

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

**REGULAR MEETING  
Monday, July 21, 2025  
9:30 A.M.**

**MINUTES**

Chair Packard called the meeting to order at 9:31 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Charles Packard, Chair; Arthur Hidalgo; Iriss Barriga; Jeremy Vallone; Roger Hilton; Adele Lopez Tagaloa; Wayne Lindholm; Shawn Dewane

Present via Zoom (under Government Code Section 54953(f)): Richard Oates, Vice Chair

Also Present: Steve Delaney, CEO (ZOOM); David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Manuel Serpa, General Counsel; Darren Dang, Chief Technology Officer; Molly Murphy, Chief Investment Officer (ZOOM); Will Tsao, Director of EPMO; Jeff Lamberson, Director of Member Services; Cynthia Hockless, Director of HR; Philip Lam, Director of Internal Audit; Nicole McIntosh; Director of Disability; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Todd Tauzer, Andy Yeung, Segal  
Maytak Chin, ReedSmith

Absent: Shari Freidenrich

**Public Comment:**

Amanda Mendoza, Senior Research & Campaign Coordinator, Climate, from Private Equity Stakeholder Project, gave comments on risks associated with fossil fuel investments in OCERS private equity portfolio.

**CONSENT AGENDA**

<b>BENEFITS</b>
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**C-1 OPTION 4 RETIREMENT ELECTION**

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

- Kohatsu, Michael

<b>ADMINISTRATION</b>
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**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

June 16, 2025

**Recommendation:** Approve minutes.

**C-3 OUTCOMES FROM THE PERSONNEL COMMITTEE MEETING ON JUNE 25, 2025**

**Recommendation:** The Personnel Committee recommends that the Board approve the following:

- A. Direct Staff to halt the pursuit of legislation to move the County employees to be OCERS direct and pursue working with the County on making OCERS County Classifications OCERS-specific.
- B. Receive and file the Gallagher study.
- C. Approve the Creation of a Career Ladder for a Chief Information Security Officer.
- D. Approve and adopt the revisions to the Compensation Policy, excluding draft Sections 14 – 20 “Salary Compression Mitigation”, while incorporating the Incentive Compensation Policy in final Sections 21 – 25.
- E. Approve the following eight (8) Limited Term position requests for the Disability, Member Services, Finance, and Information Technology Departments in preparation for the Pension Administration System (PAS) Implementation, or OCERS Horizon:
  - 1. Disability Retirement Program Specialist (1)
  - 2. Member Services Accounting Technician (2)
  - 3. Member Services Retirement Benefits Technician (1)
  - 4. Finance Accountant Auditor (1)
  - 5. Information Technology Business Systems Analyst (1)
  - 6. Information Technology Data Analyst (1)
  - 7. Information Technology AI Automation Engineer (1)

The total estimated annual personnel cost for these staffing changes is \$1,133,739. The estimated budget impact for 2025 due to Q4 hiring for several positions is \$97,140; however, we anticipate the estimated cost for the additional positions in 2025 can be absorbed within the existing 2025 budget.

**C-4 OCERS TRUSTEES TRAVEL APPROVAL**

**Recommendation:** Approve the following Trustees’ travel:

1. Ms. Lopez Tagaloa’s attendance at the iDAC (Investment Diversity Advisory Council, Inc.) 2025 4th Annual Global Summit to be held September 23-25, 2025 at the JW Marriott Hill Country in San Antonio, Texas. Anticipated cost is approximately \$1577 [Registration: \$150; Flights: \$400; Meals: \$250; Hotel: \$777].
2. Ms. Barriga’s attendance at the iDAC (Investment Diversity Advisory Council, Inc.) 2025 4th Annual Global Summit to be held September 23-25, 2025 at the JW Marriott Hill Country in San Antonio, Texas. Anticipated cost is approximately \$1577 [Registration: \$150; Flights: \$400; Meals: \$250; Hotel: \$777].

**C-5 AMEND OCERS CONFLICT OF INTEREST CODE TO ADD TWO POSITIONS AS A FORM 700 FILER**

**Recommendation:** Approve amendments to the OCERS Conflict of Interest Code (OCERS Code) to designate the Chief Technology Officer and Chief Information Security Officer as positions required to file a Form 700.

A **MOTION** was made by Mr. Dewane, **seconded** by Mr. Lindholm, to approve the Consent Agenda.

The motion passed **unanimously**.

