

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

**REGULAR MEETING
Monday, April 20, 2020
9:30 A.M.**

Pursuant to Executive Order N-29-20, certain provisions of the Brown Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, this meeting will be conducted by video/teleconference only. None of the locations from which the Board members will participate will be open to the public.

Members of the public who wish to observe and/or participate in the meeting may do so via the Zoom app or via telephone. Members of the public who wish to provide comment during the meeting may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad.

OCERS Zoom Video/Teleconference information	
<p>Join Using Zoom App (Video & Audio)</p> <p>https://zoom.us/j/553647261</p> <p>Meeting ID: 553 647 261 Password: 009904</p> <p>Go to https://www.zoom.us/download to download Zoom app before meeting Go to https://zoom.us to connect online using any browser.</p>	<p>Join by Telephone (Audio Only)</p> <p>Dial by your location</p> <ul style="list-style-type: none"> +1 669 900 6833 US (San Jose) +1 346 248 7799 US (Houston) +1 253 215 8782 US +1 301 715 8592 US +1 312 626 6799 US (Chicago) +1 929 436 2866 US (New York) <p>Meeting ID: 553 647 261 Password: 009904</p>
<p>A Zoom Meeting Participant Guide is available on OCERS website Board & Committee meetings page</p>	

AGENDA

The Orange County Board of Retirement welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board of Retirement may take action on any item included in the following agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Board of Retirement may consider matters included on the agenda in any order, and not necessarily in the order listed.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Board; and (2) any matter appearing on the Consent Agenda. Members of the public who wish to provide comment at this time may do so by “raising your hand” in the Zoom app, or if joining by telephone, by pressing * 9 on your telephone keypad. When addressing the Board, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed.

CONSENT AGENDA

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

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

- (1) John Sprague
- (2) Lani Gervaise
- (3) Arlene Lovelace
- (4) Norman Valinches
- (5) Fernando Salas

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes March 16, 2020

Recommendation: Approve minutes.

C-3 OUTCOMES OF THE GOVERNANCE COMMITTEE MEETING ON MARCH 13, 2020

- Recommendation:** The Governance Committee recommends that the Board:
- (1) Adopt revisions to the Governance Committee Charter, as approved by the Committee on March 13, 2020;
 - (2) Adopt revisions to the Planning Policy, as approved by the Committee on March 13, 2020;

- (3) Adopt revisions to the SACRS Voting Delegate Policy, as approved by the Committee on March 13, 2020;
- (4) Adopt revisions to the Quiet Period Policy, as approved by the Committee on March 13, 2020;
- (5) Adopt revisions to the Budget Approval Policy, as approved by the Committee on March 13, 2020;
- (6) Adopt revisions to the Communications Policy, as approved by the Committee on March 13, 2020;
- (7) Adopt revisions to the Public Records Request Policy, including incorporating into the policy provisions of the Data Request Policy, and renaming the policy as the Public Records and Data Request Policy, as approved by the Committee on March 13, 2020; and
- (8) Rescind the Data Request Policy.

CONSENT ITEMS: DISABILITY/MEMBER BENEFITS AGENDA

9:30 AM

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.

OPEN SESSION

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed during agenda item DA-1.

CONSENT ITEMS

DC-1: Christopher Brown
Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement pursuant to Government Code 31720.5 (Heart Presumption) with an effective date of March 29, 2019. (Safety Member)

DC-2: Robert Carpenter
Sergeant, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of the day after the last day of regular compensation. (Safety Member)

DC-3: David R. Chaffey
Fee Station Attendant, Orange County Waste and Recycling

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of January 4, 2019. (General Member)

DC-4: Steven Kircher
Firefighter, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 15, 2019. (Safety Member)

DC-5: Francis Price
Carpenter, Orange County Public Works

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of May 24, 2019. (General Member)

DC-6: Brian Sims
Sergeant, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of January 17, 2020. (Safety Member)

DC-7: Tanisha Turner
Coach Operator, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of December 27, 2015. (General Member)

DC-8: Frank Ybarra
Fire Apparatus Engineer, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 29, 2019. (Safety Member)

CLOSED SESSION

(Government Code sections 54957 and 54956.9)

The Board will adjourn to Closed Session pursuant to Government Code sections 54957 or 54956.9 to discuss matters relating to member applications or appeals. The member may request that the discussion relating to his or her application or appeal take place in Open Session.

ACTION ITEMS

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

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.**

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

A-2 RECOMMENDATION OF THE GOVERNANCE COMMITTEE REGARDING THE “18 BASIS POINTS TEST” FOR THE OCERS BUDGET PROCESS

Presentation by Brenda Shott, Assistant CEO, Internal Operations and Finance

Recommendation: The Governance Committee recommends that the Board approve discontinuing the practice of calculating and reporting the “18 basis points test” as part of the OCERS annual budget and quarterly budget to actual reporting.

A-3 SACRS BOARD OF DIRECTORS ELECTION 2020-2021 – 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 at the SACRS meeting on November 10-13, 2020.

INFORMATION ITEMS

I-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices
Death Notices

April 20, 2020
April 20, 2020

I-2 COMMITTEE MEETING MINUTES

- Governance Committee Minutes – November 7, 2019

- I-3 **CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN**
Written Report
- I-4 **QUIET PERIOD – NON-INVESTMENT CONTRACTS**
Written Report
- I-5 **BOARD COMMUNICATIONS**
Written Report
- I-6 **STATE AND FEDERAL LEGISLATIVE UPDATE**
Written Report
- I-7 **FIRST QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT**
Written Report
- I-8 **GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**
Written Report
- I-9 **2020 AMERICAN ADVERTISING BRONZE AWARD FOR THE 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**
Written Report
- I-10 **COVID-19 UPDATE**
Presentation by Steve Delaney, Chief Executive Officer, OCERS

******* END OF INFORMATION ITEMS AGENDA *******

BOARD MEMBER COMMENTS

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

COUNSEL COMMENTS

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

NOTICE OF NEXT MEETINGS

**INVESTMENT COMMITTEE MEETING
April 22, 2020
9:30 A.M.**

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

**DISABILITY COMMITTEE MEETING
May 18, 2020
8:30 A.M.**

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

**REGULAR BOARD MEETING
May 18, 2020
9:30 A.M.**

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

All supporting documentation is available for public review in the retirement office during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Thursday and 8:00 a.m. – 4:30 p.m. on Friday.

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at adminsupport@ocers.org or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours' notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – JOHN SPRAGUE**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective January 31, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter, as well as the allowance payable to the member’s ex-spouse and the current spouse’s continuance (upon the member’s death).

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – FERNANDO SALAS**

Recommendation

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

Background/Discussion

This member elected Option 4 as the benefit payment option for his service retirement allowance as required by his Domestic Relations Order (DRO), effective March 13, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the DRO, the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter, as well as the allowance payable to the member’s ex-spouse and the current spouse’s continuance (upon the member’s death).

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – NORMAN VALINCHES**

Recommendation

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

Background/Discussion

This member has requested Option 4 as the benefit payment option for his service retirement allowance effective March 13, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the Domestic Relations Order (DRO), the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter as well as the allowance payable to the member’s ex-spouse.

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – LANI GERVAISE**

Recommendation

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

Background/Discussion

This member has requested Option 4 as the benefit payment option for her service retirement allowance effective February 28, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the Domestic Relations Order (DRO), the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter as well as the allowance payable to the member’s ex-spouse.

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Adina Bercaru, Member Services Manager
SUBJECT: **OPTION 4 RETIREMENT ELECTION – ARLENE LOVELACE**

Recommendation

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

Background/Discussion

This member has requested Option 4 as the benefit payment option for her service retirement allowance effective March 11, 2020. The Orange County Employees Retirement System (OCERS) was joined in the member’s dissolution of marriage and under the terms of the Domestic Relations Order (DRO), the member’s ex-spouse was awarded a lifetime continuance as a percentage of the member’s allowance.

The approval of Option 4 will not increase OCERS liability because the cost of this Option 4 benefit is proportional to the cost of the other benefit plans. Segal Consulting has calculated the member’s monthly allowance as indicated in the attached letter as well as the allowance payable to the member’s ex-spouse.

Submitted by:



A. B. – APPROVED

Adina Bercaru
Member Services Manager

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

**REGULAR MEETING
Monday, March 16, 2020
9:30 a.m.**

MINUTES

Chair Hilton called the meeting to order at 9:35 a.m.

Attendance was as follows:

Present – in person: Roger Hilton, Chair; Frank Eley, Shari Freidenrich, Chris Prevatt; Jeremy Vallone and Adele Tagaloa

Present via teleconference pursuant to Executive Order N-29-20 issued by Governor Newsom on March 17, 2020:

Shawn Dewane, Vice-Chair; Charles Packard, Wayne Lindholm and Arthur Hidalgo

Also Present – in person: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, General Counsel; Anthony Beltran, Visual Technician; Cammy Torres; Recording Secretary

Guests via telephone: Harvey Leiderman, ReedSmith

Trustee Vallone led the Pledge of Allegiance.

CONSENT AGENDA

MOTION by Prevatt, **seconded** by Eley, to approve staff’s recommendation on all of the following items on the 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.

(1) BENJAMIN SAVILL

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

February 10, 2020

Recommendation: Approve minutes.

C-3 RETIREE REQUEST TO BE REINSTATED – LINDA YOUNG

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

The motion passed **unanimously.**

DISABILITY APPLICATIONS/MEMBER APPEALS AGENDA

OPEN SESSION

CONSENT AGENDA

MOTION by Prevatt, **seconded** by Packard, to approve staff’s recommendation on all of the following items on the Consent Agenda:

DC-1: BRENDA HIBNER

Eligibility Supervisor, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board Deny service and non-service connected disability retirement due to insufficient evidence of permanent incapacity. (General Member)

DC-2: RODGER WILLIAMS

Deputy Sheriff II, Orange County Sheriff’s Department

Recommendation: The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of permanent incapacity. (Safety Member)

The motion passed **unanimously.**

ACTION ITEMS

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

N/A

ACTION ITEMS

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

N/A

A-2 2020 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, 2020 through March 31, 2021.

Ms. Jenike presented the 2020 STAR COLA final approval.

Mr. Eley read a statement by Sara Ruckle-Harms, representing Retired Employees Association of Orange County (REAOC) urging the Board to grant the STAR COLA for an additional year.

MOTION by Eley, **seconded** by Lindholm, to approve payment of STAR COLA for the period April 1, 2020 through March 31, 2021.

Motion passed **unanimously**.

A-3 TEMPORARY DELEGATION TO THE CEO IN RESPONSE TO COVID-19

Presentation by Steve Delaney, Chief Executive Officer

Recommendation: Approve a temporary delegation of authority to the CEO to empower him to take such actions that in the CEO’s judgment are necessary or advisable, after consultation with the Board Chair or Vice Chair, to protect the interests and wellbeing of OCERS employees, members or the System.

A discussion was generated by the Board in delegating the CEO to respond to COVID-19 emergency needs.

MOTION by Prevatt, **seconded** by Packard, to approve the temporary delegation of authority to the CEO as presented, with the following changes:

- Add in Section 5.a. that if both the Board Chair and Vice Chair are unavailable, the CEO will make reasonable attempts to contact the County Treasurer before exercising authority under the temporary delegation of authority;
- Specify in Section 5.b. that the CEO will report to the Board any action taken under the temporary delegation of authority within 24 hours of taking said action; and
- Specify in Section 6 that in addition to the authority set forth in Section 5, the CEO’s signing authority relating to non-investment matters is increased to \$1 million during the time the temporary delegation of authority is in effect.

Motion passed **unanimously**.

The Board recessed for break at 10:34 a.m.

The Board reconvened from break at 10:51 a.m.

INFORMATION ITEMS

I-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices

March 16, 2020

Death Notices

March 16, 2020

I-2 COMMITTEE MEETING MINUTES

- None

I-3 CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN

Written Report

I-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

I-5 BOARD COMMUNICATIONS

Written Report

I-6 OCERS BOARD POLICY COMPLIANCE

Written Report

I-7 FIRST QUARTER REVIEW OF OCERS 2020-2022 STRATEGIC PLAN

Written Report

I-8 FOURTH QUARTER 2019 BUDGET VS. PRELIMINARY ACTUALS REPORT

Written Report

I-9 FOURTH QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Written Report

I-10 TRAVEL REPORT - AIF GLOBAL ANNUAL INVESTORS' MEETING 2020

Written Report

I-11 STATE AND FEDERAL LEGISLATIVE UPDATE

Presentation by Gina Ratto, General Counsel, OCERS

Ms. Ratto provide a thorough summary of the two SACRS sponsored bills.

I-12 CALAPRS 2020 GENERAL ASSEMBLY OVERVIEW

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney presented an overview of the CALAPRS 2020 General Assembly sharing highlights from each of the presentations shared at that conference.

I-13 COLA INFORMATIONAL VIDEO

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

Ms. Jenike presented to COLA Video and shared it with the Board members and the public.

*** * * * * END OF INFORMATION ITEMS AGENDA * * * * ***

BOARD MEMBER COMMENTS

N/A

Ms. Freidenrich arrived at 10:52 a.m.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney discussed the COVID-19 as it affects OCERS and management plan moving forward.

Ms. Shott updated the Board on the new building project.

COUNSEL COMMENTS

N/A

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

The meeting **ADJOURNED** at 11:38 a.m. in memory of the active members, retired members, and surviving spouses who passed away during the past month:

Active Members

- Catlapp, Constance
- McElroy, Tomm
- Rondan, Monica

Retired Members

- Boccumini, Vicki
- Bogue, Helen
- Bonilla Gonzales, Amada
- Churchill, Esther
- Di Luzio, Suzanne
- Diersing, Lorraine
- Drake, Roxxanne
- Ely, Lucy
- Finn, Andree

Orange County Employees Retirement System
March 16, 2020
Regular Board Meeting – Minutes

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Fleming, Patty
Floyd, Carol
Gannon, Timothy
Gorthi, Vijaya
Harris, Andrea
Hicks, Frank
Magsam, Jane
Maze, David
Mitchell, Charles
Munroe, Harold
Neureither, Donald
Omsted, Sonja
Ruiz, Carmen
Schaffroth, Harold
Shipp, Gloria
Sullivan, Michael
Taban, Osman
VanKirk, Fay
Vu, Christine
Wallace, Linda
Way, Bernard
Webb, Martha
Westman, Gary

Spouses

Dickerson, John
Fox, Jamie
Hollon, Kathryn
Majors, Viola
Martinson, James
Minardi, Joseph
Perez, Mary
Reilly, Betty
Smith, Nancy
Socia, Phyllis
Sullivan, Julia
Yniguez, Maria

Submitted by:

Approved by:

Steve Delaney
Secretary to the Board

Roger Hilton
Chairman



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: **OUTCOMES OF THE GOVERNANCE COMMITTEE MEETING ON MARCH 13, 2020**

Recommendation

The Governance Committee recommends that the Board:

- (1) Adopt revisions to the Governance Committee Charter, as approved by the Committee on March 13, 2020;
- (2) Adopt revisions to the Planning Policy, as approved by the Committee on March 13, 2020;
- (3) Adopt revisions to the SACRS Voting Delegate Policy, as approved by the Committee on March 13, 2020;
- (4) Adopt revisions to the Quiet Period Policy, as approved by the Committee on March 13, 2020;
- (5) Adopt revisions to the Budget Approval Policy, as approved by the Committee on March 13, 2020;
- (6) Adopt revisions to the Communications Policy, as approved by the Committee on March 13, 2020;
- (7) Adopt revisions to the Public Records Request Policy, including incorporating into the policy provisions of the Data Request Policy, and renaming the policy as the Public Records and Data Request Policy, as approved by the Committee on March 13, 2020; and
- (8) Rescind the Data Request Policy.

Background/Discussion

The following charter and policies were reviewed, and non-substantive revisions were approved, by the Governance Committee on March 13, 2020:

- Governance Committee Charter
- Planning Policy
- SACRS Voting Delegate Policy
- Quiet Period Policy
- Budget Approval Policy
- Communications Policy

The revisions to all of the aforementioned policies and charter are set forth in underlined/strikeout text and attached hereto. The Governance Committee now recommends the Board adopt the revised policies and charter as presented.

The Public Records Request Policy and Data Request Policy

The revisions to the Public Records Request Policy approved by the Governance Committee on March 13, 2020, are two-fold.

First, the Committee approved staff's recommendation to revise previous Sections 5, 6, 7, 8, and 9 of the policy to remove the list of the types of information that **will** be disclosed by OCERS in response to a PRA request and the list of the types of information that **will not** be disclosed by OCERS in response to a PRA request. Instead, the Committee approved staff's recommendation that the policy simply state that OCERS will respond to all requests in accordance with applicable law (the CPRA, the CERL and controlling case law). The additional detail regarding what information will and will not be disclosed will be set forth in the internal PRA guidelines and procedures document that is used by OCERS staff when responding to requests. This document can be more quickly revised and updated than the policy in response to changes in the law. The Committee requested and staff agreed to make available, on the OCERS website, a list of the types of member information that is generally subject to disclosure, upon request, pursuant to the California Public Records Act.

Second, in the course of reviewing the Public Records Request Policy, staff concluded that the provisions of a similar policy, the Data Request Policy, could be incorporated into the Public Records Request Policy. The Data Request Policy also applies to requests for information directed to OCERS – except it addresses requests by members, employers and stakeholders. Staff proposed and the Committee approved revisions to the Public Records Request Policy so that it also encompasses and addresses information requests received from members, employers, and stakeholders. The name of the policy would be changed to the Public Records and Data Request Policy.

These proposed revisions would:

1. Acknowledge that OCERS members and their beneficiaries are entitled to their own OCERS information and that these requests will not be treated as requests under the California Public Records Act (new Section 3);
2. Provide that requests for information received from employers and stakeholders will be routed to an Assistant CEO or the General Counsel and will be treated and handled in the same way as PRA requests are handled and treated (new Section 4) so that:
 - a. They are logged and tracked by OCERS like PRA requests;
 - b. The amount of staff resources that are spent responding to these requests can be measured;
 - c. Employers and stakeholders are treated similarly to other members of the public with the same access to public information; and
 - d. Employers and stakeholders are charged the same costs of duplication, compilation, extraction and programming as are charged to members of the public.

The Governance Committee approved, and now recommends that the Board adopt, all of the proposed revisions to the Public Records Request Policy including incorporating into the policy provisions of the Data Request Policy, and renaming the policy as the Public Records and Data Request Policy. Once these changes are made, the Committee approved rescinding the Data Request Policy.

The revisions to the policy are set forth in underlined/strikeout text in the attached copy of the Public Records and Data Request Policy. An unmarked version of the Public Records and Data Request Policy and a copy of the Data Request Policy are also attached for the Board's ease in reference.

Attachments

Submitted by:

A handwritten signature in blue ink that reads "Gina M. Ratto". The signature is written in a cursive style and is positioned above a horizontal line.

Gina M. Ratto
General Counsel



OCERS Board Charter Governance Committee Charter

Introduction

1. The OCERS Board of Retirement (Board) has established a Governance Committee to assist the Board in recommending, reviewing, and amending, as necessary, policies and procedures for governance of the Board. The Governance Committee is an advisory committee to the Board and its recommendations are subject to final approval by the Board.
2. The Board Chair ~~person~~ will appoint members to the Governance Committee as provided ~~for~~ in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
3. The Governance Committee ~~will~~ ~~shall~~ be comprised ~~of~~ of four (4) members of the Board. As provided in OCERS' By-Laws, two members of the Governance Committee constitute a quorum.

Duties and Responsibilities

4. The Governance Committee will:
 - a. In consultation with the Chief Executive Officer, develop terms of reference for the Board, the Committee Chairs, and the Chief Executive Officer, and periodically recommend to the Board such amendments as may be necessary or advisable;
 - b. Review, develop, and recommend to the Board for approval, new governance policies as may be necessary, review existing governance policies based upon the established schedule for review, and review and ~~for~~ recommend changes to the By-Laws as directed by the Board or Board Chair;
 - c. Review the charters and policies assigned to the Governance Committee by the Board at least once every three years in accordance with the established schedule for review, set forth in the OCERS Charters and Policies Review Schedule and recommend the same for approval by the Board;
 - d. Monitor the implementation of and compliance with governance-related policies;
 - e. Report regularly to the Board on the Committee's activities; and
 - f. At the request of the Board Chair or the Board, undertake such other governance-related initiatives as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.



OCERS Board Charter Governance Committee Charter

Charter Review

- 5. The Governance Committee will review this Charter at least once every three (3) years and recommend any amendments to the Board for approval as necessary to ensure that the Charter remains relevant and appropriate.

Charter History

- 6. This Charter was adopted by the Board of Retirement on November 18, 2002, and amended on March 17, 2014, July 20, 2015, ~~and~~ May 15, 2017 and April 20, 2020.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

~~5/15/17~~ 04/20/20

Steve Delaney, Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Charter Governance Committee Charter

Introduction

1. The OCERS Board of Retirement (Board) has established a Governance Committee to assist the Board in recommending, reviewing, and amending, as necessary, policies and procedures for governance of the Board. The Governance Committee is an advisory committee to the Board and its recommendations are subject to final approval by the Board.
2. The Board Chair will appoint members to the Governance Committee as provided in OCERS' By-Laws and will designate one member of the committee to serve as committee chair and one member of the committee to serve as committee vice chair.
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 - a. In consultation with the Chief Executive Officer, develop terms of reference for the Board, the Committee Chairs, and the Chief Executive Officer, and periodically recommend to the Board such amendments as may be necessary or advisable;
 - b. Review, develop, and recommend to the Board for approval, new governance policies as may be necessary, review existing governance policies based upon the established schedule for review, and review and recommend changes to the By-Laws as directed by the Board or Board Chair;
 - c. Review the charters and policies assigned to the Governance Committee by the Board at least once every three years in accordance with the established schedule for review, and recommend the same for approval by the Board;
 - d. Monitor the implementation of and compliance with governance-related policies;
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 - f. At the request of the Board Chair or the Board, undertake such other governance-related initiatives as may be necessary or desirable to guide or assist the Board and OCERS staff in carrying out their respective duties and responsibilities.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Charter Governance Committee Charter

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Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

04/20/20

Steve Delaney, Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Planning Policy

Purpose and Background

1. The purpose of the OCERS Planning Policy is to provide a framework for developing the strategic direction of OCERS and the creation of both a multi-year Strategic Plan and a one-year Business Plan that document the goals and objectives that underlie OCERS' strategic direction. In performing the planning process, the Board of Retirement recognizes its fiduciary responsibility to provide the prompt delivery of benefits to the OCERS membership while maintaining or reducing costs to plan sponsors and reducing the likelihood of unpredicted and wide swings in expenses.

Policy Objectives

2. The objectives of the Planning Policy are to:
 - a. Ensure that OCERS actively and systematically plans for the future needs of the System;
 - b. Facilitate discussion and agreement between the Board and management on the strategic direction and business priorities of OCERS; and
 - c. Facilitate the communication of OCERS' Strategic Plan and Business Plan throughout the organization and the public.

