

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

REGULAR MEETING
Monday, August 21, 2017
9:00 a.m.

MINUTES

Chair Ball called the meeting to order at 8:58 a.m.

Attendance was as follows:

Present: David Ball, Chair; Chris Prevatt, Vice Chair; Eric Gilbert, Chuck Packard, Russell Baldwin, Shawn Dewane, Roger Hilton; Frank Eley and Shari Freidenrich

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Finance and Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Molly Murphy, Chief Investment Officer; Jenny Sadoski, Director of Information Technology; Gina Ratto, General Counsel; Lee Fink, Deputy General Counsel; Anthony Beltran, Visual Technician; Megan Cortez; Disability Coordinator; Cammy Danciu, Recording Secretary.

Guests: Paul Angelo, Segal Consulting

Absent: Wayne Lindholm

Mr. Hilton led the Pledge of Allegiance.

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Board Member or a member of the public requests separate action on a specific item.

Item C-3, C-14 and C-17 were pulled for discussion.

Ms. Freidenrich arrived at 9:01am

Following discussion, a motion was made by Mr. Dewane seconded by Mr. Hilton to move the remainder of the consent calendar.

The motion carried unanimously.

BENEFITS

C-1 MATERIAL DISTRIBUTED

Application Notices

August 21, 2017

Death Notices

August 21, 2017

Recommendation: Receive and file.

C-2 OPTION 4 RETIREMENT ELECTION – TIMOTHY DAY

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

C-3 OPTION 4 RETIREMENT ELECTION – KATHLEEN MORAN

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

C-4 OPTION 4 RETIREMENT ELECTION – KIRBY ROUCHER

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

ADMINISTRATION

C-5 BOARD MEETINGS AND COMMITTEE MEETINGS

Audit Committee Meeting Minutes

July 6, 2017

Regular Board Meeting Minutes

July 17, 2017

Recommendation: Authorize meeting and approve minutes.

C-6 CEO FUTURE AGENDAS AND 2017 OCERS BOARD WORK PLAN

Recommendation: Receive and file.

C-7 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Recommendation: Receive and file.

C-8 LEGISLATIVE UPDATE

Recommendation: Receive and file.

C-9 OCERS BY THE NUMBERS (2017 EDITION)

Recommendation: Receive and file.

C-10 EVOLUTION OF THE UAAL (2017 EDITION)

Recommendation: Receive and file.

C-11 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN UPDATE

Recommendation: Receive and file.

C-12 SECOND QUARTER UNAUDITED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED JUNE 30, 2017

Recommendation: Receive and file.

C-13 SECOND QUARTER 2017 BUDGET TO ACTUALS REPORT

Recommendation: Receive and file.

C-14 2017 BUDGET AMENDMENT TO EXCLUDE INVESTMENT MANAGEMENT FEES FROM THE OCERS' ANNUAL ADMINISTRATIVE BUDGET

Recommendation: Approve an amendment to OCERS' Administrative and Investment Budget for 2017 to exclude investment management fees originally budgeted in the amount of \$38,323,996, decreasing the 2017 investment budget from \$42,791,649 to \$4,467,653 and the overall budget from \$61,155,100 to \$22,831,104.

C-15 QUARTERLY UPDATE ON SECURITIES LITIGATION CASES

Recommendation: Receive and file.

C-16 SITE VISIT REPORT – CONTRA COSTA COUNTY AND STANISLAUS COUNTY

Recommendation: Receive and file.

C-17 2017 EMPLOYER AND EMPLOYEE PENSION COST COMPARISON

Recommendation: Receive and file.

C-18 AUDIT COMMITTEE OUTCOMES FROM JULY 6, 2017 MEETING

Recommendation:

The Audit Committee recommends that the Board of Retirement approves:

- (1) Receive and file the Hotline Update
- (2) Receive and file the Audit Committee Inquiry on Administrative time in Internal Audit
- (3) Receive and file the Status of Internal Audits and Audit Projects

C-19 BOARD COMMUNICATIONS

Recommendation: Receive and file.

C-20 CRI - THE CONFERENCE ON SUSTAINABLE, RESPONSIBLE, IMPACT INVESTING

Recommendation: Approve Russell Baldwin's attendance and related expenses including overnight accommodations for the "CRI - The Conference on Sustainable, Responsible, Impact Investing" on November 1-3, 2017 at the Hotel Del Coronado, San Diego, CA.

