

TO THE MEMBERS OF THE FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

This Popular Annual Financial Report (PAFR) summarizes the information contained in the Comprehensive Annual Financial Report (CAFR) that provides financial information on FCERA's activities. This PAFR is presented in conformity with generally accepted accounting principles (GAAP). The more detailed CAFR is available on FCERA's website at www.fcera.org or from the FCERA Administrative Office for a small copy fee.

Meetings of the Board of Retirement are normally held on the first and third Wednesday of each month at 8:30 a.m. Members of the Retirement Association and the public are invited to attend these meetings.

As a member of the Retirement Association, you are encouraged to contact the Retirement Office at 1111 H Street, (559) 457-0681, regarding these summary financial statements or to obtain other information concerning the Retirement System. Members are also encouraged to visit our website at www.fcera.org or on the County's Intranet by selecting Retirement Association under the Department Sites link for more information.

MEMBERSHIP HIGHLIGHTS FOR 2011-2012

Total membership in the Association increased by 1.89% to 14,207. The total number of active members decreased by 1.19% to 6,644, while the retired membership increased by 6.57% to 6,148. Deferred membership decreased by 2.48% to 1,415.

FINANCIAL HIGHLIGHTS FOR 2011-2012

The average rate of return on the market value basis of the investment portfolio over the past fiscal year was -0.5%, net of fees, which ranked FCERA in the 80th percentile in the BNY Mellon Trust Universe— Total Public Funds Universe ("BNY"). The investment portfolio is comprised of equities, fixed income securities, real assets, private equity, hedge funds, cash and cash equivalents.

During the fiscal year, benefit payments to retirees and beneficiaries totaled \$193.5 million and refunds to terminated plan members totaled \$1.8 million. Administrative expenses totaled \$3.6 million for the year, which amounts to 0.11% of net assets.

For the fiscal year ended June 30, 2012, Brown Armstrong audited the financial statements of the Retirement Association and issued an unqualified opinion.

Eulalio Gomez, Chair
Board of Retirement

Phillip Kapler
Retirement Administrator

Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2012

Fresno County Employees' Retirement Association

A Component Unit of the
County of Fresno
Fresno, California

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

1111 H Street
Fresno, CA 93721-2515
www.fcera.org

FCERA Board of Retirement

Eulalio Gomez, Chair
John P. Souza, Vice Chair
Marion Austin
Laura P. Basua
Judith G. Case
Dr. Rod Coburn, III
Franz Criego
Vicki Crow, CPA
Steven J. Jolly
Regina Wheeler, Alternate

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO
Fresno County
Employees' Retirement Association
California

for the Fiscal Year Ended
June 30, 2011



Christophe P. Myrland
President
Jeffrey L. Bauer
Executive Director

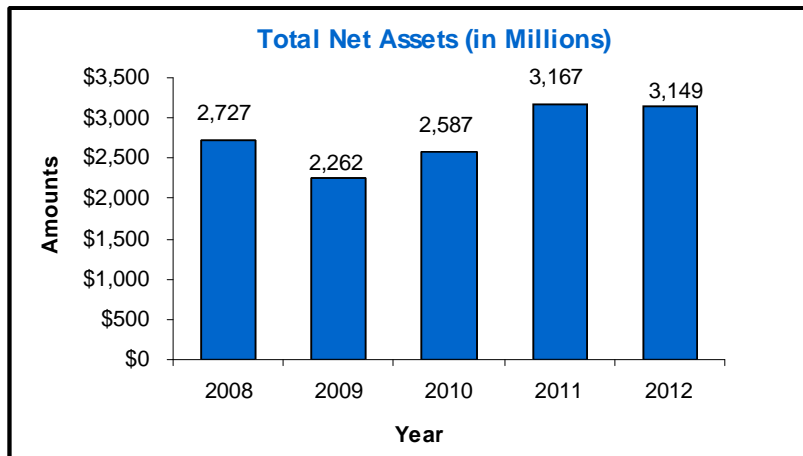
Popular Annual Financial Reporting Award

The Government Finance Officers Association (GFOA) awarded FCERA with the Popular Annual Financial Reporting Award (PAFR). The PAFR provides FCERA's membership with condensed and concise information in an easier to read format than presented in the CAFR. FCERA received this honor on its first submission for the award for the fiscal year ended June 30, 2011.

