

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM
2223 E. WELLINGTON AVENUE, SUITE 100
SANTA ANA, CALIFORNIA 92701**

**GOVERNANCE COMMITTEE MEETING
Thursday, March 23, 2023
9:30 a.m.**

MINUTES

The Chair called the meeting to order at 9:33 a.m.

Recording Secretary administered the roll call.

Attendance was as follows:

Present: Chris Prevatt, Chair; Arthur Hidalgo, Vice-Chair; Shari Freidenrich, Board Member; Richard Oates, Board Member.

Also present: Steve Delaney, CEO; Gina Ratto, General Counsel; Suzanne Jenike, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, Deputy General Counsel; Anthony Beltran, Audio Visual Technician; Marielle Horst, Recording Secretary.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

October 19, 2022

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich, to approve the Minutes.

The motion passed **unanimously**.

INFORMATION ITEMS

I-2 DISCUSS COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2023

Presentation by Gina M. Ratto, General Counsel

The Committee Members agreed to schedule the 2023 meetings on the following dates and times:

May 31, 2023, at 9:30 a.m.

August 24, 2023, at 9:30 a.m.

November 16, 2023, at 9:30 a.m.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 TRIENNIAL REVIEW OF THE GOVERNANCE COMMITTEE CHARTER

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed revisions to the Governance Committee Charter as presented.

After discussion, **MOTION** by Mr. Hidalgo, **seconded** by Ms. Freidenrich, to adopt all of staff's recommended revisions to the Charter, with one additional change: to delete section 4.d. of the Charter, which reads:

- "4. The Governance Committee will:
...
d. Monitor the implementation of and compliance with governance related policies;"

The motion passed **unanimously**.

A-3 TRIENNIAL REVIEW OF THE CEO CHARTER

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend that the Board of Retirement adopt, the proposed revisions to the CEO Charter as presented.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hidalgo, to adopt all of staff's recommended revisions to the Charter, with one additional change to section 5.b as follows:

- "5. The CEO will:
...
b. ~~Assist the Board in implementing its~~ Implement Board-approved governance policies, charters, and By-Laws; and.

The motion passed **unanimously**.

The Committee recessed for break at 11:10 a.m.

The Committee reconvened from break at 11:20 a.m.

The Chair administered the Roll Call attendance.

A-6 OUT OF CYCLE REVIEW OF THE PROCUREMENT AND CONTRACTING POLICY

Presentation by Brenda Shott, Assistant Chief Executive Officer, Internal Operations and Finance

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed revisions to the Procurement and Contracting Policy as presented.

After discussion, **MOTION** by Ms. Freidenrich, **seconded** by Mr. Oates, to adopt staff recommendations and incorporate Committee changes to sections II.C.4, III.A.7, III.C, III.D and V.A.6.

The Committee also discussed whether Securities Litigation Monitoring Firms (Monitoring Firms) should be added as Named Service Providers in Section V of the Procurement and Contracting Policy. Currently, selection of the Monitoring Firms is delegated by the Board to the General Counsel, with approval of the CEO. The Procurement and Contracting Policy states that the performance of Named Service Providers will be reviewed by the Board. Staff noted that there is little or no basis for the Board to evaluate performance of the Monitoring Firms since all interaction is between the Monitoring Firms and the Legal Division. Reports from the Monitoring Firms are delivered to the Legal Division and used by staff to prepare a quarterly report to the Investment Committee. Based on this understanding of the role of the Monitoring Firms, the Committee decided to not recommend adding the Monitoring Firms as Named Service Providers to the Procurement and Contracting Policy.

The motion passed **unanimously**.

The Committee recessed for break at 12:37 p.m.

Mr. Hidalgo departed at 12:37 p.m.

The Committee reconvened from break at 12:41 p.m.

The Chair administered the Roll Call attendance.

A-4 TRIENNIAL REVIEW OF THE PUBLIC RECORDS AND DATA REQUEST POLICY

Presentation by Manuel Serpa, Deputy General Counsel

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed revisions to the Public Records and Data Request Policy as presented.

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich to adopt staff's recommendations.

The motion passed **unanimously**.

A-5 TRIENNIAL REVIEW OF THE SACRS VOTING AUTHORITY POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed revisions to the SACRS Voting Authority Policy as presented.

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich, to adopt staff recommendations.

The motion passed **unanimously**.

A-7 OUT OF CYCLE REVIEW OF THE OCERS RULES OF PARLIAMENTARY PROCEDURE

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed revisions to the OCERS Rules of Parliamentary Procedure as presented.

MOTION by Mr. Oates, **seconded** by Ms. Freidenrich, to adopt staff recommendations.

The motion passed **unanimously**.

A-8 OCERS ADMINISTRATIVE PROCEDURE RE: DOCUMENTATION OF BIRTHDATE AND MARRIAGE/DOMESTIC PARTNERSHIP

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

Recommendation: Approve, and recommend the Board of Retirement adopt, the proposed OAP re: Documentation of Birthdate and Marriage/Domestic Partnership as presented.

MOTION by Ms. Freidenrich, **seconded** by Mr. Oates, to adopt staff recommendations.

INFORMATION ITEMS

I-1 REVIEW OF NEW PAY ITEMS PURSUANT TO THE PAY ITEM REVIEW POLICY

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

Ms. Jenike informed the Committee of the pay items that were approved from September 2021 through December 2022.

COMMITTEE MEMBER COMMENTS

None

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney thanked staff for their work and informed the Committee there is an increase in workload as the number of retirement applications increased due to the 7.5% COLA.

COUNSEL COMMENTS


None

ADJOURNMENT

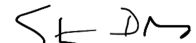
Chair adjourned meeting at 1:05 p.m.

Submitted by:

Approved by:

DocuSigned by:


Gina Ratto
General Counsel/Staff Liaison

DocuSigned by:


Steve Delaney
Chef Executive Officer/Secretary

DocuSigned by:


Chris Prevatt
Chair