******* END OF CONSENT AGENDA *******

INDIVIDUAL ITEMS AGENDA

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

Chair Ball asked for public comments to be addressed at this time prior to the discussion of the pulled consent items.

C-20

Mr. Stephen Wontrobaski, member of the public, commented regarding The Conference on Sustainable, Responsible, Impact Investing and recommended OCERS invest in companies that support this conference.

C-8

Mr. Stephen Wontrobaski, member of the public, commented on the impact of this bill (Mendoza's Bill) on Orange County Fire Authority and funds.

C-3

Mr. Eley asked staff to clarify the disability distribution of Mrs. Moran's monetary funds to her children once she passes.

Ms. Jenike explained that once the member passes, she will distribute monetary funds among her children.

Following discussion, a **motion** was made by Mr. Eley **seconded** by Mr. Hilton to move item C-3.

The motion carried **unanimously**.

C-14

Ms. Freidenrich stated she is not in support of excluding the investment management fees from the OCERS annual administrative budget.

Mr. Packard stated that the budget is approved by the OCERS Board.

Mr. Ball commented on the approval process.

Following discussion, a **motion** was made by Mr. Prevatt **seconded** by Mr. Packard to move item C-14.

The motion carried **7-1** with Ms. Freidenrich voting “No”.

C-17

Mr. Hilton stated that this item is not necessary to have as a yearly consent agenda.

Mr. Ball gave direction to staff to bring this item back to the board every three years as opposed to every year.

Following discussion, a **motion** was made by Mr. Eley **seconded** by Mr. Prevatt to move item C-17.

The motion carried **8-0**. Motion passed unanimously.

I-2 INITIAL DISCUSSION OF TRIENNIAL STUDY OF ACTUARIAL ASSUMPTIONS
Presentation by Paul Angelo, Segal Consulting

Recommendation: Receive and file.

Mr. Delaney stated that the Segal presentation is informational only, the Board will not be asked to make decisions at this meeting. Final approval is scheduled to take place at the October 16, 2017 Board Meeting.

Mr. Paul Angelo presented the experience study. The process involves comparing assumed to actual experience for the period of January 1, 2014 through December 31, 2016. He stated such a study will often lead to modifications to existing economic and demographic assumptions. Segal notes two things to keep in mind regarding the cost impact results in this final report.

First, these cost changes reflect both economic and demographic assumption changes. That means they will differ from the scenario projections Segal presented in July, which reflected changes in only the economic assumptions of expected returns, inflation and across-the-board salary increases.

Second, the difference in cost between the Recommended economic assumptions and Alternative 1 economic assumptions is a result of the 2.75% inflation assumption under Alternative 1, which is lower than the statutory maximum 3% COLA, which ends up being a lower projected liability and therefore lowers the overall cost when compared to a 3% inflation assumption.

Mr. Prevatt stepped out at 10:01a.m.

Mr. Prevatt returned at 10:05a.m.

Mr. Hilton asked Mr. Angelo if he's recommending generational mortality to all his clients in California.

Mr. Angelo stated unless something major happens, yes the generational approach for his clients is the way of the future.

The Board recessed for break at 10:13a.m.

The Board reconvened from break at 10:34a.m.

Mr. Hilton asked if Segal is recommending all three options in the following chart:

	12/31/2016 Valuation		Recommended		Alternative 1		Alternative 2	
	<u>Investment Return</u>	<u>Payroll Growth</u>						
Price Inflation	3.00%	3.00%	3.00%	3.00%	2.75%	2.75%	2.75%	2.75%
Real Wages	n/a	0.50%*	n/a	0.50%*	n/a	0.50%*	n/a	0.50%*
Net Real Return	4.25%**	n/a	4.00%**	n/a	4.25%**	n/a	4.00%**	n/a
Total	7.25%**	3.50%*	7.00%**	3.50%*	7.00%**	3.25%*	6.75%**	3.25%*

* Assumed individual salaries increases also include "merit and promotion" component:

- Merit component varies by service
- For General, increase ultimate assumption from 0.75% to 1.00%
- For Safety, maintain ultimate assumption at 1.50%

** Return is net of investment and administrative expense

Mr. Angelo stated yes, all three are recommendations by Segal. Mr. Angelo went on to say that normally he would not include a recommendation but would instead present all three as equal alternatives. However, he recalled the Board insisting at the last Triennial Study that Segal recommends one of multiple alternatives. Because Segal as a firm continues to project 3% inflation, he felt obligated to recommend the first alternative. Mr. Angelo added that if he was sitting in the shoes of an OCERS Trustee, that recommendation is not the one he personally would choose.

