

CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE MEETING
MINUTES
October 2, 2013

CALL TO ORDER

The meeting was called to order at 4:32 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. Rick Kapko, Member
Mr. Gary Parkin, Member
Mr. Timothy Sesler, Member
Mr. Gene Hutchins, Member

Committee Members Absent:

Mr. John Stephens, Member

Staff Members Present:

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

Staff Members Absent:

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

Council Liaison Present:

Mr. Jim Righeimer, Mayor (Arrived 5:03PM)

Council Liaison Absent:

Mr. Stephen Mensinger, Mayor's Designee

**APPROVAL OF
MINUTES**

A motion was made by Mr. Kapko and seconded by Mr. Mora to approve the minutes of September 18, 2013. Upon a voice vote, the motion carried 8-0.

PUBLIC COMMENTS

Mr. Mooney thanked Mr. Arthur for addressing the City Council on the progress of the Pension Oversight Committee. Mr. Mooney also inquired as to the whereabouts of the memo from Ms. Barlow regarding asset segregation at CalPERS.

**COMMITTEE
MEMBER COMMENT**

The committee discussed multiple articles from around the country involving pension reforms. Members discussed the pension formula changes in the late 1990's and how the City Council was informed of the financial impact. POC members also discussed the discount rate used to calculate the present value of pension liabilities and its impact on the funded status of each plan.

OLD BUSINESS

Mr. Warren and Mr. Duniwent briefed the committee on the status of the Kim Barlow memo. The committee was verbally informed that the attorney views city assets in trust that cannot be seized in a budget raid by state or local entities. The city has reached out to Ms. Barlow regarding how to distribute the memo and will update the committee as soon as possible. Mr. Taboada updated the action log for the committee and walked members through all outstanding items. The committee also addressed how to go about editing each section of the Pension Oversight Committee Report Outline. Sections one and two have been completed in draft form and the members established an editing committee to oversee review of the final product. The editing committee is composed of Mr. Mora, Mr. Parkin, and Mr. Robertson as permanent members as well as a floating position for the writer of each section.

NEW BUSINESS


Ms. Green, City Clerk of Costa Mesa, led a presentation and Q&A session regarding the Brown Act and the impact on committee communications. A powerpoint and memo were prepared by the City Attorney to inform members of public requirements for meeting discussion. Ms. Green advised the POC that it is best for all parties involved to avoid email communication between members to prevent serial meetings. The City Clerk instructed members to send all documents and articles to the committee assistant for distribution to the entire group and made her office available to questions from the committee.

**OPEN DISCUSSION &
FUTURE AGENDA
ITEMS**

Richard Kreisler will give a presentation to the committee regarding the COIN process on October 16th, 2013. Kerry Worgan from CalPERS will address the committee and answer questions from the expert question list on November 20, 2013.

ADJOURNMENT

A motion was made by Mr. Kapko and seconded by Mr. Parkin to adjourn the meeting at 6:15 p.m.



Jeff Arthur
Chairperson

Steve Duniwent
Interim Finance Director