

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

**REGULAR MEETING
Monday, October 21, 2024
9:30 A.M.**

MINUTES

Chair Lopez Tagaloa called the meeting to order at 9:32 a.m.

Recording Secretary administered the Roll Call attendance.

Attendance was as follows:

Present in Person: Adele Lopez Tagaloa, Chair, Roger Hilton, Richard Oates, Arthur Hidalgo, Shawn Dewane, Wayne Lindholm, Shari Freidenrich

Present via Zoom (under Government Code Section 54953(f)): Charles Packard, Vice Chair; Chris Prevatt

Also Present: Steve Delaney, CEO; David Kim, Assistant CEO, External Operations; Brenda Shott, Assistant CEO, Internal Operations; Molly Murphy, Chief Investments Officer; Joon Kim, Staff Attorney; Rosie Baek, Staff Attorney; Will Tsao, Director of EPMO; Mary Joy Coburn, Director of Communications; Cynthia Hockless, Director of HR; Nicole McIntosh; Director of Disability; Anthony Beltran, Audio-Visual Technician; Carolyn Nih, Recording Secretary

Guests: Maytak Chin, ReedSmith; Representatives from Griffin, Gensler, and Snyder Langston: JT Theeuwes, John Rochford, Nick Acevedo, Deryl Robinson, Tristen Nichols, Adam Schneider

Absent: Jeremy Vallone

Ms. Freidenrich arrived at 9:33 a.m.

Mr. Hidalgo arrived at 9:34 a.m.

Mr. Prevatt arrived at 9:35 a.m. via Zoom

CIO COMMENTS: Ms. Murphy shared that year to date through middle of October, the OCERS folio stands at 10.5% YTD return. She further notes that the Investment Team is monitoring the markets, and the Fed anticipates at least one more easing before the end of the year.

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.

- Portia Mina

ADMINISTRATION

Regular Board Meeting Minutes
Strategic Planning Workshop Summary

August 19, 2024
September 10-11, 2024

Recommendation: Approve minutes.

C-3 OUTCOMES FROM THE GOVERNANCE COMMITTEE ON AUGUST 15, 2024

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

- (1) **OCERS Administrative Procedure Regarding Felony Forfeiture** with revisions approved by the Committee;
- (2) **Securities Litigation Policy** with revisions approved by the Committee;
- (3) **Succession Policy** with revisions approved by the Committee;
- (4) **OCERS Administrative Procedure Regarding Required Minimum Distributions** with revisions approved by the Committee;
- (5) **Member Services Customer Service Policy** with revisions approved by the Committee;
- (6) **Legislative Policy** with revisions approved by the Committee;

C-4 OUTCOMES FROM THE DISABILITY COMMITTEE ON AUGUST 19, 2024

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

- (1) **OCERS Administrative Review and Hearing Policy** with revisions approved by the Committee;
- (2) **OAP Regarding Effective Date of Disability Retirement Allowance** with revisions approved by the Committee.

MOTION by Mr. Lindholm, **seconded** by Mr. Oates, to approve the Consent Agenda.

The motion passed **unanimously**.

DISABILITY/MEMBER BENEFITS AGENDA

CONSENT ITEMS

A. Disability Committee Recommendations:

NONE

B. CEO Recommendations:

DC-1: MARK BECKLEY

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as February 10, 2023.

DC-2: LARRY COSTA (DECEASED)

Deputy Sheriff, Orange County Sheriff's Department (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as April 19, 2024.

DC-3: SEAN GARVEY

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as July 26, 2024.

DC-4: MARK MCDERMOTT

Fire Captain, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 27, 2023.

DC-5: MAXWELL NGUYEN

Service Broker, Orange County Transportation Authority (General)

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

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

DC-6: GEORGE RUIZ

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as September 8, 2023.

DC-7: ALEXANDER VAN

Firefighter, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 22, 2024.

DC-8: TODD VANDERHAM

Fire Apparatus Engineer, Orange County Fire Authority (Safety)

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

- Grant service-connected disability retirement.
- Set the effective date as March 24, 2023.