Policy Guidelines

Roles and Responsibilities

3. The Board will be responsible for:
 - a. Participate with OCERS management to identify~~Identifying~~ strategic risks, opportunities to mitigate strategic risks, and future needs of the System;
 - b. Establishing OCERS' strategic direction and priorities;
 - c. Approving the OCERS Strategic Plan and Business Plan and ensuring adequate resources are in place to support them; and
 - d. Monitoring the implementation of the Strategic Plan and Business Plan.
4. Management will be responsible for:
 - a. Identifying business risks, opportunities to mitigate business risks and future needs of the System;
 - b. Identifying and prioritizing business initiatives and the processes and resources necessary to achieve these initiatives;
 - c. Drafting the Strategic Plan and Business Plan for the Board's consideration and approval;
 - d. Implementing the Strategic Plan and Business Plan.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Planning Policy

5. Service providers and experts, such as the actuary and investment consultants, may be called upon to provide input to the Board and management regarding the identification of strategic and business risks, opportunities for risk mitigation and future needs of the System.

Strategic Planning Workshop

6. The Chief Executive Officer will organize and participate in the Strategic Planning process. An annual Strategic planning workshop will be held as a forum to educate and elicit the Board's views on current issues and proposed strategies.
7. The Chief Executive Officer will structure an agenda for the Strategic planning workshop to include the following topics, at a minimum:
 - a. The progress made in implementing the current year's Business Plan;
 - b. The continued appropriateness of OCERS' strategic direction as outlined in the Strategic Plan, which will include a consideration of the following issues:
 - i. The needs currently served by OCERS;
 - ii. The services OCERS offers; and
 - iii. The level of excellence OCERS strives to achieve.
 - c. Whether OCERS is well positioned and has the resources to fulfill its strategic direction as outlined in the Strategic Plan
 - d. Proposed initiatives to be undertaken in the coming 12-36 month period.
8. Upon the conclusion of the Strategic planning workshop, the Chief Executive Officer will summarize the Board's discussion and views on current issues and proposed strategies and agendize the written summary for Board approval at its next meeting.

Formulation of the Strategic Plan and Business Plan

9. Following the Strategic planning workshop, the Chief Executive Officer will formulate a Strategic Plan which will include, at a minimum, recommended initiatives to be undertaken or continued, along with the necessary supporting information and planning parameters, such as:
 - a. Rationale for undertaking each initiative including financial and non-financial benefits, impact, and consequences of not undertaking the initiative;
 - b. Timelines for completion;
 - c. Assignment of responsibilities for implementation;
 - d. Budget impacts;
 - e. Criteria for assessing the success of each initiative; and
 - f. Provisions for reporting to the Board.
10. Additionally, OCERS management will formulate a Business Plan to provide detail as to how the Strategic Plan will be advanced in the coming calendar year.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Planning Policy

11. The Chief Executive Officer will present the proposed Strategic Plan and Business Plan to the Board for approval. In approving the Plans, the Board will satisfy itself that the Plans are reasonable and support the mission of OCERS.
12. In order to ensure adequate resources to implement the initiatives within the Business Plan, the resources needed to implement each Business Plan initiative will be reflected in OCERS’ budget. If the budgeted funds associated with a particular initiative fail to receive approval by the Board, the Business Plan will be amended accordingly.
13. Approval of the Business Plan represents an immediate commitment by the Board and management to accomplish the strategic goals and objectives set forth within approved parameters. Because of the long-term nature of a multi-year Strategic Plan, adjustments and corrections are more easily accommodated over time. Modification of the Business Plan should occur only when exceptional circumstances are present.
14. If management determines that changing circumstances will not allow it to meet a particular parameter or require that a new initiative be undertaken, the Board will be informed in a timely manner and the Strategic Plan and Business Plan will be adjusted accordingly.

Review of Strategic Plan and Business Plan Initiatives

15. The Chief Executive Officer will provide the Board with a quarterly review and any recent activities or updates of each initiative in the Strategic Plan.
16. On a semi-annual basis the Chief Executive Officer will provide the Board with a review and any recent activities or updates of each initiative in the Business Plan.

Communications

17. The Strategic Plan and Business Plan will be posted to OCERS’ website and communicated to all OCERS staff and employers and to the public on a timely basis after Board approval.

Policy Review

18. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

19. The Board adopted this policy on February 19, 2002.
20. The policy was revised on May 16, 2005, April 16, 2007 and January 18, 2011, reviewed without changes on March 17, 2014 and revised on July 17, 2017 and April 20, 2020.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Planning Policy

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

~~7/17/17~~04/20/20

Steve Delaney
Secretary of the Board

Date



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OCERS Board Policy Planning Policy

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APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Planning Policy

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

04/20/20

Steve Delaney
Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy

SACRS Voting Authority Policy

Background

1. The State Association of County Retirement Systems (SACRS) is an association of 20 California county retirement systems, established under the County Employees Retirement Law of 1937. SACRS meets as an organization twice a year with all 20 counties participating through attendance by Trustees, Administrators, and staff.
2. Regular member County Retirement Systems ~~shall~~ have the right to vote on the election of the officers/directors of SACRS, amendments to the Articles of Incorporation and By-laws, legislative proposals for SACRS' sponsorship and positions on non-SACRS' sponsored legislation, resolutions, and other items of SACRS' business. Regular member County Retirement Systems ~~are shall be~~ entitled to one (1) voting delegate, ~~designated in writing by the County Retirement Board~~.
3. ~~The~~A voting delegate ~~must shall~~ be designated in writing by the member County Retirement Board and ~~must shall~~ be a Trustee or an Administrator who is employed directly by the County Retirement System. Alternate delegates may be designated in writing by the member County Retirement Board.

Policy Guidelines

4. In order to ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as OCERS' voting delegate, and each member of the Board and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed by OCERS with the SACRS Credentials Committee in writing prior to any meeting of SACRS at which voting will take place, ~~unless there are no changes from the credentials already on file~~. Credentials will shall include the name of the member County Retirement System, and ~~designate indicate that~~ the Board Chair as is OCERS' the voting delegate and designate all other Board members and the Administrator as are alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or one of the alternate delegates. If the Board Chair is present at the SACRS business meeting, he or she will cast OCERS' vote(s) at the meeting. ~~If the Board Chair is not present at the~~ unable to attend a SACRS business meeting at which a vote is taking place, the Vice Chair shall cast OCERS' vote(s) at the meeting ~~be designated as alternate voting delegate~~. If neither the Board Chair nor and Vice Chair are present both unable to attend, the alternate voting delegate to cast OCERS' vote(s) will be determined, among the Board members in attendance, alphabetically by the Board member's last name. ~~The~~Each voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the SACRS membership.
7. Where the OCERS' Board has taken an official Board position on an item to be voted on at a SACRS business meeting, the voting delegate or designated alternate voting delegate must cast a vote consistent with the Board position. If the Board has not taken a position on an item to be voted on, the voting delegate or designated alternate voting delegate must comply with the Board policy or



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OCERS Board Policy SACRS Voting Authority Policy

policies that address(es) the subject matter of the item. When the item to be voted on is not addressed in any OCERS' Board policy and the Board has not taken a position, the voting delegate or designated alternate voting delegate may use his or her best judgment to vote in accordance with the position he or she believes the Board would take on the item, or abstain from voting. Notwithstanding the foregoing, the voting delegate and designated alternate voting delegate shall not vote on any item that would obligate OCERS financially to pay any sums other than SACRS dues.

Policy Review

- 8. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

- 9. This policy was adopted on May 9, 1988.
- 10. This policy was revised on August 25, 2008, May 17, 2011, March 17, 2014, ~~and~~ May 15, 2017, and April 20, 2020.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

Steve Delaney
Secretary of the Board

~~5/15/17~~04/20/20

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy **SACRS Voting Authority Policy**

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2. Regular member County Retirement Systems have the right to vote on the election of the officers/directors of SACRS, amendments to the Articles of Incorporation and By-laws, legislative proposals for SACRS' sponsorship and positions on non-SACRS' sponsored legislation, resolutions, and other items of SACRS' business. Regular member County Retirement Systems are entitled to one (1) voting delegate.
3. The voting delegate must be designated in writing by the member County Retirement Board and must be a Trustee or an Administrator who is employed directly by the County Retirement System. Alternate delegates may be designated in writing by the member County Retirement Board.

Policy Guidelines

4. In order to ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as OCERS' voting delegate and each member of the Board and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed by OCERS with the SACRS Credentials Committee in writing prior to any meeting of SACRS at which voting will take place. Credentials will include the name of the member County Retirement System, and designate the Board Chair as OCERS' voting delegate and designate all other Board members and the Administrator as alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or one of the alternate delegates. If the Board Chair is present at the SACRS business meeting, he or she will cast OCERS' vote(s) at the meeting. If the Board Chair is not present at the SACRS business meeting at which a vote is taking place, the Vice Chair shall cast OCERS' vote(s) at the meeting. If neither the Board Chair nor Vice Chair are present, the alternate voting delegate to cast OCERS' vote(s) will be determined, among the Board members in attendance, alphabetically by the Board member's last name. The voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the SACRS membership.
7. Where the OCERS' Board has taken an official Board position on an item to be voted on at a SACRS business meeting, the voting delegate or designated alternate voting delegate must cast a vote consistent with the Board position. If the Board has not taken a position on an item to be voted on, the voting delegate or designated alternate voting delegate must comply with the Board policy or policies that address(es) the subject matter of the item. When the item to be voted on is not addressed in any OCERS' Board policy and the Board has not taken a position, the voting delegate or designated alternate voting delegate may use his or her best judgment to vote in accordance



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy SACRS Voting Authority Policy

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Policy Review

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Policy History

- 9. This policy was adopted on May 9, 1988.
- 10. This policy was revised on August 25, 2008, May 17, 2011, March 17, 2014, May 15, 2017, and April 20, 2020.

Secretary's Certificate

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Steve Delaney
Secretary of the Board

04/20/20

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy ~~is intended to~~ establish es guidelines ~~by which for~~ Board Members and OCERS staff ~~are permitted to when~~ communicate with financially interested parties, during the process leading to an award of any contract by OCERS, ~~with any party financially interested in the contract.~~

Policy Objectives

2. The objectives of the policy are to ensure that:
 - a. Potential service providers competing for a contract with OCERS (also referred to as candidates) have equal access to information regarding the search parameters, candidate and selection and contract award processes;
 - b. Communications related to the search, selection and award of the contract are consistent and accurate; and
 - c. The search, selection and contract award processes are efficient, diligent, and fair.

Policy Guidelines

3. The following guidelines will apply during the process leading to an award of any contract by OCERS:
 - a. A quiet period will commence upon the release/publication of a solicitation for a contract with OCERS and will end when a contract is signed;
 - b. To help prevent inadvertent violations of this policy, the CEO (or his or her designee) will ensure that for every solicitation, the initiation, continuation and conclusion of the quiet period is (i) communicated to Board Members and OCERS staff, (ii) publicly communicated, and (iii) published on OCERS' website;
 - c. Except as provided in section h., below, during the quiet period, Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;
 - d. During the quiet period, if any Board Member or staff member is contacted by a party financially interested in a prospective contract with OCERS, the ~~Board Member individual~~ contacted shall refer the party to the OCERS consultant or staff member identified as the contact person(s) in the solicitation document;
 - e. Any authority related to a search conducted by the Board shall be exercised solely by the Board as a whole, and not by individual Board Members;
 - f. Any information related to a search conducted by the Board shall be communicated by OCERS consultants and staff to the Board as a whole, and not to individual Board Members;
 - g. The quiet period does not prevent Board approved due diligence or client conference attendance; however discussions related to the pending solicitation shall be avoided during those activities;



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Quiet Period Policy

- h. The quiet period does not apply to communications that are:
 - (i) part of the process expressly described in the solicitation;
 - (ii) part of a noticed Board meeting;
 - (iii) related to services currently provided by the candidate under an existing contract with OCERS;
 - (iv) incidental, exclusively social and that do not involve OCERS or its business; or
 - (v) within the scope of the Board or staff member’s private business or public office wholly unrelated to OCERS and that do not involve OCERS or its business;
- i. The provisions of this policy will be communicated to candidates in the solicitation document and candidates will be required to acknowledge the receipt and requirements of the policy; and
- j. Any candidate who knowingly violates this policy will be disqualified from the search process.

Policy Review

- 4. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Policy History

- 5. The Board of Retirement adopted this policy on July 17, 2006.
- 6. The policy was revised on April 16, 2007, May 17, 2011 December 19, 2011, October 20, 2014, ~~and~~ July 17, 2017 and April 20, 2020.

Secretary’s Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

7/17/2017 04/20/20

Steve Delaney
Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Quiet Period Policy

Purpose and Background

1. The Quiet Period Policy establishes guidelines for Board Members and OCERS staff when communicating with financially interested parties during the process leading to an award of any contract by OCERS.

Policy Objectives

2. The objectives of the policy are to ensure that:
 - a. Potential service providers competing for a contract with OCERS (also referred to as candidates) have equal access to information regarding the search parameters, candidate selection and contract award processes;
 - b. Communications related to the search, selection and award of the contract are consistent and accurate; and
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OCERS Board Policy Budget Approval Policy

Purpose and Background

1. The Board of Retirement annually adopts a budget covering the expenses of administering the retirement system. The administration expenses, as defined in Government Code Section 31580.2, incurred in any year will be charged against the earnings of the retirement fund and will not exceed 21 basis points of the actuarial accrued liability of the system.
2. The purpose of the Budget Approval Policy is to establish the process by which the OCERS annual budget is approved by the Board of Retirement.

Roles

3. The preparation and presentation of the budget is the responsibility of the Chief Executive Officer.
4. The adoption of an annual budget is the responsibility of the Board of Retirement.

Guidelines

General Provisions

5. The Chief Executive Officer will present to the Board of Retirement a proposed administrative budget for the next calendar year that supports the initiatives set out in the proposed Business Plan, which is directly linked to OCERS three year Strategic Plan, along with ongoing operations of the system. The Budget will be presented to the Board during the month of November.
6. The ~~format of the~~ proposed budget will be compiled based upon budget requests approved by the Chief Executive Officer from each functional department ~~organize expenditures by function~~ within OCERS as follows:
 - a. ~~Executive Board~~;
 - b. ~~Investments Communications~~;
 - c. ~~Communications Disabilities~~;
 - d. ~~Member Services Executive~~;
 - e. Finance;
 - f. ~~Administrative Services Human Resources~~;
 - g. ~~Disabilities Information Security~~;
 - h. ~~Board Information Technology~~;
 - i. ~~Information Technology Internal Audit~~;
 - j. ~~Legal Investments~~;
 - k. ~~Internal Audit Legal~~;
 - l. ~~and/or~~ Member Services;
 - k-m. ~~Operations Support Services~~; and/or



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OCERS Board Policy Budget Approval Policy

4.n. Such other functions that may be adopted by OCERS in the future.

7. The budget shall be ~~broken into~~ organized by three broad categories of expenditures:

- a. Salaries and Benefits;

The Salaries and Benefit category shall include salaries, overtime, fringe benefits , temporary help costs and any other costs directly related to employee and Board member compensation.

- b. Services and Supplies

The Services and Supplies category for each department shall include items such as professional services, legal services, equipment expenses (other than those that are capitalized on OCERS' books as assets that will be depreciated over time and budgeted as a capital expenditure), maintenance costs, office expenses, training, and meetings & travel costs. Investment management fees (including directly billed fees, indirectly paid fees reported on investment manager statements, fees and costs for investment management that are netted in portfolio returns, foreign income tax and security lending fees) are not to be included in the annual administrative budget. These expenses are to be managed and reported in accordance with the Board of Retirement's Investment Fee Policy; and

- c. Capital Projects.

The Capital Project budget category will include the current year costs for all capital asset purchases. Capital assets include items such as buildings, building improvements, vehicles, machinery, equipment, internally generated computer software, computer hardware and all other tangible or intangible assets that are used in operations, cost more than \$25,000 per item, and have initial useful lives extending beyond a single reporting period.

The Chief Executive Officer, or the Assistant CEO, Finance & Internal Operations, is granted authority to transfer funds within a category. Funds may not be moved from one category to another without approval of the Board of Retirement.

8. The value of the actuarial accrued liability (AAL) at the beginning of the budget year will be used for purposes of calculating the 21 basis point test. That value will be calculated by the system's actuary using the prior year's beginning AAL and projecting to the beginning of the budget year.
9. The Chief Executive Officer may request that the Board amend the budget for the current fiscal year by presenting reasons for the budget amendment, its expected impact, and the cost of the amendment for the remainder of the budget year.

Policy Review

10. The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

11. This policy was adopted by the Board of Retirement on February 19, 2002.



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OCERS Board Policy Budget Approval Policy

12. The policy was revised on October 27, 2003, May 16, 2005, March 24, 2008, March 22, 2010, January 18, 2011, June 18, 2012, July 20, 2015, ~~and~~ July 17, 2017, and April 20, 2020.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

~~7/17/17~~ 04/20/20

Steve Delaney
Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Budget Approval Policy

Purpose and Background

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5. The Chief Executive Officer will present to the Board of Retirement a proposed administrative budget for the next calendar year that supports the initiatives set out in the proposed Business Plan, which is directly linked to OCERS three year Strategic Plan, along with ongoing operations of the system. The Budget will be presented to the Board during the month of November.
6. The proposed budget will be compiled based upon budget requests approved by the Chief Executive Officer from each functional department within OCERS as follows:
 - a. Board;
 - b. Communications;
 - c. Disabilities;
 - d. Executive;
 - e. Finance;
 - f. Human Resources;
 - g. Information Security;
 - h. Information Technology;
 - i. Internal Audit;
 - j. Investments;
 - k. Legal;
 - l. Member Services;
 - m. Operations Support Services; and/or
 - n. Such other functions that may be adopted by OCERS in the future.



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7. The budget shall be organized by three broad categories of expenditures:

a. Salaries and Benefits;

The Salaries and Benefit category shall include salaries, overtime, fringe benefits, temporary help costs and any other costs directly related to employee and Board member compensation.

b. Services and Supplies

The Services and Supplies category for each department shall include items such as professional services, legal services, equipment expenses (other than those that are capitalized on OCERS' books as assets that will be depreciated over time and budgeted as a capital expenditure), maintenance costs, office expenses, training, and meetings & travel costs. Investment management fees (including directly billed fees, indirectly paid fees reported on investment manager statements, fees and costs for investment management that are netted in portfolio returns, foreign income tax and security lending fees) are not to be included in the annual administrative budget. These expenses are to be managed and reported in accordance with the Board of Retirement's Investment Fee Policy; and

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The Capital Project budget category will include the current year costs for all capital asset purchases. Capital assets include items such as buildings, building improvements, vehicles, machinery, equipment, internally generated computer software, computer hardware and all other tangible or intangible assets that are used in operations, cost more than \$25,000 per item, and have initial useful lives extending beyond a single reporting period.

The Chief Executive Officer, or the Assistant CEO, Finance & Internal Operations, is granted authority to transfer funds within a category. Funds may not be moved from one category to another without approval of the Board of Retirement.

8. The value of the actuarial accrued liability (AAL) at the beginning of the budget year will be used for purposes of calculating the 21 basis point test. That value will be calculated by the system's actuary using the prior year's beginning AAL and projecting to the beginning of the budget year.

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Policy Review

10. The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

11. This policy was adopted by the Board of Retirement on February 19, 2002.

12. The policy was revised on October 27, 2003, May 16, 2005, March 24, 2008, March 22, 2010, January 18, 2011, June 18, 2012, July 20, 2015, July 17, 2017 and April 20, 2020.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Budget Approval Policy

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

A handwritten signature in blue ink that reads "Steve Delaney".

4/20/2020

Steve Delaney
Secretary of the Board

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Communications Policy

Background

1. The OCERS Board of Retirement (Board) recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board ~~wishes to~~must establish protocols and mechanisms for communications communicating clearly among Board members, ~~and~~ between Board members and ~~with OCERS senior~~ management, ~~employers plan sponsors, plan~~ members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and OCERS team members~~staff~~ with guidelines for executing the communications function of the Board.

Policy Objectives

2. To encourage and facilitate open, accurate, timely, and effective communications with all relevant parties.
3. To mitigate risks to OCERS, ~~to~~ the Board, and ~~to~~ Board members that may arise in connection with communications.

Principles and Assumptions

4. Inappropriate or erroneous communications from Board members may represent a significant risk to OCERS, the Board, and individual Board members.
5. A Board member communications policy must balance the need to mitigate that risk with the need for open and efficient communication.

Policy Guidelines

General Guidelines

6. Members of the ~~OCERS~~ Board and the OCERS team~~staff~~ represent many differing backgrounds and viewpoints. ~~Partisan political communications from persons in positions of authority may create a hostile work environment.~~ Therefore, Board members and staff ~~will not~~shall refrain from sending ~~any~~ partisan political communications to ~~a majority of the~~ members of the Board ~~or a majority of the members of a standing committee, or to~~ OCERS team members~~staff~~, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members ~~will not use~~staff shall also refrain from using OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for fulfillment of duties of a duly appointed labor representative.
8. ~~OCERS~~Members of the Board and OCERS team members ~~will not engage~~staff shall also refrain from engaging in ~~any~~ communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and / or groups of people. ~~The prevalence of e~~lectronic communications also present~~brings~~ challenges in



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Communications Policy

managing communications, ~~and~~ potential ~~violations~~~~infringement~~ of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the “Brown Act”) and challenges in complying with the Public Records Act (Gov. Code §§6250, et.seq.). As such, the ~~OCERS~~-Board has adopted the following guidelines for use and management of electronic mail by Board members:

- a. Electronic mail pertaining to OCERS business ~~constitutes~~~~shall be treated as~~ a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee ~~of the Board~~ shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS’ policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. ~~In the event that an e~~Electronic mail communications ~~from is sent by a member of the~~ OCERS ~~team~~staff to a Board member’s ~~may be sent to a~~ personal email account, ~~designated by individual Board members. In such event, the~~ OCERS ~~team member~~staff shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to ~~a member of the~~ OCERS ~~team~~staff, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
 - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);



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OCERS Board Policy Communications Policy

- b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
 - c. Allowing proper public comment on agenda items before or during consideration by the Board (~~s~~Section 54954.3 of the Brown Act);
 - d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (~~s~~Section 54954.5 of the Brown Act);
 - e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by ~~s~~Section ~~54952.3~~~~54953~~ of the Brown Act);
 - f. Not taking any action, whether preliminary or final, by secret ballot (~~s~~Section 54953(c) of the Brown Act); and
 - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (~~s~~Section 54957.5 of the Brown Act).
11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education ~~annually~~ to members of the Board.
 12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
 13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Plan Members and Employers Plan Sponsors

14. Members of the Board shall mitigate the risk of miscommunication with ~~employers plan sponsors~~, OCERS active and deferred ~~plan~~-members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the ~~CEO~~Chief Executive Officer or appropriate designee. The ~~CEO~~Chief Executive Officer or such designee will inform the Board ~~m~~Member when and how the matter was resolved.
16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board ~~of Retirement~~ or a committee of the Board ~~Committee~~ or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential ~~and identified as confidential~~.



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OCERS Board Policy Communications Policy

Board Member Communications with OCERS Management

- 17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS’ policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.
- b. All other Board member requests for information shall be directed to the CEO, who shall in turn direct staff as appropriate.
- c. All Board member expressions of concern and ideas about OCERS’ policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO’s prior express permission. If exigent circumstances arise during the CEO’s absence, such matters may be directed to the CEO’s designee, who shall act in lieu of the CEO.
- 18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS’ staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may ~~be deemed by the Board to constitute a breach of fiduciary duty, and may~~ subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
- 19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
- 20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

- 21. In general, in communicating with external parties, the following guidelines will apply:
 - a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all ~~OCERS plan~~ members;
 - b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
 - c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board ~~of Retirement~~ or a committee of the Board ~~Committee~~ or



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OCERS Board Policy Communications Policy

received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential and identified as confidential;

d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and

e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board ~~of Retirement~~ or are not speaking in their ~~Board of Retirement~~ capacity as a member of the Board.