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**DISABILITY/MEMBER BENEFITS AGENDA**

**CONSENT ITEMS**

**A. Disability Committee Recommendations:**  
 None

**B. CEO Recommendations:**

**DC-1: RICHARD AGUILAR**  
 Fire Apparatus Engineer, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as September 8, 2023.

**DC-2: CHRISTOPHER BOYD**  
 Deputy Sheriff I, Orange County Sheriff’s Department (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 7, 2025.

**DC-3: BRIAN CALLAGY**  
 Sergeant, Orange County Sheriff’s Department (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as December 13, 2024.

**DC-4: JOSE GARCIA**

Firefighter, Orange County Fire Authority (Safety)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

**DC-5: MICHELE HARRIS**

Sheriff's Records Technician, Orange County Sheriff's Department (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected and non-service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-6: YOLANDA HERNANDEZ-OBILLO**

Staff Specialist, Orange County Health Care Agency (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected and non-service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-7: ADRIAN LLAMAS**

Research Analyst III, Orange County Social Services Agency (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as August 25, 2023.

**DC-8: ANTHONY MCLAWYER**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Deny service-connected and non-service-connected disability retirement without prejudice due to the member's decision not to join in the application.

**DC-9: RACHEL PHELPS**

Coach Operator, Orange County Transportation Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

**DC-10: MISHELE RICHARDS**

Fire Communications Dispatcher, Orange County Fire Authority (General)

**Recommendation:** Steve Delaney, CEO, recommends that the Board:

- Grant service-connected disability retirement.

- Set the effective date as March 22, 2024.

A **MOTION** was made by Mr. Dewane, **seconded** by Mr. Hilton, to approve DC 1-10.

The motion passed **unanimously**.

### **ACTION ITEMS**

#### **A-2 CONSIDERATION OF EARLY PAYMENT OF EMPLOYER CONTRIBUTIONS FOR FISCAL YEAR- 2026-2027**

*Presentation by Brenda Shott, Asst. Chief Executive Officer, Internal Operations, OCERS*

**Recommendation:** Approve the terms of a prepayment discount program for the advance payment of employer contributions, including a 7.0% discount rate to be used for contribution year July 2026 through June 2027.

A **MOTION** was made by Mr. Dewane, **seconded** by Mr. Hilton, to staff recommendation.

The motion passed **unanimously**.

#### **A-3 FOR THE NOV 11-14, 2025 SACRS CONFERENCE: WAIVE RULE PROHIBITING ORANGE COUNTY LODGING EXPENSE**

*Presentation by Steve Delaney, CEO and Manuel Serpa, General Counsel, OCERS*

**Recommendation:** Make a blanket exception to the Board Travel Policy and permit Trustees attending the November 2025 SACRS Conference to have their lodging at the event hotel reimbursed.

A **MOTION** was made by Mr. Dewane, **seconded** by Mr. Hilton, to approve staff recommendation.

A **SUBSTITUTE MOTION** was made by Mr. Packard, **seconded** by Mr. Hidalgo, to waive the Board Travel Policy to permit only Ms. Lopez Tagaloa (due to SACRS duties) and Mr. Hilton (due to distance) to have their lodging reimbursed.

Mr. Serpa notes that anytime an exception is made to a Board Policy, the Board Policy is referred to the Governance Committee for review and update.

Substitute motion fails by the following roll call vote:

<b><u>AYES</u></b>	<b><u>NAYS</u></b>	<b><u>ABSTAIN</u></b>	<b><u>ABSENT</u></b>
Mr. Hidalgo	Ms. Barriga		Ms. Freidenrich
Mr. Lindholm	Mr. Dewane		
Mr. Packard	Mr. Hilton		
	Ms. Lopez Tagaloa		
	Mr. Oates		

Original motion passes by the following roll call vote:

<u><b>AYES</b></u>	<u><b>NAYS</b></u>	<u><b>ABSTAIN</b></u>	<u><b>ABSENT</b></u>
Ms. Barriga	Mr. Hidalgo		Ms. Freidenrich
Mr. Dewane	Mr. Packard		
Mr. Hilton			
Mr. Lindholm			
Ms. Lopez Tagaloa			
Mr. Oates			

### **INFORMATION ITEMS**

Each of the following informational items will be presented to the Board for discussion.

