

# BB Police

Expense	Prior Yr 2014	Current Yr 2015
Actuary Fee	\$ 12,139.00	\$ 40,000.00
Administrator Fee	\$ 27,393.00	\$ 30,132.00
Audit Fee	\$ 11,000.00	\$ 16,000.00
Bank Charges	\$ 143.00	\$ 250.00
Computer Service	\$ 5,906.00	\$ 10,000.00
Director Liab Ins	\$ 21,048.00	\$ 30,000.00
Dues/Subscriptions	\$ 600.00	\$ 725.00
Legal Fees	\$ 16,523.00	\$ 20,000.00
Office Expense	\$ 1,557.00	\$ 1,800.00
Office Rent	\$ 6,707.00	\$ 8,000.00
Pension Programs	\$ 3,114.00	\$ 5,000.00
Performance Monitor	\$ 20,000.00	\$ 20,000.00
Printing Expenses	\$ 2,878.00	\$ 4,000.00
Seminars/Training	\$ 15,073.00	\$ 35,000.00
Misc Expenses	\$ -	\$ 50,000.00
<b>TOTALS</b>	<b>\$ 144,081.00</b>	<b>\$ 270,907.00</b>
Boynton Beach		
Police Officers'		
Pension Fund		

Expense                      Prior Yr 2014              Current Yr 2015

Actuary Fee	12139	40000
Administrator Fee	27393	30132
Audit Fee	11000	16000
Bank Charges	143	250
Computer Service	5906	10000
Director Liab Ins	21048	30000
Dues/Subscriptions	600	725
Legal Fees	16523	20000
Office Expense	1557	1800
Office Rent	6707	8000
Pension Programs	3114	5000
Performance Monitor	20000	20000
Printing Expenses	2878	4000
Seminars/Training	15073	35000
Misc Expenses	0	50000

TOTALS                      144081                      270907

Boynton Beach  
Police Officers'  
Pension Fund

*1690*                      *.2370*

*14*  
*11*  
*0*  
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## Barbara Ladue

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**From:** Bonni Jensen <bonni@robertdklausner.com>  
**Sent:** Wednesday, July 15, 2015 12:29 PM  
**To:** ladueb@bbpdpension.com  
**Cc:** AtholT@bbfl.us; LlopisJ@bbfl.us; bsjteam  
**Subject:** Boynton Beach Police Pension Fund - Administrative Expense Budget  
**Attachments:** sample administrative expense budget.xlsx

Barbara,

During the most recent legislative session, a new reporting requirement was established for the Board. The new law (SB 172) provides that the Board needs to create an administrative expense budget. The administrative expenses are defined in the statute as: "expenses relating to any legal counsel, actuary, plan administrator, and all other consultants, and all travel and other expenses paid to or on behalf of the members of the board of trustees or anyone else on behalf of the plan." See full text of the law below. **The Board needs to adopt an administrative expense budget at the August 11, 2015 meeting.**

The budget is only expenses. Attached is a sample that was prepared for another fund. The actual fund expenses for last year should be a part of the annual report that was filed this year with the Municipal Police and Fire Pension Office and the last page of your 9/30/14 Financial Statements. I recommend that the budgeted amount be at least a 5-10% increase over the last year's expenses. The miscellaneous category can be used to transfer to other budget line items since there can be unexpected expenses. The budget needs to be completed, filed with the Town, and made available to the members before October 1, 2015.

Your Audit provides a detailed accounting of administrative expenses which meets the other reporting requirement under the law.

Finally, both of these reports (detailed accounting of administrative expenses and the budget) need to be filed with the Town and "made available" to the members of the fund.

Please give me a call if you want to discuss in further detail.

**175.061/185.05 Board of trustees; members; terms of office; meetings; legal entity; costs; attorney's fees.—For any municipality, special fire control district, chapter plan, local law municipality, local law special fire control district, or local law plan under this chapter:**

**(8)(a) The board of trustees shall:**

1. Provide a detailed accounting report of its expenses for each fiscal year to the plan sponsor and the Department of Management Services and make the report available to each member of the plan and post the report on the board's website, if the board has a website. The report must include all administrative expenses that, for purposes of this subsection, are expenses relating to any legal counsel, actuary, plan administrator, and all other consultants, and all travel and other expenses paid to or on behalf of the members of the board of trustees or anyone else on behalf of the plan.

2. Operate under an administrative expense budget for each fiscal year, provide a copy of the budget to the plan sponsor, and make available a copy of the budget to plan members before the beginning of the fiscal year. If the board of trustees amends the administrative expense budget, the

board must provide a copy of the amended budget to the plan sponsor and make available a copy of the amended budget to plan members.

