



Agenda Item 5a

September 11, 2012

ITEM NAME: Year End Budget and Expenditure Report for Fiscal Year 2011-12

PROGRAM: Administration

ITEM TYPE: Action

RECOMMENDATION

Approve recommendation of the Year End Budget and Expenditure Report.

The Finance and Administration Committee (Committee) recommend the CalPERS Board of Administration (Board) approve the transmittal letter and submission of the Year End Budget and Expenditure Report for Fiscal Year (FY) 2011-12 to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with the Budget Act of 2011, and to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

EXECUTIVE SUMMARY

The Year End Budget and Expenditure Report details the CalPERS budget, year-to-date expenditures, percentage of budget expended, and summary of positions by function and division (see attachments).

BACKGROUND

This agenda item provides CalPERS budget and expenditure information for the end of FY 2011-12. It offers important financial information to members and fulfills the requirements of control language included in the Budget Act of 2011.

Upon approval by the Committee and the Board, this agenda item will be submitted to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, in accordance with control language included in the Budget Act of 2011 (Items 1900-015-0815(1)(c), 1900-015-0820(1)(c), 1900-015-0822(1)(c), 1900-015-0830(1)(c), 1900-015-833(1)(c), 1900-015-849(1)(c), and 1900-015-0884(1)(c).) Copies of this agenda item will also be transmitted to the Legislative Analyst's Office, State and Consumer Services Agency, and the Office of the Legislative Counsel.

ANALYSIS

The following is a brief summary outlining significant attributes related to the Year End Budget and Expenditure Report for FY 2011-12:

- Expenditures are 96.8 percent of the budget (Attachment 1). Last year 97.0 percent of the budget was expended.
- The position vacancy rate is 8.7 percent compared to 5.9 percent at the same time last year (Attachment 4).
- Actual investment expenses are 57.2 percent of projected expenses (Attachment 5). At this time last year, 82.8 percent of projected expenses were expended.
- The Headquarters Building Account (Building Account) expenditures are 82.1 percent of budget (Attachment 6). At this time last year, 81.8 percent of the Building Account budget was expended.

BENEFITS/RISKS

There are no known risks with accepting the recommendation. Failure to accept the recommendation could put CalPERS at risk of not complying with the control language in the Budget Act of 2011.

ATTACHMENTS

- Attachment 1- Budget and Expenditure Summary by Function and Division
- Attachment 2- Summary Charts by Function
- Attachment 3- Graphical Display of Budget and Expenditures by Function
- Attachment 4- Position Summary
- Attachment 5- Projected and Actual Investment Expenses
- Attachment 6- Headquarters Building Account Budget/Income/Expenditures Summary
- Attachment 7- Expenditures by Fund Source Summary
- Attachment 8- Transmittal Letter to Joint Legislative Budget Committee

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