Mr. Ball commend that Mr. Angelo's presentation was so much more balanced than in previous presentations.

Mr. Angelo continued his presentation after the Board reconvened from lunch.

Mr. Packard arrived at 12:49p.m.

Mr. Angelo stated if he were a trustee, he would select Alternative 1.

Mr. Baldwin asked about inflation rate and where that number comes from.

Mr. Angelo stated that it comes from security economists and a consensus from an overall picture of various experts.

Mr. Gilbert excused himself at 1:59p.m.

Mr. Gilbert returned at 2:05p.m.

Mr. Hilton asked Mr. Angelo to discuss phasing in cost at next month's Strategic Planning Workshop.

Following discussion, a **motion** was made by Mr. Packard **seconded** by Mr. Dewane to receive and file item I-2.

The motion carried **8-0**. Motion passed unanimously.

I-3 EARLY PAYMENT OF EMPLOYER CONTRIBUTIONS PROGRAM - 2018

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

Recommendation: Approve the terms of a prepayment discount program for the advance payment of employer contributions, including the discount rate to be used, for contribution year July 2018 - June 2019.

Ms. Shott presented the Early Payment of Employer Contributions Program – 2018 recommending a 4.5% discount rate for FY 2018-19.

Mr. Packard asked if OCERS is applying the discount to the full amount and not the average amount.

Ms. Shott said yes, the full amount because the plan sponsors are making their payments a full six months in advance of when they otherwise would make their first payment.

Mr. Paul Angelo explained the process further and reasons why the discount is applied to the full amount instead of an average amount.

Ms. Freidenrich asked how many sponsors utilized the program last year and how many did not.

Ms. Shott stated that OCERS and the Superior Court do not participate but everyone else who has active employees participates in this program.

Following discussion, a **motion** was made by Mr. Prevatt **seconded** by Mr. Hilton to approve the terms of a prepayment discount program for the advance payment of employer contributions, including the discount rate to be used, for contribution year July 2018 - June 2019.

The motion carried **8-0**. Motion passed unanimously.

The Board recessed for break at 2:16p.m.

The Board reconvened from break at 2:26p.m.

Mr. Dewane excused himself for the day at 2:16p.m.

I-4 EXECUTIVE SECRETARY I POSITION - LEGAL DEPARTMENT

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

Recommendation:

- 1) Approve the addition of an Executive Secretary I position assigned to the Legal Department.
- 2) Delete the current vacant Secretary II position.

Ms. Shott presented the rationale for an Executive Secretary I position in the Legal department.

Mr. Freidenrich stated that she is in support of the need for a Secretary position but not an Executive Secretary position. She believes hiring at a higher level sets precedence for the future.

Ms. Ratto stated that the Legal department is changing and evolving and the current position serves multiple purposes as well as backup support to the Executive Secretary II position for the Executive Department. With more duties asked of the current Secretary II position, the recommendation is to add more incentive with a higher salary as the previous Secretary II left OCERS due to the low compensation she was receiving.

Mr. Prevatt stated that it is not too much to ask to have two Executive Secretaries in the organization.

Mr. Packard agreed with Mr. Prevatt.

A **motion** was made by Mr. Dewane **seconded** by Mr. Hilton to approve the addition of an Executive Secretary I position assigned to the Legal Department and delete the current vacant Secretary II position.

The motion carried **7-1** with Ms. Freidenrich voting "no".

The Board recessed for lunch at 12:15p.m.

The Board reconvened from lunch at 12:48p.m.

I-5 MEMBER SERVICES ANNUAL REPORT

Presentation by Catherine Fairley, Director of Member Services, OCERS

Recommendation: Receive and file.

Ms. Fairley presented the Member Services Annual Report.

Mr. Prevatt stated that he would like to hear about recalculations.

