

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

**REGULAR MEETING
March 21, 2022
9:30 a.m.**

MINUTES

Chair Eley called the meeting to order at 9:32 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present via Zoom Video conference pursuant to Government Code § 54953, as amended by AB 361:

Frank Eley, Chair; Shawn Dewane, Vice Chair; Richard Oates, Adele Tagaloa, Charles Packard, Chris Prevatt, Arthur Hidalgo, Jeremy Vallone, Wayne Lindholm, and Shari Freidenrich

Also Present via Zoom: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Molly A. Murphy, CFA, Chief Investment Officer; Gina Ratto, General Counsel; Jenny Sadoski, Director of Information Technology, Anthony Beltran, Audio-Visual Technician; Brittany Cleberg, Recording Secretary; Marielle Horst, Executive Assistant

Guests via Zoom: Harvey Leiderman, ReedSmith

CONSENT AGENDA

Chair Eley pulled Consent Agenda item C-3 to allow for discussion by the Board.

MOTION by Packard, **seconded** by Freidenrich, to approve staff's recommendations on Consent Agenda items, C-1 and C-2:

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

1. Kevin R. Webster

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

February 22, 2022

Recommendation: Approve minutes.

The motion passed **unanimously**.

Mr. Prevatt arrived at 9:45 p.m.

C-3 BOARD FINDINGS PURSUANT TO GOVERNMENT CODE § 54953, AS AMENDED BY AB 361, AND ADOPTION OF BOARD RESOLUTION 2022-03

Recommendation: That the Board:

(1) Make the following findings pursuant to Government Code section 54953, as amended by AB 361;

- a. The Board has reconsidered the circumstances of the state of emergency resulting from the COVID-19 pandemic; and
- b. The Board has determined that the following circumstances exist:
 - i. The state of emergency continues to directly impact the ability of the members of the Board to meet safely in person; and
 - ii. State or local officials continue to impose or recommend measures to promote social distancing.

and

(2) Adopt Board of Retirement Resolution 2022-03 to reflect such findings.

C-4 OCERS BUILDING COMMITTEE CHARTER

Recommendation: Adopt OCERS Building Committee Charter.

MOTION by Prevatt, **seconded** by Packard, to approve the recommendation on Consent Agenda item, C-4.

The motion passed **unanimously**.

CONSENT ITEMS: DISABILITY/MEMBER BENEFITS AGENDA

OPEN SESSION

CONSENT ITEMS

MOTION by Dewane, **seconded** by Packard, to approve staff's recommendations on all of the following items on the Disability/Member Benefits Consent Agenda:

DC-1: JORGE AMBRIZ
Coach Operator, Orange County Transportation Authority (General Member)

Recommendation: The Disability Committee recommends that the Board:

- Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate.

DC-2: GREGORY ELLIS
Fire Apparatus Engineer, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 26, 2021.

DC-3: RINKY NEMNICH
Fire Apparatus Engineer, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant Service connected disability retirement.
- Set the effective date as the day after the last day of regular compensation.

DC-4: RYAN RINEHART
Fire Captain, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as the day after the last day of regular compensation.

DC-5: GLENN STEWART
Fire Captain, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as the day after the last day of regular compensation.

DC-6: JOHN SAHM
Firefighter, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate.

DC-7: JOHN VU

Senior System Software Analyst, Orange County Transportation Authority (General Member)

Recommendation: The Disability Committee recommends that the Board:

- Deny service connected disability retirement due to insufficient evidence of permanent incapacity and job causation.

The motion passed **unanimously**.

CLOSED SESSION

The Board adjourned into closed session at 10:04 a.m.

The Board reconvened into open session at 10:12 a.m.

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

DA-1: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE DISABILITY/MEMBER BENEFITS CONSENT AGENDA

DA-2: GLENN JOHNSON

Correctional Services Technician, Orange County Sheriff's Department

Recommendation: 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 dated January 29, 2022 (Recommendation) wherein the Hearing Officer recommended that the Board grant the Applicant (Glenn Johnson) a non-service connected disability retirement with an effective date of April 2, 2014 on his psychiatric condition, and *deny* service connected disability retirement on both his psychiatric and orthopedic conditions.

In Closed Session, the Board voted **unanimously** to adopt staff's recommendation as presented.

