

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT CITY HALL ON
TUESDAY, APRIL 28, 2009 at 2:00 PM**

I. ROLL CALL: 2:00 PM

A. Employees' Retirement Board:

A meeting was called to order at 2:00 PM.

Those persons present included:

Trustees: Valerie Hurley, Chair
Robert Lepa, Vice-Chair
Mark Bates
Jeff Clemens, Mayor (2:09 PM)
Robert Kahant

Others: Ken Harrison, Sugarman & Susskind
J Scott Baur, Tegrit Plan Administrators
Dixie Martinez, Tegrit Plan Administrators
Members of Public

B. Police Retirement Board:

A meeting was called to order at 2:00 PM.

Those persons present included:

Trustees: Lt. Kenneth White, Chair
Mayor Jeff Clemens (2:09 PM)
Mark Bates
Randy Collier

Others: Ken Harrison, Sugarman & Susskind
J Scott Baur, Tegrit Plan Administrators
Dixie Martinez, Tegrit Plan Administrators
Members of Public

II. ADDITIONS/ DELETIONS/ REORDERING:

A. Employees' Retirement Board:

(Added) Item III.C.2 – Proposed Ordinance Amendment.

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Agenda, as amended.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

III. UNFINISHED BUSINESS

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

1. Benefit Recalculations:

Mr. Baur commented that the Board had asked to include this item on the Agenda until all recalculations have been completed. Mr. Baur explained that due to a personal emergency he was not able to have a batch of recalculations for the Board to review at this Pension Board meeting. Mr. Kahant asked Mr. Baur if the last set of recalculations approved at the last Pension Board meeting had been sent to the Actuary. Mr. Baur explained that the recalculations had been sent to the Actuary and are pending certification. The Boards had a discussion on prior year recalculations and the current recalculations.

2. Proposed Ordinance Amendment:

Ms. Hurley explained that the proposed Ordinance amendment had been suggested back in July or August of last year and it had to do with changing the assigning of the Finance Director as a member of the Pension Board versus a vote of the commission. Ms. Hurley wants to make sure that since the City Attorney is leaving this does not fall through the cracks.

Action: A motion was made for the General Employee's Pension Plan by Mayor Clemens and seconded by Mr. Lepa to send a reminder to the City Attorney's office that this change needs to be made.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: A motion was made for the Police Officers' Pension Plan by Mayor Clemens and seconded by Mr. Collier to send a reminder to the City Attorney's office that this change needs to be made.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

B. Police Retirement Board:

C. Employees' and Police Retirement Boards:

D. Board Attorney Report:

1. Proposed Ordinance Amendment:

Mr. Harrison reported that he had a proposed Ordinance amendment for the Police Officers' Pension Plan. This amendment is to establish the closed Plan provision for the Police Officers' Pension Plan. Mr. Harrison explained that since they are a closed Plan there are no new participants coming into the Plan so there will be a time where there will not be any active participants. Participants will be in the Drop or retired and there will still be a Board, so a provision needs to be made to allow participants in the Drop or retired to sit on the Board of Trustees. Mayor Clemens asked Mr. Harrison what the reason was for currently not allowing Drop participants or retired members to sit on the Board of Trustees. Mr. Harrison explained that the State Statute does not allow for a retired member to seat on the Board as a Trustee unless the Plan is a closed Plan. After further review Mr. Harrison asked the Board to refer this item to the next Agenda because he needs to work on the language.

Action: A motion was made for the Police Officers' Pension Plan by Mayor Clemens and seconded by Mr. Collier to table this item to the next Pension Board meeting.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

2. Draft- Regarding Divorced Members:

Mr. Harrison reviewed with the Board a package available to the administrator to give to members who are divorcing. It explains the issue with QDRO'S which governmental Plans are not required to comply with. Mr. Harrison explained that there will be a \$100.00 fee paid by the member making the request in an effort to avoid any cost to the Pension Plan. The fee will be collected by the administrator to be deposited into the Pension Plan. The Boards had a discussion in regards to the procedures to follow when a member divorces.

Action: A motion was made for the General Employee's Pension Plan by Mayor Clemens and seconded by Mr. Lepa to adopt the divorce package for use of the Administrator as well as the \$100.00 fee.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

Action: A motion was made for the Police Officers' Pension Plan by Mayor Clemens and seconded by Mr. Collier to adopt the divorce package for use of the Administrator as well as the \$100.00 fee.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None

Mayor Clemens left the Pension Board meeting at 2:35 P.M.

Mr. Harrison reported that the issue of excess payments made to officers of corporations is hot in the news, and as a stockholder of a particular company you could initiate a demand for return of these excess payments. Sugarman has entered into an agreement with a law firm that does derivative suits. Mr. Harrison explained the difference between a derivative suit and a class action. He explained that there is no cost to the Plan. Mr. Harrison asked the Boards authorization to have this firm move forward with a demand letter.

Action: A motion was made for the General Employee's Pension Plan by Mr. Lepa and seconded by Mr. Kahant to authorize the Attorney to move forward with a demand letter.

Vote: Voice vote showed: AYES: Three. NAYS: one.

Mr. Bates explained that for discussion purposes he would rather see some back up support before a decision is made.

The Police Officers' Pension Board would like Mr. Harrison to bring back up support on the derivative suits before making a motion.

E. Administrator Report:

Mr. Baur reported that Anne Costello has requested to defer the repayment of overpayments pending her appeal of formal hearing. Mr. Harrison advised that Ms. Anne Costello needed to make this request to the Board in writing.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

Action: A motion was made by Mr. Lepa and seconded by Mr. Kahant to approve the Consent Agenda, which included a Warrant for invoices and Minutes from the meeting of March 24, 2009.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

B. Police Retirement Board:

Action: A motion was made by Mr. Collier and seconded by Mr. Bates to approve the Consent Agenda, which included a Warrant for invoices and Minutes from the meeting of March 24, 2009.

Vote: Voice vote showed: AYES: Unanimous. NAYS: None.

C. Employees' and Police Retirement Boards:

VI. ADJOURNMENT:

There being no other business and the next meeting having been previously scheduled for Tuesday, May 26 at 2:00 PM, the Trustees adjourned the meeting at 2:53 p.m.

MINUTES APPROVED: May 26, 2009

Valerie Hurley, Chair
Employees' Retirement Board

Kenneth White, Chairman
Police Retirement Board

J. Scott Baur, Administrator
Employees' & Police Retirement Boards