

DEFERRED COMPENSATION PLAN BOARD REPORT 14-09

Date: February 10, 2014
To: Board of Deferred Compensation Administration
From: Staff
Subject: Historical Plan Budget Review

Members
Eugene K. Canzano, Chairperson
John R. Mumma, Vice-Chairperson
Cliff Cannon, First Provisional Chair
Tom Moutes, Second Provisional Chair
Sangeeta Bhatia, Third Provisional Chair
Michael Amerian
Ray Ciranna
Robert Schoonover
Margaret Whelan

Recommendation:

That the Board of Deferred Compensation Administration receive and file the following information showing actual Plan budgetary revenues and expenditures from 2008 to 2012.

Discussion:

At the January 21, 2014 regular Board meeting, staff presented the Board with the Plan's 2014 calendar year proposed budget. The annual budget supplements the quarterly reconciliations of the Plan's fee revenues and internal administrative expenses as an estimate of expected expenditures. The Board requested additional information providing a five-year history of Plan budgetary revenues and expenditures. Attachment I shows the actual budget revenues and expenditures from 2008 to 2012 and the Plan's 2014 calendar year budget as adopted by the Board at its January 21, 2014 meeting. Actual revenues and expenditures for calendar year 2013 were not finalized at the time of writing this report and will be included in the 2013 annual report to be presented to the Board at an upcoming meeting.

Submitted by: _____
Paul Makowski

Reviewed by: _____
Steven Montagna

Approved by: _____
Alejandrina Basquez

	Actual Year Ending					Adopted 2014
	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012	
Starting Balance						
Payroll Fee Trust Fund Balance	292,827	214,597	28,537	134,375	527,626	
Administrative Fee Reserve Fund Balance	3,542,891	3,582,738	3,473,506	3,778,355	2,820,011	
Total Starting Balance	3,835,718	3,797,335	3,502,043	3,912,730	3,347,637	2,511,969
Revenues/Fees						
Interest	180,021	138,786	111,652	91,235	76,090	70,552
Revenue from Fees Deducted from Participant Accounts	1,899,355	1,892,270	2,075,698	2,158,756	2,222,921	2,498,774
Credits and Adjustments	103,248	128,960	46,791	105,787	52,643	
Total Revenues/Fees	2,182,624	2,160,017	2,234,141	2,355,778	2,351,654	2,569,326
TOTAL ASSETS (Starting Balance + Revenues/Fees)	6,018,342	5,957,352	5,736,184	6,268,508	5,699,291	5,081,295
Expenditures						
Participant Admin Fees Paid to GWRS	(1,560,833)	(1,604,608)	(1,609,935)	(1,602,739)	(1,518,543)	(1,498,320)
2130 Travel/Training/Education	(26,663)	(18,004)	(27,030)	(23,281)	(20,980)	(59,178)
4160 Governmental Meetings	0	0	0	0	0	(500)
6010 Office and Administrative	(2,146)	(585)	0	(600)	(6,482)	(5,000)
Staffing Reimbursements	(304,683)	(668,889)	(301,098)	(644,053)	(564,975)	(869,083)
Consultant Costs	(103,341)	(116,327)	(24,431)	(165,017)	(71,951)	(185,000)
Election Administration and Special Marketing	(17,612)	(9,201)	0	(25,690)	(8,253)	(71,200)
GWRS Asset Allocation Fund Management	(24,000)	(31,500)	(36,000)	(36,000)	(75,404)	(72,000)
GWRS Hardship Administration (aka Unforeseen Emergency Withdrawal Service)	(46,750)	(81,000)	(103,250)	(113,750)	(123,500)	(100,000)
Wells Fargo Custodial Fees	-	-	-	-	(8,250)	
Total Expenditures	(2,086,028)	(2,530,114)	(2,101,743)	(2,611,130)	(2,398,338)	(2,860,281)
Actual Payroll Fee Trust Fund Ending Balance	214,597	28,537	134,375	527,626	18,441	
Actual Administrative Fee Reserve Fund Ending Balance	3,582,738	3,473,506	3,778,355	2,820,011	2,632,208	2,221,014
Total Ending Balance	3,797,335	3,502,043	3,912,730	3,347,637	2,650,649	2,221,014
Encumbrances/Liabilities						
Staffing Requirements	(364,430)	(277,287)	(514,971)	(277,272)	(303,378)	0
Total Assets Less Liabilities	3,567,883	3,149,951	3,119,470	3,380,106	2,997,575	2,221,014

Please note that the starting balance for 2014 is a projection as staff has not completed the 2013 annual summary.