22. Subject to section 21 above, in situations that call for a spokesperson ~~for from~~ the Board, the Chair or his or her designee shall act as spokesperson for the Board. Generally, t~~he~~ spokesperson ~~generally~~ should request that reporters put questions in writing.

23. When interviewed, or otherwise approached by the media for information concerning the affairs of OCERS, members of the Board shall refrain from making any unilateral commitments on behalf of the Board or OCERS.

24. To help ensure the accuracy of any oral and/or written material created for the purpose of publication or presentation by members of the Board, in their capacity as such, and to ensure that neither OCERS, the Board, or such member of the Board is placed at risk thereby, all such material shall be peer reviewed by the CEO or legal counsel prior to being submitted for publication or presentation.

Policy Review

25. The Board shall review this policy at least every three~~3~~ years to ensure that it remains relevant and appropriate.

Policy History

26. This policy was adopted by the Board of Retirement on November 18, 2002.

27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, ~~and~~ May 15, 2017 and _____, 2020.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

Steve Delaney
Secretary of the Board

5/15/17

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Communications Policy

Background

1. The OCERS Board of Retirement (Board) recognizes that effective communication is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board wishes to establish protocols and mechanisms for communications among Board members; and between Board members and OCERS management, employers, members, and external parties. The Board has adopted this Policy to provide the Board as a whole, individual Board members, and OCERS team members with guidelines for executing the communications function of the Board.

Policy Objectives

2. To encourage and facilitate open, accurate, timely, and effective communications with all relevant parties.
3. To mitigate risks to OCERS, the Board, and Board members that may arise in connection with communications.

Principles and Assumptions

4. Inappropriate or erroneous communications from Board members may represent a significant risk to OCERS, the Board, and individual Board members.
5. A Board member communications policy must balance the need to mitigate that risk with the need for open and efficient communication.

Policy Guidelines

General Guidelines

6. Members of the Board and the OCERS team represent many differing backgrounds and viewpoints. Therefore, Board members and staff will not send partisan political communications to members of the Board, OCERS team members, contractors, temporary employees, or others working for or providing services to OCERS.
7. Members of the Board and OCERS team members will not use OCERS equipment for disseminating partisan political communications to anyone, except where specifically authorized for fulfillment of duties of a duly appointed labor representative.
8. Members of the Board and OCERS team members will not engage in communications that may be considered offensive, profane, vulgar, or based on any characteristics of a protected class under Federal law or laws in the State of California, regardless of the motivation for such communications.
9. Electronic mail allows for near instantaneous communications between individuals and / or groups of people. Electronic communications also present challenges in managing communications, potential violations of the *Ralph M. Brown Act* (Gov. Code §§ 54950-54962) (the "Brown Act") and challenges in complying with the Public Records Act (Gov. Code §§6250, et.seq.). As such, the Board has adopted the following guidelines for use and management of electronic mail by Board members:



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OCERS Board Policy Communications Policy

- a. Electronic mail pertaining to OCERS business constitutes a business record of OCERS subject to the OCERS Records Retention and Guidelines Policy and the Public Records Act.
- b. Electronic mail between Board members must not violate any provision of the Brown Act.
- c. Communications that a Board member wishes to disseminate to a majority of the members of the Board or a majority of the members of a standing committee of the Board shall be submitted to the CEO or his or her designee only. The CEO or his or her designee will then, in his or her discretion, forward said communications to the full Board via a special email. Regardless of whether or not provided via a special email, unless the content of the message is inconsistent with OCERS' policies or applicable law (e.g., violates paragraph 8 above of this policy), it will be distributed publicly to the entire Board as a communications item posted with the public agenda for the next regular Board meeting. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.
- d. In the event that an electronic mail communication is sent by a member of the OCERS team to a Board member's personal email account, the OCERS team member shall retain a copy of the email communication according to the Records Retention and Guidelines Policy and for purposes of compliance with the Public Records Act.
- e. Electronic mail communications regarding OCERS business are public records disclosable under the Public Records Act (unless otherwise covered by an exemption) regardless of the fact that they were sent, received or stored in a personal email account. Whenever possible, electronic mail communications regarding OCERS business should be sent to and from an OCERS email address. In the event an electronic mail communication pertaining to OCERS business is sent from a personal email account to a member of the OCERS team, other Board members or to any other party, the Board member shall copy the electronic mail message to an OCERS email address so that OCERS can maintain a record of the electronic mail communication and produce it in response to a request for it under the Public Records Act. This paragraph in no way authorizes serial communications or communications by or between a majority of the members of the Board or a standing committee of the Board that would violate the Brown Act.

Communications Among Board Members

- 10. The Board shall carry out its activities in accordance with the spirit of open governance, including the provisions of the Brown Act, which include, but are not limited to:
 - a. Ensuring that communications by and between Board members comply with the Brown Act (section 54952.2 of the Brown Act);
 - b. Properly noticing and posting an agenda for Board and Committee meetings (section 54954.2 of the Brown Act);
 - c. Allowing proper public comment on agenda items before or during consideration by the Board (section 54954.3 of the Brown Act);
 - d. Properly describing all items to be considered in closed session in the notice or agenda for the meeting (section 54954.5 of the Brown Act);



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OCERS Board Policy Communications Policy

- e. Not conducting or participating in a series of communications one at a time or in a group that in total constitutes a quorum of the Board or Committee either directly or through intermediaries or electronic devices, for the purpose of developing a concurrence as to action to be taken (a serial or secret meeting prohibited by section 54952.3 of the Brown Act);
 - f. Not taking any action, whether preliminary or final, by secret ballot (section 54953(c) of the Brown Act); and
 - g. Ensuring Board and committee meeting agenda materials are properly made available to members of the public, upon request and without delay (section 54957.5 of the Brown Act).
11. Internal or external counsel for OCERS shall provide biennial Brown Act training/education to members of the Board.
 12. A member of the Board shall disclose information in his or her possession pertinent to the affairs of OCERS to the entire Board in a timely manner.
 13. During meetings of the Board and its committees, Board members shall communicate in a straightforward, constructive manner with due respect and professionalism.

Board Member Communications with OCERS Members and Employers

14. Members of the Board shall mitigate the risk of miscommunication with employers, OCERS active and deferred members, and retirees, and potential liability through adverse reliance by third parties by avoiding giving explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or processes.
15. Where explicit advice, counsel, or education with respect to the technicalities of the plan provisions, policies, or process is needed, Board members will refer inquiries to the CEO or appropriate designee. The CEO or such designee will inform the Board member when and how the matter was resolved.
16. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential.

Board Member Communications with OCERS Management

17. a. Board members who seek information solely in order to respond to inquiries from members about OCERS' policies and practices may direct their inquiries to the CEO or, with notice to the CEO, to the appropriate Assistant CEO or department head, who shall in turn direct subordinate staff as appropriate.
- b. All other Board member requests for information shall be directed to the CEO, who shall in turn direct staff as appropriate.
- c. All Board member expressions of concern and ideas about OCERS' policies, administration, contracting, investments, benefits, media relations and public policy issues shall be directed



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OCERS Board Policy Communications Policy

solely to the CEO. Under no circumstances shall Board members directly communicate about any such matters with any staff subordinate to the CEO outside of a duly noticed Board or committee meeting, without the CEO's prior express permission. If exigent circumstances arise during the CEO's absence, such matters may be directed to the CEO's designee, who shall act in lieu of the CEO.

18. a. The CEO may decline to accept Board member requests for information that require the expenditure of significant staff time or external resources, provided that the CEO then places the matter on the next subsequent Board or committee agenda, as appropriate, for consideration and direction by the full Board or committee.
- b. The Board and individual Board members shall not retaliate against either the CEO or any of OCERS' staff for acting consistently with this Policy. Board member conduct inconsistent with this Policy may subject the Board member to public censure or reprimand, loss of committee membership or other privileges of office, and/or other appropriate action by the Board.
19. The CEO shall ensure that all information requested by one or more Board members is made available to the entire Board.
20. Board members shall share any information in their possession pertinent to the affairs of OCERS with the CEO in a timely manner. Similarly, the CEO shall ensure that all relevant and pertinent information is disclosed to all of the Board members in a timely manner.

Board Member Communications with External Parties

21. In general, in communicating with external parties, the following guidelines will apply:
 - a. The purpose of any communications by members of the Board shall be consistent with their sole and exclusive fiduciary duty to represent the interests of all OCERS members;
 - b. Board members and OCERS management are expected to respect the decisions and policies of the Board in external communications even if they may have opposed them or disagreed with them during Board deliberations;
 - c. Board members shall not disclose confidential communications received orally or in writing in closed session meetings of the Board or a committee of the Board or received orally or in writing from internal or external legal counsel unless the communication is specifically identified by legal counsel as not confidential;
 - d. Individual Board members shall not speak for the Board as a whole unless authorized by the Board to do so; and
 - e. In external communications, Board members are expected to disclose when they are not representing an approved position of the Board or are not speaking in their capacity as a member of the Board.
22. Subject to section 21 above, in situations that call for a spokesperson for the Board, the Chair or his or her designee shall act as spokesperson for the Board. Generally, the spokesperson should request that reporters put questions in writing.



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OCERS Board Policy Communications Policy

- 23. When interviewed, or otherwise approached by the media for information concerning the affairs of OCERS, members of the Board shall refrain from making any unilateral commitments on behalf of the Board or OCERS.
- 24. To help ensure the accuracy of any oral and/or written material created for the purpose of publication or presentation by members of the Board, in their capacity as such, and to ensure that neither OCERS, the Board, or such member of the Board is placed at risk thereby, all such material shall be peer reviewed by the CEO or legal counsel prior to being submitted for publication or presentation.

Policy Review

- 25. The Board shall review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

- 26. This policy was adopted by the Board of Retirement on November 18, 2002.
- 27. The policy was revised on April 16, 2007, March 24, 2008, May 17, 2011, March 17, 2014, January 20, 2015, March 16, 2015, May 15, 2017 and _____, 2020.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

Steve Delaney
Secretary of the Board

_____ Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy

Public Records and Data Request Policy

Purpose and Background

1. The Board of Retirement (“Board”) of the Orange County Employees Retirement System (“OCERS”) adopts this ~~p~~Policy to establish guidelines and procedures regarding responses to requests (~~“(PRA Requests)”~~) ~~made by the public including, but not limited to, the media, business entities, individuals, and any other person or entity unaffiliated with OCERS,~~ pursuant to the California Public Records Act (“PRA”); data requests received from OCERS employers or other stakeholders (“Data Requests”); and requests for account information received from OCERS members and their beneficiaries.

The Board is committed to transparency and recognizes that transparency is integral to good governance. The Board ~~recognizes that it~~ has an obligation to balance its members’ right to privacy with the public’s right to information regarding public business. In addition, the Board must balance the interests of OCERS employers and other stakeholders that request information from OCERS against the Board’s paramount duty to administer the system solely in the interest of, and for the exclusive purpose of providing benefits to, OCERS members and their beneficiaries. This ~~p~~Policy is not intended to cover all of the complex legal and factual issues that may arise in responding to a PRA ~~R~~request. However, the Board has determined that it ~~is would be~~ useful to establish ~~certain~~ guidelines for OCERS to consider when responding to a PRA Rrequest or a Data Requestis made under the PRA, and to publish those guidelines for the benefit of OCERSits members, and their beneficiaries, OCERS employers and stakeholders, and the public at large.

~~This policy will operate in conjunction with OCERS’ Plan Sponsor, Member, and Stakeholder Data-Request Policy, which provides guidelines for responding to requests for information from persons and entities that have a direct affiliation with OCERS.~~

Policy Objectives

2. The objectives of this policy are to provide guidelines to staff ~~and assist~~ in responding to PRApublic records RRequests from members of the public and Data Requests.

Policy Guidelines

3. OCERS members and their beneficiaries are entitled to access their own individual OCERS records and accounts and may authorize access by another person or entity by providing written authorization to OCERS. OCERS staff is authorized to provide members and their beneficiaries with copies of their own individual records and account information and to charge the requestor only the direct cost of duplicating a record, if any. A request made by an OCERS member or beneficiary for their own individual records or information will not be treated as a PRA Request or Data Request under this policy.
4. All Data Requests made by an OCERS employer or other stakeholder shall be routed to an Assistant CEO or the General Counsel and will be treated by OCERS as a request made pursuant to the PRA



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy

Public Records and Data Request Policy

and subject to this policy. Requests from individual Board members shall be routed to the CEO and will be handled by OCERS in accordance with the Board's Communications Policy.

~~3-5.~~ OCERS prefers that all PRA Requests and Data Requests ~~be under the PRA~~ are made in writing in order to facilitate a clear understanding of the request and the records or data being sought by the requestor. When a request is made verbally, staff should ask the requesting party to put the request in writing. In the event the requesting party refuses to make a written request, staff should seek to clarify the request verbally and take detailed notes regarding the request.

~~4-6.~~ The PRA generally requires OCERS to disclose "public records" unless the particular information is exempt from disclosure. "Public records" includes any writing containing information relating to the conduct of the public's business (i.e., OCERS' business) that is prepared, owned, used or retained by OCERS.

~~7.~~ Communications related to the conduct of the public business ~~It includes public records~~ that are sent, received or stored on ~~in~~ the private accounts and personal devices of OCERS staff and Board members ~~are public records subject to disclosure under the PRA~~ ~~private accounts or on their private devices.~~ If it is determined that the scope of a PRA Request includes public records that may be held in a Board member's or OCERS' employee's non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.

~~5-8.~~ OCERS will respond to PRA Requests and Data Requests in accordance with the PRA, the County Employees Retirement Law of 1937 (the "CERL"), and controlling case law interpreting the PRA and the CERL; and OCERS will not disclose records exempt from disclosure under such laws ~~the PRA. The General Counsel, in consultation with the CEO, has the authority to exercise discretion to waive an exemption if it is in OCERS' best interest to do so.~~ including, but not limited to, the following:

- ~~Records pertaining to pending litigation to which OCERS is a party until the litigation or claim has been finally adjudicated or otherwise settled~~
- ~~Records, the disclosure of which is exempted or prohibited pursuant to state or federal law, including, but not limited to, the provisions of the Evidence Code related to privilege~~
- ~~Preliminary drafts, notes or interagency or intra-agency memoranda that are not retained by OCERS in the ordinary course of business, provided that the public interest in withholding those records clearly outweighs the public interest in disclosure~~
- ~~Sworn statements and individual records of members, pursuant to Government Code section 31532 which provides as follows: "Sworn statements and individual records of members shall be confidential and shall not be disclosed to anyone except insofar as may be necessary for the administration of this chapter [the '37 Act] or upon order of a court of competent jurisdiction, or upon written authorization by the member."~~

~~6.~~ OCERS will respond to production in accordance with the decision in *Sonoma County Employees' Retirement System v. Superior Court* (2011) 198 Cal.App.4th 986 which held that the retirement system was required to release the names and gross monthly benefit amounts paid to any member.



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OCERS Board Policy

Public Records and Data Request Policy

~~However, the court ruled that the age at retirement of a member is confidential. The decision also provided guidance regarding the scope of the confidentiality required by section 31532. The Court found that the statute does make confidential all information submitted to a retirement system either by the member or by a third party (e.g., an employer) about a member that would not otherwise be considered public information.~~

~~7. In accordance with the *Sonoma* decision, in response to a PRA request, OCERS will publicly release the following information, to the extent available:~~

- ~~→ Member or benefit recipient name~~
- ~~→ Current gross monthly benefit amount~~
- ~~→ Original gross monthly benefit amount~~
- ~~→ Cost of living adjustments~~
- ~~→ Total final compensation~~
- ~~→ The components of total final compensation~~
- ~~→ Total years of credited service~~
- ~~→ Effective date of retirement~~
- ~~→ Information regarding the member's former employment department, agency and/or job class to the extent it is received by OCERS~~
- ~~→ Statutory basis for the benefit calculation formula~~
- ~~→ Type of retirement (e.g., service, service connected disability, non service connected disability)~~

~~8. Also in accordance with the *Sonoma* decision, OCERS will not publicly disclose the following information:~~

- ~~→ Social Security number~~
- ~~→ Date of birth~~
- ~~→ Age at any time~~
- ~~→ Address~~
- ~~→ Telephone and fax numbers~~
- ~~→ Email address~~
- ~~→ Disability information and medical records~~
- ~~→ Spouse or registered domestic partner and beneficiary designations~~
- ~~→ Member contributions~~
- ~~→ Individual accounts~~
- ~~→ Gross refund amount~~



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OCERS Board Policy Public Records and Data Request Policy

- ~~Personal retirement option election~~
 - ~~Individual benefit calculation formula rate~~
 - ~~The components of credited service~~
 - ~~Personnel records~~
 - ~~Non-public correspondence with OCERS~~
 - ~~Non-public information provided to OCERS by the member~~
9. ~~Requests for information not listed above will be determined on a case-by-case basis, in accordance with applicable law. Also, a request for disclosable records may be objectionable if it is unreasonably burdensome. In such situations, staff should consult with counsel.~~
10. ~~If a request seeks public records held in Board members' or OCERS' employees' non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.~~

~~11.9. The PRA expressly permits, and OCERS' fiduciary responsibility to administer the system for the exclusive purpose of providing benefits to OCERS members and their beneficiaries requires, that Applicable law allows OCERS to recover the direct costs of duplication when providing copies of records, and under certain circumstances, the costs of copying and data retrieval and compilation costs, extraction, and programming to produce an electronic record incurred due to a request under the PRA. OCERS will provide an estimate of the any such costs to the requestor under a PRA Request or a Data Request to copy or produce requested records and will promptly fulfill the request for records or data as soon as possible after payment of the full estimated amount. Any payments made based on the estimate that are in excess of the actual cost for copying or producing the requested records or data will be refunded to the requestor.~~

Policy Review

~~11.10. The Board shall review this Policy at least every three years to ensure that it remains relevant and appropriate.~~

Policy History

~~12.11. The Board adopted this Policy on March 19, 2012. The Board reviewed and amended this policy on December 14, 2015, and May 15, 2017, and April 20, 2020.~~

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Public Records and Data Request Policy

A handwritten signature in black ink that reads "Steve Delaney".

Steve Delaney
Secretary of the Board

~~5/15/17~~ 04/20/20

Date



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Public Records and Data Request Policy

Purpose and Background

1. The Board of Retirement ("Board") of the Orange County Employees Retirement System ("OCERS") adopts this policy to establish guidelines and procedures regarding responses to requests ("PRA Requests") pursuant to the California Public Records Act ("PRA"); data requests received from OCERS employers or other stakeholders ("Data Requests"); and requests for account information received from OCERS members and their beneficiaries.

The Board is committed to transparency and recognizes that transparency is integral to good governance. The Board has an obligation to balance its members' right to privacy with the public's right to information regarding public business. In addition, the Board must balance the interests of OCERS employers and other stakeholders that request information from OCERS against the Board's paramount duty to administer the system solely in the interest of, and for the exclusive purpose of providing benefits to, OCERS members and their beneficiaries. This policy is not intended to cover all of the complex legal and factual issues that may arise in responding to a PRA Request. However, the Board has determined that it is useful to establish guidelines for OCERS to consider when responding to a PRA Request or a Data Request, and to publish those guidelines for the benefit of OCERS members and their beneficiaries, OCERS employers and stakeholders, and the public at large.

Policy Objectives

2. The objectives of this policy are to provide guidelines to staff in responding to PRA Requests and Data Requests.

Policy Guidelines

3. OCERS members and their beneficiaries are entitled to access their own individual OCERS records and accounts and may authorize access by another person or entity by providing written authorization to OCERS. OCERS staff is authorized to provide members and their beneficiaries with copies of their own individual records and account information and to charge the requestor only the direct cost of duplicating a record, if any. A request made by an OCERS member or beneficiary for their own individual records or information will not be treated as a PRA Request or Data Request under this policy.
4. All Data Requests made by an OCERS employer or other stakeholder shall be routed to an Assistant CEO or the General Counsel and will be treated by OCERS as a request made pursuant to the PRA and subject to this policy. Requests from individual Board members shall be routed to the CEO and will be handled by OCERS in accordance with the Board's Communications Policy.
5. OCERS prefers that all PRA Requests and Data Requests be made in writing in order to facilitate a clear understanding of the request and the records or data being sought by the requestor. When a request is made verbally, staff should ask the requesting party to put the request in writing. In the



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy

Public Records and Data Request Policy

event the requesting party refuses to make a written request, staff should seek to clarify the request verbally and take detailed notes regarding the request.

6. The PRA requires OCERS to disclose “public records” unless the particular information is exempt from disclosure. “Public records” include any writing containing information relating to the conduct of the public’s business (i.e., OCERS’ business) that is prepared, owned, used or retained by OCERS.
7. Communications related to the conduct of the public business that are sent, received or stored on the private accounts and personal devices of OCERS staff or Board members are public records subject to disclosure under the PRA. If it is determined that the scope of a PRA Request includes public records that may be held in a Board member’s or OCERS’ employee’s non-governmental accounts or on their personal devices, OCERS will communicate the request to the Board members and employees in question and they must thereafter perform a reasonable search of their personal files, accounts and devices for responsive material.
8. OCERS will respond to PRA Requests and Data Requests in accordance with the PRA, the County Employees Retirement Law of 1937 (the “CERL”), and controlling case law interpreting the PRA and the CERL; and OCERS will not disclose pursuant to a PRA Request or a Data Request records exempt from disclosure under such laws. The General Counsel, in consultation with the CEO, has the authority to exercise discretion to waive an exemption if it is in OCERS’ best interest to do so.
9. The PRA expressly permits, and OCERS’ fiduciary responsibility to administer the system for the exclusive purpose of providing benefits to OCERS members and their beneficiaries requires, that OCERS recover the direct costs of duplication when providing copies of records, and under certain circumstances, the costs of data compilation, extraction, and programming to produce an electronic record. OCERS will provide an estimate of any such costs to the requestor under a PRA Request or a Data Request and will promptly fulfill the request for records or data after payment of the full estimated amount. Any payments made based on the estimate that are in excess of the actual cost for copying or producing the requested records or data will be refunded to the requestor.

Policy Review

10. The Board shall review this Policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

11. The Board adopted this Policy on March 19, 2012. The Board reviewed and amended this policy on December 14, 2015, May 15, 2017, and April 20, 2020.



APPROVED BY THE GOVERNANCE COMMITTEE

OCERS Board Policy Public Records and Data Request Policy

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

Steve Delaney
Secretary of the Board

04/20/2020

Date



OCERS Board Policy Data Request Policy

Purpose and Background

1. Individual member data is stored by OCERS in electronic format. Data for individual members is generally accessible utilizing OCERS' pension administration software. Summary data for groups of members may require the expenditure of substantial staff resources to create reports. It is this latter type of request that is being addressed by this policy.

The Board of Retirement recognizes that transparency is integral to good governance. In order to achieve the mission and objectives of OCERS, the Board must establish a mechanism for responding to requests for summary data from individual Board members, plan sponsors, plan members, and other stakeholders such as employee and retiree groups. Requests for information from external parties such as the media, political action groups, and individuals unaffiliated with OCERS shall be governed by the Orange County Employees Retirement System Public Records Request Policy.

Policy Objectives

2. The objectives of the policy are to provide guidance to staff and assist in responding to requests for data from Board members, plan sponsors, plan members, and other stakeholders.

