



CITY OF FRESNO RETIREMENT SYSTEMS
REGULAR MEETING OF THE ADMINISTRATIVE COMMITTEE

ACTION AGENDA

November 29, 2006

Administrative Committee held a meeting in Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, California at the hour of 9:00 AM on the day above written.

ROLL CALL AT 9:02 AM

Members Present: Carla Lombardi-Chair, Paul Cliby, Brian Burry, Marvell French, Danny Aguirre

Members Absent: None

Also Present: Stanley McDivitt, Carol Eland, Kathleen Riley, Frank Balekian, Russ Richeda, Legal Counsel

APPROVE AGENDA

Approve agenda of November 29, 2006, Administrative Committee.

ACTION: Approved/Adopted

TIMED SCHEDULED HEARINGS AND MATTERS

10:00 AM Review and consider draft Annual Actuarial Valuation Reports for both Systems as prepared by The Segal Company. (Review with Paul Angelo and Andy Yeung of The Segal Company.)

ACTION: To Board

Paul Angelo conducted a review of the draft actuarial valuations, assisted by Andy Yeung. They explained that due to minor differences in actuarial calculation techniques, even though the Systems prefunded actuarial accrued liability increased, the funding ratios decreased slightly. The employer rates for the Employees System, F&P Tier I, and F&P Tier II increased to 10.93%, 25.66%, and 16.28% respectively. PRSB for calendar year 2007 is projected to be \$326.32 for Fire and Police and \$214.98 for the Employees System.

The Committee accepted the draft reports and moved them to the Boards for acceptance in December. The Committee also expressed interest in having the actuary study the ramifications of the proposed new utility district on the Retirement Systems when the particulars of the proposal are available.

A. AGENDA ITEMS

1. Review draft Comprehensive Annual Financial Reports for fiscal years ending June 30, 2006 and 2005 and move to Boards for acceptance and distribution.

ACTION: To Board

The Committee commended staff on a job well done and accepted the draft CAFRs, approving the printing and submission of the finished documents to the Boards for approval and distribution.

2. Information, discussion and direction regarding the potential creation of a separate utility district for the City of Fresno.

ACTION: To Staff for More Info

The Committee accepted this item as an information item and briefly discussed some of the ramifications to the retirement systems of the proposed utility district. Staff was directed to research other Cities who have formed a district and ask questions regarding the effects on the retirement system in these situations. Board Counsel was directed to address the vested rights of the employees affected by this proposal and it was suggested that the State Water

Control Board may have helpful information also.

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3. Discussion and Direction Regarding Proposed Notification Letter for DROP Participants Approaching the End of Their Ten Year DROP Period.

ACTION: Approved/Adopted

The Committee directed staff to send the proposed notification letter beginning January 1, 2007.

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4. Review and discuss Memorandum from Saltzman & Johnson regarding Pension Protection Act (Retirement Benefits while working).

LAID OVER TO JANUARY 2007

ACTION: Laid Over

Laid over to January 2007 meeting

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5. Review and Accept Systems' Monthly Cash Disbursement Report for the months of July and August 2006 in accordance with the Boards' Administrative Oversight Policy.

ACTION: Approved/Adopted

A motion to accept the report as presented was made by Member Cliby, seconded by Member French, and approved unanimously.

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6. Review and Discuss Proposed Agenda for Strategic Planning Meeting (Board Member Burry).

LAID OVER

ACTION: Laid Over

B. INFORMATION ONLY ITEMS

1. Action Agenda for Administrative Committee Meeting of October 30, 2006.

ACTION: Received

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2. SignonSanDiego.com internet article dated 11/17/2006, regarding firestorm over pay and public safety.

ACTION: Received

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3. City of San Diego Proposition B which amends the City Charter to change the approval process for increases in City Employees' Retirement System Benefits.

ACTION: Received

C. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING

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D. PUBLIC COMMENTS

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ADJOURNMENT 11:55 AM

There being no further business to bring before the Committee, and hearing no objections, the Chair declares the Administrative Committee meeting adjourned.

