

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

**REGULAR MEETING
Monday, April 18, 2022
9:30 a.m.**

MINUTES

Chair Eley called the meeting to order at 9:30 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; Richard Oates, Adele Tagaloo, Charles Packard, Chris Prevatt, Arthur Hidalgo, 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; Anthony Beltran, Audio-Visual Technician; Cammy Torres, Recording Secretary

Guests via Zoom: Harvey Leiderman, ReedSmith

Absent: Shawn Dewane, Vice Chair; Jeremy Vallone

CONSENT AGENDA

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

MOTION by Mr. Oates, **seconded** by Mr. Packard, to approve staff's recommendations on Consent Agenda items, C-1, C-2, and C-4:

The motion passed **unanimously**.

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

1. Alfred Laschober

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

March 21, 2022

Recommendation: Approve minutes.

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) Reconsider the circumstances of the state of emergency resulting from the COVID-19 pandemic and determine whether:

- i. The state of emergency continues to directly impact the ability of the members of the Board to meet safely in person; and/or
- ii. State or local officials continue to impose or recommend measures to promote social distancing; and

(2) If the Board so determines, adopt Board of Retirement Resolution 2022-04 to reflect such findings pursuant to Government Code section 54953, as amended by AB 361.

C-4 RETIREE REQUEST TO BE REINSTATED – WILLIAM ZIDBECK

Recommendation: Reinstate Mr. Zidbeck as an active member under the provisions of Government Code Section 31680.4 and 31680.5

DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

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

The motion passed **unanimously**.

DC-1: STEVEN BADEN

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

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement per Government Code Section 31720.6.
- Set the effective date as the day after the last day of regular compensation.

DC-2: GEORGE CASARIO

Battalion Chief, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant Service connected disability retirement.
- Set the effective date as December 18, 2020.

DC-3: DONNA CORRAL

Deputy Juvenile Correctional Officer II, Orange County Probation Department (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as October 9, 2020.

DC-4: ROBERT DAVIDSON

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-5: MELISSA GUTIERREZ-KAUFMAN

Coach Operator, Orange County Transportation Authority (General Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as December 22, 2019.

DC-6: JASON HALL

Deputy Sheriff I, Orange County Sheriff's Department (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-7: ROSEMARY HARVEY

Coach Operator, Orange County Transportation Authority (General Member)

Recommendation: The Disability Committee recommends that the Board:

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

DC-8: AMY LINDQUIST

Deputy Sheriff I, Orange County Sheriff's Department (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-9: JOHN MANNING

Fire Apparatus Engineer, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

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

DC-10: ALEJANDRO SILVA

Sergeant, Orange County Sheriff's Department (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement per Government Code Section 31720.5.
- Set the effective date as the day after the last day of regular compensation.

DC-11: MICHELLE WACHTER

Coach Operator, 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.

ACTION ITEMS

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

DA-2: BOARD HEARING PURSUANT TO SUBDIVISION (d) OF SECTION 31534 OF THE GOVERNMENT CODE IN THE MATTER OF THE RETIREMENT BENEFIT APPEAL OF ROBERT S. SZEWCZYK AND RODNEY I. MORIKAWA, APPLICANTS

Recommendation: The Board of Retirement will conduct a hearing pursuant to subdivision (d) of section 31534 of the California Government Code In the Matter of the Retirement Appeal of Robert S. Szewczyk and Rodney I. Morikawa, Applicants, and will:

- (1) Accept the record that was presented to Hearing Officer Duane Bennett in the administrative hearing that was conducted in this matter together with written briefs and additional evidence submitted by the parties;
- (2) In lieu of taking testimony at the Board meeting/hearing on April 18, 2022, accept the transcript of the hearing that was held on April 26, 27 and 29, 2021 before Hearing Officer Duane Bennett;
- (3) Hear oral argument from the parties; and

- (4) Consider all such transcripts, administrative records, parties’ briefs, additional evidence submitted with the briefs, and oral argument by the parties and decide the matter as if it had not been referred to the Hearing Officer.

Ms. Dawn Matsuo presented arguments on behalf of OCERS, and Mr. Jacob Kalinski presented arguments on behalf of his clients.

MOTION by Mr. Prevatt, **seconded** by Ms. Tagaloa to approve staff recommendations for the process of the Board’s re-evaluation of Disability/Member Service Agenda item, DA-2.

The motion passed 7-1 in favor of the motion.

