



**ALAMEDA COUNTY EMPLOYEES'
RETIREMENT ASSOCIATION**

**2024
APPROVED
EXPENSE
BUDGET**

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Section I

Letter from the CEO to the Board of Retirement

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Section I

Letter from the CEO to the Board of Retirement

Members of the Board of Retirement,

I'm pleased to introduce the 2024 budget, a reflection of ACERA's ongoing mission to provide our members with prudent financial management and exceptional service. This budget underscores our commitment to transparency, accountability, and technological advancement, aligning with our strategic objectives to bolster funded status, navigate transitions, optimize operations, and amplify member services. After the challenges of the investment landscape in 2022 and three pandemic-tinged years, we're continuing our steadfast course through innovation and growth. With the Board's collaboration, we embark on a year poised for success and the fulfillment of our shared vision.

Amidst the pandemic's challenges, ACERA adjusted operations by transitioning to remote work with the March 2020 office closure, offering virtual member services through 2022. ACERA resumed five-day office operations in March 2023, offering a hybrid work approach for staff. ACERA adopted a hybrid format for Board and Committee meetings, providing virtual attendance options for the public. Amid these changes, ACERA sustained its unwavering commitment to seamless retirements and timely pension payments.

KEY 2023 ACCOMPLISHMENTS

Pension Administration System (PAS) Replacement

Utilizing considerable resources from all departments across the organization, ACERA continued its project to replace its pension administration system, Pension Gold Version 2, with Pension Gold Version 3 by mid-2024.

- Completed benefit calculation automation
- Developed final average salary detail capability
- Conducted V3 training project to prepare staff for mid-2024 go-live
- Developed first case manager in OnBase using integration with PGV2-V3 data to track benefit estimate and service audit activity
- Completed scenario planning with benefit calculation workflows in V3
- Completed internal validation of requirements for deliverable 4 benefit set up and payroll

Benefits Initiatives

- Completed redesign of the Web Member Services Benefit Estimate, which now includes a salary table to help members understand their salary projections
- Extended ACERA's existing contract with Willis Towers Watson (Via Benefits) to provide individual medical plans coverage and services until December 31, 2024, and began negotiating a new contract
- Increased the Monthly Medical Allowance (MMA) for the 2024 plan year by 3.125%
- Increased the budget for the Pension Administration System (PAS) Project by \$218,625 for training material development by Segal
- Increased the Delta Dental PPO plan annual benefit maximum from \$1,300 to \$1,900 for the 2024 plan year
- Developed a plan for new and ongoing member communications optimization

- Conducted a wellness email campaign to 7,700 retirees utilizing insurance carrier content
- Continued launching member forms in DocuSign

Administration Initiatives

- Developed a five-year strategic plan with 4 strategic goals: 1) Financial Position; 2) People Transition; 3) Technology and Operational Optimization; and 4) Cost-Effective Service Improvement.
- Completed transition of commercial banking service provider from Wells Fargo to JP Morgan Chase
- Adopted a policy allowing new members' certifications to ACERA to be made more efficiently through the employer's transmittal file in lieu of a sworn statement
- Received Certificate of Achievement for Excellence in Financial Reporting for 2021 Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR) from Government Financial Officers Association (GFOA)
- Received an unmodified opinion on the 2022 Annual Financial Statements from the external auditors

Investment Initiatives

- Completed the search for a second custom fund of hedge funds (FOHF) with the Board selecting Morgan Stanley for the mandate. With the conclusion of the search and onboarding of Morgan Stanley, the new structure of the Absolute Return Asset Class (80% FOHF/20% Other Alternatives/Opportunistic), which was approved in 2021, was fully implemented in 2022
- Conducted a year-long comprehensive search and evaluation process to select a suitable general investment consultant and approved the four finalists for its General Investment Consultant search
- Adopted investment plans for Real Assets and Private Equity asset classes
- Approved a new investment plan for ACERA's Real Estate asset class
- Approved a restructure of the International Equity asset class to 62% developed markets (of which 33% is passively managed and 29% actively managed), 28% emerging markets (all actively managed), and 10% international small cap (all actively managed)
- Approved the minimum qualifications and scoring matrix for the Emerging Markets Equity Manager search
- Year-to-date in 2023 (June 2022 to June 2023), ACERA expanded the Total Fund's investment in 8 privately placed funds worth \$312 million.

Portfolio Performance

- As of March 21, 2023, the total fund had returned -4.65% (net) year-to-date for 2023. The value of the total fund was \$10.6 billion.

BUSINESS INITIATIVES

In 2022, ACERA engaged stakeholders, staff, management, and the Board in strategic planning and developed a plan with four strategic goals.

- Goal 1: Improve funded status while maintaining an appropriate risk posture in the area of investments.
- Goal 2: Manage internal and external people transitions at all levels.
- Goal 3: Modernize technology and optimize processes and operations.
- Goal 4: Implement cost-effective member service improvements and expanded communications.

ACERA's leadership team developed a business plan to work toward meeting the strategic plan goals through key projects. Highlights of those 2023-2024 projects are:

For the Pension Administration System Replacement Project:

- Comprehensive Pension Administration System training as a foundational model of all organization training
- Completion of Pension Administration System upgrade to Pension Gold Version 3

Additional Projects Include:

- OnBase case management process improvement, disability optimization, and active death optimization
- Exploration of investment license services for private market and subscription
- Board packet meeting software review, analysis, and implementation
- Research of agency internet solution for internal document management, knowledge base, internal information storage, and retrieval
- Product analysis for Microsoft Dynamics GP upgrade or similar accounting software
- New member onboarding process optimization
- New and ongoing member communications optimization

BASELINE AND Approved 2024 OPERATING EXPENSE BUDGET (OEB)

The starting point for the 2024 OEB is a “baseline” that reflects the anticipated costs of carrying out the same level of services approved by the ACERA Board in the 2023 Budget. Staff was required to request and justify additional funds with a formal Budget Change Proposal (BCP) for any item affecting the 2024 baseline and approved 2024 budget. Additional staff positions or changes in salaries for 2024 were requested and justified using a Personnel Change Request (PCR) form. Approvals for changes did not take place without careful review of cost impacts and on-going organizational needs.

Reviews were conducted by the Chief Executive Officer, Assistant Chief Executive Officer-Operations, and Fiscal Services Officer before approvals were granted. With the addition of those items, the 2024 baseline budget and approved 2024 budget is \$22.4 million. This is \$0.95 million or 4.4% more than the 2023 approved budget of \$21.5 million.

The reasons for the budget differences will be explained below.

Approved 2024 BUDGET HIGHLIGHTS

This section highlights the approved adjustments to the 2024 approved budget from the 2023 approved budget. A complete review of the differences can be found in Section III.

Staffing

The primary changes in Staffing costs for 2024 are as follows:

We continued the assumption to fill and fund the remaining vacant positions filled by temporary staff in 2023; cost-of-living adjustments, step increases, and an average of 4% percent performance-driven merit increase for eligible/selected deep-class positions, but then applied an across the board decrease of 5% to reflect unanticipated staff vacancies throughout the year. The total 2024 increase for staffing from the 2023 approved budget is \$0.81 million, or a net increase of 5.0%.

Staff Development

The primary change in Staff Development costs is a 4.4% decrease compared to the 2023 budget. The decrease is due to budgeting closer to what we anticipate spending in 2023. In the 2024 Budget we removed regularly budgeted Staff Development costs and put them in the Contingency Fund in case there is a need for additional training during the year.

Professional Fees

The change in Professional Fees for 2024 is a decrease of \$0.2 million, or a net decrease of 12.3%. This decrease is due to the projects completed in 2023.

The senior managers and I look forward to presenting our approved 2024 operating expense budget to the committee and to the Board of Retirement.

Respectfully submitted,



Dave Nelsen
Chief Executive Officer

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Section II

Budget Policies and Process

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Section II

Budget Policies and Process

Budget Policies

ACERA's budget policy, practices, and guidelines are based on the County Employees Retirement Law of 1937 and the ACERA Board of Retirement's Charter.

Legal Requirements

The California Constitution and Statute Section 31580.2(a) of the 1937 Act specifies that the Board of Retirement "shall annually adopt a budget covering the entire expense of administration of the retirement system which expense shall be charged against the earning of the retirement fund..."

As applied to ACERA, § 31580.2(a) also imposes a cap on administrative expenses. Administrative expenses incorporate the limits of § 31580.2(a) (1) of the County Employees Act of 1937; whereby, administrative expenses are capped at "Twenty-one hundredths of one percent (0.21%) of accrued actuarial liabilities of the retirement system". Pursuant to the applicable code sections, certain costs are excluded from the expense cap. Excluded costs include those associated with Business Continuity Planning (BCP), the Supplemental Retiree Benefits Reserve (SRBR) used to pay Other Postretirement Benefits (OPEB and non-OPEB), technology, actuarial, legal related expenses, and investment-related expenses. Excludable expenses also include the pro rata portion of overhead expense attributable to excludable activities.

ACERA prepares the budget on an accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP), a methodology consistent with ACERA's audited financial statements.

Budget Amendments

Budget line item amounts may be amended, i.e., reallocated from one department to another or moved between categories at the discretion of the Chief Executive Officer, if such action does not increase the overall approved budget. Conversely, increases to the overall approved budget are only permitted with the approval of the Board of Retirement (the Board). There are two ways in which the budget can be increased: The first way is through committee action and board approval. And the second way is with a contingency budget that is accepted when the budget is put forth for approval during the annual budget cycle. A contingency budget is useful for current unknown expenses that arise from an event such as legislation, natural disasters, an action by the Board of Supervisors, or a release of new project; where the event may or will occur but the timing is in question.

Budget Process

ACERA's budget is developed with Adaptive Insights budget software. This budgeting software is a cloud-based program that enables department management and staff to access organizational expense forecasts from any location. It also enables users to view current year actuals, as well as expense forecasts; moreover, users can input and change expense forecast variables to easily prepare "what if" scenarios. These user-friendly features reduce, and in

some cases eliminates, time previously spent converting department provided information into the budget format and circulating the information for review and approval.

While the Fiscal Services Department Budget Team (budget team) is responsible for the preparation of the budget timeline, ACERA's Senior Leadership Team (SLT) is responsible for establishing business plan initiatives, in detail as to time and cost before the budget process begins, and is responsible for setting budget assumptions for the various expense categories.

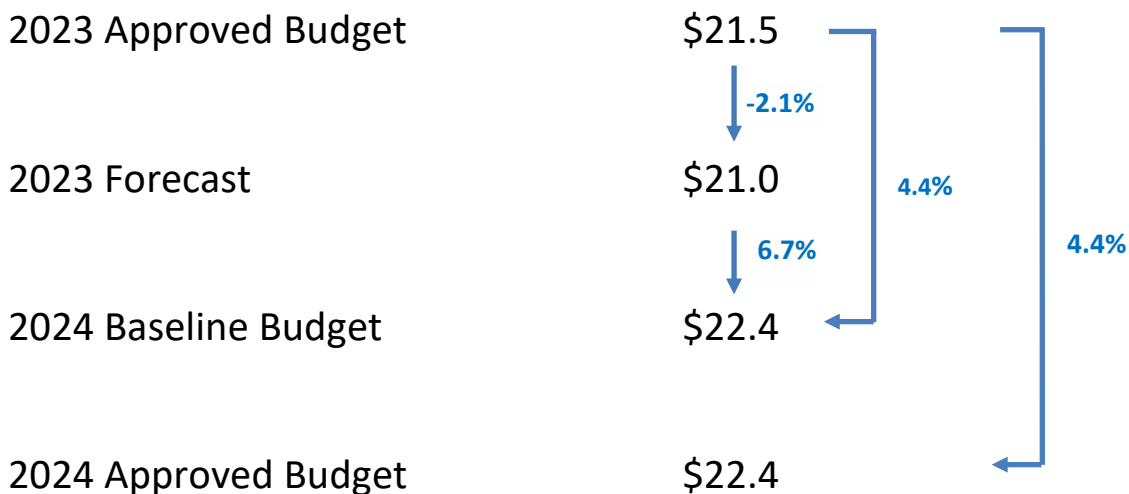
It is the responsibility of the budget team to develop the baseline budget once the forecast has been completed. Upon completion of the baseline, department staff and management begin entering information into the budget worksheets. When that step is completed, the budget team prepares the administrative budget based upon SLT prepared time allocations. Throughout the budget preparation process, the budget team now has the ability to monitor the budget progress by using the process tracker and workflows developed in Adaptive Insights. Nevertheless, the budget team continues to be available to meet with department staff and management to answer questions or to strategize the best way to present budget items or develop costs.

Once the approved budget and the administrative budget are complete, the budget team pulls the information from Adaptive through Office Connect software into InDesign (the budget publishing software). The budget team is responsible for preparing the variance analyses, updating changes to the budget, and for reviewing the budget document for submission to the Board of Retirement.

The Chief Executive Officer present the approved budget to committee and at a future date to the Board. If committee members request changes to the budget, those changes are made and re-presented at the discretion of the committee. The Board's feedback is incorporated into the budget for final approval.



2024 Budget Process¹



1. The starting point for the 2024 approved expenses budget was to develop a “baseline” budget that reflected the anticipated costs of maintaining the same level of services approved by ACERA’s Board of Retirement in the 2023 budget. To that end, the 2024 baseline budget is \$22.4 million, an increase of 4.4% from the approved 2023 budget.
2. Key to developing the 2024 approved budget was more accurately estimating the forecast by including only incremental expenditures needed to achieve business objectives. But more importantly, it was setting assumptions that guided and prioritized expenditures, yet achieved the following objectives: a) allowed the necessary vacant staff positions to be filled; b) funded projects that directly support strategic goals and business plan initiatives; and, c) funded new programs or projects mandated by state legislation, the Board of Retirement, or management. Following the agreed criteria resulted in a 2024 Approved Budget of \$22.4 million which is \$950K or 4.4% increase from the approved 2023 budget.

¹ Rounding to tenths of millions may impact percentages. Percentages in this document are based on rounding to nearest dollar, as is done in the budget document.

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Section III

Operating Expense Budget

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Section III

Operating Expense Budget

The purpose of the annual Operating Expense Budget (OEB) is to forecast and document the necessary resources required to meet ACERA's operating expenses. The OEB provides detailed estimates of anticipated annual expenditures for staffing, staff development, professional fees, office expenses, insurance, member services, systems, board of retirement expenses, uncollectible benefit payments, and capital costs and is contingent on approval by ACERA's Board of Retirement. The OEB does not include estimated expenditures for payment of portfolio management investment expenses reported in Section VIII or payment of member benefits such as Pension and Other Post-Employment Benefits (OPEB). Lastly, the OEB functions as a tool for decision making and is a means to monitor business performance.

The annual Approved OEB is derived from a baseline budgeting methodology; whereby, current spending levels are rolled into a "baseline". The overarching assumption of baseline budgeting is that it uses current spending levels as the baseline for establishing future funding requirements. Further, it assumes the future budget will equal the current budget—plus established growth, inflation, increase adjustments, and new expenditures.

