

2024 Proposed Budget Overview



Employee Retirement System

Mission: Administer the plan as provided under the city charter, as a fiduciary pursuant to state and federal requirements as an IRS-qualified retirement plan and trust, maintain member and beneficiary records, pay the benefits to which members and beneficiaries are entitled, communicate with and council members and beneficiaries, and invest and manage the funds of the trust in a prudent and vigilant manner.

Finance & Personnel Committee

Budget Hearing: Wednesday, October 4, 2023

Prepared By: Bryan J. Rynders, Budget & Fiscal Policy Operations Manager

Goals and Objectives

- Administer the plan consistent with fiduciary requirements and investment policy
 - Effectively manage pension funds
 - Determine strategic asset allocation and asset class strategies
 - Achieve assumed long-term return target (6.8%)
 - Provide fiduciary standard of care as required by State law to members and beneficiaries

Key Performance Indicators

Key Performance Indicator	2022 Actual	2023 Projected	2024 Planned
Annualized excess return above the blended benchmark index, gross of fees (over the past five years).	1.60%	0.50%	0.50%
Exceed 95% favorable rating on customer satisfaction survey.	99%	98%	98%

ERS Organization

- Overseen by Annuity and Pension Board
- Executive Director and Chief Investment Officer
- Functional sections
 - Administration
 - Investments
 - Financial Services
 - Information Systems
 - Membership Services
 - Disability

2024 Budget Summary

	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
FTEs – O&M	51.00	51.00	0.00	0.0%
FTEs - Other	0.00	0.00	0.00	0.0%
Total Positions Authorized	59.00	59.00	0.00	0.0%
Salaries & Wages	\$3,749,620	\$5,002,345	\$1,252,725	33.4%
Fringe Benefits	1,687,329	2,251,055	563,726	33.4%
Operating Expenditures	15,910,400	16,305,400	395,000	2.5%
Equipment	2,036,000	713,000	-1,323,000	-65.0%
Special Funds	0	0	0	0.0%
TOTAL	\$23,383,349	\$24,271,800	\$888,451	3.8%

Salaries and Positions

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FTEs – O&M	51.00	51.00	0.00	0.0%
FTEs - Other	0.00	0.00	0.00	0.0%
Total Positions Authorized	59.00	59.00	0.00	0.0%
Salaries & Wages	\$3,749,620	\$5,002,345	\$1,252,725	33.4%

Cost of various reclassifications

Operating & Equipment Expenses

	2023 Adopted Budget	2024 Proposed Budget	Amount Change	Percent Change
Operating Expenditures	\$15,910,400	\$16,305,400	\$395,000	2.5%
Equipment	\$2,036,000	\$713,000	\$-1,323,000	-65.0%

- Operating increase in management fees liability premium
- Equipment reduction reflects completion of recent technology upgrades

Department Demographics

	Female	Male	Total	%
Black	19	1	20	40.0%
White	6	17	23	46.0%
Hispanic	2	1	3	6.0%
Asian	0	4	4	8.0%
American Indian	0	0	0	0%
Other	0	0	0	0%
Total	27	23	50	100%
%	54.0%	46.0%	100%	

- 70% Residency