

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

**REGULAR MEETING
Monday, March 20, 2023
9:30 A.M.**

MINUTES

Chair Dewane called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Shawn Dewane, Chair; Adele Tagaloa, Vice Chair; Charles Packard, Chris Prevatt, Richard Oates, Arthur Hidalgo, Shari Freidenrich, Wayne Lindholm, Roger Hilton, Jeremy Vallone

Present via Zoom:

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Molly Murphy, Chief Investments Officer; Gina Ratto, General Counsel; Manuel Serpa, Deputy General Counsel; David Kim, Director of Internal Audit; Tracy Bowman, Director of Finance; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Cynthia Hockless, Director of Human Resources; Fong Tse, Operations Manager; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Harvey Leiderman, ReedSmith; Maytak Chin, ReedSmith; Andy Yeung, Segal

Absent:

Ms. Freidenrich arrived at 9:35 am.

CONSENT AGENDA

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- Perea, Julie
- Henningham, La Vette

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

February 21, 2023

Recommendation: Approve minutes.

MOTION by Mr. Lindholm, **SECONDED** by Mr. Oates, to approve the Consent Agenda items, C-1 and C-2.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

OPEN SESSION

CONSENT ITEMS

DC-1: JANNIE BAUTISTA

Information Processing Technician, Orange County Health Care Agency (General Member)

Recommendation: Disability Committee recommends that the Board:

- Deny service and non-service connected disability retirement, without prejudice, because the member opted not to join in on the employer filed application.

DC-2: ALDENISE BELCER

Office Specialist, Orange County Child Support Services (General Member)

Recommendation: Disability Committee recommends that the Board:

- Grant non-service connected disability retirement.
- Set the effective date as March 25, 2022.

DC-3: NATHAN BROWN

Firefighter/Paramedic, Orange County Fire Authority (Safety Member)

Recommendation: Disability Committee recommends that the Board:

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

DC-4: MARK BUBERL
Senior Public Works Specialist, City of San Juan Capistrano (General Member)

Recommendation: Disability Committee recommends that the Board:

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

DC-5: AMIJO CHIPPARI
Group Counselor I, Orange County Social Services Agency (General Member)

Recommendation: Disability Committee recommends that the Board:

- Deny service and non-service connected disability retirement, without prejudice, because the member opted not to join in on the employer filed application.

DC-6: BRET CLARK
Firefighter/Paramedic, Orange County Fire Authority (Safety Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as December 16, 2022.

DC-7: JOEL CUNNINGHAM
Sheriff Special Officer, Orange County Sheriff's Department (Safety Member)

Recommendation: Disability Committee recommends that the Board:

- Deny service and non-service connected disability retirement, without prejudice, because the member opted not to join in on the employer filed application.

DC-8: DELBERT FARLEY
Fleet Technician II, Orange County Public Works Department (General Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as July 9, 2021.

DC-9: LISA FETTIS
Deputy Sheriff II, Orange County Sheriff's Department (Safety Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 11, 2022.

DC-10: RUSSELL GARCIA

Firefighter, Orange County Fire Authority (Safety Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as April 8, 2022.

DC-11: MICHELLE JACKSON

Coach Operator, Orange County Transportation Authority (General Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as June 7, 2020.

DC-12: JAMES MC ALPIN

Battalion Chief, Orange County Fire Authority (Safety Member)

Recommendation: Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 11, 2022.

DC-13: LISA PEDROZA

Coach Operator, Orange County Transportation Authority (General Member)

Recommendation: Disability Committee recommends that the Board:

- Grant non-service connected disability retirement.
- Set the effective date as May 10, 2020.

DC-14: JUSTIN SMITH

Deputy Sheriff II, Orange County Sheriff's Department (Safety Member)

Recommendation: Disability Committee recommends that the Board:

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

MOTION by Mr. Hidalgo, **SECONDED** by Mr. Packard, to approve items, DC-1 through DC-14 on the Disability Consent Agenda.

The motion passed **unanimously**.

CLOSED SESSION- PULLED

DA-2: MINH TAM THI LUONG - PULLED

Senior Public Health Nurse, Orange County Health Care Agency

Recommendation: Disability Committee 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, dated December 12, 2022 (Recommendations) wherein the Hearing Officer recommended that the Board deny the Applicant (Minh Tam Thi Luong) service-connected disability retirement.

DA-2 was pulled by applicant for more time.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board’s discussion of the item. **Members of the public who wish to provide comment in connection with any matter listed in this agenda may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9, at the time the item is called. Persons attending the meeting in person and wishing to provide comment on a matter listed on the agenda should fill out a speaker card located at the back of the Boardroom and deposit it in the Recording Secretary’s box located near the back counter.**

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

A-2 2023 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, 2023 through March 31, 2024 in the amount of \$447,841.

Ms. Sara Harms from REAOC spoke in favor of the STAR COLA.

