

**MINUTES OF THE CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE
FEBRUARY 10, 2016**

CALL TO ORDER

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

ROLL CALL

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

City Staff Present: HR Manager Lance Nakamoto, Management Analyst Ray Hull, HR Analyst Itzia Carvajal

Members Absent: Jeff Arthur, George Turner

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

PUBLIC COMMENTS

None

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

- Robert Juneman and Gary Parkin provided newspaper articles reporting on pensions and unfunded liabilities:
 - "Pensions: Maybe Next Time" *The Press Enterprise*, January 22, 2016
 - "Report: Pensions Drowning California and Its Cities" *OC Register*, January 22, 2016
 - "Costa Mesa, Police Union Reach Tentative Contract Agreement" *OC Register*, January 29, 2016
 - "County's Pension Finance Mirage" *OC Register*, February 5, 2016
- Gary Parkin cited a February 7, 2016 *OC Register* article indicating the City of Anaheim agreed to a 10% increase in pay for its Anaheim Firefighters Association members.

APPROVAL OF MINUTES

Meeting of January 13, 2016

Motion / Second: Gary Parkin / Timothy Sesler

The motion carried by the following vote:

Ayes: Ralph Taboada, Robert Juneman, Al Melone, Gary Parkin, Richard Riva, Timothy Sesler

Nays: None

Abstained: None

Motion carried: 6-0-0

SUB-COMMITTEE UPDATE

None.

OLD BUSINESS

1. Lance Nakamoto presented an updated table of City of Costa Mesa Retirement Contribution Percentages as of 7/1/15. At the request of the Committee, the table also included employee counts as of 7/1/15 and 1/1/16.
2. Ray Hull provided an article from *Government Finance Review* (December 2015) entitled *Government-Owned Life Insurance in Public Pensions and OPEB Financing*.
3. Lance Nakamoto presented information on the City's COIN Ordinance. After discussion, the Committee requested staff ascertain if the POC may provide insight into financial implications of labor MOUs during the COIN financial analysis process, and at what point(s) in the process such insight may be provided.

NEW BUSINESS

1. Ray Hull provided a binder to each Committee member containing FY 16-17 CalPERS actuarial valuation reports for City of Costa Mesa employee groups. The content of these binders will be replaced as updated reports become available.
2. Discussion of the semi-annual POC report to City Council was continued to the March 9, 2016 POC meeting.
3. Ray Hull notified the Committee that CalPERS has provided an online survey to ascertain employers' interest in a possible CalPERS program that would allow eligible California public agencies to set aside additional funds in a trust to prefund the employer's annual required pension contributions. Ray said the City CEO and Interim Finance Director will decide whether or not to participate in the survey.

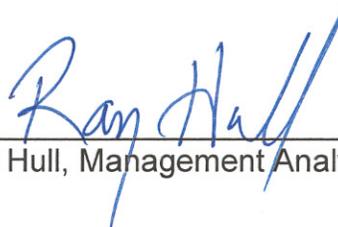
OPEN DISCUSSION / FUTURE AGENDA ITEMS

1. Ralph Taboada requested a briefing on the outcome of the tentative Costa Mesa Police Association's MOU with the City at the April 13, 2016 POC meeting.
2. Robert Juneman asked if perhaps it is time to ask the City Council to reexamine the POC's mission.
3. Ray Hull will distribute the POC's formation application and Council policy documents to all POC members.

ADJOURNMENT - The meeting was adjourned at 6:18 p.m. to the Regular Meeting on March 9, 2016 at 4:45 p.m.



Ralph Taboada, Vice-Chair



Ray Hull, Management Analyst