

CITY OF COSTA MESA
PENSION OVERSIGHT COMMITTEE MEETING
MINUTES
May 21, 2014

- 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 eight (8) voting members. Committee members and staff members present were:
- Committee Members Present:
- Mr. Jeff Arthur, Chairperson
Mr. Ralph Taboada, Vice Chairperson
Mr. Timothy Sesler, Member (arrived at 4:34)
Mr. Gene Hutchins, Member (arrived at 4:38)
Mr. Gary Parkin, Member
Mr. Kent Mora, Member
Mr. John Stephens, Member (left at 5:30)
Mr. Ron Robertson, Member
- Staff Members Present:
- Mr. Steve Dunivent, Interim Finance Director
Mr. John Donlon, Committee Assistant
Mr. Ryan Thomas, HR Analyst (left at 6:08)
- Staff Member Absent:
- Mr. Lance Nakamoto, HR Director
- Council Liaisons Absent:
- Mr. Jim Righeimer, Mayor
Mr. Stephen Mensinger, Mayor's Designee
- APPROVAL OF MINUTES** A motion was made by Mr. Taboada and seconded by Mr. Parkin to approve the minutes of May 7, 2014 with a minor edit change. Upon a voice vote, the motion carried 8-0.
- PUBLIC COMMENTS** None.
- COMMITTEE MEMBER COMMENT**
- Mr. Donlon informed the committee the first 3 Fast Facts have been distributed to the two libraries, senior center and the community center. He also updated everyone on Fast Fact volume 4; it has been submitted to Council and copies will be made next week if no councilperson objects.
- Mr. Robertson provided a private pension plan analysis. The analysis shows monthly retirement benefit decreasing over time against a flat cost.
- SUB-COMMITTEE UPDATES** CalPERs communication's sub-committee: Mr. Arthur presented some charts projecting unfunded liability and contribution rate forecasts.

Fast Facts Publication sub-committee: Mr. Robertson invited the committee to provide feedback and informed the group needs to merge all the FAQ's versions into one.

Communications Outreach sub-committee: Mr. Sesler brought two articles for the committee; Myths and Facts about pensions and Retirement Group Blasts Pension Change Backers for "Hysteria," Scare Tactics. The committee also had a discussion about sending a formal invitation to each union and bringing in a representative.

OLD BUSINESS

The committee discussed the Charter section 600 and 601. Mr. Dunivent proposed the committee create a small package with the 601 language, write a cover letter with their objectives, and submit to the CEO. The CEO will then forward to the City Council.

A motion was made by Mr. Mora and seconded by Mr. Parkin to approve the proposed section 601 language. Upon a voice vote, the motion carried 7-0.

NEW BUSINESS

Mr. John Fitzgerald from Fitzgerald Public Finance spoke to the committee about various methods to reduce costs and refinance the Fire Side Fund. Based on a \$25,625,000 loan, Fitzgerald Public Finance could save the city an estimated \$7,521,915 across 20 years.

ADJOURNMENT

A motion was made by Mr. Robertson and seconded by Mr. Sesler to adjourn the meeting at 6:20 p.m.

Jeff Arthur
Chairperson

Steve Dunivent
Interim Finance Director