MOTION by Mr. Hilton, **SECONDED** by Ms. Tagaloa, to approve staff recommendation.

The motion passed **unanimously**.

A-3 DISABILITY PROCESS OVERSIGHT IN THE COMING DECADE

Presentation by Steve Delaney, Chief Executive Officer, Suzanne Jenike, Assistant CEO, OCERS

Recommendation: Staff recommends that the Board of Retirement approve the addition of a Director of Disability to the 2023 Staffing Plan and drop the position of Disability Supervisor.

Indicating that his discussion on this topic with the Board in February had been flawed as it had suggested the request for a Director position was an issue of Span of Control, when it is more appropriately an issue of experience and expertise. Mr. Delaney with assistance from Ms. Jenike

then shared a PowerPoint presentation that he hoped would better demonstrate to the Board the need for a Director position.

After discussion, **MOTION** by Mr. Packard, **SECONDED** by Mr. Prevatt, to approve staff recommendation.

The motion passed, pursuant to a Roll Call vote, as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Dewane	Mr. Oates		
Mr. Hidalgo	Ms. Freidenrich		
Mr. Lindholm	Mr. Hilton		
Mr. Packard			
Mr. Prevatt			
Ms. Tagaloa			

INFORMATION ITEMS

Each of the following informational items will be presented to the Board for discussion.

Presentations

I-1 UPDATE OF STAFF WORK AS A RESULT OF COUNTY RESOLUTION IMPACTING THE ALAMEDA IMPLEMENTATION

Presentation by Suzanne Jenike, Assistant CEO, OCERS

Ms. Jenike informed the Board that good progress is being made in gathering the data needed to determine the impact the County resolution may have on implementing the *Alameda* decision. Ms. Jenike emphasized that the County resolution applies to approximately half of the members identified as subject to the *Alameda* decision and staff are calling this project Alameda II. Ms. Jenike informed the Board that the staff are continuing with the work associated to the other group, the non-County resolution impacted group. This group is being referred to as Alameda I. Ms. Jenike reported that she will return to the Board once a determination has been made as to how the County resolution will impact the pension benefits of Alameda II individuals.

I-2 VISION 2030 – AN UPDATE

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney provided a number of highlights via a PowerPoint presentation, as to progress being made by staff in reaching the Vision 2030 goal of “no human involved in the calculation of a retirement benefit.” Mr. Delaney discussed the contract with Roboyo to begin work on process automation. Mr. Gossard joined to share an update on work to complete a master repository of policies and procedures. Mr. Nguyen joined at the conclusion of the presentation to demonstrate the possibilities becoming available via technology with the recent release of ChatGPT.

I-3 COVID-19 UPDATE

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney shared about the OCERS approach to COVID-19, with staff continuing a hybrid attendance program and still monitoring to follow Cal/OSHA rules.

The Board recessed for break at 10:50 a.m.

Ms. Tagaloo left the meeting at 10:54 a.m.

The Board reconvened from break at 11:02 a.m.

Recording Secretary administered the Roll Call attendance.

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices

March 20, 2023

Death Notices

March 20, 2023

R-2 COMMITTEE MEETING MINUTES

- November 2022 - Building Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2023 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 2023-2025 STRATEGIC PLAN

Written Report

R-8 FOURTH QUARTER 2022 BUDGET VS. ACTUALS REPORT

Written Report

R-9 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

Written Report

R-10 OCERS CONFLICT OF INTEREST CODE – DETERMINING WHO MUST FILE A FORM 700

Written Report

R-11 QUARTERLY BUSINESS CONTINUITY DISASTER RECOVERY UPDATES

Written Report

Adjourn to closed session at 11:03 a.m.

CLOSED SESSION ITEMS

**E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED
(GOVERNMENT CODE SECTION 54956.9(d)(1))**

Adjourn pursuant to Government Code section 54956.9(d)(1).

Nicholas Casson v. OCERS; California Court of Appeal, 4th Appellate District, Case No. G060950

Recommendation: Take appropriate action.

Return to open session at 11:10 a.m.

No reportable action taken

CIO COMMENTS- CIO commented on recent events pertaining to Silicon Valley Bank and Signature Bank. She shared that the Investment Team is closely monitoring OCERS exposure and the effects of the bank to the overall market.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- CEO commented to staff that we have several new 100 year old members. The Board suggested that we also look to see if there were any 100 year old Trustees as well.

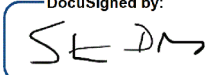
COUNSEL COMMENTS- none

BOARD MEMBER COMMENTS- Mr. Hilton had a question regarding the securities litigation firm selection process and asked if it should be re-reviewed by the Governance Committee.

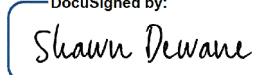
Meeting **ADJOURNED** at 11:52am in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Board

DocuSigned by:

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Shawn Dewane
Chairman