



**OFFICE OF MAYOR DICK MURPHY**  
City of San Diego

**MEMORANDUM**

**To:** Honorable Members of the City Council  
**From:** Mayor Dick Murphy  
**Subject:** Pension Reform Committee  
**Date:** September 24, 2003

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I am pleased to appoint Mr. Stephen Austin, Ms. April Boling, Mr. Robert Butterfield, Mr. Timothy Considine, Mr. Stanley Elmore, Ms. Judith Italiano, Mr. William Sheffler, Mr. Richard Vortmann and Ms. Kathleen Walsh-Rotto to the Pension Reform Committee subject to your confirmation. In addition, I appoint Ms. April Boling as chair and Mr. Richard Vortmann as vice-chair of the Committee. The Committee's objectives include reviewing and considering the scope and depth of an audit to be performed on the retirement system. The Committee will study the unfunded liability and provide recommendations regarding that issue. In addition, the Committee will examine how the existing pension system has performed compared to similar systems, including actions other systems have taken to address funding shortfalls. The group also will analyze the representative constitution of the Retirement Board and consider whether it should be restructured.

**Mr. Stephen Austin**, a certified public accountant, is the managing partner at Swenson Advisors, LLP, in San Diego, where he specializes in auditing a wide variety of companies and their pension plans. Mr. Austin served as an audit partner at Price Waterhouse and was highly involved in the firm's pension accounting specialty areas, including working with the members of the Financial Accounting Standards Board staff and key Emerging Issues Task Force pronouncements. He has authored text book material for Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits. Mr. Austin received a bachelor's degree in accounting from Bob Jones University and a master's of business administration from the University of Georgia.

**Ms. April Boling**, president of the San Diego County Taxpayers Association, was nominated by that organization and would serve on the Committee as the taxpayer advocate. Ms. Boling is a certified public accountant and owner of a private accounting practice specializing in taxation of closely held businesses and multi-state taxation. She served on the Mayor's Blue Ribbon Committee on City Finances and the City of San Diego Citizens' Budget Committee. Ms. Boling holds a bachelor's degree in accounting from the University of San Diego and would serve as the chair of this Committee.

**Mr. Robert Butterfield** is an attorney at Butterfield Schechter LLP., where he specializes in employee benefits, ERISA, executive compensation, retirement planning and taxation. Mr. Butterfield has dealt with all phases of defined benefit plans for more than 26 years, including drafting and auditing these plans. In addition, Mr. Butterfield served on the San Diego City Employees Retirement System Board and on its

Investment Committee from 1986 to 1991. He received his bachelor's degree in business from Boston University and his law degree from the University of San Diego.

**Mr. Timothy Considine** operates his own accounting business, Considine & Considine. The firm manages the affairs of various types of pension plans. The company represents more than 200 retirement systems, including defined benefit and defined contribution plans. Mr. Considine deals with the formation, as well as the administration, of these retirement plans. In addition, he provides regular financial advice on the investment of retirement assets and understands the importance of proper fund allocation to maximize results for plan beneficiaries. Mr. Considine received a bachelor's degree in accounting from San Diego State University

**Mr. Stanley Elmore** was nominated by the City of San Diego Retired Employees' Association and the San Diego Police Officers Association Inc. to serve on the Committee as the city retiree. Mr. Elmore served in the San Diego Police Department for 34 years. He is a member and past president of the Retired Fire & Police Association and the San Diego City Employee Retirement System Health Advisory Committee. Mr. Elmore holds a degree in police science from San Diego City College.

**Ms. Judith Italiano** is the president and general manager of the San Diego Municipal Employees Association, (MEA), the city's largest labor union representing over 5,000 employees. As the lead negotiator for MEA for the past 18 years, Ms. Italiano has developed extensive knowledge of the City of San Diego Employee Retirement System. She holds a degree in early childhood education from Fresno State University. As a 26-year city employee, Ms. Italiano would serve on the Committee in such a category.

**Mr. William Sheffler**, a consulting actuary for his own firm, provides actuarial services for defined benefit plan administrators and trustees. Mr. Sheffler also provides actuarial testimony on valuation of employee benefits. Mr. Sheffler's clients include small businesses and labor unions and advises them on changes to their plans, as well as making appropriate funding recommendations. He holds a bachelor's degree in economics and mathematics from Claremont Men's College and a master's degree in mathematics from the University of Arizona.

**Mr. Richard Vortmann** would serve on the Committee as the San Diego City Employee Retirement System Board member. Mr. Vortmann is president of National Steel and Shipbuilding Company, NASSCO. He also served on the Mayor's Blue Ribbon Committee on City Finances. Mr. Vortmann holds a bachelor's degree in finance and a master's degree in business administration from the University of California, Berkeley. He would serve as the vice-chair of this Committee.

**Ms. Kathleen Walsh-Rotto** has over fourteen years of experience in working with defined benefit plans. She currently works with Fortune 100 and 500 companies retirement plans. Ms. Walsh-Rotto has expertise in defined benefit plan design, IRS required testing, legislative issues, fiduciary due diligence and compliance. She is currently employed by the Principal Financial Group as a Senior Relationship Manager. Her current duties include: providing legislative, plan design, legal and investment information to pension committees and facilitating plan changes and enhancements. Ms. Walsh-Rotto holds a bachelor's degree in political science from Iowa State University.

Because of the need to move forward expeditiously with an evaluation of the city's retirement system, I intend to docket these appointments for your confirmation on September 29, 2003.

I request your support of these appointments. Please refer to the attached for contact information.