



## Inter Office Memo

DEPARTMENT OF  
HUMAN RESOURCES

### ITEM 6

DATE: June 2, 2022  
TO: Deferred Compensation Management Council  
FROM: DayVonna Youngblood, Human Resources Manager  
SUBJECT: 2021-22 Fiscal Year 3<sup>rd</sup> Quarter Budget Report

#### **BACKGROUND**

Pursuant to Section 8.02 of the County of Fresno 457(b) Deferred Compensation Plan Document, your Council shall determine the reasonable Deferred Compensation Plan (Plan) expenses, such as third-party administration, consulting, legal and County staff costs. In addition, your Council shall determine the administrative fee charged to Participants to pay for such reasonable Plan expenses, on an annual basis. On June 23, 2021, your Council approved a Fiscal Year 2021-22 budget for Plan expenses and set an administrative fee of 0.18%.

#### **ISSUE**

Staff has prepared a Fiscal Year 2021-22 budget report for the nine-month period that ended March 31, 2022 (Exhibit A). The Fiscal Year 2021-22 Deferred Compensation Plan budget was approved by your Council on June 23, 2021 and is attached to this item (Exhibit B) for reference. Exhibit A has three (3) columns for Revenue, Discretionary Expenses, and Mandatory Expenses:

1. "Approved" provides the dollar amounts that were originally approved by your Council at the June 23, 2021 meeting.
2. "Year to Date" provides the revenue received and expenses incurred between July 1, 2021 and March 31, 2022.
3. "Projected" provides the dollar amounts that staff projects will be the year-end totals.

In addition, staff has provided the surplus or deficit numbers, both year to date and projected for the full year. Please note that the projections are estimates based primarily on the following:

- The trends for this fiscal year, such as increasing/decreasing Plan assets leading to increasing/decreasing revenues and record-keeping fees; and
- Expenses that will be incurred prior to the end of the fiscal year, such as the fiduciary liability insurance policy.

#### **RECOMMENDED ACTION**

**There are no recommended actions associated with this item.**

# County of Fresno Deferred Compensation Plan

**Fiscal Year 2021-22 Revenue & Expenses as of March 31, 2022**

Revenue	Approved	Year to Date	Projected
Administrative Fees	\$ 239,000	\$ 239,264	\$ 309,000
<b>Totals:</b>	<b>\$ 239,000</b>	<b>\$ 239,264</b>	<b>\$ 309,000</b>

Discretionary Expenses	Approved	Year to Date	Projected
County Staff	\$ 156,000	\$ 49,625	\$ 125,782
Consultant	\$ 42,500	\$ 28,125	\$ 38,750
Fiduciary Liability Insurance	\$ 13,000	\$ -	\$ 13,000
Off-Site Training	\$ 2,500	\$ -	\$ 2,500
Contingencies	\$ 25,000	\$ -	\$ -
<b>Totals:</b>	<b>\$ 239,000</b>	<b>\$ 77,750</b>	<b>\$ 180,032</b>

	Year to Date	Projected
<b>Surplus (Deficit):</b>	<b>\$ 161,514</b>	<b>\$ 128,968</b>

Mandatory Expenses	Approved	Year to Date	Projected
Record-keeping Fees	\$ 350,000	\$ 259,769	\$ 347,000

## Item 6 - Exhibit B

### Discretionary Items

Revenue Source	2021-22 Budget	% of Revenue	2020-21 Budget	\$ Change from 2020-21	% Change from 2020-21
Administrative Fee	\$239,000	100%	\$225,000	\$14,000	6%
<b>Total Revenue:</b>	<b>\$239,000</b>	<b>100%</b>	<b>\$225,000</b>	<b>\$14,000</b>	<b>6%</b>
Expense	2021-22 Budget	% of Expenses	2020-21 Budget	\$ Change from 2020-21	% Change from 2020-21
County Staff	\$156,000	65%	\$139,000	\$17,000	12%
Consultant	\$42,500	18%	\$40,000	\$2,500	6%
Fiduciary Liability Insurance	\$13,000	5%	\$11,000	\$2,000	18%
Off-Site Training	\$2,500	1%	\$2,000	\$500	25%
Contingencies	\$25,000	11%	\$33,000	-\$8,000	-24%
<b>Total Expenses:</b>	<b>\$239,000</b>	<b>100%</b>	<b>\$225,000</b>	<b>\$14,000</b>	<b>6%</b>

### Mandatory Items

Revenue Source	2021-22 Budget	2020-21 Budget	\$ Change from 2020-21	% Change from 2020-21
Nationwide Fee	\$350,000	\$277,000	\$73,000	26%
Expense	2021-22 Budget	2020-21 Budget	\$ Change from 2020-21	% Change from 2020-21
Record-keeping	\$350,000	\$277,000	\$73,000	26%