manager search.

Net Building Expense\$ 135,215

See the building budget for this detail

Board Travel Expense for Board Meetings\$ 13,650

For the current Board members, FRS incurs approximately \$1,050 per month for board member travel to FRS board meetings. FRS anticipates this level of expense to continue in the upcoming year and will budget for 13 meetings, 12 monthly meeting and 1 special meeting (\$1,050 *13).

Board Travel Expense for Conferences\$5,488

The budget amount for this category is broken down as follows:

7 board members attending the LAPERS conference based upon prior year mileage and meal expenses:

- Stacy Birdwell (mileage 680 * .555 = 377) + 120 meals = \$497
- Perry Jeselink (mileage 570 * .555 = 316) + 120 meals = \$436
- Charlie Fredieu (mileage 741 * .555 = 411) + 120 meals = \$531
- Mayor James Durbin (mileage 165 *.555 = 92) + 120 meals = \$212
- Jerry Tarleton (mileage 165 *.555 = 92) + 120 meals = \$212
- Dr. Steve Procopio (mileage 165 *.555 = 92) + 120 meals = \$212
- Mayor Mayson Foster (mileage 165 *.555 = 92) + 120 meals = \$212

Total LAPERS expense = \$2,312

1 Board member attending the NCPERS annual convention based upon prior year flight, mileage and meal expenses:

- Stacy Birdwell (mileage 25 * .555 = 14) + 610 flight + 150 meals + 100 Taxi & Parking = \$874

Total NCPERS expense = \$874

1 Board member attending the LaTech conference based upon prior year mileage and meal expenses:

- John Broussard (mileage 165* .555 = 92) + 110 meals = \$202

Total LaTech expense = \$202

6 Board members attending the Public Safety conference based on mileage and meal expenses:

- Stacy Birdwell (mileage $680 * .555 = 377$) + 120 meals = \$497
- Perry Jeselink (mileage $570 * .555 = 316$) + 120 meals = \$436
- Charlie Fredieu (mileage $741 * .555 = 411$) + 120 meals = \$531
- Mayor James Durbin (mileage $165 * .555 = 92$) + 120 meals = \$212
- Jerry Tarleton (mileage $165 * .555 = 92$) + 120 meals = \$212
- Dr. Steve Procopio (mileage $165 * .555 = 92$) + 120 meals = \$212

Total Public Safety expenses = \$2,100

Board Travel Expense for Board Business **\$ 4,000**

FRS anticipates board business expenses of \$3,832. In the upcoming year, FRS anticipates this expense to increase slightly higher due to trustee travel related to the Duty lawsuit, the Fletcher lawsuit, Commonwealth lawsuit and attending legislative hearings such as the funding review panel. FRS will budget \$4,000 for this line item.

Staff Travel Expense for Board Meetings **\$ 0**

For the CY, FRS incurred expenses of \$375 for the joint meeting in New Orleans with MERS and NOFF. FRS does not anticipate any out of town meetings for the upcoming year.

Staff Travel Expense for Conferences **\$ 850**

For the CY, FRS incurred expenses of \$406. These costs include 3 staff members to the LAPERS conference (\$262) and 1 staff member to the LaTec conference (\$144). However, for FY 2012-13, FRS will budget expenses of \$850 for staff travel cost. The cost includes 4 staff members to LAPERS (\$400) and 3 staff to attend LaTec (\$450).

Staff Travel Expense Workshops **\$950**

For this line item, the CY expenses are anticipated to be \$570. The five year average is \$946. In FY 2012-13, the sum of \$950 is budgeted for the purpose of conducting educational presentations to members and employers.

Staff Travel Expense Routine **\$150**

For this line item, the CY expenses are anticipated to be \$137. The routine travel costs are expected to be less than the five year average of \$437, but in-line with the CY expenses. \$150 will be budgeted for this line item.

Board Hotel Expense Board Meetings

\$3,900

For the current board members, FRS incurs \$297 per month in hotel expense for board members to attend our monthly meetings. FRS does not anticipate any increase in hotel rates for FY 2012-13. Therefore, an annual expense of \$3,900 (300 *13) is anticipated for three board members.

Board Hotel Expense for Conferences

\$ 14,045

- FRS budgets for hotel cost for 4 conferences
- LAPERS (\$185 per night for 4 nights for 7 members) = \$5,180
 - Public Safety (\$189 per night for 4 night for 7 members) = \$5,292
 - NCPERS (\$415 per night for 6 nights for 1 member) = \$2,493
 - LaTech (\$180 per night for 2 nights for 3 members) = \$1,080

Staff Hotel Expense for Board Meetings

\$ 0

For the CY, FRS incurred expenses of \$224 for the joint meeting with MERS and NOFF in New Orleans. No out of town meetings are expected for the upcoming year.

Staff Hotel Expense for Conferences

\$ 4,353

FRS expects to spend \$3,798 for staff members to attend the LAPERS conference (4 members at \$185 per night for 3 nights = \$2,220) and the LaTec conference (3 members at \$237 per night for 3 nights = \$2,133)

Staff Hotel Expense for FRS Workshops

\$ 400

FRS had hotel expenses associated with FRS educational workshops of \$600 in CY. The five year average is \$373. In FY 2012-13 FRS will budget at the five year rate of \$400 for workshops.

Board Per Diem

\$ 4,875

FRS has budgeted for \$75 for 5 board members to attend 13 meetings. (15 are allowed by law)

Conference Registration Board

\$ 5,025

For FY 2012-13, FRS will budget for its board members to attend 3 conferences. The budget amount is broken down as follows:

- LAPERS (\$ 75 * 7 members) \$ 525
- NCPERS (\$650 * 1 member) \$ 650
- Public Safety (\$550 * 7 members) \$ 3,850

Conference Registration Staff

\$ 800

For FY 2012-13, FRS will budget for 4 staff members attend the LAPERS conference (4 * \$75= \$300), \$50 for the CLE conference, \$250 for Financial Statement Review Conference, and \$200 for CPE credits.

