

CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE MEETING
MINUTES
June 26, 2013

CALL TO ORDER The meeting was called to order at 4:31 p.m. by Mr. Arthur.

ROLL CALL Roll Call was taken. The Pension Oversight Committee is composed of nine (9) voting members. Committee members and staff members present were:

Committee Members Present:

Mr. Jeff Arthur, Chairperson
Mr. Ralph Taboada, Vice Chairperson
Mr. Gene Hutchins, Member (Arrived at 4:35PM)
Mr. Rick Kapko, Member
Mr. Kent Mora, Member
Mr. Ron Robertson, Member
Mr. Timothy Sesler, Member

Committee Members Absent:

Mr. Gary Parkin, Member
Mr. John Stephens, Member

Staff Members Present:

Mr. Bobby Young, Finance & I.T. Director
Mr. Alex Warren, Committee Assistant
Mr. Lance Nakamoto, HR Director
Mr. Ryan Thomas, HR Analyst

Council Liaisons Present:

Mr. Stephen Mensinger, Mayor's Designee

Council Liaison Absent:

Mr. Jim Righeimer, Mayor

APPROVAL OF MINUTES A motion was made by Mr. Hutchins and seconded by Mr. Mora to approve the minutes of June 19, 2013. Upon a voice vote, the motion carried 7-0.

PUBLIC COMMENTS There was no public comment at the beginning of the meeting.

**COMMITTEE
MEMBER COMMENT**

Mr. Sesler informed the committee of recent reports in the Bay area of employee contributions being picked up by their employers. Mr. Mora began discussion of the recent article distributed to the POC regarding Pennsylvania's conversion to a 401K plan for new employees.

OLD BUSINESS

The bulk of the meeting was devoted to part two of the municipal bankruptcy presentation prepared by Mr. Kapko. The presentation covered parties involved in the bankruptcy process, legal treatment and standing of those parties, powers of the municipal debtor, the process of debt discharge, and ramifications from a filing. Questions following the presentation covered the seniority of claims, current bankruptcy proceedings in San Bernardino and Stockton, and the implications of new GASB rules on city finances.

NEW BUSINESS

No new items were discussed at the meeting.

**OPEN DISCUSSION &
FUTURE AGENDA
ITEMS**

Following the presentation, Mr. Arthur charged the committee to begin research into potential solutions to the city's unfunded obligations. The committee will begin reviewing potential increases to the city sales tax and parcel tax to close the funding gap. Mr. Arthur, Mr. Hutchins, and Mr. Taboada have agreed to begin research on tax options. The latest iteration of the expert question list is scheduled to be discussed at the July 10th meeting. Trend analysis prepared by Mr. Warren will also be reviewed by POC members at the July 10th meeting.

ADJOURNMENT

A motion was made by Mr. Kapko and seconded by Mr. Sesler to adjourn the meeting at 5:50 p.m.

Ralph Taboada
Vice Chairperson

Bobby Young
Finance & I.T. Director

