



8660 United Plaza Blvd. (70809) • P.O. Box 44516 • Baton Rouge, La 70804-4516
p. 225.925.6484 • 1.800.256.3718 • f. 225.922.1001 • www.lasers.net

LOUISIANA SCHOOL EMPLOYEES'
RETIREMENT SYSTEM

BOARD OF TRUSTEES

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2nd Retirement District

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3rd Retirement District

Kathy B. Landry
4th Retirement District

DATE: April 21, 2014

TO: Patrick Goldsmith, Director, House Fiscal Division
Joint Legislative Committee on the Budget

Penny Bouquet, Admin Secretary, House Fiscal Division
Joint Legislative Committee on the Budget

FROM: Charles P. Bujol, Executive Director *CPB*
Carolyn N. Forbes, Assistant Director *CNF*

SUBJECT: **LSERS Proposed Amended Operating Budget
for FY 2014-15**

EX-OFFICIO MEMBERS

Tom Schedler
Secretary of State

John Kennedy
State Treasurer

Elbert L. Guillory
Chairman, Senate
Committee on Retirement

J. Kevin Pearson
Chairman, House
Committee on Retirement

Henry J. Yearby
President-LSBOA

Kristy H. Nichols
Commissioner of
Administration

The Board of Trustees of the Louisiana School Employees' Retirement System approved the enclosed fiscal year 2014-15 proposed amended operating budget during the Special Board meeting held Monday, April 14, 2014.

If you have any questions, contact Carolyn N. Forbes at 225.925.6490 or via email at cforbes@lsers.net.

CPB/CNF/alk

ADMINISTRATION

Charles P. Bujol
Executive Director

Carolyn N. Forbes
Assistant Director

Lauren B. Bailey
Executive Counsel

Christopher J. Saik
Interim
Chief Investment Officer

Alison L. Kessler
Executive Staff Officer

**LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
 PROPOSED **AMENDED** OPERATING BUDGET
 FISCAL YEAR 2014-15**

To JLCB (P. Bouquet) via
 email 4/21/2014

BUDGET CATEGORY	PRIOR YEAR ACTUAL 2012-13	EXISTING BUDGET 2013-14	AMENDED BUDGET 2014-15	AMENDED OVER/ (UNDER) EXISTING	% Chg
BUDGET					
Salary and Compensation					
Regular	\$ 2,061,848	\$ 2,178,156	\$ 2,247,732	\$ 69,576	3%
Overtime/Temporary		2,000	2,000	-	0%
Termination Pay	44,416	10,000	46,000	36,000	360%
Student Labor	6,218	8,840	8,960	120	1%
Board Compensation	7,650	7,875	7,875	-	0%
Total Salary and Compensation	\$ 2,120,132	\$ 2,206,871	\$ 2,312,567	\$ 105,696	5%
Related Benefits					
School Employees Retirement	540,184	657,346	663,250	5,904	1%
State Employees Retirement	20,180	21,931	28,045	6,114	28%
Teachers Retirement	23,956	-	-	-	
FICA - Medicare Taxes	26,843	28,314	29,043	729	3%
Unemployment Insurance	-	2,000	2,000	-	0%
Group Insurance - Life	7,591	7,992	8,403	411	5%
Group Insurance - Health	429,516	454,712	437,496	(17,216)	-4%
Total Related Benefits	\$ 1,048,269	\$ 1,172,295	\$ 1,168,237	\$ (4,058)	0%
TOTAL PERSONNEL SERVICES	\$ 3,168,401	\$ 3,379,166	\$ 3,480,804	\$ 101,638	3%
# of Positions	40	39	36	(3)	-8%
OPERATING EXPENSES					
Travel - In State (Conferences & Training)					
Accounting	759	200	2,000	1,800	900%
Administration	2,577	4,482	3,050	(1,432)	-32%
Audit	25	990	800	(190)	-19%
Board Members - Meetings	23,899	25,168	25,500	332	1%
Board Members	7,008	9,247	8,000	(1,247)	-13%
Building	50	500	500	-	0%
Human Resources	488	724	720	(4)	-1%
Information Technology	2,305	350	350	-	0%
Investments	555	800	800	-	0%
Legal	954	1,750	2,050	300	17%
Retirement	362	1,236	2,500	1,264	102%
Total In State Travel	\$ 38,982	\$ 45,447	\$ 46,270	\$ 823	2%
Travel - Out of State (Conferences & Training)					
Administration	-	5,568	5,560	(8)	0%
Audit		2,500	1,600	(900)	-36%
Board Members	7,219	21,246	22,589	1,343	6%
Human Resources	-	3,250	3,250	-	0%
Information Technology		2,500	2,500	-	0%
Investments	1,219	2,700	2,700	-	0%
Legal		5,325	1,700	(3,625)	-68%

**LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
PROPOSED **AMENDED** OPERATING BUDGET
FISCAL YEAR 2014-15**

To JLCB (P. Bouquet) via
email 4/21/2014

BUDGET CATEGORY	PRIOR YEAR ACTUAL 2012-13	EXISTING BUDGET 2013-14	AMENDED BUDGET 2014-15	AMENDED OVER/ (UNDER) EXISTING	% Chg
Retirement	2,307	2,209	4,782	2,573	116%
Total Out of State Travel	\$ 10,746	\$ 45,298	\$ 44,681	(617)	-1%
Total Travel	\$ 49,728	\$ 90,745	\$ 90,951	206	0%
Operating Services					
Advertising	199	2,000	500	(1,500)	-75%
Printing	142,004	176,300	183,800	7,500	4%
Insurance	48,792	60,000	52,800	(7,200)	-12%
Automotive Repairs	318	750	750	-	0%
Equipment/Software Maintenance	68,310	73,350	70,826	(2,524)	-3%
Rental	38,330	39,600	40,000	400	1%
Dues	5,270	5,050	5,865	815	16%
Subscriptions	25,758	35,675	46,173	10,498	29%
Postage	34,587	37,500	36,500	(1,000)	-3%
Telephone & Internet	37,829	37,080	35,060	(2,020)	-5%
Imaging	1,008	1,700	2,000	300	18%
Educational	9,851	19,050	11,200	(7,850)	-41%
Employee Hiring Cost	833	775	775	-	0%
Miscellaneous	1,547	1,200	1,300	100	8%
Computer Software		58,433	31,688	(26,745)	-46%
Inter-agency Transfers - Civil Service	8,333	8,400	8,600	200	2%
Total Operating Services	\$ 422,969	\$ 556,863	\$ 527,837	(29,026)	-5%
Property Maintenance					
Landscape - Angelo's Lawnscape	33,319	36,000	36,000	-	0%
Facility Management System	11,683	13,160	13,160	-	0%
Elevators	7,547	8,595	8,595	-	0%
H.V.A.C System - Johnson Controls	35,747	36,000	38,000	2,000	6%
Emergency Generator	1,399	1,500	1,500	-	0%
Water/Sewerage - City of Baton Rouge	5,391	6,175	6,175	-	0%
Electric - Entergy	63,972	85,000	75,000	(10,000)	-12%
Pest Control and Termit Inspection	1,831	2,025	2,025	-	0%
Janitorial Services - Budget Cleaning	32,220	33,875	33,875	-	0%
Waste Pickup	1,347	1,775	1,775	-	0%
Fire Protection System Inspection	3,311	4,000	4,000	-	0%
Security - Custom Security	715	1,100	1,000	(100)	-9%
General Repairs	1,311	3,000	3,000	-	0%
Window Cleaning		1,500	1,500	-	0%
Total Property Maintenance	\$ 199,794	\$ 233,705	\$ 225,605	(8,100)	-3%
Supplies					
General Supplies	9,876	13,650	10,450	(3,200)	-23%
Food	2,650	4,500	3,000	(1,500)	-33%

**LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM
PROPOSED **AMENDED** OPERATING BUDGET
FISCAL YEAR 2014-15**

To JLCB (P. Bouquet) via
email 4/21/2014

BUDGET CATEGORY	PRIOR YEAR ACTUAL 2012-13	EXISTING BUDGET 2013-14	AMENDED BUDGET 2014-15	AMENDED OVER/ (UNDER) EXISTING	% Chg
Auto (Gas)	295	1,000	1,000	-	0%
Building and Grounds	5,043	5,000	5,500	500	10%
Janitorial	513	1,000	800	(200)	-20%
Uniforms	456		500	500	100%
Office and Safety	11	2,000	2,000	-	0%
Computer Software	3,539	5,000	5,000	-	0%
Total Supplies	\$ 22,382	\$ 30,150	\$ 28,250	(1,900)	-6%
TOTAL OPERATING EXPENSES	\$ 694,872	\$ 911,463	\$ 872,643	(38,820)	-4%