Policy Guidelines

3. OCERS should carry out its duties in the spirit of open governance.
4. A member or benefit recipient is entitled to access to his or her own records and may authorize access by another person or entity by providing written authorization to OCERS. Generally, Member Services staff is authorized to provide copies of member records to the member or an authorized recipient. Documents marked as "Confidential" or "Legal" communications should not be provided to the member unless authorized by the Legal Department.
5. All requests for data by plan sponsors and other stakeholders shall be routed to an Assistant CEO or the Chief Legal Officer.
6. Requests for data that are readily available should be satisfied as quickly as possible.
7. Records exempt from disclosure under applicable law shall not be disclosed unless the requesting party fulfills the requirements for disclosure under the applicable law. Staff responding to data requests should review and be familiar with the OCERS Public Records Request Policy to ensure compliance with disclosure rules.
8. Requests from individual Board members shall be addressed to the CEO.
9. Requests from plan sponsors, plan members, and other stakeholders that require minimal staff time to prepare and less than \$1,000.00 in estimated staff costs shall be satisfied at no cost to the requestor except for copying costs if applicable. Minimal staff time would be defined as four hours or less of programming, analysis, data compilation, or other staff time.
10. Requests from plan sponsors, plan members, and other stakeholders that require estimated staff costs in excess of \$1,000.00 shall be referred to the Board for consideration. The Board shall determine whether OCERS will seek reimbursement for costs from the requesting party.



OCERS Board Policy Data Request Policy

Policy Review

- 11. The Board of Retirement will review this policy at least every three (3) years to ensure that it remains relevant and appropriate.

Policy History

- 12. The Board of Retirement adopted the Data Request Policy on August 27, 2007. The Board reviewed the policy on June 21, 2010. The Board revised the policy on March 19, 2012, December 14, 2015 and October 15, 2018.

Secretary’s Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.

10/15/18

Steve Delaney
Secretary of the Board

Date



Memorandum

DATE: April 6, 2020
TO: Members of the Board of Retirement
FROM: Brenda Shott, Assistant CEO Finance and Internal Operations
SUBJECT: **RECOMMENDATION OF THE GOVERNANCE COMMITTEE REGARDING THE “18 BASIS POINTS TEST” FOR THE OCERS BUDGET PROCESS**

Recommendation

The Governance Committee recommends that the Board approve discontinuing the practice of calculating and reporting the “18 basis points test” as part of the OCERS annual budget and quarterly budget to actual reporting.

Background/Discussion

The Budget Approval Policy was reviewed by the Governance Committee on March 13, 2020 as part of their regular triennial policy review process.

During the review of the Budget Approval Policy, Staff discussed with the Governance Committee the “18 basis point test”. The “18 basis point test” was the previous budget limitation requirement contained in the County Employee Retirement Law (CERL). The provision limited county employee retirement systems’ budgeting authority to be 18 basis points of the projected actuarial value of total assets. The CERL was changed in 2010 to limit budgeting authority of the county employee retirement systems to be 21 basis points of the projected actuarial accrued liabilities. Although OCERS is no longer bound by the “18 basis points test”, this calculation has continued to be included as part of the annual budget and quarterly budget to actual reporting based on Board direction received in 2010. However, the continued calculation of the 18 basis point test was never memorialized as a provision in the Budget Approval Policy. Staff was seeking direction from the Committee as to whether the requirement to continue calculating the test should be included in the Budget Approval Policy or discontinue the practice as there is no legal requirement or basis to continue with the test. After discussion, the Committee unanimously approved a motion to recommend that the Board approve discontinuing the practice of calculating and reporting of the “18 basis points test”.

Submitted by:

A rectangular stamp with the OCERS logo on the left and the text "OCERS B.M.S. - Approved" in a bold, sans-serif font on the right.

Brenda Shott, CPA
Assistant CEO, Finance and Internal Operations



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: **SACRS BOARD OF DIRECTORS ELECTION 2020-2021 – DIRECTION TO OCERS’ VOTING DELEGATE**

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 at the SACRS Fall Conference to take place on November 10—13, 2020 (date of election TBD).

Background/Discussion

Typically, SACRS elects officers at its first meeting each calendar year in May, during the SACRS Spring Conference. Because of the COVID-19 pandemic, the SACRS Spring Conference was canceled; accordingly, the 2020-2021 election will be held at the SACRS Fall Conference during the Annual Business meeting to be held sometime during the November 10 through 13, 2020 Fall Conference.

The SACRS Nominating Committee’s Recommend Ballot for the 2020-2021 election includes the following candidates:

President	Vivian Gray, Los Angeles CERA
Vice President	Roger Hilton, Orange CERS
Treasurer	Harry Hagen, Santa Barbara CERA
Secretary	Kathryn Cavness, Mendocino CERA
Regular Member	David MacDonald, MD, Contra Costa CERA
Regular Member	John Kelly, Sacramento CERS

In addition, the SACRS Nominating Committee received a Submission Form from the following SACRS member(s) applying for the following position(s) on the SACRS Board of Directors:

Regular Member	Vere Williams, San Bernardino CERA
Regular Member	Edward Robinson, Kern CERA

At the SACRS business meeting to be held sometime between November 10 and 13, 2020, OCERS’ voting delegate will have the opportunity to cast OCERS’ vote as directed by the Board. In accordance with OCERS’ SACRS Voting Authority Policy (copy attached), OCERS’ voting delegate is the Board Chair, and each member of the Board and the CEO are alternate delegates. If the Board Chair is unable to attend a SACRS business meeting at which a vote is taking place, the Policy provides that the Vice Chair shall be designated as alternate voting

delegate. If both the Chair and Vice Chair are unable to attend, the alternate voting delegate will be determined, among the Board members in attendance, alphabetically by the Board member's last name. The voting delegate may vote by recommended ballot or by each position separately.

Staff requests that the Board direct the OCERS voting delegate/alternate delegates on how to cast OCERS' vote at the election.

Attachments

Submitted by:

A handwritten signature in cursive script that reads "Gina M. Ratto". The signature is written in black ink and is positioned above a horizontal line.

Gina M. Ratto
General Counsel



OCERS Board Policy

SACRS Voting Authority Policy

Background

1. The State Association of County Retirement Systems (SACRS) is an association of 20 California county retirement systems, established under the County Employees Retirement Law of 1937. SACRS meets as an organization twice a year with all 20 counties participating through attendance by Trustees, Administrators, and staff.
2. Regular member County Retirement Systems shall have the right to vote on the election of the officers/directors of SACRS, amendments to the Articles of Incorporation and By-laws, legislative proposals for SACRS' sponsorship and positions on non-SACRS' sponsored legislation, resolutions, and other items of SACRS' business. Regular member County Retirement Systems shall be entitled to one (1) voting delegate, designated in writing by the County Retirement Board.
3. A voting delegate shall be designated in writing by the member County Retirement Board and shall be a Trustee or Administrator who is employed directly by the County Retirement System. Alternate delegates may be designated in writing by the member County Retirement Board.

Policy Guidelines

4. In order to ensure that OCERS is represented by a voting delegate at each business meeting of SACRS, OCERS will designate the current Board Chair as voting delegate, and each member of the Board and the Administrator as alternate delegates.
5. Credentials for the delegates who are voting participants shall be filed with the SACRS Credentials Committee in writing prior to any meeting of SACRS at which voting will take place, unless there are no changes from the credentials already on file. Credentials shall include the name of the member County Retirement System, and indicate that the Board Chair is the voting delegate and all other Board members and the Administrator are alternate voting delegates.
6. Voting at meetings of SACRS shall be the exclusive privilege of the delegate or alternate delegate. If the Board Chair is unable to attend a SACRS business meeting at which a vote is taking place, the Vice Chair shall be designated as alternate voting delegate. If the Board Chair and Vice Chair are both unable to attend, the alternate voting delegate will be determined, among the Board members in attendance, alphabetically by the Board member's last name. Each voting delegate, or designated alternate delegate if the voting delegate is absent, may cast one (1) vote on each matter submitted to a vote of the membership.
7. Where the OCERS' Board has taken an official Board position on an item to be voted on at a SACRS business meeting, the voting delegate or designated alternate voting delegate must cast a vote consistent with the Board position. If the Board has not taken a position on an item to be voted on, the voting delegate or designated alternate voting delegate must comply with the Board policy or policies that address(es) the subject matter of the item. When the item to be voted on is not addressed in any OCERS' Board policy and the Board has not taken a position, the voting delegate or designated alternate voting delegate may use his or her best judgment to vote in accordance with the position he or she believes the Board would take on the item, or abstain from voting.



OCERS Board Policy

SACRS Voting Authority Policy

Notwithstanding the foregoing, the voting delegate and designated alternate voting delegate shall not vote on any item that would obligate OCERS financially to pay any sums other than SACRS dues.

Policy Review

- 8. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy History

- 9. This policy was adopted on May 9, 1988.
- 10. This policy was revised on August 25, 2008, May 17, 2011, March 17, 2014 and May 15, 2017.

Secretary's Certificate

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney
Secretary of the Board

5/15/17

Date

*Orange County Employees Retirement System
Retirement Board Meeting
April 20, 2020
Application Notices*

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
Akerlind, Eric	District Attorney	1/31/2020
Altmire, Craig	Social Services Agency	1/17/2020
Alva, Yolanda	Social Services Agency	12/31/2019
Armendarez, Mary	Sheriff's Dept	2/14/2020
Azevedo, Deanna	Social Services Agency	2/14/2020
Bennett, Deborah	Health Care Agency	2/4/2020
Bloom, Daniel	Sheriff's Dept	2/28/2020
Byerley, Wayne	Sheriff's Dept	2/14/2020
Campbell, Jeffrey	Sanitation District	1/31/2020
Carr, Cynthia	Probation	2/28/2020
Castro, Norma	Social Services Agency	2/4/2020
Chavez, Yvonne	County Executive Office (CEO)	1/31/2020
Collins, Richard	Sheriff's Dept	12/27/2019
Contreras, Rebecca	Sheriff's Dept	2/21/2020
Conway, Dennis	District Attorney	2/28/2020
Cooper-Jehangiri, Sally	Sheriff's Dept	2/14/2020
Danks, Jason	Sheriff's Dept	1/31/2020
Davis, Michael	Sheriff's Dept	12/28/2019
Devolder Fernandez, Sonia	OC Public Works	1/31/2020
Estrada, Cynthia	Health Care Agency	2/3/2020
Floren, Steven	Fire Authority (OCFA)	2/4/2020
Flores, Adrienne	Social Services Agency	1/31/2020
Flores, Elizabeth	Social Services Agency	2/14/2020
Fogarty, Carrie	OC Vector Control District	1/6/2020
Freer, Jason	Superior Court	2/18/2020
Frisch, Bonnie	John Wayne Airport	2/28/2020
Garcia, Jonathan	Probation	2/14/2020
Gonzalez, Irene	Social Services Agency	2/28/2020
Habeeb El-Zayat, Onsi	Health Care Agency	2/28/2020
Hamborg, Peter	Fire Authority (OCFA)	2/21/2020
Hayden, Jacqueline	Social Services Agency	2/12/2020
Heiberger, Estera	Social Services Agency	2/28/2020
Henderson, Dale	Sanitation District	1/31/2020
Hernandez, Jesus	Sheriff's Dept	2/3/2020
Hoferitza, Joann	Sheriff's Dept	1/31/2020
Kelly, Nicky	OC Public Works	2/14/2020
Kennedy, Diana	Probation	2/14/2020
Kim, Steven	Health Care Agency	2/12/2020
Krusel, Kathryn	Health Care Agency	2/21/2020
Lee, Chandara	Health Care Agency	2/14/2020
Lee, Craig	Sheriff's Dept	2/14/2020
Lehman, Gladys	Sheriff's Dept	2/14/2020
Lepordo, Paul	OCTA	2/29/2020
Lopez, Jorge	Health Care Agency	1/31/2020
Maggio, Katherine	Social Services Agency	2/12/2020
Mattox, Karla	Child Support Services	2/10/2020
Mc Cullough, Stephen	OCTA	12/22/2019
Mendez, Lawrence	Sheriff's Dept	1/31/2020
Miracle, Sue	Probation	1/27/2020

<i>Member Name</i>	<i>Agency/Employer</i>	<i>Retirement Date</i>
Narksuwan, Johnny	Sheriff's Dept	1/3/2020
Nguyen, Kim	OC Community Resources	2/28/2020
Nguyen, Luan	OCTA	2/20/2020
Nguyen, Mai	Assessor	2/28/2020
Nichols, Denise	Probation	2/14/2020
Nordin, Martha	Superior Court	2/4/2020
O'Hern, Theresa	Health Care Agency	2/14/2020
Pardee, Gordon	OC Public Works	2/14/2020
Parish, Aidee	Auditor Controller	1/31/2020
Partida, Doreen	Social Services Agency	1/31/2020
Pell, Debbie	Superior Court	2/14/2020
Perera, Duwage	Sheriff's Dept	2/14/2020
Perry, Michael	Fire Authority (OCFA)	2/14/2020
Phuong, Ddaze	Sanitation District	1/22/2020
Quilantan, Alex	Sheriff's Dept	2/27/2020
Raney, Darrel	District Attorney	2/14/2020
Sammons, Morris	Sheriff's Dept	1/31/2020
Shannon, Heather	Social Services Agency	1/29/2020
Show, Gaylene	Superior Court	2/14/2020
Sterling, William	Fire Authority (OCFA)	2/2/2020
Thompson, Frederick	Sheriff's Dept	2/14/2020
Toader, Gheorghe	District Attorney	2/14/2020
Tran-Smith, Catherine	Assessor	2/28/2020
Tutek, James	Social Services Agency	2/28/2020
Ubina, Eleonor	Health Care Agency	2/28/2020
Van Patten, James	Sheriff's Dept	1/31/2020
Wharton, Gina	Superior Court	2/14/2020
Zargham, Reza	OC Community Resources	1/31/2020

*Orange County Employees Retirement
Retirement Board Meeting
April 20, 2020
Death Notices*

<i>Active Members</i>	<i>Agency/Employer</i>
Beebe, Kimberly	County Counsel
Chuong, Daniel	OCTA
Colacchia, Joseph	Health Care Agency

<i>Retired Members</i>	<i>Agency/Employer</i>
Beishline, Carol	Health Care Agency
Bentz, David	City of San Juan Capistrano
Bergmeister, William	District Attorney
Bo, Thu	Social Services Agency
Brooks, Howard	Probation
Brown, Katherine	UCI
Clallahan, Charles	OC Public Works
Cate, Michael	Fire Authority (OCFA)
Clark, Elbert	UCI
Dayyat, Richard	OCTA
Duran, Edward	County Counsel
Fritz, Faye	Local Agency Formation Comm (LAFCO)
George, Shirley	Treasurer - Tax Collector
Hanvelt, Emily	UCI
Hernandez, Micky	Social Services Agency
Hung, Derling	Sheriff's Dept
Johnson, Mary	OC Community Resources
Kaufman, Gayle	OC Community Resources
Kompier, Joan	Department of Education
Lundquist, Linda	Assessor
Nash, Ida	UCI
Page, Olive	Social Services Agency
Parker, Grace	Social Services Agency
Permenter, Barry	Sheriff's Dept
Rivadeneira, Shelley	Superior Court
Row, Nathan	Superior Court
Stack, Joan	Health Care Agency
StGeorge, John	Social Services Agency
Taylor, Stanley	County Executive Office (CEO)
Terrazzi, Richard	OC Public Works
Voss, Barbara	Social Services Agency
Weisman, Rosamond	County Clerk/Recorder
Widman, Iva	UCI
Yorton, Linda	OC Public Works

<i>Surviving Spouses</i>	
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Baca, Margaret	
Disher, Lois	
Ellis, Etta	
Fourniea, Pat	
Koziatek, Ted	
Lee, Jane	
Mogle, Ruth	
Smith, Kathleen	
Sparks, Ann	

Governance Committee Meeting
November 7, 2019

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

**GOVERNANCE COMMITTEE MEETING
November 7, 2019
9:00 a.m.**

MINUTES

The Chair called the meeting to order at 9:14 a.m. Attendance was as follows:

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

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

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes September 25, 2019

MOTION by Prevatt, **seconded** by Hilton, to approve the Minutes.

The motion passed **unanimously**.

ACTION ITEMS

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

No items were trailed from the Consent Agenda.

A-2 OCERS EMPLOYER POLICIES

Presentation by Suzanne Jenike, Assistant CEO, External Operations

Recommendation:

- 1) Approve and recommend that the Board approve revisions to the ***Declining Employer Payroll Policy***;
- 2) Approve and recommend that the Board approve revisions to the ***Withdrawing Plan Sponsor Policy*** (including a change in the name of the policy to ***Withdrawing Employer Policy (Continuing Contributions)***); and

Governance Committee Meeting
November 7, 2019

- 3) Approve and recommend that the Board adopt a new policy, the ***Withdrawing Employer Policy (Fully Satisfied Obligation)***, for participating employers that wish to withdraw from OCERS and fully pay their UAAL at the time of such withdrawal.

MOTION by Prevatt, **seconded** by Hilton, to approve, and recommend that the Board adopt, the recommendations above with the exception of changing recommendation 2 from "Withdrawing Employer Policy (Continuing Contributions)" to "Withdrawing Employer Policy (Continuing Obligations)".

The motion passed **unanimously**.

A-3 INVESTMENT COMMITTEE GOVERNANCE MATTERS INCLUDING MEETING SCHEDULE

Presentation by Molly Murphy, Chief Investment Officer

Recommendation: Take appropriate action.

The Committee approved a recommendation to eliminate the Manager Monitoring Subcommittee Meeting going forward and to eliminate the January Investment Committee Meeting. Further, the Governance Committee also instructed staff to use Investment Committee time efficiently in 2020, even if that results in shorter Investment Committee Meetings in 2020.

MOTION by Prevatt, **seconded** by Hilton, to approve, and recommend that the Board take appropriate action.

The motion passed **unanimously**.

COMMITTEE MEMBER COMMENTS

None.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

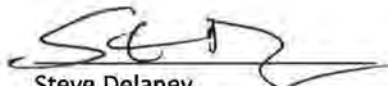
None.

COUNSEL COMMENTS

ADJOURNMENT

The meeting adjourned at 10:35a.m.

Submitted by:


Steve Delaney
Secretary to the Board

Approved by:


Shawn Dewane, Chair



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **CEO FUTURE AGENDAS AND 2020 OCERS BOARD WORK PLAN**

Written Report

AGENDA TOPICS FOR THE OCERS BOARD OF RETIREMENT

MAY

Preliminary December 31, 2019 Actuarial Valuation

JUNE

December 31, 2019 Actuarial Valuation Final Approval
Strategic Planning Workshop Proposed Agenda
OCERS 2020 Business Plan and 2020-2022 Strategic Plan: Mid-Year Review

JULY

Travel and Training Expense Report
Strategic Planning Workshop – Final Agenda
Consideration of Early Payment of Employer Contributions For Fiscal Year 2021-2022
Segal Cost Projections

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

OCERS RETIREMENT BOARD - 2020 Work Plan

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep (Offsite)	Oct	Nov	Dec
System Oversight		STAR COLA Posting (I)	Approve 2020 STAR COLA (A)	SACRS Board of Directors Election (A)	Preliminary December 31, 2019 Valuation (I)	Mid-Year Review of 2020 Business Plan Progress (I)	Alt. Invest. Return and Assumption Sensitivity: 20-year Illustration (I)	Review 2nd Quarter Budget to Actuals Financial Report (I)	Strategic Planning Workshop (I)	Overview of 2021 Administrative Budget and Investment (Workshop) (I)	Review 3rd Quarter Budget to Actuals Financial Report (I)	
		Approve 2020 COLA (A)	Quarterly 2020-2022 Strategic Plan Review (A)			Approve December 31, 2019 Actuarial Valuation & Funded Status of OCERS (A)	Actuarial Review: Risk Assessment (I)	Receive OCERS by the Numbers (I)		Approve 2021-2023 Strategic Plan (A)	Approve 2021 Administrative (Operating) Budget (A)	
						Approve 2019 CAFR (A)	Approve Early Payment Rates for Fiscal Year 2019-20 (A)	Receive Evolution of the UAAL (I)		Approve 2021 Business Plan (A)	Annual CEO Performance Review and Compensation (A)	
						Quarterly 2020-2022 Strategic Plan Review (A)		Employer & Employee Pension Cost Comparison (I)				
								Approve Actuarial Experience Study 2017-2019 (A)			Adopt 2021 Board Meeting Calendar (A)	
Board Governance				Brown Act Training (I) - Future Date TBD					Annual Review of Succession Plan (I)			Adopt Annual Work Plan for 2021 (A)
				Conflict of Interest Training (I) - Future Date TBD							Vice-Chair Election (A)	
Regulation / Policies	Communication Policy Fact Sheet (I)											
Compliance				Form 700 Due (A)		Receive Financial Audit (I)			State of OCERS (I)		Status of Board Education Hours for 2020 (I)	

(A) = Action (I) = Information



Memorandum

DATE: April 7, 2020
TO: Members of the Board of Retirement
FROM: Jim Doezie, Contracts, Risk and Performance Administrator
SUBJECT: QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

Background/Discussion

1. **Quiet Period Policy Guidelines**

The following guidelines established by the Quiet Period Policy, section 3.c, will govern a search process for any contract to be awarded by OCERS:

“...Board Members and OCERS staff shall not knowingly communicate with any party financially interested in any prospective contract with OCERS regarding the contract, the services to be provided under the contract or the selection process;”

2. **Quiet Period Guidelines**

In addition, the following language is included in all distributed RFP's:

“From the date of issuance of this RFP until the selection of one or more respondents is completed and announced, respondents are not permitted to communicate with any OCERS staff member or Board Members regarding this procurement, except through the Point of Contact named herein. Respondents violating the communications prohibition may be disqualified at OCERS’ discretion. Respondents having current business with OCERS must limit their communications to the subject of such business.”

Distributed RFP's

The RFP's noted below are subject to the quiet period until such time as a contract(s) is finalized.

- An RFP for a Board Room Audio/Visual Presentation System was distributed. Bids were received that are currently being evaluated.
- An RFP for additional Investment Counsel firm(s) was issued in March, 2020. The need for this RFP is to get at least one additional Investment Counsel Firm (Attorney group) to handle the volume of investments that are being reviewed. Pending proposals due April 24th.

Submitted by:

Jim Doezie
Contracts, Risk and Performance Administrator



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: BOARD COMMUNICATIONS

Written Report

Background/Discussion

To ensure that the public has free and open access to those items that could have bearing on the decisions of the Trustees of the Board of Retirement, the OCERS Board has directed that all written communications to the entire Board during the interim between regular Board meetings be included in a monthly communications summary.

News Links

The various news and informational articles that have been shared with the full Board are being provided to you here by web link address. By providing the links in this publicly available report, we comply with both the Brown Act public meeting requirements, as well as avoid any copyright issues.

The following news and informational item was provided by staff and the CEO for distribution to the entire Board:

Steve Delaney:

Email Communication: Tuesday, March 17, 2020

To the members of the OCERS Board of Retirement,

I am writing to keep you current with the OCERS plan to deal with the COVID-19 outbreak. Much of this you heard yesterday during the Board meeting, but details have changed somewhat in the past 24+ hours.

Reacting primarily to yesterday's Presidential request to work from home over the next two weeks "if possible", the OCERS team is preparing to do our part to help in the fight against the spread of the coronavirus:

OFFICE CLOSED TO VISITORS

- First, as of today, the OCERS offices are closed to our members and the public, through April 17, 2020. We are working hard to get the word out to our members who have individual appointments and arrange to care for those member's needs by telephone or e-mail.

ALL OCERS WORKS FROM HOME TOMORROW AS A TEST

- Tomorrow, Wednesday, March 18, the entire OCERS team will be out of the office. This is our test day, to see if we can have all staff with surface tablets or lap tops (about 85 of our 98 employees) work remotely, and determine what kind of impact that has on our systems.

THEREAFTER, UNTIL APRIL 3, MOST WORK FROM HOME, WHILE A SKELETON CREW WORKS AT THE OFFICE

- I had indicated yesterday that my plan was for the full team to return on Thursday for a debrief. With the subsequent Presidential request, that has changed. Now the majority of staff will remain on "Work from Home" status through Friday, April 3, 2020. That meets the President's two week request.

Since we are undertaking a voluntary quarantine approach, we are not bound by stringent rules such as the CERL systems up north who have been delivered a "shelter in place" order from the government. As it is voluntary, and with our building actually a very safe location once everyone is out, I have approved each department to return on this Thursday, March 19 and for the rest of the two week period, engage a small (1-2 individuals per department) skeleton crew who if willing to volunteer, would return to the office and perform their work tasks at the office. Our team members are simply more productive in the office with two screens and all the other support materials as opposed to performing all of their work at home with a small screen surface tablet. As we are under time constraints with high retirement applications, we want to balance being cautious with the desire to meet our members needs.

For those few employees (10+) who will be working from home but do not have a surface tablet or lap top, they are directed to work with their manager to obtain other work assignments, such as working on written policies and procedures or other paper-centric work.

While there will be no one in the office tomorrow, Wednesday, March 18, you can reach me or any of the management team by telephone, text or e-mail.

On Thursday, March 19, and after, there will always be one senior executive at a time in the OCERS Building. We have created a rotating schedule to ensure one of us is always there.

We will be reviewing the "Work from Home" project as April 3 nears, to determine if we need to extend it for another two week period. I will keep the Chair apprised of our progress, and will report back to the full Board on occasion to keep each of you informed as well.

A broad communication to our members and employers is completed and will be posted to our website shortly.

These are unprecedented times and I did not take this decision lightly. At the end of the day, I believe it is imperative to do what we can to protect the health and safety of our members, employees and their families, and with hope, we can help reduce the rapid spread of Covid-19.

Steve Delaney

Email Communication: Monday, March 23, 2020 8:42 AM

To the members of the OCERS Board of Retirement,

I hope all is well with each of you. As you may recall, the senior team members are taking turns working from OCERS HQ. I am in the office today.

The majority of our work is being accomplished at home by OCERS team members who are “sheltering in place.”

The OCERS IT team did an amazing job – they were able to get surface tablets or recycled lap tops out to more than 90 of our 98 staff. We expect everyone to have a tool for use in working from home by the end of this week. I cannot express enough my admiration for the incredible work they did to accomplish what even they were unsure was possible when we first discussed this direction at the start of the month.

We do have a small skeleton crew in the building today (as processing retirements can be considered an “essential” activity under the Governor’s directive), less than 10 individuals, all mandated to keep apart per social distancing guidelines. We are in our final full crunch week as the Member Services team completes processing around 500 application for retirement. Those few staff members who come in to the building can process more applications with the multiple tools available in the office than would be possible at home, and that allows us to keep up with the demand.

An interesting aside, it turns out we are one of the few pension systems that has been able to maintain full telephone service to our members during this difficult time period. Here is a note I shared with the OCERS staff at the end of last week:

I have to share with you a great note of kudos received just this morning from another California pension system CEO. He wrote to tell me how impressed he was with OCERS business continuity efforts in a trying times such as these. Starting his day with a dose of curiosity, he began dialing the main information number of various southern California pension systems. Here’s what he found:

San Diego City, closed, but with an updated telephone message as to what was occurring

LA County, closed, but with an updated telephone message

San Bernardino, closed, but with an updated telephone message

San Diego County, closed, and telephone message had not yet been updated

Then he called OCERS, and that is why he had to write to me – A live OCERS team member answered his call! OCERS had figured out a way to demonstrate our value of superior service! He wrote: “OCERS – an amazing place with continued live service!”

The OCERS Board’s Investment Committee meeting will take place as planned on Wednesday, March 25, at 9:30 a.m. As I shared with you previously, the meeting will be telephonic, so all of you will be able to participate from your own homes, for your safety and the safety of others. We will have a couple of staff in the Board room to facilitate the meeting, and the Board room will be open for any public visitors who may wish to attend and listen. Our goal is to obtain telephone software that would allow the public to join us by phone, and thus negate any reason for keeping the Board room open, but we are not there yet. I will keep you informed if that changes before Wednesday.

Call or write if you have any questions, comments or concerns.

Good health to us all,
Steve Delaney

Email Communication Thursday, April 2, 2020 2:56 PM

To the members of the OCERS Board of Retirement,

Our second full week of working remotely is rapidly coming to an end, and I wanted to let you know of the great work being accomplished by the OCERS team.

First, we continue to work from home, which is no surprise. We will continue to do so at least until April 17, revisiting that decision in two-week increments, though seeing the current news I discussed by phone with the entire OCERS staff just yesterday during our weekly Wednesday afternoon call that I expect we will most likely be out through the end of April, and very possibly through the end of May. Because that is longer than any of us anticipated as we first left the offices on March 18, I also informed staff in that same call that if they need to have a work chair, additional monitor, or other similar tools to assist in making their home work space more conducive to their efforts, we have arranged a “check out” system to allow them to obtain those items. We have also arranged for a carrier company to deliver the chairs if requested, as they can be too large for our staff members to attempt themselves.

Additionally, while our departure from the building on March 18 was voluntary, that is, we let team members come back after the 18th in limited numbers to work from the office if they requested, we are ending that. While only one or two individuals requested to work from the office rather than home as an issue of convenience, as of Monday April 6, it is a requirement that all staff work from their homes. We will continue to have a small skeleton force working from the office to care for essential activities, however a staff member can only volunteer to be part of that crew if requested to do so by his or her manager. Though nuanced, that is a change from how we approached working remotely when we first departed on March 18, so with advice of counsel we will be officially informing OCERS' labor representative, OCEA, of that change, and offering to "meet and confer" if they so choose at some future date.

The attached protocol above covers both of these first two items of note (check out of equipment, and mandatory work from home), as well as many other questions that have been posed by the team.

Coming out of our busiest time of the year, when the largest number of members apply to retire in order to take advantage of the April 1 Cost of Living adjustment (a small quirk in the law which allows members who retire by April 1 to receive an immediate COLA increase to their initial retirement benefit), I am happy to report that the Member Services team was able to get every member who sought an April 1 (or earlier) retirement loaded to the system. I asked our Communications Department to post a note regarding that accomplishment on our website:

CEO Update (March 31)

<https://www.ocers.org/post/updated-message-ocers-ceo-steve-delaney>

As you will recall, we have been ahead of the curve in having the ability to manage our phones with live operators. I have been calling our OCERS team members at their homes on a random basis to see how they are doing, answering questions, and generally getting a feel for how our members are doing during these difficult times. A number of the OCERS staff have told me that a common question or concern, is the safety and security of the OCERS fund. For those who have that as a general question, OCERS staff members direct the individuals to the message first posted on our website on March 19:

CEO Message (March 19)

<https://www.ocers.org/post/message-ocers-chief-executive-officer-steve-delaney-ocers-response-covid-19>

Some members have more detailed questions regarding the OCERS portfolio, and for those individuals we have just posted a fuller discussion as prepared by Ms. Murphy on the OCERS website:

OCERS Portfolio Update

<https://www.ocers.org/post/investment-performance>

A final note before closing, we are working on trying to find some way to conduct the April 20 meeting of the Board in a fully telephonic manner. We still have issues to resolve before we know for sure how that meeting will be conducted. It will be held, the process is what is being considered. You will be hearing more about this next week.

It has been a challenging time, but your OCERS team is doing well, and have accomplished great work to ensure we fulfill the mission of this agency on behalf of our thousands of members who look to you as Trustees of their financial futures. I wish you all the very best, continue to exercise caution in your personal lives, and feel free as always to contact me by phone or text with any questions or concerns.

Good health to us all,
Steve Delaney

Email Communication Friday, April 10, 2020 8:42 AM

To the members of the OCERS Board of Retirement,

My apologies, the FEBRUARY report is obviously coming to you much later than normal. I was distracted.

The report here is almost a nostalgic walk down memory lane, of a world that was just on the cusp of changing to what we are dealing with today.

One change you will see in the report, a change I actually planned to implement with this February report prior to any COVID-19 concerns, is the elimination of the "top three questions" section that opened every monthly report for the past several years. With that section I was trying to give the Board a sense of the true voice of our members. Unfortunately the questions became repetitive and it was also causing a lot of work on the part of the already very busy Member Services team to collate those top three questions each month. So what you have for the first time is a new section that opens the report, called "Member Survey Response". We ask members that come into the office (see this is nostalgic) to fill out a short questionnaire telling us how we did, hoping we might find suggestions that allow us to further improve our member services. Many times the response will contain wonderful compliments of a OCERS team member and the assistance provided, so we decided to share a single quote with each summary. This was the first, we had many to choose from, and I can already tell that in future editions I want to include several to give you a fuller feel for our members and what they have to share.

Good health to us all.

Attached:

- COVID 19 PROTOCOLS
- OCERS Activities for February 2020

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer

Updated April 1, 2020
(updated 1:00pm)

COVID-19 - OCERS PROTOCOLS AND GUIDELINES

WORK FROM HOME

In order to be compliant with Governor Newsom's "stay at home" order, beginning April 6, 2020, and until such time as the Governor's directive changes, all OCERS staff are required to work from home using your OCERS-issued mobile devices. However, it may be necessary for certain essential duties (as defined by OCERS management) to be performed at the OCERS offices in order to meet our primary mission to "provide secure retirement and disability benefits with the highest standards of excellence." In only those instances, the responsible manager may request an OCERS team member to come to the offices to perform those necessary duties; however, any employee may decline such a request if he or she does not feel comfortable working in the OCERS offices.

TRAVEL AND IN PERSON MEETINGS/INTERACTIONS (These are more rigorous/aggressive than CDC guidance)

All OCERS business travel is canceled until such time as the Orange County Health Department and Governor's Office lift any applicable restrictions.

Meetings and interactions should be conducted by telephone whenever possible. The IT Division is also available to assist you with options for videoconferencing.

If a face-to-face meeting or interaction cannot be avoided, you should not shake hands and should maintain at least six feet between you and the other individuals. You are encouraged to practice social distancing both inside and outside of the workplace.

PERSONS WITH SYMPTOMS OR EXPOSURE TO PERSONS WITH SYMPTOMS

If you are experiencing coronavirus symptoms (cough, fever, shortness of breath) or if you have been around others who have exhibited coronavirus symptoms, we encourage you to self-quarantine and stay home in order to prevent potential spread of the virus.

If during the period that you are telecommuting you become too sick to work, please contact your supervisor, just as you would do if you were working from the office.

PERSONS WHO HAVE TESTED POSITIVE FOR COVID-19 OR WHO LIVE WITH SOMEONE WHO HAS COVID-19

In the event you have been confirmed to have COVID-19, or you live with someone who has COVID-19, we ask that you please report this to Cynthia Hockless, Director of Human Resources, or to a member of the Senior Executive team so that precautionary measures may be taken with other OCERS employees, and so you can conduct a risk assessment with respect to your own potential exposure. Please rest assured that any information of a medical nature that you share with OCERS will be kept confidential.

While maintaining confidentiality, OCERS will inform you if there is a confirmed case of COVID-19 in our workplace.

CLEANING/DISINFECTING OF OUR OFFICE SPACE AND BUILDING

We have instructed our day porter and night janitorial service provider, effective immediately, to institute cleaning and disinfecting protocols that are more aggressive than recommended by the CDC, including the use of hospital grade sanitizer in common areas.

We are exploring options for a professional deep cleaning before we resume normal operations and the entire OCERS team returns to the office.

COMMUNICATIONS PORTAL

We continue to monitor the portal on OCERS Intranet where you can anonymously direct any questions you have regarding the coronavirus or OCERS' response to the coronavirus. Your anonymous questions and the

management team's responses to your questions will be posted so that they can be accessed by all OCERS team members.

BE AWARE OF SAFETY FACTORS WHILE WORKING FROM HOME

Just as your health and safety are important to OCERS while you are in the office, we are just as concerned for your safety and health while you are working from home. In addition to training to be arranged by the HR Department to help us all be more ergonomically aware while working from home, we are making arrangements for those of you who may wish it, to obtain use of a work chair, monitor, or certain other tools that will assist you in your home work space.

GOOD HYGIENE AT HOME AND AT WORK

You are always encouraged to stay home when you are sick – with COVID-19 symptoms or otherwise. Similarly, for your own protection and the protection of your co-workers, we ask that you avoid contact with people who are sick.

Please cover your nose and mouth with a tissue when you sneeze or cough (or sneeze or cough into your elbow or shoulder if no tissue is available).

Clean your hands frequently with soap and water for at least 20 seconds or with an alcohol-based hand sanitizer. Hand sanitizer stations are located throughout the office.

Avoid touching your face.

Routinely clean all frequently touched surfaces in your workstation, counter tops and door knobs using disinfecting wipes. Please let Lisa D'Aiello know if you need more disinfecting wipes in your work area.

OUR COMMITMENT TO YOU

As you know, the situation in which we find ourselves is very fluid, and much remains unknown about the coronavirus and how it is spread. It is only natural to feel fear and uncertainty under the circumstances.

While we are all here united in our desire to fulfill our mission on behalf of our members, that does not override the fact that your health and the health of all of OCERS employees is of utmost importance to OCERS management. The CMT and OCERS management team is committed to

staying informed of all developments in the disease and timely sharing with you any new information that we learn.

Please do not hesitate to contact your supervisor, the Human Resources Division or a member of the Senior Executive team if you have any questions or concerns.



Monthly Staff Status February 2020

To the members of the OCERS Board of Retirement,

The following is my regular monthly summary of OCERS staff activity, starting with an overview of key customer service statistics as well as activity highlights followed by updates for the month of February 2020.

MEMBER SURVEY RESPONSE

"I came in to get a copy of my benefits for the Social Security Office. My request was handled promptly and I received exactly what I needed"

MEMBER SERVICES TELEPHONE METRICS

Member Services Call History			
Month / Year	Incoming Calls Through Queue	Incoming Calls Direct to Extension	Total Calls (Queue + Direct)
January 2020	*	*	8126
January 2019	1735	2759	4494
January 2018	2312	3280	5592

*Currently configuring reports from new phone system Dialpad to determine calls through Queue versus Direct to Extension.

Customer Service Statistics

Member Approval: 99%

Un-Planned Recalculations: 0

Retirement Applications Received:

Feb – 2020	169
Jan – 2020	249
Dec – 2019	75
Nov – 2019	54
Oct – 2019	69
Sept – 2019	38
Aug – 2019	62
July – 2019	53
June – 2019	50
May – 2019	43
Apr – 2019	37
Mar – 2019	107
Feb – 2019	199
Jan – 2019	258
Dec – 2018	54
Nov – 2018	85
Oct – 2018	49
Sept – 2018	40
Aug – 2018	55
Jul – 2018	67
Jun – 2018	44
Apr – 2018	73
Mar – 2018	51



Monthly Staff Status February 2020

ACTIVITIES

COUNTY AUDIT OVERSIGHT COMMITTEE – FEBRUARY 20

I was asked to present an educational overview of the OCERS UAAL to the County of Orange Audit Oversight Committee (AOC) on February 20. The specific request was: “At the County’s meeting of the Audit Oversight Committee [in January], the committee requested an update on the County’s UAAL and invited the OCERS CEO to attend. The subject came up as an External Auditor was giving an update on the status of the review of the County’s CAFR, which includes the UAAL amount.” I presented a series of PowerPoint slides and was able to answer many questions from nearly every member of the committee. Happy to report they actually clapped at the end of the presentation. A note from the committee organizer that afternoon summed it up: “Thanks again for your presentation today to the AOC. They loved it!”

The AOC has asked that I return in August following release of the December 31, 2019 actuarial valuation, and then they would like me to begin an annual presentation every August thereafter.

ANNUAL ALL OCERS BREAKFAST – FEBRUARY 27

A decades’ long tradition at OCERS. Once a year the executive team prepares breakfast for the entire OCERS staff, our way of thanking them for their dedicated work on behalf of our members.





Monthly Staff Status

February 2020

LUNCH WITH INDIVIDUAL TRUSTEES

As you will know from experience, I try to meet with each Trustee for a one-on-one lunch, at least twice a year. With 2020 underway, it was time to begin again, and on February 21 I met with Mr. Lindholm, and then on February 25 with Mr. Eley. These luncheons give me the chance to meet with each of you in a more relaxed and informal setting, and find out what specific issues or concerns you may have individually, that I can then assist in some way to address. Unfortunately I think it will be quite some time before we can resume these in-person events, but “normal” is returning, of that I’m sure.

UPDATES

NEW BUILDING

The team completed the due diligence work and closed escrow on the 1200 N. Tustin building. As the new owner of the adjacent property, insurance was secured and we immediately began transitioning property management to Cushman Wakefield. We are working on finding economies of scale on the service contracts for both buildings (janitorial, security, HVAC, landscaping etc). Overall, it has been a successful transition. As we continue to consider and develop the various options for the full property, we continued our quest for information and gaining insight on current trends in the market. Ms. Shott and Ms. Murphy spent some time visiting a few local properties managed by current Investment Managers. The meetings included a tour of the Broadway complex with AEW and visiting the Park Place property with LBA Realty. Both meetings provided the opportunity to talk through land development process, industry trends and project considerations/lessons learned which was extremely helpful. In addition, Ms. Shott and I met with Mark Smith and Associates (project manager for the Wellington remodel project that was put on hold) who has assisted in developing a pro forma look at what a new facility construction budget would contain and what some of the high level tasks would be to get the project completed. We will be using all of the information gathered as we move forward with developing options on how best to move forward.

INVESTMENTS

Mr. Beeson reports on February investment team activities:

As of January 31, 2020, the portfolio declined 0.1% net of fees for the first month of the year. The fund value as of the end of January was \$17.8 billion. The February 26th Investment Committee meeting began with Molly Murphy discussing recent market volatility due to Coronavirus. Next, Molly Murphy and David Fann from TorreyCove discussed the upcoming transaction of Aksia acquiring TorreyCove. The Investment Committee gave approval for the OCERS Investment Team to support the transaction. The Investment Committee then voted to



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place Acadian Emerging Markets Equity II Fund on watch list as the quantitative value strategy has underperformed in a challenging market environment for quantitative managers. Molly Murphy then reviewed the monthly manager selections and terminations report. OCERS invested \$50 million in the Silver Rock Tactical Allocation Fund, an opportunistic credit strategy designed to capitalize on high conviction special situations and dislocations. OCERS invested \$45 million in BlackRock Life Sciences Fund V, a unique strategy focused on investing in pharmaceutical corporate partnerships (where the fund is providing financing for the research and development of late clinical stage products) and making pre-approval royalty investments in earlier stage life science businesses. OCERS committed \$30 million to Clearlake Capital Partners Fund VI, a private equity fund that makes special situations and distressed investments in small and medium sized companies in the consumer, industrials, and technology sectors. As part of the core real estate rebalancing plan, OCERS committed \$250 million to the Principal U.S. Property Account and issued a full redemption for the J.P. Morgan Strategic Property Fund (approximately \$150.5 million). Shanta Chary, David Beeson, and Roberto Obregon from Meketa next presented an asset class review for risk mitigation. The risk mitigation asset class has a target of 10% and is now fully implemented across long-term Treasuries, global macro, systematic trend following, and alternative risk premia strategies. Meketa then presented the 4th quarter 2019 portfolio evaluation report. OCERS returned 14.4% net of fees in 2019 but lagged most of its peers due to its lower equity allocation. On a risk-adjusted basis, OCERS performed in the top quartile for 2019 based on its Sharpe ratio. Steve McCourt presented the 4th quarter 2019 portfolio risk discussion, highlighting the current impact of Coronavirus and potential future implications. Meketa next presented their 2020 capital market assumptions which will be a building block for the upcoming asset allocation study. Townsend then presented the 3rd quarter 2019 real estate performance report. OCERS' real estate portfolio has a since inception return of 8.2% versus 6.3% for the NFI-ODCE benchmark. Townsend also announced that Jennifer Stevens, OCERS' lead consultant, will be departing Townsend in March to pursue other interests. Jack Koch from Townsend will be replacing Jennifer Stevens as OCERS' lead consultant. Finally, Townsend presented an educational session on the global real estate market environment.



As a reminder you will see this memo included with the BOARD COMMUNICATIONS document as part of the informational agenda for the April 20 meeting of the OCERS Board of Retirement.



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Gina M. Ratto, General Counsel
SUBJECT: STATE AND FEDERAL LEGISLATIVE UPDATE

Written Report

State Legislative Update

The California Legislature reconvened on January 6, 2020, marking the beginning of the second year of the legislative session. The Legislature was not due to adjourn for Spring Recess until April 2; however, on March 16, the Senate and Assembly adopted a joint resolution sending the Legislature into recess until April 13 unless leadership from each house calls the Legislature back into session sooner. It now appears that the Legislature will not reconvene on April 13. Given the federal extension of social distancing guidelines until April 30th, and the Governor's recent prediction that COVID-19 will not peak in California until May, the Legislature will likely remain adjourned for the foreseeable future. It is unclear how the recess will affect the Legislature's workload for the remainder of the year. Attached is a memorandum prepared by SACRS' lobbyists Edelstein Gilbert Robson & Smith^{LLC} with additional information about the current situation at the State Capitol.

A comprehensive list and description of the pending bills that staff will monitor during the second year of the 2019-2020 legislative session is attached.

Below is a brief summary of the bills that may be of greater interest to the Board. **New or updated information since the last report to the Board are indicated in bold text.**

SACRS Sponsored Bills

- **AB 2937 (Fong)**

The CERL prescribes the methods for calculating a non-service-connected disability retirement for different membership classifications and for the purpose of calculating reciprocal benefits. In these instances, the sum of allowance may vary depending on whether or not the retirement board finds, in its opinion, the member's disability is due to intemperate use of alcoholic liquor or drugs, among other things. In this regard, the CERL conditions the grant of a disability retirement pension by a county or district on a finding by the board that the member's disability is not the result of intemperate use of alcoholic liquor or drugs.

This bill would create an optional provision, to be elected by a county board of supervisors, that would remove the retirement board's assessment regarding the intemperate use of alcoholic liquor or drugs as a condition to the disability retirement.

(STATUS: Introduced 02/21/20. Read first time 02/24/20. **Referred to Committee on P.E. & R. on 03/05/20.**)

- **SB 783 (Senate Committee on Labor, Public Employees and Retirement)**

The CERL authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees. This bill would correct several erroneous and obsolete cross-references within CERL.

(STATUS: Introduced 03/07/19. Read third time. Passed. Ordered to the Assembly on 05/02/19. In Assembly. Read first time. Held at desk on 05/02/19. Referred to Committee on P.E. & R. on 05/16/19.)

Bills That Would Amend the CERL or Other Laws That Apply to OCERS

- **AB 664 (Cooper)**

The CERL provides that a member who is permanently incapacitated shall be retired for disability despite age if, among other conditions, the member's incapacity is a result of injury or disease arising out of and in the course of the member's employment, and that employment contributes substantially to that incapacity or the member has completed 5 years of service and not waived retirement in respect to the particular incapacity or aggravation thereof, as specified. This bill would require, for purposes of determining permanent incapacity of certain members employed as peace officers in the County of Sacramento, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer who is described under Section 830 of the Penal Code. The bill would apply to members who file applications for disability on or after the effective date of the act, except for cases on appeal at that time. The bill would require the board of retirement to develop a method of tracking the costs of providing permanent disability retirement to the members who become eligible for disability retirement pursuant to the bill's provisions. The bill would repeal these provisions on December 31, 2024.

(STATUS: Introduced 02/15/19. Passed out of the Assembly and ordered to the Senate on 05/13/19. Referred to Committees on L., P.E. & R. and APPR on 05/22/19. In committee: Set, first hearing. Hearing cancelled at request of author on 06/26/19.)

- **AB 992 (Mullin)**

The Brown Act generally requires that the meetings of legislative bodies of local agencies be conducted openly. That act defines "meeting" for purposes of the act and prohibits a majority of the members of a legislative body, outside a meeting authorized by the act, from using a series of communications of any kind to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. This bill would provide that the prohibition described above does not apply to the participation, as defined, in an internet-based social media platform, as defined, by a majority of the members of a legislative body, provided that a majority of the members do not discuss among themselves, as defined, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(STATUS: Introduced 02/21/19. In committee: Set, first hearing. Failed passage. Reconsideration granted on 05/01/19. Passed out of committee on 01/15/20. Read second time. Ordered to third reading on

01/16/20. Read third time. Passed. Ordered to Senate. Read first time in Senate; to Committee on RLS. for assignment on 01/30/20.)

- **AB 2473 (Cooper)**

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. Existing law excludes from the disclosure requirement certain records regarding alternative investments in which public investment funds invest. This bill would exempt from disclosure under the act specified records regarding an internally managed private loan made directly by a public investment fund, including quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Current constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect.

(STATUS: Introduced 02/19/20. **Referred to Committee on P.E. & R. and JUD on 03/12/20.**)

- **AB 2659 (Chen)**

The Information Practices Act of 1977 prescribes a set of requirements, prohibitions, and remedies applicable to public agencies, as defined, with regard to their collection, storage, and disclosure of personal information. The act specifically requires an agency to establish rules of conduct for persons involved in the design, development, operation, disclosure, or maintenance of records containing personal information and to instruct these people with respect to the rules and the requirements of the act. This bill would require that the above-described rules of conduct include security awareness and training policies and procedures.

(STATUS: Introduced 02/20/20. **Referred to Committee on P. & C. P.**)

- **AB 2676 (Quirk)**

Current law exempts from disclosure critical infrastructure information, as defined, that is voluntarily submitted to the Office of Emergency Services for use by that office, including the identity of the person who or entity that voluntarily submitted the information. This law defines “voluntarily submitted” for that purpose. This bill would remove the restriction that the submission be voluntary, thereby expanding that exemption.

Current constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect. The California Constitution also requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that

effect. (STATUS: Introduced 02/20/20. **Referred to Committee on JUD on 03/02/20. Hearing postponed by Committee on 03/17/20.**)

- **AB 2967 (O'Donnell)**

The CERL authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees, including firefighters. The County Peace Officers' Retirement Law (Government Code §§31900, *et seq.*), the County Peace Officer and Fire Service Retirement Plan Law (Government Code §§33000, *et seq.*), the County Fire Service Retirement Law (Government Code §§32200, *et seq.*), also provide retirement system structure options that a county may choose to adopt for purposes of providing benefits to specified peace officers and firefighters. This bill would make nonsubstantive changes to those provisions.

(STATUS: Introduced 02/21/20. Read first time on 02/24/20.)

- **SB 749 (Durazo)**

The California Public Records Act provides that nothing in the act requires the disclosure of corporate proprietary information including trade secrets, among other things. This bill would provide that specified records of a private industry employer that are prepared, owned, used, or retained by a public agency are not trade secrets and are public records, including certain records relating to employment terms and conditions of employees working for a private industry employer pursuant to a contract with a public agency, if those wages, benefits, working hours and other employment terms and conditions relate to work performed under the contract, records of compliance with local, state, or federal domestic content requirements, and records of a private industry employer's compliance with job creation, job quality, or job retention obligations contained in a contract or agreement with a state or local agency. The bill, however, would exclude contracts between a public agency and a private industry employer entered into on or before January 1, 2020, and records that include communications between the state or local agency and specified state or local officials, on matters posing a threat to the security of a public building, a threat to the security of essential public services, or a threat to the public's right of access to public services or public facilities, from these provisions. Because the bill would require local officials to perform additional duties, it would impose a state-mandated local program.

(STATUS: Introduced 02/22/19. From committee with author's amendments. Read second time and amended. Re-referred to Committee on JUD. on 09/10/19. Assembly Rule 96 suspended. Withdrawn from committee. Ordered to third reading on 09/12/19. Ordered to inactive file on request of Assembly Member Calderon on 09/13/19.)

- **SB 931 (Wieckowski)**

The Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require, **if the local agency has an internet website, a legislative body or its designee to email a copy of, or**

website link to, the agenda or a copy of all the documents constituting the agenda packet if ~~so~~ requested the person requests that the items be delivered by email. The bill would require, where the local agency determines it is technologically infeasible to send a copy of all documents constituting the agenda packet or a website link containing the documents by electronic mail or by other electronic means, the legislative body or its designee to send by electronic mail a copy of the agenda or a website link to the agenda and mail a copy of all other documents constituting the agenda packet in accordance with the mailing requirements.

(STATUS: Introduced 02/05/20. Read first time; to Committee on RLS. for assignment on 02/05/20.

Referred to Committee on GOV. and F. on 02/12/20. **From committee with author's amendments; read second time and amended; re-referred to Committee on GOV. and F. on 04/02/20.)**

- **SB 1297 (Moorlach)**

This bill would revise the provision of pension and other benefits to members of all state or local public retirement systems. The bill would apply its provisions prospectively to any member of a state or local public retirement system who is employed upon the date of its enactment and to any person who may be employed and become a member thereafter.

The bill would:

- void any limit on a pension that prohibits the pension from exceeding a percentage of final compensation, as specified;
- prohibit a local entity from establishing a deferred retirement option program, as described, and if a local entity has established a deferred retirement option program, whether or not the program is closed to new participants, it would be required to disenroll any participating employees and close the program;
- with regard to any member of a state or local public retirement system, the bill would require that final annual compensation used for purposes of ascertaining any pension or benefit be calculated as an average of the member's three highest earning years;
- prohibit, for any method of calculating a pension that is based on fractional percentage of final compensation multiplied by years of service with respect to a particular age at retirement, that fractional percentage from exceeding 2.7%;
- include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities;
- require that an agency participating in PERS that increases the compensation of a member who was previously employed by a different agency to bear all actuarial liability for the action, if it results in an increased actuarial liability beyond what would have been reasonably expected for the member;
- require that the increased actuarial liability be in addition to reasonable compensation growth that is anticipated for a member who works for an employer or multiple employers over an extended time;
- require, if multiple employers cause increased liability, that the liability be apportioned equitably among them; and

- apply to an increase in actuarial liability, as specified, due to increased compensation paid to an employee on and after January 1, 2021.

(STATUS: Introduced on 02/21/20. To Committee on RLS for assignment on 02/21/20. Read first time on 02/24/20. **Referred to Committee on L., P.E. & R. on 03/05/20.**)

Other Bills of Interest

- **AB 2226 (Voepel)**

The Personal Income Tax Law imposes a tax on individual taxpayers measured by the taxpayer's taxable income for the taxable year, but excludes certain items of income from the computation of tax, including an exclusion for combat-related special compensation. This bill, for taxable years beginning on or after January 1, 2021, and before January 1, 2031, would exclude from gross income specified amounts of retirement pay received by a taxpayer from the federal government for service performed in the uniformed services, as defined, during the taxable year. Current law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. The bill also would include additional information required for any bill authorizing a new tax expenditure. This bill would take effect immediately as a tax levy.

(STATUS: Introduced 02/12/20. Referred to Committee on REV. and TAX on 02/20/20. **Hearing postponed by committee on 03/16/20.**)

- **AB 2452 (C. Garcia)**

Current law authorizes the California State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the California State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. Existing law authorizes the California State Auditor to consult with the Controller, the Attorney General, and other state agencies in identifying local government agencies that are at high risk.

Current law also authorizes the legislative body of a local agency or a district to enter into an association for the purposes of attending the Legislature and the Congress of the United States, and any committees thereof, and presenting information regarding legislation that the legislative body or the district deems to be beneficial or detrimental to the local agency or the district.

This bill would authorize the California State Auditor to include in the high-risk local government agency audit program any local agency or district association that the California State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness.

(STATUS: Introduced 02/19/20. **Referred to Committee on A. & A.R.**)

- **AB 3249 (Fong)**

Current law requires state and local public retirement systems to submit audited financial statements to the Controller at the earliest practicable opportunity within 6 months of the close of each fiscal year, and requires the Controller, within 12 months of receipt of the information, to compile and publish a report on the financial condition of all state and local public retirement systems. This bill would additionally require the Controller to post the report on the financial condition of all state and local public retirement systems on the Controller's internet website.

(STATUS: Introduced 02/21/2020. **Read first time on 02/24/20. Referred to Committee on P.E. & R. on 03/09/20.**)

- **SB 53 (Wilk)**

The Bagley-Keene Open Meeting Act requires that all meetings of a state body, as defined, be open and public and that all persons be permitted to attend and participate in a meeting of a state body, subject to certain conditions and exceptions. This bill would specify that the definition of "state body" includes an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body of a state body that consists of 3 or more individuals, as prescribed, except a board, commission, committee, or similar multimember body on which a member of a body serves in his or her official capacity as a representative of that state body and that is supported, in whole or in part, by funds provided by the state body, whether the multimember body is organized and operated by the state body or by a private corporation. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced 12/10/18. Placed on APPR. suspense file on 08/14/19. Heard on 08/30/19. Held in committee and under submission on 08/30/19.)

- **SB 1042 (Pan)**

The California Secure Choice Retirement Savings Trust Act, establishes the CalSavers Retirement Savings Program to be administered by the California Secure Choice Retirement Savings Investment Board. Existing law requires the Treasurer, on behalf of the board, to appoint an executive director, who is not a member of the board and who serves at its pleasure. Existing law requires eligible employers to offer a payroll deposit retirement savings arrangement so that eligible employees may contribute a portion of their salary or wages to a retirement savings program account in the program, as specified. Existing law requires the board to take various actions upon implementation of the program and, for to up 3 years following its initial implementation of the program, requires the board to establish managed accounts invested in United States Treasuries, myRAs, or similar investments. Existing law states that the program is implemented as of January 1, 2017.

This bill would rename the California Secure Choice Retirement Savings Trust Act as the CalSavers Retirement Savings Trust Act, the body that administers the act as the CalSavers Retirement Savings Board, and make conforming changes in this regard. The bill would make various changes in the act to reflect that it has been implemented, including eliminating the requirement to establish managed accounts invested in United States Treasuries, myRAs, or similar investments described above. The bill

would authorize the board to delegate rulemaking authority to its executive director. The bill would authorize an employee to opt out of participation in the program by telephone and would eliminate a condition relating to contribution amounts that depends on the length of time that an employee has contributed to the program.

Current law, the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), an initiative measure approved as Proposition 64 at the November 8, 2016, statewide general election, authorizes a person who obtains a state license under AUMA to engage in commercial adult-use cannabis activity pursuant to that license and applicable local ordinances. Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), among other things, consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities. MAUCRSA generally divides responsibility for the state licensure and regulation of commercial cannabis activity among the Department of Food and Agriculture, the State Department of Public Health, and the Bureau of Cannabis Control, which are generally referred to as licensing authorities. This bill would require the licensing authorities described above to provide specified information regarding licensees to the CalSavers Retirement Savings Board upon request by the board.

(STATUS: Introduced on 02/18/20. Read first time. To Committee on RLS. for assignment on 02/18/20.

Referred to Committee on L. P.E. & R. and B., P. & E.D. on 02/27/20. Set for hearing March 25; hearing postponed by committee on 03/18/20.)

Bills that Apply to CalPERS and/or CalSTRS Only:

- **AB 462 (Rodriguez)**

This bill would require the Boards of Administration of CalPERS and CalSTRS to each provide a report to the Legislature, commencing March 1, 2021, and annually thereafter, on the status of achieving appropriate objectives and initiatives, to be defined by the boards, regarding participation of emerging managers responsible for asset management within each system's portfolio of investments. The bill would require that the report be based on contracts that the system enters into on and after January 1, 2020, and be based on information from the prior fiscal year. The bill would require each report to include certain elements and would require the boards to define emerging manager for purposes of these provisions. This bill contains other related provisions and other existing laws.

(STATUS: Introduced 02/11/19. Referred to Committee on RLS. on 05/01/19. From committee chair, with author's amendments: Amend and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS. on 05/21/19.)

- **AB 979 (Reyes)**

This bill would require the Boards of Administration of CalPERS and CalSTRS to each provide a report to the Legislature, commencing March 1, 2021, and annually thereafter, on the status of achieving appropriate objectives and initiatives, to be defined by the boards, regarding participation of emerging managers responsible for asset management within each system's portfolio of investments. The bill would require that the report be based on contracts that the system enters into on and after January 1, 2020, and be based on information from the prior fiscal year. The bill would require each report to

include certain elements and would require the boards to define emerging manager for purposes of these provisions.

(STATUS: Introduced February 21, 2019 as a law relating to the Judges' Retirement System II and was amended on 01/06/2020 to relate to emerging manager asset management. Passed out of committee and re-referred to Committee on Com. and APPR on 01/08/2020. Passed out of committee. Read second time. Ordered to third reading on 01/23/20. Read third time. Passed. Ordered to Senate on 01/27/20. Read first time in Senate; to Committee on RLS. for assignment on 01/28/20.)

- **SB 266 (Leyva)**

Under existing law, CalPERS is responsible for correcting errors and omissions in the administration of the system and the payment of benefits. Existing law requires the board to correct all actions taken as a result of errors or omissions of the state or a contracting agency, in accordance with certain procedures. This bill would establish new procedures under PERL for cases in which CalPERS determines that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with PEPR and other specified laws and thus impermissible under PERL. The bill would also apply these procedures retroactively to determinations made on or after January 1, 2017, if an appeal has been filed and the employee member, survivor, or beneficiary has not exhausted their administrative or legal remedies. At the threshold, after determining that compensation for an employee member reported by the state, school employer, or a contracting agency is disallowed, the bill would require the applicable employer to discontinue the reporting of the disallowed compensation. The bill would require that contributions made on the disallowed compensation, for active members, be credited against future contributions on behalf of the state, school employer, or contracting agency that reported the disallowed compensation and would require that the state, school employer, or contracting agency return to the member any contributions paid by the member or on the member's behalf.

With respect to retired members, survivors, or beneficiaries whose benefits are based on disallowed final compensation, the bill would require PERS to adjust the benefit to reflect the exclusion of the disallowed compensation, and provide that contributions made on the disallowed compensation be credited against future contributions on behalf of the employer entity that reported the disallowed compensation. Additionally, if specified conditions are met, the bill would require the employing entity to refund overpayment costs to the system and to pay retired members, survivors, and beneficiaries whose benefits have been reduced an annuity or a lump sum, as prescribed, that reflects the difference between the monthly allowance that was based on the disallowed compensation and the adjusted monthly allowance calculated without the disallowed compensation, as provided. The bill would require the system to provide certain notices in this regard. This bill would require the system to provide confidential contact information of retired members, and their survivors and beneficiaries, who are affected by these provisions to the relevant employing entities, the confidentiality of which the entities would be required to maintain.

The bill would authorize the state, a school employer, as specified, or a contracting agency, as applicable, to submit to the system an additional compensation item proposed to be included or contained in a memorandum of understanding or collective bargaining agreement on and after January

1, 2020, that is intended to form the basis of a pension benefit calculation in order for PERS to review its consistency with PEPRA and other laws, as specified, and would require PERS to provide guidance regarding the review within 90 days, as specified. The bill would require PERS to publish notices regarding proposed compensation language submitted to the system for review and the guidance given by the system that is connected with it. For educational entities that participate in the system, the final responsibility for funding payments to the system and to retired members, survivors, and beneficiaries would belong to the educational entity that is the actual employer of the employee.

(STATUS: Introduced 02/12/19. Read third time in Assembly; ordered to the Senate; Senate concurred in amendments; ordered to engrossing and enrolling on 09/12/19. Withdrawn from engrossing and enrolling, and ordered held at the Desk on 09/13/19.)

- **SB 430 (Wieckowski)**

PEPRA prohibits a public employer offering a defined benefit pension plan from exceeding specified retirement formulas for new members and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement. PEPRA defines "new member" to mean, among other things, an individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who was not a member of any other public retirement system prior to date. Existing law creates the Judges' Retirement System II, which is administered by the Board of Administration of the Public Employees' Retirement System, for the provision of retirement and other benefits to specified judges and their beneficiaries.

This bill would grant a judge who was elected to office in 2012, but did not take office until on or after January 1, 2013, the option of making a one-time, irrevocable election to have a pre-January 1, 2013, membership status in the Judges' Retirement System II for service accrued after on and after July 1, 2020. The bill would require the election to be made during a 30-day period beginning March 1, 2020. A judge making this election would no longer be a new member under specified provisions of PEPRA. The election would apply prospectively only, and membership rights and obligations that accrued based on service subject to PEPRA prior to July 1, 2020, would remain unchanged. The bill would specify that the Public Employees' Retirement System is not obligated to inform or locate a person who may be eligible to make the election and that its provisions do not affect the Legislature's reserved right to increase contributions or reduce benefits for purposes of the Judges' Retirement System II.

(STATUS: Introduced 02/21/19. Passed out of the Senate and ordered to the Assembly on 05/21/19. Referred to the Committee on P.E. & R. on 05/30/19. Set for first hearing; cancelled at request of author on 06/26/19.)

- **AB 2378 (Cooper)**

The PERL requires that, upon the death of certain members after retirement and while receiving a retirement allowance, a specified sum of money be paid to the member's designated beneficiary. Existing law provides that the additional employer contributions required to fund these benefits be computed as a level percentage of member compensation, and requires the contributions to be deposited in the Public Employees' Retirement Fund, a continuously appropriated fund. This bill would

authorize the Board of Administration of the Public Employees' Retirement System, beginning on or after January 1, 2021, to adjust the death benefit amounts following each actuarial valuation to reflect changes in the All Urban California Consumer Price Index, as specified. By authorizing the board to increase contributions deposited in the Public Employees' Retirement Fund, this bill would make an appropriation. (STATUS: Introduced 02/18/20. Referred to Committee on P.E. and R. on 02/24/20.)

- **AB 2394 (Cooper)**

Pursuant to the PERL, CalPERS provides a defined benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law generally provides that retirement allowances are adjusted annually to reflect increases in the cost of living in relation to the consumer price index, as defined. Existing law defines "consumer price index" for these purposes to mean the United States city average "Consumer Price Index for All Urban Consumers," effective January 1, 1978. Existing law establishes the Department of Industrial Relations as an instrumentality of California government. This bill would change the definition of "consumer price index," effective January 1, 2021, to instead refer to the California Consumer Price Index for All Urban Consumers for all items, as determined by the Department of Industrial Relations. (STATUS: Introduced 02/18/20. Referred to Committee on P.E. and R. on 02/24/20.)

- **AB 2510 (Cooley)**

The CalSTRS Defined Benefit Program provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. Current law authorizes the CalSTRS board, upon a finding by the board that necessary investment expertise is not available within existing civil service classifications, and with approval of the State Personnel Board, to contract with qualified investment managers, as provided. This bill would additionally authorize the board to contract with investment advisers, as defined, upon the same finding by the board and approval by the State Personnel Board. The bill would, pursuant to a policy adopted by the board, authorize the board to establish a competitive bidding process and to specify the contract terms and conditions the board solely deems necessary and prudent to contract with qualified investment managers and investment advisers. (STATUS: Introduced 02/19/20. **Referred to Committee on P.E. & R. on 02/27/20**)

- **AB 2998 (Kiley)**

The CalSTRS Defined Benefit Program provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. The Defined Benefit Program is funded by employer and employee contributions, as well as investment returns and state appropriations, which are deposited or credited to the Teachers' Retirement Fund. This bill would state the intent of the Legislature to subsequently amend this bill to include provisions that would authorize a school district to offer an optional contract to its employees that has a defined contribution plan in lieu of a defined benefit plan provided that the decision to select that contract is made by the employee. (STATUS: Introduced 02/19/20. **Read first time on 02/24/20.**)

Divestment Proposals (CalPERS and CalSTRS Only)

None.

Federal Legislation Affecting '37 Act Systems**The Federal SECURE Act (HR 1865)**

On December 20, 2019, the President signed HR 1865, which includes the Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE Act"), into law. Two provisions affect the '37 Act Systems.

Section 114 of the SECURE Act

Prior to passage of the SECURE Act, tax qualified plans were required to distribute a member's entire benefit or begin to distribute a member's benefit no later than the "required beginning date." Internal Revenue Code (IRC) § 401(a)(9) defined required beginning date as April 1 of the calendar year following the later of (i) the calendar year in which the member attains age 70½ or (ii) the member retires.

Section 114 of the SECURE Act increases the required beginning date age factor from age 70½ to age 72. Under this new guidance, to satisfy the required minimum distribution rules, members must begin receiving benefits by April 1 of the calendar year following the later of (i) the calendar year in which the member attains age 72, or the member retires. The new rule applies to individuals who turn 70½ after December 31, 2019. For anyone who turned 70½ in 2019, the first RMD must still be taken by April 1, 2020. Individuals turning 70½ in 2020 or later will not be required to take their first withdrawal until April 1 of the year following their 72nd birthday.

The SACRS Legislative Committee is reviewing whether an amendment to the CERL will be necessary in order to conform the CERL to Section 114 of the SECURE Act. In addition, the OCERS team will review and amend as necessary our §401(a)(9) regulations or procedures to ensure the higher distribution age is reflected. Unless further extended by the Secretary of the Treasury, any necessary amendments will be required to be made no later than the last day of the first plan year beginning on or after January 1, 2024. Therefore, calendar year Systems like OCERS must amend affected regulations by December 31, 2024 (fiscal year Systems will have until June 30, 2025).

Section 402 of the SECURE Act

IRS Form 945, Annual Return of Withheld Federal Income Tax, is typically used to report federal income taxes withheld on distributions made from a retirement system. IRC §6651 imposes a tax penalty for the failure to timely file a Form 945.

Section 402 of the SECURE Act increases the minimum tax penalty imposed by IRC §6651. As amended, IRC §6651 allows for the imposition of a tax equal to at least the lesser of \$435 (to be adjusted for inflation) or 100% of the amount required to be shown as tax on the return where the Form 945 is not filed within 60 days of its due date (including any applicable filing extensions). The penalty may still be waived if a System can show reasonable cause for the failure to timely file a Form 945.

The increase in penalties applies to IRS Forms 945 with a due date after December 31, 2019, including extensions. While no amendments or policy updates may be required as a result of this change, future failures to timely file Form 945 may trigger increased penalties.

Attachments

Submitted by:



Gina M. Ratto
General Counsel



**OCERS BOARD OF RETIREMENT
April 20, 2020 MEETING**

LEGISLATIVE UPDATE – ATTACHMENT

**2019 - 2020 CALIFORNIA STATE LEGISLATIVE SESSION
BILLS OF INTEREST**

New or updated information in bold text

AB 462 (Rodriguez)

This bill would require the Boards of Administration of CalPERS and CalSTRS to each provide a report to the Legislature, commencing March 1, 2021, and annually thereafter, on the status of achieving appropriate objectives and initiatives, to be defined by the boards, regarding participation of emerging managers responsible for asset management within each system’s portfolio of investments. The bill would require that the report be based on contracts that the system enters into on and after January 1, 2020, and be based on information from the prior fiscal year. The bill would require each report to include certain elements and would require the boards to define emerging manager for purposes of these provisions.