The following is a review of the 2024 budget assumptions for each major expense category and the corresponding results:

Staffing and Salary Assumptions

- Merit increase average of 4% per department, for eligible/selected deep class employees;
- Cost of living adjustment and associated fringe benefit increase of 5%;
- 5% adjustment for unexpected vacancies;
- Filling all current vacancies with:
 - Hire deep-class employees at 80% of the top range; and,
 - Hire step-class employees at an average Step 3.

Result: Staffing expenses realized a 5.0% net increase compared to the 2023 budget; and a 7.2% net increase compared to the 2023 forecast.

Staff Development Assumptions

- Training, conferences and certifications would experience a (4.6%) decrease over the 2023 budget;
- Professional dues and subscriptions would experience a (3.5%) decrease over the 2023 budget.

Result: Staff development realized a (4.4%) net decrease compared to the 2023 budget; and a 0.6% net increase compared to the 2023 forecast.

Professional Fees Assumptions

- Actuarial Fees—Actuarial valuations, SRBR valuations, GASB 67/68 and GASB 74/75, and reporting requirement for ASOP #51 were fixed to service agreement contracts, and other actuarial consulting services were estimated at contracted hourly rate;
- Auditor Fees—Annual audit, GASB 67/68 and GASB 74/75 schedules were fixed to service agreement contracts, other auditing services were estimated at contracted hourly rate;

- Other Consultant Fees—Consultant services (i.e., Benefits, Fiscal Services Legal, and Human Resources) were calculated using the actual contract price or estimated cost.

Result: Professional fees realized a (12.3%) net decrease compared to the 2023 budget; and a (6.2%) net decrease compared to the 2023 forecast.

Office Expenses Assumptions

- Banking expenses would experience a (17.7%) decrease over the 2023 budget;
- Miscellaneous Administrative expenses would experience a (14.3%) decrease over the 2023 budget;
- Building Operation expenses would experience a (53.7%) decrease over the 2023 budget;
- Communication expenses would experience a 39.3% increase over the 2023 budget;
- Equipment Lease and Maintenance expenses would experience a 23.2% increase over the 2023 budget;
- Printing and Postage expenses would experience a 9.5% increase over the 2023 budget.

Result: Office expenses realized a (0.2%) net decrease compared to the 2023 budget; and an 11.7% net increase compared to the 2023 forecast.

Insurance Assumption

- The commercial insurance expense would experience a 4.4% increase over the 2023 budget;
- The County risk management and worker's compensation insurance expense would experience a 16.0% increase over the 2023 budget.

Result: Insurance expenses (in aggregate) realized a 10.0% net increase compared to the 2023 budget; and a 7.6% net increase compared to the 2023 forecast.

Member Services Assumptions

- Disability Arbitration and Transcript expenses would experience a 77.8% increase over the 2023 budget;
- Disability Medical expenses would experience a (6.7%) decrease over the 2023 budget;
- Health Reimbursement Accounts (HRA) expense would experience a 7.7% increase over the 2023 budget;
- Member Training & Education expense would experience a 45.5% increase over the 2023 budget;
- Printing and Postage expense would experience a 53.8% increase over the 2023 budget.

Result: Member Services expenses realized a 16.5% net increase compared to the 2023 budget; and a 17.4% net increase compared to the 2023 forecast.

Systems Assumptions

- Business Continuity expense would experience a (2.4%) decrease over the 2023 budget;
- County Data Processing expense would experience a 7.8% increase over the 2023 budget;
- Minor Computer Hardware expenses would experience no increase over the 2023 budget;
- Software License and Maintenance expenses would experience a 7.6% increase over the 2023 budget.

Result: Systems expenses realized a 5.3% net increase compared to the 2023 budget; and a 4.0% increase compared to the 2023 forecast.

Board of Retirement Assumptions

- Training and conferences expenses increase as outlined in the Board's policy;
- Voluntary Employer Reimbursement increase as outlined in the Board's policy;
- Trustee stipend is \$100 per meeting based on committee work plans.

Result: Board of Retirement expenses realized a 15.1% net increase compared to the 2023 budget; and a 11.9% increase compared to the 2023 forecast.

Uncollectible Benefit Payments Assumption

- Uncollectible Benefit Payment expenses were based on the write-off accounts receivable balance.

Result: Uncollectible Benefit Payments expenses realized a 47.2% increase compared to the 2023 budget; and a 50.0% increase compared to the 2023 forecast.

Depreciation Assumption

- Depreciation expenses were based on the current capitalized assets.

Result: Depreciation expense realized a (6.7%) net decrease compared to the 2023 budget; and a (6.7%) decrease compared to the 2023 forecast.

Approved 2024 BUDGET SUMMARY AND COMPARISON

Staff recommends a approved 2024 budget of \$22.4 million which is:

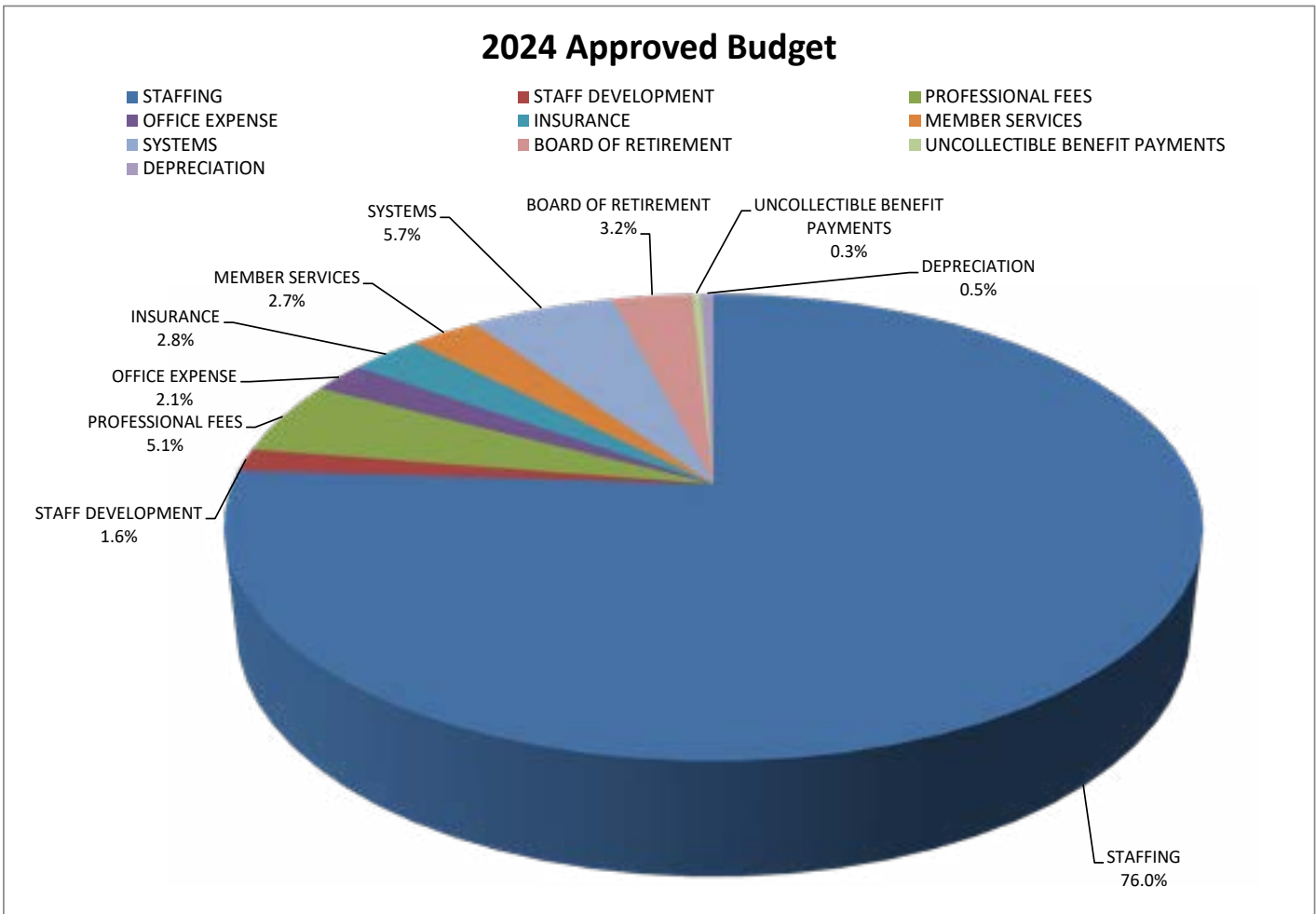
- \$0.95 million or 4.4% greater than the approved 2023 budget of \$21.5 million;
- No increase over the 2024 baseline budget of \$22.4 million; and,
- \$1.41 million or 6.7% greater than the 2023 forecast of \$21.0 million.

The 2024 administrative budget of \$13.4 million is \$13.3 million under the administrative cap of \$26.7 million. A year-over-year comparison reveals that the 2024 administrative budget is \$0.6 million higher than the 2023 administrative budget of \$12.8 million. Approximately \$9.0 million was excluded for the annual operating expense budget of \$22.4 million (see Section VI for administrative budget and allocation schedules).

2024 Approved Operating Expense Budget (\$ in thousands)

	2023 Forecast	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change	Category % of Total Operating Expenses
Staffing	\$ 15,881	\$ 17,032	\$ 1,151	7.2%	76.0%
Staff Development	349	351	2	0.6%	1.6%
Professional Fees	1,216	1,141	(75)	-6.2%	5.1%
Office Expense	419	468	49	11.7%	2.1%
Insurance	592	637	45	7.6%	2.8%
Member Services	518	608	90	17.4%	2.7%
Systems	1,238	1,288	50	4.0%	5.7%
Board Of Retirement	632	707	75	11.9%	3.2%
Uncollectible Benefit Payments	52	78	26	50.0%	0.3%
Depreciation	120	112	(8)	-6.7%	0.5%
OPERATING EXPENSES Total	\$ 21,017	\$ 22,422	\$ 1,405	6.7%	100.0%

2024 Approved Budget



Operating Expense Budget ¹	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING (p#23)						
Salaries	\$ 11,017,000	\$ 10,637,000	\$ (380,000)	\$ 11,727,000	\$ 1,090,000	10.2%
Fringe Benefits	5,910,000	5,585,000	(325,000)	5,987,000	402,000	7.2%
Temporary Staff	150,000	512,000	362,000	200,000	(312,000)	-60.9%
5% Adjustment for unexpected vacancies	(853,000)	(853,000)	-	(882,000)	(29,000)	3.4%
Staffing Total	16,224,000	15,881,000	(343,000)	17,032,000	1,151,000	7.2%
STAFF DEVELOPMENT (p#24)						
	367,000	349,000	(18,000)	351,000	2,000	0.6%
PROFESSIONAL FEES (p#28)						
Actuarial Fees	653,000	563,000	(90,000)	490,000	(73,000)	-13.0%
Audit Fees	144,000	144,000	-	145,000	1,000	0.7%
Consultant Fees	354,000	360,000	6,000	356,000	(4,000)	-1.1%
Legal Fees	150,000	149,000	(1,000)	150,000	1,000	0.7%
Professional Fees Total	1,301,000	1,216,000	(85,000)	1,141,000	(75,000)	-6.2%
OFFICE EXPENSE (p#30)						
Bank Charges	96,000	83,000	(13,000)	79,000	(4,000)	-4.8%
Misc. Administrative Expenses	7,000	5,000	(2,000)	6,000	1,000	20.0%
Building Expenses	82,000	29,000	(53,000)	38,000	9,000	31.0%
Communications	84,000	112,000	28,000	117,000	5,000	4.5%
Equipment Lease & Maint.	112,000	111,000	(1,000)	138,000	27,000	24.3%
Minor Furniture & Equip.	13,000	13,000	-	13,000	-	0.0%
Office Supplies & Maint.	54,000	48,000	(6,000)	54,000	6,000	12.5%
Printing & Postage	21,000	18,000	(3,000)	23,000	5,000	27.8%
Office Expense Total	469,000	419,000	(50,000)	468,000	49,000	11.7%
INSURANCE (p#31)						
	579,000	592,000	13,000	637,000	45,000	7.6%
MEMBER SERVICES (p#32)						
Benefit Verification	6,000	6,000	-	6,000	-	0.0%
Disability - Arbitration & Transcripts	45,000	42,000	(3,000)	80,000	38,000	90.5%
Disability - Medical Expense	193,000	172,000	(21,000)	180,000	8,000	4.7%
Disability Claims Management	46,000	46,000	-	47,000	1,000	2.2%
Health Reimbursement Account	65,000	67,000	2,000	70,000	3,000	4.5%
Member Training & Education	11,000	11,000	-	16,000	5,000	45.5%
Printing & Postage - Members	93,000	109,000	16,000	143,000	34,000	31.2%
Virtual Call Center	63,000	65,000	2,000	66,000	1,000	1.5%
Member Services Total	522,000	518,000	(4,000)	608,000	90,000	17.4%
SYSTEMS (p#33)						
Business Continuity Expenses	254,000	254,000	-	248,000	(6,000)	-2.4%
County Data Processing	129,000	131,000	2,000	139,000	8,000	6.1%
Minor Computer Hardware	42,000	54,000	12,000	42,000	(12,000)	-22.2%
Software License & Maintenance	798,000	799,000	1,000	859,000	60,000	7.5%
Systems Total	1,223,000	1,238,000	15,000	1,288,000	50,000	4.0%
BOARD OF RETIREMENT (p#34)						
	614,000	632,000	18,000	707,000	75,000	11.9%
UNCOLLECTIBLE BENEFITS						
PAYMENTS (p#36)						
	53,000	52,000	(1,000)	78,000	26,000	50.0%
Total Operating Expenses Before Depreciation	21,352,000	20,897,000	(455,000)	22,310,000	1,413,000	6.8%
DEPRECIATION (p#35)						
	120,000	120,000	-	112,000	(8,000)	-6.7%
TOTAL OPERATING EXPENSE	21,472,000	21,017,000	(455,000)	22,422,000	1,405,000	6.7%
TOTAL PORTFOLIO MANAGEMENT INVESTMENT EXPENSE						
	55,109,000	53,498,000	(1,611,000)	57,875,000	4,377,000	8.2%
TOTAL OPERATING AND PORTFOLIO MANAGEMENT INVESTMENT EXPENSES	\$ 76,581,000	\$ 74,515,000	\$ (2,066,000)	\$ 80,297,000	\$ 5,782,000	7.8%
¹ Budget schedules amounts are rounded to the nearest thousand.						
CONTINGENCY FUND (p#85)						
	\$ 50,000	\$ -	\$ (50,000)	\$ 114,000	\$ 114,000	100.0%

Section III: Operating Expense Budget

(TOC, p# III)