Ms. Fairley stated that underpaid and overpaid recalculations have all been paid.

Ms. Fairley stated that additional resources with temporary agencies have helped with the department's workload. Furthermore, OCERS is working on setting up a priority system to handle

the backlog of buybacks until they have all been cleared. In addition, member services initiates courtesy calls to retirees.

Mr. Prevatt asked what the process is when the member submits the request.

Ms. Fairley described the process and explained what types of cases and calls OCERS receives and how OCERS handles those situations.

A **motion** was made by Mr. Prevatt **seconded** by Mr. Eley to receive and file item I-5.

The motion carried **8-0**. Motion passed unanimously.

I-6 OCERS VISION AND VALUES

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Recommendation: Adopt an OCERS' Vision and Values statement.

Mr. Delaney presented OCERS' Vision and Values.

A **motion** was made by Mr. Prevatt **seconded** by Mr. Packard to adopt the OCERS' Vision and Values statement as presented.

The motion carried **8-0**. Motion passed unanimously.

Mr. Ball stated that he loves the way this was presented and it's very clever.

The Board adjourned into closed session at 3:00p.m.

The Board reconvened from closed session at 3:05p.m.

******* END OF INDIVIDUAL ITEMS AGENDA *******

DISABILITY APPLICATIONS/MEMBER APPEALS AGENDA

11:00 A.M.

NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF BENEFIT OR DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER'S APPLICATION OR APPEAL, PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.

CONSENT AGENDA

All matters on the Disability Applications or Member Appeals Consent Agenda are to be approved by one action unless a Board Member or a member of the public requests separate action on a specific item.

Megan Cortez, Disability Coordinator, presented the Consent Agenda to the Board along with the staff recommendation.

A **motion** was made by Mr. Hilton, **seconded** by Mr. Eley to move the remainder of the consent agenda calendar. The motion carried **unanimously**.

D-1: Robert James

Fire Apparatus Engineer, Orange County Fire Authority

Date of employer filed application for service and non-service connected disability retirement:
06/03/2016

Recommendation: Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (Safety Member)

D-2: Aaron Phelps

Group Counselor I, Orange County Social Services Agency

Date of employer filed application for service and non-service connected disability retirement:
03/17/2016

Recommendation: Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

This item was pulled from the agenda.

D-3: Michael Sarno

Deputy Sheriff II, Orange County Sheriff's Department

Date of employer filed application for service and non-service connected disability retirement:
03/14/2017

Recommendation: Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (Safety Member)

D-4: Benjamin Savill

Defense Investigator III, Orange County Public Defender

Date of employer filed application for service and non-service connected disability retirement:
01/31/2017

Recommendation: Deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate. (General Member)

This item was pulled from the agenda.

INDIVIDUAL ITEMS AGENDA

D-5: INDIVIDUAL ACTION ON ANY ITEM TRAILED FROM THE CONSENT AGENDA

Megan Cortez, Disability Coordinator, presented D-6 to the Board along with the staff recommendation.

D-6: Margretta Burton

Coach Operator, Orange County Transportation Authority

Date of employer filed application for service and non-service connected disability retirement:
04/08/2016

Date of employee filed application for service and non-service connected disability retirement:
06/02/2016

Recommendation: Grant service connected disability retirement with an effective date of April 8, 2016. (General Member)

Following discussion, a **motion** was made by Mr. Eley, **seconded** by Mr. Baldwin to grant service connected disability retirement with an effective date of April 8, 2016. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-7 to the Board along with the staff recommendation.

D-7: Daniel Edralin

Deputy Sheriff II, Orange County Sheriff's Department

Date of employee filed application for service connected disability retirement: 07/08/2016

Recommendation: Grant service connected disability retirement with an effective date of the last day of compensation. (Safety Member)

Following discussion, a **motion** was made by Mr. Hilton, **seconded** by Mr. Eley to grant service connected disability retirement with an effective date of the last day of compensation. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

Megan Cortez, Disability Coordinator, presented D-8 to the Board along with the staff recommendation.

