

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

WHEREAS, retirement benefits are provided to employees of the County of Fresno and of participating Districts by the Fresno County Employees' Retirement Association ("FCERA"), and

WHEREAS, the amount of benefits that can be provided to FCERA members is limited by Section 415(b) of the Internal Revenue Code ("Code"), and

WHEREAS, it is the employer's responsibility under California vested rights rules to ensure that all retirement benefits that are earned by its employees are in fact paid, and

WHEREAS, the Code also provides that an employer can establish a replacement benefits plan to pay the full benefits earned by FCERA members whose benefits cannot be paid by FCERA under Section 415(b), and

WHEREAS, such a replacement benefits plan is used by many other entities, in both the private and public sector, to replace benefits limited by section 415(b), and

WHEREAS, it is contemplated by the County Employees Retirement Law ("CERL") that each affected employer will take action to replace the benefits that are limited by Section 415(b), and

WHEREAS, FCERA's actuary has advised FCERA that there is no net increase in the cost of retirement benefits to the employer of providing such a replacement benefits plan, and

WHEREAS, it would be to the benefit of FCERA to ensure that all of its members receive the entire retirement benefits which they would earn under FCERA but for the limits of the Code, and

WHEREAS, the most efficient way for a replacement benefits plan to be operated is for FCERA to enter into a memorandum of understanding with the County setting out the responsibilities of FCERA and the County with respect to such a plan, and

WHEREAS, some Districts located within the County also participate in FCERA and the most efficient way for Districts to provide replacement benefits is to participate in a replacement benefits plan that is established by the County,

BE IT THEREFORE RESOLVED, that the Board of Retirement of the Fresno County Employees' Retirement Association hereby approves the memorandum of understanding between the Association and the County as presented to the Board and attached to this Resolution.

IN WITNESS WHEREOF, THIS RESOLUTION HAS BEEN ENTERED INTO AS OF
THE FIRST DAY OF JANUARY, 2002

COUNTY OF FRESNO

FRESNO COUNTY EMPLOYEES' RETIREMENT
ASSOCIATION

By n/A By A. Payadon


Its _____ Its Chairman

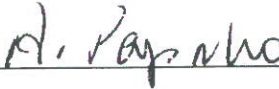
_____, 2002 August 7, 2002

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THE FIRST DAY OF JANUARY, 2002

COUNTY OF FRESNO

FRESNO COUNTY EMPLOYEES' RETIREMENT
ASSOCIATION

By 

By 

Its CHAIRPERSON

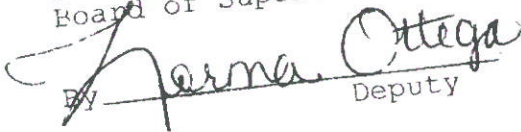
Its Chairperson

AUGUST 20, 2002

August 7, 2002

ATTEST:

BERNICE E. SEIDEL, Clerk
Board of Supervisors

By 
Deputy