



The Retirement View

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Making Way for Progress



Whatever your opinion of the California High Speed Rail project, it is back on track and will be working its way through the valley, Fresno, and the office of FCERA. This means that FCERA will have to re-locate within the next 15 to 18 months as our current location is on the proposed building site for the High Speed Rail. The Board cast a very wide net and reviewed numerous properties in the downtown, mid-town, and northern areas. Lease rates and property values are rising downtown making properties located to the north more competitively priced for the amenities offered. After an extensive search, the Board of Retirement has honed in on three parcels near Palm Ave and Nees Ave, and is currently in negotiations with the seller.

Details of the search can be found in our publicly available agenda materials. In summary:

- On June 21, 2012, FCERA received a letter from the California High Speed Rail Authority (HSRA) introducing the project and the potential need to acquire FCERA's 1111 H Street property. FCERA held discussions with HSRA over many meetings and HSRA submitted a proposal and appraisal on October 14, 2013 that was flatly refused by the Board as being too low. FCERA sought its own appraisal and was satisfied with the resulting higher value; however, the HSRA pulled out of negotiations indicating that the property was not an immediate concern.
- In early 2015, staff reached out to Diana Gomez of the HSRA after receiving reports of activity involving our neighboring properties.
- On [June 3, 2015](#), the Board selected Colliers International to serve as FCERA's broker and to begin a replacement property search.
- On [June 17, 2015](#), the Board approved search criteria for the new office space. The search criteria include space to meet our needs for the foreseeable future.
- On [October 21, 2015](#), the search was narrowed down to potential lease or purchase options towards the northern Fresno area during the off-site educational training on October 21, 2015. Our Broker further refined potential locations available for consideration based on Board direction at that time.
- On January 20, 2016, the Board [approved RDT Architecture & Interior Design Inc.](#) to provide space planning services and [formed an Ad Hoc High Speed Rail and Office Relocation Committee](#) (HSROC), comprised of 4 Board members, Basua, Baxter, Coburn, and Gomez. The HSROC will work with Staff, Board Counsel, and the Broker to further analyze building and space options, negotiate purchase terms and will bring recommendations to the Board for ultimate approval.
- On [February 17, 2016](#), the negotiating team (Donald Kendig, Board Counsel, and the Brokers) provided an update on negotiations.
- On [March 16, 2016](#), the negotiating team provided another update on negotiations.

At the time of this writing, the terms are still under negotiation. The Board is considering three adjoining buildings: two for immediate occupation, and one for lease as an investment property. The leased building could potentially accommodate expansion if FCERA grows, preventing the need for any major move in the foreseeable future. The new location will be easy to access, have multiple points of entry and departure, and there will be plenty of safe, well-lit parking. The buildings will be equipped with the latest "green" features and energy saving technology. We will update you with the specifics as they are born.





Cost of Living Adjustment (COLA) Information

The Fresno County Employees' Retirement Association (FCERA) Board of Retirement approved a 1.0% cost of living increase for all retirees and beneficiaries at its' regular meeting on February 3, 2016.

This action was taken in accordance with Government Code section 31870.1 of the retirement law that requires the Board to determine the percentage change in the COLA each year. For 2015, the increase in the Average Consumer Price Index for All Urban Consumers (CPI-U) for the Western Region as calculated by our actuary, The Segal Company, was 1.17% which is rounded to 1.0%. As a result, eligible members with retirement dates on or after April 2, 1983 will receive a 1.0% COLA increase effective April 1, 2016. Those eligible members with a retirement date prior to April 2, 1983 will receive a 3.0% COLA increase as a result of using the accumulated COLA carry-over to increase the COLA to the maximum allowed by statute. A COLA is not available for service in Tiers IV or V.

