

MINUTES

POLICE OFFICERS' & FIREFIGHTERS' RETIREMENT COMMITTEE MEETING

TUESDAY - JANUARY 7, 2014 - 9:00 AM

PRESENT

Sgt. Leo Socorro – Chair
(Ret) Chief Linda Loizzo
Councilwoman Beth Spiegel
Sgt. Mo Asim
Mayor George Vallejo

ABSENT

ALSO PRESENT

Buck – Joe Griffin
Buck – Tim Bowen
Sugarman & Susskind - Bob Sugarman
Darcee Siegel – City Attorney
Martin Lebowitz – Pension Administrator
Renaldo Gayle – Asst. Pension Admin.

DEPARTMENT REPRESENTATIVES

The meeting was called to order at 9:20 a.m. by Trustee Leo Socorro, followed by a roll call of the Trustees by Martin Lebowitz.

I. VOTING RESULTS 2013-20

The results of the voting referendum conducted among the active members of the Plan on November 18th seeking approval of the changes proposed by ordinance 2013-20 as required by the Plan were disclosed. The ballot had two items: Issue 1: all plan changes proposed in the ordinance and Issue 2: eliminating the right to vote on plan changes. The results were as follows:

- Ballot Issue 1: “FAILED” **48 (NO)** to **1 (YES)**
- Ballot Issue 2: “FAILED” **49 (NO)** to **0 (YES)**

II. ATTORNEY’S RECOMMENDATION/DISCUSSION

Bob Sugarman stated that Trustees are now faced with the question of whether they should implement ordinance 2013-20. He added that the board will be faced with a lawsuit no matter which direction they decide to go. If they don’t implement the ordinance, the City will likely sue the trustees, as it did the General Employees trustees. If they implement the benefit cuts that were disapproved by the members, those members could sue for the prior higher benefits, for the next 5 years and maybe after that. The recommendation is that the board should take a similar approach to that of the General Plan and follow the code that says 60% approval of active members is required before changes can be made to the pension plan. Since this approval did not happen, no implementation should occur until 60% of the active members approve the changes or a court rules that ordinance 2013-20 should be implemented. This

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would likely result in a lawsuit from the city. If implementation occurs, then a lawsuit from the employees is expected.

After a lengthy discussion, motion by Trustee Beth Spiegel, seconded by Trustee Linda Loizzo, to implement ordinance 2013-20. A "YES" vote meant it would be implemented. A "NO" vote meant something else must be done.

Roll Call:

Trustee Beth Spiegel	Yes
Trustee George Vallejo	Yes
Trustee Leo Socorro	No
Trustee Linda Loizzo	No
Trustee Mo Asim	No

Motion Failed

Due to the failure of the foregoing motion, Bob Sugarman suggested that there should be a motion to support the reasons for not implementing Ordinance 2013-20.

After discussion, motion by Trustee Linda Loizzo, seconded by Mo Asim, to not implement ordinance 2013-20 because it was not approved by 60% of active members.

Roll Call:

Trustee Beth Spiegel	No
Trustee George Vallejo	No
Trustee Leo Socorro	Yes
Trustee Linda Loizzo	Yes
Trustee Mo Asim	Yes

Motion carried

III. TRUSTEES' REQUESTS

Trustee Beth Spiegel stated that Bob Sugarman should provide written documentation with clear directions as to how the Trustees should advise the Plan Administrator when faced with different situations given the fact that ordinance 2013-20 was not implemented.

Bob Sugarman's response was that the Plan Administrator should compile a list of various situations, problems and questions that he anticipates will arise and Bob will provide his advice for each.

Trustee George Vallejo raised concerns about the board's actuary being made available to both the city and union at their expense to perform studies and give advice and information. The existing policy is to make the actuary available to the city or the union at their expense but

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the results of any studies and any advice must be shared with all parties (the city, the union, and the trustees) simultaneously.

After discussion, motion by Trustee George Vallejo, seconded by Trustee Linda Loizzo, to amend current policy for calendar year 2014 only to permit, upon request of the contracting party, that information not be shared by the actuary with the other parties.

Motion carried unanimously

If there is any litigation filed against the board, Robert Sugarman is requesting a shade meeting to discuss strategies.

IV. BUCK'S CONCERN

Since ordinance 2013-20 has not been implemented, Joe Griffin asked if the Valuation should be prepared by excluding it or be delayed until May. It was decided that on January 23rd, the actuary will be informed if they should move forward with the valuation for the February 20th meeting.

The next scheduled meeting is on February 20, 2014. Meeting was adjourned at 12:09 p.m.

Renaldo Gayle, Asst. Pension Administrator