

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

REGULAR MEETING
Monday, May 15, 2017
9:00 a.m.

AGENDA (Revised 5/9/17, 3:01 p.m.)

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

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.

BENEFITS

C-1 MATERIAL DISTRIBUTED

[Application Notices](#)

May 15, 2017

[Death Notices](#)

May 15, 2017

Recommendation: Receive and file.

ADMINISTRATION

C-2 [BOARD MEETINGS AND COMMITTEE MEETINGS](#)

Regular Board Meeting Minutes

April 17, 2017

Governance Committee Meeting Minutes

April 5, 2017

Recommendation: Authorize meeting and approve minutes.

C-3 **CEO FUTURE AGENDAS AND 2017 OCERS BOARD WORK PLAN**

Recommendation: Receive and file.

C-4 **QUIET PERIOD – NON-INVESTMENT CONTRACTS**

Recommendation: Receive and file.

C-5 **FIRST QUARTER 2017 BUDGET TO ACTUALS REPORT**

Recommendation: Receive and file.

C-6 **FIRST QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THREE MONTHS ENDED MARCH 31, 2017**

Recommendation: Receive and file.

C-7 **NEW YORK STATE COMMON RETIREMENT FUND'S SCANDAL – LESSONS FOR OCERS (FUTURE CONSIDERATION BY AUDIT COMMITTEE)**

Recommendation: Receive and file.

C-8 **DIRECTIVE TO REVIEW OCERS INVESTMENT FEE REPORT**

Recommendation: Receive and file.

C-9 **BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN UPDATE**

Recommendation: Receive and file.

C-10 **GOVERNANCE COMMITTEE OUTCOMES FROM APRIL 5, 2017 MEETING**

Recommendation:

The Governance Committee recommends that the Board of Retirement adopt:

- (1) The Board of Retirement Charter, with revisions as approved by the Committee;
- (2) The Governance Committee Charter, with non-substantive revisions as approved by the Committee;
- (3) The SACRS Voting Authority Policy, with revisions as approved by the Committee;

- (4) The Communications Policy, with revisions as approved by the Committee; and
- (5) The Public Records Request Policy, with revisions as approved by the Committee.

C-11 TRAVEL REPORT – 2017 PUBLIC RETIREMENT INFORMATION SYSTEM MANAGEMENT (PRISM)

Recommendation: Receive and file.

C-12 BOARD COMMUNICATIONS

Recommendation: Receive and file.

C-13 LEGISLATIVE UPDATE

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 AOCDS POST MANDATORY TRAINING BENEFIT CORRECTION

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

Recommendation: Take appropriate action.

I-3 PRELIMINARY DECEMBER 31, 2016 ACTUARIAL VALUATION

Presentation by Paul Angelo, Segal Consulting

Recommendation: Receive and file.

I-4 THE TRIENNIAL REVIEW OF ACTUARIAL ASSUMPTIONS – AN OVERVIEW

Presentation by Alan Milligan, Former CalPERS Chief Actuary

Recommendation: Receive and file.

I-5 [ROLE OF AUDIT COMMITTEE IN SELECTING EXTERNAL AUDITORS AND PROPOSED REVISIONS TO AUDIT COMMITTEE CHARTER](#)

Presentation by Gina Ratto, Chief Legal Officer, OCERS

Recommendation: Staff recommends that the Board of Retirement adopt revisions to the Audit Committee Charter to clarify the role of the Audit Committee in the selection and appointment of the actuarial auditor and financial auditor.

I-6 [SACRS PROPOSED BY-LAWS AMENDMENT TO ADD MEMBERSHIP CODE OF CONDUCT AND DIRECTION TO VOTING DELEGATE](#)

Presentation by Gina Ratto, Chief Legal Officer, OCERS

Recommendation: On the SACRS By-Laws Committee’s proposed amendment to the SACRS By-Laws, which would add a Membership Code of Conduct, and which will be presented to the SACRS membership for a vote at the SACRS business meeting on May 19, 2017, direct the OCERS voting delegate and alternate delegates to vote “no unless amended.”

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

DISABILITY APPLICATIONS/MEMBER APPEALS AGENDA

1:00 P.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.