To make sure that your email is handled in a timely manner, please copy [BSJTeam@robertdklausner.com](mailto:BSJTeam@robertdklausner.com).

Bonni S. Jensen  
Klausner, Kaufman, Jensen & Levinson  
400 Executive Center Drive, #207  
West Palm Beach, Florida 33401  
Telephone: 561-686-6550  
[bonni@robertdklausner.com](mailto:bonni@robertdklausner.com)



7080 N.W. 4<sup>th</sup> Street  
Plantation, Florida 33317  
Telephone: 954-916-1202  
Facsimile: 954-916-1232

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Account Description	Prior Year Actual Expense	% Total Admin	Next Fiscal Year Budget	% Total Budget
<b>Plan Expense:</b>				
Service Providers:				
Actuary	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Administrator	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Auditor/ Accounting	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Attorney/ Legal	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Custodian	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Investment Consultant	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
<b>Subtotal:</b>				
Other Plan Expenses:	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Dues and Subscriptions	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Insurance	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Miscellaneous Expenses	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
Travel & Education	\$\$\$\$\$\$	%	\$\$\$\$\$\$ + % inc	%
<b>Subtotal:</b>				
<b>TOTAL:</b>		<b>100%</b>		<b>100%</b>

**BOYNTON BEACH POLICE OFFICERS' PENSION FUND**

**SCHEDULES OF INVESTMENT AND ADMINISTRATIVE EXPENSES**

Years ended September 30, 2014 and 2013

	2014		2013	
	<u>Investment</u>	<u>Administrative</u>	<u>Investment</u>	<u>Administrative</u>
	<u>Expenses</u>	<u>Expenses</u>	<u>Expenses</u>	<u>Expenses</u>
<i>2015-2016</i>				
Expenses:				
Actuary fees	<i>40,000</i> \$	- \$ <del>12,139</del>	\$ -	\$ 19,971
Administrator's fees	<i>30,132</i>	- <del>27,393</del>	-	21,055
Audit fees	<i>16,000</i>	- 11,000	-	10,500
Bank charges	<i>250</i>	- 143	-	90
Computer service	<i>10,000</i>	- 5,906	-	5,748
Directors' liability insurance	<i>30,000</i>	- 21,048	-	11,402
Dues and subscriptions	<i>725</i>	- 600	-	600
Investment managers' fees:				
Russell Trust Company	545,922	-	499,021	-
Legal fees	<i>20,000</i>	- 16,523	-	11,932
Medical advisor		1,045		
Office expenses	<i>1,800</i>	- 1,557	-	804
Office rent	<i>8,000</i>	- 6,707	-	7,279
Pension program maintenance	<i>5,000</i>	- 3,114	-	3,605
Performance monitor	20,000	-	20,000	-
Seminars and training	<i>35,000</i>	- 15,073	-	8,504
Printing expense	<i>4,000</i>	- 2,878	-	4,445
	<u>\$ 565,922</u>	<u>\$ 125,126</u>	<u>\$ 519,021</u>	<u>\$ 105,935</u>
Misc Expenses ←		<i>50,000</i>		
Percentage of plan net position	<u>0.74%</u>	<u>0.16%</u>	<u>0.75%</u>	<u>0.15%</u>

*251,907*

*240,000*

**BOYNTON BEACH POLICE OFFICERS' PENSION FUND**

**SCHEDULES OF INVESTMENT AND ADMINISTRATIVE EXPENSES**

Years ended September 30, 2012 and 2011

	2012		2011	
	Investment Expenses	Administrative Expenses	Investment Expenses	Administrative Expenses
<b>Expenses:</b>				
Actuary fees	\$ -	\$ 32,963	\$ -	\$ 31,648
Administrator's fees	-	21,055	-	20,872
Audit fees	-	9,700	-	15,750
Bank charges	-	90	-	27
Computer service	-	5,712	-	6,444
Directors' liability insurance	-	10,581	-	5,432
Dues and subscriptions	-	600	-	600
<b>Investment managers' fees:</b>				
Russell Trust Company	344,647	-	394,217	-
Legal fees	-	10,038	-	16,650
Office expenses	-	1,397	-	26
Office rent	-	5,716	-	5,712
Pension program maintenance	-	2,120	-	2,019
Performance monitor	20,000	-	20,000	-
Seminars and training	-	20,616	-	26,817
Printing expense	-	2,168	-	2,698
	<u>\$ 364,647</u>	<u>\$ 122,756</u>	<u>\$ 414,217</u>	<u>\$ 134,695</u>
 <b>Percentage of plan net assets</b>	 <u>0.59%</u>	 <u>0.20%</u>	 <u>0.81%</u>	 <u>0.26%</u>