Operating Expense Budget 2024 Baseline vs. 2024 Increments (\$ in thousands)			2024	2024			2024 Approved Budget			
	2023	2024	Baseline	Forecast	Baseline	Forecast	2024	2024	(Baseline +	%
	Forecast	Baseline	(Under)	vs. 2023	vs. 2023	Forecast	Approved	Approved	Forecast	Change
				Over/	% Of	Over/	Increments	Budget	Over/	
				(Under)	Change	(Under)		(Baseline +	(Under)	
								Increments)		
								vs. 2023		
								Forecast Over/		
								(Under)		
STAFFING										
Salaries	\$ 10,637	\$ 11,692	\$ 1,055	9.9%	\$ 35	\$ 11,727	\$ 1,090	10.2%		
Fringe Benefits	5,585	6,135	550	9.8%	(148)	5,987	402	7.2%		
Temporary Staff	512	200	(312)	-60.9%	-	200	(312)	-60.9%		
5% Adjustment for unexpected vacancies	(853)	(897)	(44)	0.0%	15	(882)	(29)	3.4%		
Staffing Total	15,881	17,130	1,249	7.9%	(98)	17,032	1,151	7.2%		
STAFF DEVELOPMENT	349	393	44	12.6%	(42)	351	2	0.6%		
PROFESSIONAL FEES										
Actuarial Fees	563	490	(73)	-13.0%	-	490	(73)	-13.0%		
Audit Fees	144	145	1	0.7%	-	145	1	0.7%		
Consultant Fees	360	336	(24)	-6.7%	20	356	(4)	-1.1%		
Legal Fees	149	150	1	0.7%	-	150	1	0.7%		
Professional Fees Total	1,216	1,121	(95)	-7.8%	20	1,141	(75)	-6.2%		
OFFICE EXPENSE										
Bank Charges	83	72	(11)	-13.3%	7	79	(4)	-4.8%		
Miscellaneous Administrative Expenses	5	6	1	20.0%	-	6	1	20.0%		
Building Expenses	29	38	9	31.0%	-	38	9	31.0%		
Communications	112	117	5	4.5%	-	117	5	4.5%		
Equipment Lease & Maint.	111	138	27	24.3%	-	138	27	24.3%		
Minor Furniture & Equipment	13	13	-	0.0%	-	13	-	0.0%		
Office Supplies & Maint.	48	54	6	12.5%	-	54	6	12.5%		
Printing & Postage	18	23	5	27.8%	-	23	5	27.8%		
Office Expense Total	419	461	42	10.0%	7	468	49	11.7%		
INSURANCE	592	636	44	7.4%	1	637	45	7.6%		
MEMBER SERVICES										
Benefit Verification	6	6	-	0.0%	-	6	-	0.0%		
Disability Arbitr. & Transcripts	42	80	38	90.5%	-	80	38	90.5%		
Disability - Medical Expense	172	180	8	4.7%	-	180	8	4.7%		
Disability - Managed Medical Review Organization (MMRO)	46	47	1	2.2%	-	47	1	2.2%		
Health Reimb. Account (HRA)	67	70	3	4.5%	-	70	3	4.5%		
Member Training & Education	11	16	5	45.5%	-	16	5	45.5%		
Printing & Postage - Members	109	143	34	31.2%	-	143	34	31.2%		
Virtual Call Center	65	66	1	1.5%	-	66	1	1.5%		
Member Services Total	518	608	90	17.4%	-	608	90	17.4%		
SYSTEMS										
Business Continuity Expenses	254	247	(7)	-2.8%	1	248	(6)	-2.4%		
County Data Processing	131	139	8	6.1%	-	139	8	6.1%		
Minor Computer Hardware	54	42	(12)	-22.2%	-	42	(12)	-22.2%		
Software License & Maint.	799	809	10	1.3%	50	859	60	7.5%		
Systems Total	1,238	1,237	(1)	-0.1%	51	1,288	50	4.0%		
BOARD OF RETIREMENT	632	661	29	4.6%	46	707	75	11.9%		
UNCOLLECTIBLE BENEFIT PAYMENTS	52	68	16	30.8%	10	78	26	50.0%		
Total Operating Expenses Before Depreciation	20,897	22,315	1,418	6.8%	(5)	22,310	1,413	6.8%		
DEPRECIATION	120	111	(9)	-7.5%	1	112	(8)	-6.7%		
TOTAL OPERATING EXPENSE	21,017	22,426	1,409	6.7%	(4)	22,422	1,405	6.7%		
TOTAL PORTFOLIO MANAGEMENT INVESTMENT EXPENSE	53,498	57,835	4,337	8.1%	40	57,875	4,377	8.2%		
TOTAL OPERATING AND PORTFOLIO MANAGEMENT INVESTMENT EXPENSES	\$ 74,515	\$ 80,261	\$ 5,746	7.7%	\$ 36	\$ 80,297	\$ 5,782	7.8%		

STAFFING (p#21)

Staffing expense includes salaries, fringe benefits, and temporary services¹.

Headcount by Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)
Administration	6	6	-	6	-
Benefits	42	42	-	42	-
Fiscal Services	12	12	-	12	-
Human Resources	3	3	-	3	-
Internal Audit	3	3	-	3	-
Investments	9	9	-	9	-
Legal	4	4	-	4	-
PRISM	8	8	-	8	-
HEADCOUNT TOTAL	87	87	-	87	-

¹ Headcount does not include temporary Retirement Technician to cover fluctuations in headcount.

Staffing	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Administration	\$ 918,000	\$ 928,000	\$ 10,000	\$ 980,000	\$ 52,000	5.6%
Benefits	4,415,000	4,239,000	(176,000)	4,783,000	544,000	12.8%
Fiscal Services	1,359,000	1,299,000	(60,000)	1,460,000	161,000	12.4%
Human Resources	425,000	425,000	-	446,000	21,000	4.9%
Internal Audit	483,000	483,000	-	507,000	24,000	5.0%
Investments	1,418,000	1,378,000	(40,000)	1,501,000	123,000	8.9%
Legal	731,000	714,000	(17,000)	750,000	36,000	5.0%
PRISM	1,198,000	1,091,000	(107,000)	1,220,000	129,000	11.8%
Total Salaries	10,947,000	10,557,000	(390,000)	11,647,000	1,090,000	10.3%
Cafeteria Benefit Allowance	246,000	254,000	8,000	246,000	(8,000)	-3.1%
Health and Dental	1,921,000	1,764,000	(157,000)	1,812,000	48,000	2.7%
Retirement Contributions	2,741,000	2,544,000	(197,000)	2,908,000	364,000	14.3%
Medicare and SDI	244,000	222,000	(22,000)	245,000	23,000	10.4%
Social Security	695,000	708,000	13,000	707,000	(1,000)	-0.1%
Other Benefits (Life Insurance, Def. Comp. and Auto Allowance)	63,000	93,000	30,000	69,000	(24,000)	-25.8%
Total Fringe Benefits	5,910,000	5,585,000	(325,000)	5,987,000	402,000	7.2%
Overtime	70,000	80,000	10,000	80,000	-	0.0%
Temporary Staffing	150,000	512,000	362,000	200,000	(312,000)	-60.9%
5% Adjustment for unexpected vacancies	(853,000)	(853,000)	-	(882,000)	(29,000)	3.4%
STAFFING EXPENSES Total	\$ 16,224,000	\$ 15,881,000	\$ (343,000)	\$ 17,032,000	\$ 1,151,000	7.2%

Staffing - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
• Increase in salaries due to filled vacant positions, COLA, merit and step increases, and vacation sellbacks	\$ 1,090,000
• Adjustment for 2024 unexpected vacancies	(29,000)
• Increase in 2024 fringe benefits	402,000
• Decrease in 2024 temporary staff	(312,000)
Total Over/(Under)	\$ 1,151,000

Staffing - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
• Net savings from unfilled and vacant positions	\$ (390,000)
• Decrease in fringe benefits	(325,000)
• Increase in overtime expense	10,000
• Increase in 2023 temporary staff due to staff vacancies	362,000
Total Over/(Under)	\$ (343,000)

STAFF DEVELOPMENT [\(p#21\)](#)

Staff Development includes education, training, professional dues, recruitment, and subscription expenses.

Staff Development	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
CONFERENCES/TRAININGS						
Adaptive	\$ 4,000	\$ 2,000	\$ (2,000)	\$ 3,000	\$ 1,000	50.0%
CALAPRS (Roundtable, Mgmt. Academy, General Assembly)	56,000	44,000	(12,000)	49,000	5,000	11.4%
CALPERLA	5,000	5,000	-	5,000	-	0.0%
Cyber-Security	3,000	2,000	(1,000)	5,000	3,000	150.0%
GFOA	12,000	10,000	(2,000)	14,000	4,000	40.0%
IFEBP	20,000	19,000	(1,000)	22,000	3,000	15.8%
ILPA	6,000	5,000	(1,000)	6,000	1,000	20.0%
MILKEN	10,000	-	(10,000)	-	-	0.0%
PG User and Onbase Conference	27,000	30,000	3,000	22,000	(8,000)	-26.7%
SACRS	32,000	31,000	(1,000)	36,000	5,000	16.1%
Technology Related Trainings	6,000	4,000	(2,000)	2,000	(2,000)	-50.0%
Miscellaneous	101,000	113,000	12,000	105,000	(8,000)	-7.1%
Sub-Total	282,000	265,000	(17,000)	269,000	4,000	1.5%
PROFESSIONAL DUES & SUBSCRIPTIONS	85,000	80,000	(5,000)	82,000	2,000	2.5%
RECRUITMENT EXPENSES	-	4,000	4,000	-	(4,000)	-100.0%
STAFF DEVELOPMENT EXPENSES TOTAL	\$ 367,000	\$ 349,000	\$ (18,000)	\$ 351,000	\$ 2,000	0.6%

**Staff Development - Variance Narrative
 2024 Approved Budget vs. 2023 Forecast**

	Variance Over/(Under)
CONFERENCE/TRAINING	
• Increase in conferences and trainings	\$ 4,000
Sub-total	4,000
PROFESSIONAL FEES & SUBSCRIPTIONS	
• Increase in professional dues and subscriptions	2,000
Sub-total	2,000
RECRUITMENT	
• Decrease in recruitment expense attributed to vacancies	(4,000)
Sub-total	(4,000)
Total Over/(Under) \$	2,000

**Staff Development - Variance Narrative
 2023 Forecast vs. 2023 Budget**

	Variance Over/(Under)
CONFERENCE/TRAINING	
• Decrease in the attendance of conferences and trainings	\$ (17,000)
Sub-total	(17,000)
PROFESSIONAL FEES & SUBSCRIPTIONS	
• Decrease in professional dues and subscriptions	(5,000)
Sub-total	(5,000)
RECRUITMENT	
• Increase in recruitment expense attributed to vacancies	4,000
Sub-total	4,000
Total Over/(Under) \$	(18,000)

2024 Approved Budget: Breakdowns for Miscellaneous Trainings/Conferences						
	Administration	Benefits	Fiscal Services	Human Resources	Internal Audit	
American Institute of Certified Public Accountants (AICPA)	\$ -	\$ -	\$ -	\$ -	\$ -	2,500
Association of Certified Fraud Examiners (ACFE)	-	-	-	-	-	1,000
Association OF Public Pension Fund Auditors (APPFA)	-	-	-	-	-	3,000
Computer Training/County	-	5,000	2,000	-	-	-
CSDA Conference	3,000	-	-	-	-	-
Disaster Recovery Journal Conference (DRJ)	-	-	-	-	-	-
IDEA Training	-	-	-	-	-	5,000
Institutional Investors	-	-	-	-	-	-
Investment Related	-	-	-	-	-	-
LMS (Alameda County HRS)	-	-	-	1,000	-	-
NAPPA	-	-	-	-	-	-
NCPERS Conference	-	5,000	-	-	-	-
NASRA Winter & Annual Conference	5,000	-	-	-	-	-
Project Management	-	-	-	-	-	-
Miscellaneous Trainings/Conferences	5,000	22,000	5,000	6,000	-	6,500
Total Other Trainings/Conferences	13,000	32,000	7,000	7,000	-	18,000
Adaptive	-	-	3,000	-	-	-
CALAPRS (Roundtable, Mgmt. Academy, General Assembly)	8,000	34,000	2,000	-	-	-
CALPERLA	-	-	-	5,000	-	-
Cybersecurity	-	-	-	-	-	-
GFOA	-	-	12,000	-	-	2,000
IFEBP	5,000	17,000	-	-	-	-
ILPA	-	-	-	-	-	-
PG User and Onbase Conference	-	13,000	-	-	-	-
SACRS	9,000	12,000	2,000	2,000	-	3,000
Technology Related Trainings	-	-	-	-	-	-
Other Trainings/Conferences (from above)	13,000	32,000	7,000	7,000	-	18,000
Total Trainings/Conferences	35,000	108,000	26,000	14,000	-	23,000
Professional Dues & Subscriptions	29,000	3,000	3,000	2,000	-	5,000
TOTAL	\$ 64,000	\$ 111,000	\$ 29,000	\$ 16,000	\$ -	\$ 28,000

2024 Approved Budget: Breakdowns for Miscellaneous Trainings/Conferences

	Investments	Legal	PRISM	Total
American Institute of Certified Public Accountants (AICPA)	\$ -	\$ -	\$ -	2,500
Association of Certified Fraud Examiners (ACFE)	-	-	-	1,000
Association OF Public Pension Fund Auditors (APPFA)	-	-	-	3,000
Computer Training/County	-	-	-	7,000
CSDA Conference	-	-	-	3,000
Disaster Recovery Journal Conference (DRJ)	-	-	2,000	2,000
IDEA Training	-	-	-	5,000
Institutional Investors	3,000	-	-	3,000
Investment Related	-	3,000	-	3,000
LMS (Alameda County HRS)	-	-	-	1,000
NAPPA	-	4,000	-	4,000
NCPERS Conference	-	-	-	5,000
NASRA Winter & Annual Conference	-	-	-	5,000
Project Management	-	-	1,000	1,000
Miscellaneous Trainings/Conferences	4,000	8,000	3,000	59,500
Total Other Trainings/Conferences	7,000	15,000	6,000	105,000
Adaptive	-	-	-	3,000
CALAPRS (Roundtable, Mgmt. Academy, General Assembly)	2,000	2,000	1,000	49,000
CALPERLA	-	-	-	5,000
Cybersecurity	-	-	5,000	5,000
GFOA	-	-	-	14,000
IFEBP	-	-	-	22,000
ILPA	3,000	3,000	-	6,000
PG User and Onbase Conference	-	-	9,000	22,000
SACRS	2,000	4,000	2,000	36,000
Technology Related Trainings	-	-	2,000	2,000
Other Trainings/Conferences (from above)	7,000	15,000	6,000	105,000
Total Trainings/Conferences	14,000	24,000	25,000	269,000
Professional Dues & Subscriptions	17,000	23,000	-	82,000
TOTAL	\$ 31,000	\$ 47,000	\$ 25,000	\$ 351,000

PROFESSIONAL FEES (p#21)

This category excludes investment professional consultant and advisor expenses.