PROFESSIONAL SERVICES

Accounting & Auditing	31,575	33,720	36,100	2,380	7%
Medical	11,950	14,560	15,142	582	4%
Actuarial	74,900	74,800	75,000	200	0%
Investigations	4,071	4,020	6,214	2,194	55%
Legal	135,699	160,000	122,093	(37,907)	-24%
Elections-Southwest	-	7,500	7,500	-	0%
Information Technology Consulting	307,300	305,000	170,000	(135,000)	-44%
Newsletter Publishing	4,675	4,800	4,800	-	0%
Architecture Consultant		4,500	1,000	(3,500)	-78%
TOTAL PROFESSIONAL SERVICES	\$ 570,170	\$ 608,900	\$ 437,849	(171,051)	-28%

ACQUISITIONS AND MAJOR REPAIRS

Acquisitions	-				
Office Furniture & Equipment	8,423	14,148	6,800	(7,348)	-52%
Computer Acquisitions	60,413	28,611	36,602	7,991	28%
Total Acquisitions	\$ 68,836	\$ 42,759	\$ 43,402	643	2%
Major Repairs					
Building Interior/Exterior		22,500	20,000	(2,500)	-11%
Total Major Repairs	\$ -	\$ 22,500	20,000	(2,500)	-11%
TOTAL ACQUISITIONS/MAJOR REPAIRS	\$ 68,836	\$ 65,259	\$ 63,402	(1,857)	-3%

**TOTAL ADMINISTRATIVE EXPENSES
(less Investment Expenses)**

	\$ 4,502,280	\$ 4,964,788	\$ 4,854,698	\$ (110,090)	-2%
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INVESTMENT EXPENSES

Custodial Bank - BNY Mellon	202,998	205,000	205,000	-	0%
Investment Advisors	4,061,013	6,900,000	6,900,000	-	0%
Investment Consultant	190,000	195,000	195,000	-	0%
TOTAL INVESTMENT EXPENSES	\$ 4,454,011	\$ 7,300,000	\$ 7,300,000	-	0%

LSERS TOTAL OPERATING BUDGET

TOTAL LSERS OPERATING BUDGET	\$ 8,956,291	\$ 12,264,788	\$ 12,154,698	\$ (110,090)	-1%
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**Louisiana School Employees' Retirement System
Salary and Benefits
Fiscal Year 2014-15**