D-1: Darren Brown

Firefighter/Paramedic, Orange County Fire Authority

Date of employee filed application for service and non-service connected disability retirement:
04/13/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF APRIL 13, 2016. (SAFETY MEMBER) (D-1)

D-2: Dallas Ferrell

Weapons Instructor, Orange County Sheriff’s Department

Date of employee filed application for service and non-service* connected disability retirement:
09/24/2015

Date of employer filed application for service and non-service* connected disability retirement:
01/20/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF SEPTEMBER 24, 2015. (SAFETY MEMBER) (D-2)

D-3: Janel Garza

Comprehensive Care Nurse II, Orange County Social Services Agency

Date of employee filed application for non-service connected disability retirement: 03/16/2016

STAFF RECOMMENDATION IS TO GRANT NON-SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF NOVEMBER 4, 2011 (GENERAL MEMBER) (D-3)

D-4: Keith Godfrey

Sergeant, Orange County Sheriff's Department

Date of employee filed application for service connected disability retirement: 03/16/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF MARCH 7, 2014. (SAFETY MEMBER) (D-4)

D-5: Tommy Harris

Fire Apparatus Engineer, Orange County Fire Authority

Date of employee filed application for service connected disability retirement: 03/14/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF MARCH 30, 2016. (SAFETY MEMBER) (D-5)

D-6: Julie Pearson

Fire Apparatus Engineer, Orange County Fire Authority

Date of employee filed application for service connected disability retirement: 04/28/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF APRIL 28, 2016. (SAFETY MEMBER) (D-6)

D-7: Harry Trattner

Firefighter/Paramedic, Orange County Fire Authority

Date of employee filed application for service connected disability retirement: 04/18/2016

STAFF RECOMMENDATION IS TO GRANT SERVICE CONNECTED DISABILITY RETIREMENT WITH AN EFFECTIVE DATE OF APRIL 18, 2016. (SAFETY MEMBER) (D-7)

D-8: Teresa Geldmacher

Senior Social Worker, Orange County Social Service Agency

Date of employee filed application for service connected disability retirement: 11/03/2015

STAFF RECOMMENDATION IS TO DENY SERVICE CONNECTED DISABILITY RETIREMENT DUE TO INSUFFICIENT EVIDENCE OF PERMANENT INCAPACITY. (GENERAL MEMBER) (D-8)

D-9: Max Chance

Sergeant, Orange County Sheriff's Department

Date of employee application for service and non-service connected disability retirement:
09/20/2012

STAFF RECOMMENDATION IS TO DISMISS WITHOUT PREJUDICE THE APPLICANT'S APPEAL OF THE DENIAL OF HIS APPLICATION FOR SERVICE AND NON-SERVICE CONNECTED DISABILITY RETIREMENT. (SAFETY MEMBER) (D-9)

D-10: Olivia Garcia

Records Technician, Orange County Sheriff's Department

Date of employee filed application for service and non-service connected disability retirement:
12/05/2012

STAFF RECOMMENDATION IS TO ADOPT THE FINDINGS AND RECOMMENDATIONS OF THE HEARING OFFICER AND DENY APPLICANT'S APPLICATION FOR SERVICE AND NON-SERVICE CONNECTED DISABILITY RETIREMENT. (GENERAL MEMBER) (D-10)

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

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.

E-2 PUBLIC EMPLOYMENT (GOVERNMENT CODE SECTION 54957(b))

Title: Chief Investment Officer

Adjourn pursuant to Government Code section 54957(b) to consider the employment of a Chief Investment Officer

Recommendation: Take appropriate action.

**E-3 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.

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

NOTICE OF NEXT MEETINGS

INVESTMENT COMMITTEE MEETING

**May 24, 2017
9:00 A.M.**

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

INVESTMENT MANAGER MONITORING SUBCOMMITTEE MEETING

**June 1, 2017
9:00 A.M.**

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

GOVERNANCE COMMITTEE MEETING

June 8, 2017

9:00 A.M.

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

AUDIT COMMITTEE MEETING

June 9, 2017

1:00 P.M.

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

REGULAR BOARD MEETING

June 12, 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 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.