



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

February 16, 2010

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.

ROLL CALL AT 8:35 AM

Members Present: Carla Lombardi (arrived 8:52 am), Jeff Beatty, Danny Aguirre, Brian Burry, Paul Cliby, Marvell French (arrived 8:35 am), Ken Nerland (arrived 9:02 am), Oscar Williams

Members Absent: None

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

APPROVE MINUTES

Approve minutes of January 19, 2010, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded by Member Williams to approve the minutes of January 19, 2010, Regular Meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote

AYES: Beatty, Aguirre, Burry, Cliby, French, Williams

NOES: None

ABSTAIN: None

ABSENT: Lombardi, Nerland

APPROVE AGENDA

Approve agenda of February 16, 2010, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded by Member Williams to approve agenda of February 16, 2010, Regular Meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

AYES: Betty, Aguirre, Burry, Cliby, French, Williams

NOES: None

ABSTAIN: None

ABSENT: Lombardi, Nerland

TIMED SCHEDULED HEARINGS AND MATTERS

None

A. CONSENT CALENDAR

1. Approve date and time of the next Regular Meeting of the Administrative Committee scheduled at 8:30 am on March 16, 2010.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded by Member Williams to approve the consent calendar DULY CARRIED RESOLVED by the following vote:

AYES: Lbeatty, Aguirre, Burry, Cliby, French, Williams

NOES: None

ABSTAIN: None

ABSENT: Lombardi, Nerland

B. AGENDA ITEMS

1. Review, discussion and direction regarding Legal Counsel's memorandum on DROP Distribution Interest Crediting, including a review of the LA Fire & Police cost Neutrality for DROP by The Segal Company.

ACTION: Received

The Committee extensively reviewed and discussed information and analysis provided by Legal Counsel regarding DROP Interest Rate Crediting, member communications, recruitment, contractual and legal issues to consider if changes are made.

Jacky Parks, President, Fresno Police Officers Association, spoke to this issue regarding recruitment language, DROP documents, and counseling and requested clarification from legal counsel regarding contractual and legal issues and the Boards authority to change the interest rate.

Frank Rose, Retiree, Fresno Police Department, spoke regarding retirement counseling.

Pat Jackson, Retiree, Fresno Police Department, spoke regarding response from retirees who received DROP counseling and language in DROP application documents.

Mike Cavallero, Retiree, Fresno Police Department, spoke regarding the interpretation of a defined benefit system and the obligations of the Board.

The Committee directed staff and legal counsel to review history from 1998 to present, Cost Neutrality Study and Experience Study, evaluate reasonable methodology and concepts with the Actuary, obtain a fee proposal, and discuss impact to the System.

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2. Update regarding the Cost of Living Adjustments for the Second Tier of the Fire and Police System and the Employees Retirement System.

ACTION: Received

The Committee reviewed staff report and discussed update of the cost of living adjustment for the Second Tier of the Fire & Police Retirement System and Employees Retirement System.

Frank Balekian, Retiree expressed concern and distributed a calculation regarding the methodology used to calculate cost of living increases/decreases for participants in the Employees Retirement System.

The Committee directed staff and legal counsel to review Code and methodology and report back to the Committee regarding this issue.

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3. Update regarding a due diligence visit to Benchmark Medical Consultants.

ACTION: Received

The Committee reviewed and accepted update presented by staff and confirmed time and meeting place for due diligence to Benchmark as scheduled.

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4. Accept Systems' monthly operating account cash disbursement reports for December in compliance with the Boards' Operating Account Policy.

ACTION: Approved/Adopted

The Committee received and accepted reports.

ON MOTION BY Member Cliby seconded by Member Burry to approve the Systems monthly operating account cash disbursement reports for December 2009, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: None

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5. Update on Information Technology Projects and Direction for the Preparation of a Request for Proposals for Information System Consulting Services

ACTION: Received

The Committee received and accepted update regarding information technology projects and staff is directed to proceed with RFP for Information System Consulting Services. The Committee determined that a Subcommittee be formed and appointed Employees Member Jeff Beatty and Fire Member Paul Cliby as members of the Information Technology Subcommittee.

C. INFORMATION ONLY ITEMS

None

D. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING

None

E. UNSCHEDULED ORAL COMMUNICATIONS

None

F. PUBLIC COMMENTS

None

G. ADJOURNMENT

11:15 am
