

**COSTA MESA CITY COUNCIL
MINUTES OF THE REGULAR STUDY SESSION MEETING**

November 12, 2013

The meeting was called to order by Mayor Pro Tem Mensinger at 4:50 p.m. in Conference Room 1A, Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL (00:00:29)

Present: Mayor Pro Tem Mensinger, Council Member Leece, and Council Member Genis
Absent: Mayor Righeimer and Council Member Monahan

Officials Present: City CEO Thomas R. Hatch
City Attorney Thomas Duarte
City Clerk Brenda Green
Public Services Director Ernesto Muñoz
Interim Finance Director Steve Dunivent

PUBLIC COMMENTS (00:00:40)

Jeff Arthur, Costa Mesa, stated a CalPERS actuary will be speaking at the Pension Oversight Committee meeting on November 20th, and spoke on surplus funds, and unfunded pension liabilities.

REGULAR ITEM

1. CAPITAL IMPROVEMENT PROGRAM UPDATE/SURPLUS FUNDS DISCUSSION

CEO Hatch provided clarification on the budgeted monies for the unfunded pension liability and unfunded medical liability funds (00:02:20).

CEO Hatch presented an overview on the Capital Improvement Program and the FY 2012-13 surplus; and on one time costs and reoccurring costs. (00:07:00)

Steve Dunivent, Interim Finance Director, provided an analysis of the 2012-2013 surplus funds. (00:17:10)

CEO Hatch and Public Services Director Muñoz reviewed the recommended uses of the surplus funds. (00:29:06)

Discussion ensued on the Coolidge Ave and Fillmore improvements, the Council Chambers upgrades, sidewalk repairs, tree planting, and the Park Master Plan. (00:35:07)

Council Member Genis spoke on building the reserves, long term financial stability, paying into the fire side fund and to be cautious about spending all of the surplus. (00:48:00)

Mayor Pro Tem Mensinger spoke on the 16 million emergency fund, agreed with funding the infrastructure improvements, requested an analysis of reoccurring costs, supports the upgrades to the Council Chambers, and recommends caution with spending the surplus. (00:50:11)

CEO Hatch spoke to the reserves. (00:53:50)

Council Member Leece spoke in support of a plan to address the unfunded pension liability, the fire side fund, and a plan to replenish reserves. (00:56:45)

COUNCIL MEMBERS' REPORTS, COMMENTS, AND SUGGESTIONS - None

The meeting was adjourned at 5:57 p.m.



MAYOR

ATTEST:

Brenda Green

CITY CLERK