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No.	Dept Tot Employee	Position Title	CS Level	Salary Maximu m	Salary as of 4/1/2014	Adj due to CPG, on-call pay, compression pay	Pay Adj.	Projected Salary for FY 2014-15
1	Bujoi, Charles	Director	Unclas	N/A	136,302		5,452	141,754
2	Forbes, Carolyn	Assistant Director	Unclas	N/A	102,752		4,110	106,862
3	Kessler, Alison	Executive Staff Officer	AS-616	71,344	59,176		2,367	61,543
4	Donna Racca	Executive Mgmt. Officer 1	AS-618	76,336	75,878		458	76,336
	4	Subtotal-Admin			374,108	-	12,387	386,495
5	Ellard, Larissa	Auditor 2	AS-615	62,317	33,592	3,527	1,344	38,463
	1	Subtotal-Audit			33,592	3,527	1,344	38,463
6	Guidry, Liz	Human Resource Analyst C	AS-615	58,240	55,453	5,823	2,218	63,494
	1	Subtotal-HR			55,453	5,823	2,218	63,494
7	Bailey, Lauren	General Counsel	Unclas	N/A	83,200		3,328	86,528
8	Vacant	Administrative Assistant 6	AS-614		53,734		2,149	55,883
	2	Subtotal-Legal			136,934	0	5,477	142,411
9	Saik, Christoper	Chief Investment Officer	Unclas	N/A	71,011		2,840	73,852
10	Vacant	Investment Officer 2	AS-618	81,682	55,254		2,210	57,464
11	Stark, Laurie	Administrative Assistant 5	AS-613	58,240	40,613		1,625	42,238
	3	Subtotal-Invest.			166,878	-	6,675	173,553
12	Allen, Jack	IT Director 2	TS-318	116,979	96,387		3,855	100,242
13	Guzzardo, Anthony	IT Technical Supp. Spec. 3	TS-313	83,408	70,262		2,810	73,072
14	Freeman, Leslie	IT Equipment Operator 3	TS-305	48,568	25,438		1,018	26,456
15	Pham, Huy	IT Appl. Project Leder	TS-314	89,253	87,755		1,498	89,253
16	Quinn, Alice	IT Mgmt Consult.	TS-314	89,253	82,451		3,298	85,749
17	Vicari, Stephanie	IT Applications Prog/Anal 2	TS-312	77,958	76,045		1,913	77,958
18	Bandi, Indira	IT Applications Prog/Anal 2	TS-312	77,958	41,558		1,662	43,220
	7	Subtotal-IT			479,896	-	16,055	495,951
19	Crosby Joann	Accountant 3	AS 615	66,685	45,365		1,815	47,180
20	Carson, Melinda	Accountant Administrator 2	AS-620	93,517	72,800		2,912	75,712
21	Zhou, Chenfei	Accountant Manager 1	AS-618	81,682	53,914		2,157	56,071
22	Stewart, Kim	Accountant 3	AS-615	66,685	35,610		1,424	37,034
23	Terranova, Cynthia	Accountant 3	AS-615	66,685	45,302		1,812	47,114
	5	Subtotal-Acct.			252,991	-	10,120	263,110
24	Balint, Cynthia	Ret. Benefit Analyst 3	AS-615	66,685	44,637		1,785	46,422
25	Bridges, Michelle	Ret. Benefit Supervisor	AS-618	81,682	62,109		2,484	64,593
26	Garlington, Mitchell	Ret. Benefit Manager	AS-619	87,402	52,458	5,246	2,308	60,012
27	Green, Kim	Administrative Coordinator 2	AS-607	38,792	27,539		1,102	28,641
28	Guillot, Danielle	Ret. Benefit Analyst 3	AS-615	66,685	48,006		1,920	49,926
29	Guillot, Heidi	Ret. Benefit Analyst 3	AS-615	66,685	48,901		1,956	50,857
30	Pryer, Laura	Administrative Coordinator 4	AS-611	50,877	38,480		1,539	40,019
31	Rowland, Heidi	Ret. Asst. Administrator	AS-620	93,517	72,883		2,915	75,798
32	Schof, Mandy	Ret. Benefit Specialist	AS-617	76,336	61,797		2,472	64,269
33	Selders, Shemeka	Ret. Benefit Analyst 3	AS-615	66,685	55,162		2,206	57,368
34	Traylor, Patricia	Ret. Benefit Educator	AS-616	71,344	52,000		2,080	54,080
	11	Subtotal-Retirement			563,972	5,246	22,769	591,987
35	Seekins, Fred	Facility Maint. Manager	WS-218	77,563	45,635	7,500	1,825	54,960
36	Cheeks, Karl	Maint. Repair Master	WS-213	55,307	28,662	7,500	1,146	37,308
	2	Subtotal-Bldg.			74,297	15,000	2,972	92,269
36	TOTALS	Pay Adj limited to max			2,138,120	29,596	80,017	2,247,732

**Louisiana School Employees' Retirement System
Salary and Benefits
Fiscal Year 2014-15**

Dept				Salary		Adj due to	0.040	
No.	Tot Employee	Position Title	CS Level	Maximu m	Salary as of 4/1/2014	on-call pay, compression pay	Pay Adj.	Projected Salary for FY 2014-15
		Retirees Insurance:						
		<u>Date of Retirement</u>						
1	Brasseur, Cheri	3/3/2010						
2	Brosnan, Brendan	7/30/2011						
3	Champagne, Jennifer	7/11/2013						
4	Cosper, Patrick	11/1/2005						
5	Cummings, Kay	4/22/2011						
6	Day, Betty	7/31/2010						
7	Dudley, Debra	12/5/2009						
8	Galloway, Geri	4/29/2011						
9	Green, Anita	7/13/2013						
10	Hager, Ann	1/8/2011						
11	Hix, Kathy	4/6/2007						
12	Howell, Jeanne	7/15/2002						
13	Hughes, Kathy	7/1/2008						
14	Joe, Dilsie	3/20/2010						
15	LeBlanc, Julia	11/19/2006						
16	McMormick, Evelyn	7/1/1978						
17	McMorris, Howell	12/13/2012						
18	Meche, Josephine	7/1/2008						
19	Melancon, Ora	9/13/2010						
20	Norwood, Sandra	2/10/2012						
22	Quinn, Charlene	5/25/2005						
24	Roche, Robert	1/1/2005						
25	Simmons, Gary	9/22/2010						
26	Smith, Linda	4/10/2010						
27	Todd, Lana	4/25/2010						
28	Warner, Jerry	9/15/2012						
28 TOTALS								
GRAND TOTALS					2,138,120.34	29,596	80,017	2,247,732