Professional Fees	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/ (Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)	% Change
Actuarial Fees	\$ 653,000	\$ 563,000	\$ (90,000)	\$ 490,000	\$ (73,000)	\$ -13.0%
Audit Fees	144,000	144,000	-	145,000	1,000	0.7%
Consultant Fees	354,000	360,000	6,000	356,000	(4,000)	-1.1%
Legal Fees	150,000	149,000	(1,000)	150,000	1,000	0.7%
PROFESSIONAL FEES TOTAL	1,301,000	1,216,000	(85,000)	1,141,000	(75,000)	-6.2%
Actuarial Fees						
Actuarial Valuation	85,000	85,000	-	87,500	2,500	2.9%
Actuarial Audit	135,000	45,000	(90,000)	-	(45,000)	-100.0%
ASOP #51, Risk Report	30,000	30,000	-	30,000	-	0.0%
GASB 67 & 68	52,000	52,000	-	53,500	1,500	2.9%
GASB 74 & 75	16,000	16,000	-	16,000	-	0.0%
SRBR Valuation	44,000	44,000	-	45,000	1,000	2.3%
Supplemental Consulting	251,000	251,000	-	258,000	7,000	2.8%
Triennial Study	40,000	40,000	-	-	(40,000)	-100.0%
Total Actuarial Fees	653,000	563,000	(90,000)	490,000	(73,000)	-13.0%
Audit Fees						
Audit Fees	121,000	121,000	-	122,000	1,000	0.8%
GASB 67 & 68	11,000	11,000	-	11,000	-	0.0%
GASB 74 & 75	12,000	12,000	-	12,000	-	0.0%
Total Audit Fees	144,000	144,000	-	145,000	1,000	0.7%
Consultant Fees						
Administration						
Strategic Planning	-	7,000	7,000	-	(7,000)	-100.0%
Total Administration	-	7,000	7,000	-	(7,000)	-100.0%
Benefits						
Benefit Cons./Open Enroll.	131,000	130,000	(1,000)	133,000	3,000	2.3%
County Retirees Medical	126,000	126,000	-	126,000	-	0.0%
Total Benefits	257,000	256,000	(1,000)	259,000	3,000	1.2%
Fiscal Services						
Cashlog	20,000	20,000	-	20,000	-	0.0%
Total Fiscal Services	20,000	20,000	-	20,000	-	0.0%
Human Resources						
Lakeside Group (County Personnel)	77,000	77,000	-	77,000	-	0.0%
Total Human Resources	77,000	77,000	-	77,000	-	0.0%
Total Consultant Fees	354,000	360,000	6,000	356,000	(4,000)	-1.1%
Legal Fees						
Fiduciary	75,000	75,000	-	60,000	(15,000)	-20.0%
Miscellaneous Legal Advice	50,000	50,000	-	65,000	15,000	30.0%
Tax and Benefit Issues	25,000	24,000	(1,000)	25,000	1,000	4.2%
Total Legal Fees	\$ 150,000	\$ 149,000	\$ (1,000)	\$ 150,000	\$ 1,000	0.7%

Professional Fees - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

Variance Over/(Under)

ACTUARIAL

• Increase in supplemental consulting, GASB, actuarial valuation, and SRBR valuation	\$	12,000
• Triennial Experience Study completed in 2023		(40,000)
• Actuarial audit completed in 2023		(45,000)
		(73,000)
Sub-total		(73,000)

AUDIT

• Increase in audit fees		1,000
Sub-total		1,000

CONSULTANTS

• Decrease in strategic planning		(7,000)
• Increase in benefit consulting fees		3,000
Sub-total		(4,000)

LEGAL

• Increase in fees for tax & benefit issues		1,000
Sub-total		1,000

Total Over/(Under) \$ (75,000)

Professional Fees - Variance Narrative 2023 Forecast vs. 2023 Budget

Variance Over/(Under)

ACTUARIAL

• Savings in actuarial audit	\$	(90,000)
Sub-total		(90,000)

CONSULTANTS

• Increase in strategic planning		7,000
• Decrease in benefits consulting fees		(1,000)
Sub-total		6,000

LEGAL

• Decrease in fees for tax & benefit issues		(1,000)
Sub-total		(1,000)

Total Over/(Under) \$ (85,000)

OFFICE EXPENSE (p#21)

This category covers expenses such as building expenses, banking fees, telecommunications, and office equipment.

Office Expense	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/ (Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)	% Change
Bank Charges	\$ 96,000	\$ 83,000	\$ (13,000)	\$ 79,000	\$ (4,000)	-4.8%
Misc. Administrative Expenses	7,000	5,000	(2,000)	6,000	1,000	20.0%
Building Expenses	82,000	29,000	(53,000)	38,000	9,000	31.0%
Communications	84,000	112,000	28,000	117,000	5,000	4.5%
Equip. Leasing & Maint.	112,000	111,000	(1,000)	138,000	27,000	24.3%
Minor Furniture & Equipment	13,000	13,000	-	13,000	-	0.0%
Office Supplies & Maint.	54,000	48,000	(6,000)	54,000	6,000	12.5%
Printing & Postage	21,000	18,000	(3,000)	23,000	5,000	27.8%
OFFICE EXPENSE Total	\$ 469,000	\$ 419,000	\$ (50,000)	\$ 468,000	\$ 49,000	11.7%

Office Expense - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

Variance Over/(Under)

EQUIPMENT, FURNITURE, SUPPLIES AND MAINTENANCE

- Increase in equipment lease and maintenance costs

\$ 33,000
Sub-total 33,000

MISCELLANEOUS ADMINISTRATIVE EXPENSES

- Increase in miscellaneous administrative expenses

1,000
Sub-total 1,000

PRINTING & POSTAGE

- Increase in printing & postage costs

5,000
Sub-total 5,000

BUILDING, BANK CHARGES AND COMMUNICATIONS

- Increase in communications
- Expected increase in building expenses
- Decrease in bank charges due to bank transition

5,000
9,000
(4,000)
Sub-total 10,000

Total Over/(Under) \$ 49,000

Office Expense - Variance Narrative 2023 Forecast vs. 2023 Budget

Variance Over/(Under)

EQUIPMENT, FURNITURE, SUPPLIES AND MAINTENANCE

- Savings in usage of office supplies and decrease in equipment lease & maintenance

\$ (7,000)
Sub-total (7,000)

MISCELLANEOUS ADMINISTRATIVE EXPENSES

- Decrease in miscellaneous administrative expenses

(2,000)
Sub-total (2,000)

PRINTING & POSTAGE

- Decrease in printing costs

(3,000)
Sub-total (3,000)

BUILDING AND COMMUNICATIONS

- Decrease in escalation fees for building expenses
- Increase in communications due to new contract
- Decrease in bank charges due to bank transition

(53,000)
28,000
(13,000)
Sub-total (38,000)

Total Over/(Under) \$ (50,000)

INSURANCE (p#21)

This category includes insurance premiums for business automobile, commercial, earthquake, fiduciary, criminal and cyber liability, employer liability, umbrella, and workers' compensation.

Insurance	2023 Budget		2023 Forecast vs. 2023 Budget Over/(Under)		2024 Approved Budget vs. 2023 Forecast Over/(Under)		% Change				
Commercial Package	\$	87,000	\$	87,000	\$	-	\$	92,000	\$	5,000	5.7%
Cyber Liability		40,000		40,000		-		43,000		3,000	7.5%
Fiduciary Liability		170,000		168,000		(2,000)		175,000		7,000	4.2%
Risk Management		111,000		128,000		17,000		152,000		24,000	18.8%
Worker's Compensation		171,000		169,000		(2,000)		175,000		6,000	3.6%
INSURANCE Total	\$	579,000	\$	592,000	\$	13,000	\$	637,000	\$	45,000	7.6%

Insurance - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
• Increase in premium for fiduciary liability	\$ 7,000
• Increase in premiums for cyber liability and commercial package	8,000
• Increase in Alameda County risk management premium	24,000
• Increase in Alameda County worker's compensation premium	6,000
Total Over/(Under)	\$ 45,000

Insurance - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
• Decrease in premiums for worker's compensation and fiduciary liability	\$ (4,000)
• Increase in Alameda County risk management premium	17,000
Total Over/(Under)	\$ 13,000

MEMBER SERVICES (p#21)

This category includes expenses for services provided to members, including healthcare plans, enrollments, wellness seminars, communications, disability hearings and evaluations.

Member Services	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Benefit Verification	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ -	0.0%
Disability - Legal Arbitration & Transcripts	45,000	42,000	(3,000)	80,000	38,000	90.5%
Disability - Medical	193,000	172,000	(21,000)	180,000	8,000	4.7%
Disability Claims Management	46,000	46,000	-	47,000	1,000	2.2%
Health Reimbursement Account (HRA)	65,000	67,000	2,000	70,000	3,000	4.5%
Member Training & Education	11,000	11,000	-	16,000	5,000	45.5%
Printing and Postage - Members	93,000	109,000	16,000	143,000	34,000	31.2%
Virtual Call Center	63,000	65,000	2,000	66,000	1,000	1.5%
MEMBER SERVICES Total	\$ 522,000	\$ 518,000	\$ (4,000)	\$ 608,000	\$ 90,000	17.4%

Member Services - Variance Narrative 2024 Approved Budget vs. 2023 Forecast	Variance Over/(Under)
DISABILITY	
• Expected increase in medical disability, legal arbitration and transcripts	\$ 47,000
Sub-total	47,000
VIRTUAL CALL CENTER AND PRINTING AND POSTAGE BENEFITS	
• Increase in virtual call center	1,000
• Increase in members printing and postage costs	34,000
Sub-total	35,000
MEMBERS TRAINING AND EDUCATION AND HEALTH REIMBURSEMENT ACCOUNT	
• Increase in members training and education	5,000
• Increase in health reimbursement account	3,000
Sub-total	8,000
Total Over/(Under) \$	90,000

Member Services - Variance Narrative 2023 Forecast vs. 2023 Budget	Variance Over/(Under)
DISABILITY	
• Decrease in disability medical due to fewer cases	\$ (24,000)
Sub-total	(24,000)
VIRTUAL CALL CENTER AND PRINTING AND POSTAGE BENEFITS	
• Increase in printing & postage costs and slight increase in virtual call center	18,000
Sub-total	18,000
HEALTH REIMBURSEMENT ACCOUNT	
• Increase in health reimbursement account	2,000
Sub-total	2,000
Total Over/(Under) \$	(4,000)

SYSTEMS (p#21)

This category includes the costs of business continuity planning, county data processing, software maintenance and support, and uncapitalized computer hardware and software.

System Expenses	2023		2023 Forecast vs. 2023 Budget Over/ (Under)		2024 Approved Budget vs. 2023 Forecast Over/(Under)		% Change
	Budget	Forecast			Budget		
Business Continuity Expenses	\$ 254,000	\$ 254,000	\$ -	\$ -	\$ 248,000	\$ (6,000)	-2.4%
County Data Processing	129,000	131,000	2,000		139,000	8,000	6.1%
Minor Computer Hardware	42,000	54,000	12,000		42,000	(12,000)	-22.2%
Software License & Maintenance	798,000	799,000	1,000		859,000	60,000	7.5%
SYSTEMS Total	\$ 1,223,000	\$ 1,238,000	\$ 15,000	\$ -	\$ 1,288,000	\$ 50,000	4.0%

Systems - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

Variance Over/(Under)

SOFTWARE, MAINTENANCE & SUPPORT

- Increase in software license and maintenance, and intranet project

\$ 60,000
Sub Total **60,000**

COMPUTER HARDWARE & COUNTY DATA PROCESSING

- Expected decrease in minor computer hardware costs
- Increase in county data processing costs

(12,000)
8,000
Sub Total **(4,000)**

BUSINESS CONTINUITY EXPENSES

- Decrease in business continuity expenses

(6,000)
Sub Total **(6,000)**

Total Over/(Under) \$ 50,000

Systems - Variance Narrative 2023 Forecast vs. 2023 Budget

Variance Over/(Under)

SOFTWARE, MAINTENANCE & SUPPORT

- Increase in software licenses & maintenance

\$ 1,000
Sub Total **1,000**

COMPUTER HARDWARE & COUNTY DATA PROCESSING

- Increase in computer hardware costs
- Increase in county data processing costs

12,000
2,000
Sub Total **14,000**

Total Over/(Under) \$ 15,000

BOARD OF RETIREMENT (p#21)

This category covers Board compensation and expenses for meetings, conferences and trainings, employer reimbursement (elected members only), and election expenses.

Board of Retirement	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Board Compensation	\$ 27,000	\$ 26,000	\$ (1,000)	\$ 28,000	\$ 2,000	7.7%
Board Conference and Training	195,000	206,000	11,000	209,000	3,000	1.5%
Board Elections	-	-	-	43,000	43,000	100.0%
Board Employer Reimbursement	356,000	361,000	5,000	379,000	18,000	5.0%
Board Miscellaneous Activities	14,000	18,000	4,000	22,000	4,000	22.2%
Board Software Maint. & Support	12,000	11,000	(1,000)	18,000	7,000	63.6%
Board Strategic Planning	10,000	10,000	-	8,000	(2,000)	-20.0%
BOARD OF RETIREMENT Total	\$ 614,000	\$ 632,000	\$ 18,000	\$ 707,000	\$ 75,000	11.9%

Board of Retirement - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
• Increase in board election expense	\$ 43,000
• Increase in the attendance of board conferences and trainings	3,000
• Increase in employer reimbursements	18,000
• Increase in board miscellaneous activities	4,000
• Increase in software maintenance & support	7,000
Total Over/(Under)	\$ 75,000

Board of Retirement - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
• Decrease in board compensation	\$ (1,000)
• Increase in attendance of board conferences and trainings	11,000
• Increase in employer reimbursements	5,000
• Increase in board miscellaneous activities	4,000
• Decrease in software maintenance & support	(1,000)
Total Over/(Under)	\$ 18,000

DEPRECIATION (p#21)

Depreciation expense is the allocation of a capital asset cost over the asset's useful life.

Depreciation	2023		2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
	Budget	Forecast					
EDMS Admin. Share	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ -	0.0%	
Equipment	14,000	14,000	-	10,000	(4,000)	-28.6%	
Information system	9,000	9,000	-	5,000	(4,000)	-44.4%	
Leasehold Improvements	95,000	95,000	-	95,000	-	0.0%	
DEPRECIATION Total	\$ 120,000	\$ 120,000	\$ -	\$ 112,000	\$ (8,000)	-6.7%	

Depreciation is computed using the straight-line method for most assets over the following estimated useful lives:

- Computer Hardware 5 years
- Computer Software 3 years
- Equipment 5 years
- Furniture 7 years
- Information System-Retirement 7 years
- Information System-Accounting 5 years
- Disaster Recovery 5 years
- Leasehold Improvements 27.5 years
- EDMS 5 years

Depreciation - Variance Narrative
2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
• Decrease attributed to equipment and information system	\$ (8,000)
Total Over/(Under)	\$ (8,000)

UNCOLLECTIBLE BENEFIT PAYMENTS (p#21)

After the adoption of the discharge of uncollectible accounts receivable policy and Board of Retirement authorization, the annual uncollectible accounts receivable balance to be discharged is approximately \$78,000. This balance is comprised of benefit overpayments, healthcare premium, payroll deductions, and taxes. Discharges of uncollectible balances normally include one year’s worth of transactions, after passage of a one-year period from which collection efforts have been exhausted and the receivable has been declared uncollectible.

