



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

October 20, 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.

ROLL CALL AT 8:30 AM

Members Present: Carla Lombardi, Danny Aguirre, Brian Burry, Marvell French (arrived 8:39 am), Ken Nerland, Oscar Williams

Members Absent: Paul Cliby, Jeff Beatty

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

APPROVE MINUTES

Approve minutes of September 29, 2009, Regular meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Williams seconded by Member Burry to approve the minutes of September 29, 2009, regular meeting of the Administrative Committee, DULY CARRIED
RESOLVED by the following vote:

AYES: Lombardi, Aguirre, Burry, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Beatty, French, Cliby

APPROVE AGENDA

Approve agenda of October 22, 2009, Regular meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Williams seconded by Member Nerland to approve the agenda of the October 22, 2009, regular meeting of the Administrative Committee, DULY CARRIED
RESOLVED by the following vote:

AYES: Lombardi, Aguirre, Burry, Nerland, Williams

NOES: None

ABSTAIN: None

ABSENT: Beatty, French, Cliby

TIMED SCHEDULED HEARINGS AND MATTERS

8:30 AM Conference Call with Paul Angelo of The Segal Company to review and discuss asset smoothing.

ACTION: Received

The Committee conducted conference call with Paul Angelo and Andy Yeung of The Segal Company, who reviewed available actuarial alternatives to update or modify the Surplus Projection Reports, and extensively discussed smoothing and long-term unfunded rate amortization policies, potential municipal code amendments, corridors on unfunded liability and asset smoothing as well as considered actuarial input and guidance for future City budget balancing approaches and solutions. Staff added that an article will be provided in next newsletter and may issue special notice to members. The Committee also reviewed and discussed contribution corridor option, alternative valuation methods, analysis of other Systems, and early retirement options with Mr. Angelo and Mr. Yeung responding.

A. AGENDA ITEMS

1. Review and Discuss the Tax Compliance Review of the Retirement Provisions of the Fresno Municipal Code Applicable to the City of Fresno Retirement Systems and consider Request for Proposal for Outside Tax Counsel.

ACTION: To Board

The Committee reviewed and discussed memorandum summarized by legal counsel.

Mr. Frank Balakian spoke in support of this issue.

ON MOTION BY Member Burry seconded by Member Nerland to authorize legal counsel and Administrator to prepare and conduct Request for Information for outside tax counsel, review finalists for review by the Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Beatty, Cliby, French

2. Consider Issue memorandum for discussion and direction concerning Conversion Applications for Disability Retirement.

ACTION: Laid Over

Legal Counsel requested postponement to November 2009 meeting to review legal opinion. Upon call, there were no objections.

3. Review and consider revised DROP Policy and Procedures.

ACTION: Approved/Adopted

The Committee reviewed and discussed revised DROP policy developed to grandfather existing employees and allow DROP participants to enter DROP in the other system.

ON MOTION BY Member Burry seconded by Member Williams to recommend Board approval of revised DROP policy and procedures for the Deferred Retirement Option Program (DROP) Coordination of Issues between retirement systems, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Beatty, Cliby, French

4. Review, Discussion and Direction regarding amendments to Article 7, the Boards' Disability Retirement Policies and Procedures.

ACTION: Laid Over

The Committee determined that a 2-3 hour workshop shall be conducted to review proposed amendments to Article 7 and the Boards' Disability Retirement Policies and Procedures, with single-sided copies in binder, the Committee will submit questions or concerns to legal counsel, and staff will schedule workshop in December.

5. Review, Discussion and Direction regarding a due diligence visit to Benchmark Medical Consultants.

ACTION: Approved/Adopted

The Committee considered on site due diligence visit to Benchmark/ExamWorks, Inc. and

upon call with no objections, the Committee appointed Members Burry, Williams, Lombardi and Beatty, along with Administrator McDivitt and Yvonne Arellano to conduct a one-day due diligence site visit to ExamWorks, Inc. on December 4, 2009. Final travel details will be submitted to the Committee by staff.

B. INFORMATION ONLY ITEMS

1. Fresno City Health and Welfare Trust Agenda for Regular Board meeting of October 14, 2009 and minutes of the Regular Board meeting of September 9, 2009.

ACTION: Received

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2. October 2, 2009, PERS Pension Costs set to soar. (news.oregonian.com)

ACTION: Received

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3. October 9, 2009, Some state retirees rake in pensions and paychecks. (latimes.com)

ACTION: Received

C. UNSCHEDULED ORAL COMMUNICATIONS

None

D. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING

None

E. PUBLIC COMMENTS

None

F. ADJOURNMENT

11:12 a.m.