Louisiana School Employees' Retirement System
Salary and Benefits
Fiscal Year 2014-15

0.330 0.37 0.0145

No.	Dept Tot Employee	LSERS Ret	LASERS Ret	Medicare Matching	State Portion- Health	State Portion- Life	Total Related Benefits	Position Total
1	Bujol, Charles	46,779		2,055		293	49,128	190,882
2	Forbes, Carolyn	35,264			8,414		43,679	150,541
3	Kessler, Alison	20,309					20,309	81,852
4	Donna Racca				8,786		8,786	85,122
4	Subtotal-Admin	102,353	-	2,055	17,200	293	121,902	508,397
5	Ellard, Larissa	12,693		558	0	339	13,589	52,052
1	Subtotal-Audit	12,693	-	558	-	339	13,589	52,052
6	Guidry, Liz	20,953		921	11,027		32,900	96,394
1	Subtotal-HR	20,953	-	921	11,027	-	32,900	96,394
7	Bailey, Lauren	28,554		1,255	5,514		35,323	121,851
8	Vacant	18,442		810			19,252	75,135
2	Subtotal-Legal	46,996	0	2,065	5,514	0	54,575	196,986
9	Saik, Christopher	24,371		1,071	8,786	0	34,228	108,080
10	Vacant	18,963		833	4,810		24,607	82,070
11	Stark, Laurie	13,938		612	5,514	324	20,389	62,627
3	Subtotal-Invest.	57,272	-	2,517	19,111	324	79,224	252,777
12	Allen, Jack	33,080		1,454	8,786		43,320	143,562
13	Guzzardo, Anthony	24,114		1,060	8,786		33,960	107,032
14	Freeman, Leslie	8,730		384	4,810		13,924	40,380
15	Pham, Huy	29,453		1,294	4,810	32	35,590	124,843
16	Quinn, Alice			1,243	5,514	371	7,129	92,878
17	Vicari, Stephanie	25,726		1,130	4,810	371	32,038	109,996
18	Bandi, Indira	14,263		627	5,514		20,404	63,624
7	Subtotal-IT	135,367	-	7,191	43,032	774	186,364	682,315
19	Crosby Joann	15,569		684	8,786	371	25,411	72,590
20	Carson, Melinda	24,985		1,098	8,414		34,497	110,209
21	Zhou, Chenfei	18,503		813	5,514		24,831	80,901
22	Stewart, Kim	12,221		537	4,810	285	17,854	54,888
23	Terranova, Cynthia	15,548		683	4,810		21,041	68,155
5	Subtotal-Acct.	86,826	-	3,815	32,335	656	123,633	386,743
24	Balint, Cynthia	15,319		673	4,810		20,803	67,225
25	Bridges, Michelle	21,316		937	8,786	324	31,363	95,956
26	Garlington, Mitchell	19,804		870	8,414		29,088	89,100
27	Green, Kim	9,451		415			9,867	38,507
28	Guillot, Danielle	16,476		724	4,810	324	22,334	72,260
29	Guillot, Heidi	16,783		737	4,810	324	22,655	73,512
30	Pryer, Laura	13,206		580			13,787	53,806
31	Rowland, Heidi		28,045	1,099	8,786		37,931	113,729
32	Schof, Mandy	21,209		932	4,810		26,951	91,220
33	Selders, Shemeka	18,932		832	4,810	371	24,945	82,313
34	Traylor, Patricia	17,846		784	8,786		27,417	81,497
11	Subtotal-Retirement	170,342	28,045	8,584	58,824	1,343	267,139	859,125
35	Seekins, Fred	18,137		797	4,810	324	24,068	79,029
36	Cheeks, Karl	12,312		541		293	13,146	50,455
2	Subtotal-Bldg.	30,449	-	1,338	4,810	617	37,214	129,483
36	TOTALS	663,250	28,045	29,043	191,853	4,347	916,539	3,164,272

Louisiana School Employees' Retirement System
Salary and Benefits
Fiscal Year 2014-15

