

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

**REGULAR MEETING
Wednesday, January 17, 2024
9:30 A.M.**

MINUTES

Chair Tagaloa called the meeting to order at 9:34 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

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

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

Also Present: Steve Delaney, Chief Executive Officer; Suzanne Jenike, Assistant CEO, External Operations; Manuel Serpa, General Counsel; Molly Murphy, CIO; Tracy Bowman, Director of Finance; Cynthia Hockless, Director of Human Resources; Jenny Sadoski, Director of IT; David Kim, Director of Internal Audit; Will Tsao, Director of EPMO; Nicole McIntosh, Director of Disability; David Beeson, Director of Investment; Jeff Lamberson, Director of Member Services; Silviu Ardeleanu, Director of Member Services; Mary-Joy Coburn, Director of Communications; Jim Doezie, Contracts Administrator; Jennifer Reyes, Finance Manager; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Harvey Leiderman and Maytak Chin, ReedSmith

Absent: Shari Freidenrich

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.

- None

ADMINISTRATION

C-2 BOARD MEETING MINUTES

Regular Board Meeting Minutes

December 11, 2023

Recommendation: Approve minutes.

C-3 AMEND OCERS CONFLICT OF INTEREST CODE TO ADD ONE POSITION AS A FORM 700 FILER

Recommendation: Approve amendments to the OCERS Conflict of Interest Code to designate the Chief Compliance Officer as a position required to file a Form 700.

C-4 OUTCOMES OF THE DISABILITY COMMITTEE MEETING HELD ON DECEMBER 11, 2023

Recommendation: The Disability Committee recommends that the Board adopt the following:

- Revisions to the Administrative Review and Hearing Policy and the Disability Committee Charter.

MOTION by Mr. Packard, **seconded** by Mr. Dewane, to approve the Consent Agenda.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA
CONSENT ITEMS

A. Disability Committee Recommendations:

DC-1: SANDRA LEONARD

Technical Systems Specialist, Orange County Health Care Agency (General)

Recommendation: The Disability Committee recommends the Board:

- Deny service and non-service connected disability retirement without prejudice because the member has opted not to join in the employer filed application.

DC-2: JASON TIMMINS

Sheriff's Special Officer, Orange County Sheriff's Department (Safety)

Recommendation: The Disability Committee recommends the Board:

- Deny service and non-service connected disability retirement without prejudice because the member has opted not to join in the employer filed application.

B. CEO Recommendations:

DC-3: JONATHAN DARUVALA
Sergeant, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service connect disability retirement.
- Set the effective date as March 10, 2023.

DC-4: FEDERICO FEDERICO
Sergeant, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service connect disability retirement.
- Set the effective date as the day after final day of regular compensation.

DC-5: GUY LEMIEUX
Deputy Sheriff II, Orange County Sheriff's Department (Safety)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service connect disability retirement.
- Set the effective date as the day after final day of regular compensation.

DC-6: MARTHA SORIANO
Collection Officer II, Orange County Probation Department (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Grant service connect disability retirement.
- Set the effective date as April 10, 2023.

DC-7: BHUPINDER TURNA
Food Service Worker, Orange County Probation Department (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Deny service and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

DC-8: ROSE VINIEGRA
Information Processing Technician, Orange County Social Services (General)

Recommendation: Steve Delaney, CEO, recommends that the Board:

- Deny service and non-service connected disability retirement without prejudice due to the member's decision not to join in the application.

MOTION by Mr. Packard, **seconded** by Mr. Dewane, to approve item, DC-1 through DC-8 on the Disability Consent Agenda.

The motion passed **unanimously**.

DA-2: ROBERT SZEWCZYK
Deputy Sheriff II, Orange County Sheriff's Department (Safety)

Recommendation: Staff recommends the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Summary and Analysis of the Evidence and Issues, Proposed Findings of Fact and Conclusion of Law dated November 15, 2023 (Recommendation) wherein the Hearing Officer recommended that the Board deny the Applicant (Robert Szewczyk) service-connected disability retirement.

Applicant requests that his application pulled from the agenda for additional time.

ACTION ITEMS

A-2 FIRST QUARTER REVIEW OF OCERS BOARD 2024-2026 STRATEGIC PLAN
Presentation by Steve Delaney, CEO, OCERS

Recommendation:

Approve the staff proposed modifications to the OCERS 2024-2026 Strategic Plan

Or

Provide direction for alternative modifications

MOTION by Mr. Packard, **seconded** by Mr. Hilton, to approve staff proposed modifications to the OCERS 2024-2026 Strategic Plan.

The motion passed **unanimously**.

