

**BUDGET - GENERAL RETIREMENT SYSTEM**  
**June 30, 2014**

<u>Expense</u>	<u>Actual</u> <u>YTD</u>	<u>FYE 06/30/14</u> <u>Target</u>	<u>Variance</u> <u>to Target</u>	<u>Expended by</u> <u>06/30/13</u>	<u>Variance</u> <u>to 06/30/13</u>
Professional Services					
- Actuarial	38,300.00	40,800.00	(2,500.00)	30,400.00	7,900.00
- Audit	11,300.00	11,300.00	0.00	11,800.00	(500.00)
- Consultant	109,375.00	109,000.00	375.00	107,500.00	1,875.00
- Custodial*	54,161.73	60,000.00	(5,838.27)	53,539.67	622.06
- Investment Management	1,065,610.73	950,000.00	115,610.73	920,372.89	145,237.84
- Legal Services	39.00	300.00	(261.00)	68.25	(29.25)
Insurance					
- Business Owners	380.00	350.50	29.50	350.50	29.50
- Fiduciary Liability	32,703.00	15,950.00	16,753.00	0.00	32,703.00
- Life & Disability	723.54	723.54	0.00	723.54	0.00
- Workers Compensation	786.00	842.00	(56.00)	847.65	(61.65)
Due Diligence & Education					
- Due Diligence	465.98	2,000.00	(1,534.02)	1,181.00	(715.02)
- Conference	11,756.72	20,000.00	(8,243.28)	12,235.75	(479.03)
- Other Education	2,428.96	3,800.00	(1,371.04)	3,625.57	(1,196.61)
Administration					
- Accufund Consultant	886.25	1,200.00	(313.75)	886.25	0.00
- Medical Evaluations	2,928.40	9,000.00	(6,071.60)	8,546.00	(5,617.60)
- Meetings	495.45	450.00	45.45	347.25	148.20
- Occupancy Rental	13,749.96	13,749.96	0.00	13,749.96	0.00
- Office Supplies	10,973.34	16,000.00	(5,026.66)	13,686.26	(2,712.92)
- Memberships	600.50	400.00	200.50	400.00	200.50
- Salaries & Wages	224,059.13	286,000.00	(61,940.87)	210,831.83	13,227.30
<b>Total Expenses</b>	<u>1,581,723.69</u>	<u>1,541,866.00</u>	<u>39,857.69</u>	<u>1,391,092.37</u>	<u>190,631.32</u>

\*Custody fees shown above are before offset from Securities Lending Income. Total income for FYE 06/30/13 was \$29,513.67.

**Number of Board Members:**

7

**Size of System (Market Value):**

\$428,410,879 (as of 06/30/14)

**Educational Objectives:**

To establish standard procedures to authorize and regulate the use of pension funds by Trustees, Executive Director, Pension Board staff members and legal advisor in the attendance of conventions, conferences, due diligence visits, other related training, educational courses and activities. This policy is developed for the purpose of increasing effectiveness and efficiency in the discharge of the duties of those listed. As part of this policy, a minimum of one due diligence visit is required to each money manager, financial institution, actuary and consultant each year unless otherwise directed by the Pension Board on a case-by-case basis. These visits may be combined with other activities, conferences, personal or business travel when arranged and approved in advance by the Pension Board in accordance with the Trustee Training, Educational Development and Due Diligence Policy.

**Aggregate Cost for Professional Training and Education Including Travel Costs**

The System's total aggregate cost for professional training and education, including travel costs, authorized by Michigan Public Act 314 for a fiscal year shall not exceed \$150,000 or an amount equal to the total number of system board members multiplied by \$12,000, whichever is less. Beginning January 1, 2013, the department of treasury shall adjust the dollar amounts for these costs by an amount determined by the state treasurer at the end of the immediately preceding calendar year to reflect the cumulative annual percentage change in the consumer price index.