<u>Yea</u>	<u>Nay</u>
Mr. Eley	Mr. Oates
Mr. Lindholm	
Ms. Tagaloa	
Mr. Packard	
Mr. Hidalgo	
Mr. Prevatt	
Ms. Freidenrich	

Recommendation: As set forth in OCERS’ Reply to Applicants’ Supplemental Brief, that the Board of Retirement decide this matter by affirming staff’s calculation of Applicants’ retirement allowances which excluded from their compensation earnable the half hour of overtime pay received by Applicants because:

- (1) The law excludes from compensation earnable pay for services rendered outside normal working hours;
- (2) The services rendered by Applicants during the half hour in question were **not** rendered during normal working hours because the half hour was not ordinarily worked by all persons in the Deputy Sheriff II grade/class/rate of pay during the period in question; and
- (3) Applicants’ grade/class/rate of pay is that of Deputy Sheriff II, not a hybrid of two different County classifications.

MOTION by Chair Eley, **seconded** by Mr. Packard to adopt staff recommendations as set forth in OCERS’ Reply to Applicants’ Supplemental Brief.

The motion passed 7-1 in favor of the motion.

<u>Yea</u>	<u>Nay</u>
Mr. Eley	Mr. Oates
Mr. Lindholm	
Ms. Tagaloa	
Mr. Packard	
Mr. Hidalgo	
Mr. Prevatt	
Ms. Freidenrich	

END OF DISABILITY/MEMBER BENEFITS AGENDA

The Board recessed for break at 12:05 p.m.

The Board reconvened from break at 12:40 p.m.

Recording Secretary administered the Roll Call attendance.

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) Reconsider the circumstances of the state of emergency resulting from the COVID-19 pandemic and determine whether:

- iii. The state of emergency continues to directly impact the ability of the members of the Board to meet safely in person; and/or
- iv. State or local officials continue to impose or recommend measures to promote social distancing; and

(2) If the Board so determines, adopt Board of Retirement Resolution 2022-04 to reflect such findings pursuant to Government Code section 54953, as amended by AB 361.

The Board moved to adopt Board of Retirement Resolution 2022-04 and will move to a hybrid model in May 2022.

MOTION by Mr. Oates, **seconded** by Mr. Packard, to approve the recommendation on Consent Agenda item, C-3.

The motion passed **unanimously**.

A-2 SACRS BOARD OF DIRECTORS ELECTION 2022-2023 – DIRECTION TO OCERS' VOTING DELEGATE

Presentation by Gina Ratto, General Counsel, OCERS

Recommendation: Consider the SACRS Nominating Committee's recommended slate of candidates and the list of additional candidates interested in running for the election of SACRS Directors; and give direction to OCERS' Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 13, 2022.

MOTION by Mr. Packard, **seconded** by Ms. Freidenrich, to approve staff's recommendation on Action Item A-2.

The motion passed **unanimously**.

A-3 OCERS BUILDING COMMITTEE DIRECTION

Presentation by Brenda Shott, Assistant CEO of Internal Operations, OCERS

Recommendation: Approve issuance of an RFI to develop the existing OCERS properties for the future use of a new OCERS headquarters and other best use of the properties.

MOTION by Mr. Prevatt, **seconded** by Mr. Lindholm, to approve staff’s recommendation on Action Item A-3.

The motion passed unanimously.

INFORMATIONAL ITEMS

Presentations

I-1 ANNUAL FIDUCIARY EDUCATION

Presentation by Harvey Leiderman, ReedSmith, LLP

Mr. Leiderman gave an educational presentation on the Board’s fiduciary obligations and other hot button topics.

I-2 BROWN ACT TRAINING

Presentation by Gina Ratto, General Counsel, OCERS and Manuel Serpa, Legal Counsel, OCERS

Item moved to May 2022 meeting.

I-3 COVID-19 UPDATE

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney provided the monthly COVID-19 update, informing the Board of Retirement that OCERS staff had returned to The Headquarters building on a hybrid basis (three days in office, two days worked virtually) as of March 11, 2022. The building would remain closed to the public until May 2, 2022

Written Reports

No written reports were pulled for discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices
Death Notices

April 18, 2022
April 18, 2022

R-2 COMMITTEE MEETING MINUTES

- 08-13-2021 – Building Committee Meeting Minutes
- 01-27-2022 – Audit Committee Meeting Minutes
- 02-07-2022 – Personnel Committee Meeting Minutes
- 02-22-2022 – Disability 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

CIO COMMENTS

Ms. Murphy updated the board on the status of current investments in conjunction with inflation and other hot topics.

CHIEF EXECUTIVE OFFICER

N/A

STAFF COMMENTS

Ms. Jenike gave a brief update on the Final Average Salary project, for those with less than 3 years of service or part time employment

COUNSEL COMMENTS

N/A

BOARD MEMBER COMMENTS

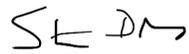
Ms. Tagaloo expressed her appreciation for the meaningful work of OCERS and the Board.

Meeting **ADJOURNED** at 2:21 p.m.

Submitted by:

Approved by:

DocuSigned by:



Steve Delaney

Secretary to the Board

DocuSigned by:



Frank Eley

Chairman