Uncollectible Benefit Payments	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Uncollectible Benefit Payments	\$ 53,000	\$ 52,000	\$ (1,000)	\$ 78,000	\$ 26,000	50.0%
Total	\$ 53,000	\$ 52,000	\$ (1,000)	\$ 78,000	\$ 26,000	50.0%

Uncollectible Benefit Payments - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
• Expected increase in uncollectible benefit payments	\$ 26,000
Total Over/(Under)	\$ 26,000

Uncollectible Benefit Payments - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
• Decrease in uncollectible benefit payments	\$ (1,000)
Total Over/(Under)	\$ (1,000)

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Section IV

Departmental Operating Expense Budgets

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Section IV

Departmental Operating Expense Budgets

ACERA operations are organized into eight departments: Administration, Benefits, Fiscal Services, Human Resources, Internal Audit, Investments, Legal, and Project and Information Services Management (PRISM).

Departments			2023 Forecast			2024 Approved	2024 Approved	% Change
	2023 Budget	2023 Forecast	vs. 2023 Budget	Over/(Under)	Budget	Budget vs. 2023		
						Forecast Over/	(Under)	
Administration (p#42)	\$ 3,860,000	\$ 3,872,000	\$ 12,000	\$	4,003,000	\$ 131,000		3.4%
Benefits (p#46)	7,570,000	7,452,000	(118,000)		8,084,000	632,000		8.5%
Fiscal Services (p#48)	2,378,000	2,337,000	(41,000)		2,470,000	133,000		5.7%
Human Resources (p#50)	747,000	738,000	(9,000)		766,000	28,000		3.8%
Internal Audit (p#52)	743,000	733,000	(10,000)		767,000	34,000		4.6%
Investment (p#53)	2,112,000	2,031,000	(81,000)		2,186,000	155,000		7.6%
Legal (p#54)	1,278,000	1,246,000	(32,000)		1,319,000	73,000		5.9%
PRISM (p#56)	2,784,000	2,608,000	(176,000)		2,787,000	179,000		6.9%
Total Depart. Expenses	21,472,000	21,017,000	(455,000)		22,382,000	1,365,000		6.5%
PROJECTS¹	-	-	-		40,000	40,000		100.0%
Total Depart. Exp. + Projects	\$ 21,472,000	\$ 21,017,000	\$ (455,000)		\$ 22,422,000	\$ 1,405,000		6.7%

¹ See Section V

ADMINISTRATION DEPARTMENT (p#41)

The Administration Department is led by the Chief Executive Officer who plans, manages, and administers the business of the retirement system and coordinates external outreach with legislators and member organizations.

Administration Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING						
Salaries	\$ 918,000	\$ 927,000	\$ 9,000	\$ 980,000	\$ 53,000	5.7%
Fringe Benefits	443,000	472,000	29,000	486,000	14,000	3.0%
Temporary Staff	-	54,000	54,000	-	(54,000)	-100.0%
5% adjustment for unexpected vacancies	(68,000)	(68,000)	-	(73,000)	(5,000)	7.4%
Staffing Total	1,293,000	1,385,000	92,000	1,393,000	8,000	0.6%
STAFF DEVELOPMENT	52,000	60,000	8,000	64,000	4,000	6.7%
PROFESSIONAL FEES						
Actuarial Fees	653,000	563,000	(90,000)	490,000	(73,000)	-13.0%
Consultant Fees	-	7,000	7,000	-	(7,000)	-100.0%
Professional Fees Total	653,000	570,000	(83,000)	490,000	(80,000)	-14.0%
OFFICE EXPENSE						
Miscellaneous Administrative	7,000	5,000	(2,000)	6,000	1,000	20.0%
Building Expenses	82,000	29,000	(53,000)	38,000	9,000	31.0%
Communications	84,000	112,000	28,000	117,000	5,000	4.5%
Equipment Lease & Maintenance	112,000	111,000	(1,000)	138,000	27,000	24.3%
Minor Furniture & Equipment	3,000	3,000	-	3,000	-	0.0%
Office Supplies & Maintenance	54,000	48,000	(6,000)	54,000	6,000	12.5%
Printing & Postage	21,000	18,000	(3,000)	23,000	5,000	27.8%
Office Expense Total	363,000	326,000	(37,000)	379,000	53,000	16.3%
INSURANCE	579,000	592,000	13,000	637,000	45,000	7.6%
SYSTEMS						
County Data Processing	129,000	131,000	2,000	139,000	8,000	6.1%
Software Maintenance & Support	4,000	4,000	-	4,000	-	0.0%
Systems Total	133,000	135,000	2,000	143,000	8,000	5.9%
BOARD OF RETIREMENT						
Board Conferences & Miscellaneous Activities	614,000	632,000	18,000	707,000	75,000	11.9%
UNCOLLECTIBLE BENEFIT PAYMENTS	53,000	52,000	(1,000)	78,000	26,000	50.0%
DEPRECIATION						
Depreciation Expense	120,000	120,000	-	112,000	(8,000)	-6.7%
GRAND TOTAL	\$ 3,860,000	\$ 3,872,000	\$ 12,000	\$ 4,003,000	\$ 131,000	3.4%

Administration Department - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
STAFFING	
• Increase in salaries from COLA, merit increase, and vacation sellbacks	\$ 53,000
• Increase in fringe benefits	14,000
• Decrease in temporary staff expense	(54,000)
• 5% adjustment for unexpected vacancies	(5,000)
Sub-Total	8,000
STAFF DEVELOPMENT	
• Increase in conferences and trainings	4,000
Sub-Total	4,000
PROFESSIONAL FEES	
• Decrease in actuarial audit fee and triennial experience study	(73,000)
• Decrease in consultant fees	(7,000)
Sub-Total	(80,000)
OFFICE EXPENSE	
• Increase in miscellaneous administrative, office maintenance, and printing & postage	12,000
• Increase in communications expense	5,000
• Expected increase in building expenses	9,000
• Increase in minor furniture, equipment lease & maintenance	27,000
Sub-Total	53,000
INSURANCE	
• Increase in insurance premiums for worker's compensation, cyber liability, and fiduciary liability	45,000
Sub-Total	45,000
SYSTEMS	
• Increase in county data processing costs	8,000
Sub-Total	8,000
BOARD OF RETIREMENT	
• Increase in board elections, employer reimbursements, software maintenance & support, conferences & trainings, and board miscellaneous activities	75,000
Sub-Total	75,000
UNCOLLECTIBLE BENEFIT PAYMENTS	
• Increase in uncollectible benefit payments	26,000
Sub-Total	26,000
DEPRECIATION EXPENSE	
• Decrease in depreciation expense	(8,000)
Sub-Total	(8,000)
Total Over/(Under)	\$ 131,000

Section IV: Departmental Operating Expense Budgets

(TOC, p# III)

**Administration Department - Variance Narrative
2023 Forecast vs. 2023 Budget**

	Variance Over/(Under)
STAFFING	
• Increase in salaries mainly due to COLA, merit increases, and vacation sellbacks	\$ 9,000
• Increase in fringe benefits	29,000
• Increase in temporary staff expense	54,000
Sub-Total	92,000
STAFF DEVELOPMENT	
• Increase in conferences and trainings	8,000
Sub-Total	8,000
PROFESSIONAL FEES	
• Decrease in actuarial audit	(90,000)
• Increase in consultant fees	7,000
Sub-Total	(83,000)
OFFICE EXPENSE	
• Decrease in miscellaneous administrative expenses	(2,000)
• Decrease in escalation fees for building expenses	(53,000)
• Increase in communications due to new contract	28,000
• Decrease in equipment lease and maintenance	(1,000)
• Savings in usage of office supplies	(6,000)
• Decrease in printing costs	(3,000)
Sub-Total	(37,000)
INSURANCE	
• Increase in risk management insurance premium	13,000
Sub-Total	13,000
SYSTEMS	
• Increase in county data processing costs	2,000
Sub-Total	2,000
BOARD OF RETIREMENT	
• Increase employer reimbursement, and attendance of board conferences and trainings	18,000
Sub-Total	18,000
UNCOLLECTIBLE BENEFIT PAYMENTS	
• Decrease in uncollectible benefit payments	(1,000)
Sub-Total	(1,000)
Total Over/(Under)	\$ 12,000

Administration Department Professional Fees	2023			2024 Approved		% Change
	Budget	Forecast	Forecast vs. 2023 Budget Over/(Under)	Budget	Budget vs. 2023 Forecast Over/ (Under)	
Consultant Fees						
Strategic Planning	\$ -	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)	-100.0%
Sub-Total	-	7,000	7,000	-	(7,000)	-100.0%
Actuarial Fees						
Actuarial Valuation	85,000	85,000	-	87,500	2,500	2.9%
Actuarial Audit	135,000	45,000	(90,000)	-	(45,000)	-100.0%
ASOP #51, Risk Report	30,000	30,000	-	30,000	-	0.0%
GASB 67 & 68	52,000	52,000	-	53,500	1,500	2.9%
GASB 74 & 75	16,000	16,000	-	16,000	-	0.0%
SRBR Valuation	44,000	44,000	-	45,000	1,000	2.3%
Supplemental Consulting	251,000	251,000	-	258,000	7,000	2.8%
Triennial Study	40,000	40,000	-	-	(40,000)	-100.0%
Sub-Total	653,000	563,000	(90,000)	490,000	(73,000)	-13.0%
Administration Total	\$ 653,000	\$ 570,000	\$ (83,000)	\$ 490,000	\$ (80,000)	-14.0%

BENEFITS DEPARTMENT (p#41)

The Benefits Department administers all benefit programs and provides multiple services to active, deferred and retired ACERA members.

Benefits Department			2023 Forecast			2024 Approved	2024 Approved	
	2023 Budget	2023 Forecast	vs. 2023	Budget Over/	2024 Approved	Budget vs.	2023 Forecast	% Change
			Budget Over/	(Under)	Budget	Over/(Under)		
STAFFING								
Salaries	\$ 4,465,000	\$ 4,299,000	\$ (166,000)	\$	4,844,000	\$ 545,000		12.7%
Fringe Benefits	2,425,000	2,261,000	(164,000)		2,475,000	214,000		9.5%
Temporary Staff	150,000	366,000	216,000		200,000	(166,000)		-45.4%
5% adjustment for unexpected vacancies	(352,000)	(352,000)	-		(363,000)	(11,000)		3.1%
Staffing Total	6,688,000	6,574,000	(114,000)		7,156,000	582,000		8.9%
STAFF DEVELOPMENT	118,000	116,000	(2,000)		111,000	(5,000)		-4.3%
PROFESSIONAL FEES	257,000	256,000	(1,000)		259,000	3,000		1.2%
MEMBER SERVICES								
Benefit Verification	6,000	6,000	-		6,000	-		0.0%
Disability - Medical Expense	193,000	172,000	(21,000)		180,000	8,000		4.7%
Disability - Managed Medical Review Organization (MMRO)	46,000	46,000	-		47,000	1,000		2.2%
Health Reimbursement Account (HRA)	65,000	67,000	2,000		70,000	3,000		4.5%
Member Training & Education	11,000	11,000	-		16,000	5,000		45.5%
Printing & Postage - Members	93,000	109,000	16,000		143,000	34,000		31.2%
Virtual Call Center	63,000	65,000	2,000		66,000	1,000		1.5%
Member Services Total	477,000	476,000	(1,000)		528,000	52,000		10.9%
SYSTEMS								
Software Maintenance/Support	30,000	30,000	-		30,000	-		0.0%
Systems Total	30,000	30,000	-		30,000	-		0.0%
GRAND TOTAL	\$ 7,570,000	\$ 7,452,000	\$ (118,000)	\$	8,084,000	\$ 632,000		8.5%

**Benefits Department - Variance Narrative
2024 Approved Budget vs. 2023 Forecast**

	Variance Over/(Under)
STAFFING	
<ul style="list-style-type: none"> Increase in salaries from filling vacant positions, COLA, merit and step increases, and vacation sellbacks Increase in fringe benefits attributed to filling vacant positions Decrease in temporary staff expense 5% adjustment for unexpected vacancies 	<p style="text-align: right;">\$ 545,000</p> <p style="text-align: right;">214,000</p> <p style="text-align: right;">(166,000)</p> <p style="text-align: right;">(11,000)</p> <hr/> <p style="text-align: right;">Sub-Total 582,000</p>
STAFF DEVELOPMENT	
<ul style="list-style-type: none"> Decrease in conferences and trainings 	<p style="text-align: right;">(5,000)</p> <hr/> <p style="text-align: right;">Sub-Total (5,000)</p>
PROFESSIONAL FEES	
<ul style="list-style-type: none"> Increase in benefit consulting fees 	<p style="text-align: right;">3,000</p> <hr/> <p style="text-align: right;">Sub-Total 3,000</p>
MEMBER SERVICES	
<ul style="list-style-type: none"> Increase in medical disability and managed medical review costs Increase in health reimbursement Increase in members training and education Increase in virtual call center Increase in members printing and postage costs 	<p style="text-align: right;">9,000</p> <p style="text-align: right;">3,000</p> <p style="text-align: right;">5,000</p> <p style="text-align: right;">1,000</p> <p style="text-align: right;">34,000</p> <hr/> <p style="text-align: right;">Sub-Total 52,000</p>
	Total Over/(Under) \$ 632,000

Benefits Department - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
STAFFING	
• Decrease in salary expense due to vacant positions	\$ (166,000)
• Decrease in fringe benefits	(164,000)
• Increase temporary staff expense	216,000
Sub-Total	(114,000)
STAFF DEVELOPMENT	
• Decrease in conferences and trainings	(2,000)
Sub-Total	(2,000)
PROFESSIONAL FEES	
• Decrease in benefits consulting fees	(1,000)
Sub-Total	(1,000)
MEMBER SERVICES	
• Decrease in disability managed medical review due to fewer cases	(21,000)
• Increase in health reimbursement account	2,000
• Increase in virtual call center	2,000
• Increase in printing & postage costs	16,000
Sub-Total	(1,000)
Total Over/(Under) \$	(118,000)

Benefits Department Professional Fees	2023 Forecast vs. 2023 Budget Over/ (Under)		2024 Approved Budget vs. 2023 Forecast Over/(Under)		% Change
	2023 Budget	2023 Forecast	2024 Approved Budget	2023 Forecast Over/(Under)	
Benefits Consultant/Open Enrollment	\$ 131,000	\$ 130,000	\$ 133,000	\$ 3,000	2.3%
County Retirees Medical (Benefit Consultant)	126,000	126,000	126,000	-	0.0%
Benefits Total	\$ 257,000	\$ 256,000	\$ 259,000	\$ 3,000	1.2%

FISCAL SERVICES DEPARTMENT (p#41)

The Fiscal Services Department prepares Board reports, the Annual Comprehensive Financial Report (ACFR), and the annual budget. The Department accounts for cash management, retiree and vendor payrolls, capital assets, and operating expenditures.