D-8: Michael Gledhill

Firefighter, Orange County Fire Authority

Date of employer filed application for service and non-service* connected disability retirement:
11/02/2015

Date of employee filed application for service connected disability retirement: 02/08/2016

Recommendation: Grant service connected disability retirement with an effective date of November 2, 2015. (Safety Member)

Following discussion, a **motion** was made by Mr. Gilbert, **seconded** by Mr. Packard to grant service connected disability retirement with an effective date of November 2, 2015. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Ms. Freidenrich
Mr. Gilbert
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-9 to the Board along with the staff recommendation.

D-9: Corinne Mahlen

Attorney's Clerk II, Orange County Public Defender

Date of employee filed application for service and non-service connected disability retirement:
01/11/2016

Recommendation: Grant service connected disability retirement with an effective date of January 11, 2016. (General Member)

Following discussion, a **motion** was made by Mr. Eley, **seconded** by Mr. Baldwin to grant service connected disability retirement with an effective date of January 11, 2016. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

Megan Cortez, Disability Coordinator, presented D-10 to the Board along with the staff recommendation.

D-10: Enrique Marquez

Custodian, Orange County Superior Court

Date of employee filed application for service and non-service connected disability retirement:
07/11/2016

Recommendation: Grant service connected disability retirement with an effective date of February 6, 2015. (General Member)

Following discussion, a **motion** was made by Mr. Prevatt, **seconded** by Mr. Eley to grant service connected disability retirement with an effective date of February 6, 2015. The motion carried **8-0** with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baldwin			Mr. Lindholm
Mr. Packard			
Mr. Prevatt			
Chair Ball			
Mr. Hilton			
Ms. Freidenrich			
Mr. Dewane			
Mr. Eley			

Megan Cortez, Disability Coordinator, presented D-11 to the Board along with the staff recommendation.

D-11: Karen Nelson

Deputy Juvenile Correctional Officer II, Orange County Probation Department

Date of employee filed application for service connected disability retirement: 12/29/2016

Recommendation: Grant service connected disability retirement with an effective date of March 3, 2017. (Safety Member)

Following discussion, a **motion** was made by Mr. Hilton, **seconded** by Mr. Packard to grant service connected disability retirement with an effective date of March 3, 2017. The motion carried **8-0** with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baldwin			Mr. Lindholm
Mr. Packard			
Mr. Prevatt			
Chair Ball			
Mr. Hilton			
Ms. Freidenrich			

Mr. Dewane
Mr. Eley

Megan Cortez, Disability Coordinator, presented D-12 to the Board along with the staff recommendation.

D-12: Elena P. Preciado Navarro

Custodian II, Orange County Superior Court

Date of employee filed application for service and non-service connected disability retirement:
09/01/2015

Recommendation: Grant service connected disability retirement with an effective date of September 1, 2015. (General Member)

Following discussion, a **motion** was made by Mr. Eley, **seconded** by Mr. Packard to grant service connected disability retirement with an effective date of September 1, 2015. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-13 to the Board along with the staff recommendation.

D-13: Ernesto Romero

Park Maintenance Worker, Orange County Community Resources

Date of employee filed application for service connected disability retirement: 10/29/2015

Recommendation: Grant service connected disability retirement with an effective date of October 29, 2015. (General Member)

Following discussion, a **motion** was made by Mr. Baldwin, **seconded** by Mr. Eley to grant service connected disability retirement with an effective date of October 29, 2015. The motion carried **7-1** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

Mr. Hilton

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-14 to the Board along with the staff recommendation.

D-14: Dan Sjule

Senior Social Worker, Orange County Social Services Agency

Date of employee filed application for service connected (recommendation has both) disability retirement: 04/28/2016

Recommendation: Grant non- service connected disability retirement with an effective date of April 28, 2016 and deny service connected disability retirement due to insufficient evidence of job causation. (General Member)

Mr. Prevatt stated that there is sufficient reason to believe the workplace could have contributed to the member's disability and because of that the member should receive a disability retirement.

A **motion** was made by Mr. Eley, **seconded** by Mr. Packard to grant non- service connected disability retirement with an effective date of April 28, 2016 and deny service connected disability retirement due to insufficient evidence of job causation.

Mr. Prevatt made a substitute **motion** to grant service connected disability for this member, **seconded** by Mr. Hilton.

Ms. Jenike stated that staff doesn't have enough evidence that there is a real and measurable connection for the member's incapacity.

Substitute motion failed.