Total Net Assets

At June 30, 2012, the Fresno County Employees' Retirement Association (FCERA) had total assets of \$3,538.0 million, less total liabilities of \$389.5 million, for total net assets held in trust for benefit payments of \$3,148.6 million compared to \$3,167.2 million at June 30, 2011.

The decrease in FCERA's net assets was primarily due to the net depreciation in the fair value of investments held by FCERA. Contributions of \$190.5 million, when combined with net investment loss of \$10.2 million, generated total additions of \$180.3 million. Expenses for benefits paid and refunded contributions totaled \$195.3 million and administrative expenses of \$3.6 million resulted in an decrease in net assets of \$18.7 million.



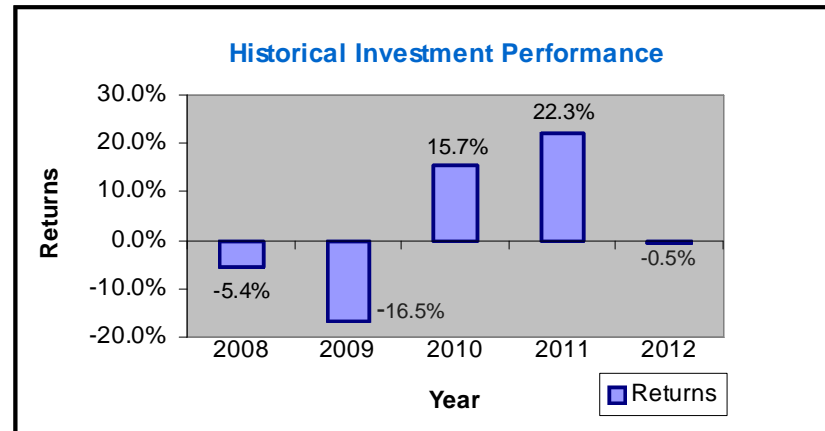
Fund Revenue (in thousands)

Year Ended	Employee Contributions	Employer Contributions	Net Investment and Other Income/(Loss)
6/30/2012	\$ 32,627	\$ 157,869	\$ (10,242)
6/30/2011	31,293	130,290	605,422
6/30/2010	32,209	126,138	341,439
6/30/2009	34,562	113,959	(451,499)
6/30/2008	30,272	97,305	(186,911)

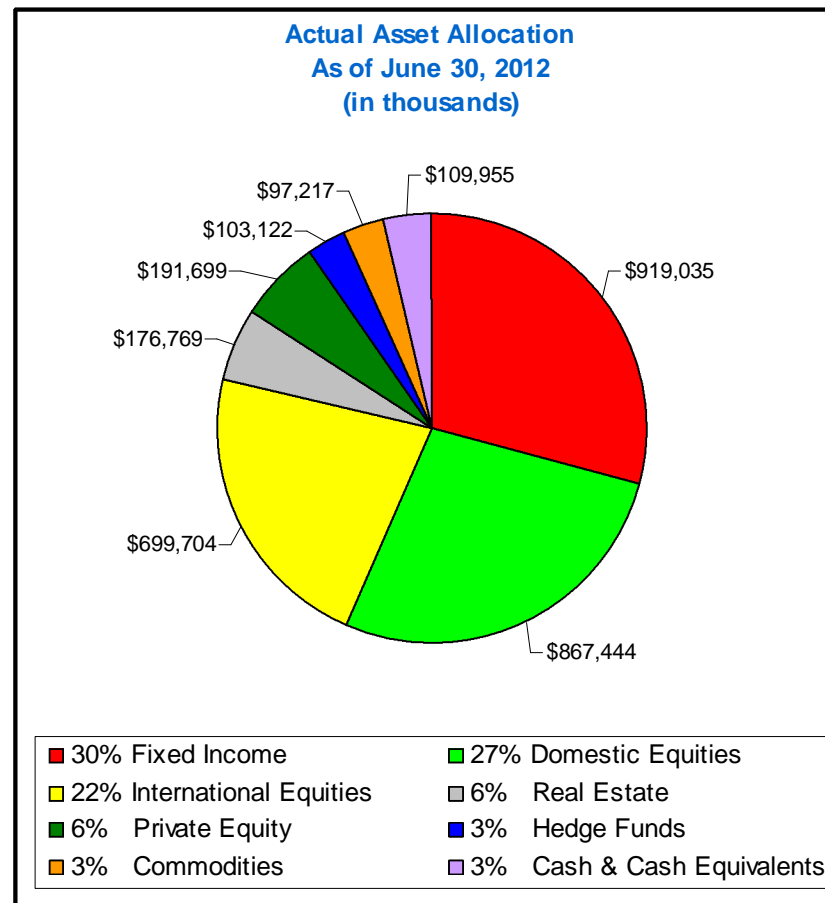
Fund Expenses (in thousands)

