

MINUTES OF BOARD OF DIRECTORS MEETING  
WITH RETIREMENT COMMITTEE  
ORANGE COUNTY WATER DISTRICT  
January 26, 2016 @ 8:00 a.m.

Director Dewane called the Retirement Committee meeting to order in Conference Room C-2 at the District office. The Assistant District Secretary called the roll and reported a quorum as follows:

DIRECTORS

Shawn Dewane  
Roger Yoh (not present)  
Phil Anthony

STAFF MEMBERS

Jason Dadakis (not present)  
Phil Harrington

OCWD Staff

Mike Markus, General Manager  
Stephanie Dosier, Plan Secretary  
Judy-Rae Karlsen, Assistant District Secretary  
Paula Bouyounes, Kim Dusky, Lisa Wirtz

ALTERNATES

Jordan Brandman (arrived 8:25)  
Denis Bilodeau (arrived 8:20)  
Jan Flory (not present)  
Dina Nguyen  
Roman Reyna  
Steve Sheldon (not present)  
Cathy Green (not present)

STAFF ALTERNATES

Dave Bolin (not present)  
Roy Herndon (Alternate)

Others

Scott Sutherland, Jacquelyn Hylton -  
Sutherland Retirement Group

EMPLOYEE ADVISORY CTE

John Bonsangue (not present)  
John Bruns  
Rita Hintlian  
Kevin O'Toole  
Jana Safarik  
Vishav Sharma

**CONSENT CALENDAR**

The Consent Calendar was approved upon motion by Phil Harrington, seconded by Director Phil Anthony and carried (5-0) as follows.

*[Yes – Dewane, Anthony, Nguyen, Harrington, Herndon /No-0]*

1. Minutes of Previous Meeting

**The Minutes of the October 27, 2016 Retirement Committee meeting are approved as presented.**

**MATTER FOR CONSIDERATION**

Directors Bilodeau and Brandman arrived during the following discussion.

2. 401 (A) Money Purchase Plan Investment Line Up and Red Flag Fund Review

Director of Human Resources Stephanie Dosier reported that Scott Sutherland of Sutherland Retirement Group/Wells Fargo Advisors serves as the plan advisor for the District's retirement investment portfolios. Mr. Sutherland presented an administrative review on the 401(A) Money Purchase plan that included the number of employee participants, total amount invested by employees, current employee loans, expense ratios, risk factors and a summary report on advisory meetings with District employees. He presented a detailed performance review of the funds within the 401(A) Money Purchase Employee Retirement plan and discussed the red flagged funds in the 457(B) Deferred Compensation plan. Mr. Sutherland advised on investment fund benchmarks, fund performance metrics and then offered recommendations for removing underperforming funds from the portfolio and adding funds that are better performers. The Committee reviewed the recommendations and then took the following actions.

Upon motion by Director Anthony, seconded by Phil Harrington and carried [5-0], the Committee recommended that the Board at its February 3 Board meeting: Approve the following actions for the 401(a) Money Purchase Retirement plan investment portfolio and the 457(b) Deferred Compensation plan investment portfolio:

401 (A) PORTFOLIO FUNDS	ACTION	SYMBOL
Dreyfus Opportunistic Midcap Value I	Red Flag	DVLIX
Fidelity Advisor New Insights A	Red Flag	FNIAX
457 (B) PORTFOLIO FUNDS	ACTION	SYMBOL
Putnam Equity Spectrum Y	Remove	PYSYX
American Century Legacy Multi Cap Inv	Add Fund Map PYSYX funds	ACMNX

[Yes – Dewane, Anthony, Brandman, Harrington, Herndon /No-0]

### INFORMATIONAL ITEMS

#### 3. Prudential Retirement Performance Incentive Review

Ms. Dosier reported the Prudential Retirement Performance Incentive Report for the 3rd Quarter of 2015 is in the packet. This was an informational item and no action was taken.

#### 4. Guaranteed Income Fund Interest Rates

Ms. Stephanie Dosier noted the Guaranteed Income Fund (GIF) is the Stable Value fund in both the 401(a) Money Purchase Retirement Plan and the 457(b) Deferred Compensation Plan. She reported that Prudential has set the GIF interest rate at 1.85% for the period of January 1, 2016 through June 30, 2016.

### DETERMINATION OF ITEMS TO BE AGENDIZED FOR THE FEBRUARY 3 BOARD MEETING

The Committee determined that Item No. 2 be placed on the Consent Calendar for the February 3 Board meeting.

### ADJOURNMENT

There being no further business, the meeting was adjourned at 9:05 a.m.

  
Retirement Plan Secretary Stephanie Dosier