

CORRECTED MINUTES

**CITY OF DELANO
PENSION COMMITTEE – REGULAR MEETING
May 9, 2016**

CALL TO ORDER

Chairman Lennon called the meeting to order at 8:09 a.m. in the City Hall Council Chambers, 1015 – 11th Avenue.

ROLL CALL

Committee Members present: Gregory Funk, Gerald Gruver, Carlton Lennon, Abel Moreno
Committee Members absent: Don Campbell

OFFICIALS PRESENT

City Manager Reyna, Finance Director Rios, City Clerk Kraft

CONSENT AGENDA

- 1) Authorization to waive the reading of any ordinance or resolution in its entirety and consenting to the reading of such ordinances or resolutions by title only
- 2) Minutes of regular Pension Committee meeting of February 1, 2016; special meetings of February 29, 2016; March 18, 2016; April 11, 2016
- 3) Resolution No. 2016-01 of the Committee of the City of Delano Employee Pension Plan amending the regular meeting schedule as adopted by Resolution No. 2012-01
- 4) Approval of Agreement for Actuarial Services with the Howard E. Nyhart Company, Inc. Agreement No. 2016-01

Committee Member Funk asked that item #4 be pulled to make a correction to the agreement.

Moved by Committee Member Funk, seconded by Committee Member Moreno, and unanimously carried by all those present to approve the Consent Agenda with item #4 pulled to make corrections.

Item #4) Committee Member Funk noted that on page ten of the agreement, it states, "... participant exceeds 350, ..." It should state, "... participants exceeds 450..."

Moved by Committee Member Funk, seconded by Committee Member Moreno and carried by the following vote to approve item #4 with the correction as noted. AYES: Funk, Lennon, Moreno
NOES: Gruver ABSENT: Campbell

REGULAR AGENDA

- 5) Review of financial transactions for the pension trust for the fiscal period July 1, 2015 through March 31, 2016

Mr. Prien, of Prien Associates, Inc., reviewed the information presented in the report.

There was discussion regarding: investment returns, assumptions and histories for the past 20 years and 5 years; contribution rates; forecasted returns for the next 10 years; the need for rolling 12 month returns – not annualized projections for the year based on the past 9 months; the distribution of funds in various categories; what is counted as common stock; liquid assets; liabilities of the fund.

It was noted that the numbers on page 18 do not match the numbers in Table 4. Dave Ivarie of Morgan Stanley noted information on page 18 shows a loss of 8.97% in funds held by Morgan Stanley. It should show a loss of 7.96%.

Moved by Committee Member Moreno, seconded by Committee Member Funk and unanimously carried by all those present to accept the report from Prien Associates with corrections to the numbers as noted in the discussion.

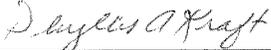
Chairman Lennon requested a report from Morgan Stanley at the next meeting.

There was further discussion regarding: a request for liquid assets to be broken down as line items for each annuity; the need for a budget; profit-loss reports; income-expense-loss reports; agreements with money managers.

Chairman Lennon announced that he will meet with the Trustees May 10 regarding investments.

ADJOURNMENT

Moved by Committee Member Funk, seconded by Committee Member Moreno, and unanimously carried to adjourn the meeting at 9:55 p.m. p.m.



Phyllis A. Kraft, City Clerk