

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

CALL TO ORDER

The meeting was called to order by Vice-Chair Ralph Taboada at 4:46 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: Bob Juneman, Al Melone, Lee Ramos, Richard Riva, Timothy Sesler (arrived at 4:54pm), George Turner

City Staff Present: Interim Finance Director Stephen Dunivent, HR Manager Lance Nakamoto, HR Analyst Itzia Carvajal, Acting Purchasing Supervisor Ray Hull, Executive Secretary Kathy Ulrich

Members Absent: Chair Jeff Arthur, Member Gary Parkin

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

PUBLIC COMMENTS

Mr. Tom Arnold inquired about the advantages of paying unfunded liability early and why are we not? Mr. Dunivent responded that the City made \$1 million in additional payments towards the unfunded liability in FY 15-16 and has budgeted an additional \$0.5 million for FY 16-17.

MEMBER'S REPORTS, COMMENTS, AND SUGGESTIONS

- Mr. Riva commented on Defined Contribution and Defined Contribution Benefit Plans.
- Mr. Taboada referenced an East Coast state having issues with their hedge fund manager and terminating them.

APPROVAL OF MINUTES

Meeting of July 13, 2016

Motion / Second: Bob Juneman / Lee Ramos

The motion carried by the following vote:

Ayes: Bob Juneman, Al Melone, Lee Ramos, Richard Riva, Tim Sesler, Ralph Taboada, George Turner

Nays: None

Absent: Jeff Arthur, Gary Parkin

Motion carried: 7-0-2

SUB-COMMITTEE UPDATE

None.

NEW BUSINESS (Order of business changed by request)

1. Mr. Hull reviewed the Defined Benefit vs the Defined Contribution Plan in the California Public Sectors presentation with the Committee. Discussion followed.

OLD BUSINESS

1. Revisit POC Meeting Schedule – Mr. Taboada revisited the current meeting schedule of the Committee. The Committee wanted to discuss the POC Council Agenda Report (OB #2) first before deciding. After that discussion, Mr. Turner motioned to change the meeting schedule to every other month, effective immediately, with a second from Mr. Riva. Motion carried 7-0. The next meeting will be held on October 12, 2016.
2. City Council Agenda Report for POC – Mr. Dunivent distributed a draft Council Agenda Report for a possible September council meeting. Discussion ensued. A motion by Mr. Taboada, seconded by Mr. Turner to revise #3 on List B to read: “Review existing and tentative labor contracts as they relate to pension and compensation packages, including any impact to the Unfunded Pension Liability.”
3. Discuss Committee recommendations for GovInvest – This item was deferred to the October 12th meeting.

OPEN DISCUSSION / FUTURE AGENDA ITEMS

ADJOURNMENT - The meeting was adjourned at 6:10 p.m. to the Regular Meeting on October 12, 2016 at 4:45 p.m.

Ralph Taboada, Vice-Chair

Kathy Ulrich, Executive Secretary