COLA Bank Accumulation
Based on the CPI-U for the
Western Region (Base Period: 1982-84=100)

Retirement During 12 Month period ended April 1	Accumulated COLA Bank April 1, 2015	Accumulated COLA Bank April 1, 2016	Retirement During 12 Month period ended April 1	Accumulated COLA Bank April 1, 2015	Accumulated COLA Bank April 1, 2016
1973 or earlier	61.0%	59.0%	1979	36.5%	34.5%
1974	60.5%	58.5%	1980	30.0%	28.0%
1975	57.5%	55.5%	1981	24.5%	22.5%
1976	50.5%	48.5%	1982	12.5%	10.5%
1977	43.5%	41.5%	1983	2.5%	0.5%
1978	41.0%	39.0%	1984 or later	0.0%	0.0%

Changes to Supplemental Cost of Living

If you are a member or beneficiary who retired **prior to April 2, 1982**, you are currently receiving an additional supplemental cost of living adjustment (SUPPCOLA). This supplemental benefit is above and beyond the vested, regular, annual cost of living (COLA) that is paid until the death of the recipient. This supplemental benefit was funded through excess earnings of the retirement plan and funding will be depleted after the July 2016 pension payment. As a result, the **August 2016 retirement benefit will be reduced by the amount of the SUPPCOLA funding source displayed on the check advice.** Letters will be mailed to current recipients in mid-June detailing the amount of the decrease and the new continuing benefit amount.

Please note that the regular vested COLA is not affected by this decision.





Retiree Tax Information

Retirees living in California: this message is for you!

The state income taxes withheld from your benefit and reported on your 1099R are correct. However, FCERA is aware that the state Franchise Tax Board (FTB) experienced a delay in posting some tax files submitted for 2015. Further research also determined that the tax files submitted by Northern Trust to the state of California for the first and second quarters of 2015 failed to post to the FTB's processing center. We have confirmed that the files have been uploaded and verified acceptable by the FTB as of April 4, 2016.

What does this mean to you?

If you lived in California in 2015 and you filed your income tax prior to April 4th you will need to contact and work with the FTB to have the taxes credited to your account to ensure you receive your full refund or do not owe additional taxes.

Northern Trust has initiated additional steps to ensure verification that the file load is successful for each future submission.



Upcoming Board of Retirement Election

We want you for the Board of Retirement!



The Board of Retirement will soon hold elections for two trustee positions: Retiree and Alternate Retiree. If you would like to participate in the management of your pension fund, this is your chance to run. Information on how to run will be mailed to retirees in June.

Trustees serve three year terms and are expected to attend meetings on the first and third Wednesday of every month as well as committee meetings.

Calendar

Next Regular Board Meeting:

April 20, 2016

May 4, 2016

June 1, 2016

June 15, 2016

Location:

FCERA Boardroom

1111 H Street

Fresno, California 93721

Time: 8:30 A.M.

Pension Payroll Payment Schedule

Friday, April 29, 2016

Tuesday, May 31, 2016

Thursday, June 30, 2016

*Please allow 3-5 days for mailed checks.

Live Audio Broadcast

FCERA broadcasts all board meetings live via streaming audio.

Visit www.fcera.org for more information.

Board of Retirement

- Steven J. Jolly, Chair
- Dr. Rod Coburn, III, Vice Chair
- Laura P. Basua
- Gregory J. Baxter
- Alan Cade, Jr.
- Vicki Crow
- Robert Dowell
- Eulalio Gomez
- Mary Ann Rogozinski, Alternate



Spring 2016





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Farewell Wishes to Kelly Prinz, Retirement Benefits Manager

The FCERA family is retiring one of its' own, Kelly Prinz, on April 29th. Kelly has spent 17 years with Fresno County, 6 of those years with FCERA. Kelly began her employment as an Accountant I, promoting through the Accountant series, to Financial and Accounting Manager and now as a Retirement Benefits Manager. We are losing one of our more experienced, knowledgeable, caring, attentive, resourceful and dedicated staff members when Kelly retires. She will be missed.

We would like to take this opportunity to thank Kelly and to wish her a happy retirement. May she enjoy her retirement and her new role as a FCERA retiree.