**I-1 ILLUSTRATIONS OF RETIREMENT COSTS, UNFUNDED ACTUARIAL ACCRUED LIABILITY AND FUNDED RATIO UNDER ALTERNATIVE INVESTMENT RETURN SCENARIOS**

*Presentation by Segal*

*The Board recessed for break at 10:20 a.m.*

*The Board reconvened from break at 10:40 a.m.*

*Recording Secretary administered the Roll Call attendance.*

**I-2 ACTUARIAL RISK ASSESSMENT BASED ON THE DECEMBER 31, 2024 ACTUARIAL VALUATION**

*Presentation by Segal*

**I-3 PENSION ADMINISTRATION SYSTEM (PAS): OCERS HORIZON ACTIVITY REPORT**

*Presentation by Will Tsao, Director of EPMO and Provaliant Team, OCERS*

**I-4 FUTURE TRUSTEE TRAINING SESSIONS: FORMAT, SCHEDULING, AND TOPICS**

*Presentation by Manuel Serpa, General Counsel, OCERS*

*The Board adjourned to closed session at 11:45 a.m.*

### **CLOSED SESSION**

**E-1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Government Code Section § 54956.8)**

**Property:** 1200 N. Tustin Ave., Santa Ana, CA 92705

**Agency negotiator:** Brenda Shott

**Negotiating parties:** All existing tenants under lease at the above-noted property.

**Under negotiation:** Price and payment terms of lease, lease termination, or lease renegotiation.

**Recommendation:** Take appropriate action.

*The Board returned from Closed Session at 11:56 a.m.*

*Recording Secretary did not administer the Roll Call attendance but witnessed Ms. Barriga, Mr. Dewane, Mr. Hidalgo, Mr. Hilton, Mr. Lindholm, Ms. Lopez Tagaloa, Vice Chair Oates (ZOOM), Chair Packard, and Mr. Vallone present.*

**REPORT OF ACTIONS TAKEN IN CLOSED SESSION:** Mr. Serpa notes no reportable action was taken.

**WRITTEN REPORTS**

The following are written reports that will not be discussed unless a member of the Board requests discussion.

**R-1 MEMBER MATERIALS DISTRIBUTED**

Application Notices

July 21, 2025

Death Notices

July 21, 2025

**R-2 COMMITTEE MEETING MINUTES**

- April 2025- Personnel Committee Minutes

**R-3 CEO FUTURE AGENDAS AND 2025 OCERS BOARD WORK PLAN**

Written Report

**R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Written Report

**R-5 BOARD COMMUNICATIONS**

Written Report

**R-6 LEGISLATIVE UPDATE**

Written Report

**R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST**

Written Report

**R-8 UPDATE BOARD ELECTIONS: GENERAL MEMBER AND RETIRED MEMBER**

Written Report

**R-9 NEW HEADQUARTERS ACTIVITY REPORT**

Written Report

**R-10 STRATEGIC PLANNING WORKSHOP – FINAL AGENDA**

Written Report

**R-11 THIRD QUARTER REVIEW OF OCERS BOARD 2025-2027 STRATEGIC & BUSINESS PLAN**

Written Report

**R-12 EVOLUTION OF THE UAAL**

Written Report

**R-13 OCERS BY THE NUMBERS**

Written Report

**R-14 BEHIND THE BOT - BUILDING OCERS VIRTUAL ASSISTANT FROM CONCEPT TO LAUNCH**

Written Report

**R-15 CONTRACT STATUS FOR NAMED SERVICE PROVIDERS**

Written Report

R-10 was pulled for Mr. Delaney to announce that Orange County CEO, Michelle Aguirre, will be joining us for the Stakeholder panel. He also notes that the Strategic Planning Workshop agenda finalization is subject to the Board Chair approval, so if needed the Board can take up Board business during the Strategic Planning Workshop.

**CIO COMMENTS:** Chief Investments Officer, Molly Murphy, shared that as of the close of June 2025, the markets are still up, and the OCERS portfolio was up, year to date, about 6.5% - projecting returns of about 7%. Tech is trending strong, and the market feels more like standard operating procedure relative to tariff panic and trade negotiations. Crypto legislation guidelines have been released by the industry and market. For this reason, Ms. Murphy notes that we are anticipating an education session on Digital Assets in the Investment Committee Meeting on August 27.

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS-** None


**BOARD MEMBER COMMENTS-** None

**COUNSEL COMMENTS-** None

Meeting **ADJOURNED** at 12:10 p.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

DocuSigned by:



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Steve Delaney

Secretary to the Board

Approved by:

DocuSigned by:



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Charles Packard

Chairperson