



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

**July 21, 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 8:37 AM**

Members Present: Jeff Beatty, Brian Burry (left at 10:45 am), Paul Cliby, Marvell French, Carla Lombardi, Oscar Williams

Members Absent: Ken Nerland, Danny Aguirre

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

ON MOTION by Member Williams and seconded by Member Beatty, due to the absence of the Chair and Vice Chair, Member Carla Lombardi is elected as Provisional Chair of the July 21, 2009, Administrative Committee meeting, DULY CARRIED RESOLVED by the following vote:

Ayes: Beatty, Burry, Cliby, French, Williams

Noes: None

Abstain: Lombardi

Absent: Nerland, Aguirre

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**APPROVE MINUTES**

Approve minutes of the May 28, 2009, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Williams seconded by Member Cliby to approve the minutes of the May 28, 2009, Regular Meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre

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**APPROVE AGENDA**

Approve agenda of the July 21, 2009, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded Member Burry to approve the agenda of the July 21, 2009, Regular Meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre

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**TIMED SCHEDULED HEARINGS AND MATTERS**

**8:30 AM** Conduct Annual Election for Chair and Vice Chair of the Administrative Committee.

ACTION: Approved/Adopted

Upon call, Chair Lombardi opens nominations for Chair of the Administrative Committee.

ON MOTION by Member Beatty seconded by Member Williams to nominate Carla Lombardi as Chair of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre

Upon call, Chair Lombardi opens nominations for Vice Chair of the Administrative Committee.

ON MOTION by Member Lombardi seconded by Member Cliby to nominate Jeff Beatty as Vice Chair of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

AYES: Burry, Cliby, French, Lombardi, Williams

NOES: None

ABSTAIN: Beatty

ABSENT: Nerland, Aguirre

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## A. AGENDA ITEMS

1. Review, discussion and direction regarding final compensation for deferred vested members in the Executive Pay Plan.

ACTION: To Staff for More Info

The Committee extensively reviewed current language and discussed various alternatives to the Annual Salary Resolution/Control Point methodology used in to determine "final compensation" for deferred vested management members in the Executive Pay Plan. Staff is directed to review and discuss alternatives with the Actuary to research and consider a wage inflation index and report back to the Administrative Committee.

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2. Review and discuss proposed changes to Article 7, the Joint Board's Policy and Procedures for Disability Retirement.

ACTION: To Staff for More Info

The Committee reviewed and discussed the current language for disability retirement applications after the death of the applicant, extensively reviewed legal analysis and current language of the Municipal Code. Legal counsel and staff are directed to draft ordinances to Section 3-317 for review by the Committee. The Committee also reviewed proposed amendments to Article 7, discussed payment to treating physician for the cost of preparing the narrative, and analyzed timelines and services. The Committee will continue review of draft policy and procedures as presented.

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3. Review, consider and discuss Fresno Municipal Code Sections 3-332 and 3-410 regarding retirement contributions at age 60 for members of the Fire and Police Retirement System.

ACTION: To Staff for More Info

The Committee reviewed and discussed staff report, provisions in Section 3-410, and vested rights issues. The Committee directed staff to consult with the actuary and legal counsel and to prepare draft language for review at the next Committee meeting.

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4. Review, consider and discuss Joint Board Policy 2-8 and City Administrative Order 6-6, Release Time Policy for Employee Retirement Board Members.

ACTION: To Staff for More Info

The Committee discussed issues presented by Member Burry for time away from work to attend Board meetings, adding discussion and review of travel policy to include release time before and after Board travel. The Committee determined that Board/Committee Members

shall direct the Department to consult with staff for appropriate measures and reimbursement for Board Members time and directed staff to extend travel arrangements as needed.

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5. Ongoing review and evaluation of the Joint Board Policies Section 2-31, 2-32 and 2-33 and recommendations to the Joint Retirement Board as necessary.

ACTION: Approved/Adopted

The Committee reviewed and evaluated Joint Board Policies, and recommended approval by the Retirement Board.

ON MOTION by Member Burry seconded by Member Williams to approve administrative changes to Joint Board Policy Sections 2-31, 2-32 and 2-33 and to submit to the Joint Retirement Boards for adoption, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre

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6. Review, consider and discuss Board and Committee Quorums, consistent with Article 2, Section 5 of the Boards' Rules and Regulations, as well as Committee Rules of the Investment and Administrative Committees.

ACTION: Received

The Committee reviewed policies and rules, and discussed issues presented by Member Cliby and determined that the Committee Members will improve coordination and that when a quorum cannot be met, the Board Chairs can move issues to the Board for discussion and consideration.

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7. Initial review of "Information Technology Risk Assessment and Long-Term System Plan."

ACTION: Received

The Committee reviewed and discussed the draft information technology risk assessment and long term system plan prepared and presented by the Retirement Administrator. The Committee will consider information as presented and will conduct an ongoing thorough review, discussion, due diligence and extensive analysis of the Systems information technology plan.

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8. Accept Systems' monthly operating account cash disbursement reports for May 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 Williams to approve the Systems monthly operating account cash disbursements report for the period ending May 2009, DULY CARRIED RESOLVED by the following vote:

AYES: Beatty, Cliby, French, Lombardi, Williams

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre, Burry

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9. Review, Discuss and Approve an amendment to the Committee Rules to Change the Date of the Regular Administrative Committee.

ACTION: Approved/Adopted

The Committee reviewed and approved the amendment to the Committee rules.

ON MOTION by Member French seconded by Member Cliby to approve the amendment to the Committee Rules changing the regular meeting date to the third Tuesday of each month.

AYES: Beatty, Cliby, French, Lombardi, Williams

NOES: None

ABSTAIN: None

ABSENT: Nerland, Aguirre, Burry

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10. Review and discuss Legal Counsel's report on IRS guidelines on "Normal Retirement Age."

LAID OVER

ACTION: Laid Over

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**B. INFORMATION ONLY ITEMS**

1. Fresno City Employees Health and Welfare Trust Agenda for Regular Board Meeting July 8, 2009 and Minutes of June 10, 2009.

ACTION: Received

Administrator McDivitt reported that staff has not been contacted.

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2. Fresno City Employees Health and Welfare Trust Agenda for Regular Board Meeting June 10, 2009 and Minutes of May 13, 2009.

ACTION: Received

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3. June 28, 2009, California Pension Systems: Ranking their Funding Assumptions by Roeder Financial

ACTION: Received

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4. June 25, 2009, City Gets Split Decision on Pension Changes. (SignOnSanDiego.com)

ACTION: Received

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5. June 25, 2009, Ventura County considers letting public decide on pension increases. (latimes.com)

ACTION: Received

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6. June 14, 2009, Paper: Detroit Pension Funds Spend \$380K on Travel

ACTION: Received

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7. Filed June 10, 2009 for Publication, Opinion of the United States Court of Appeals for the Ninth Circuit: San Diego Police Officers Association, etal v. San Diego City Employees Retirement System, etal.

ACTION: Received

The Committee requested a brief summation of this issue by Legal Counsel.

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8. June 3, 2009, Effort to Release Public Pension Details in Court, Contra Costa Times.

ACTION: Received

9. May 4, 2009, Letter to Attorney General Edmund G. Brown Jr regarding proposed statutory initiative related to the taxation of pension income.

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**

10:55 a.m.

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