

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

REGULAR MEETING
Monday, November 19, 2018
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 may take action on any item included in the following agenda; however, except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda. The Board of Retirement may consider matters included on the agenda in any order, and not necessarily in the order listed.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

At this time, members of the public may comment on (1) matters not included on the agenda, provided that the matter is within the subject matter jurisdiction of the Board; and (2) any matter appearing on the Consent Agenda.

When addressing the Board, please state your name for the record prior to providing your comments. Speakers will be limited to three (3) minutes.

In addition, public comment on matters listed on this agenda will be taken at the time the item is addressed. 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 signing in on the Public Comment Sign-In Sheet located at the back of the room.

CONSENT AGENDA

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

BENEFITS

C-1 OPTION 4 RETIREMENT ELECTION

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

(1) None

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

October 15, 2018

Recommendation: Approve minutes.

ACTION ITEMS

NOTE: Public comment on matters listed in this agenda will be taken at the time the item is addressed, prior to the Board's discussion of the item. 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 signing in on the Public Comment Sign-In Sheet located at the back of the room.

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

A-2 OCERS' ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019

Presentation by Tracy Bowman, Director of Finance and Steve Delaney, Chief Executive Officer

Recommendation:

- 1. Adopt the Administrative Budget for Fiscal Year 2019 in the amount of \$26,432,830 which includes:**
 - a. Personnel costs in the amount of \$14,764,600
 - b. Services and supplies in the amount of \$11,298,230
 - c. Capital expenditures in the amount of \$370,000
- 2. Fiscal Year 2019 Staffing Plan**
 - a. Approve the 2019 Staffing Plan of 93 budgeted positions and 99 classifications, which includes two new positions, Training Manager and Investment Analyst, and the reduction of one Accountant/Auditor, for a net increase in headcount of one full-time equivalent (FTE), and three new classifications in the Legal, Finance and Disability departments (illustrated in Appendix C of the 2019 Administrative Budget)
 - b. Approve the salary ranges for the new OCERS' Direct positions, Training Manager and Disability Manager (\$61,669-\$120,432)
- 3. Approve Salary and Range Adjustments**
 - a. Performance/Salary Adjustments for OCERS' direct employees consisting of a rating scale that includes a base increase of 2.5% for those that meet expectations; a base of 2.5% plus a merit increase of 2.75% for exceeds expectations; and a base of 2.5% plus two merit increases totaling 5.50% (2.75% x 2) for exceptional performance
 - b. Adjust all existing OCERS' direct salary ranges by 2.5%

A-3 GOVERNANCE COMMITTEE OUTCOMES FROM OCTOBER 11, 2018 MEETING – REVISIONS TO BOARD OF RETIREMENT CHARTER AND RESCISSION OF THE ACCEPTANCE AND REPORTING OF GIFTS POLICY

Presentation by Gina Ratto, General Counsel, OCERS

Recommendation: The Governance Committee recommends that the Board:

- (1) Revise the Board of Retirement Charter to add key provisions of the Acceptance and Reporting of Gifts Policy; and
- (2) Rescind the Acceptance and Reporting of Gifts Policy.

A-4 GOVERNANCE COMMITTEE OUTCOMES FROM OCTOBER 11, 2018 MEETING – WRITE OFF POLICY

Presentation by Suzanne Jenike, Assistant CEO External Operations, OCERS

Recommendation: The Governance Committee recommends that the Board approve the Write Off Policy.

A-5 ORANGE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT'S UAAL TRIENNIAL RECALCULATION

Presentation by Steve Delaney, Chief Executive Officer

Recommendation: Approve the results of the Recalculation of Orange County Mosquito and Vector Control District's UAAL Obligation as of December 31, 2017 in the amount of \$818,977.

A-6 COMPENSATION OF THE CHIEF EXECUTIVE OFFICER

Recommendation: Take appropriate action.

INFORMATION ITEMS

I-1 MEMBER MATERIALS DISTRIBUTED

Written Report

Application Notices

November 19, 2018

Death Notices

November 19, 2018

I-2 COMMITTEE MEETING MINUTES

- None

I-3 CEO FUTURE AGENDAS AND 2018 OCERS BOARD WORK PLAN

Written Report

I-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

I-5 THIRD QUARTER 2018 BUDGET TO ACTUALS REPORT

Written Report

**I-6 THIRD QUARTER UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2018**

Written Report

I-7 GENERAL MEMBER ELECTION OUTCOME

Written Report

I-8 TRAVEL REPORT – IPMA-HUMAN RESOURCES PUBLIC PENSION ROUNDTABLE

Written Report

I-9 TRAVEL REPORT – CALIFORNIA RETIRED COUNTY EMPLOYEES ASSOCIATION (CRCEA)

Written Report

I-10 BOARD COMMUNICATIONS

Written Report

I-11 TRUSTEE EDUCATION

The New Norm: Cultural Changes in the #MeToo Era Workplace

Presented by Kelly A. Trainer, Esq., Partner, Burke, Williams & Sorensen LLP

*** * * * * END OF INFORMATION ITEMS AGENDA * * * * ***

CLOSED SESSION

**E-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION
54957**

Position to be evaluated: Chief Executive Officer

Recommendation: Take appropriate action.

