

CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE MEETING
MINUTES
September 18, 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. Kent Mora, Member
Mr. Ron Robertson, Member
Mr. John Stephens, Member (Arrived 4:32 PM)
Mr. Rick Kapko, Member
Mr. Gary Parkin, Member
Mr. Timothy Sesler, Member
Mr. Gene Hutchins, Member (Arrived 4:38PM)

Staff Members Present:

Mr. Steve Dunivent, Interim Finance Director
Mr. Alex Warren, Committee Assistant

Staff Members Absent:

Mr. Lance Nakamoto, HR Director
Mr. Ryan Thomas, HR Analyst

Council Liaison Absent:

Mr. Jim Righeimer, Mayor
Mr. Stephen Mensinger, Mayor's Designee

**APPROVAL OF
MINUTES**

A motion was made by Mr. Robertson and seconded by Mr. Sesler to approve the minutes of September 4, 2013. Upon a voice vote, the motion carried 9-0.

PUBLIC COMMENTS

Mr. Mooney proposed the idea of using the seven million budget surplus towards paying down the unfunded liability. Mr. Mooney asked the committee to also look into prepay savings calculations reported in an article on Huntington Beach's pension.

**COMMITTEE
MEMBER COMMENT**

The majority of committee comments involved a seven million dollar surplus in the city general fund. Mr. Dunivent informed members that the funds are the result of five million in revenue above projections and two million from cost savings. Multiple committee members expressed interest in allocating some of the surplus towards closing the unfunded liabilities in the three pension plans. Mr. Robertson asked Mr. Dunivent to look into the current state of the city's saving account and how much as been drawn down in the last five years.

OLD BUSINESS

Kerry Worgan is looking to come down and speak with the committee between November 18th and December 2nd. Kerry is working through the POC expert question list and will discuss his analysis at the meeting. The memo by Kim Barlow regarding asset treatment at CalPERS is currently not complete. Ms. Barlow expects to have the memo completed within the next few days. Mr. Arthur is currently working with Human Resources for clarification on what items in employee salary are considered PERSable. The bulk of the meeting was committed to the ongoing discussion of a mission statement and deliverables to the city council and public. Mr. Arthur presented a draft outline that was broken up into six sections that volunteers have agreed to provide write ups on. Committee members discussed the best way to disseminate reports, voting procedures on potential recommendations, and what proposals should be included in a report to the city council.

NEW BUSINESS

The committee discussed officially adopting a meeting schedule of every first and third Wednesday of each month. A motion was made by Mr. Taboada and seconded by Mr. Parkin. Upon a voice vote, the motion carried 9-0.

**OPEN DISCUSSION &
FUTURE AGENDA
ITEMS**

The Kim Barlow memo regarding asset treatment at CalPERS has been moved to the October 2, 2013 meeting.

ADJOURNMENT

A motion was made by Mr. Kapko and seconded by Mr. Taboada to adjourn the meeting at 6:03 p.m.

Jeff Arthur
Chairperson

Steve Dunivent
Interim Finance Director