

**BOARD OF RETIREMENT  
FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

**BUDGET COMMITTEE MEETING**

**May 27, 2010**

**Committee Members Present:**

Michael Cardenas

Vicki Crow

James Hackett

**Committee Members Absent:**

Phil Larson

**Others Present:**

Ronald S. Frye, Alternate Trustee

Roberto L. Peña, Retirement Administrator

Becky Van Wyk, Assistant Retirement Administrator

Kelly Prinz, Retirement Benefits Manager

Elizabeth Avalos, Administrative Secretary

**1. Call To Order**

Chair Cardenas called the meeting to order at 9:02 AM.

**2. Pledge of Allegiance**

Recited.

**3. Discussion and appropriate action on the Salaries & Benefits portion of the 2010-2011 FCERA Budget presented by Roberto L. Peña, Retirement Administrator**

Roberto L. Peña, Retirement Administrator, began the presentation with a brief description of the methodology used in preparing the FCERA Administrative 2010-11 budget and reviewed a comparison of the adopted Salaries & Benefits budget for fiscal year 2009-10 to the projected Salaries & Benefits expenditures for fiscal year 2009-10 noting a "savings/difference" of \$22,128.

Mr. Peña noted the differences as follows:

- Regular Wages reduction of \$41,971
- Overtime increase of \$19,676
- Benefits increase of \$4,234
- Extra Help Wages reduction of \$4,067

Mr. Peña gave a detailed explanation as to the reasons for the differences in each category noted above.

Mr. Peña reviewed the budget goals for fiscal year 2010-11 as follows:

- Continue implementation of business projects that resulted from the Strategic Planning initiative
- Retain and develop talent through career tracks and merit recognition
- Implement operational efficiencies on retirement processes to better serve our membership
- Keep up with new challenges created by the dynamic retirement environment and the current economic and financial environment

Mr. Peña reviewed a comparison of the proposed Salaries & Benefits budget for fiscal year 2010-11 to the projected Salaries & Benefits expenditures for fiscal year 2009-10 noting an "increase/difference" of \$187,261.

Mr. Peña noted the differences as follows:

- Regular Wages increase of \$100,843
- Benefits increase of \$88,333
- Overtime reduction of \$17,409
- Extra Help Wages increase of \$6,494

Mr. Peña reviewed a comparison of the proposed Salaries & Benefits budget for fiscal year 2010-11 to the adopted budget for fiscal year 2009-10 noting an increase of \$156,133.

Mr. Peña noted the differences as follows:

- Benefits increase of \$92,567
- Regular Wages increase of \$58,872
- Extra Help Wages increase of \$2,427
- Overtime increase of \$2,267

#### **4. Discussion and appropriate action on the Services & Supplies portion of the 2010-2011 FCERA Budget presented by Roberto L. Peña, Retirement Administrator**

Mr. Peña reviewed a comparison of the Services & Supplies adopted budget for fiscal year 2009-10 to the projected Services & Supplies expenditures for fiscal year 2009-10 and noted a decrease/difference of \$610,737.

Mr. Peña noted the differences as follows:

- Professional & Special Services reduction of \$370,653
- Fixed Assets reduction of \$133,330
- PENSIONS System reduction of \$82,500
- Training and Travel (Board and Staff) reduction of \$16,438
- Other (Phones, Memberships, Board Stipend) reduction of \$4,200
- Utilities reduction of \$2,839
- Maintenance reduction of \$2,296
- General Operating Expenses (includes postage) increase of \$1,927
- Liability Insurance reduction of \$408

- ITSD Charges difference of \$0

Mr. Peña gave a detailed explanation for the differences in each category noted above.

Mr. Peña reviewed the Services & Supplies proposed budget of \$1,626,292 for fiscal year 2009-10 to the projected budget for 2009-10 noting a difference of 127,255.

Mr. Peña noted the differences as follows:

- Professional and Special Services increase of \$230,745
- Fixed Assets reduction of \$127,770
- ITSD Charges reduction of \$18,413
- Training and Travel (Board & Staff) increase of \$13,038
- Liability Insurance increase of \$10,607
- PENSIONS System increase of \$9,000
- Other (Memberships, Board Stipend) increase of \$4,200
- Utilities increase of \$2,577
- General Operating Expenses increase of \$1,779
- Maintenance increase of \$1,492

Mr. Peña reviewed a comparison of the Services & Supplies adopted budget for fiscal year 2009-10 to the proposed Supplies and Services expenditures for fiscal year 2010-11 noting a decrease/difference of \$483,482.

Mr. Peña noted the differences as follows:

- Professional and Special Services reduction of \$139,908
- Fixed Assets reduction of \$261,100
- ITSD Charges reduction of \$18,413
- Training and Travel (Board & Staff) reduction of \$3,400
- Liability Insurance increase of \$10,199
- PENSIONS System reduction of \$73,500
- Other (Memberships, Board Stipend) difference of \$0
- Utilities reduction of \$262
- General Operating Expenses increase of \$3,706
- Maintenance reduction of \$804

Mr. Peña advised that the proposed 2010-11 budget of \$3,824,319 (Salaries & Benefits - \$2,198,027 and Services & Supplies - \$1,626,292) is 0.001418 basis points of the total plan assets. The 1937 Act allows 18 basis points of the total plan assets or 23 basis points of net plan assets. In addition, the 1937 Act allows for the Plan to use an additional \$1 million for the purchase of computer technology.

Mr. Peña recommended that the Committee accept the proposed Salaries & Benefits and Services & Supplies 2010-11 budget.

**A motion was made by Trustee Crow, seconded by Trustee Hackett, to Accept the 2010-2011 proposed budget as presented. VOTE: Unanimous (Absent – Larson)**

RECEIVED AND FILED; APPROVED

**5. Adjournment**

There being no further business the meeting adjourned at 9:53 AM.

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Roberto L. Peña  
Secretary to the Board