0.330 0.37 0.0145

No.	Dept Tot Employee	LSERS Ret	LASERS Ret	Medicare Matching	State Portion- Health	State Portion- Life	Total Related Benefits	Position Total
Retirees Insurance:								
1	Brasseur, Cheri				10,367			10,367
2	Brosnan, Brendan				2,970			2,970
3	Champagne, Jennifer				15,929			15,929
4	Cosper, Patrick				10,367			10,367
5	Cummings, Kay				15,776			15,776
6	Day, Betty				2,970	324		3,294
7	Dudley, Debra				14,448			14,448
8	Galloway, Geri				10,367			10,367
9	Green, Anita				10,367			10,367
10	Hager, Ann				10,367	324		10,691
11	Hix, Kathy				10,367	324		10,691
12	Howell, Jeanne				10,367	324		10,691
13	Hughes, Kathy				10,367	324		10,691
14	Joe, Dilsie				10,367	324		10,691
15	LeBlanc, Julia				10,855	324		11,179
16	McMormick, Evelyn				2,970			2,970
17	McMorris, Howell				10,367	324		10,691
18	Meche, Josephine				5,324	246		5,570
19	Melancon, Ora				10,367			10,367
20	Norwood, Sandra				10,367	324		10,691
22	Quinn, Charlene				2,970			2,970
24	Roche, Robert				15,929	324		16,253
25	Simmons, Gary				10,367			10,367
26	Smith, Linda					246		246
27	Todd, Lana				10,367			10,367
28	Warner, Jerry				10,367	324		10,691
28	TOTALS				245,642	4,056	0	249,699
GRAND TOTALS		663,250	28,045	29,043	437,496	8,403	916,539	3,413,970
							Salary	3,413,970
								0
							Depts	\$ 3,480,804
							Term Pay	46,000
							OT	2,000
							Student Labor	8,960
							Board Compensation	7,875
							Unemployment	2,000
								<u>3,480,805</u>

LSERS

Program Authorization: Const. Art. 10, Section 29; R.S. 11:1101 et seq.

Agency Description

LSERS is a public retirement system for non-instructional personnel of the Louisiana public school system and began full operation on July 1, 1947.

Budget Summary

	<u>Prior Year</u> <u>Actuals</u> <u>FY 12-13</u>	<u>Existing</u> <u>Operating</u> <u>Budget</u> <u>FY 13-14</u>	<u>Proposed</u> <u>Operating</u> <u>Budget</u> <u>FY 14-15</u>	<u>Total</u> <u>Proposed</u> <u>Over/Under</u> <u>Existing</u>	<u>%</u> <u>Change</u>
Means of Finance:					
State General Fund by:					
Fees and Self-generated Revenues	\$ 8,956,291	\$ 12,264,788	\$ 12,264,788	\$ -	0%
Total Means of Finance	\$ 8,956,291	\$ 12,264,788	\$ 12,154,698	\$ (110,090)	-1%
Expenditures & Request:					
Personnel Services	\$ 3,168,401	\$ 3,379,166	\$ 3,480,804	\$ 101,638	3%
Operating Expenses	694,872	911,463	872,643	(38,820)	-4%
Professional Services	570,170	608,900	437,849	(171,051)	-28%
Other Charges					
Acquisitions & Major Repairs	68,836	65,259	63,402	(1,857)	-3%
Investment Management Fees	4,454,011	7,300,000	7,300,000	-	0%
Total Expenditures & Request:	\$ 8,956,291	\$ 12,264,788	\$ 12,154,698	\$ (110,090)	-1%
Authorized Full-Time Equivalents:					
Classified	36	35	32	(3)	-9%
<u>Unclassified</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>0%</u>
Total FTEs	40	39	36	(3)	-8%

Major Changes from Existing Operating Budget: LSERS

\$ 12,264,788	FY 13-14 Existing Operating Budget
15,730	FY 14-15 Classified State Employee Performance Adjustments
64,287	FY 14-15 Unclassified State Employee Performance Adjustment
25,679	Salary and Compensation (CPG, On-call Pay, Compression Pay, etc)
5,904	LSERS Employer Contribution Rate Adjustment
6,114	LASERS Employer Contribution Rate Adjustment
-	TRSL Employer Contribution Rate Adjustment
729	FICA, Medicare Tax, and Unemployment Ins.
(16,805)	Group Insurance Adjustment
206	Travel
(39,026)	Operating Services
(171,051)	Professional Services
(1,857)	Acquisitions/Major Repair
-	Investment Expenses
\$ (110,090)	Total Proposed Adjustments
\$ 12,154,698	FY 14-15 Proposed Operating Budget

