

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM  
BOARD OF RETIREMENT  
2223 E. WELLINGTON AVENUE, SUITE 100  
SANTA ANA, CALIFORNIA

REGULAR MEETING  
Tuesday, January 21, 2020  
9:00 a.m.

MINUTES

Chair Hilton called the meeting to order at 9:03 a.m.

Attendance was as follows:

Present: Roger Hilton, Chair; Shawn Dewane, Vice-Chair, Frank Eley, Shari Freidenrich, Chris Prevatt, Charles Packard, Wayne Lindholm, Jeremy Vallone, Adele Tagaloa, Arthur Hidalgo

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, General Counsel; David Kim, Director of Internal Audit; Megan Cortez, Disability Manager; Reginald Tucker, Managing Director of Investments; Anthony Beltran, Visual Technician; Nichol Forbes; Recording Secretary and Cammy Torres; Recording Secretary

Guests: Harvey Leiderman, ReedSmith

*Trustee Freidenrich led the Pledge of Allegiance.*

Robin Stieler, Clerk of the Orange County Board of Supervisors, administered the Oath of Office to Adele Tagaloa, Arthur Hidalgo, Charles Packard, Frank Eley and Shawn Dewane.

Mr. Prevatt arrived at 9:09 a.m.

The Board recessed for a break at 9:18 a.m.

The Board reconvened at 9:34 a.m.

**CONSENT AGENDA**

**MOTION** by Prevatt, **seconded** by Packard, to approve staff's recommendation on all of the following items on the Consent Agenda:

<b>BENEFITS</b>
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**C-1 OPTION 4 RETIREMENT ELECTION**

**Recommendation:** Grant election of retirement benefit payment, Option 4, based on Segal Consulting's actuarial report.

(1) Walter Carmona

<b>ADMINISTRATION</b>
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**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

December 16, 2019

**Recommendation:** Approve minutes.

The motion passed unanimously.

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**DISABILITY/MEMBER BENEFITS AGENDA**

**OPEN SESSION**

**CONSENT AGENDA**

**MOTION** by Dewane, **seconded** by Eley, to approve staff's recommendation on all of the following items on the Consent Agenda:

**DC-1: Shannon Garrido**

Deputy Juvenile Correctional Officer II, Orange County Probation Department

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 1, 2019. (General Member)

**DC-2: Vernon (Mickey) Hanson**

Firefighter, Orange County Fire Authority

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of September 12, 2016. (Safety Member)

**DC-3: Jeff Watson**

Communications Technician, Orange County Fire Authority

**Recommendation:** The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of August 4, 2017. (General Member)

The motion passed unanimously.

**CLOSED SESSION**

**(Government Code sections 54957 and 54956.9)**

The Board will adjourn to Closed Session pursuant to Government Code sections 54957 or 54956.9 to discuss matters relating to member applications or appeals. The member may request that the discussion relating to his or her application or appeal take place in Open Session.

The Board adjourned into Closed Session at 9:35 a.m.

**ACTION ITEMS**

**DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

**No items were trailed from the Consent Agenda.**

**DISABILITY/MEMBER BENEFITS AGENDA**

**DA-2: DISABILITY APPEAL – ANA TRAN**

**Recommendation:** Staff recommends that the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations in *The Matter of the Application for Disability Retirement of Anna* (sic) Tran dated October 14, 2019 (Recommendations), and deny Ana Tran's (Applicant) application for service-connected disability retirement.

**DA-3: BENEFIT APPEAL – NICHOLAS CASSON**

**Recommendation:** Staff recommends that the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations in *The Matter of the Application for Disability Retirement of Nicholas Casson* (Applicant) dated October 20, 2019 (Recommendations), wherein the Hearing Officer determined that OCERS correctly applied the offset pursuant to Government Code section 31838.5 to Applicant's disability allowance, notwithstanding the fact that Applicant did not elect reciprocity.

**DA-4: BENEFIT APPEAL – DAVID ROCHA**

**Recommendation:** Staff recommends that the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Revised Findings, Conclusions of Law, and Recommended Decision in *The Matter of the Application of David L. Rocha, a Member of the*

*Orange County Employees Retirement System, for a Recalculated Benefit Allowance* dated July 25, 2019 (Recommendations), wherein the Hearing Officer recommended that the Board's 2017 finding of a correct calculation of David Rocha's (Applicant) benefit allowance be affirmed, and that Applicant's appeal be denied.

### OPEN SESSION

The Board reconvened into Open Session at 10:54 a.m.

The Board recessed for a break at 10:54 a.m.

The Board reconvened at 11:07 a.m.

### ACTION ITEMS

#### **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

Chair Hilton reported that the Board took the following actions in Closed Session:

#### **DA-2: DISABILITY APPEAL – ANA TRAN**

**MOTION** by Eley, **seconded** by Packard to approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations in The Matter of the Application for Disability Retirement of Anna Tran dated October 14, 2019, and deny Ana Tran's application for service-connected disability retirement. The motion passed **unanimously**.

On **MOTION** by Eley, seconded by Packard, the Board voted **unanimously** to receive and file the Motion to Strike OCERS Hearing Officer's Response to Objections to OCERS Hearing Decision served by Applicant, Ana Tran.

#### **DA-3: BENEFIT APPEAL – NICHOLAS CASSON**

**MOTION** by Prevatt, **seconded** by Packard to approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations in *The Matter of the Application for Disability Retirement of Nicholas Casson* dated October 20, 2019, wherein the Hearing Officer determined that OCERS correctly applied the offset pursuant to Government Code section 31838.5 to Applicant's disability allowance, notwithstanding the fact that Applicant did not elect reciprocity. The motion passed **unanimously**.

