

**MINUTES OF THE CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE
DECEMBER 9, 2015**

CALL TO ORDER

The meeting was called to order by Jeff Arthur at 4:47 p.m. in Conference Room 1A at Costa Mesa City Hall, 77 Fair Drive, Costa Mesa, California.

ROLL CALL

Members Present: Chair Jeff Arthur, Vice-Chair Ralph Taboada, Members: Robert Juneman, Al Melone, Gary Parkin, Richard Riva

Staff Present: Interim Finance Director Steve Dunivent, HR Manager Lance Nakamoto, Management Analyst Ray Hull, HR Analyst Ryan Thomas, HR Analyst Itzia Carvajal

Members Absent: Member: Timothy Sesler, George Turner

Council Members Absent: Mayor Stephen Mensinger, Mayor pro Tem Jim Righeimer

PUBLIC COMMENTS

There were no public comments.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

- Members Robert Juneman and Ralph Taboada provided newspaper articles reporting public pension issues:
 - "Pension Fund Aims to Reduce It's Risk" *Los Angeles Times*, October 21, 2015
 - "Pension Fund's Real Estate Upturn" *Los Angeles Times*, October 23, 2015
 - "CalPERS to Weigh Private Equity Risk" *Los Angeles Times*, November 14, 2015
 - "CalPERS Lowers Outlook for Investment Returns" *Los Angeles Times*, November 19, 2015
 - "Put Pensions On the Table" *OC Register*, October 18, 2015
 - "Teacher Pension Rules Heavily Favor Longevity" *OC Register*, October 22, 2015

APPROVAL OF MINUTES

Meeting of September 9, 2015

Motion / Second: Gary Parkin / Robert Juneman

The motion carried by the following roll call vote:

Ayes: Jeff Arthur, Ralph Taboada, Robert Juneman, Gary Parkin

Nays: None

Abstained: Al Melone, Richard Riva

Absent: Timothy Sesler, George Turner

Motion carried: 4-0-2-2

SUB-COMMITTEE UPDATE

None.

OLD BUSINESS

None.

NEW BUSINESS

1. Committee members commented on how well the Pension Oversight Committee presentation to the City Council went on December 1, 2015. Committee members requested staff determine the appropriate agenda/presentation protocol and processes so City Council members can discuss and ask questions in future POC presentations, as well as taking action on POC recommendations, if Council desires.
2. Updated CalPERS Actuarial Valuation Reports are anticipated to be published by January 2016.
3. Steve Dunivent summarized CalPERS funding risk mitigation policy under a 2% and 4% threshold. CalPERS's intent with this policy is to provide greater predictability and less volatility in employers' contribution rates.
4. Lance Nakamoto presented a table of Costa Mesa employee and employer retirement contribution percentage rates. The Committee made some recommendations on table format, and intends to post the table on the Pension Oversight Committee web page.
5. Jeff Arthur summarized a presentation from Save Pensions Inc. on Save Pensions' plan to fund the City's unfunded pension liability.
6. Reports summarizing the fiscal impact of the City's Civic Openness In Negotiations (COIN) ordinance were provided. Lance Nakamoto and Steve Dunivent answered committee questions.

OPEN DISCUSSION / FUTURE AGENDA ITEMS

Ray Hull will present Costa Mesa's 5-Year Financial Plan at the January 13, 2016 Pension Oversight Committee meeting.

ADJOURNMENT - The meeting was adjourned at 6:10 p.m. to the Regular Meeting on January 13, 2016 at 4:45 p.m.



Jeff Arthur, Chair



Ray Hull, Management Analyst