



CITY OF SANTA BARBARA CITY COUNCIL MINUTES

SPECIAL MEETING MAY 28, 2004 CHASE PALM PARK RECREATION CENTER 236 EAST CABRILLO BOULEVARD

CALL TO ORDER

Mayor Marty Blum called the meeting to order at 10:05 a.m.

ROLL CALL

Councilmembers present: Brian B. Barnwell, Iya G. Falcone, Roger L. Horton, Helene Schneider, Dan B. Secord, Mayor Blum.

Councilmembers absent: Das Williams.

Staff present: City Administrator/Clerk James L. Armstrong, Assistant City Administrator Joan M. Kent, City Attorney Stephen P. Wiley.

WORK SESSION

1. PUBLIC EMPLOYEE RETIREMENT SYSTEM RETIREMENT RATES AND PAYMENT OPTIONS (430.08)

RECOMMENDATION: That Council hear a presentation on the status of the City's PERS plans, rates and options for rate restructuring.

DOCUMENTS:

- May 28, 2004, Finance Director's report.
- "CalPERS Actuarial Issues - 6/30/02 Valuation," for each of the City's three PERS plans (Fire Safety, Police Safety, and Miscellaneous), prepared by Bartel Associates, LLC.
- Spreadsheets showing schedules of the City's projected PERS payments under 1) the current amortization schedule assigned by CalPERS, 2) a 30-year "fresh start," and 3) a 20-year "fresh start," for each of the City's three PERS plans, prepared by Bartel Associates, LLC.

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SPEAKERS:

- Staff: City Administrator James L. Armstrong, Finance Director Robert Peirson.
- Bartel Associates LLC: John Bartel.

DISCUSSION:

The meeting's purpose was to allow Staff to review with Council projected funding costs for the City's PERS plans and to present options offered by CalPERS to restructure PERS payments. Restructuring options include 20-year and 30-year "fresh starts," which would re-amortize existing unfunded pension liabilities. Mr. Bartel discussed his analysis of the actuarial issues associated with each of the City's three separate PERS plans (Fire Safety, Police Safety, and Miscellaneous). Finance Director Peirson then estimated the savings that would result from a request to restructure PERS payments according to one of the "fresh start" options. Councilmembers' questions were answered.

ADJOURNMENT

Mayor Blum adjourned the meeting at 12:20 p.m.

SANTA BARBARA CITY COUNCIL

MABI COVARRUBIAS PLISKY, CMC
CITY CLERK SERVICES MANAGER

ATTEST: _____

MARTY BLUM
MAYOR

SUSAN TSCHECH
DEPUTY CITY CLERK