

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE MEETING
MINUTES
WEDNESDAY, FEBRUARY 17, 2010
BOARD ROOM**

CALL TO ORDER:

Chairperson Desmond called the regular meeting of the Executive Personnel and Compensation Committee to order at 10:00 a.m. on Wednesday, February 17, 2010, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Chairperson Desmond led the pledge of allegiance.

ROLL CALL:

PRESENT: Committee Members: Boland, Desmond, Smisek
 Board Members: Finnila

ABSENT: Committee Members: None

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General
 Counsel; Tony R. Russell, Director, Corporate Services/Authority
 Clerk; Linda Gehlken, Assistant Authority Clerk I.

PUBLIC COMMENT: None

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 16, 2009 meeting.

ACTION: Moved by Board Member Boland and seconded by Board Member Smisek to approve staff's recommendation. Motion carried unanimously.

2. HEALTHCARE UPDATE:

Paul LaBounty; First Vice President, Alliant Insurance, provided a Healthcare Update presentation which included an overview of Problems; Proposed Policy; Politics; Prognosis; and a recap of why Health Care Reform is Necessary.

In response to Chairperson Desmond regarding how new changes in legislation may impact the Authority, Mr. LaBounty stated that premiums will likely increase. He stated that it is expected that the industry will have more consumer driven plans, and higher deductibles.

In response to Board Member Boland regarding how the potential increase by Anthem Insurance will affect the Authority, Mr. LaBounty stated that although it is not yet known; the amount being proposed for Group Plans, such as the Authority, are projected to increase approximately 20% for the 2010 Spring renewals. He also stated that because the Authority has over 250 employees, there may be ways to mitigate the increase in costs.

Chairperson Desmond stated that it would be helpful to see what legislation is being considered on healthcare that could negatively impact the Authority.

RECOMMENDATION: Receive the information.

ACTION: No Action Taken

3. PROVIDE DIRECTION REGARDING THE PENSION PLAN FUNDING LEVEL:

Jeff Lindeman; Director, Human Resources, and Mark Hovey, Chief Financial Officer, San Diego City Employees' Retirement System, provided a presentation regarding the Pension Plan Funding Level which included: Staff's Recommendation; Background; Current Funding Levels of SDCERS Various Plans; Potential SDCRAA Funding Levels as of June 30, 2010; and Impact of Staff's Recommendation.

Board Member Finnila recommended increasing the number of service years (vesting) to be eligible for retirement from five to ten years for new Authority employees.

Board Member Smisek suggested considering a two-step process, whereas 90% funding would initially be made, followed by an evaluation of the market in one year, and funding any additional amount at that time.

Board Member Boland stated that he did not support t reducing the funding level and recommended funding the Plan at the 95% level.

Chairperson Desmond stated that he would like to follow the established policy for funding the Plan.

RECOMMENDATION: Staff is recommending that for one year, the 95% pension plan funding level requirement under Board Resolution 2006-0152 be waived.

ACTION: Moved by Board Member Boland and seconded by Chairperson Desmond to recommend that the Board maintain the pension plan funding level at 95%, and to let staff determine when the payment will be made. Motion carried, with Board Member Smisek voting NO.

Chairperson Desmond stated that Item 4 under Closed Session was pulled from the agenda.

CLOSED SESSION

4. CONFERENCE WITH LABOR NEGOTIATORS: CONFERENCE WITH LABOR NEGOTIATORS:

Labor negotiations pursuant to Cal. Gov. Code §54957.6.

Authority Designated Negotiators: Thella F. Bowens, President/CEO and Jeffrey Woodson, Vice President, Administration.

Employee Organization: Teamsters 911

REPORT ON CLOSED SESSION

NON-AGENDA PUBLIC COMMENT

COMMITTEE MEMBER COMMENTS

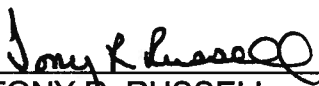
ADJOURNMENT: The meeting was adjourned at 11:07 a.m.

APPROVED BY A MOTION OF THE EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 19TH DAY OF MAY, 2010.



JEFFREY WOODSON
VICE PRESIDENT, ADMINISTRATION

ATTEST:



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK