

**NOTICE OF MEETING AND AGENDA**

**SPECIAL MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE  
and  
BOARD OF RETIREMENT\***

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

**300 North Lake Avenue, Suite 810  
Pasadena, CA 91101**

**November 8, 2012 - 9:00 A.M.\*\***

COMMITTEE MEMBERS:

Yves Chery, Chair  
William de la Garza, Vice Chair  
Shawn R. Kehoe  
Ed C. Morris  
Simon S. Russin, Alternate

- I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT
- II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF OCTOBER 11, 2012
- III. FOR INFORMATION
  - A. LACERA Operations Briefing  
Robert Hill/JJ Popowich
  - B. FY 2011-2012 Final Budget Control Report  
Shamila Freeman
  - C. Overpayment & Forgery Receivables (Period Ending September 30, 2012)  
Gloria Harriel/Edward Wong/David Bayha
- IV. MISCELLANEOUS
- V. PUBLIC COMMENT
- VI. GOOD OF THE ORDER  
  
(For discussion purposes only)
- VII. ADJOURNMENT

**\*The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

**\*\*Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Board of Retirement meeting preceding it. Please be on call.**

**Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday.**

***Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626)-564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.***

MINUTES OF THE SPECIAL MEETING OF THE  
OPERATIONS OVERSIGHT COMMITTEE  
and  
BOARD OF RETIREMENT\*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

NOVEMBER 8, 2012, 12:25 P.M. – 1:05 P.M.

**COMMITTEE MEMBERS**

PRESENT: Yves Chery, Chair  
William de la Garza, Vice Chair  
Shawn R. Kehoe  
Ed C. Morris  
Simon S. Russin, Alternate

**ALSO ATTENDING:**

BOARD MEMBERS AT LARGE

Marvin Adams  
Sadonya Antebi  
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

|                 |                |
|-----------------|----------------|
| Robert Hill     | Gloria Harriel |
| JJ Popowich     | Kaelyn Ung     |
| David Bayha     | Edward Wong    |
| Shamila Freeman |                |

The meeting was called to order by Chairman Chery at 12:25 p.m.

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

All regular members of the Committee were present.

II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF OCTOBER 11, 2012

A motion was made by Mr. Morris, seconded by Mr. Kehoe, to approve the minutes of the regular meeting of October 11, 2012. The motion passed unanimously.

III. FOR INFORMATION

A. LACERA Operations Briefing  
Robert Hill

Messrs. Hill and Popowich presented the monthly briefing on LACERA's operations. Many of the following discussion items may recur in subsequent briefings or may result in a future comprehensive presentation.

- ARC Tsunami – Update on Response Efforts
- Member Services Efforts to Reduce Call Center and Service Center PEPRA Induced Wait Times
- OPEB Trust Update
- Active Death Case Management Update

B. FY 2011-2012 Final Budget Control Report  
Shamila Freeman, Kaelyn Ung

Shamila Freeman and Kaelyn Ung presented the final Budget Control Report for fiscal year 2011-2012, based on actual expenditures through June 30, 2012. Total operating expenses for the LACERA Administrative Budget were approximately \$50 million, an underexpenditure of approximately \$2.6 million from LACERA's operating budget.

The Retiree Health Care Benefits Program Budget's total operating expenses were approximately \$3.2 million. This represents an underexpenditure of approximately \$208,000 from the operating budget.

C. Overpayment & Forgery Receivables (Period Ending September 30, 2012)  
Gloria Harriel/Edward Wong/David Bayha

Gloria Harriel, Edward Wong, and David Bayha presented the status report on overpayment and forgery receivables for the six month period ending September 30, 2012. There are currently 411 overpayment and forgery cases. Overall, during the past six months we have decreased our overpayments by 57% to \$952,000, due in large part to the uncollectible write-offs totaling \$1.1 million approved by the Board in August, 2012.

III. FOR INFORMATION (Continued)

Overpayments are broken out into three categories:

- Death related as a result of late death notification  
The majority of the cases are as a result of late death notification. This occurs when we are notified one or more months after the member is deceased. Deaths occurring outside of California usually take longer to be reported.
- Miscellaneous  
These are situations over which staff has no control, such as data system clean-up.

Both the death related and miscellaneous categories have decreased significantly during this period, once again due to the write-offs approved in August, 2012.

- Incorrect computation  
This area decreased 16% in this period to a balance of \$350,000. However, during the current period, this category has increased significantly. This is partially due to the fact that a more precise categorization has been made, with less cases in the Miscellaneous category and an increase in Incorrect Computation. Two cases alone amounted to roughly 50% of the dollar amount of this category. These errors were corrected quickly upon discovery and changes have been made to our procedures. A heavier emphasis is now being placed on the proactive development and implementation of internal controls which are more preventive in their design.

IV. MISCELLANEOUS

V. PUBLIC COMMENT

VI. GOOD OF THE ORDER

(For discussion purposes only)

VII. ADJOURNMENT

The meeting adjourned at 1:05 p.m.

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