

**CITY OF COSTA MESA**  
**PENSION OVERSIGHT COMMITTEE MEETING**  
**\*MINUTES\***  
**November 6, 2013**

**CALL TO ORDER**

The meeting was called to order at 4:35 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. Gary Parkin, Member  
Mr. John Stephens, Member  
Mr. Timothy Sesler, Member  
Mr. Gene Hutchins, Member

Committee Members Absent:

Mr. Rick Kapko, Member

Staff Member Present:

Mr. John Donlon, Committee Assistant  
Mr. Lance Nakamoto, HR Director  
Mr. Ryan Thomas, HR Analyst

Staff Member Absent:

Mr. Steve Dunivent, Interim Finance Director

Council Liaison Present:

Mr. Stephen Mensinger, Mayor's Designee

Council Liaison Absent:

Mr. Jim Righeimer, Mayor

**APPROVAL OF  
MINUTES**

A motion was made by Mr. Taboada and seconded by Mr. Sesler to approve the minutes of October 16, 2013 with the condition to change the spelling of Kreisler and Mensinger. Upon a voice vote, the motion carried 8-0.

**PUBLIC COMMENTS**

James Bridges brought an article called, Lead by Example and suggested the Council Members should follow this with Pension obligations. He also thanked Mr. Arthur for his Laguna Hills information.

**COMMITTEE  
MEMBER COMMENT**

Mr. Parkin commented on Mr. Bridges article and that Orange County Executives should pay their fair share.

Mr. Hutchins informed the committee the Senate Bill 7 was passed which requires cities to pay prevailing wages, regardless if city is a Charter of General Law city. Various cities are pushing to put ballot initiatives to reduce pension formulas going forward.

**OLD BUSINESS**

Mr. Taboada informed the committee they are making progress on the action log. He asked for an update on a committee e-mail. Mr. Donlon informed him the city CEO needs to approve the idea before we proceed.

Mr. Arthur asked the staff when Kerry Worgan can start his presentation on Wednesday November 20. It was decided 2pm was the earliest the committee could make the meeting to ensure there was enough time to cover all issues and questions.

Mr. Arthur also brought up two points. 1. A lot of people don't know unfunded liability is an issue. Also, 2 of the 3 funds have an account number with PERS. 2. Laguna Hills, Irvine and Huntington Beach are making extra efforts to pay off their side funds and unfunded liabilities.

Mr. Sesler suggested the committee e-mail their priority questions to Mr. Donlon, which will then be forwarded to CalPERS representative Mr. Worgan so he is prepared to answer the committee's important topics. The committee agreed to send the questions by Friday, November 8.

Mr. Robertson suggested the committee approve of the Fast Facts. The committee agreed edits still need to be made. Each member is to submit edits to the sub-committee by November 15<sup>th</sup>. Mr. Robertson retracted his suggestion for approval.

**NEW BUSINESS**

Mr. Arthur suggested a sub-committee be established to review the CalPERS compensation and base pay of employees. Sub-committee members to be Jeff Arthur, Ralph Taboada, John Donlon and Anna Dolewski, Payroll. Mr. Taboada motioned to approve the sub-committee. Mr. Parkin second the motion. Sub-committee was approved by an 8-0 vote.

**OPEN DISCUSSION &  
FUTURE AGENDA  
ITEMS**

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. Parkin and seconded by Mr. Hutchins to adjourn the meeting at 6:18 p.m.

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Jeff Arthur  
Chairperson

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Steve Dunivent  
Interim Finance Director