DC-9: VIVIAN VU

Social Services Supervisor I, 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.

DC-10: JUDY J WAGNER ESTRIN

Data Entry Technician, 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.

MOTION by Mr. Lindholm, **seconded** by Mr. Oates, to approve staff recommendations.

The motion passed **unanimously**.

CLOSED SESSION

The Board adjourned to closed session at 9:46 a.m.

DA-2: GINA EDWARDS

Information Processing Technician, Orange County Probation Department

Recommendation: Staff recommends the Board approve and adopt the findings and recommendations of the Hearing Officer as set forth in the Findings and Decision in an OCERS Service-Connected Disability Retirement Case (Recommendation), dated July 17, 2024, wherein the Hearing Officer recommends that the Board find the Applicant, Gina Edwards, is not permanently incapacitated and deny Service-Connected Disability Retirement.

OPEN SESSION

The Board returned from Closed Session at 10:11 a.m.

Recording Secretary did not administer the Roll Call attendance, but noted the attendance of Ms. Freidenrich, Mr. Hilton, Mr. Hidalgo, Mr. Oates, Ms. Tagaloo, Mr. Packard (Zoom), Mr. Dewane, Mr. Prevatt (Zoom), Mr. Lindholm, and Mr. Vallone.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION- Board voted unanimously to accept the Hearing Officer’s recommendations.

ACTION ITEMS

A-2 OCERS 2025-2027 BUSINESS AND STRATEGIC PLAN

Presentation by Steve Delaney, Chief Executive Officer, and Will Tsao, Director of EPMO, OCERS

Recommendation: Approve the OCERS 2025-2027 Business and Strategic Plan as modified.

Mr. Hilton requests a review of the Effective Governance metrics during the January 1st quarter update.

MOTION by Mr. Hidalgo, **seconded** by Mr. Lindholm, to approve staff recommendations.

The motion passed **unanimously**.

A-3 2025 STAFFING PLAN

Presentation by Steve Delaney, Chief Executive Officer, and Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: The Personnel Committee recommends the Board of Retirement approve the following personnel costs in the 2025 OCERS Staffing Plan:

1. APPROVE THE ADDITION OF 4 NEW POSITIONS TO THE 2025 BUDGETED HEADCOUNT

- A. Add one IT Intern position to the Information Technology Department – Extra Help
- B. Add two Investment Analyst positions to the Investment Department – OCERS Direct
- C. Add the position of a Chief Technology Officer to the Executive Department – OCERS Direct

2. REMOVE 2 CURRENTLY VACANT POSITIONS FROM THE PROPOSED 2025 BUDGETED HEADCOUNT

- A. Deputy General Counsel – OCERS Direct
- B. Retirement Benefits Technician – County

The total estimated annual personnel cost for these staffing changes is \$293,166. The estimated budget impact for 2025 due to mid-year hiring for one of the Investment Analyst positions is \$168,103.

Mr. Delaney commits to report back to the Personnel Committee with details as requested by Ms. Freidenrich on updates on other systems' staffing with more detail on their specific budget impact.

MOTION by Mr. Dewane, **seconded** by Mr. Lindholm, to approve staff recommendations.

The motion passed **unanimously**.

A-4 OUTCOMES FROM THE BUILDING COMMITTEE ON OCTOBER 3,2024 – PRELIMINARY BUILDING AND SITE PLANS AND CITY ENTITLEMENT PROCESSES

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

Recommendation: The Building Committee recommends that the Board of Retirement approve the preliminary schematic building design and site plan for the OCERS Replacement Headquarters Project, including a 3-story L-shaped building with surface parking, and direct staff to proceed with the City of Santa Ana's Project Development Review and Minor Exception process to obtain the required entitlement related approvals.

MOTION by Mr. Lindholm, **seconded** by Mr. Packard, to approve staff recommendations.

The motion passed **unanimously**.

The Board recessed for break at 10:56 a.m.

