

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

REGULAR MEETING  
Tuesday, February 7, 2017  
9:00 a.m.

AGENDA

The Orange County Board of Retirement welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board of Retirement encourages your participation. The public, plan members, beneficiaries, and/or representatives may speak to any subject matter contained in the agenda at the time the item is addressed. Except as otherwise provided by law, no action shall be taken on any item not appearing in the following agenda. Persons wishing to address items on the agenda should provide written notice to the Secretary of the Board prior to the Board's discussion on the item by filling out the Public Comment Form located in the back of the room. Members of the public may also comment during the Public Comment period at the end of Open Session. When addressing the Board, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

Pledge of Allegiance

Swearing in of OCERS Board Members

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Board Member or a member of the public requests separate action on a specific item.

<b>BENEFITS</b>
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C-1 MATERIAL DISTRIBUTED

[Application Notices](#)  
[Death Notices](#)

February 7, 2017  
February 7, 2017

**Recommendation:** Receive and file.

C-2 [OPTION 4 RETIREMENT ELECTION – RICHARD ALEXANDER](#)

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

C-3 [2017 STAR COLA COST POSTING](#)

**Recommendation:** In accordance with Government Code Section 7507, call a public meeting for March 20, 2017, to consider the STAR COLA ad hoc adjustment to applicable retirement allowances.

<b>ADMINISTRATION</b>
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**C-4**     [BOARD MEETINGS AND COMMITTEE MEETINGS](#)

Regular Board Meeting Minutes

January 17, 2017

**Recommendation:** Authorize meeting and approve minutes.

**C-5**     [CEO FUTURE AGENDAS AND 2017 OCERS BOARD WORK PLAN](#)

**Recommendation:** Receive and file.

**C-6**     [GOVERNMENT FINANCE OFFICERS ASSOCIATION \(GFOA\) CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING](#)

**Recommendation:** Receive and file.

**C-7**     [SACRS BOARD OF DIRECTORS ELECTIONS 2017-2018](#)

**Recommendation:** Receive and file.

**C-8**     [BOARD COMMUNICATIONS](#)

**Recommendation:** Receive and file.

\*\*\*\*\* END OF CONSENT AGENDA \*\*\*\*\*

**INDIVIDUAL ITEMS AGENDA**

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

**I-2**     [2017 COST OF LIVING ADJUSTMENT](#)

*Presentation by Suzanne Jenike, Assistant CEO External Operations, OCERS*

**Recommendation:** Adjust all applicable benefit allowances, effective April 1, 2017, in accordance with Government Code Section 31870.1, resulting from the 1.89% change in CPI, as follows:

1. For benefit recipients who began receiving benefits on or before April 1, 1971 through April 1, 1982, increase applicable benefit allowances by 2%, and reduce COLA banks by 1% for a total benefit adjustment of 3%.
2. For benefit recipients who began receiving benefits or will begin receiving benefits between April 2, 1982 and April 1, 2017, increase applicable benefit allowances by 2% with no reduction in COLA banks.

**I-3**      **CEM BENCHMARKING REPORT**

*Presentation by Steve Delaney, Chief Executive Officer, OCERS, and Suzanne Jenike, Assistant CEO External Operations, OCERS*

**Recommendation:** Receive and file.

**I-4**      **OCERS PLAN SPONSOR – AN ANNUAL REVIEW**

*Presentation by David James, Director of Internal Audit, OCERS, and Steve Delaney, Chief Executive Officer, OCERS*

**Recommendation:** Receive and File OCERS' 2017 Plan Sponsor Review Report and OCERS' 2017 Plan Sponsor Presentation.

**I-5**      **STRATEGIC PLAN QUARTERLY REVIEW**

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

**Recommendation:** Approve recommended modifications to the 2017-2019 Strategic Plan.

**I-6**      **FIDUCIARY INSURANCE POLICY**

*Presentation by Brenda Shott, Assistant CEO Internal Operations, OCERS*

**Recommendation:** Authorize Staff to bind a one year fiduciary insurance policy with RLI Insurance Company with a coverage limit of \$5,000,000, self-insured retention of \$250,000 and an annual premium of \$75,100 which includes the Waiver of Recourse for all Trustees and Executive Management.

**I-7**      **ADDITION OF EXTRA HELP POSITION IN LEGAL DEPARTMENT**

*Presentation by Brenda Shott, Assistant CEO Internal Operations, OCERS*

**Recommendation:**

- 1) Approve the addition of an Extra Help position, classified as a Deputy Chief Counsel in the Legal department.

2) Authorize the CEO to send the attached memorandum to the County of Orange to request the addition of an Extra Help position.