Fiscal Services Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING						
Salaries	\$ 1,379,000	\$ 1,320,000	\$ (59,000)	\$ 1,480,000	\$ 160,000	12.1%
Fringe Benefits	743,000	681,000	(62,000)	756,000	75,000	11.0%
Temporary Staff	-	92,000	92,000	-	(92,000)	-100.0%
5% adjustment for unexpected vacancies	(105,000)	(105,000)	-	(111,000)	(6,000)	5.7%
Staffing Total	2,017,000	1,988,000	(29,000)	2,125,000	137,000	6.9%
STAFF DEVELOPMENT	31,000	29,000	(2,000)	29,000	-	0.0%
PROFESSIONAL FEES						
Consultant Fees	20,000	20,000	-	20,000	-	0.0%
External Audit	144,000	144,000	-	145,000	1,000	0.7%
Professional Fees Total	164,000	164,000	-	165,000	1,000	0.6%
OFFICE EXPENSE						
Bank Charges	96,000	83,000	(13,000)	79,000	(4,000)	-4.8%
Office Expense Total	96,000	83,000	(13,000)	79,000	(4,000)	-4.8%
SYSTEMS						
Software Maintenance/Support	70,000	73,000	3,000	72,000	(1,000)	-1.4%
Systems Total	70,000	73,000	3,000	72,000	(1,000)	-1.4%
GRAND TOTAL	\$ 2,378,000	\$ 2,337,000	\$ (41,000)	\$ 2,470,000	\$ 133,000	5.7%

Fiscal Services Department - Variance Narrative 2024 Approved Budget vs. 2023 Forecast		Variance Over/(Under)
STAFFING		
<ul style="list-style-type: none"> Increase in salary expense from filling vacant position, COLA, merit and step increases, and vacation sellbacks 	\$	160,000
<ul style="list-style-type: none"> Increase in fringe benefits attributed to filling vacant position 		75,000
<ul style="list-style-type: none"> Decrease in temporary staff from filling vacant position 		(92,000)
<ul style="list-style-type: none"> 5% adjustment for unexpected vacancies 		(6,000)
Sub-Total		137,000
PROFESSIONAL FEES		
<ul style="list-style-type: none"> Increase in external audit 		1,000
Sub-Total		1,000
OFFICE EXPENSE		
<ul style="list-style-type: none"> Decrease in bank charges due to bank transition 		(4,000)
Sub-Total		(4,000)
SYSTEMS		
<ul style="list-style-type: none"> Decrease in software maintenance and support 		(1,000)
Sub-Total		(1,000)
Total Over/(Under) \$		133,000

Fiscal Services Department - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
STAFFING	
• Decrease in salaries due to vacant position	\$ (59,000)
• Increase in temporary staff	92,000
• Decrease in fringe benefits	(62,000)
Sub-Total	(29,000)
STAFF DEVELOPMENT	
• Decrease in conferences and trainings	(2,000)
Sub-Total	(2,000)
OFFICE EXPENSE	
• Decrease in bank charges due to bank transition	(13,000)
Sub-Total	(13,000)
SYSTEMS	
• Increase in software maintenance and support	3,000
Sub-Total	3,000
Total Over/(Under) \$	(41,000)

Fiscal Services Department Professional Fees	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/ (Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Consultant Fees						
Cashlog	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	-	0.0%
Sub-Total	20,000	20,000	-	20,000	-	0.0%
External Audit						
External Audit	121,000	121,000	-	122,000	1,000	0.8%
GASB 67 & 68	11,000	11,000	-	11,000	-	0.0%
GASB 74 & 75	12,000	12,000	-	12,000	-	0.0%
Sub-Total	144,000	144,000	-	145,000	1,000	0.7%
Fiscal Services Total	\$ 164,000	\$ 164,000	\$ -	\$ 165,000	\$ 1,000	0.6%

HUMAN RESOURCES DEPARTMENT (p#41)

The Human Resource Department handles personnel issues, training programs and management consultation.

Human Resources Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING						
Salaries	\$ 425,000	\$ 425,000	\$ -	\$ 446,000	\$ 21,000	4.9%
Fringe Benefits	241,000	232,000	(9,000)	239,000	7,000	3.0%
5% adjustment for unexpected vacancies	(34,000)	(34,000)	-	(34,000)	-	0.0%
Staffing Total	632,000	623,000	(9,000)	651,000	28,000	4.5%
STAFF DEVELOPMENT	16,000	16,000	-	16,000	-	0.0%
PROFESSIONAL FEES	77,000	77,000	-	77,000	-	0.0%
OFFICE EXPENSE						
Ergonomic Furniture & Equipment	10,000	10,000	-	10,000	-	0.0%
Office Expense Total	10,000	10,000	-	10,000	-	0.0%
SYSTEMS						
Software Maintenance & Support	12,000	12,000	-	12,000	-	0.0%
Systems Total	12,000	12,000	-	12,000	-	0.0%
GRAND TOTAL	\$ 747,000	\$ 738,000	\$ (9,000)	\$ 766,000	\$ 28,000	3.8%

Human Resources Department - Variance Narrative 2024 Approved Budget vs. 2023 Forecast

	Variance Over/(Under)
STAFFING	
• Increase in salaries from COLA, and vacation sellbacks	\$ 21,000
• Increase in fringe benefits	7,000
Sub-total	28,000
Total Over/(Under) \$	28,000

Human Resources Department - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
STAFFING	
• Decrease in fringe benefits	\$ (9,000)
Sub-total	(9,000)
Total Over/(Under) \$	(9,000)

Human Resources Department Professional Fees	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/ (Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
Consultant Fees - Lakeside Group	\$ 77,000	\$ 77,000	\$ -	\$ 77,000	\$ -	0.0%
Human Resources Total	\$ 77,000	\$ 77,000	\$ -	\$ 77,000	\$ -	0.0%

INTERNAL AUDIT DEPARTMENT (p#41)

The Internal Audit Department prepares an annual internal audit plan, conducts internal operational audits and employer audits, and provides periodic reports to the Board of Retirement Audit Committee.

Internal Audit Department	2023 Forecast vs. 2023 Budget Over/ (Under)		2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)		% Change
	2023 Budget	2023 Forecast		2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)	
STAFFING						
Salaries	\$ 483,000	\$ 483,000	\$ -	\$ 507,000	\$ 24,000	5.0%
Fringe Benefits	268,000	260,000	(8,000)	268,000	8,000	3.1%
5% adjustment for unexpected vacancies	(37,000)	(37,000)	-	(39,000)	(2,000)	5.4%
Staffing Total	714,000	706,000	(8,000)	736,000	30,000	4.2%
STAFF DEVELOPMENT	27,000	25,000	(2,000)	28,000	3,000	12.0%
SYSTEMS	2,000	2,000	-	3,000	1,000	50.0%
GRAND TOTAL	\$ 743,000	\$ 733,000	\$ (10,000)	\$ 767,000	\$ 34,000	4.6%

Internal Audit Department - Variance Narrative 2024 Approved Budget vs. 2023 Forecast		Variance Over/(Under)
STAFFING		
• Increase in salaries from COLA, and vacation sellbacks		\$ 24,000
• Increase in fringe benefits		8,000
• 5% adjustment for unexpected vacancies		(2,000)
	Sub-Total	30,000
STAFF DEVELOPMENT		
• Increase in professional dues		3,000
	Sub-Total	3,000
SYSTEMS		
• Increase in software licenses & maintenance		1,000
	Sub-Total	1,000
	Total Over/(Under) \$	34,000

Internal Audit Department - Variance Narrative 2023 Forecast vs. 2023 Budget		Variance Over/(Under)
STAFFING		
• Decrease in fringe benefits		\$ (8,000)
	Sub-Total	(8,000)
STAFF DEVELOPMENT		
• Decrease in conferences and trainings		(2,000)
	Sub-Total	(2,000)
	Total Over/(Under) \$	(10,000)

INVESTMENT DEPARTMENT [\(p#41\)](#)

The Investment Department oversees ACERA's investment program, recommending and implementing Board of Retirement investment decisions.

Investment Department			2023 Forecast			2024 Approved	2024 Approved	% Change
	2023 Budget	2023 Forecast	vs. 2023 Budget Over/ (Under)	2024 Approved Budget	Budget vs. 2023 Forecast Over/(Under)	Budget	Budget	
STAFFING								
Salaries	\$ 1,418,000	\$ 1,378,000	\$ (40,000)	\$ 1,501,000	\$ 123,000	\$ 1,501,000	\$ 123,000	8.9%
Fringe Benefits	766,000	738,000	(28,000)	768,000	30,000	768,000	30,000	4.1%
5% adjustment for unexpected vacancies	(109,000)	(109,000)	-	(114,000)	(5,000)	(114,000)	(5,000)	4.6%
Staffing Total	2,075,000	2,007,000	(68,000)	2,155,000	148,000	2,155,000	148,000	7.4%
STAFF DEVELOPMENT	37,000	24,000	(13,000)	31,000	7,000	31,000	7,000	29.2%
GRAND TOTAL	\$ 2,112,000	\$ 2,031,000	\$ (81,000)	\$ 2,186,000	\$ 155,000	\$ 2,186,000	\$ 155,000	7.6%

**Investment Department - Variance Narrative
2024 Approved Budget vs. 2023 Forecast**

Variance Over/(Under)

STAFFING

- Increase in salaries due to COLA, merit increases, and vacation sellbacks
- Increase in fringe benefits
- 5% adjustment for unexpected vacancies

\$ 123,000
30,000
(5,000)

Sub-Total 148,000**STAFF DEVELOPMENT**

- Increase in conferences and trainings

7,000

Sub-Total 7,000**Total Over/(Under) \$ 155,000****Investment Department - Variance Narrative
2023 Forecast vs. 2023 Budget**

Variance Over/(Under)

STAFFING

- Saving in salaries from vacant position
- Saving in fringe benefits

\$ (40,000)
(28,000)

Sub-Total (68,000)**STAFF DEVELOPMENT**

- Decrease in conferences and trainings

(13,000)

Sub-Total (13,000)**Total Over/(Under) \$ (81,000)**

LEGAL DEPARTMENT [\(p#41\)](#)

The Legal Department provides legal advice and assistance to the ACERA Board of Retirement and staff.

Legal Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING						
Salaries	\$ 731,000	\$ 714,000	\$ (17,000)	\$ 750,000	\$ 36,000	5.0%
Fringe Benefits	347,000	342,000	(5,000)	347,000	5,000	1.5%
5% adjustment for unexpected vacancies	(54,000)	(54,000)	-	(55,000)	(1,000)	1.9%
Staffing Total	1,024,000	1,002,000	(22,000)	1,042,000	40,000	4.0%
STAFF DEVELOPMENT	59,000	53,000	(6,000)	47,000	(6,000)	-11.3%
PROFESSIONAL FEES	150,000	149,000	(1,000)	150,000	1,000	0.7%
DISABILITY-ARBITRATION & TRANSCRIPTS	45,000	42,000	(3,000)	80,000	38,000	90.5%
GRAND TOTAL	\$ 1,278,000	\$ 1,246,000	\$ (32,000)	\$ 1,319,000	\$ 73,000	5.9%

Legal Department - Variance Narrative 2024 Approved Budget vs. 2023 Forecast		Variance Over/(Under)
STAFFING		
• Increase in salaries due to COLA and vacation sellbacks		\$ 36,000
• Increase in fringe benefits		5,000
• 5% adjustment for unexpected vacancies		(1,000)
	Sub-Total	40,000
STAFF DEVELOPMENT		
• Decrease in conferences and trainings		(6,000)
	Sub-Total	(6,000)
PROFESSIONAL FEES		
• Increase in fees for tax & benefit issues		1,000
	Sub-Total	1,000
DISABILITY-LEGAL TRANSCRIPTS		
• Expected increase in medical disability, legal arbitration and transcripts		38,000
	Sub-Total	38,000
	Total Over/(Under) \$	73,000

Legal Department - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
STAFFING	
• Savings in salaries	\$ (17,000)
• Decrease in fringe benefits	(5,000)
Sub-Total	(22,000)
STAFF DEVELOPMENT	
• Decrease in conferences and trainings	(6,000)
Sub-Total	(6,000)
PROFESSIONAL FEES	
• Decrease in fees for tax & benefit issues	(1,000)
Sub-Total	(1,000)
DISABILITY-LEGAL TRANSCRIPTS	
• Decrease in medical disability, legal arbitration and transcripts due to fewer cases	(3,000)
Sub-Total	(3,000)
Total Over/(Under)	\$ (32,000)

Legal Department Professional Fees	2023 Forecast		2023 Forecast	2023 Forecast	2023 Forecast	2024 Approved	2024 Approved	2023 Forecast	% Change
	Budget	Forecast	vs. 2023	Budget Over/	Budget	Budget	Over/(Under)		
Fiduciary	\$ 75,000	\$ 75,000	\$ -	\$ 60,000	\$ (15,000)			-20.0%	
Miscellaneous Legal Advice	50,000	50,000	-	65,000	15,000			30.0%	
Tax and Benefit Issues	25,000	24,000	(1,000)	25,000	1,000			4.2%	
Legal Total	\$ 150,000	\$ 149,000	\$ (1,000)	\$ 150,000	\$ 1,000			0.7%	

PRISM DEPARTMENT (p#41)

The PRISM Department assesses and resolves operational problems in existing and new technology systems.

