

MINUTES OF BOARD OF DIRECTORS MEETING  
WITH RETIREMENT COMMITTEE  
ORANGE COUNTY WATER DISTRICT  
January 27, 2015 @ 8 a.m.

Committee staff member Jason Dadakis called the Retirement Committee meeting to order in Conference Room C-2 at the District office. The Assistant District Secretary called the roll as follows:

Members

Roger Yoh (not present)  
Harry Sidhu (arrived 8:07 a.m.)  
Vincent Sarmiento (arrived 8:07 a.m.)  
Jason Dadakis, staff  
Phil Harrington, staff (not present)  
Kevin O'Toole, 1<sup>st</sup> Alternate

Director Alternatives

Phil Anthony  
Denis Bilodeau (not present)  
Shawn Dewane (not present)  
Jan Flory (not present)  
Dina Nguyen (not present)  
Steve Sheldon (not present)  
Cathy Green (not present)

OCWD Staff

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

Others

Jacquelyn Hylton, Scott Sutherland - Sutherland Retirement Group

Employee Advisory Committee

Roy Herndon, 2<sup>nd</sup> Alternate  
Dave Bolin  
John Bonsangue (not present)  
John Bruns  
Rita Hintlian  
Jana Safarik

**CONSENT CALENDAR**

The Consent Calendar was approved upon motion by Jason Dadakis, seconded by Director Anthony carried (3-0) as follows.

*[Yes - Dadakis, O'Toole, Anthony/ No-0]*

1. Minutes of Previous Meeting

**The Minutes of the October 26, 2014 Retirement Committee meeting are approved as presented.**

2. Retirement Committee "Employee" Appointments

**Recommended for approval at February 4 Board meeting: Approve the appointments of the following employees on the Retirement Committee:**

- **Sitting Member – Jason Dadakis (re-appoint for two year term);**
- **First Alternate – Dave Bolin (appoint for a one year term); and**
- **Second Alternate – Roy Herndon (re-appoint for a one year term).**

**MATTER FOR CONSIDERATION**

Director Sidhu and Director Sarmiento arrived at 8:07 a.m. during the following discussion.

3. 401(a) Money Purchase Plan Investment Line-Up and 457(b) Red Flag Fund Review

District Retirement Advisor Scott Sutherland reviewed the Committee's prior actions and then presented a detailed performance review of the funds within the 401(a) Money Purchase

Retirement Plan investment portfolio. He discussed current market trends and performance indicators related to each fund in the portfolio. Mr. Sutherland offered recommendations on funds to keep, funds to red flag due to poor performance, and funds to remove from the plan. He provided the Committee with optional funds to consider for those recommended for removal.

Mr. Sutherland reviewed the red flagged funds in the investment portfolio for the 457(b) Deferred Compensation Retirement Plan and offered recommendations based on previously determined performance indicators. Following the investment portfolio review, the Committee took the following actions.

**Upon motion made by Jason Dadakis, seconded by Director Sidhu and carried [5-0], the Committee recommended that the Board at its February 4 meeting: Approve the following actions for the 401(a) Money Purchase Retirement Plan and the 457(b) Deferred Compensation Plan investment portfolios.**

*[Yes –Sidhu, Sarmiento, Dadakis, O’Toole, Anthony / No - 0]*

<b>401(a) Portfolio Funds</b>	<b>Action</b>	<b>Symbol</b>
T. Rowe Price Small-Cap Value Adv	Red Flag	PASVX
AllianceBern Discovery Growth A	Red Flag	CHCLX
Prudential Jennison Mid Cap Growth A	Red Flag	PEEAX
Victory Established Value A	Red Flag	VETAX
Fidelity Low-Priced Stock	Red Flag	FLPSX
JPMorgan Large Cap Growth A	Red Flag	OLGAX
Gabelli Asset AAA	Remove Map funds to HGISX	GABAX
Hartford Disciplined Equity R4	Add	HGISX
Fidelity Spartan US Bond Idx Investor	Red Flag	FBIDX

<b>457(b) Portfolio Funds</b>	<b>Action</b>	<b>Symbol</b>
Scout MidCap	Remove Map funds to PYSYX	UMBMX
Putnam Equity Spectrum	Add	PYSYX
Delaware Select Growth Instl	Remove Map funds to GLCGX	VAGGX
Goldman Sachs Lg Cap Gr Insights	Add	GLCGX
Fidelity Spartan US Bond Idx Investor	Red Flag	FBIDX

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 1.95% for the period of January 1, 2015 through June 30, 2015.

**DETERMINATION OF ADDITIONAL ITEMS TO BE PLACED ON CONSENT CALENDAR FOR FEBRUARY 4 BOARD MEETING**

The Committee recommended that Item No. 2-3 be placed on the Consent Calendar for the February 4 Board meeting.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:17 a.m.

  
Retirement Plan Secretary Stephanie Dosier