



Inter Office Memo

DEPARTMENT OF
HUMAN RESOURCES

ITEM 8

DATE: December 15, 2022
TO: Deferred Compensation Management Council
FROM: DayVonna Youngblood, Human Resources Manager
SUBJECT: 2022-23 Fiscal Year 1st Quarter Budget Report

BACKGROUND

Pursuant to Section 8.02 of the County of Fresno 457(b) Deferred Compensation Plan Document, the Deferred Compensation Management Council shall determine the reasonable Deferred Compensation Plan (Plan) expenses, such as third-party administration, consulting, legal and County staff costs. In addition, the Council shall determine the administrative fee charged to Participants to pay for such reasonable Plan expenses, on an annual basis. On June 2, 2022, the Council approved a Fiscal Year 2022-23 budget for Plan expenses and set the total administrative fee at 0.18%.

ISSUE

Staff has prepared a Fiscal Year 2022-23 budget report for the three-month period that ended September 30, 2022 (Exhibit A). The Fiscal Year 2022-23 Plan budget was approved by the Council on June 2, 2022 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 approved by the Council on June 2, 2022.
2. "Year to Date" provides the revenue received and expenses incurred between July 1, 2022 and September 30, 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.

ITEM 8 - EXHIBIT A

County of Fresno Deferred Compensation Plan

Fiscal Year 2022-23 Revenue & Expenses as of September 30, 2022

Revenue	Approved	Year to Date	Projected
Administrative Fees	\$ 236,000	\$ 61,629	\$ 246,000
Totals:	\$ 236,000	\$ 61,629	\$ 246,000

Discretionary Expenses	Approved	Year to Date	Projected
County Staff	\$ 156,000	\$ 15,817	\$ 137,000
Consultant	\$ 42,500	\$ 8,125	\$ 40,000
Fiduciary Liability Insurance	\$ 15,000	\$ -	\$ 15,000
Off-Site Training	\$ 10,000	\$ -	\$ 7,500
Contingencies	\$ 12,500	\$ -	\$ -
Totals:	\$ 236,000	\$ 23,942	\$ 199,500

	Year to Date	Projected
Surplus (Deficit):	\$ 37,687	\$ 46,500



Mandatory Expenses	Approved	Year to Date	Projected
Record-keeping Fees	\$ 340,000	\$ 76,224	\$ 305,000

ITEM 8 - EXHIBIT B

Discretionary Items

Revenue Source	2022-23 Budget	% of Revenue	2021-22 Budget	\$ Change from 2021-22	% Change from 2021-22
Administrative Fee	\$236,000	100%	\$239,000	-\$3,000	-1%
Total Revenue:	\$236,000	100%	\$239,000	-\$3,000	-1%
Expense	2022-23 Budget	% of Expenses	2021-22 Budget	\$ Change from 2021-22	% Change from 2021-22
County Staff	\$156,000	66%	\$156,000	\$0	0%
Consultant	\$42,500	18%	\$42,500	\$0	0%
Fiduciary Liability Insurance	\$15,000	6%	\$13,000	\$2,000	15%
Off-Site Training	\$10,000	4%	\$2,500	\$7,500	300%
Contingencies	\$12,500	5%	\$25,000	-\$12,500	-50%
Total Expenses:	\$236,000	100%	\$239,000	-\$3,000	-1%

Mandatory Items

Revenue Source	2022-23 Budget	2021-22 Budget	\$ Change from 2021-22	% Change from 2021-22
Nationwide Fee	\$340,000	\$350,000	-\$10,000	-3%
Expense	2022-23 Budget	2021-22 Budget	\$ Change from 2021-22	% Change from 2021-22
Record-keeping	\$340,000	\$350,000	-\$10,000	-3%