ACTION ITEMS:

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

C-3 BOARD FINDINGS PURSUANT TO GOVERNMENT CODE § 54953, AS AMENDED BY AB 361, AND ADOPTION OF BOARD RESOLUTION 2022-03

Recommendation: That the Board:

- (1) Make the following findings pursuant to Government Code section 54953, as amended by AB 361;
 - a. The Board has reconsidered the circumstances of the state of emergency resulting from the COVID-19 pandemic; and

- b. The Board has determined that the following circumstances exist:
 - iii. The state of emergency continues to directly impact the ability of the members of the Board to meet safely in person; and
 - iv. State or local officials continue to impose or recommend measures to promote social distancing.

and

- (3) Adopt Board of Retirement Resolution 2022-03 to reflect such findings.

MOTION by Packard, **seconded** by Prevatt to approve recommendations on Consent Agenda item, C-3. The motion passed 8-1 in favor of the motion, with Ms. Freidenrich voting “No”.

A-2 2022 STAR COLA FINAL APPROVAL

Presentation by Suzanne Jenike, Assistant Chief Executive Officer, External Operations, OCERS

Recommendation: Approve payment of STAR COLA for the period April 1, 2022 through March 31, 2023 in the amount of \$351,903.

Ms. Jenike presented the 2022 STAR COLA for final approval.

Sara Ruckle-Harms, representing Retired Employees Association of Orange County (REAOC), thanked OCERS Board and staff for their hard work and dedication and asked the Board to grant the STAR COLA for an additional year.

MOTION by Dewane, **seconded** by Tagaloa, to approve staff’s recommendation to approve payment of the 2022 STAR COLA.

The motion passed **unanimously**.

The Board recessed for break at 11:00 a.m.

The Board reconvened from break at 11:22 a.m.

Recording Secretary administered the Roll Call attendance.

INFORMATIONAL ITEMS

Presentations

I-1 SUMMARY OF DECISION OF THE FIFTH DISTRICT COURT OF APPEAL IN O’NEAL V. STANISLAUS COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION, ET AL (CASE NO. F079201)

Presentation by Harvey Leiderman, Reed Smith

Mr. Leiderman gave a history of this case and a summary of the decision.

I-2 UPDATE ON FINAL AVERAGE SALARY

Presentation by Suzanne Jenike, Assistant CEO of External Operations, OCERS

Ms. Jenike gave an update to the Board on the Final Average Salary project. This project is still ongoing.

I-3 COVID-19 UPDATE

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney provided the monthly COVID-19 update. Staff returned to the office on March 11, 2022 in a hybrid model. The OCERS building will reopen to the public on May 2, 2022.

Written Reports

No written reports were pulled for discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices

March 21, 2022

Death Notices

March 21, 2022

R-2 COMMITTEE MEETING MINUTES

- 10-28-2021 Governance Committee Meeting Minutes

R-3 CEO FUTURE AGENDAS AND 2022 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 LEGISLATIVE UPDATE

Written Report

R-7 FIRST QUARTER REVIEW OF OCERS 2022-2024 STRATEGIC PLAN

Written Report

R-8 FOURTH QUARTER 2021 BUDGET VS. PRELIMINARY ACTUALS REPORT

Written Report

R-9 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

Written Report

R-10 STATE OF MEMBER SERVICES QUALITY REPORT – 2021

Written Report

CLOSED SESSION

The Board adjourned into closed session at 11:27 a.m.

The Board reconvened into open session at 12:52 p.m.

E-1 THREAT TO PUBLIC SERVICES OR FACILITIES (GOVERNMENT CODE SECTION 54957)

Adjourn into Closed Session pursuant to Government Code section 54957 to consult with Steve Delaney, CEO, Brenda Shott, Asst. CEO; Matthew Eakin, Director of Information Security; Jenny Sadoski, Director of Information Technology; Jon Gossard, Information Security Manager; and Gina M. Ratto, General Counsel.

Recommendation: Take appropriate action.

Chair Eley noted no reportable action was taken in Closed Session.

CHIEF INVESTMENT OFFICER COMMENTS

Ms. Murphy addressed the Russian-Ukrainian war effects on the performance of OCERS’ investment portfolio and reported that the geopolitical conflicts that we are watching in real time are not currently affecting our portfolio. Ms. Murphy reported that OCERS’ investment performance is set to end on a positive for this week.

CHIEF EXECUTIVE OFFICER COMMENTS

Mr. Delaney noted that the Board of Stanislaus County Retirement System has the authority to grant STAR COLA, but has not done so recently.

BOARD MEMBER COMMENTS

Ms. Tagaloa shared she has been appointed to the Programming Committee and By-Laws Committee at SACRS.

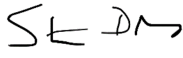
STAFF/COUNSEL COMMENTS


N/A

The meeting **ADJOURNED** at 1:16 p.m.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney

DocuSigned by:

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Frank Eley

Secretary to the Board

Chairman