PRISM Department	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
STAFFING						
Salaries	\$ 1,198,000	\$ 1,091,000	\$ (107,000)	\$ 1,219,000	\$ 128,000	11.7%
Fringe Benefits	677,000	599,000	(78,000)	648,000	49,000	8.2%
5% adjustment for unexpected vacancies	(94,000)	(94,000)	-	(93,000)	1,000	-1.1%
Staffing Total	1,781,000	1,596,000	(185,000)	1,774,000	178,000	11.2%
STAFF DEVELOPMENT	27,000	26,000	(1,000)	25,000	(1,000)	-3.8%
SYSTEMS						
Business Continuity Expenses	254,000	254,000	-	248,000	(6,000)	-2.4%
Minor Computer Hardware	42,000	54,000	12,000	42,000	(12,000)	-22.2%
Software Maint. & Support	680,000	678,000	(2,000)	698,000	20,000	2.9%
Systems Total	976,000	986,000	10,000	988,000	2,000	0.2%
GRAND TOTAL	\$ 2,784,000	\$ 2,608,000	\$ (176,000)	\$ 2,787,000	\$ 179,000	6.9%

**PRISM Department - Variance Narrative
2024 Approved Budget vs. 2023 Forecast**

Variance Over/(Under)

STAFFING

- Increase in salaries from filling vacant position, COLA, merit increases, and vacation sellbacks
- Increase in fringe benefits
- 5% adjustment for unexpected vacancies

\$	128,000
	49,000
	1,000
Sub-Total	178,000

STAFF DEVELOPMENT

- Decrease in conferences and trainings

	(1,000)
Sub-Total	(1,000)

SYSTEMS

- Decrease in business continuity expenses
- Decrease in minor computer hardware
- Increase in software maintenance and support

	(6,000)
	(12,000)
	20,000
Sub-Total	2,000

Total Over/(Under)	\$ 179,000
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PRISM Department - Variance Narrative 2023 Forecast vs. 2023 Budget

	Variance Over/(Under)
STAFFING	
• Decrease in salaries from vacant position	\$ (107,000)
• Decrease in fringe benefits	(78,000)
Sub-Total	(185,000)
STAFF DEVELOPMENT	
• Decrease in conferences and trainings	(1,000)
Sub-Total	(1,000)
SYSTEMS	
• Increase in minor computer hardware	12,000
• Decrease in software maintenance and support	(2,000)
Sub-Total	10,000
Total Over/(Under)	\$ (176,000)

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Section V

Enterprise-wide Projects

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Section V

Enterprise-wide Projects

PROJECTS	2023 Budget		2023 Forecast		2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)		% Change		
Systems	\$	-	\$	-	\$	-	\$	40,000	\$	40,000	100.0%
GRAND TOTAL	\$	-	\$	-	\$	-	\$	40,000	\$	40,000	100.0%

Projects System	2023 Budget		2023 Forecast		2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)		% Change		
Intranet	\$	-	\$	-	\$	-	\$	40,000	\$	40,000	100.0%
GRAND TOTAL	\$	-	\$	-	\$	-	\$	40,000	\$	40,000	100.0%

PROJECT - Variance Narrative		2024 Approved vs. 2023 Forecast		Variance Over/(Under)
SYSTEMS				
• New Intranet Project in 2024			\$	40,000
Sub-Total				40,000
Total Over/(Under)			\$	40,000

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Section VI

Administrative Budget

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Section VI :

Administrative Budget

The Administrative Budget incorporates the limits of Section 31580.2 of the County Employees Act of 1937; whereby administrative expenses are “capped” at 0.21% of actuarially accrued liabilities. Pursuant to the relevant code sections, certain costs are excluded from the expense cap. Excluded costs include those associated with actuarial fees, business continuity planning (BCP), investments, legal, SRBR, and technology. Excludable expenses also include a pro rata portion of overhead expense attributable to excludable activities. In the 2024 administrative budget, ACERA is \$13.3 million under the cap limit of \$26.7 million.

ADMINISTRATIVE EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
STAFFING	\$ 10,852,000	\$ 10,617,000	\$ (235,000)	\$ 11,359,000	\$ 742,000
STAFF DEVELOPMENT	208,000	208,000	-	210,000	2,000
PROFESSIONAL FEES					
Consultant Fees - Operations	75,000	80,000	5,000	75,000	(5,000)
External Audit	108,000	108,000	-	109,000	1,000
Professional Fees Total	183,000	188,000	5,000	184,000	(4,000)
OFFICE EXPENSE					
Bank Charges & Miscellaneous Admin.	79,000	67,000	(12,000)	65,000	(2,000)
Building Expenses	63,000	22,000	(41,000)	29,000	7,000
Communications	64,000	86,000	22,000	90,000	4,000
Equipment Lease/Maintenance	86,000	85,000	(1,000)	106,000	21,000
Minor Furniture and Equipment	10,000	10,000	-	10,000	-
Office Supplies and Maint.	41,000	37,000	(4,000)	42,000	5,000
Printing & Postage	16,000	14,000	(2,000)	18,000	4,000
Office Expense Total	359,000	321,000	(38,000)	360,000	39,000
INSURANCE	444,000	454,000	10,000	491,000	37,000
MEMBER SERVICES					
Benefit Verification	6,000	6,000	-	6,000	-
Members Medical Expense	193,000	172,000	(21,000)	180,000	8,000
Disability Claims Management	46,000	46,000	-	47,000	1,000
Member Training & Education	11,000	11,000	-	16,000	5,000
Printing & Postage - Members	47,000	54,000	7,000	72,000	18,000
Virtual Call Center	63,000	65,000	2,000	66,000	1,000
Member Services Total	366,000	354,000	(12,000)	387,000	33,000
DEPRECIATION	81,000	83,000	2,000	81,000	(2,000)
BOARD OF RETIREMENT					
Board Training & Miscellaneous Activities	246,000	253,000	7,000	283,000	30,000
UNCOLLECTIBLE BENEFIT PAYMENTS	53,000	52,000	(1,000)	78,000	26,000
GRAND TOTAL	\$ 12,792,000	\$ 12,530,000	\$ (262,000)	\$ 13,433,000	\$ 903,000

Section VI: Administrative Budget

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BCP EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
STAFFING	\$ 366,000	\$ 345,000	\$ (21,000)	\$ 382,000	\$ 37,000
STAFF DEVELOPMENT	6,000	6,000	-	6,000	-
PROFESSIONAL FEES					
Consultant Fees - Operations	2,000	2,000	-	2,000	-
OFFICE EXPENSE					
Bank Charges & Miscellaneous Admin.	2,000	2,000	-	2,000	-
Building Expenses	2,000	1,000	(1,000)	1,000	-
Communications	2,000	2,000	-	2,000	-
Equipment Lease/Maintenance	2,000	3,000	1,000	3,000	-
Office Supplies and Maint.	1,000	1,000	-	1,000	-
Office Expense Total	9,000	9,000	-	9,000	-
INSURANCE	13,000	13,000	-	14,000	1,000
SYSTEMS					
Disaster Recovery & Business Continuity	254,000	254,000	-	248,000	(6,000)
DEPRECIATION					
Depreciation Expense - Other	3,000	3,000	-	2,000	(1,000)
Depreciation Total	3,000	3,000	-	2,000	(1,000)
GRAND TOTAL	\$ 653,000	\$ 632,000	\$ (21,000)	\$ 663,000	\$ 31,000

INVESTMENT EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
STAFFING					
Staffing - Direct	\$ 2,030,000	\$ 2,030,000	\$ -	\$ 2,101,000	\$ 71,000
Staffing - Indirect	861,000	809,000	(52,000)	885,000	76,000
Staffing Total	2,891,000	2,839,000	(52,000)	2,986,000	147,000
STAFF DEVELOPMENT	85,000	72,000	(13,000)	79,000	7,000
PROFESSIONAL FEES					
Consultant Fees - Operations	17,000	19,000	2,000	17,000	(2,000)
External Audit	36,000	36,000	-	36,000	-
Professional Fees Total	53,000	55,000	2,000	53,000	(2,000)
OFFICE EXPENSE					
Bank Charges & Miscellaneous Admin.	19,000	16,000	(3,000)	15,000	(1,000)
Building Expenses	14,000	5,000	(9,000)	7,000	2,000
Communications	15,000	20,000	5,000	21,000	1,000
Equipment Lease & Maintenance	20,000	19,000	(1,000)	24,000	5,000
Minor Furniture and Equipment	2,000	2,000	-	2,000	-
Office Supplies & Maintenance	10,000	8,000	(2,000)	9,000	1,000
Printing & Postage	4,000	3,000	(1,000)	4,000	1,000
Office Expense Total	84,000	73,000	(11,000)	82,000	9,000
INSURANCE	103,000	106,000	3,000	112,000	6,000
DEPRECIATION					
Depreciation Expense - Other	21,000	19,000	(2,000)	19,000	-
Depreciation Total	21,000	19,000	(2,000)	19,000	-
BOARD OF RETIREMENT					
Board Training & Miscellaneous Activities	154,000	158,000	4,000	177,000	19,000
GRAND TOTAL	\$ 3,391,000	\$ 3,322,000	\$ (69,000)	\$ 3,508,000	\$ 186,000

LEGAL EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
STAFFING	\$ 528,000	\$ 518,000	\$ (10,000)	\$ 547,000	\$ 29,000
STAFF DEVELOPMENT	68,000	63,000	(5,000)	56,000	(7,000)
PROFESSIONAL FEES					
Consultant Fees - Operations	3,000	3,000	-	3,000	-
Consultant Fees - Legal	150,000	149,000	(1,000)	150,000	1,000
Professional Fees Total	153,000	152,000	(1,000)	153,000	1,000
OFFICE EXPENSE					
Bank Charges & Miscellaneous Admin.	3,000	3,000	-	3,000	-
Building Expenses	3,000	1,000	(2,000)	1,000	-
Communications	3,000	4,000	1,000	4,000	-
Equipment Lease & Maintenance	4,000	4,000	-	5,000	1,000
Minor Furniture and Equipment	1,000	1,000	-	1,000	-
Office Supplies & Maintenance	2,000	2,000	-	2,000	-
Printing & Postage	1,000	1,000	-	1,000	-
Office Expense Total	17,000	16,000	(1,000)	17,000	1,000
INSURANCE	19,000	19,000	-	20,000	1,000
MEMBER SERVICES					
Disability - Legal Arbitration & Transcripts	45,000	42,000	(3,000)	80,000	38,000
DEPRECIATION	4,000	4,000	-	3,000	(1,000)
BOARD OF RETIREMENT					
Board Training & Miscellaneous Activities	61,000	63,000	2,000	71,000	8,000
GRAND TOTAL	\$ 895,000	\$ 877,000	\$ (18,000)	\$ 947,000	\$ 70,000

SRBR EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
STAFFING	\$ 1,587,000	\$ 1,562,000	\$ (25,000)	\$ 1,758,000	\$ 196,000
PROFESSIONAL FEES					
Actuarial - SRBR Valuation	44,000	44,000	-	45,000	1,000
Consultant Fees - SRBR	257,000	256,000	(1,000)	259,000	3,000
Professional Fees Total	301,000	300,000	(1,000)	304,000	4,000
MEMBER SERVICES					
Health Reimbursement Account (HRA)	65,000	67,000	2,000	70,000	3,000
Printing & Postage - Members	46,000	55,000	9,000	71,000	16,000
Member Services Total	111,000	122,000	11,000	141,000	19,000
BOARD OF RETIREMENT					
Board Training & Miscellaneous Activities	153,000	158,000	5,000	176,000	18,000
GRAND TOTAL	\$ 2,152,000	\$ 2,142,000	\$ (10,000)	\$ 2,379,000	\$ 237,000

TECHNOLOGY EXPENSES BUDGET ALLOCATION	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
SYSTEMS					
Computer Hardware & Maintenance	\$ 42,000	\$ 54,000	\$ 12,000	\$ 42,000	\$ (12,000)
County Data Processing	129,000	131,000	2,000	139,000	8,000
Software Maintenance & Support	798,000	799,000	1,000	859,000	60,000
Systems Total	969,000	984,000	15,000	1,040,000	56,000
DEPRECIATION	11,000	11,000	-	7,000	(4,000)
GRAND TOTAL	\$ 980,000	\$ 995,000	\$ 15,000	\$ 1,047,000	\$ 52,000

Section VI: Administrative Budget

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Administrative Expense Budget Overview ¹ (\$ in thousands)	2024 Approved Budget	2024 Actuarial Budget	2024 Business Continuity Budget	2024 Investment Budget	2024 Legal Budget	2024 SRBR Budget	2024 Technology Budget	2024 Administrative Budget
STAFFING	\$ 17,032	\$ -	\$ (382)	\$ (2,986)	\$ (547)	\$ (1,758)	\$ -	\$ 11,359
STAFF DEVELOPMENT	351	-	(6)	(79)	(56)	-	-	210
PROFESSIONAL FEES								
Actuarial Fees	490	(445)	-	-	-	(45)	-	-
Audit Fees	145	-	-	(36)	-	-	-	109
Consultant Fees	356	-	(2)	(17)	(3)	(259)	-	75
Legal Fees	150	-	-	-	(150)	-	-	-
Professional Fees Total	1,141	(445)	(2)	(53)	(153)	(304)	-	184
OFFICE EXPENSE								
Bank Charges & Miscellaneous Admin	85	-	(2)	(15)	(3)	-	-	65
Building Expenses	38	-	(1)	(7)	(1)	-	-	29
Communications	117	-	(2)	(21)	(4)	-	-	90
Equipment Lease & Maint.	138	-	(3)	(24)	(5)	-	-	106
Minor Furniture & Equipment	13	-	-	(2)	(1)	-	-	10
Office Supplies & Maintenance	54	-	(1)	(9)	(2)	-	-	42
Printing & Postage	23	-	-	(4)	(1)	-	-	18
Office Expense Total	468	-	(9)	(82)	(17)	-	-	360
INSURANCE	637	-	(14)	(112)	(20)	-	-	491
MEMBER SERVICES								
Benefit Verification	6	-	-	-	-	-	-	6
Disability - Legal Arbitration & Transcripts	80	-	-	-	(80)	-	-	-
Disability Claimed Management	47	-	-	-	-	-	-	47
Disability Medical Expense	180	-	-	-	-	-	-	180
Health Reimbursement Account (HRA)	70	-	-	-	-	(70)	-	-
Member Training & Education	16	-	-	-	-	-	-	16
Printing & Postage - Members	143	-	-	-	-	(71)	-	72
Virtual Call Center	66	-	-	-	-	-	-	66
Member Services Total	608	-	-	-	(80)	(141)	-	387
SYSTEMS								
Business Continuity Expenses	248	-	(248)	-	-	-	-	-
County Data Processing	139	-	-	-	-	-	(139)	-
Computer Hardware & Maintenance	42	-	-	-	-	-	(42)	-
Software Maintenance & Support	859	-	-	-	-	-	(859)	-
Systems Total	1,288	-	(248)	-	-	-	(1,040)	-
BOARD OF RETIREMENT	707	-	-	(177)	(71)	(176)	-	283
UNCOLLECTIBLE BENEFIT PAYMENTS	78	-	-	-	-	-	-	78
DEPRECIATION	112	-	(2)	(19)	(3)	-	(7)	81
TOTAL OPERATING EXPENSE	\$ 22,422	\$ (445)	\$ (663)	\$ (3,508)	\$ (947)	\$ (2,379)	\$ (1,047)	\$ 13,433

¹ All ACERA budget schedules with dollar amounts are rounded to the nearest thousand dollars. This may result in some rounding differences.