Following discussion, the original motion (staff recommendation) carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-15 to the Board along with the staff recommendation.

D-15: Joseph Steelman

Fire Captain, Orange County Fire Authority

Date of employee filed application for service connected disability retirement: 12/18/2015

Recommendation: Grant service connected disability with an effective date of December 18, 2015. (Safety Member)

Following discussion, a **motion** was made by Mr. Gilbert, **seconded** by Mr. Packard to grant service connected disability with an effective date of December 18, 2015. The motion carried **8-0** with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baldwin			Mr. Lindholm
Mr. Packard			
Mr. Prevatt			
Chair Ball			
Ms. Freidenrich			
Mr. Gilbert			
Mr. Dewane			
Mr. Eley			

Megan Cortez, Disability Coordinator, presented D-16 to the Board along with the staff recommendation.

D-16: Courtney Ward

Deputy Sheriff II, Orange County Sheriff's Department

Date of employee filed application for service and non-service connected disability retirement:
11/07/2016

Recommendation: Grant service connected disability retirement pursuant to Government Code Section 31720.6 (Cancer Presumption) with an effective date of November 7, 2016. (Safety Member)

Following discussion, a **motion** was made by Mr. Hilton, **seconded** by Mr. Packard to grant service connected disability retirement pursuant to Government Code Section 31720.6 (Cancer Presumption) with an effective date of November 7, 2016. The motion carried **8-0** with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baldwin			Mr. Lindholm
Mr. Packard			
Mr. Prevatt			
Chair Ball			
Mr. Hilton			
Ms. Freidenrich			
Mr. Dewane			
Mr. Eley			

Megan Cortez, Disability Coordinator, presented D-17 to the Board along with the staff recommendation.

D-17: Jeffrey Bardzik

Lieutenant, Orange County Sheriff's Department

Date of employee filed application for service connected disability retirement: 07/06/2015

Recommendation: Deny service and non-service connected disability retirement due to insufficient evidence of permanent incapacity and deny the application as it was not filed timely pursuant to Government Code Section 31722. (Safety Member)

This item was pulled from the agenda.

Megan Cortez, Disability Coordinator, presented D-18 to the Board along with the staff recommendation.

D-18: Elizabeth Freyre

Sheriff Correctional Services Assistant, Orange County Sheriff's Department

Date of employer filed application for service and non-service connected disability retirement:
04/02/2014

Date of employee filed application for service connected disability retirement: 06/30/2014

Recommendation: Deny service and non-service connected disability retirement due to insufficient evidence of permanent incapacity. (General Member)

A **motion** was made by Mr. Dewane, **seconded** by Mr. Eley to deny service and non-service connected disability retirement due to insufficient evidence of permanent incapacity.

Mr. Ed Faunce spoke on behalf of the member and stated did not agree with the doctor's assessment.

Mr. Prevatt made a substitute **motion, seconded** by Mr. Ball to refer this item back to a hearing officer.

The substitute motion died.

The original motion (staff recommendation) carried **7-1** with voting as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Baldwin	Mr. Prevatt		Mr. Lindholm
Mr. Packard			
Chair Ball			
Mr. Hilton			
Ms. Freidenrich			
Mr. Dewane			
Mr. Eley			

Megan Cortez, Disability Coordinator, presented D-19 to the Board along with the staff recommendation.

D-19: Teresa Geldmacher

Senior Social Worker, Orange County Social Service Agency

Date of employee filed application for service connected disability retirement: 11/03/2015

Recommendation: Deny service connected disability retirement due to insufficient evidence of permanent incapacity. (General Member)

Following discussion, a **motion** was made by Mr. Hilton, **seconded** by Mr. Dewane to deny service connected disability retirement due to insufficient evidence of permanent incapacity. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-20 to the Board along with the staff recommendation.

D-20: Josefina Zamacona

Library Clerk, Orange County Community Resources

Date of employer filed application for non-service* connected disability retirement: 12/21/2015.

Date of employee filed application for service connected disability retirement: 03/22/2016

*The member does not have the minimum years of service required to be considered for a non-service connected disability.

Recommendation: Deny service connected disability retirement due to insufficient evidence of permanent incapacity. (General Member)

Following discussion, a **motion** was made by Mr. Eley, **seconded** by Mr. Dewane to deny service connected disability retirement due to insufficient evidence of permanent incapacity. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-21 to the Board along with the staff recommendation.