(STATUS: Introduced 02/11/19. Referred to Committee on RLS. on 05/01/19. From committee chair, with author’s amendments: amend and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS. on 05/21/19.)

AB 664 (Cooper)

The CERL provides that a member who is permanently incapacitated shall be retired for disability despite age if, among other conditions, the member’s incapacity is a result of injury or disease arising out of and in the course of the member’s employment, and that employment contributes substantially to that incapacity or the member has completed 5 years of service and not waived retirement in respect to the particular incapacity or aggravation thereof, as specified. This bill would require, for purposes of determining permanent incapacity of certain members employed as peace officers in the County of Sacramento, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer who is described under Section 830 of the Penal Code. The bill would apply to members who file applications for disability on or after the effective date of the act, except for cases on appeal at that time. The bill would require the board of retirement to develop a method of tracking the costs of providing permanent disability retirement to the members who become eligible for disability retirement pursuant to the bill’s provisions. The bill would repeal these provisions on December 31, 2024.

(STATUS: Introduced 02/15/19. Passed out of the Assembly and ordered to the Senate on 05/13/19. Referred to Committees on L., P.E. & R. and APPR on 05/22/19. In committee: Set, first hearing. Hearing cancelled at request of author on 06/26/19.)

AB 979 (Reyes)

This bill would require the Boards of Administration of CalPERS and CalSTRS to each provide a report to the Legislature, commencing March 1, 2021, and annually thereafter, on the status of achieving appropriate objectives and initiatives, to be defined by the boards, regarding participation of emerging managers responsible for asset management within each system's portfolio of investments. The bill would require that the report be based on contracts that the system enters into on and after January 1, 2020, and be based on information from the prior fiscal year. The bill would require each report to include certain elements and would require the boards to define emerging manager for purposes of these provisions.

(STATUS: Introduced February 21, 2019 as a law relating to the Judges' Retirement System II and was amended on 01/06/2020 to relate to emerging manager asset management. Passed out of committee and re-referred to Committee on Com. and APPR on 01/08/2020. Passed out of committee. Read second time. Ordered to third reading on 01/23/20. Read third time. Passed. Ordered to Senate on 01/27/20. Read first time in Senate; to Committee on RLS. for assignment on 01/28/20.)

AB 992 (Mullin)

The Brown Act generally requires that the meetings of legislative bodies of local agencies be conducted openly. That act defines "meeting" for purposes of the act and prohibits a majority of the members of a legislative body, outside a meeting authorized by the act, from using a series of communications of any kind to discuss, deliberate, or take action on any item of business that is within the subject matter jurisdiction of the legislative body. This bill would provide that the prohibition described above does not apply to the participation, as defined, in an internet-based social media platform, as defined, by a majority of the members of a legislative body, provided that a majority of the members do not discuss among themselves, as defined, business of a specific nature that is within the subject matter jurisdiction of the legislative body of the local agency.

(STATUS: Introduced 02/21/19. In committee: Set, first hearing. Failed passage. Reconsideration granted on 05/01/19. Passed out of committee on 01/15/20. Read second time. Ordered to third reading on 01/16/20. Read third time. Passed. Ordered to Senate. Read first time in Senate; to Committee on RLS. for assignment on 01/30/19.)

AB 2226 (Voepel)

The Personal Income Tax Law imposes a tax on individual taxpayers measured by the taxpayer's taxable income for the taxable year, but excludes certain items of income from the computation of tax, including an exclusion for combat-related special compensation. This bill, for taxable years beginning on or after January 1, 2021, and before January 1, 2031, would exclude from gross income specified amounts of retirement pay received by a taxpayer from the federal government for service performed in the uniformed services, as defined, during the taxable year. Current law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. The bill also would include additional information required for any bill authorizing a new tax expenditure. This bill would take effect immediately as a tax levy. (STATUS: Introduced 02/12/20. Referred to Committee on REV. and TAX on 02/20/20. **Hearing postponed by committee on 03/16/20.**)

AB 2378 (Cooper)

The PERL requires that upon the death of certain members after retirement and while receiving a retirement allowance, a specified sum of money be paid to the member's designated beneficiary. Existing law provides that the additional employer contributions required to fund these benefits be computed as a level percentage of member compensation, and requires the contributions to be deposited in the Public Employees' Retirement Fund. This bill would authorize the CalPERS Board, beginning on or after January 1, 2021, to adjust the death benefit amounts following each actuarial valuation to reflect changes in the All Urban California Consumer Price Index, as specified. By authorizing the board to increase contributions deposited in the Public Employees' Retirement Fund, this bill would make an appropriation.

(STATUS: Introduced 02/18/20. Referred to Committee on P.E. and R. on 02/24/20.)

AB 2394 (Cooper)

Pursuant to the PERL, CalPERS provides a defined benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law generally provides that retirement allowances are adjusted annually to reflect increases in the cost of living in relation to the consumer price index, as defined. Existing law defines "consumer price index" for these purposes to mean the United States city average "Consumer Price Index for All Urban Consumers," effective January 1, 1978. Existing law establishes the Department of Industrial Relations as an instrumentality of California government. This bill would change the definition of "consumer price index," effective January 1, 2021, to instead refer to the California Consumer Price Index for All Urban Consumers for all items, as determined by the Department of Industrial Relations.

(STATUS: Introduced 02/18/20. Referred to Committee on P.E. and R. on 02/24/20.)

AB 2452 (C. Garcia)

Current law authorizes the California State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the California State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. Existing law authorizes the California State Auditor to consult with the Controller, the Attorney General, and other state agencies in identifying local government agencies that are at high risk.

Current law also authorizes the legislative body of a local agency or a district to enter into an association for the purposes of attending the Legislature and the Congress of the United States, and any committees thereof, and presenting information regarding legislation that the legislative body or the district deems to be beneficial or detrimental to the local agency or the district.

This bill would authorize the California State Auditor to include in the high-risk local government agency audit program any local agency or district association that the California State Auditor identifies as being at high risk

for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness.

(STATUS: Introduced 02/19/20. **Referred to Committee on A. & A.R.**)

AB 2473 (Cooper)

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. Existing law excludes from the disclosure requirement certain records regarding alternative investments in which public investment funds invest. This bill would exempt from disclosure under the act specified records regarding an internally managed private loan made directly by a public investment fund, including quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. Current constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect. (STATUS: Introduced 02/19/20. **Referred to Committee on P.E. & R. and JUD on 03/12/20.**)

AB 2510 (Cooley)

The CalSTRS Defined Benefit Program provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. Current law authorizes the CalSTRS board, upon a finding by the board that necessary investment expertise is not available within existing civil service classifications, and with approval of the State Personnel Board, to contract with qualified investment managers, as provided. This bill would additionally authorize the board to contract with investment advisers, as defined, upon the same finding by the board and approval by the State Personnel Board. The bill would, pursuant to a policy adopted by the board, authorize the board to establish a competitive bidding process and to specify the contract terms and conditions the board solely deems necessary and prudent to contract with qualified investment managers and investment advisers.

(STATUS: Introduced 02/19/20. **Referred to Committee on P.E. & R. on 02/27/20**)

AB 2659 (Chen)

The Information Practices Act of 1977 prescribes a set of requirements, prohibitions, and remedies applicable to public agencies with regard to their collection, storage, and disclosure of personal information. The act specifically requires an agency to establish rules of conduct for persons involved in the design, development, operation, disclosure, or maintenance of records containing personal information and to instruct these people with respect to the rules and the requirements of the act. This bill would require that the above-described rules of conduct include security awareness and training policies and procedures.

(STATUS: Introduced 02/20/20. **Referred to Committee on P. & C.P.**)

AB 2676 (Quirk)

Current law exempts from disclosure critical infrastructure information, as defined, that is voluntarily submitted to the Office of Emergency Services for use by that office, including the identity of the person who or entity that

voluntarily submitted the information. This law defines “voluntarily submitted” for that purpose. This bill would remove the restriction that the submission be voluntary, thereby expanding that exemption.

Current constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill would make legislative findings to that effect. The California Constitution also requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(STATUS: Introduced 02/20/20. **Referred to Committee on JUD on 03/02/20. Hearing postponed by Committee on 03/17/20.**)

AB 2937 (Fong)

The CERL prescribes the methods for calculating a non-service-connected disability retirement for different membership classifications and for the purpose of calculating reciprocal benefits. In these instances, the sum of allowance may vary depending on whether or not the retirement board finds, in its opinion, the member’s disability is due to intemperate use of alcoholic liquor or drugs, among other things. In this regard, the CERL conditions the grant of a disability retirement pension by a county or district on a finding by the board that the member’s disability is not the result of intemperate use of alcoholic liquor or drugs.

This bill would create an optional provision, to be elected by a county board of supervisors, that would remove the retirement board’s assessment regarding the intemperate use of alcoholic liquor or drugs as a condition to the disability retirement.

(STATUS: Introduced 02/21/20. Read first time 02/24/20. **Referred to Committee on P.E. & R. on 03/05/20.**)

AB 2967 (O’Donnell)

The CERL authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees, including firefighters. The County Peace Officers’ Retirement Law (Government Code §§31900, *et seq.*), the County Peace Officer and Fire Service Retirement Plan Law (Government Code §§33000, *et seq.*), the County Fire Service Retirement Law (Government Code §§32200, *et seq.*), also provide retirement system structure options that a county may choose to adopt for purposes of providing benefits to specified peace officers and firefighters. This bill would make non-substantive changes to those provisions.

(STATUS: Introduced 02/21/20. Read first time on 02/24/20.)

AB 2998 (Kiley)

The CalSTRS Defined Benefit Program provides a defined benefit to members of the program based on final compensation, credited service, and age at retirement, subject to certain variations. The Defined Benefit

Program is funded by employer and employee contributions, as well as investment returns and state appropriations, which are deposited or credited to the Teachers' Retirement Fund. This bill would state the intent of the Legislature to subsequently amend this bill to include provisions that would authorize a school district to offer an optional contract to its employees that has a defined contribution plan in lieu of a defined benefit plan provided that the decision to select that contract is made by the employee.

(STATUS: Introduced 02/19/20. **Read first time on 02/24/20.**)

AB 3249 (Fong)

Current law requires state and local public retirement systems to submit audited financial statements to the Controller at the earliest practicable opportunity within 6 months of the close of each fiscal year, and requires the Controller, within 12 months of receipt of the information, to compile and publish a report on the financial condition of all state and local public retirement systems. This bill would additionally require the Controller to post the report on the financial condition of all state and local public retirement systems on the Controller's internet website.

(STATUS: Introduced 02/21/2020. **Read first time on 02/24/20. Referred to Committee on P.E. & R. on 03/09/20.**)

SB 53 (Wilk)

The Bagley-Keene Open Meeting Act requires that all meetings of a state body, as defined, be open and public and that all persons be permitted to attend and participate in a meeting of a state body, subject to certain conditions and exceptions. This bill would specify that the definition of "state body" includes an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body of a state body that consists of 3 or more individuals, as prescribed, except a board, commission, committee, or similar multimember body on which a member of a body serves in his or her official capacity as a representative of that state body and that is supported, in whole or in part, by funds provided by the state body, whether the multimember body is organized and operated by the state body or by a private corporation. This bill would declare that it is to take effect immediately as an urgency statute.

(STATUS: Introduced 12/10/18. Placed on APPR. suspense file on 08/14/19. Heard on 08/30/19. Held in committee and under submission on 08/30/19.)

SB 266 (Leyva)

Under existing law, CalPERS is responsible for correcting errors and omissions in the administration of the system and the payment of benefits. Existing law requires the board to correct all actions taken as a result of errors or omissions of the state or a contracting agency, in accordance with certain procedures. This bill would establish new procedures under PERL for cases in which CalPERS determines that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with PEPR and other specified laws and thus impermissible under PERL. The bill would also apply these procedures retroactively to determinations made on or after January 1, 2017, if an appeal has been filed and the employee member, survivor, or beneficiary has not exhausted their administrative or legal remedies. At the threshold, after determining that compensation for an employee member reported by the state, school employer, or a contracting agency is disallowed, the bill would require the applicable employer to discontinue the reporting of

the disallowed compensation. The bill would require that contributions made on the disallowed compensation, for active members, be credited against future contributions on behalf of the state, school employer, or contracting agency that reported the disallowed compensation and would require that the state, school employer, or contracting agency return to the member any contributions paid by the member or on the member's behalf.

With respect to retired members, survivors, or beneficiaries whose benefits are based on disallowed final compensation, the bill would require PERS to adjust the benefit to reflect the exclusion of the disallowed compensation, and provide that contributions made on the disallowed compensation be credited against future contributions on behalf of the employer entity that reported the disallowed compensation. Additionally, if specified conditions are met, the bill would require the employing entity to refund overpayment costs to the system and to pay retired members, survivors, and beneficiaries whose benefits have been reduced an annuity or a lump sum, as prescribed, that reflects the difference between the monthly allowance that was based on the disallowed compensation and the adjusted monthly allowance calculated without the disallowed compensation, as provided. The bill would require the system to provide certain notices in this regard. This bill would require the system to provide confidential contact information of retired members, and their survivors and beneficiaries, who are affected by these provisions to the relevant employing entities, the confidentiality of which the entities would be required to maintain.

The bill would authorize the state, a school employer, as specified, or a contracting agency, as applicable, to submit to the system an additional compensation item proposed to be included or contained in a memorandum of understanding or collective bargaining agreement on and after January 1, 2020, that is intended to form the basis of a pension benefit calculation order for PERS to review its consistency with PEPR and other laws, as specified, and would require PERS to provide guidance regarding the review within 90 days, as specified. The bill would require PERS to publish notices regarding proposed compensation language submitted to the system for review and the guidance given by the system that is connected with it. For educational entities that participate in the system, the final responsibility for funding payments to the system and to retired members, survivors, and beneficiaries would belong to the educational entity that is the actual employer of the employee.

(STATUS: Introduced 02/12/19. Read third time in Assembly; ordered to the Senate; Senate concurred in amendments; ordered to engrossing and enrolling on 09/12/19. Withdrawn from engrossing and enrolling, and ordered held at the Desk on 09/13/19.)

SB 430 (Wieckowski)

PEPRA prohibits a public employer offering a defined benefit pension plan from exceeding specified retirement formulas for new members and prohibits an enhancement of a public employee's retirement formula or benefit adopted after January 1, 2013, from applying to service performed prior to the operative date of the enhancement. PEPRA defines "new member" to mean, among other things, an individual who becomes a member of any public retirement system for the first time on or after January 1, 2013, and who was not a member of any other public retirement system prior to date. Existing law creates the Judges' Retirement System

II, which is administered by the Board of Administration of the Public Employees' Retirement System, for the provision of retirement and other benefits to specified judges and their beneficiaries.

This bill would grant a judge who was elected to office in 2012, but did not take office until on or after January 1, 2013, the option of making a one-time, irrevocable election to have a pre-January 1, 2013, membership status in the Judges' Retirement System II for service accrued after on and after July 1, 2020. The bill would require the election to be made during a 30-day period beginning March 1, 2020. A judge making this election would no longer be a new member under specified provisions of PEPR. The election would apply prospectively only, and membership rights and obligations that accrued based on service subject to PEPR prior to July 1, 2020, would remain unchanged. The bill would specify that the Public Employees' Retirement System is not obligated to inform or locate a person who may be eligible to make the election and that its provisions do not affect the Legislature's reserved right to increase contributions or reduce benefits for purposes of the Judges' Retirement System II.

(STATUS: Introduced 02/21/19. Passed out of the Senate and ordered to the Assembly on 05/21/19. Referred to the Committee on P.E. & R. on 05/30/19. Hearing cancelled at request of author on 06/26/19.)

SB 749 (Durazo)

The California Public Records Act provides that nothing in the act requires the disclosure of corporate proprietary information including trade secrets, among other things. This bill would provide that specified records of a private industry employer that are prepared, owned, used, or retained by a public agency are not trade secrets and are public records, including certain records relating to employment terms and conditions of employees working for a private industry employer pursuant to a contract with a public agency, if those wages, benefits, working hours and other employment terms and conditions relate to work performed under the contract, records of compliance with local, state, or federal domestic content requirements, and records of a private industry employer's compliance with job creation, job quality, or job retention obligations contained in a contract or agreement with a state or local agency. The bill, however, would exclude contracts between a public agency and a private industry employer entered into on or before January 1, 2020, and records that include communications between the state or local agency and specified state or local officials, on matters posing a threat to the security of a public building, a threat to the security of essential public services, or a threat to the public's right of access to public services or public facilities, from these provisions. Because the bill would require local officials to perform additional duties, it would impose a state-mandated local program.

(STATUS: Introduced 02/22/19. From committee with author's amendments. Read second time and amended. Re-referred to Committee on JUD. on 09/10/19. Assembly Rule 96 suspended. Withdrawn from committee. Ordered to third reading on 09/12/19. Ordered to inactive file on request of Assembly Member Calderon on 09/13/19.)

SB 783 (Senate Committee on Labor, Public Employees and Retirement)

The CERL authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees. This bill would correct several erroneous and obsolete cross-references within CERL.

(STATUS: Introduced 03/07/19. Passed out of the Senate and ordered to the Assembly on 05/02/19. Referred to Committee on P.E. & R. on 05/16/19.)

SB 931 (Wieckowski)

The Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require, **if the local agency has an internet website, a legislative body or its designee to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if so requested the person requests that the items be delivered by email. The bill would require, where the local agency determines it is technologically infeasible to send a copy of all documents constituting the agenda packet or a website link containing the documents by electronic mail or by other electronic means, the legislative body or its designee to send by electronic mail a copy of the agenda or a website link to the agenda and mail a copy of all other documents constituting the agenda packet in accordance with the mailing requirements.**

(STATUS: Introduced 02/05/20. Read first time; to Committee on RLS. for assignment on 02/05/20. Referred to Committee on GOV. and F. on 02/12/20. **From committee with author's amendments; read second time and amended; re-referred to Committee on GOV. and F. on 04/02/20.**)

SB 1042 (Pan)

The California Secure Choice Retirement Savings Trust Act establishes the CalSavers Retirement Savings Program to be administered by the California Secure Choice Retirement Savings Investment Board. Existing law requires the Treasurer, on behalf of the board, to appoint an executive director, who is not a member of the board and who serves at its pleasure. Existing law requires eligible employers to offer a payroll deposit retirement savings arrangement so that eligible employees may contribute a portion of their salary or wages to a retirement savings program account in the program, as specified. Existing law requires the board to take various actions upon implementation of the program and, for to up 3 years following its initial implementation of the program, requires the board to establish managed accounts invested in United States Treasuries, myRAs, or similar investments. Existing law states that the program is implemented as of January 1, 2017.

This bill would rename the California Secure Choice Retirement Savings Trust Act as the CalSavers Retirement Savings Trust Act, the body that administers the act as the CalSavers Retirement Savings Board, and make conforming changes in this regard. The bill would make various changes in the act to reflect that it has been implemented, including eliminating the requirement to establish managed accounts invested in United States Treasuries, myRAs, or similar investments described above. The bill would authorize the board to delegate rulemaking authority to its executive director. The bill would authorize an employee to opt out of participation

in the program by telephone and would eliminate a condition relating to contribution amounts that depends on the length of time that an employee has contributed to the program.

Current law, the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), an initiative measure approved as Proposition 64 at the November 8, 2016, statewide general election, authorizes a person who obtains a state license under AUMA to engage in commercial adult-use cannabis activity pursuant to that license and applicable local ordinances. Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), among other things, consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities. MAUCRSA generally divides responsibility for the state licensure and regulation of commercial cannabis activity among the Department of Food and Agriculture, the State Department of Public Health, and the Bureau of Cannabis Control, which are generally referred to as licensing authorities. This bill would require the licensing authorities described above to provide specified information regarding licensees to the CalSavers Retirement Savings Board upon request by the board.

(STATUS: Introduced on 02/18/20. Read first time; to Committee on RLS. for assignment on 02/18/20. **Referred to Committee on L. P.E. & R. and B., P. & E.D. on 02/27/20. Set for hearing March 25; hearing postponed by committee on 03/18/20.**)

SB 1297 (Moorlach)

This bill would revise the provision of pension and other benefits to members of all state or local public retirement systems. The bill would apply its provisions prospectively to any member of a state or local public retirement system who is employed upon the date of its enactment and to any person who may be employed and become a member thereafter.

The bill would:

- void any limit on a pension that prohibits the pension from exceeding a percentage of final compensation, as specified;
- prohibit a local entity from establishing a deferred retirement option program, as described, and if a local entity has established a deferred retirement option program, whether or not the program is closed to new participants, it would be required to disenroll any participating employees and close the program;
- with regard to any member of a state or local public retirement system, the bill would require that final annual compensation used for purposes of ascertaining any pension or benefit be calculated as an average of the member's three highest earning years;
- prohibit, for any method of calculating a pension that is based on fractional percentage of final compensation multiplied by years of service with respect to a particular age at retirement, that fractional percentage from exceeding 2.7%;
- include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities;

- require that an agency participating in PERS that increases the compensation of a member who was previously employed by a different agency to bear all actuarial liability for the action, if it results in an increased actuarial liability beyond what would have been reasonably expected for the member;
- require that the increased actuarial liability be in addition to reasonable compensation growth that is anticipated for a member who works for an employer or multiple employers over an extended time;
- require, if multiple employers cause increased liability, that the liability be apportioned equitably among them; and
- apply to an increase in actuarial liability, as specified, due to increased compensation paid to an employee on and after January 1, 2021.

(STATUS: Introduced on 02/21/20. To Committee on RLS for assignment on 02/21/20. Read first time on 02/24/20. **Referred to Committee on L., P.E. & R. on 03/05/20.**)

2020 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 10-18-19

JANUARY							
	S	M	T	W	TH	F	S
				1	2	3	4
Wk. 1	5	6	7	8	9	10	11
Wk. 2	12	13	14	15	16	17	18
Wk. 3	19	20	21	22	23	24	25
Wk. 4	26	27	28	29	30	31	

FEBRUARY							
	S	M	T	W	TH	F	S
Wk. 4							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	29

MARCH							
	S	M	T	W	TH	F	S
Wk. 1	1	2	3	4	5	6	7
Wk. 2	8	9	10	11	12	13	14
Wk. 3	15	16	17	18	19	20	21
Wk. 4	22	23	24	25	26	27	28
Wk. 1	29	30	31				

APRIL							
	S	M	T	W	TH	F	S
Wk. 1				1	2	3	4
Spring Recess	5	6	7	8	9	10	11
Wk. 2	12	13	14	15	16	17	18
Wk. 3	19	20	21	22	23	24	25
Wk. 4	26	27	28	29	30		

MAY							
	S	M	T	W	TH	F	S
Wk. 4						1	2
Wk. 1	3	4	5	6	7	8	9
Wk. 2	10	11	12	13	14	15	16
Wk. 3	17	18	19	20	21	22	23
No Hrgs.	24	25	26	27	28	29	30
Wk. 4	31						

*Holiday schedule subject to final approval by Rules Committee.

DEADLINES

- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 6** Legislature reconvenes (J.R. 51(a)(4)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 17** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 20** Martin Luther King, Jr. Day.
- Jan. 24** Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year. (J.R. 61(b)(2)). Last day to submit **bill requests** to the Office of Legislative Counsel.
- Jan. 31** Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3)) (Art. IV, Sec. 10(c)).