Table of Organization: LSERS
(all are classified positions unless otherwise noted)

<u>Number</u>	<u>Occupational Group</u>	<u>Budgeted Salary</u>	<u>Average Salary</u>
2	Unclassified - Executive Administrative	\$ 248,616	\$ 124,308
1	Unclassified - Legal Counsel	\$ 86,528	\$ 86,528
1	Unclassified - Chief Investment Officer	\$ 73,852	\$ 73,852
1	Executive Management Officer	\$ 76,336	\$ 76,336
6	Accounting and Auditing	\$ 301,573	\$ 50,262
1	Investment Officer	\$ 57,464	\$ 57,464
9	Retirement Benefits	\$ 523,327	\$ 58,147
5	General Administrative	\$ 228,324	\$ 45,665
1	Human Resources	\$ 63,494	\$ 63,494
7	Information Technology	\$ 495,951	\$ 70,850
2	Buildings/Maintenance	\$ 92,269	\$ 46,134
36	Total Positions	\$2,247,732	\$ 62,437

Professional Services: LSERS

Accounting & Auditing

\$ 36,100 Audit LSERS' records and financial statements

Medical

\$ 15,142 Examinations, evaluation, re-exams of disabled retirees

Legal

\$ 122,093 Litigation and tax-related matters

Other Professional Services

\$ 75,000 Hall Associates - Fees for annual actuarial valuation
7,500 LSERS Board of Trustee elections
100,000 Information Technology Consulting/Automation
25,000 Consultant for Videos on Web
20,000 Consultant for Board Room technology upgrade
25,000 Miscellaneous Consulting
4,800 Newsletter Publishing
1,000 Architecture Consultant/Building Appraisal
6,214 Investigations on benefits made after death

\$ 437,849 Total Professional Services

Acquisitions & Major Repairs: LSERS

Acquisitions

\$	6,800	Office Furniture & Equipment Replacement as needed
	20,000	Emergency Computer Equipment Replacement and Education Room computers
	16,602	Education Room - Technological requirements

Major Repair

	20,000	Renovation of restrooms
\$	63,402	Total Acquisitions and Major Repairs

Investment Management Fees: LSERS

\$	205,000	Custodian Bank - BNY Mellon
	195,000	Investment Consultant
	5,010,780	Equity Managers
	1,363,440	Fixed Income Managers
	525,780	Alternative Managers
\$	7,300,000	Total Investment Management Fees

Performance Information: LSERS

	<u>Actual at</u> <u>6/30/2011</u>	<u>Actual at</u> <u>6/30/2012</u>	<u>Actual at</u> <u>6/30/2013</u>	<u>Projected at</u> <u>6/30/2014</u>
Membership Census				
1) Retirees	12,717	12,930	13,369	n/av
2) Actives	12,854	12,416	12,184	n/av
3) DROP	619	612	559	n/av
4) Terminated Vested	351	339	355	n/av
Annual Benefits	\$ 128,989,260	\$ 134,573,580	\$ 142,752,516	n/av
Asset Valuation	\$ 1,349,829,757	\$ 1,403,463,883	\$ 1,492,914,745	n/av
Experience Account	\$ -	\$ 11,641,275	\$ 31,668,697	n/av
Investment Yield				
Market Value	23.28%	2.27%	13.73%	n/av
Actuarial Value	4.35%	9.07%	12.04%	n/av
Unfunded Accrued Liability*	\$ 904,521,699	\$ 875,008,244	\$ 911,099,504	n/av
Funded Ratio	59.9%	61.6%	62.10%	n/av
Employee Contribution Rate **	7.5% / 8%	7.5% / 8%	7.5% / 8%	7.5% / 8%
Employer Contribution Rate***				
UAL	19.1%	21.7%	23.3%	23.9%
<u>Normal Cost</u>	<u>9.5%</u>	<u>9.1%</u>	<u>9.0%</u>	<u>9.1%</u>
Total	28.6%	30.8%	32.3%	33.0%

n/av = not yet available

** UAL cannot be accurately predicted into future periods.*

*** New members on/after 7/1/2010 contribute 8%*

**** Employer Contribution Rate set by Public Employees' Retirement Systems Actuarial*