

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

**REGULAR MEETING  
Monday, July 19, 2021  
9:30 a.m.**

**MINUTES**

Chair Dewane called the meeting to order at 9:32 a.m.

Sonal Sharma-Beeson 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:

Shawn Dewane, Chair; Frank Eley, Vice-Chair, Richard Oates, Adele Tagaloa, Charles Packard, Chris Prevatt, Arthur Hidalgo, 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, Javier Lara, Visual Technician; Sonal Sharma-Beeson; Recording Secretary

Guests via Zoom:

Harvey Leiderman, ReedSmith

Robin Stieler, Clerk of the Board, administered the Oath of Office for Mr. Oates and Mr. Vallone.

**CONSENT AGENDA**

**MOTION** by Eley, **seconded** by Tagaloa to approve recommendations on all of the following items on the 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.

- Michael A. Baker
- Dewitt McCall

**ADMINISTRATION**

**C-2 BOARD MEETING MINUTES**

Regular Board Meeting Minutes

June 21, 2021

**Recommendation:** Approve minutes.

**C-3 RETIREE REQUEST TO BE REINSTATED – RICHARD J. CROSBIE**

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

The motion passed **unanimously.**

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**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: JEFFREY CARLSON**

Fire Pilot, Orange County Fire Authority (Safety Member)

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as August 30, 2019.

**DC-2: MICHAEL DUDA**

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

**Recommendation** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as March 13, 2020.

**DC-3: KRISTIN EITNER**

Senior Social Worker, Orange County Social Services Agency (General Member)

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.

- Set the effective date as July 3, 2020.

**DC-4: MICHAEL HURST**

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

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as September 13, 2019.

**DC-5: ERICK IVANCIC**

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

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as August 14, 2020.

**DC-6: DYLAN KENNEDY**

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

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as February 26, 2021.

**DC-7: MICHAEL PARTEE**

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

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as July 17, 2020.

**DC-8: SONJA POWELL**

Fire Prevention Specialist, Orange County Fire Authority (General Member)

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as August 21, 2020.

**DC-9: TIANA VANESSA TOVAR**

Group Counselor I, Orange County Social Services Agency (General Member)

**Recommendation:** The Disability Committee recommends that the Board of Retirement:

- Grant service connected disability retirement.
- Set the effective date as June 19, 2020, the day following the last day of regular compensation as a Group Counselor I.
- 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 in the amount of the salary difference between the higher and lower paying positions, effective the same

date as above.

The motion passed **unanimously**.

**DA-3: STOKELY, ESMERELDA**

Staff recommends that the Board 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 May 14, 2021 (Recommendations), wherein the Hearing Officer recommend that (1) the Applicant is not entitled to reciprocity from OCERS with respect to her retirement credits with CalPERS; and (2) the Board of Retirement has no authority to adjudicate the Member's claims on an alleged breach of contract by the County of Orange. The Board declines to make any decision based on such claims.

**MOTION** by Eley, **seconded** by Packard, to approve staff's recommendation.

The motion passed **unanimously**.

The Board recessed into Closed Session at 9:54am.

**CLOSED SESSION ITEMS**

**DA-2: BLUMBERG, LAURA**

Staff recommends that the Board 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 June 24, 2021 (Recommendations), wherein the Hearing Officer recommend that (1) the Board find the Applicant Laura Blumberg (Applicant) is permanently incapacitated from performing her usual and customary duties as an Office Specialist; but there is insufficient evidence of job causation to support a service-connected disability retirement; (2) The application for non-service connected disability retirement be ***granted*** with an effective date of August 22, 2017; and (3)The application for service connected disability retirement be ***denied*** due to insufficient evidence of job causation.

**MOTION** by Eley, **seconded** by Tagaloa, to approve staff's recommendation.

The motion passed **unanimously**.

**OPEN SESSION**

The Board reconvened into open session at 10:01 a.m.

**ACTION ITEMS:**

**A-2 EARLY PAYMENT OF EMPLOYER CONTRIBUTIONS PROGRAM - 2022**

*Presentation by Brenda Shott, Asst. Chief Executive Officer, Internal Operations and Molly Murphy, Chief Investment Officer, CFA, OCERS*

**Recommendation:** Approve the terms of a prepayment discount program for the advance payment of employer contributions, including a 5.8% discount rate to be used for contribution year July 2022 through June 2023.