#### **DA-4: BENEFIT APPEAL – DAVID ROCHA**

**MOTION** by Packard, **seconded** by Dewane to approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Revised Findings, Conclusions of Law, and Recommended Decision in *The Matter of the Application of David L. Rocha, a Member of the Orange County Employees Retirement System, for a Recalculated Benefit Allowance* dated July 25, 2019 (Recommendations), wherein the Hearing Officer recommended that the Board's 2017

finding of a correct calculation of David Rocha's (Applicant) benefit allowance be affirmed, and that Applicant's appeal be denied. The motion passed unanimously.

**A-1 INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA**

No items were trailed from the Consent Agenda.

**INFORMATION ITEMS**

Ms. Freidenrich pulled items I-6, I-9, and I-10.

Mr. Eley pulled item I-14.

**I-1 MEMBER MATERIALS DISTRIBUTED**

Written Report

Application Notices

January 21, 2020

Death Notices

January 21, 2020

**I-2 COMMITTEE MEETING MINUTES**

- Audit Committee

October 17, 2019

**I-3 CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN**

Written Report

**I-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**I-5 TRAVEL REPORT – VISIT TO SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

Written Report

**I-6 TRAVEL REPORT – VISIT TO VENTURA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION**

Written Report

Ms. Freidenrich requested more information regarding Ventura County Employees' Retirement Association's payoff of the UAAL amortization layers established as of its June 30, 2004 valuation. She would like to see how OCERS would benefit from VCERA's processes.

**I-7 BOARD COMMUNICATIONS**

Written Report

**I-8 2019 OCERS YEAR IN REVIEW: COMMUNICATION PLAN**

Written Report

**I-9 DISABILITY RETIREMENT STATISTICS – 2019 REPORT**

Written Report

Ms. Freidenrich would like to see charts showing the number of disability grants, denials, and claims filed that were brought to the Board in 2019.

**I-10 2019 FORM 700 DESIGNATED FILERS LIST AND FACT SHEET**

Written Report

Ms. Freidenrich stated that the new management employees should be required to file Form 700s.

Ms. Ratto stated that OCERS' Conflict of Interest Code is due for biennial review in 2020 and the new management staff will be added to the list of Designated Filers. The amendments will be presented to the Governance Committee for approval.

**I-11 BOARD COMMUNICATIONS POLICY FACT SHEET**

Written Report

**I-12 FOURTH QUARTER 2019 EDUCATION AND TRAVEL EXPENSE REPORT**

Written Report

**I-13 CONTRACT STATUS FOR NAMED SERVICE PROVIDERS**

Written Report

**I-14 ACTUARIAL COST IMPACT OF ANNUAL LEAVE POLICY**

Written Report

Mr. Eley stated that he was surprised that the actuarial cost impact of the change to OCERS' Annual Leave policy was so small. He asked that OCERS follow up with Segal Consultants regarding the rates.

Mr. Lindholm left the meeting at 11:20 a.m.

**I-15 OCERS INNOVATIONS/PROCESS IMPROVEMENTS AND EMPLOYEE STAFF AWARDS**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

Mr. Delaney and the OCERS Management Team presented OCERS 2019 process improvements as well as Employee Team awards.

**I-16 DILIGENT BOARD PORTAL INTRO**

*Presentation by Jenny Sadoski, Director of Information Technology, OCERS and Phil Sandusky, Diligent*

Phil Sandusky from Diligent performed a live training for the Trustees on how to use and navigate through the Diligent Board Portal.

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**BOARD MEMBER COMMENTS**

N/A

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

Mr. Delaney updated the Board on OCERS 75<sup>th</sup> Anniversary and presented OCERS 75<sup>th</sup> Anniversary Board of Supervisor's Resolution.

**COUNSEL COMMENTS**

N/A

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**ADJOURNMENT: (IN MEMORY OF THE ACTIVE MEMBERS, RETIRED MEMBERS, AND SURVIVING SPOUSES WHO PASSED AWAY THIS PAST MONTH)**

The meeting **ADJOURNED** at 12:19 p.m. in memory of the active members, retired members, and surviving spouses who passed away during the past month:

**Active Members**

Butani, Dilip  
Dier, Douglas

**Retired Members**


Alexander, Elizabeth  
Azlin, Donald  
Benjamin, Pauline  
Boykin-Winfield, Rhonda  
Cole, Waldo  
Coney, Brian  
Di Stefano, Marion  
Erbland, Linda  
Fallejo, Alfonso  
Fox, Laura  
Fried, Helen  
Higgins, Elizabeth  
Hudson, Ronald  
Jones, Robert  
Karp, Ruth  
Kelley, Charles  
Kelly-Saurwein, Colleen  
Kuhl, Gary  
Lawson, Mildred  
Le, Thanh  
Medellin, Crisoforo  
Mendoza, Maria  
Midcap, Charlotte

Muchnick, Charles  
Myers, David  
Norton, Robert  
Okada, Joan  
Parsons, Norman  
Rish, Billie  
Rozen, Virginia  
Runge, Richard  
Spalenka, Margie  
Stewart, Timothy  
Tarzian, Edith  
Tran, Sa

**Spouses**

Cooper, Phyllis  
Lewis, Joyce  
Rhodes, Garland  
Trusty, Betty  
Vian, Edna  
Walker, Betty  
Weintraub, Renee

Submitted by:

  
Steve Delaney  
Secretary to the Board

Approved by:

  
Roger Hilton  
Chairman