Firefighters' Retirement System
Expense Five Year Lookback

Category	FY 11-12	FY 10-11	FY 09-10	FY 08-09	FY 07-08	5 Yr Avg
ADMINISTRATIVE						
Salaries Expense	\$ 456,320	\$ 432,568	\$ 411,367	\$ 339,663	\$ 418,869	\$ 411,757
Payroll Tax Expense	6,639	6,208	5,966	5,603	5,489	5,981
Employee Retirement Cost	111,291	89,567	51,908	47,378	51,711	70,371
Employee Health Insurance Expense	44,060	40,173	38,547	44,546	43,917	42,249
Employee Life Insurance Expense	880	828	672	644	744	754
SUBTOTAL ADMINISTRATIVE	619,190	569,345	508,459	437,835	520,729	531,112
PROFESSIONAL SERVICES						
Medical Examinations	22,382	29,623	21,546	41,312	37,292	30,431
Accounting Fees	47,000	47,000	33,500	24,000	38,313	37,963
Actuarial Fees	48,180	45,500	41,535	50,560	46,160	46,387
Architect Fees	-	-	-	-	109,741	21,948
IT Support Expense	55,134	52,049	25,292	18,465	24,518	35,092
Member Death Research Fees	1,310	967	1,272	942	965	1,091
Bank Service Charge	7,378	6,957	7,211	2,688	7,280	6,303
Contract Services	296,707	856	9,995	4,680	2,568	62,961
Legal Fees	604,485	27,855	26,942	74,168	3,895	147,469
SUBTOTAL PROFESSIONAL SERVICES	1,082,576	210,807	167,293	216,813	270,732	389,644
OFFICE						
Printing Expense	4,085	4,129	3,783	3,537	5,589	4,225
Postage Expense	32,246	27,115	17,727	31,020	25,861	26,794
Equipment Maintenance	17,517	4,574	4,648	5,685	5,867	7,658
Office Supplies	18,576	13,048	12,542	16,042	15,125	15,066
Short-Lived Equipment	-	-	-	-	-	-
Dues and Subscriptions	10,528	7,436	7,556	11,463	8,768	9,150
General Liability Insurance	5,628	6,140	6,524	5,018	5,306	5,723
Advertising Expense	3,445	5,383	1,837	10,323	8,927	5,983
Net Building Expense	151,124	54,949	21,417	20,296	88,266	67,210
SUBTOTAL OFFICE	243,149	122,774	76,034	103,385	163,710	141,810

Category	FY 11-12	FY 10-11	FY 09-10	FY 08-09	FY 07-08	5 Yr Avg
TRAVEL						
Board Members:						
Board Travel Expense - Board Meetings	11,425	9,569	12,376	15,628	14,043	12,608
Board Travel Expense - Conferences	3,805	3,837	5,421	6,075	8,321	5,492
Board Travel Expense - Board Business	3,832	1,681	1,048	364	2,807	1,947
Subtotal Board Travel Expense	19,062	15,087	18,845	22,067	25,172	20,047
Staff:						
Staff Travel Expense - Board Busn. & Meetings	16,703	-	-	-	-	3,341
Staff Travel Expense - Conferences	406	604	709	1,103	982	761
Staff Travel Expense - FRS Workshops	673	216	2,455	517	972	966
Staff Travel Expense - Routine	150	409	36	1,288	268	430
Subtotal Staff Travel Expense	17,932	1,229	3,199	2,908	2,222	5,498
Hotel:						
Board Hotel Expense - Board Meetings	3,687	3,966	4,675	6,766	5,249	4,869
Board Hotel Expense - Conferences	6,196	4,729	4,202	9,823	22,579	9,506
Staff Hotel Expense - Board Meetings	224	-	-	-	-	45
Staff Hotel Expense - Conferences	1,648	2,087	3,365	2,677	2,964	2,548
Staff Hotel Expense - FRS Workshops	495	70	589	288	320	352
Hotel Expense - Third Parties	-	-	-	-	-	-
Subtotal Hotel Expense	12,250	10,852	12,831	19,555	31,112	17,320
OTHER						
Board Per Diem	4,125	4,425	4,275	5,025	4,425	4,455
Conference Registration - Board	2,350	1,425	1,675	3,775	9,075	3,660
Conference Registration - Staff	1,386	630	1,057	1,470	1,872	1,283
SUBTOTAL OTHER	7,861	6,480	7,007	10,270	15,372	9,398
GRAND TOTAL	\$ 2,002,020	\$ 936,574	\$ 793,669	\$ 812,833	\$ 1,029,048	\$ 1,114,829

FRS BUILDING EXPENSE HISTORY

BUDGET FORMAT

Category	FY 11-12	FY 10-11	FY 09-10	FY 08-09	FY 07-08	5 Yr. Avg
Revenue:						
Monthly Rent from State Police	\$ 18,927	\$ 28,390	\$ 28,390	\$ 28,390	\$ 28,390	\$ 26,497
Expenses:						
Utilities	15,543	12,813	11,868	11,378	7,583	11,837
Phone	6,842	5,533	5,338	6,211	6,181	6,021
Building & grounds maintenance	147,666	64,993	32,601	31,098	102,892	75,850
Total Expense	\$ 170,051	\$ 83,339	\$ 49,807	\$ 48,687	\$ 116,656	\$ 93,708
Net Expense	\$ 151,124	\$ 54,949	\$ 21,417	\$ 20,297	\$ 88,266	\$ 67,211