

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

**REGULAR MEETING
Monday, April 17, 2023
9:30 A.M.**

MINUTES

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

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Shawn Dewane, Chair; Adele Tagaloa, Vice Chair; Charles Packard, Chris Prevatt, Arthur Hidalgo, Shari Freidenrich, Wayne Lindholm, Roger Hilton, Jeremy Vallone

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

Also Present: Steve Delaney, Chief Executive Officer; Brenda Shott, Assistant CEO, Internal Operations; Suzanne Jenike, Assistant CEO, External Operations; Molly Murphy, Chief Investments Officer; Gina Ratto, General Counsel; Manuel Serpa, Deputy General Counsel; David Kim, Director of Internal Audit; Tracy Bowman, Director of Finance; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Cynthia Hockless, Director of Human Resources; Fong Tse, Operations Manager; Javier Lara, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Harvey Leiderman, ReedSmith

Absent: Chris Prevatt

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.

- Richards, Danny
- Rowe, Erin

- Counts, Christopher

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

March 20, 2023

Recommendation: Approve minutes.

C-3 OUTCOMES FROM THE AUDIT COMMITTEE MEETING ON FEBRUARY 14, 2023 AND APRIL 5, 2023

Recommendation: The Audit Committee recommends the Board adopt the following:

1. Actuarial Audit of OCERS’s 2021 Actuarial Valuation
2. Revisions to the Operational Risk Policy as presented
3. Revisions to the OCERS’ Audit Committee Charter as presented
4. Revisions to the OCERS’ Internal Audit Charter as presented
5. Revisions to the Ethics, Compliance, and Fraud Hotline Policy as presented

MOTION by Mr. Hilton, **SECONDED** by Mr. Packard, to approve the Consent Agenda items, C-1, C-2 and C-3.

The motion passed **unanimously**.

ACTION ITEMS

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

C-4 OUTCOMES OF THE MEETING OF THE GOVERNANCE COMMITTEE HELD ON MARCH 23, 2023

Recommendation: The Governance Committee recommends the Board adopt the following:

1. The **Governance Committee Charter** with revisions approved by the Committee
2. The **CEO Charter** with revisions approved by the Committee
3. The **Public Records and Data Request Policy** with no substantive revisions
4. The **SACRS Voting Authority Policy** with no substantive revisions
5. The **Procurement and Contracting Policy** with revisions approved by the Committee
6. The **OCERS Rules of Parliamentary Procedure** with revisions approved by the Committee
7. The new **OCERS Administrative Procedure Re: Documentation of Birthdate and Marriage/Domestic Partnership**

Discussion: Hilton would like more clarification on securities litigation monitoring firm selection process to be included in the Securities Litigation Policy. He requests to have the policy reviewed at a future Governance Committee Meeting.

MOTION by Mr. Hilton, **SECONDED** by Mr. Lindholm, to approve all C-4 recommendations from the Governance Committee. Additionally, Chair and Vice Chair instruct staff to bring Securities

Litigation Policy to the Governance Committee for review at a future meeting of the Governance Committee.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

OPEN SESSION

CONSENT ITEMS

DC-1: BRUCE FRAZEE
Sergeant, Orange County Sheriff’s Department (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 25, 2022.

DC-2: ROBERT FRICK
Fire Apparatus Engineer, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as October 7, 2022.

DC-3: DARRYL KIRBY
Maintenance Supervisor, Orange County Transportation Authority (General Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as January 31, 2022.

DC-4: DEANN KURIMAY
Sergeant, Orange County Sheriff’s Department (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 11, 2022.

DC-5: TIMOTHY LOYA

Fire Captain, Orange County Fire Authority (Safety Member)

Recommendation: The Disability Committee recommends that the Board:

- Grant service connected disability retirement.
- Set the effective date as March 25, 2022.

MOTION by Ms. Tagaloa, **SECONDED** by Mr. Hilton, to approve items, DC-1 through DC-5 on the Disability Consent Agenda.

The motion passed **unanimously**.

Adjourn to closed session at 9:43 a.m.

CLOSED SESSION

DA-2: MINH TAM THI LUONG

Senior Public Health Nurse, Orange County Health Care Agency

Recommendation: Disability Committee recommends that the Board:

- Approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations, dated December 12, 2022 (Recommendations) wherein the Hearing Officer recommended that the Board deny the Applicant (Minh Tam Thi Luong) service-connected disability retirement.

