



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

February 26, 2009

Administrative Committee held a meeting in Retirement Office, 2828 Fresno St., 2nd Fl., Board Chamber, Room 202, Fresno, California at the hour of 1:00 PM on the day above written.

ROLL CALL AT 1:00 PM

Members Present: Ken Nerland, Jeff Beatty, Brian Burry, Paul Cliby, Marvell French, Carla Lombardi, Oscar Williams

Members Absent: Danny Aguirre

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

APPROVE MINUTES

Approve the minutes of January 29, 2009, regular meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Cliby seconded by Member French to approve the minutes of January 29, 2009, regular meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Aguirre

AGENDA ITEMS

Approve agenda of February 26, 2009, regular meeting of the Administrative Committee.

ACTION: Approved/Adopted

ON MOTION by Member Burry seconded by Member Cliby to approve the agenda of February 26, 2009, regular meeting of the Administrative Committee, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Aguirre

TIMED SCHEDULED HEARINGS AND MATTERS

None

A. AGENDA ITEMS

1. Review and discuss update regarding the Cost of Living Adjustments for the Second Tier of the Fire and Police System and the Employees Retirement System.

ACTION: To Attorney for Review

The Committee reviewed update and staff report as presented. Extensive discussion followed and legal counsel is directed by the Committee to review current index and compare this issue with other systems and provide report back to the Committee. Frank Balekian spoke in support of the discussion.

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2. Review, discuss and provide direction to staff regarding Legal Analysis of Request by the City of Fresno Health and Welfare Trust for Marital Status and Dependent Information.

ACTION: To Board

The Committee reviewed analysis and conclusion submitted by Russ Richeda, Legal Counsel, and concluded, without significant liability, in response to the City's request, the System can provide redacted and excised information from domestic relation orders, such as court date, name of court, parties involved, act of divorce, and signature page, excluding child custody, property and dispositions. Extensive discussion ensued speaking for and against legal counsel's conclusion, public records act, rights to privacy, police officer's bill of rights, fiduciary responsibility, potential litigation and administrative workload issues. .

ON MOTION by Member Burry seconded by Member Williams to recommend that the Retirement Board decline request by the City of Fresno Health and Welfare Trust for marital status and dependent information and that they seek a ruling from the Attorney General on this issue, DULY CARRIED RESOLVED by the following vote:

AYES: Beatty, Burry, Cliby, Lombardi, Williams

NOES: Nerland, French

ABSTAIN: None

ABSENT: Aguirre

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3. Review and discuss legal counsel's memorandum on the Heart Act.

ACTION: Laid Over

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4. Accept annual review and evaluation of Joint Board Policies Section 2-22 and 2-26 and Recommendations to the Boards as Necessary

ACTION: Approved/Adopted

The Committee briefly reviewed and discussed administrative changes to Board policies.

ON MOTION by Member Cliby seconded by Member Williams to recommend Board approval of the administrative changes made to Joint Board policies Section 2-22 and 2-26, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Aguirre

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5. Accept Systems' Monthly Operating Account Cash Disbursements Report in Accordance with the Boards' Operating Account Policy

ACTION: Approved/Adopted

The Committee reviewed and accepted reports as submitted.

ON MOTION by Member Cliby seconded by Member French to accept the monthly operating account cash disbursements report for the month of December 2008, DULY CARRIED RESOLVED by the following vote:

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

NOES: None

ABSTAIN: None

ABSENT: Aguirre

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

ACTION: Laid Over

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7. Preliminary review, discussion and direction on the proposed budgets for Fiscal Year 2009/2010.

ACTION: Accepted

The Committee reviewed and discussed proposed budget submitted by Administrator, requesting the Committee's input for recommendation to the Board. Discussion included update, maintenance or replacement of PensionGold software, staffing, business continuance, document imaging and legal costs.

Frank Balekian spoke regarding potential legal costs to the deferred compensation budget.

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8. Disabilities Educational Workshop, Phase 1 - Review of the Fresno Municipal Code and past legal opinions that relate to the disability retirement process.

PLEASE BRING DISABILITY RETIREMENT REFERENCE BINDER DISTRIBUTED AT THE LAST ADMINISTRATIVE COMMITTEE MEETING.

ACTION: Continued

The Committee reviewed and discussed modifications to disability retirement procedures and potential implementation of various concepts and processes of other systems. The Committee discussed an outreach by staff to the various City labor liasons once new processes can be implemented. The Committee directed additional discussion and review of draft documents at the next Administrative Committee.

B. INFORMATION ONLY ITEMS

1. Fresno City Health and Welfare Trust Agendas for Special Board meeting of February 19, 2009, Regular Board meeting of February 11, 2009, and Minutes of January 14, 2009.

ACTION: Received

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2. NewsScan, January 2009, Gabriel Roeder Smith & Company

ACTION: Received

C. PROPOSED AGENDA ITEMS FOR NEXT COMMITTEE MEETING

None

D. UNSCHEDULED ORAL COMMUNICATIONS

Member Burry distributed internet article regarding Northern Trust's client conference, initiated discussion and direction to legal counsel to draft letter to Northern Trust to address the recently published activity conducted at their client conference, to state the Systems are displeased, do not condone these actions or their use of fees for entertainment; and that letter be signed by both Chairs. Upon call by Chair Nerland, there were no objections and legal counsel is directed to draft letter.

Adding to the discussion, Legal Counsel addressed Board member expenses and reimbursement, reporting requirements and the FPPC limit of \$390, reviewed the Board's travel policy, and the reporting requirements when accompanied by spouses while attending conferences. Discussion followed with direction to staff to obtain, in advance, all information of the costs per person associated with client conferences.

E. PUBLIC COMMENTS

None

F. ADJOURNMENT

3:14 pm
