



## The Retirement View

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### From the Retirement Administrator: Investment Update



During calendar year 2009, FCERA initiated its transition to the new investment asset allocation approved in 2008. FCERA funded new investment mandates for Opportunistic Fixed Income, Term Asset-Backed Securities Loan Facility (TALF) and Hedge Fund of Funds, to name a few. In March 2009 the stock markets started to rally from the unprecedented financial markets decline between October 2007 and March 2009. The S&P 500 index, a benchmark for large capitalization equities, posted a 15.9% return for the second quarter alone compared to -11.0% for the first quarter of 2009.

Investment returns for calendar year 2009 were very good with the S&P 500 posting 26.4%; the MSCI EAFE index, a benchmark for international equities on developed markets, 32.5%; the MSCI EMER MKTS index, a benchmark for international equities on emerging markets, an astonishing 79.0%; and the Barclays Aggregate Bond Index, an industry standard benchmark for the bond market, 5.9% compared to -37.0, -53.2%, -43.1% and 5.2% benchmark returns, respectively, for the 2008 calendar year.

The FCERA investment portfolio performed very well in 2009 posting a net investment gain of 21.5%, good for a 29th percentile ranking among the Independent Consultant Cooperative (ICC) Universe of Public Funds in the nation. This return helped FCERA's assets grow during the 2009 calendar year from \$2.162 billion to \$2.602 billion, an increase of \$440 million. The investment returns outperformed both the fund's policy benchmark by 2.3% and the ICC Median Public Fund (MPF) by 3.0% for the calendar year. The fund's policy benchmark is the expected return that would be earned if FCERA's asset class balances matched exactly the required balances by the investment asset allocation. The MPF is the average return for all public funds included in the ICC universe. The two comparisons provide FCERA a mechanism to gauge the results of its investment portfolio and managers.

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### From the Retirement Administrator: Investment Update (continued)

For the last three and five years, FCERA's investment portfolio returned -0.6% and 4.4%; respectively, on a net basis (after investment fees) for a 40th and 19th percentile ranking in the ICC universe of Public Funds. A 50th percentile ranking means half the public funds posted higher and half posted lower returns, so FCERA's returns are "better than average" when compared to the ICC universe of public funds. More detailed information on FCERA's investment program can be found on our website at [www.fcera.org](http://www.fcera.org).

### County Retirement Deduction Definition:

FCERA is often asked by County employees how to determine the retirement tier they are enrolled in. Please note the label that appears on your checkstub is created by and is under the control of County Payroll. The following information is presented to aid you in answering that question. Please note that this information is available on FCERA's website on the Retirement Contribution Calculator.

If the "Before Tax Deduction" on your County paycheck stub indicates:

| Before Tax Deduction Label | Retirement Classification and Tier                | Basic or statutory level of benefit   | Additional benefit provided by the Settlement Agreement   |
|----------------------------|---|---|---|
| RetMis and RetMisSup       | General Tier 1                                    | RetMis - Includes your portion of the cost of your basic retirement and cost of living benefit  | RetMisSup – Your portion of the cost of the enhanced benefit and cost of living on that benefit |
| RetSafe and RetSafeSP      | Safety Tier 1                                     | Ret Safe- Includes your portion of the cost of your basic retirement and cost of living benefit | RetSafeSp - Your portion of the cost of the enhanced benefit and cost of living on that benefit |
| RetMs2<br>RetMs3<br>RetSf2 | General Tier 2<br>General Tier 3<br>Safety Tier 2 | Includes your portion of the cost of your basic retirement and cost of living benefit           |   |





### Meet FCERA's New Retirement Benefits Manager: Kelly Prinz

Kelly Prinz has joined FCERA as the new Retirement Benefits Manager, replacing Carol Sheela who retired effective April 3, 2010. Kelly has worked for the County 11 ½ years; beginning as Extra Help in the Auditor-Controller/Treasurer-Tax Collector's Office working primarily in main payroll (so yes, she may be familiar to many of you) and recently joining the Fresno County Employees' Retirement Association.

Kelly has been married 31 years to Geoff, an electrician. They have one daughter, Brooke, who works for Juvenile Probation, at the Juvenile Justice Center. Between their two dogs that love to dig out and volunteer work, Kelly keeps very busy when she isn't at work.

Please join us in welcoming Kelly to the FCERA team!

### Farewell Wishes to Carol Sheela

As you can see from the article above, the FCERA family just added a new team member, but at the same time we lost Carol Sheela when she elected to retire. Carol spent 33 years with Fresno County, 27 of those years were with FCERA. Carol began her employment with FCERA as an Account Clerk. She served as a Retirement Coordinator for many years before promoting to the Benefit Manager position. We lost one of our most experienced, knowledgeable, caring, attentive, approachable and dedicated staff.

We would like to take this opportunity to thank Carol and to wish her a happy retirement. May she live long and thrive in her new role as a FCERA Retiree.



### Calendar



#### Next Regular Board Meetings:

June 2, 2010

June 16, 2010

July 14, 2010

#### Location:

FCERA Boardroom

1111 H Street

Fresno, California 93721

**Time:** 8:30 A.M.

### Retiree Payroll Payment Schedule

Friday, May 28 2010

Wednesday, June 30 2010

Friday, July 30 2010

### Live Audio Broadcast

FCERA broadcasts all board meetings live via streaming audio. Visit [www.fcera.org](http://www.fcera.org) for more information.

### Board of Retirement

- Eulalio Gomez, Chair
- James E. Hackett, Vice Chair
- Michael Cardenas
- Franz Criego
- Vicki Crow
- Nick Cornacchia
- Steven J. Jolly
- Phil Larson
- John P. Souza
- Ron Frye, Retiree Alternate
- Roberto L. Peña, Retirement Administrator





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Email: [FCERAwebmail@co.fresno.ca.us](mailto:FCERAwebmail@co.fresno.ca.us)

## Meet FCERA Staff: Conor Hinds - Supervising Accountant



Conor began working for FCERA as a Senior Accountant in September 2003 . He came to FCERA from private industry while making a move back to Fresno from Sacramento. In August 2006, Conor was promoted to Supervising Accountant and since then finds that each day is something new and presents a different challenge. Currently, Conor and the Accounting staff are working hard to learn the new General Ledger Accounting System that is scheduled to go live by July 1, 2010.

Conor grew up in Fresno from the age of 7, when his mom moved his two brothers, Sean and Patrick and himself from Laytown, County Meath, Ireland to be closer to his mom's family. After attending San Joaquin Memorial High School, Conor went on to California State University, Fresno where he earned a Bachelor of Science in Business Administration, with an Accountancy Option.

Outside of FCERA, Conor enjoys spending time with his wife Cathleen and 8 month old daughter, Madeline. He also enjoys the outdoors, traveling throughout California, fantasy football, golfing with his friends and BBQing.

Conor credits his mom, Nancy, as one of his heroes. "Whenever I think I can't do something, I think of what she has overcome and accomplished in her life. There is no need to look any farther for inspiration."