DA-3 MONICA RANGEL-SANTOS- PULLED FOR CONTINUATION

Eligibility Technician, Orange County Social Services Agency

Recommendation: Disability Committee recommends that the Board:

- Approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary of Evidence, Findings of Fact, Conclusions of Law, and Recommendations (Modified), dated March 1, 2023 (“Modified Recommendation”), wherein the Hearing Officer recommends that the Board find the Applicant, Monica Rangel-Santos, is not permanently incapacitated from the substantial performance of her usual and customary duties. If the Board finds the Applicant is not permanently incapacitated, then the Alternative Recommendations (defined herein) are unnecessary, and the application for service and non-service connected disability retirement benefits must be denied under Government Code §§31720 and 31724.

DA-3 was continued to a future month by the applicant.

OPEN SESSION

Return to open session at 10:08 a.m.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION *In the matter of DA-2, for Applicant Minh Tam Thi Luong, the Board voted unanimously to refer the matter back to the referee with instructions to the referee to review additional records to be submitted by the Applicant and to determine whether the additional evidence alters the referee’s Recommendations.*

ACTION ITEMS

A-2 SACRS BOARD OF DIRECTORS ELECTION 2023-2024 – DIRECTION TO OCERS’ VOTING DELEGATE
Presentation by Gina M. Ratto, General Counsel

Recommendation: Consider the SACRS Nominating Committee’s recommended slate of candidates and the list of additional candidates interested in running for the election of SACRS Directors; and give direction to OCERS’ Voting Delegate and Alternate Delegates for the SACRS Board of Directors election to be held during the SACRS Spring Conference on May 12, 2023.

MOTION by Mr. Packard, **SECONDED** by Mr. Hilton, to direct OCERS Voting Delegates to vote in favor of the slate of candidates recommended by the SACRS Nominating Committee.

The motion passed **unanimously**.

INFORMATION ITEMS

Presentations

I-2 COVID-19 UPDATE
Presentation by Steve Delaney, Chief Executive Officer, OCERS

OCERS continues to monitor and follow Cal/OSHA rules for COVID-19. Further, Board directed Staff that this information item can be discontinued as a regular item on the Board agenda. Should a COVID-19 issue arise, the CEO should include this information as part of the CEO Comments.

CHIEF EXECUTIVE OFFICER COMMENTS: CEO introduced the Board to William Tsao, Director of Enterprise Project Management Office. Additionally, the CEO notified the Board that General Counsel, Gina Ratto, has announced her retirement scheduled for mid-August. The OCERS Senior Executive Team, with input from the Board Chair and Vice Chair and the Personnel Committee Chair, will begin the national search for a new General Counsel. CEO also shared a story from our Member Services, noting wonderful service.

WRITTEN REPORTS

R-1 MEMBER MATERIALS DISTRIBUTED
Written Report

Application Notices
Death Notices

April 17, 2023
April 17, 2023

R-2 COMMITTEE MEETING MINUTES

- October 2022- Governance Committee Minutes
- February 2023- Audit Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2023 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 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

R-8 INCENTIVE COMPENSATION PROGRAM (2022)

Written Report

R-8 was pulled for discussion. Ms. Freidenrich would like additional details on the incentive compensation for 2022. Staff agreed to return in May 2023 with a supplemental report to provide more details on the calculation of the incentive program benefit for 2022.

CLOSED SESSION ITEMS

**E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED
(GOVERNMENT CODE SECTION 54956.9(d)(1))**

Adjourn pursuant to Government Code section 54956.9(d)(1).

James B. Morell v. Board of Retirement, OCERS; Los Angeles County Superior Court, Case No. 22STCP02345

E-1 was continued to a future month by OCERS legal counsel.

The Board recessed for break at 10:28 a.m.

Mr. Dewane, Mr. Hidalgo, and Mr. Oates left the meeting during the break.

The Board reconvened from break at 10:46 a.m.

Recording Secretary administered the Roll Call attendance.

INFORMATION ITEMS

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

Presentations

I-1 HARASSMENT PREVENTION TRAINING

Presentation by Susan Arduengo, Partner, Burke, Williams & Sorenson

COUNSEL COMMENTS- None

BOARD MEMBER COMMENTS – None

Meeting **ADJOURNED** at 12:50pm in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

Approved by:

DocuSigned by:

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Steve Delaney
Secretary to the Board

DocuSigned by:

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Shawn Dewane
Chairman