D-21: Olivia Garcia

Records Technician, Orange County Sheriff's Department

Date of employee filed application for service and non-service connected disability retirement: 12/05/2012

Recommendation: Adopt the findings and recommendations of the Hearing Officer and deny Applicant's application for service and non-service connected disability retirement. (General Member)

Following discussion, a **motion** was made by Mr. Dewane, **seconded** by Mr. Hilton to adopt the findings and recommendations of the Hearing Officer and deny Applicant's application for service and non-service connected disability retirement. The motion carried **8-0** with voting as follows:

AYES

Mr. Baldwin
Mr. Packard
Mr. Prevatt
Chair Ball
Mr. Hilton
Ms. Freidenrich
Mr. Dewane
Mr. Eley

NAYS

ABSTAIN

ABSENT

Mr. Lindholm

Megan Cortez, Disability Coordinator, presented D-22 to the Board along with the staff recommendation.

D-22: Rick Edgmon

Recommendation: Affirm staff's determination that Mr. Edgmon should be required to repay the total amount of the benefits overpaid to him since he retired on November 11, 2005 in the approximate amount of \$237,107.79. Staff also recommends that OCERS forgo the collection of interest on the overpayment, and that Mr. Edgmon be given 20 years to repay the overpayment through monthly deductions to his retirement allowance.

This item was pulled from the agenda.

PUBLIC COMMENTS: At this time members of the public may address the Board of Retirement regarding any items within the subject matter jurisdiction of the Board, provided that no action may be taken on non-agendized items unless authorized by law.

N/A

BOARD MEMBER COMMENTS

N/A

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

N/A

COUNSEL COMMENTS

N/A

CLOSED SESSION ITEMS

- E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED
(GOVERNMENT CODE SECTION 54956.9(d)(1)) O.C. Department of Education v. OCERS, CA
Superior Court, Orange County, (Case No. 30-2016-00836897)
Adjourn pursuant to Government Code Section 54956.9(d)(1).**

Recommendation: Take appropriate action.

This item was pulled from the agenda.

- E-2 CONFERENCE REGARDING SIGNIFICANT EXPOSURE TO LITIGATION (ONE MATTER)
(GOVERNMENT CODE SECTION 54956.9)
Adjourn pursuant to Government Code section 54956.9(d)(2)**

Recommendation: Take appropriate action.

The OCERS Board of Retirement voted unanimously to reject the amended government tort claim that was served to the system by former Orange County employee on July 19, 2017.

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

Active Members

Shankling, Jeremy

Retired Members

Alfano, James
Aria, Sue
Barton, Shawn
Chaney, Donald
Cordero, Oscar
Dang, Qui
Dietzel-Biehn, Dorothy
Faerber, William
Flannigan, James
Guth, Paul
Hayman, John
Hitchens, Robert
Hoover, Gerald
Huffman, Ralph
James, Phyllis

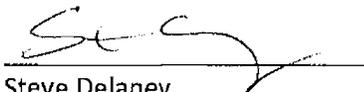
Joyce, Patricia
Kharitonoff, Linda
Leone, Victoria
Phillips, Norma
Ponce, Edmund
Post-Minko, Linda
Raat, Darlene
Reeder-Haywood, Christine
Resnick, Ruth
Robertson, Marian
Rohling, Zudy
Schiebeck, Arsenia
Stewart, Donna
Strahan, Dorothy
Stucker, Carol
Thomsic, Jonathan
Wehman, Craig
Wilkinson, Michael

Surviving Spouses

Billings, Rosemary
Brickson, Mildred
Brown, Milo
Fincham, Lawrence
Napier, Wanda
Pisegna, Lisa
Sauvageau, Idafay
Stewart, Donna
Vaught, Georgette
Wilkinson, Peggy

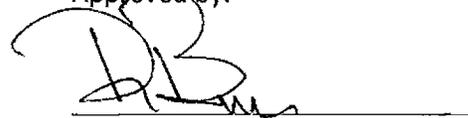
There being no further business to bring before the Board, the meeting adjourned at 3:08p.m.

Submitted by:



Steve Delaney
Secretary to the Board

Approved by:



David Ball
Chairman