



Consent

Agenda Item 4d

December 12, 2012

ITEM NAME: Budget and Expenditure Report through the First Quarter of Fiscal Year 2012-13

PROGRAM: Administration

ITEM TYPE: Consent Information

EXECUTIVE SUMMARY

The First Quarter Budget and Expenditure Report provides information, which details CalPERS budget, year-to-date expenditures, percentage of budget expended, and encumbrances by function and division.

STRATEGIC PLAN

This agenda item supports Strategic Plan Goal B (Cultivate a high-performing, risk-intelligent and innovative organization) by actively managing business risks with an enterprise-wide view.

BACKGROUND

This agenda item provides CalPERS budget and expenditure information through the first quarter of FY 2012-13. It offers important financial information to members.

As a result of the passage of Senate Bill 71 (Chapter 728, Statutes of 2012) and legislative budget committee action (which revised various reporting requirements of state agencies), quarterly Budget and Expenditure Reports will no longer be submitted to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, or Department of Finance.

However, the Year-End Budget and Expenditure Report will continue to be submitted to the Legislature, no later than October 1, 2013, upon approval by the Finance & Administration Committee (Committee) and the CalPERS Board of Administration (Board), in accordance with the Budget Act of 2012 (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)).

It is anticipated that at the September 2013 Board of Administration meeting, the Committee will recommend the Board approve a transmittal letter and submission of the Year-End Budget and Expenditure Report to the Joint Legislative Budget Committee, fiscal committees of the Legislature, State Controller, and Department of Finance, and that copies of that 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 First Quarter Budget and Expenditure Report for FY 2012-13:

- Expenditures and encumbrances are 29.4 percent of the budget (Attachment 1). At this time last year, 30.3 percent of the budget was expended.
- The position vacancy rate is 10.8 percent compared to 7.7 percent at the same time last year (Attachment 4).
- Actual investment expenses are 12.9 percent of projected expenses (Attachment 5). At this time last year, 19.0 percent of the Investment Budget was expended.
- The Headquarters Building Account (Building Account) expenditures are 15.9 percent of budget (Attachment 6). At this time last year, 13.3 percent of the Building Account was expended.

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

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