

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

**GOVERNANCE COMMITTEE MEETING
Thursday, March 20, 2025
9:30 a.m.**

MINUTES

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

Recording Secretary administered the roll call.

Attendance was as follows:

Present: Arthur Hidalgo, Chair; Roger Hilton, Vice-Chair; Richard Oates, Board Member.

Absent: Shari Freidenrich, Board Member.

Also present: Steve Delaney, CEO; Manuel Serpa, General Counsel; David Kim, Assistant CEO, External Operations; Iriss Barriga, Board Member; Anthony Beltran, Audio Visual Technician; Rebeca Gonzalez-Verdugo, Recording Secretary; Silviu Ardeleanu, Director of Member & Employer Relations Section - Member Services; Jenny Sadoski, Director of IT; Javier Lara, IT Operations Supervisor; Tracy Bowman, Director of Finance; Bill Singleton, Paralegal; Amanda Evenson, Executive Secretary; Will Tsao, Director of Enterprise Project Management Office; Joon Kim, Staff Attorney; Rosie Baek, Staff Attorney; Rafael Lopez, Member Services Manager; Philip Lam, Director of Internal Audit; Jenny Davey, Internal Auditor; Adam Cupp, OC Superior Court; Bryan Drinkward, OC Superior Court; Heather Capps, OC Superior Court; Jingle Doan, County of Orange; Alicea Caccavo, OCFA; Nicole Chung, OCFA; Rhonda Kawell, OCFA; Stephanie Hollman, OCFA; Zach Wertheimer, Buchalter.

CONSENT AGENDA

C-1 APPROVE GOVERNANCE COMMITTEE MEETING MINUTES

Governance Committee Meeting Minutes

November 1, 2024

MOTION by Mr. Oates, **seconded** by Mr. 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 OFF-CYCLE REVIEW OF THE MEMBERSHIP ELIGIBILITY REQUIREMENTS POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Consider and provide feedback on the current draft of the Membership Eligibility Requirements Policy.

Mr. Serpa noted that the version of the policy under review includes one change from that considered in the previous Governance Committee meeting, i.e., reverting to a definition of “year” as fiscal or calendar, whichever the employer designates for uniform application to all its employees. The prior version defined “year” as a fiscal year, and this change was made to avoid disruption for those employers who use a calendar year. The policy’s provision on the enforcement of the hourly limits for extra help during the initial year was also discussed. Mr. Delaney shared that both the County as well as labor have been involved in constructive discussions regarding possible limits to be imposed on the hours worked in that first year. After discussion, the Committee directed staff to provide an updated Membership Eligibility Requirements Policy at the May Governance Committee Meeting.

A-3 ADOPTION OF THE DIGITAL SIGNATURE POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Digital Signature Policy.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations.

The motion passed **unanimously.**

A-4 TRIENNIAL REVIEW OF THE OVERPAID AND UNDERPAID PLAN BENEFITS POLICY

Presentation by Manuel Serpa, General Counsel, and David Kim, Assistant CEO, External Operations

Recommendation: Approve and recommend that the Board adopt the Overpaid and Underpaid Plan Benefits Policy revisions.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations.

The motion passed **unanimously.**

A-5 TRIENNIAL REVIEW OF THE OVERPAID AND UNDERPAID CONTRIBUTIONS POLICY

Presentation by Manuel Serpa, General Counsel, and David Kim, Assistant CEO, External Operations

Recommendation: Approve and recommend that the Board adopt the Overpaid and Underpaid Contributions Policy revisions.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff’s recommendations subject to including clarifying language regarding Section 10.a. that the \$100 amount is a total amount, rather than \$100 per pay period, for example. Staff will provide an update with the clarifying language to the Committee at the following meeting as an information item.

The motion passed **unanimously**.

A-6 OFF-CYCLE REVIEW OF THE PAY ITEM REVIEW POLICY

Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt the Pay Item Review Policy revisions.

After discussion, **MOTION** by Mr. Hilton, **seconded** by Mr. Oates, to adopt all of staff's recommendations subject to including language in Section 12 to clarify that the written guidance OCERS will provide is given solely to the requesting employer or employee bargaining representative. In addition, language will be added that OCERS will timely respond to requests for guidance for upcoming negotiations. Staff will provide an update with the clarifying language to the Committee at the following meeting as an information item.

The motion passed **unanimously**.

The Committee recessed for break at 10:20 a.m.

The Committee reconvened from break at 10:37 a.m.

Recording Secretary administered the Roll Call attendance.

A-7 TRIENNIAL REVIEW OF THE INDEMNITY AND DEFENSE POLICY

Presentation by Manuel Serpa, General Counsel

Recommendation: Approve and recommend that the Board adopt minor revisions to the Indemnity and Defense Policy.

After discussion, **MOTION** by Mr. Oates, **seconded** by Mr. Hilton to adopt staff's recommendations.

The motion passed **unanimously**.

INFORMATION ITEMS

I-1 GOVERNANCE COMMITTEE WORK PLAN AND MEETING SCHEDULE FOR 2025

Presentation by Manuel Serpa, General Counsel

Mr. Serpa informed the Committee of the work plan for 2025, along with the proposed meeting dates.

Mr. Serpa noted that an off-cycle review of the Securities Litigation Policy and the Travel Policy has been added to the 2025 work plan.

I-2 UPDATE ON THE EMPLOYER DATA PROJECT

Presentation by David Kim, Assistant CEO, External Operations, and Manuel Serpa, General Counsel

Mr. Kim provided an update to the Committee on the current status of the Employer Data Policy. Staff focus is currently on completing the update to the Employer Handbook, which sets forth the

data requirements OCERS has of employers. The Committee provided direction to staff to provide an updated Employer Data Policy at the May Governance Committee Meeting.

COMMITTEE MEMBER COMMENTS

The Committee thanked the staff for their hard work.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS

Mr. Delaney shared that Javier Lara, IT Operations Supervisor, is retiring after over 30 years of service.

COUNSEL COMMENTS

None

ADJOURNMENT

Chair adjourned meeting at 10:49 a.m.

Submitted by:

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Manuel Serpa
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Manuel Serpa
General Counsel/Staff Liaison

DocuSigned by:
Steve Delaney
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Steve Delaney
Chief Executive Officer/Secretary

Approved by:

Signed by:
Arthur Hidalgo
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Arthur Hidalgo
Chair