

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

**REGULAR MEETING
Monday, October 19, 2020
9:30 a.m.**

MINUTES

Chair Hilton called the meeting to order at 9:37 a.m.

Cammy Torres administered the Roll Call attendance.

Attendance was as follows:

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

Roger Hilton, Chair; Shawn Dewane, Vice-Chair; Shari Freidenrich, Adele Tagaloa, Charles Packard, Chris Prevatt, Arthur Hidalgo, Frank Eley, Jeremy Vallone and Wayne Lindholm

Also Present via Zoom:

Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Gina Ratto, General Counsel; Jenny Sadoski, Director of Information Technology, Anthony Beltran, Visual Technician; Cammy Torres; Recording Secretary

Guests via Zoom:

Harvey Leiderman, ReedSmith

CONSENT AGENDA

MOTION by Packard, **seconded** by Lindholm, 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.

- GERLYN BOWMAN
- ROBERT HUNT
- MICHAEL WALLACE
- HARRIET MYERS FAIN

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

August 17, 2020

Recommendation: Approve minutes.

C-3 OUTCOMES OF THE DISABILITY COMMITTEE MEETING ON AUGUST 17, 2020

Recommendation: The Disability Committee recommends that the Board:

- (1) Approve a new OCERS Administrative Procedure for Determining Disability Retirement Effective Dates

The motion passed **unanimously**.

CONSENT ITEMS: DISABILITY/MEMBER BENEFITS AGENDA

OPEN SESSION

CONSENT ITEMS

MOTION by Packard, **seconded** by Eley, to approve staff’s recommendation on all of the following items on the Disability/Member Benefits Consent Agenda:

DC-1: BRIAN HOPP
Firefighter, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member’s failure to cooperate. (Safety Member)

DC-2: JANE MARTORANA
Senior Social Worker, Orange County Social Services Agency

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

DC-3: BAO VINH
Senior Social Worker, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of job causation. (General Member)

This item was **pulled** from the agenda.

DC-4: JENNIFER COLE

Deputy Sheriff I, 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-5: RONALD ROSAS

Plumber, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of October 11, 2019. (General Member)

DC-6: CALINH VU

Employment and Eligibility Specialist, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of September 27, 2019. (General Member)

DC-7: DANIEL MACKAY

Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of November 30, 2019. (Safety Member)

DC-8: TERESA McCONKEY

Group Counselor II, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of August 30, 2019; find the applicant is capable of performing other duties in the service of the County of Orange pursuant to Government Code Section 31725.65 ; Grant a supplemental disability retirement payment allowance effective August 30, 2019. (General Member)

The motion passed **unanimously**.

ACTION ITEMS:

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

N/A

The Board adjourned into closed session at: 9:42 a.m.

CLOSED SESSION

DISABILITY/MEMBER BENEFITS AGENDA

DA-2: DISABILITY APPEAL – PAULA SNYDER
Office Services Specialist, Orange County Fire Authority

Recommendation: Approve and adopt the findings and recommendations of the Referee/Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations dated July 7, 2020 (Recommendations), wherein the Hearing Officer recommends that the Board deny service connected disability retirement based upon the fact that Applicant Paula Snyder was found not to be substantially incapacitated to perform her usual and customary job duties.

DA-3: DISABILITY APPEAL – LYNN HONG
Service Worker, Orange County Transportation Authority

Recommendation: Approve and adopt the findings and recommendations of the Referee/Hearing Officer as set forth in the Proposed Decision dated August 17, 2020 (Recommendations) wherein the Hearing Officer recommended (1) that the application of Lynn Hong (Applicant) for service connected disability retirement based on the orthopedic injury to Applicant's left shoulder be granted with an effective date of October 23, 2013; and (2) that the application for service-connected and non-service connected disability retirement based on the orthopedic injuries to Applicant's right shoulder and lumbar spine be denied.

OPEN SESSION

The Board reconvened into open session at: 10:11 a.m.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

Chair Hilton reported that the Board took the following actions in Closed Session:

DA-2: DISABILITY APPEAL – PAULA SNYDER

MOTION by Eley, **seconded** by Packard to approve and adopt the findings and recommendations of the Referee/Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations dated July 7, 2020 (Recommendations), wherein the Hearing Officer recommends that the Board deny service connected disability retirement based upon the fact that Applicant Paula Snyder was found not to be substantially incapacitated to perform her usual and customary job duties.
The motion passed **unanimously**.

DA-3: DISABILITY APPEAL – LYNN HONG

MOTION by Eley, **seconded** by Packard to approve and adopt the findings and recommendations of the Referee/Hearing Officer as set forth in the Proposed Decision dated August 17, 2020 (Recommendations) wherein the Hearing Officer recommended (1) that the application of Lynn Hong (Applicant) for service connected disability retirement based on the orthopedic injury to Applicant’s left shoulder be granted with an effective date of October 23, 2013; and (2) that the application for service-connected and non-service connected disability retirement based on the orthopedic injuries to Applicant’s right shoulder and lumbar spine be denied.

The motion passed **unanimously**.

ACTION ITEMS

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

A-2 OCERS 2021-2023 STRATEGIC PLAN
Presentation by Steve Delaney, Chief Executive Officer, OCERS

Recommendation: Approve OCERS 2021-2023 Strategic Plan.

Mr. Delaney presented the OCERS 2021-2023 Strategic Plan. There were no additional modifications made since the initial presentation at the September 2020 Strategic Planning Workshop.

