



The Retirement View

VOLUME 4, ISSUE 3

WINTER 2010

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From the Retirement Administrator: The Year in Review



January is a good time to reflect on what we accomplished during the calendar year 2010. It is a chance to identify trends, acknowledge accomplishments from the prior year and set goals and objectives for the new year. The past year was rewarding and challenging for the Board and FCERA Administration, full of investment opportunities, given the current financial environment and very challenging from the operational side, due to the economic and budget climate.

We are glad to report that we accomplished most of our goals for the year, even as our core operations were stretched thin by a dramatic budget climate for the plan sponsors. Among the most noteworthy projects or events that FCERA worked on and/or completed were the following:

- Implemented the New Accounting General Ledger System-Microsoft Dynamics NAV, one of the five business initiatives included in the Strategic and Business Planning document; the Accounting Software project by and started working on the Pension Administration System replacement, the most critical and time-consuming initiative of the FCERA Information Technology program.
- Implementation of the Personnel program by hiring two supervisors, a Retirement Coordinator Supervisor and a Supervising Account Clerk. The new positions are expected to result in operational efficiencies and further career growth for retirement staff.
- Continued implementation of the revised Asset Allocation through a number of investment searches and investment manager selections for new and existing investment mandates including six new investment accounts totaling \$535 million.
- Implementation of a Document Imaging System for Administrative Records program to enhance efficiency of our records search process and to reduce the space needed for record retention.
- Received our 13th consecutive Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR).
- Earned an unqualified "clean" opinion from our external auditors for the June 30, 2010 financial audit.
- Issued about 65,000 monthly benefit payments totaling \$169,526,000.
- Completed 1,559 retirement counseling sessions; 348 retirement estimates; 337 retired members; 245 prior County service credit purchase calculations; and 154 disposition requests for retirement refunds.

(continued on page 2)



From the Retirement Administrator: The Year in Review

During 2011, the Board of Retirement and FCERA Administration will continue working diligently on understanding the dynamic changes in the financial markets and finalize implementation of the revised asset allocation which is expected to increase investment returns while decreasing expected volatility.

We will also continue our efforts to become more efficient by streamlining our operational processes and providing a higher quality of customer service to our members. We are carefully reviewing our workflow to identify unnecessary or redundant steps that will reduce the time required to complete tasks. In addition, we will be scheduling more Retirement Seminars and other outreach programs to ensure that our message is provided to all members.

Conversion of Excess Annual Leave or Sick Leave:

California Government Code Section 31641.04 is an optional provision to convert unused sick leave to service credit with FCERA. The County Board of Supervisors adopted Sections 610.42, 612.2, and 750.4 of the Salary Resolution and your Memorandum of Understanding to review the language that applies to you. The Special District Employers, Fresno Mosquito and Vector Control District and The Fresno Madera Area Agency on Aging, adopted Resolutions No. 114 and No. 00-07, respectively, to allow sick leave balances to convert to service credit for their employees. The conversion process increases your total years of service credit for calculating your retirement benefit without increasing your age, similar to a service credit purchase but without cost to you. But what exactly does "conversion to retirement service credit" mean to you?

The calculation is as follows: hours divided by 80, times 14, divided by 360 (bi-weekly pay calculation); hours divided by 88, times 15, divided by 360 (semi-monthly pay calculation).

A couple of examples follow: a) You are retiring and have enough excess hours in your leave or time off bank to increase your years of service credit by 245 days (approximately eight months of service). You are a general member under the age of 50 and have less than 30 years of service. You must still be the appropriate age (at least 50) to retire. Although you will have gained extra service credit which increases your retirement benefit, you will not be eligible to retire until you actually reach age 50. Or, b) You want to retire at 100% of final compensation, which will provide you with a date of retirement of February 21, 2014, without any conversion of leave time. You have enough excess hours in your leave or time off bank to increase your years of service credit by 219 days (approximately seven months of service), which provides you with a new retirement date of December 21, 2013 at 100% of final compensation. You wonder how it can be that you increased your service credit by seven months but you only improve your date of retirement by two months. The answer is that the age factor has a greater impact on your retirement benefit than years of service. Should you have additional questions, please contact our office and we'll be more than happy to assist you.





Keep Your Beneficiary Information Current:

It's important to have a current Beneficiary Designation Form on file with FCERA. In the event the unthinkable happens, the information will be helpful to FCERA — and your beneficiary — should it be necessary for FCERA to pay death benefits on your behalf. Be sure to update your beneficiary any time you have a life changing event, including marriage, birth of a child, or divorce. The Request for Change of Beneficiary Form can be found under "Forms, Regulations, Charters and Policies" on our website at www.fcera.org or can be mailed to you by calling us at (559) 457-0681.

Working After Retirement:

Generally working after retirement will not affect your benefit, however there are several factors to keep in mind.

- You may work for any employer without adversely impacting your FCERA retirement allowance in any way.
- You may work for a different member employer without limit.
- You may work for your former employer as an independent contractor (on a personal services contract) or through a temporary services agency for any amount of time without impacting your FCERA retirement benefit.
- You may work for your former employer in an extra-help capacity after retirement for a total of 960 hours.
- Your former employer can not pay you, as an employee, for more than 960 hours per year.

While working after retirement does not impact your FCERA benefit, it may impact your Social Security benefits. Contact the Social Security Administration for details on how working after retirement may affect your Social Security benefit.



Calendar



Next Regular Board Meeting:

February 2, 2011
February 16, 2011
March 2, 2011
March 16, 2011
April 6, 2011
April 20, 2011

Location:

FCERA Boardroom
1111 H Street
Fresno, California 93721

Time: 8:30 A.M.

Pension Payroll Payment Schedule

Monday, February 28, 2011
Wednesday, March 30, 2011
Friday, April 29, 2011

Live Audio Broadcast

FCERA broadcasts most Board meetings live via streaming audio. Visit www.fcera.org for more information.

Board of Retirement

- Alan Cade, Jr., Chair
- Eulalio Gomez, Vice Chair
- Michael Cardenas
- Nick Cornacchia
- Franz Criego
- Vicki Crow
- Steven J. Jolly
- Phil Larson
- John P. Souza
- Regina Wheeler, Retiree Alternate
- Roberto L. Peña, Retirement Administrator



Winter 2010





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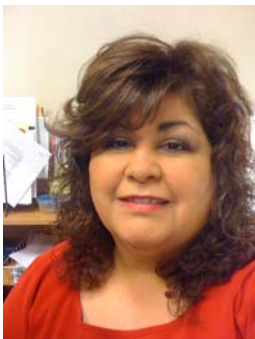
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Intranet: <http://www2.co.fresno.ca.us/9200/default.htm>

Email: FCERAwebmail@co.fresno.ca.us

Meet FCERA Staff: Marta Gonzalez - Supervising Account Clerk



I began working with Fresno County in December 1999 in the Auditor-Controller/Treasurer-Tax Collector's office gaining experience as an Account Clerk III before promoting to Supervising Account Clerk I, one year before moving on to FCERA. I have been with FCERA one year as a Supervising Account Clerk II, where I oversee the Account Clerk Staff that supports the Accounting and Benefits Units. I find working at FCERA both challenging and rewarding in many different ways. I enjoy working closely with members as well as building relationships with other staff. This career has offered opportunities for me to grow both professionally and personally and I plan to continue this relationship for many years to come.