INFORMATION ITEMS

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

I-1 2023 OCERS INNOVATIONS AND PROCESS IMPROVEMENTS
Presentation by Steve Delaney, Chief Executive Officer, and OCERS Management Team

OCERS Management Team shared about the 2023 innovations and process improvements in Fund Sustainability, Excellent Service and Support, Risk Management, Talent Management, and Effective Governance.

The Board recessed for break at 11:03 a.m.

The Board reconvened from break at 11:16 a.m.

Recording Secretary administered the Roll Call attendance.

I-2 OCERS SIMPLIFICATION- COMPLEX FACTORS CONTAINED IN OCERS COMPENSATION EARNABLE POLICY

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

Ms. Jenike shared potential changes to the FAS calculation process so that we do not build a manual process into the new process. The Board directed staff to start conversations with employers about receiving the necessary additional information.

I-3 TRIENNIAL PERFORMANCE REVIEW OF FIDUCIARY COUNSEL

Presentation by Steve Delaney, Chief Executive Officer, and Manuel Serpa, General Counsel, OCERS

WRITTEN REPORTS

The following are written reports that will not be discussed unless a member of the Board requests discussion.

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices	January 17, 2024
Death Notices	January 17, 2024

R-2 COMMITTEE MEETING MINUTES

- October 2023- Audit Committee Minutes
- October 2023- Building Committee Minutes

R-3 CEO FUTURE AGENDAS AND 2024 OCERS BOARD WORK PLAN

Written Report

R-4 QUIET PERIOD – NON-INVESTMENT CONTRACTS

Written Report

R-5 BOARD COMMUNICATIONS

Written Report

R-6 COMMUNICATION POLICY FACT SHEET

Written Report

R-7 FORM 700 FILING REQUIREMENTS

Written Report

R-8 STATUS OF BOARD EDUCATION HOURS FOR 2023

Written Report

R-9 2023 DISABILITY STATISTICS

Written Report

R-10 ANNUAL PREVIEW OF “YEAR IN REVIEW”: COMMUNICATION PLAN

Written Report

R-11 QUARTERLY TRAVEL AND TRAINING EXPENSE REPORT

Written Report

R-12 CONTRACT STATUS FOR NAMED SERVICES PROVIDERS

Written Report

R-13 UPDATE BOARD ELECTIONS: SAFETY MEMBER, ALTERNATE SAFETY MEMBER AND GENERAL MEMBER

Written Report

R-14 REPORT OF ATTENDANCE AT CONFERENCE- KWAME ADDO- SCCE

Written Report

CIO COMMENTS- First, Ms. Murphy noted the date change from February 28 to March 20 for the first Investment Committee Meeting. As for the returns for 2023, OCERS does not expect official return information until later in the month. Internally, the Investment Division has run estimates that indicate a return of approximately 11.5%, due in large part to performance in November and December, the strongest two months of the year. Looking forward to 2024, Ms. Murphy notes that 75% of the time, an election year tends to be a strong market year. However, there are still concerns about high interest rates, pocket inflation, and the status of the labor market.

CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- None

COUNSEL COMMENTS- None

BOARD MEMBER COMMENTS- None

The Board recessed for break for lunch at 12:03 p.m.

The Board reconvened from break at 12:56 p.m.

Recording Secretary administered the Roll Call attendance.

The Board adjourned to closed session at 12:56 p.m.

Mr. Packard joined the closed session at 12:59 p.m.

CLOSED SESSION ITEMS

E-1 THREAT TO PUBLIC SERVICES OR FACILITIES (Government Code Section § 54957)

Consultation with OCERS Director of Cyber Security

Recommendation: Take appropriate action.

Mr. Lindholm departed the meeting at 1:46 p.m.

E-2 CONFERENCE REGARDING EXISTING LITIGATION (GOVERNMENT CODE SECTION 54956.9(d)(1))

Eder Palma v. Board of Retirement, OCERS; Orange County Superior Court, Case No. 30-2022-01280823-CU-WM-CJC

Recommendation: Take appropriate action.

The Board returned from Closed Session at 2:46 p.m.

Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Mr. Hilton, Mr. Prevatt, Mr. Packard, Mr. Vallone, and Chair Tagaloa.

REPORT ON CLOSED SESSION: Mr. Serpa shared that no reportable action was taken on E-1. For E-2, Mr. Serpa shared that the Trustees voted not to appeal the decision by the court. The vote was unanimous with the Trustees in the room (Mr. Lindholm left prior to the vote).

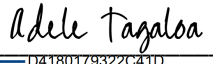
Meeting **ADJOURNED** at 2:49 p.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:

DocuSigned by:

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Steve Delaney
Secretary to the Board

Approved by:

DocuSigned by:

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Adele Tagaloa
Chairperson