



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

**MINUTES**

**September 21, 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.**

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**ROLL CALL AT 8:30 AM**

Members Present: Oscar Williams, Jeff Beatty, Brian Burry, Paul Cliby, Marvell French (arrived 8:37 am), Randy Nason, Ken Nerland

Members Absent: Joe Gray

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

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**APPROVE MINUTES**

Approve minutes of July 27, 2010, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Burry seconded by Member Nerland to approve the minutes of July 27, 2010, Regular Meeting of the Administrative Committee, DULY CARRIED RESOVLED by the following vote:

AYES: Williams, Beatty, Burry, Cliby, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: French, Gray

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**APPROVE AGENDA**

Approve agenda of September 21, 2010, Regular Meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Burry seconded by Member Nerland to approve the agenda of September 21, 2010, Regular meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

AYES: Williams, Beatty, Burry, Cliby, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: French, Gray

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**TIMED SCHEDULED HEARINGS AND MATTERS**

**8:30 AM** Annual Performance Review of the Boards' Independent Medical Advisor, Benchmark Medical Consultants, Inc. an ExamWorks Company.

ACTION: Received

The Committee received and accepted presentation by Roger Favero, General Manager and Jennifer Cotton, Client Relations & Case Management with Benchmark Medical Consultants, Inc. an ExamWorks Company, reviewed list of cases with service dates between 1/1/2010 and 7/31/2010, discussed physician continuing education and training.

**A. CONSENT CALENDAR**

1. Approve date and time for the next regular meeting of the Administrative Committee scheduled at 8:30 am on October 19, 2010.

ACTION: Approved/Adopted

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

AYES: Williams, Beatty, Burry, Cliby, French, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: Gray

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**B. AGENDA ITEMS**

1. Review and accept proposed methodology from The Segal Company regarding the testing for IRC Section 415.

ACTION: Approved/Adopted

The Committee received sample calculation and discussed staff report and recommendation from legal counsels, Saltzman and Johnson and Ice Miller and direction is made that legal counsels' agreement with methodology be submitted in writing.

ON MOTION by Member Nerland seconded by Member French to accept methodology from The Segal Company regarding the testing for IRC Section 415, DULY CARRIED RESOLVED by the following vote:

AYES: Williams, Beatty, Burry, Cliby, French, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: Gray

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2. Review, Discussion and Direction concerning The Segal Company responses to GASB's Preliminary Views "Pension Accounting and Financial Reporting by Employers"

ACTION: Approved/Adopted

The Committee reviewed and discussed the actuaries comments to potential effects of the GASB Preliminary Views.

ON MOTION by Member Nerland seconded by Member Burry to submit letter from Board Chairs endorsing responses and comments that The Segal Company submits to GASB, DULY CARRIED RESOLVED by the following vote:

AYES: Williams, Beatty, Burry, Cliby, French, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: Gray

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3. Consider issue memorandum by Legal Counsel regarding AB 1987/SB 1425.

ACTION: To Staff for More Info

The Committee received and discussed legal counsel's memorandum and directed that the

Administrator report back to the Committee after attending the Administrators Institute.

Mr. Jacky Parks, President of FPOA and Jerry Smith, President of FFA both expressed concern and spoke in support of Board coalition if necessary.

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4. Discussion and direction regarding future services relating to the City's Deferred Compensation Plan.

The Committee received report and discussed staff recommendations and the Committee directed that the Administrator communicate with the City of Fresno regarding the administration of the Deferred Compensation plan as well as discussion regarding the furlough of the Retirement Office staff and to report back at the next meeting.

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5. Accept Systems' Monthly Operating Account Cash Disbursements Report for June and July 2010, in accordance with the Boards' Operating Account Policy.

ACTION: Approved/Adopted

The Committee accepted report as submitted.

ON MOTION by Member Cliby seconded by Member Burry to accept the Systems' Monthly Operating Account Cash Disbursements Report for June and July 2010, DULY CARRIED RESOLVED by the following vote:

AYES: Williams, Beatty, Burry, Cliby, French, Nason, Nerland

NOES: None

ABSTAIN: None

ABSENT: Gray

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6. Discussion and direction regarding a possible additional DROP distribution option.

ACTION: To Staff for More Info

The Committee discussed additional DROP distribution option proposed by Member Paul Cliby and direction is made for staff to review issues, draft model, and discuss liability issues with Board legal counsels, Russ Richeda and Ice Miller, and report back to the Committee.

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7. Discussion and direction regarding the issuance of separate payments to retirees for their DROP distributions.

ACTION: To Attorney for Review

The Committee reviewed and discussed request from Member Brian Burry, with direction to Legal Counsel to review statutory language to exclude DROP and report back to the Committee.

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### C. INFORMATION ONLY ITEMS

1. September 15, 2010, Editorial: Bills to end pension spiking fall short. (The SacBee.com)  
ACTION: Received
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**D. UNSCHEDULED ORAL COMMUNICATIONS**

None

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**E. PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING**

None

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**F. PUBLIC COMMENTS**

None

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**G. ADJOURNMENT**

10:37 am

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