OPERATING AND ADMINISTRATIVE EXPENSES

Operating Expenses (\$ in Thousands)	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
EXPENSE CATEGORY					
Staffing	\$ 16,224	\$ 15,881	\$ (343)	\$ 17,032	\$ 1,151
Staff Development	367	349	(18)	351	2
Professional Fees	1,301	1,216	(85)	1,141	(75)
Office Expense	469	419	(50)	468	49
Insurance	579	592	13	637	45
Member Services	522	518	(4)	608	90
Systems	1,223	1,238	15	1,288	50
Board of Retirement	614	632	18	707	75
Uncollectible Benefit Payments	53	52	(1)	78	26
Depreciation	120	120	-	112	(8)
Operating Expenses	\$ 21,472	\$ 21,017	\$ (455)	\$ 22,422	\$ 1,405

Administrative Expenses (\$ in Thousands)	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
EXCLUSIONS FROM OPERATING EXPENSE TO CALCULATE ADMINISTRATIVE EXPENSE					
Operating Expense (from above)	\$ 21,472	\$ 21,017	\$ (455)	\$ 22,422	\$ 1,405
Actuarial	(609)	(519)	90	(445)	74
Business Continuity ¹	(653)	(632)	21	(663)	(31)
Investment- Related ²	(3,391)	(3,322)	69	(3,508)	(186)
Legal- Related ³	(895)	(877)	18	(947)	(70)
SRBR ⁴	(2,152)	(2,142)	10	(2,379)	(237)
Technology ⁵	(980)	(995)	(15)	(1,047)	(52)
Administrative Expense	\$ 12,792	\$ 12,530	\$ (262)	\$ 13,433	\$ 903

¹ Business Continuity – 2024 related costs include total direct costs (\$248K) for software support; 2.3% is added for both allocated staffing and other overhead expenses (\$415K).

² Investment – 2024 related expenses are comprised of direct costs of Investment staff (\$2,101K), allocated staffing costs (\$886K), 25% of Board expenses (\$177K), 25% of audit expenses (\$36K) and 17.5% of other overhead costs (\$308K).

³ Legal – 2024 related expenses include direct costs of Staffing (\$547K), Professional Legal fees (\$150K), Disability Arbitration Expenses (\$80K), 10% of Board expenses (\$71K), and 3.2% of other overhead costs (\$99K).

⁴ SRBR – 2024 related expenses are comprised of allocated staffing costs (\$1,758K), direct costs of Professional Fees (\$304K), Member Services (\$141K), and 25% of Board expenses (\$176K).

⁵ Technology – 2024 related expenses include computer hardware, computer software, computer depreciation, and computer technology consulting services in support of these computer products.

Comparison of Administrative Expense to Limits (Section 31580.2) (\$ in thousands)	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/ (Under)
Total Actuarial Accrued Liabilities ⁶	\$ 12,130,810	\$ 12,130,810	\$ -	\$ 12,741,870	\$ 611,060
Limit on Expense	0.21%	0.21%	-	0.21%	-
Maximum Allowed	25,475	25,475	-	26,758	1,283
Administrative Expense	12,792	12,530	(262)	13,433	903
Over/(Under) Maximum	\$ (12,683)	\$ (12,945)	\$ (262)	\$ (13,325)	\$ (380)

⁶ Based on total actuarial accrued liabilities for pension as of December 31, 2022; OPEB and non-OPEB as of December 31, 2021 for 2024 Budget.

2024 DEPARTMENT WEIGHTED AVERAGE

2024 Allocation Percentages								
Expense Category	Department	Investment	Legal	BCP	SRBR	Technology	Administrative	
STAFFING	Administration	9.9%	0.0%	3.3%	0.0%	0.0%	86.8%	
	Benefits	0.3%	0.0%	0.4%	22.0%	0.0%	77.3%	
	SALARIES	Fiscal Services	10.0%	0.0%	0.6%	8.6%	0.0%	80.8%
	FRINGE BENEFITS	Human Resources	0.0%	0.0%	1.5%	0.0%	0.0%	98.5%
	TEMPS	Internal Audit	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
		Investments	97.5%	0.0%	2.5%	0.0%	0.0%	0.0%
		Legal	47.5%	52.5%	0.0%	0.0%	0.0%	0.0%
		PRISM	1.0%	0.0%	13.0%	0.0%	0.0%	86.0%
Total Staffing Factors		17.5%	3.2%	2.3%	10.3%	0.0%	66.7%	

2023 DEPARTMENT WEIGHTED AVERAGE

2023 Allocation Percentages								
Expense Category	Department	Investment	Legal	BCP	SRBR	Technology	Administrative	
STAFFING	Administration	9.7%	0.0%	3.2%	0.0%	0.0%	87.1%	
	Benefits	0.3%	0.0%	0.5%	21.1%	0.0%	78.1%	
	SALARIES	Fiscal Services	10.1%	0.0%	0.6%	8.8%	0.0%	80.5%
	FRINGE BENEFITS	Human Resources	0.0%	0.0%	1.6%	0.0%	0.0%	98.4%
	TEMPS	Internal Audit	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
		Investments	97.8%	0.0%	2.2%	0.0%	0.0%	0.0%
		Legal	48.3%	51.7%	0.0%	0.0%	0.0%	0.0%
		PRISM	1.1%	0.0%	12.5%	0.0%	0.0%	86.4%
Total Staffing Factors		17.8%	3.3%	2.2%	9.8%	0.0%	66.9%	

APPLIED FACTORS

2024 Applied Allocation Factors							
Expense Category	Expense Line	Investment	Legal	BCP	SRBR	Technology	Administrative
STAFF DEVELOPMENT	Staff Development	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
PROFESSIONAL FEES	Actuarial - SRBR	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
	External Audit	25.0%	0.0%	0.0%	0.0%	0.0%	75.0%
	Legal	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	Operations Consulting	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Operations Consulting - SRBR	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
OFFICE EXPENSE	Bank Charges & Miscellaneous Admin.	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Building Expenses	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Communications	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Equipment Lease & Maintenance	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Minor Furniture & Equipment	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Office Maintenance & Supplies	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Printing & Postage	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
INSURANCE	Insurance	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
MEMBER SERVICES	Benefit Verification	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Disability Arbitration and Transcripts	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	Disability Member Medical Expense	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Health Reimbursement Account (HRA)	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
	Member Training & Education	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Printing & Postage - Members	0.0%	0.0%	0.0%	50.0%	0.0%	50.0%
	Virtual Call Center	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
SYSTEMS	Computer Hardware & Software	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
	County Data Processing	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
	Disaster Recovery	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
	Software Maintenance & Support	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
UNCOLLECTIBLE BENEFIT PAYMENTS	Uncollectible Benefit Payments	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
BOARD OF RETIREMENT	Compensation	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Conferences & Training	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Election Expenses	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Employer Reimbursement	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Miscellaneous Activities	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Strategic Planning / Workshop	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
DEPRECIATION	Depreciation - Other	17.5%	3.2%	2.3%	0.0%	0.0%	77.0%
	Depreciation - BCP	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
	Depreciation - Hardware & Software and EDMS	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%

Section VI: Administrative Budget

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2023 Applied Allocation Factors							
Expense Category	Expense Line	Investment	Legal	BCP	SRBR	Technology	Administrative
STAFF							
DEVELOPMENT	Staff Development	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
PROFESSIONAL	Actuarial - SRBR	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
FEES	External Audit	25.0%	0.0%	0.0%	0.0%	0.0%	75.0%
	Legal	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	Operations Consulting	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Operations Consulting - SRBR	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
OFFICE	Bank Charges & Miscellaneous Admin.	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
EXPENSE	Building Expenses	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Communications	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Equipment Lease & Maintenance	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Minor Furniture & Equipment	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Office Maintenance & Supplies	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Printing & Postage	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
INSURANCE	Insurance	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
MEMBER	Benefit Verification	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
SERVICES	Disability Arbitration and Transcripts	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	Disability Member Medical Expense	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Health Reimbursement Account (HRA)	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
	Member Training & Education	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Printing & Postage - Members	0.0%	0.0%	0.0%	50.0%	0.0%	50.0%
	Virtual Call Center	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
SYSTEMS	Computer Hardware & Software	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
	County Data Processing	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
	Disaster Recovery	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
	Software Maintenance & Support	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
UNCOLLECTIBLE	Uncollectible Benefit Payments	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
BENEFIT PAYMENTS							
BOARD OF	Compensation	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
RETIREMENT	Conferences & Training	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Election Expenses	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Employer Reimbursement	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Miscellaneous Activities	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
	Strategic Planning / Workshop	25.0%	10.0%	0.0%	25.0%	0.0%	40.0%
DEPRECIATION	Depreciation - Other	17.8%	3.3%	2.2%	0.0%	0.0%	76.7%
	Depreciation - BCP	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
	Depreciation - Hardware & Software and EDMS	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%

2024 Approved Staffing Allocation Matrix

	INVESTMENTS	LEGAL	BCP	SRBR	ADMIN
ADMINISTRATION					
CEO	20%	-	2%	-	78%
Assistant CEO - Operations	10%	-	10%	-	80%
BENEFITS					
Assistant CEO	3%	-	1%	50%	46%
Administrative Specialist II	-	-	2%	-	98%
Administrative Support Specialist	-	-	-	50%	50%
Communications Manager	5%	-	-	50%	45%
Graphic Designer	-	-	-	50%	50%
Management Analyst	-	-	-	50%	50%
Retirement Benefits Assistant Manager	-	-	2%	70%	28%
Retirement Benefits Assistant Manager	-	-	2%	-	98%
Retirement Benefits Manager	-	-	2%	-	98%
Retirement Benefits Manager	-	-	2%	55%	43%
Retirement Benefits Specialist	-	-	-	65%	35%
Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
Senior Retirement Technician	-	-	-	60%	40%
FISCAL SERVICES					
Fiscal Services Officer	5%	-	1%	-	94%
Finance Services Specialist II	-	-	-	70%	30%
Retirement Accountant II	90%	-	-	-	10%
Retirement Accountant III	-	-	2%	25%	73%
Retirement Accountant III	25%	-	1%	-	74%
Retirement Budget Analyst	-	-	2%	-	98%
HUMAN RESOURCES					
Human Resources Officer	-	-	2%	-	98%
Administrative Specialist II	-	-	1%	-	99%
Human Resources Specialist	-	-	1%	-	99%
INVESTMENTS					
Chief Investment Officer	99%	-	1%	-	-
Administrative Specialist II	100%	-	-	-	-
Administrative Support Specialist	95%	-	5%	-	-
Investment Operations Officer	95%	-	5%	-	-
Investment Analyst	95%	-	5%	-	-
All Other Investment Staff	99%	-	1%	-	-
LEGAL					
Chief Counsel	15%	85%	-	-	-
Administrative Specialist II	50%	50%	-	-	-
Administrative Support Specialist	15%	85%	-	-	-
Associate Counsel	95%	5%	-	-	-
PRISM					
Retirement Tech Officer	-	-	10%	-	90%
Computer Network System Analyst	5%	-	20%	-	75%
Computer and Network System Specialist	1%	-	10%	-	89%
Computer and Network System Specialist	2%	-	15%	-	83%
Security Analyst	-	-	30%	-	70%
All Other PRISM Staff	-	-	5%	-	95%

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Section VII

Capital Assets Outlay Budget

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Section VII :

Capital Assets Outlay Budget

The Capital Assets Outlay Budget develops anticipated funding needs for items or projects that exceed a purchase cost of \$5,000.

Capital Assets Outlay 2023 - 2024

Statement of Capital Assets Outlay - 2023 Forecast and 2024 Approved Budget							
	2023 Budget	2023 Forecast	2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget	2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change	
System							
Pension Gold System Upgrade ¹	\$ 2,676,000	\$ 2,730,000	\$ 54,000	\$ 3,314,000	\$ 584,000	21.4%	
Sub-Total	2,676,000	2,730,000	54,000	3,314,000	584,000	21.4%	
Capital Assets Outlay Total	\$ 2,676,000	\$ 2,730,000	\$ 54,000	\$ 3,314,000	\$ 584,000	21.4%	

¹ Pension Gold Upgrade is a five-year project. Listed below are the current estimated expenses for the 2024 approved budget:

- Anticipated implementation services with Levi, Ray and Shoup (LRS) — \$1,950,000
- Anticipated cost for Segal and other consultant fees to oversee the project — \$593,000
- Anticipated cost for Staffing to work on the project — \$771,000

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Section VIII

Portfolio Management Investment Expenses

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Section VIII:

Portfolio Management Investment Expenses

Portfolio Management Investment Expenses include the cost of independent professionals whose contractual fees are negotiated based on the value of assets under management. Known contractual fees are listed and a 5% annual increase is assumed for all other terms.

Portfolio Management Investment Expenses	2023 Forecast		2023 Forecast vs. 2023 Budget Over/(Under)	2024 Approved Budget		2024 Approved Budget vs. 2023 Forecast Over/(Under)	% Change
	2023 Budget	2023 Forecast		2024 Approved Budget	2024 Approved Budget		
Consultant Fees	\$ 1,560,000	\$ 1,505,000	\$ (55,000)	\$ 1,620,000	\$ 115,000	7.6%	
Custodian Bank Fees	564,000	614,000	50,000	645,000	31,000	5.0%	
Investment Manager Fees	52,413,000	50,894,000	(1,519,000)	54,977,000	4,083,000	8.0%	
Other Investment Expenses	572,000	485,000	(87,000)	633,000	148,000	30.5%	
Total Portfolio Management Investment Expenses	\$ 55,109,000	\$ 53,498,000	\$ (1,611,000)	\$ 57,875,000	\$ 4,377,000	8.2%	

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Appendix

2024 Budget Change Proposals (BCP)

2024 Contingency Fund

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Appendix

2024 BUDGET CHANGE PROPOSALS (BCP)

Expense Type	BCP Description	Totals
BOARD	Board Expensify System	\$ 3,000
CAPITAL	Pension Gold System Upgrade (Capital)	3,314,000
PROFESSIONAL FEES/SYSTEM	Cashlog Database Upgrade	30,000
PROFESSIONAL FEES	Disability Arbitration and Litigation Reserve Fund	50,000
SYSTEM	Projects Reserve Fund	20,000
SYSTEM	Intranet Software	40,000
BCP Total		\$ 3,457,000

2024 CONTINGENCY FUND

Expense Type	Description	Totals
PROFESSIONAL FEES	Disability Arbitration and Litigation Reserve Fund	\$ 50,000
STAFF DEVELOPMENT	Trainings/Conferences Reserve Fund	44,000
SYSTEM	Annual Projects Reserve Fund	20,000
Contingency Fund Total		\$ 114,000

2024 Approved Budget Contingency Reserve

Contingency Reserve for Disability Arbitration and Litigation - \$50,000

This reserve fund is for anticipated disability arbitration and related legal advice expenses. If there is a need, the Chief Executive Officer can redirect the contingency appropriation back to the operating expense budget.

Contingency Reserve for Training and Conference Expenses - \$44,000

This reserve fund is associated with trainings and conferences attendance. If there is a need, the Chief Executive Officer can redirect the contingency appropriation back to the operating expense budget.

Contingency Reserve for Projects - \$20,000

This reserve fund is for anticipated new or ongoing system upgrade project expenses. If there is a need, the Chief Executive Officer can redirect the contingency appropriation back to the operating expense budget.