

SPECIAL MEETING OF THE
CITY COUNCIL
CULVER CITY, CALIFORNIA

May 13, 2013
4:00 p.m.

Call to Order & Roll Call

Mayor Cooper called the Special Meeting of the City Council to order at 4:03 p.m.

Present: Jeffrey Cooper, Mayor
Meghan Sahli-Wells, Vice Mayor
Jim B. Clarke, Councilmember
Micheál O'Leary, Councilmember*
Andrew Weissman, Councilmember

*Councilmember O'Leary arrived at 4:15 p.m.

Invocation/Pledge of Allegiance

The Invocation was given by John Nachbar, City Manager, and the Pledge of Allegiance was led by Paul Ehrlich.

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Joint Public Comment - Items Not on the Agenda

None.

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Receipt of Correspondence

None.

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Order of the Agenda

No changes were made.

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Action Items

Item A-1

**Presentation of an Analysis of the Impacts of CalPERS'
Actuarial Changes on the City's Retirement Plans for
Miscellaneous and Safety Employees**

John Nachbar, City Manager, introduced the item noting that the City had engaged an actuary to prepare an actuarial evaluation of the City's retirement programs specific for the City.

Jeff Muir, Chief Financial Officer, introduced John Bartel who made the presentation.

John Bartel, Bartel Associates, encouraged Councilmembers to ask questions at any time during the presentation; he provided background on the item; an analysis of the impacts of CalPERS; and actuarial changes on the City's retirement plans for miscellaneous and safety employees.

*Councilmember O'Leary joined the meeting at 4:15 p.m.

Discussion ensued between Councilmembers and the Mr. Bartel regarding investment returns compared with prior years; CalPERS Smooth Rate of Return; market value vs. actuarial; calculations and delayed impact; the unpredictability of market value; multiple five-year layers; volatile contributions in the short-run as a byproduct of reflected market value unfunded liability; continued evaluations; amortization schedules; changes from city to city; demographic assumptions; benefit formulas; expectation of behavior; mortality; average age of the population; generational mortality; figures from other cities; average age of employees; the number of retirees; health benefits provided to retirees and impacts to mortality rates; retiring medical valuation for the City; generational improvements; and Medicare.

Mayor Cooper invited public participation.

There was no response.

Additional discussion ensued between Mr. Bartel and Councilmembers regarding figures used to determine a zero unfunded liability; assumed investment return; rigor that goes into selecting an investment return; independent investment advisors; long-term projections; confidence levels; standard deviations; variance around rates of return; building in a margin; basis points; CalPERS and different types of

investments; and gradual changes to investments that are more long-term in nature.

Councilmember O'Leary apologized for missing the presentation noting that he had previously seen it at the League of California Cities event.

Further discussion ensued between Councilmembers and Mr. Bartel regarding unfunded liabilities; more secure financial footing; new rules to make up for previous CalPERS decisions and policies; whether the City can do anything at the local level; the CalPERS contribution policy change; feedback to CalPERS; lobbying CalPERS for what the City thinks is in their best interest; the recommended higher contribution; policies of other cities; and the letter written by Napa County.

Martin Cole, Assistant City Manager/City Clerk, reported that the presentation given by Mr. Bartel would be available on the City website on May 14.

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Public Comment - Items Not on the Agenda

Mayor Cooper invited public comment.

There was no response.

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Items from the City Council

None.

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Adjournment

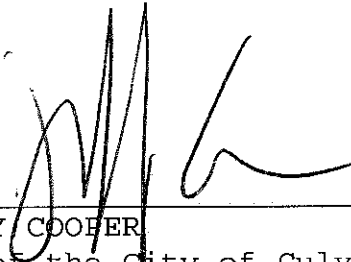
There being no further business, at 5:27 p.m., the City Council adjourned this Special Meeting to a regular meeting of Monday, May 13, 2013 (which began shortly after the conclusion of this Special Meeting).

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Martin R. Cole

CITY CLERK of the City of Culver City, California
EX-OFFICIO CLERK of the City Council, City of Culver City,
California



JEFFREY COOPER

MAYOR of the City of Culver City, California