


**SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM
STAFF REPORT
FINANCE AND ADMINISTRATION DIVISION**

DATE: November 2, 2007

TO: Business and Governance Committee

FROM: Mark Hovey, Chief Financial Officer



SUBJECT: Approval of Undistributed Earnings Reserve transfer for FY 2005

RECOMMENDATION:

Approve the transfer of \$186,095,249 from the Undistributed Earnings Reserve to the Reserves for Employer Contributions for earnings received that are attributable to fiscal year 2005.

BACKGROUND:

Macias Gini & O'Connell LLP (MGO) has prepared a Certification of Surplus Undistributed Earnings for Fiscal Year 2005. With this Certification, the Board can approve the transfer of \$186,095,249 from the Undistributed Earnings Reserve to the appropriate Reserves for Employer Contributions for Fiscal Year 2005.

MGO, acting under provisions of its audit contract with the City, has provided the attached Certification.

I recommend approval of this recommendation.

Attachment