

**July 20, 2011**  
**Regular Meeting Pension Plan B**

The Board of Trustees, Pension Plan B, met on the above date.

President Rosenberg called the meeting to order.

Present: President Rosenberg, Vice President Ana Garcia,  
Treasurer Morley, Trustees Doris G. Garcia, Herlihy,  
Klein, Meszoros, Rodriguez and Fire Chief Rooney

Absent: Trustees Buck and Lee

Trustee Meszoros motioned to dispense with reading the minutes of the previous meeting; Trustee Herlihy seconded and the Board passed it unanimously.

**Treasurer Report:**

Trustee Herlihy motioned to accept the Treasurer's Financial Report for June 2011; Trustee Ana Garcia seconded and the Board passed it unanimously.

**Old Business:**

1. None

**New Business:**

1. Trustee Klein motioned to grant a Line of Duty Disability Pension Request to LT Frank Mercaldi, effective 2400 hours, July 1, 2011; Trustee Rodriguez seconded and the Board passed it unanimously.

Treasurer Morley reported that Morgan Stanley, Smith Barney will be at next month's meeting to do the financial review for the fiscal year ended June 30, 2011. The preliminary numbers are coming in and looking good. They are probably looking at a 23 to 25% rate of return.

Treasurer Morley reported that an individual by the name of Cathy Pivivar is retiring at the end of the month. She has been an important part of Pension B from day one back in 1984; she is the individual who handles the Pension Plan B account at the Credit Union and has done a wonderful job. He stated that out of his own pocket and on behalf of the Trustees he was going to send her flowers and a gift certificate for dinner and will sign the card from the Board of Trustees Pension Plan B.

Treasurer Morley then stated that they may expect to see some bumps in the road with the retirement of Cathy, she was very skilled with her job and there may be a learning curve for her replacement, so he'll be watching for those bumps, and not to be surprised if in the financial statements there may be bumps while the individual gets their feet wet in doing the job.

Trustee Klein asked if there is going to be a training period and Treasurer Morley responded yes, they were training now, but she retires as of the 29<sup>th</sup>.

Treasurer Morley stated that a decision will have to be made by the Board. He received a letter from the City and basically it was telling him to raise the insurance premium withholding from Robert McNelis, and the reason for this raise is July 1<sup>st</sup> has passed and they are indicating that a raise in his medical premium withholding is warranted because of the new contract. He asked for a copy of the new contract and in actuality there is no copy of the new contract because it has not yet been signed and executed. He got some verbiage from it, and he has an executive summary, but the executive summary is very vague and he was trying to confirm independently what the City is saying and he could not. He called the Union and the Union is adamantly taking the opposite position that the City is taking. They are saying that it was never discussed during negotiations and does not exist, so it seems that there is a grievance or a battle starting to form between the City and the Union over this issue and it is his recommendation to the Board that they not put themselves in the middle and let the Union and City deal it out on their own, however, the problem with that is they have to act. He needs to pay Robert McNelis' pension at the end of the month and he has to withhold an amount from his pension check. It was his recommendation that the Board not be perceived as siding with either the City or the Union, so if he withholds at the old rate that would be siding with the Union and if he withholds what the City is saying that would be siding with the City, so it is his recommendation, if the Board agrees, he will contact Bobby McNelis and will ask him what he wants the Trustees to do, at what rate does he want withheld from his pension check.

President Rosenberg responded that he thought they had good justification and he felt that they should withhold a higher amount and he hoped that he would make that decision, but more importantly, we know that he has medical problems, and if the higher rate is not withheld what could happen is he could lose his insurance coverage and while it may get sorted out some time down the road, it could be a real hardship on him now, so he thought the higher amount should be withheld.

Treasurer Morley responded that he disagreed that they have the justification to do that, there is no document that he has seen that says that they can do it.

President Rosenberg stated that he was worried about the fire fighter's insurance coverage. Treasurer Morley stated that if Bobby were to take the lesser amount,

the City would send him a notice of intent to drop his insurance if he does not pay it. This way we are completely out of the transaction, we're assuming no responsibility for this, we are letting Bobby McNelis make the decision, we are independent and away from it. We should let Bobby make the decision in terms of what we're going to do. President Rosenberg stated that we would need a motion whatever the Board desires.

Trustee Herlihy motioned that the Board take no action on the increase for insurance for Bobby McNelis until we have contacted him and he could make that decision on his own; Trustee Klein seconded and the Board passed it unanimously.

Trustee Herlihy asked if Treasurer Morley heard anything from the City about the purported Pension changes. Treasurer Morley responded that they have not given him the date.

2. There being nothing further to come before the Board, Trustee Herlihy motioned to adjourn the meeting; Trustee Meszoros seconded and the Board passed it unanimously.

The meeting was adjourned at 7:15 p.m.