



**CITY OF FRESNO RETIREMENT SYSTEMS**  
**REGULAR MEETING OF THE ADMINISTRATIVE COMMITTEE**  
**MINUTES**

**August 18, 2009**

**Administrative Committee held a meeting in Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, California at the hour of 8:30 AM on the day above written.**

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**ROLL CALL AT 8:35 AM**

Members Present: Carla Lombardi (departed at 9:29 am), Jeff Beatty, Danny Aguirre, Paul Cliby, Marvell French (arrived 8:37 am), Ken Nerland, Oscar Williams

Members Absent: Brian Burry (vacation)

Also Present: Russ Richeda, Legal Counsel, Stanley McDivitt, Kathleen Riley, Yvonne Arellano, Pattie Laygo, Executive Assistant

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**APPROVE MINUTES**

Approve minutes of July 21, 2009, Regular meeting of the Administrative Committee and July 28, 2009 Special Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded by Member Beatty to approve the minutes of July 21, 2009, Regular meeting of the Administrative Committee and July 28, 2009, Special Meeting of the Administrative Committee, DULY CARRIED by the following vote:

AYES: Lombardi, Beatty, Aguirre, Cliby, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Burry, French

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**APPROVE AGENDA**

Approve agenda of August 18, 2009, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION BY Member Nerland seconded by Member Cliby to approve agenda of August 18, 2009, Regular meeting of the Administrative Committee, DULY CARRIED BY THE FOLLOWING VOTE:

AYES: Lombardi, Beatty, Aguirre, Cliby, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: French, Burry

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**TIMED SCHEDULED HEARINGS AND MATTERS**

None

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**A. AGENDA ITEMS**

1. Review, Discussion and Direction regarding The Segal Company's research regarding the determination of final compensation for management members who retire from deferred vested status in the Employees Retirement System.

ACTION: Approved/Adopted

The Committee discussed the determination from The Segal Company and extensively reviewed and discussed with staff and legal counsel the various alternatives to the annual

salary resolution /control point methodology used in the determination of final compensation for deferred vested management members in the Executive Pay Plan. The Committee directed staff to submit proposed language amending the provisions in the City's annual Salary Resolution to the Retirement Boards for review and consideration.

ON MOTION by Member Cliby seconded by Member French to recommend Board approval of the proposed language amending the provisions in the City's Annual Salary Resolution for management members in the Employees Retirement System who retire from deferred vested status, DULY CARRIED RESOLVED by the following vote:

AYES: Lombardi, Beatty, Aguirre, Cliby, French, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Burry

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2. Review and discuss proposed amendment to the Municipal Code concerning the Cessation of Membership in the Retirement Systems

ACTION: Approved/Adopted

The Committee reviewed and discussed proposed amendments providing a continuation of membership for conversion applicants.

ON MOTION by Member Cliby seconded by Member Nerland to recommend Board approval of the proposed ordinances amending section 3-317 for the Fire and Police System and section 3-522 for the Employees Retirement System to provide for a continuation of membership for conversion applicants, DULY CARRIED RESOLVED by the following vote:

AYES: Lombardi, Beatty, Aguirre, Cliby, French, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Burry

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3. Review, Discussion and Direction regarding Legal Analysis of DROP Coordination Issues between the Retirement Systems.

ACTION: To Board

The Committee reviewed this issue, discussed legal analysis, Municipal Code language and conclusions as presented. Staff is directed to submit a draft policy to the Retirement Boards for consideration, that addresses the retirement implications of job transfers between the Systems.

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4. Accept Systems' monthly operating account cash disbursement reports for period ending June 30, 2009, in accordance with the Board's Operating Account Policy.

ACTION: Approved/Adopted

The Committee reviewed, discussed and accepted reports as submitted.

ON MOTION by Member Cliby seconded by Member Nerland to accept the Systems' monthly operating account cash disbursements report for the period ending June 2009, DULY CARRIED RESOLVED by the following vote:

AYES: Lombardi, Beatty, Aguirre, Cliby, French, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Burry

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5. Review and discuss acquisition of Benchmark Medical Consultants by Examworks, Inc.

ACTION: Received

The Committee reviewed staff report and recommendation and directed staff to continue inquiry of ExamWorks and communications with Benchmark.

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6. Review Information on Time Commitments for various Retirement System meetings.

ACTION: Received

The Committee reviewed and discussed information presented by Administrator.

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#### **B. INFORMATION ONLY ITEMS**

1. Fresno City Employees Health and Welfare Trust Agenda for Regular Board Meeting August 12, 2009 and Minutes of July 8, 2009.

ACTION: Received

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2. August 13, 2009, Obamacare and the States' Benefits Budgets (Governing.com)

ACTION: Received

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3. August 11, 2009, Government's first duty - openness (modbee.com).

ACTION: Received

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4. August 10, 2009, Pension Amounts Remain Secret (modbee.com).

ACTION: Received

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5. June 5, 2009, California Cities get Creative with Retirement Incentives, a writing by Margaret T. Simpson, freelance journalist.

ACTION: Received

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6. June 4, 2009, California Assembly passes curb on local government bankruptcy (sacbee.com).

ACTION: Received

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7. February 20, 2009, San Diego City Employees' Retirement System Lowers Interest Rate on Deferred Retirement Option Plan Accounts (Sdcers.org).

ACTION: Received

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#### **C. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING**

None

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#### **D. UNSCHEDULED ORAL COMMUNICATIONS**

None

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#### **E. PUBLIC COMMENTS**

None

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#### **F. ADJOURNMENT**

9:30 a.m.

Due to Chair Lombardi's departure at 9:30 a.m., meeting is adjourned by Vice Chair Jeff Beatty

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