- Feb. 17** Presidents' Day.
- Feb. 21** Last day for bills to be **introduced** (J.R. 61(b)(4), J.R. 54(a)).

Mar. 27 Cesar Chavez Day observed.

- Apr. 2** **Spring Recess** begins upon adjournment (J.R. 51(b)(1)).
- Apr. 13** Legislature reconvenes from Spring Recess (J.R. 51(b)(1)).
- Apr. 24** Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).
- May 1** Last day for **policy committees** to hear and report to the floor **nonfiscal** bills introduced in their house (J.R. 61(b)(6)).
- May 8** Last day for **policy committees** to meet prior to June 1 (J.R. 61(b)(7)).
- May 15** Last day for **fiscal committees** to hear and report to the **floor** bills introduced in their house (J.R. 61(b)(8)). Last day for **fiscal committees** to meet prior to June 1 (J.R. 61(b)(9)).
- May 25** Memorial Day.
- May 26-29** **Floor session only.** No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(10)).
- May 29** Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

OVER

2020 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 10-18-19

JUNE							
	S	M	T	W	TH	F	S
Wk. 4		1	2	3	4	5	6
Wk. 1	7	8	9	10	11	12	13
Wk. 2	14	15	16	17	18	19	20
Wk. 3	21	22	23	24	25	26	27
Wk. 4	28	29	30				

June 1 Committee meetings may resume (J.R. 61(b)(12)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)).

June 25 Last day for a legislative measure to qualify for the Nov. 3 General Election ballot (Elections Code Sec. 9040).

June 26 Last day for **policy committees** to hear and report **fiscal bills** to fiscal committees (J.R. 61(b)(13)).

JULY							
	S	M	T	W	TH	F	S
Wk. 4				1	2	3	4
Summer Recess	5	6	7	8	9	10	11
Summer Recess	12	13	14	15	16	17	18
Summer Recess	19	20	21	22	23	24	25
Summer Recess	26	27	28	29	30	31	

July 2 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)).

Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51(b)(2)).

July 3 Independence Day observed.

AUGUST							
	S	M	T	W	TH	F	S
Summer Recess							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
No Hrgs.	16	17	18	19	20	21	22
No Hrgs.	23	24	25	26	27	28	29
No Hrgs.	30	31					

Aug. 3 Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

Aug. 14 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 17 – 31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(16)).

Aug. 21 Last day to **amend** bills on the floor (J.R. 61(b)(17)).

Aug. 31 Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). **Final Recess** begins upon adjournment (J.R. 51(b)(3)).

IMPORTANT DATES OCCURRING DURING FINAL RECESS

2020

Sept. 30 Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

Oct. 1 Bills enacted on or before this date take effect January 1, 2021. (Art. IV, Sec. 8(c)).

Nov. 3 General Election.

Nov. 30 Adjournment *sine die* at midnight (Art. IV, Sec. 3(a)).

Dec. 7 2021-22 Regular Session convenes for Organizational Session at 12 noon. (Art. IV, Sec. 3(a)).

2021

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

*Holiday schedule subject to final approval by Rules Committee.



EDELSTEIN GILBERT ROBSON & SMITH^{LLC}

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd ^{Associate}

April 3, 2020

COVID-19 UPDATE: 2020 LEGISLATIVE PROCESS

Edelstein Gilbert Robson & Smith^{LLC}

As the COVID-19 crisis deepens, it appears that California's proactive approach may be working. Experts have expressed cautious optimism that California's shelter in place order is "bending the curve" as the Governor had hoped. In discussing this earlier in the week, Governor Newsom warned that continuing to adhere to the state's orders would be essential and that more work was needed to ensure an adequate number of hospital beds are available in the coming weeks.

The Governor and his team continue to refine existing Executive Orders and issue new ones. Earlier this week, the Governor signed an EO providing an extension to various tax filing deadlines for small business owners. On Thursday, he followed up with an announcement that small businesses collecting sales tax would be given a twelve-month reprieve from remitting up to \$50,000 to the state. This effectively amounts to a bridge loan that would allow businesses financial support while they apply for Federal loans and grants.

Schedule and Return of the Legislature

The Legislature's unprecedented choice to recess its regular session until at least April 13 in response to COVID-19 has put the Legislature's schedule for the remainder of the year into question. We wanted to share what we have learned in the last few weeks about how the Legislature may proceed and our thoughts on what it could mean for legislation we are engaged in on your behalf.

First, the Legislature is not likely to return on April 13. In fact, the Senate President Pro Tem has already stated that her house will not return on April 13. We believe the Legislature is unlikely to return until May at the earliest and possibly as late as June.

The bigger question is how the Legislature's recess will affect its workload for the remainder of the year. As we are in the second year of a two-year session, the Constitution requires that the Legislature finish its business and adjourn its regular session "sine die" by August 31. Consequently, we believe it is likely that legislators will curtail their bill packages and choose to limit themselves to "essential business" once they return. Other than COVID-19, subject areas frequently cited as "essential" include housing, wildfires, and power shutoffs.

Some, but not all, Assembly policy committees have already asked legislators to curtail their bill load and warned that only bills addressing immediate needs related to COVID-19 or other "essential" issues would be heard. In fact, to lead by example, several Chairs have already "pulled" their bills so they will not be heard.

Another important factor is the state's financial situation. Last week reported that the state will be facing a massive fiscal challenge in the years ahead. We believe that regardless of how much legislators voluntarily "give up" bills, the state's financial situation will make it harder to pass bills with any significant costs to the state. It is too early to tell what impact any decisions will have on the SACRS sponsored bill, SB 783.

All of that said, Assembly and Senate Leadership have made no formal decisions on when they will return or how to manage their workload. Any decision they do make will likely be heavily influenced by when the Legislature is able to return. In the likely event that the Legislature chooses to curtail its workload, you can expect some efforts to work around those restrictions. In fact, if leadership and the Governor are willing there are several options that would allow legislators to get their bills passed in 2020 or early 2021. While it's hard to predict exactly what that would look like, several examples are provided below.

Special Session

The Governor can "on extraordinary occasion" call the Legislature into Special Session. In theory, this authority exists to address emergencies and specific issues. However, if the proclamation calling for the Special Session was broad enough, this would allow legislators to reintroduce and attempt to pass many of the bills they have introduced in the regular session thus far. Legislative leaders have a lot of power to bend the rules of a special session in favor of or against specific bills. It can be called concurrently with the regular session and, most importantly, would allow the Legislature to continue working on bills beyond August 31. Bills passed in a special session become law 91 days after they are signed by the Governor.

Expedited Process for End of 2020 and Beginning of 2021

After the November General Election, the newly elected 2021-2022 Legislature will convene in Sacramento in early December. This is usually a quiet time of year. Any bill that cannot move forward in 2020 can be reintroduced when the Legislature reconvenes in December. There is a rumor that legislators who cannot move their bills in the regular session will be afforded an expedited process for those bills in December 2020 and January 2021.

Conference Committee

Every year once the Assembly and Senate have adopted their respective versions of a state budget a Budget Conference Committee, composed of the Budget Committee Chairs and several members of each house, meet to negotiate and agree on a version of the budget both houses will pass. In practice, the process of negotiating a compromise is very opaque and is heavily influenced by leadership in each house and negotiations with the Governor. The Budget Conference Committee, or a conference committee appointed specifically to hear "essential bills," is another option for the Legislature to quickly review and adopt bills. While a conference committee process would only be possible for a limited number of "essential" bills, it would afford the least opportunity for public input on legislation.

What Does all this Mean?

As we noted above, no definitive decision has been made yet. Exactly what course of action the Legislature pursues will depend a lot on the course of the COVID-19 crisis and when the Legislature can safely reconvene. What is most important is understanding that if the Legislature does choose to bend its own rules to hear and act on new bills it will likely do so on an expedited timeline and at the expense of public process. Consequently, it is more important than ever that stakeholders with important business before the Legislature carefully monitor the Capitol and be ready to engage.

Accordingly, we are staying close to things on your behalf and will keep you apprised of further developments.



Memorandum

DATE: March 31, 2020
TO: Members of the Board of Retirement
FROM: Tracy Bowman, Director of Finance
SUBJECT: **FIRST QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT**

Written Report

Background/Discussion

In accordance with OCERS' Travel Policy, the Chief Executive Officer is required to submit a quarterly report to the Board of Retirement on conference attendance and related expenditures incurred by OCERS' Board Members and staff. Attached is the First Quarter 2020 Travel and Training Expense Report that includes all expenses submitted through March 31, 2020.

Submitted by:

A rectangular stamp with a light blue background. It features the OCERS logo on the left and the text "OCERS T.B. - Approved" in a bold, sans-serif font on the right.

OCERS T.B. - Approved

Tracy Bowman
Director of Finance

04-20-2020 REGULAR BOARD MEETING - I-7 FIRST QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
First Quarter 2020
Submitted Through March 31, 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
DEWANE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,247.38
HILTON	1/13-1/14/20	SACRS Meeting	Sacramento, CA	Meeting	-	-	7.61	147.96	448.91	26.00	-	630.48	-
	1/26-1/28/20	NCPERS Legislative Conference	Washington, D.C.	Conference	-	565.00	18.74	385.00	1,027.95	52.00	-	2,048.69	-
	2/10-2/11/20	SACRS Meeting	Sacramento, CA	Meeting	-	-	-	237.97	-	-	-	237.97	-
	2/29-3/2/20	NASRA Winter Conference	Washington, D.C.	Conference	-	675.00	-	316.40	1,006.96	-	-	1,998.36	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	-	-	813.45	-	-	1,063.45	-
	3/16/20	SACRS Meeting (1)	Sacramento, CA	Meeting	-	-	-	194.96	-	-	-	194.96	-
Sub Total					-	1,490.00	26.35	1,282.29	3,297.27	78.00	-	6,173.91	20,557.56
LINDHOLM					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	701.02
PACKARD					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,236.24
PREVATT					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	17,159.36
TAGALOA	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	-	-	813.45	-	-	1,063.45	-
Sub Total					-	250.00	-	-	813.45	-	-	1,063.45	-
VALLONE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,743.23
BOARD Total					-	1,740.00	26.35	1,282.29	4,110.72	78.00	-	7,237.36	45,901.56
DELANEY	2/7/20	CALAPRS Administrators Round Table	Costa Mesa, CA	Conference	-	125.00	-	-	-	20.00	-	145.00	-
	2/29-3/2/20	NASRA Winter Conference	Washington, D.C.	Conference	-	675.00	-	538.01	845.31	19.79	-	2,078.11	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	-	-	-	-	-	250.00	-
Sub Total					-	1,050.00	-	538.01	845.31	39.79	-	2,473.11	21,516.09
JENIKE	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	82.23	250.00	22.55	-	542.30	-	-	897.08	-
Sub Total					82.23	250.00	22.55	-	542.30	-	-	897.08	8,952.48
SHOTT	1/26-1/28/20	GFOA/CORBA Meeting	Washington, D.C.	Meeting	-	-	-	477.78	621.06	151.16	-	1,250.00	-
	2/23-2/25/20	Gartner CIO Leadership Forum	Phoenix, AZ	Conference	-	3,000.00	-	453.96	1,144.83	80.00	-	4,678.79	-
	3/7-3/10/20	CALAPRS General Assembly	Palm Springs, CA	Conference	-	250.00	-	-	813.45	-	-	1,063.45	-
	3/19/20	CalSTRS Meeting (1)	Sacramento, CA	Meeting	-	-	-	329.97	-	-	-	329.97	-
Sub Total					-	3,250.00	-	1,261.71	2,579.34	231.16	-	7,322.21	7,840.34
EXECUTIVE Total					82.23	4,550.00	22.55	1,799.72	3,966.95	270.95	-	10,692.40	36,308.91
BEESON	1/14-1/16/20	KKR, Mayfield, Accel KKR, DBL, Thoma Bravo, Genstar	San Jose, CA/San Francisco, CA	Due Diligence	-	-	81.20	227.96	725.22	97.06	-	1,131.44	-
	1/28-1/29/20	Five Point, Quantam, EnCap	Houston, TX	Due Diligence	-	-	15.44	233.96	304.20	28.34	-	581.94	-
	3/2-3/3/20	Thoma Bravo Annual Meeting	San Francisco, CA	Due Diligence	-	-	41.50	191.80	313.34	79.40	-	626.04	-
Sub Total					-	-	138.14	653.72	1,342.76	204.80	-	2,339.42	5,490.36
CHARY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	7,176.35
CLEBERG	5/8/20	CALAPRS Overview Course in Retirement (1)	San Jose, CA	Training	-	-	-	234.96	-	-	-	234.96	-
	10/14-10/16/20	CALAPRS Intermediate Course in Retirement	Costa Mesa, CA	Training	-	250.00	-	-	-	-	-	250.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Costa Mesa, CA	Training	-	500.00	-	-	-	-	-	500.00	-
Sub Total					-	750.00	-	234.96	-	-	-	984.96	768.53
MURPHY	1/10/20	Pacific Center for Asset Management	San Diego, CA	Due Diligence	69.92	-	-	-	-	-	-	69.92	-
	1/14-1/16/20	KKR, Mayfield, Accel KKR, DBL, Thoma Bravo, Genstar	San Jose, CA/San Francisco, CA	Due Diligence	-	-	105.48	68.99	771.98	231.06	-	1,177.51	-
	1/27/20	Pathfinder & Silver Rock	Los Angeles, CA	Due Diligence	49.28	-	-	-	-	-	-	49.28	-
	1/28-1/29/20	Five Point, Quantam, EnCap	Houston, TX	Due Diligence	-	-	-	512.80	340.44	160.40	-	1,013.64	-
	1/31/20	Meketa	Carlsbad, CA	Due Diligence	48.76	-	-	-	-	-	-	48.76	-
	3/7-3/10/20	CALAPRS General Assembly (2)	Palm Springs, CA	Conference	-	250.00	-	-	390.27	-	-	640.27	-
Sub Total					167.96	250.00	105.48	581.79	1,502.69	391.46	-	2,999.38	13,787.44
NGUYEN	1/31/20	Meketa	Carlsbad, CA	Due Diligence	46.58	-	-	-	-	-	-	46.58	-
	2/3/20	SDCERA Investment Conference	La Jolla, CA	Conference	72.11	75.00	-	-	-	28.68	-	175.79	-
	2/24-2/28/20	BlackRock Mastering Alternative Asset Classes	New York, NY	Conference	25.24	-	289.72	371.80	1,106.00	242.41	-	2,035.17	-
	10/14-10/16/20	CALAPRS Intermediate Course in Retirement	Costa Mesa, CA	Training	-	250.00	-	-	-	-	-	250.00	-
	12/2-12/4/20	CALAPRS Advanced Course in Retirement	Costa Mesa, CA	Training	-	500.00	-	-	-	-	-	500.00	-
Sub Total					143.93	825.00	289.72	371.80	1,106.00	271.09	-	3,007.54	82.38
TUCKER	1/13-1/17/20	AIF Global, Blue Harbor	New York, NY/Greenwich, CT	Due Diligence	-	-	98.38	389.60	719.00	221.22	-	1,428.20	-
	3/11-3/19/20	Manager Due Diligence (1)	New York, NY	Due Diligence	-	-	-	466.80	-	-	-	466.80	-
Sub Total					-	-	98.38	856.40	719.00	221.22	-	1,895.00	7,852.16
TURAIKI	1/27/20	Pathfinder & Silver Rock	Los Angeles, CA	Due Diligence	57.04	-	-	-	-	-	-	57.04	-
	1/31/20	Meketa	Carlsbad, CA	Due Diligence	65.90	-	-	-	-	-	-	65.90	-
Sub Total					122.94	-	-	-	-	-	-	122.94	4,666.05
WALANDER-SARKIN	1/31/20	Meketa	Carlsbad, CA	Due Diligence	45.31	-	-	-	-	-	-	45.31	-
	2/16-3/4/20	SuperReturn International/Manager Due Diligence	London/Berlin	Due Diligence	-	-	136.80	980.41	1,815.12	225.83	-	3,158.16	-
Sub Total					45.31	-	136.80	980.41	1,815.12	225.83	-	3,203.47	3,252.60
INVESTMENTS Total					480.14	1,825.00	768.52	3,679.08	6,485.57	1,314.40	-	14,552.71	43,075.87

04-20-2020 REGULAR BOARD MEETING - I-7 FIRST QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
 First QUARTER 2020
 Submitted Through March 31, 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
KINSLER					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	161.53
RITCHEY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	420.59
COMMUNICATIONS Total					-	-	-	-	-	-	-	-	582.12
MATSUO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,693.82
MCINTOSH					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	6,209.90
RATTO	1/17/20	SACRS Legislative Meeting	Sacramento, CA	Meeting				282.96		45.00		327.96	
	2/19-2/21/20	NAPPA 2020 Winter Seminar	Tempe, AZ	Conference	10.00	555.00	63.40	241.96	838.66	20.70		1,729.72	
Sub Total					10.00	555.00	63.40	524.92	838.66	65.70		2,057.68	7,662.51
SHARMA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	39.72
SINGLETON					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	620.28
LEGAL Total					10.00	555.00	63.40	524.92	838.66	65.70		2,057.68	16,226.23
BERCARU					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
CAMARILLO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,612.03
FIELDS					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	149.50
JOVEL					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,402.01
LOPEZ					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	125.00
MARTINEZ, C					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	754.91
MERIDA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	190.40
MIRAMONTES					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
PERSI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,338.00
RUBIO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	125.00
SERRANO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
WOOD					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	255.00
YU					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	208.41
MEMBER SERVICES Total					-	-	-	-	-	-	-	-	8,701.85
BARKER					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	632.00
BOWMAN					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	1,910.43
DAVEY					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
DURIGON					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,174.96
GUERRERO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,036.66
KANG					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	965.54
REYES					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	642.00
FINANCE Total					-	-	-	-	-	-	-	-	10,611.59
ACUNA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	610.52
CORTEZ					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
DISABILITY Total					-	-	-	-	-	-	-	-	860.52

04-20-2020 REGULAR BOARD MEETING - I-7 FIRST QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT

TRAVEL AND TRAINING EXPENSE REPORT
 First QUARTER 2020
 Submitted Through March 31, 2020**

Name	Trip OR Class Dates	Trip Name	Destination	Trip Type	Mileage	Reg. Fee	Meals	Airfare	Hotel	Trans.	Misc.	2020 YTD Total	2019 Total*
D'AIELLO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	149.00
DOEZIE					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,404.82
DURRAH					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	3,111.97
GUNSOLLEY	5/18-5/21/20	UCLA Multidimensional Leaders' Institute	Los Angeles, CA	Training	-	8,500.00	-	-	-	-	-	8,500.00	-
Sub Total					-	8,500.00	-	-	-	-	-	8,500.00	1,866.92
HOCKLESS					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	2,549.65
WOZNIUK					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	312.00
ADMINISTRATION Total					-	8,500.00	-	-	-	-	-	8,500.00	12,394.36
JOHNSON					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,074.55
LARA					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	7,828.87
NANDI					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	250.00
TAKIMOTO					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	4,008.03
IT Total					-	-	-	-	-	-	-	-	16,161.45
ADVIENTO	1/28-1/31/20	CSFMO 2020	Anaheim, CA	Conference	32.20	735.00	-	-	-	45.00	-	812.20	-
Sub Total					32.20	735.00	-	-	-	45.00	-	812.20	2,123.88
KIM					-	-	-	-	-	-	-	-	-
Sub Total					-	-	-	-	-	-	-	-	6,535.86
INTERNAL AUDIT Total					32.20	735.00	-	-	-	45.00	-	812.20	8,559.74
EAKIN	6/1-6/4/20	Gartner Security & Risk Management Summit	National Harbor, MD	Conference	-	-	-	665.40	-	-	-	665.40	-
Sub Total					-	-	-	665.40	-	-	-	665.40	16,967.21
GOSSARD	6/1-6/4/20	Gartner Security & Risk Management Summit	National Harbor, MD	Conference	-	-	-	760.40	-	-	-	760.40	-
Sub Total					-	-	-	760.40	-	-	-	760.40	16,481.52
INFORMATION SECURITY Total					-	-	-	1,425.80	-	-	-	1,425.80	33,448.73
Total					604.57	17,905.00	880.82	8,711.81	15,401.90	1,774.05	-	45,278.15	236,884.57

Footnotes:
 * Prior year totals only presented for 2020 active staff & Board members.
 ** Excludes expenses for non-travel related training conferences including: misc. lunches, meetings, mileage, strategic planning, and tuition reimbursement.
 1 Trip cancelled and a credit has been placed on the airlines account which will be applied towards a future trip.
 2 Trip cancelled. Expenses do not qualify for full refund due to cancellation outside policy.



Memorandum

DATE: March 23, 2020
TO: Members of the Board of Retirement
FROM: Tracy Bowman, Director of Finance
SUBJECT: **GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING**

Written Report

Background/Discussion

The Government Finance Officers Association (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to OCERS by the GFOA for its CAFR for the year ended December 31, 2018. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

In addition, an Award of Financial Reporting Achievement has been presented to the Finance Division by the GFOA for preparing the award-winning CAFR. The CAFR was judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Attachments:

Certificate of Achievement for Excellence in Financial Reporting
Award of Financial Reporting Achievement

Submitted by:

A rectangular stamp with a blue border. It contains the text "OCERS T.B. - Approved" in a bold, sans-serif font. Above the text is a small sunburst icon.

Tracy Bowman
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Orange County
Employees Retirement System
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO



**The Government Finance Officers Association
of the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Division

Orange County Employees Retirement System, California



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morill

Date February 21, 2020



Memorandum

DATE: March 23, 2020
TO: Members of the Board of Retirement
FROM: Tracy Bowman, Director of Finance
SUBJECT: **2020 AMERICAN ADVERTISING BRONZE AWARD FOR THE 2018 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Written Report

Background/Discussion

OCERS' Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2018, was entered into the local tier competition of the American Advertising Awards. The CAFR was submitted by Spencer Lewis, an Inland Empire-based graphic design firm who has assisted with producing OCERS' CAFRs since 2012.

The American Advertising Awards is conducted annually by the American Advertising Federation and is the advertising industry's largest and most representative competition, attracting over 40,000 entries every year in local competitions. Concurrently, across the county, local entrants vie to receive an award – recognition against the very best in their markets. The winners of the local competitions move up to one of 15 District competitions for a chance to advance to the National Finals. The 2020 American Advertising Awards Gala for the Inland Empire was held on March 13, 2020.

OCERS' CAFR for the year ended December 31, 2018 was entered in the Printed Annual Report Category under the Entry Name: "Pieces of Public Safety Services" and received the American Advertising Bronze Award.

Submitted by:

A rectangular stamp with a decorative border. It contains the text "OCERS T.B. - Approved" in a serif font. Above the text is a small sunburst icon. The stamp is positioned above a horizontal line.

Tracy Bowman
Director of Finance



Memorandum

DATE: April 20, 2020
TO: Members of the Board of Retirement
FROM: Steve Delaney, Chief Executive Officer
SUBJECT: **COVID-19 UPDATE**

Written Report

The OCERS staff has done a great job meeting the COVID-19 challenge and ensuring that our members receive the services they expect as we fulfil this agency's mission. Rather than provide you with a written report of the agency status prior to the Monday, April 20th meeting of the OCERS Board of Retirement, I will instead provide a verbal update of plan status and challenges at that time. This recognizes the fact that issues impacted by COVID-19 seem to change daily.

Submitted by:



SD - Approved

Steve Delaney
Chief Executive Officer