MOTION by Packard, **seconded** by Lindholm to approve OCERS 2021-2023 Strategic Plan.

The motion passed **unanimously**.

A-3 OCERS 2021 BUSINESS PLAN
Presentation by Steve Delaney, Chief Executive Officer, and Brenda Shott, Assistant CEO Internal Operations, OCERS

Recommendation: Approve OCERS 2021 Business Plan.

Ms. Shott reviewed the OCERS 2021 Business Plan including the cost estimates for business initiatives that would be included in the budget upon approval of the Plan. There were no additional modifications made since the initial presentation at the September 2020 Strategic Planning Workshop.

MOTION by Packard, **seconded** by Dewane to approve OCERS 2021 Business Plan.

The motion passed **unanimously**.

The Board recessed for break at 10:23 a.m.
The Board reconvened from break at 10:35 a.m.

INFORMATION ITEMS

I-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices

October 19, 2020

Death Notices

October 19, 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 STATE AND FEDERAL LEGISLATIVE UPDATE

Written Report

I-6 was pulled by Mr. Lindholm. He stated that Bill AB2967 did not mention the city of Placentia and inquired as to why that was the case.

Ms. Ratto gave an overview of the Bill and explained that the initial bill was in response to the City of Placentia’s withdrawal from OCFA. She further explained that the Bill has no effect on the CERL systems.

I-7 THIRD QUARTER 2020 TRAVEL AND TRAINING EXPENSE REPORT

Written Report

I-8 THE EVOLUTION OF THE OCERS UAAL (2020 EDITION)

Written Report

I-8 was pulled by Mr. Lindholm. He raised two questions. The first was regarding the actual verses expected COLA increases and the second was regarding experience losses. Mr. Delaney said he would work with Segal staff and come back at the November board meeting with figures regarding his questions.

I-9 MEMBER SERVICES PROGRESS ON PROCESSING COUNTY OF ORANGE VOLUNTARY INCENTIVE PROGRAM RETIREMENTS

Written Report

I-9 was pulled by Mr. Delaney. He stated that the County’s Executive Office found this program to be far more successful than they initially anticipated. Ms. Jenike gave a full update as to the impact the incentive program has had on OCERS staff as well as the positive services the member’s received.

I-10 OUTCOMES OF THE PERSONNEL COMMITTEE MEETING ON AUGUST 19, 2020

Presentation by Brenda Shott and Steve Delaney

Mr. Delaney discussed the Performance Management Plan for OCERS direct employees. Ms. Shott walked the Board through all the options that were recommended by the Personnel Committee.

I-11 UPDATE ON STAFFS PROGRESS IN RESPONSE TO THE ALAMEDA COUNTY DECISION IN *Alameda County Deputy Sheriff’s Assoc. et al., v. Alameda County Employees’ Retirement Assn., et al*

Presentation by Suzanne Jenike and Steve Delaney

Ms. Jenike gave an overview of the Alameda County Decision. She discussed that on August 17, 2020 staff informed the Board of two administrative actions that were implemented immediately:

1. Employee and Employer contributions would no longer be applied to these pay items effective the first full pay period after August 31, 2020. For most employers pay period 20 which started on September 11, 2020 was the pay period in which the change was made.
2. OCERS Team would exclude these pay items from all new benefit set ups beginning on October 1, 2020. She also stated that no action was taken to change benefit allowances that were in place prior to October 1, 2020.

Ms. Jenike also discussed the ongoing collaboration OCERS continues to have with all employers and major labor groups in order to keep everyone up to date.

I-12 COVID-19 UPDATE

Presentation by Steve Delaney, Chief Executive Officer, OCERS

Mr. Delaney presented the COVID-19 update for the month of October. He informed the Board that while OCERS staff continue to work remotely until the end of October, in line with current County Health Department advice emphasizing telework wherever possible, that decision is revisited by himself and the Crisis Management team every month. Mr. Delaney further stated that in light of increasing illnesses he would not be surprised if OCERS remains teleworking at least through to the end of the calendar year.

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

CLOSED SESSION ITEMS

**E-1 CONFERENCE REGARDING SIGNIFICANT EXPOSURE TO LITIGATION (ONE MATTER)
(GOVERNMENT CODE SECTION 54956.9)**

Adjourn pursuant to Government Code section 54956.9(d)(2)

Recommendation: Take appropriate action.

Item E-1 was postponed. The Board did not adjourn to Closed Session.

BOARD MEMBER COMMENTS

N/A

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

N/A

COUNSEL COMMENTS

Ms. Ratto gave the Board an update on a proposed amendment staff is currently working on that would give the Board the authority to change the reporting structure in the Investments Department. This would affect OCERS direct staff only. The amendment would give the OCERS CIO greater flexibility to promote staff as mid-managers to the Investment team.

PUBLIC COMMENTS

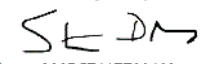
Michael Simon, member of the public, stated he will wait to comment at a later time.

Sam Maner, member of the public, expressed his disappointment in the recent Alameda decision and wanted to know why this wasn't given more attention back in 2013. Mr. Delaney stated that it's difficult to address and/or take action on something that had no official ruling made by the court system. OCERS will continue to work diligently with the Board members on this issue.

Chair Hilton adjourned in memory of the active members, retired members, and surviving spouses who passed away during the past month. The meeting **ADJOURNED** at 11:54 a.m.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Board

DocuSigned by:

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Roger Hilton
Chairman