**\* \* \* \* \* END OF INDIVIDUAL ITEMS AGENDA \* \* \* \* \***

**DISABILITY APPLICATIONS/MEMBER APPEALS AGENDA**

**11:00 A.M.**

**NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS, THE BOARD MAY FIND IT NECESSARY TO DISCUSS MATTERS RELATING TO THE EVALUATION OF THE WORK PERFORMANCE OF AN EMPLOYEE WHO HAS APPLIED FOR DISABILITY RETIREMENT, OR DISCUSS COMPLAINTS OR CHARGES MADE AGAINST SUCH EMPLOYEE. IF THIS OCCURS, THE BOARD MAY ADJOURN TO A CLOSED SESSION TO DISCUSS SUCH MATTERS PURSUANT TO GOVERNMENT CODE SECTION 54957, UNLESS THE EMPLOYEE REQUESTS THAT THE DISCUSSION BE IN PUBLIC.**

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**D-1: CARLOS CAMMON**

Deputy Sheriff II, Orange Sheriff's Department

Date of employer filed application for service and non-service connected disability retirement:  
08/26/2015

Date of employee filed application for service and non-service connected disability retirement:  
05/02/2016

**STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF THE DAY AFTER THE LAST DAY OF COMPENSATION. (SAFETY MEMBER) (D-1)**

**D-2: JULIE GALLAGHER**

Information Processing Technician, Orange County Social Services Agency

Date of employer filed application for service and non-service connected disability retirement:  
09/23/2014

Date of employee filed application for service connected disability retirement: 01/22/2015

**GRANT NON-SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF SEPTEMBER 23, 2014 AND DENY SERVICE CONNECTED DISABILITY RETIREMENT DUE TO INSUFFICIENT EVIDENCE OF JOB CAUSATION. (GENERAL MEMBER) (D-2)**

**D-3: JEROME LARSON**

Lieutenant, Orange Sheriff's Department

Date of employee filed application for service and non-service connected disability retirement:  
03/18/2015

**STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF MARCH 20, 2015. (SAFETY MEMBER) (D-3)**

**D-4: NANNETTE LOFT**

Deputy Sheriff II, Orange County Sheriff's Department

Date of employer filed application for service and non-service connected disability retirement:  
05/14/2015

Date of employee filed application for service and non-service connected disability retirement:  
06/10/2015

**STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF DECEMBER 25, 2015. (SAFETY MEMBER) (D-4)**

**D-5: DEBRA MORRIS**

Correctional Services Technician, Orange County Sheriff's Department

Date of employee filed application for service and non-service connected disability retirement:  
08/24/2015

**STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF MARCH 18, 2016. (GENERAL MEMBER) (D-5)**

**D-6: JOYCE SIMON**

Financial Counselor II, Orange County Auditor Controller

Date of employee filed application for service and non-service connected disability retirement:  
12/22/2014

**STAFF RECOMMENDATION IS TO DENY SERVICE AND NON-SERVICE CONNECTED DISABILITY RETIREMENT DUE TO INSUFFICIENT EVIDENCE OF PERMANENT INCAPACITY. (GENERAL MEMBER) (D-6)**

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**CLOSED SESSION ITEMS**

- E-1 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED (GOVERNMENT CODE SECTION 54956.9(d)(1)) O.C. Department of Education v. OCERS, CA Superior Court, Orange County, (Case No. 30-2016-00836897)**  
Adjourn pursuant to Government Code Section 54956.9(d)(1).

**Recommendation:** Take appropriate action.

- E-2 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED**

**(GOVERNMENT CODE SECTION 54956.9(d)(1))**

**Carlos Bustamante v. OCERS, CA Superior Court, Orange County (Case No. 30-2017-00898104-CU-WM-CJC)**

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

**Recommendation:** Take appropriate action.

**PUBLIC COMMENTS:** At this time members of the public may address the Board of Retirement regarding any items within the subject matter jurisdiction of the Board, provided that no action may be taken on non-agendized items unless authorized by law.

**BOARD MEMBER COMMENTS**

**CHIEF EXECUTIVE OFFICER/STAFF COMMENTS**

**COUNSEL COMMENTS**

**ADJOURNMENT: (IN MEMORY OF THE ACTIVE MEMBERS, RETIRED MEMBERS, AND SURVIVING SPOUSES WHO PASSED AWAY THIS PAST MONTH)**

**NOTICE OF NEXT MEETINGS**

**GOVERNANCE COMMITTEE MEETING**

**February 8, 2017**

**9:00 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**INVESTMENT COMMITTEE MEETING**

**February 22, 2017**

**9:00 A.M.**

**ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM**

**2223 E. WELLINGTON AVENUE, SUITE 100**

**SANTA ANA, CA 92701**

**MANAGER MONITORING SUBCOMMITTEE MEETING**

**March 2, 2017**

**9:00 A.M.**

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

**REGULAR BOARD MEETING  
March 20, 2017  
9:00 A.M.**

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

*All supporting documentation is available for public review in the retirement office during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Thursday and 8:00 a.m. – 4:30 p.m. on Friday.*

It is OCERS' intention to comply with the Americans with Disabilities Act ("ADA") in all respects. If, as an attendee or participant at this meeting, you will need any special assistance beyond that normally provided, OCERS will attempt to accommodate your needs in a reasonable manner. Please contact OCERS via email at [adminsupport@ocers.org](mailto:adminsupport@ocers.org) or call 714-558-6200 as soon as possible prior to the meeting to tell us about your needs and to determine if accommodation is feasible. We would appreciate at least 48 hours' notice, if possible. Please also advise us if you plan to attend meetings on a regular basis.