Year Ended	Retiree Benefits	Refunds	Administrative Expenses
6/30/2012	\$ 193,535	\$ 1,786	\$ 3,597
6/30/2011	180,363	2,044	4,108
6/30/2010	169,526	1,915	3,570
6/30/2009	155,783	2,077	3,855
6/30/2008	143,072	6,072	3,569

Investments



The chart above reflects annual returns for the one-year periods ended June 30th. Returns for 2008 through 2012 are reported net of fees.



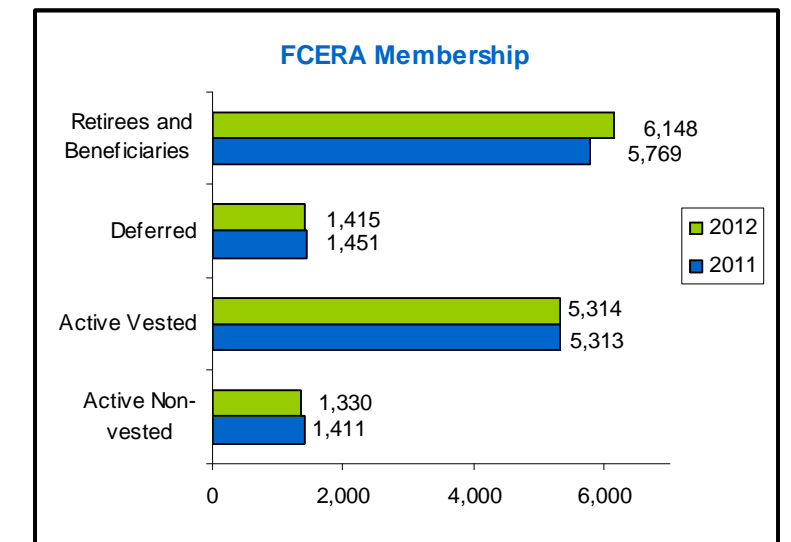
Funded Status

FCERA's funding status is determined annually with the completion of the actuarial valuation report. The actuarial valuation as of June 30, 2011, reports a increased ratio of valuation assets to actuarial accrued liabilities from 72.9% to 73.5%. This ratio indicates that FCERA has approximately \$0.74 cents of assets for each \$1.00 of liabilities.

FCERA's Plan Sponsors traditionally pay 100% of Annual Required Contributions.

Funded Status (in thousands)

Actuarial Report Year Ended	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio
6/30/2011	\$ 3,114,483	\$ 4,237,961	73.5%
6/30/2010	2,983,044	4,092,464	72.9%
6/30/2009	2,864,956	3,644,743	78.6%
6/30/2008	2,812,423	3,429,990	82.0%
6/30/2007	2,610,269	3,149,570	82.9%



Additional information regarding membership and retirement can be found in the Member Handbook, which can be viewed on FCERA's website at www.fcera.org or obtained from the FCERA Administrative Office. More in depth information regarding investments and FCERA's financial status can be found in the CAFR.