Ms. Shott presented this item to the Board.

**MOTION** by Packard, **seconded** by Lindholm, to approve staff's recommendation.

Ms. Sharma-Beeson administered the roll call.

The motion passed **unanimously**.

**I-1 OCFA LIABILITY PAYDOWN UPDATE**

*Presentation by Assistant Chief Lori Zeller, OCFA*

Using a series of PowerPoint slides, Assistant Chief Zeller provided the current status of the Orange County Fire Authority's process of making additional employer payments to pay down their Unfunded Actuarial Accrued Liability (UAAL). Segal estimates that at the current rate of pay down the OCFA UAAL will be paid off at some time between 2025 and 2027.

The Board took a break at 10:44 a.m.

The Board reconvened at 11:00 a.m.

**INFORMATION ITEMS**

**Presentations**

**I-2 ILLUSTRATIONS OF RETIREMENT COSTS, UNFUNDED ACTUARIAL ACCRUED LIABILITY AND FUNDED RATIO UNDER ALTERNATIVE INVESTMENT RETURN SCENARIOS**

*Presentation by Paul Angelo, Andy Yeung and Todd Tauzer, Segal*

**I-3 SENSITIVITY ILLUSTRATIONS OF RETIREMENT COSTS, UNFUNDED ACTUARIAL ACCRUED LIABILITY AND FUNDED RATIO UNDER ALTERNATIVE INFLATION AND INVESTMENT RETURN ASSUMPTIONS**

*Presentation by Paul Angelo, Andy Yeung and Todd Tauzer, Segal*

**I-4 ACTUARIAL RISK ASSESSMENT BASED ON THE DECEMBER 31, 2020 ACTUARIAL VALUATION**

*Presentation by Paul Angelo, Andy Yeung and Todd Tauzer, Segal*

**1-5 CEM BENCHMARKING PRESENTATION**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

Mr. Delaney reviewed the CEM Benchmarking Presentation. Prepared every two years, this report provides OCERS with a service score and estimated "cost per member" data point to be used in improving future services. At a cost per member that runs at about the median of participating California public pension systems, OCERS aggregate service score is above the peer average.

**I-6 ALAMEDA IMPLEMENTATION UPDATE**

*Presentation by Steve Delaney, Chief Executive Officer & Suzanne Jenike, OCERS*

Ms. Jenike informed the Board that OCERS is in the process of drafting letters, developing FAQs, and setting up a series of Zoom meetings for impacted members who have questions. The first letters will be sent late this week. Two retirees will be rehired so that all phone calls will be answered.

Ms. Ratto informed the Board about the AB-826 bill.

**I-7 COVID-19 UPDATE**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS*

Mr. Delaney informed the Board that while OCERS remains officially closed to the public, we have reopened the front doors of the headquarters building to allow the team to provide service for those members who may be unaware of the closure and arrive in person.. In person counseling sessions have not yet resumed. As of July 1 OCERS team members are now allowed to volunteer to work at the OCERS headquarters building, and the plan is to continue to see what the mask guidance is come September 1<sup>st</sup> to have a better sense of when the entire OCERS work force might return to work in the building.

**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**

Written Report

Application Notices

July 19, 2021

Death Notices

July 19, 2021

**R-2 COMMITTEE MEETING MINUTES**

None.

**R-3 CEO FUTURE AGENDAS AND 2021 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 SECOND QUARTER 2021 TRAVEL AND TRAINING EXPENSE REPORT**

Written Report

**R-8 2021 STRATEGIC PLANNING WORKSHOP – PROPOSED AGENDA**  
Written Report

**R-9 CONTRACT STATUS FOR NAMED SERVICE PROVIDERS**  
Written Report

**BOARD MEMBER COMMENTS**  
None.

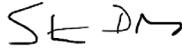
**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**  
None.

**COUNSEL COMMENTS**  
None.

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The meeting **ADJOURNED** at 12:30 p.m.

Submitted by:

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Steve Delaney  
Secretary to the Board

Approved by:

DocuSigned by:  
  
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Shawn Dewane  
Chairman