MCERA RETIREMENT BOARD MINUTES

FEBRUARY 8, 2007


ABSENT: Jim Lindsay, excused, Dwayne McCoy, excused.

Motion to approve January 11, 2007 Minutes: Crookham/Gilsdorf U/A

PUBLIC OPPORTUNITY

Robert Carroll addressed the Retirement Board regarding his Tier 11 membership in the retirement association. Mr. Carrol asked the Board to place him in Tier 1 as he was employed as extra help during the establishment of Tier 11 and had purchased that extra help time.

John Carlisle introduced himself as the new president of REMCO and had questions on the issue of normal retirement age which he delayed until the issue was discussed by the Board.

CLOSED SESSION

Seven (7) Disability Retirement Cases – Natalie Baughman; Carlo De La Fuente; Thomas MacKenzie; Jeannie Mann, Fou Linh Saechao; Shirley Silva and Sally Stiles.

Potential litigation – Government Code sections 54956.9(b) and (c).

REPORT OUT OF CLOSED SESSION

• Motion to approve Service Connected Disability for Jeannie Mann: Gilsdorf/Busby U/A

• Motion to deny Non Service Connected Disability and Service Connected Disability for Sally Stiles: Crookham/Busby U/A

• Motion to refer new application for Deborah Nelson to Committee: Gilsdorf/Crookham U/A

• Other Potential Litigation was not discussed

BOARD/ACTION DISCUSSION
1. **TRAVEL POLICY FOR BOARD MEMBER**

MCERA has previously adopted Merced County’s Travel Policy. Mr. Kinchloe informed the Board that the travel policy is being reviewed for adherence to AB 1234 requirements. The Board decided to authorize Board members’ travel on a case by case basis until the County has new travel procedures in place. Trustee Gilsdorf requested authorization to attend the Transition Conference in San Francisco on March 1, 2007 for one night. Board approved this travel for Mr. Gilsdorf.

2. **NORMAL RETIREMENT AGE**

The Board discussed the issue of normal retirement age. The designation of a Normal Retirement Age is necessary for the protection of the tax exempt status of the system and for the determination of which safety members are eligible for the $3000 dollar tax deduction authorized by the 2006 Pension Protection Act. The Board directed staff to do further research on the issue and propose a Resolution to the Board at the March 2007 meeting. The Board expressed interest in adopting a Normal Retirement Age pursuant to the benefit formula now in place of 3% at 50 for Safety employees and 3% at 60 for miscellaneous members. Staff will consult with County Counsel and the County for their input on this issue as well as an appropriate break in service period.

3. **COST OF LIVING**

Motion to Adopt the Cost of Living Rate recommended by Actuary, Harold Loeb of Buck Consultants: Gilsdorf/Busby U/A

4. **PAY CODE 430-MEAL REIMBURSEMENT-Taxable**

The County has adopted pay code 430 which consists of reimbursement for the cost of meals incurred during non over night travel. The Board determined that pay code 430 is not compensation earnable.

Motion to determine that reimbursements made pursuant to pay code 430 are excluded from compensation earnable. Adams/Cabral U/A

5. **BUDGET 2007/2008**

Board considered the proposed budget for 2007 -2008.

Motion to adopt 2007/2008 proposed budget and to complete final budget to be sent to the County Board of Supervisors: Adams/Crookham U/A

6. **EXCUSED ABSENCE POLICY**

There was a discussion as to what constitutes an excused absence for the purpose of Board meetings attendance. The Board decided to refer the issue to the By-Laws committee.
Trustee Kinchloe will address the committee on the absence policy and Trustee Gilsdorf requested that the committee also consider the issue of adding an alternate retired member to the Board. The By-Laws committee will meet Friday, February 23, 2007.

7. RATIFICATION OF BOARD ACTION

Motion to ratify the previous motion made at the of January 11, 2007 Board meeting selecting either the Plan Administrator or Trustee Kinchloe as the voting delegate for the special SACRS meeting on February 5 and 6, 2007 in Universal City. Busby/Crookham U/A

8. ADMINISTRATOR REPORT

a. Report of the SACRS Special Meeting: Ms. Arevalo reported that the proposed Articles of Incorporation were approved by a unanimous vote of the delegates; after some discussion, the Audit Report was also approved by unanimous vote; the legislative committee’s proposal to not proceed with legislation to increase trustees’ pay for meeting attendance was defeated by a split vote and the proposal to include 1937 Act retirees with State retirees for Vision benefits was approved by a unanimous vote.

b. Update on Resolution 2006-03: Ms. Arevalo reported that the answers to the filed complaint for Declaratory Relief should have been filed February 7, 2007 with the Merced Superior Court. Twenty retired managers are named defendants in the action. Nineteen retired managers through their legal Counsel waived the MCERA Administrative Hearing and one administrative hearing will be conducted on February 23, 2007 at 8:30 Am.

c. IS Response to Audit: Paul Clanton from the IS department has provided written responses to the Audit Report as requested by the Board of Retirement. There will be a meeting on the IS Audit with Paul Clanton, February 13, 2007 at 9:00 AM.

OTHER BUSINESS

SERVICE RETIREMENT:

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**PURCHASE OF PART-TIME SERVICE CREDIT:**

AUTRAND, MARK    ANIMAL CONTROL Part Time (.6333) Bi/Weekly Payments  
WILLHITE, VICKIE    DWI (7.6834) Redeposits & 1981 LOA Lump Sum Payment  
LARA, FRANCES    DWI (.2084) Part Time Bi/Weekly Payments  
ESCOBEDO, SABIN    DA (.4584) Part Time One Bi/Weekly Payment  
CHAMBERLIN, THOMAS    MENTAL HEALTH (3.4417) Part Time Bi/Weekly Payments  
BUENDIA, SAVINA    HSA (1.9389) Part Time/Redeposit Lump Sum Payment  
TURNER, JAMAL    MENTAL HEALTH (.1973) Part Time Bi/Weekly Payments

**DEATH BENEFIT:**  None

**CORRESPONDENCE:**

Letter with request from Robert Carroll to be placed in Tier 1: Staff is directed to write Mr. Carroll denying his request.

CALAPRS General Assembly to be held March 11 to 13, 2007 in Monterey: Trustees Karen Adams and Karen Rodriguez will attend.

Adjourned 10:00 AM

Respectfully Submitted,

__________________________  
Karen Adams, Secretary

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Karen Rodriguez, Vice Chairperson