

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

**GOVERNANCE COMMITTEE MEETING
July 10, 2018
9:00 a.m.**

MINUTES

The Chair called the meeting to order at 9:00 a.m. Attendance was as follows:

Present: Shawn Dewane, Chair; Roger Hilton, Vice Chair; David Ball; Chris Prevatt

Staff: Steve Delaney, Chief Executive Officer; Gina Ratto, General Counsel; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Sonal Sharma, Recording Secretary; Anthony Beltran, Audio Visual Technician

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

A motion was made by Mr. Ball, seconded by Mr. Hilton to approve the minutes. The motion passed unanimously.

ACTION AGENDA

A-2 PROPOSED AMENDMENTS TO THE TRAVEL POLICY

Presented by Gina M. Ratto, General Counsel

Recommendation: Staff proposed the following amendments to the Travel Policy (Policy) for the Governance Committee's consideration and for recommendation to the Board if the Committee so determines:

- Include a provision in the Policy to state that whenever feasible, Board and staff members will travel on the same day of one-day events, and on the first and last days of multiple-day events, rather than the day before or after.
- Specify that Board members will be reimbursed for transportation costs to attend Board and committee meetings.
- Expand the list of preapproved conferences in Paragraph 10.b. of the Policy to include all conferences sponsored by the National Conference on Public Employee Retirement Systems (NCPERS).

The Committee members discussed their concerns with the appropriateness of including specific times in the Policy due to odd working hours and commuting conditions. Following discussion, the Committee discussed the following changes:

- Revise paragraph 27 of the Travel Policy to encourage same day travel without specifying time of day or length of travel and leaving it up to the Trustees to determine what is reasonable.

- Amend paragraph 32 to make it consistent with the changes to paragraph 27.
- Specify, in paragraph 27 that when Board or staff members travel outside of Orange County, they will be reimbursed daily travel expenses.
- Reimburse Board members actual mileage and shared ride services to attend Board and committee meetings.
- Expand the list of preapproved conferences in Paragraph 10.b. to include all conferences sponsored by NCPERS.

Russell Baldwin, acting in his capacity as a member of the public gave public comment and agreed that the Policy should be as general as possible.

A **motion** was made by Mr. Prevatt, **seconded** by Mr. Hilton to approve the Travel Policy with the changes as discussed. The motion passed unanimously.

A-3 TRIENNIAL REVIEW OF THE LEGISLATIVE POLICY

Presentation by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend that the Board approve, proposed revisions to the Legislative Policy as presented.

Staff reviewed the Policy recommended a clarifying revision to Section 5.c. of the Legislative Policy as follows:

5. The following legislative principles will guide the Board when considering its position on proposed legislation:

...

c. Support legislative proposals that clarify statutory interpretation of the '37 Act provisions unless inconsistent with OCERS' ~~legislative policy~~ **legally sound** interpretation and implementation of the provision;

A **motion** was made by Mr. Ball, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, proposed revisions to the Legislative Policy as presented. The motion passed unanimously.

A-4 TRIENNIAL REVIEW OF THE EXTRAORDINARY EXPENSE RECOVERY POLICY

Presented by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend that the Board approve, proposed revisions to the Extraordinary Expense Recovery Policy as presented.

Staff reviewed the Policy and did not recommend any substantive changes.

Following discussion, a **motion** was made by Mr. Ball, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, proposed revisions to the Extraordinary Expense Recovery Policy as presented. The motion passed unanimously.

A-5 TRIENNIAL REVIEW OF THE COST IMPACTING POLICY

Presented by Gina M. Ratto, General Counsel

Recommendation: Approve, and recommend that the Board approve, proposed revisions to the Cost Impacting Policy as presented.

Staff reviewed the Policy and did not recommend any substantive changes.

A **motion** was made by Mr. Ball, **seconded** by Mr. Hilton to approve, and recommend that the Board approve, proposed revisions to the Cost Impacting Policy as presented. The motion passed unanimously.

A-6 RESCIND THE ANNUAL DISCLOSURE POLICY

Presented by Gina M. Ratto, General Counsel

Recommendation: Recommend that the Board rescind the Annual Disclosure Policy.

Staff reviewed the Annual Disclosure Policy and determined that it is duplicative of existing requirements and therefore is not meaningful or necessary.

Acting as a member of the public, Russell Baldwin gave public comment and agreed with staff's recommendation.

A **motion** was made by Mr. Ball, **seconded** by Mr. Hilton to recommend that the Board rescind the Annual Disclosure Policy. The motion passed unanimously.

COMMITTEE MEMBER COMMENTS

Mr. Dewane asked Staff to perform further research about increasing the rate of per diem for Trustee attendance at Committee and Board Meetings.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS:

Mr. Delaney informed the Governance Committee that they will meet to review the new Personnel Policy Handbook in a future meeting. Mr. Prevatt suggested that the Handbook be reviewed in-depth by the Governance Committee so that it is streamlined for the Board.

Acting in his capacity as a member of the public, Russell Baldwin gave public comment and urged the Committee to thoroughly review the Handbook so the Board of Retirement does not have to perform a comprehensive review.

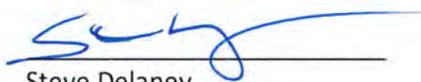
COUNSEL COMMENTS:

Counsel had no comments.

ADJOURNMENT:

The meeting adjourned at 9:44 a.m.

Submitted by:



Steve Delaney
Secretary to the Board

Approved by:



Shawn Dewane, Chair