



MEMORANDUM

TO: CHAIR DEAN SCHEINERT AND ADMINISTRATION COMMITTEE MEMBERS

FROM: MIKE TOWNSEND, ADMINISTRATOR

DATE: MARCH 12, 2025

RE: FY2026 PSPRS BUDGET REVIEW AND RECOMMENDATION

Agenda title:

Update, review and possible Action on recommendation to the Board of Trustees regarding the FY2026 PSPRS Budget.

Background:

The purpose of this agenda item is to review and discuss the FY2026 PSPRS budget. The recommended FY2026 budget was developed in support of the Administrator's priorities and the discussion at the October 2024 Board retreat and review of the proposed strategic plan.

The budget numbers have been further refined after the February discussion of the recommended budget. There are some additional costs, approximately \$100K, related to the Workiva software and implementation numbers for both Finance and Internal Audit. There is also an additional \$65k from IT for Fortinet Maintenance, critical security services that were originally purchased in FY 23 and will come due midway of FY26.

The requested position in internal audit is for an auditor 4 not auditor 3 as presented last month, but the requested budget was correct.

There are some personnel recruitments that PSPRS Management would like to move forward with hiring in the Investment Department. If there is a need for further consideration in adopting the FY2026 PSPRS budget, staff are recommending that the Administration Committee move forward to recommend to the Board the approval of the Investment Department staffing additions as presented. The Investment Committee has reviewed and recommended approval of the Investment Department staffing and budget. This will allow staff to move forward with these critical positions.

Suggested motion:

Motion to recommend the Board of Trustees approve the FY2026 PSPRS budget.