

Political Pressure From Fellow Board Members Has No Place In Our Deliberations

Board Comments by: *Chris Prevatt* 10/21/2013 (as prepared for delivery)

Next month we have scheduled the discussion of a reconsideration of our amortization period decisions made at the June 2013 meeting of this board.

At the time Treasurer Freidenrich requested this reconsideration of votes, which she quite articulately justified after repeated questioning from the chair, many of us on this board were unaware of the pressure that Ms. Freidenrich had received from both Mr. Lindholm in his capacity as President of the conservative political action committee the Lincoln Club of Orange County, and County Supervisor John Moorlach.

The details of the harassment and bullying tactics of Mr. Lindholm and Supervisor Moorlach were not revealed publicly until public records requests for emails received and transmitted to and from Ms. Freidenrich were published by the Voice of OC.

In our capacity as trustees our responsibility is to act in the best interests of the OCERS pension fund and not at the behest, and under the direction of, external political forces.

While I understand that in the real world it is impossible to completely separate ones decisions from these external influences, the actions of Mr. Lindholm, a member of this board, need to be singled out as contrary to the spirit of mutual respect necessary to the effective and honest operation of this board.

In a June 18, 2013 email to Ms. Freidenrich, Mr. Lindholm, clearly in his capacity as President of the Lincoln Club of Orange County, delivered a draft of what can only be described as a political attack piece.

The implication was clear, Ms. Freidenrich's failure to support Mr. Lindholm's proposed actions at the June 17th board meeting could, or would, result in political retribution.

Coming in concert with earlier communications from Supervisor Moorlach where he instructed her that she should, as a general rule, "vote with the appointed members of the board."

Moorlach added " If all four are on the same page, then joining them would be a safe bet."

Phone and email records indicate that Mr. Lindholm, and Mr. Flanigan were working in concert to pressure Ms. Freidenrich to change her vote, which appears to have resulted in her request for reconsideration.

At one point Mr. Flanigan advised Ms. Freidenrich to keep her planned actions "close to the vest". This was apparently meant to prevent discovery by other members of this board until the last possible moment.

Ms. Freidenrich's intent to request reconsideration was successfully concealed from the full OCERS Board until it was revealed in an email to the full board Mr. Delaney six days later.

I bring this up so that this board, and the observing public, can understand the games that are being played, and the pressures which are influencing Ms. Freidenrich in her request for reconsideration of our prior decisions regarding the amortization of historical and future liability and asset changes.

To that end I am submitting into the official record of this board, the emails I have described between Mr. Lindholm, Supervisor Moorlach, and Ms. Freidenrich related to this issue.

Sunlight is the best inoculation against the tactics of harassment and bullying.