The Board reconvened from break at 11:12 a.m.

Recording Secretary administered the Roll Call attendance.

A-6 DESIGNATING OCERS LABOR NEGOTIATOR UNDER GOVT. CODE SECTION 54957.6

Presentation by Cynthia Hockless, Director of Human Resources, OCERS

Recommendation: The Board will appoint a designated representative under Government Code section 54957.6(a) to assist the Board in negotiating compensation with the CEO.

MOTION by Mr. Hidalgo, **seconded** by Ms. Freidenrich, to designate Mr. Hilton as labor negotiator for the CEO.

The motion passed **unanimously**.

Mr. Oates and Mr. Packard (Zoom) returned to the meeting at 11:16 a.m.

CLOSED SESSION ITEMS

The Board adjourned to closed session at 11:16 a.m.

E-1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section § 54957)

Position to be evaluated: Chief Executive Officer

Recommendation: Take appropriate action.

E-2 CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE SECTION 54957.6)

OCERS designated representative as identified in Action Item A-6

Unrepresented employee: OCERS Chief Executive Officer

Recommendation: Take appropriate action.

E-3 CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION (GOVERNMENT CODE SECTION 54956.9(d)(1))

Szewczyk v. OCERS; Orange County Superior Court, Case No. 30-2022-01268984-CU-WM-CJC

Recommendation: Take appropriate action.

OPEN SESSION

The Board returned from Closed Session at 12:32 p.m.

Recording Secretary administered the Roll Call attendance. Mr. Lindholm left the meeting after closed session but before the Board returned to open session.

REPORT OF ACTIONS TAKEN IN CLOSED SESSION- No reportable action was taken for E-1, E-2, E-3.

ACTION ITEMS

A-5 VOTING DIRECTION FOR SACRS BUSINESS MEETING

Presentation by Manuel Serpa, General Counsel, OCERS

Recommendation: Give voting direction to OCERS’ delegates for November 15, 2024 SACRS business meeting.

MOTION by Mr. Dewane, **seconded** by Mr. Packard, to approve staff recommendations to direct delegates to support both amendments to CERL.

After discussion, an **ALTERNATE MOTION** by Mr. Prevatt, **seconded** by Mr. Hilton, to direct delegates to approve first amendment and decline on second amendment.

The motion passed, pursuant to a Roll Call vote, as follows:

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Mr. Dewane	Mr. Oates	Ms. Freidenrich	Mr. Lindholm
Mr. Hidalgo			
Mr. Hilton			
Mr. Packard			
Mr. Prevatt			
Ms. Tagaloa			

INFORMATION ITEMS

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

I-1 2025 BOARD MEETING CALENDAR

Presentation by Steve Delaney, Chief Executive Officer, OCERS

WRITTEN REPORTS

R-1 MEMBER MATERIALS DISTRIBUTED

Application Notices	October 21, 2024
Death Notices	October 21, 2024

R-2 COMMITTEE MEETING MINUTES

- May 2024 – Governance Committee Minutes
- June 2024- Audit Committee Minutes
- August 2024- Building Committee Minutes

- August 2024- Personnel 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 LEGISLATIVE UPDATE

Written Report

R-7 OCERS TRAVEL POLICY APPROVED CONFERENCES LIST

Written Report

R-8 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN EXERCISE EXECUTIVE SUMMARY

Written Report


CHIEF EXECUTIVE OFFICER/STAFF COMMENTS- Director Will Tsao shared the progress with new Pension Administration System (PAS) implementation partner/contractor Provaliant.

COUNSEL COMMENTS- None

BOARD MEMBER COMMENTS- None

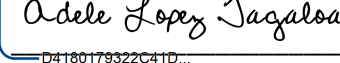
Meeting **ADJOURNED** at 12:58 p.m. in memory of active members, retired members, and surviving spouses who passed away this passed month.

Submitted by:
DocuSigned by:



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Steve Delaney
Secretary to the Board

Approved by:
Signed by:



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Adele Lopez Tagaloa
Chairperson