

MINUTES OF BOARD OF DIRECTORS MEETING  
WITH RETIREMENT COMMITTEE  
ORANGE COUNTY WATER DISTRICT  
July 23, 2019 @ 8:00 a.m.

Director Ta 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**

Tri Ta  
Jordan Brandman  
Ahmad Zahra

**STAFF MEMBERS**

Jason Dadakis  
Vishav Sharma

**OCWD STAFF**

Mike Markus, General Manager  
Stephanie Dosier, Plan Secretary  
Christina Fuller, Assistant District Secretary

**ALTERNATES**

Roger Yoh (absent)  
Kelly Rowe  
Cathy Green (absent)  
Steve Sheldon (absent)  
Denis Bilodeau (absent)  
Dina Nguyen (absent)  
Vicente Sarmiento

**STAFF ALTERNATES**

Kevin O'Toole  
Jana Safarik (absent)

**EMPLOYEE ADVISORY CTE**

John Bonsangue (absent)  
John Bruns  
Rita Hintlian  
Dave Bolin  
Roy Herndon  
Jeremy Davis  
Nic Nguyen

**CONSENT CALENDAR**

The Consent Calendar was approved upon motion by Director Zahra, seconded by Jason Dadakis and carried (5-0) as follows.

Yes –Ta, Zahra, Rowe, Dadakis, Sharma

1. Minutes of Previous Meeting

**The minutes of the May 14, 2019 Retirement Committee meeting are approved as presented.**

**MATTERS FOR CONSIDERATION**

2. Money Purchase Plan Investment Line-Up and 457(B) Plan Red Flag Fund Review

Scott Sutherland of Sutherland Group discussed market trends and performance indicators for funds red flagged in the 457 investment portfolio. He presented benchmarks and performance metrics and offered recommendations for funds that were red flagged.

**Upon motion by Vishav Sharma, seconded by Jason Dadakis and carried [5-0], the Committee recommended that the Board at its August 7 Board meeting: 1) Approve the following actions:**

INVESTMENT FUNDS	SYMBOL	ACTION
<b>457 (B) Portfolio</b>		
Eaton Vance High Income Opportunities A	ETHIX	Remove and map to PBHAX
MFS Mid Cap Value R4	MVCJX	Remove Red Flag

**2) Receive and file the 401(a) Money Purchase Retirement Plan investment portfolio and the 457(b) Deferred Compensation Plan investment portfolio**

**Yes –Ta, Brandman, Zahra, Dadakis, Sharma**

3. Investment Policy Statement Updates – 401(A) and 457(B) Retirement Plans

Mr. Sutherland reported that he made some minor recommended updates to the District Investment Policy Statements (IPS) for both the 401(a) and 457(b) retirement plans. He advised the updates primarily consist of updating the benchmark funds that the committee is currently using when reviewing fund performance. He provided an overview of the changes to the plan.

**Upon motion by Vishav Sharma, seconded by Director Zahra and carried [5-0], the Committee recommended that the Board at its August 7 Board meeting: Adopt the updated Investment Policy Statements for both the 401(a) Money Purchase Retirement Plan and 457(b) Deferred Compensation Plan.**

**Yes –Ta, Brandman, Zahra, Dadakis, Sharma**

4. Adding a Roth Feature to the 457(B) Deferred Compensation Plan

Plan Secretary Stephanie Dosier reported that Several plan participants have communicated a strong interest in adding a Roth feature to the 457(b) as an option in the plan. She advised that the Roth feature provides participants an option to elect to have after-tax deferrals from their paycheck into the plan. She reported that with a Roth feature, participants would have the option to choose to contribute pre-tax (current process) and/or after-tax to the Roth. Ms. Dosier advised that if the committee would like to move forward to add a Roth feature, staff will meet with Prudential to get the process started and will return to the committee for a final review and approval.

**Upon motion by Jason Dadakis, seconded by Vishav Sharma and carried [5-0], the Committee recommended that the Board at its August 7 Board meeting: Authorize staff to pursue adding a Roth feature to the 457(b) Deferred Compensation Plan.**

**Yes –Ta, Brandman, Zahra, Dadakis, Sharma**

**INFORMATIONAL ITEMS**

5. Prudential Retirement Performance Incentive Review

Ms. Dosier stated the report is in the packet.

6. Guaranteed Income Fund Interest Rates

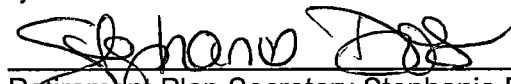
Ms. Dosier stated the interest rate for the period of July 1, 2019 through December 31, 2019 is 2.15%.

**DETERMINATION OF ITEMS TO BE AGENDIZED FOR THE AUGUST 7 BOARD MEETING**

It was agreed to place Item No. 2-4 on the Consent Calendar at the August 7 Board meeting.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:10 a.m.

  
Retirement Plan Secretary Stephanie Dosier