**E-2 CONFERENCE REGARDING LITIGATION THAT HAS BEEN INITIATED
(Government Code section 54956.9(d)(1).)**

**Jeffrey Gross v. OCERS; County of Orange; et al., CA Superior Court, County of Orange (Case No.
30-2017-00944959)**

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

Recommendation: Take appropriate action.

DISABILITY/MEMBER BENEFITS AGENDA

11:00AM

NOTE: WHEN CONSIDERING DISABILITY RETIREMENT APPLICATIONS OR MEMBER APPEALS OF BENEFIT OR DISABILITY RETIREMENT DETERMINATIONS, THE BOARD MAY ADJOURN TO CLOSED SESSION TO DISCUSS MATTERS RELATING TO THE MEMBER'S APPLICATION OR APPEAL, PURSUANT TO GOVERNMENT CODE SECTIONS 54957 OR 54956.9. IF THE MATTER IS A DISABILITY APPLICATION UNDER SECTION 54957, THE MEMBER MAY REQUEST THAT THE DISCUSSION BE IN PUBLIC.

OPEN SESSION

CONSENT AGENDA

All matters on the Consent Agenda are to be approved by one action unless a Board member requires separate action on a specific item. If separate action is requested, the item will be discussed during agenda item DA-1.

DC-1: Aaron Phelps

Group Counselor I, Orange County Social Services Agency

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate.

DC-2: Harsimran Dhaliwal

Service Worker I, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board deny service connected disability retirement due to insufficient evidence of permanent incapacity.

DC-3: Keith Wayne

Coach Operator, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board deny service and non-service connected disability retirement without prejudice due to the member's failure to cooperate.

DC-4: Andra T. Boyd

Coach Operator, Orange County Transportation Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of April 25, 2017.

DC-5: Kenneth Caley

Fire Apparatus Engineer, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 30, 2018.

DC-6: Carlos Contreras

Deputy Sheriff I, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of April 17, 2017.

DC-7: Paul Guns

Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of September 1, 2016.

DC-8: Gregory Hosburg

Fire Captain, Orange County Fire Authority

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of May 26, 2017 the day the day following the last day of regular compensation as a Fire Captain.

Find the Applicant is capable of performing other duties in the service of the Orange County Fire Authority pursuant to Government Code Section 31725.65.

The Disability Committee recommends that the Board grant a supplemental disability retirement payment allowance in the amount of the salary difference between the higher and lower paying positions effective May 26, 2017, the date of the position change until the day Mr. Hosburg wishes to retire from the new position.

DC-9: George Miller

Deputy Sheriff II, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of March 16, 2018.

DC-10: James McAnally

Supervising Equipment Mechanic I, Orange County Public Works

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of May 13, 2016.

DC-11: Imelda Narez

Eligibility Supervisor, Social Services Agency

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of February 8, 2018.

DC-12: Walter Rios

Maintenance Worker, Orange County Sanitation District

Recommendation: The Disability Committee recommends that the Board grant service connected disability retirement with an effective date of May 11, 2016.

DC-13: Jason Yates

Sheriff's Special Officer, Orange County Sheriff's Department

Recommendation: The Disability Committee recommends that the Board grant non-service connected disability retirement with an effective date of June 22, 2018.

CLOSED SESSION
(Government Code sections 54957 and 54956.9)

The Board will adjourn to Closed Session pursuant to Government Code sections 54957 or 54956.9 to discuss matters relating to member applications or appeals. The member may request that the discussion relating to his or her application or appeal take place in Open Session.

ACTION ITEMS

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

OPEN SESSION

REPORT OF ACTIONS TAKEN IN CLOSED SESSION

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

INVESTMENT COMMITTEE MEETING
November 28, 2018
9:00 A.M.

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

DISABILITY COMMITTEE MEETING

December 4, 2018

10:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

MANAGER MONITORING SUBCOMMITTEE MEETING

December 6, 2018

9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

GOVERNANCE COMMITTEE MEETING

December 11, 2018

8:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

AUDIT COMMITTEE MEETING

December 11, 2018

1:00 P.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

INVESTMENT COMMITTEE MEETING

December 17, 2018

9:00 A.M.

ORANGE COUNTY EMPLOYEES RETIREMENT SYSTEM

2223 E. WELLINGTON AVENUE, SUITE 100

SANTA ANA, CA 92701

REGULAR BOARD MEETING

December 17, 2018

**11:00 A.M. OR UPON ADJOURNMENT OF THE INVESTMETN COMMITTEE MEETING,
WHICHEVER IS LATER**

**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.