

OPERATIONS & OVERSIGHT COMMITTEE MINUTES 10-14-10

PRESENT

- Yves Chery, Chair
- Edward L. Blecksmith, Vice Chair
- William de la Garza
- Ed C. Morris, Alternate

ABSENT

- Will Pryor

BOARD MEMBERS AT LARGE

- Marvin Adams
- Les Robbins
- Simon S. Russin

STAFF, ADVISORS, PARTICIPANTS

- Robert Hill
- Janice Golden
- Bernie Buenaflor
- Shamila Freeman
- Barry Lew
- Kaelyn Ung

The meeting was called to order by Chairman Chery at 11:55 a.m.

1. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

The Chair appointed Mr. Morris a voting member of the Committee.

2. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF SEPTEMBER 9, 2010

A motion was made by Mr. Morris, seconded by Mr. Adams, to approve the minutes of the regular meeting of September 9, 2010. The motion passed unanimously.

3. FOR INFORMATION

1. FY 2009-2010 Final Budget Control Report

Shamila Freeman, Kaelyn Ung

Shamila Freeman and Kaelyn Ung presented the final Budget Control Report for fiscal year 2009-2010, based on actual expenditures through June 30, 2010. Total operating expenses for the LACERA Administrative Budget were \$48.2 million, an underexpenditure of approximately \$2.5 million from LACERA's operating budget. The Retiree Health Care Benefits Program Budget's total operating expenses were \$3.1 million. This represents an underexpenditure of approximately \$462,000 from the operating budget. The major contributing factor for this is lower than anticipated costs for departmental overhead.

2. Update on Office of Public Safety Consolidation (oral presentation)

Barry Lew/Bernie Buenaflor

There are two categories of employees in the Office of Public Safety (OPS) — civilian and sworn. Civilian employees will see no change in their retirement benefits, essentially remaining general members. Sworn employees will become safety members and will have dual plans, general and safety. New legislation effective January 1, 2011 will enable members to convert general service to safety service, with no minimum service requirement and no limit on the amount of service that may be converted. The cost of conversion consists of paying the employee and employer contributions plus accrued interest. There is no time limit on when the service may be converted.

Notification letters will be mailed to effected members to inform them of the passage of legislation eliminating restrictions on purchasing and converting service credit. The letter will provide members with their amount of convertible service credit, model calculations for Plans E and D, and a form to request a cost letter. It will also explain the effect of the conversion on retirement benefits.

4. MISCELLANEOUS

5. PUBLIC COMMENT

6. GOOD OF THE ORDER

(For discussion purposes only)

7. ADJOURNMENT

 PRODUCE | The keystones of our mission can be summarized by two elements: investments and customer service.

11/4/10