

# AGENDA

## A SPECIAL MEETING OF THE BOARD OF RETIREMENT

### LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., NOVEMBER 7, 2013

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE MINUTES

- A. Approval of the Minutes of the Regular Meeting of  
October 10, 2013

IV. OTHER COMMUNICATIONS

A. For Information

1. September 2013 All Stars
2. Awards
3. Chief Executive Officer's Report  
(Memo dated October 28, 2013)

V. PUBLIC COMMENT

VI. NON-CONSENT AGENDA

- A. Recommendation as submitted by Alan Bernstein, Chair, Insurance, Benefits and Legislative Committee: That the Board direct its voting delegate to support the inclusion of a legislative proposal for a technical bill in the SACRS 2014 Legislative Platform.  
(Memo dated October 17, 2013)

VI. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Board directs its voting delegate to vote “No” on a legislative proposal which would disallow appointed board members serving beyond their term of office. (Memo dated October 28, 2013)
- C. For information only as submitted by Cynthia Lau, Legislative Affairs Officer regarding the 2013 Enacted Retirement Legislation. (Memo dated October 29, 2013)

VII. GOOD OF THE ORDER  
(For information purposes only)

VIII. EXECUTIVE SESSION

- A. CONFERENCE WITH LABOR NEGOTIATORS  
(Government Code Section 54957.6)

Agency designated representatives:  
John Nogales, Director, Human Resources

IX. ADJOURNMENT

***Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement 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 Board of Retirement Members at LACERA’s offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 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 BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., NOVEMBER 7, 2013

PRESENT: Yves Chery, Chair

William de la Garza, Secretary

Marvin Adams

Sadonya Antebi

Vivian H. Gray (Arrived at 9:15 a.m.)

Shawn R. Kehoe (Alternate Member)

Joseph Kelly (Sitting in for Mark J. Saladino, Vice Chair)

Ronald A. Okum

William R. Pryor

ABSENT: Alan Bernstein

Ed C. Morris (Alternate Retired)

Mark Saladino, Vice Chair

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

Robert Hill, Assistant Executive Officer

JJ Popowich, Assistant Executive Officer

Robb Van Der Volgen, Chief Counsel

STAFF ADVISORS AND PARTICIPANTS

John Nogales, Director, Human Resources

Jeannine Smart, Manager, Communications

Beulah S. Auten, Chief Financial Officer

I. CALL TO ORDER

The meeting was called to order by Chair Chery at 9:00 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Chair Chery led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of October 10, 2013

A motion was made by Mr. Okum, seconded by Mr. Kehoe, to approve the minutes of the regular meeting of October 10, 2013.

IV. OTHER COMMUNICATIONS

A. For Information

1. September 2013 All Stars

Mr. Hill recognized and thanked staff who participated in LACERA's annual disaster recovery exercise.

#### IV. OTHER COMMUNICATIONS (Continued)

In addition, Mr. Hill announced the eight winners for the month of September; Elvia Gonzalez, Alfred Tirado, Claro Lanting, Andrea Ellison, Alvina Heard, Debbie Semnanian, Ramon Reyes, and Marcos Grajeda for the Employee Recognition Program. Valery Ptacek was the winner of LACERA's Web Watcher Award. Theodora Byers, Antonio Ramos, Dave Choe, and Virginia Carrillo were the winners of LACERA's RideShare Program.

##### 2. Awards

Mr. Rademacher recognized and thanked Jeannine Smart and Beulah S. Auten for their team's contribution in receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting award and the Popular Annual Financial Reporting award.

##### 3. Chief Executive Officer's Report (Memo dated October 28, 2013)

(Ms. Gray arrived at 9:15 a.m.)

Mr. Rademacher provided an update on Los Angeles County's (County) labor negotiations. One of the main discussion topics is the Retiree Healthcare Program in terms of mitigating the rising cost of healthcare for both active and retiree members. The County may address LACERA's Board in the future regarding this issue. Mr. Rademacher will inform the Board as details are made available.

#### IV. OTHER COMMUNICATIONS (Continued)

Mr. Rademacher reminded the Board regarding the deadline to purchase an annual "waiver of recourse" in order to be fully covered by LACERA's fiduciary insurance for duties administering the retirement fund. For Board members serving on the Board of Investments, a second waiver may also be purchased for duties administering the investments for the OPEB Trust fund.

An update on the Public Employees' Pension Reform Act (PEPRA) was provided to the Board by Mr. Rademacher. In November 2012, several public employee unions challenged PEPRA in State Court. The California Attorney General defended PEPRA, as well as challenged the 1997 Ventura case court settlements. One outcome of the 1997 Ventura case was redefining pensionable compensation. Shortly thereafter in 1998, LACERA implemented new rules based on this ruling. At that time, Alameda, Marin, and Contra Costa counties entered into state court settlements in order to avoid further litigation. These settlements allowed termination pay to be pensionable and the California Attorney General is seeking to unwind those settlements. Mr. Rademacher advised the Board that LACERA did not pursue any settlements and has never included termination pay.

In October, Mr. Rademacher represented LACERA by attending the ALADS Retirement Seminar and spoke about pension and healthcare reform.

Lastly, Mr. Rademacher reminded the Board to please stop by the Communications Studio to take their picture for the Annual Report.

## V. PUBLIC COMMENT

There were no requests from the public.

## VI. NON-CONSENT AGENDA

- A. Recommendation as submitted by Alan Bernstein, Chair, Insurance, Benefits and Legislative Committee: That the Board direct its voting delegate to support the inclusion of a legislative proposal for a technical bill in the SACRS 2014 Legislative Platform. (Memo dated October 17, 2013)

Ms. Lau was present to address any questions from the Board.

Mr. de la Garza made a motion, Ms. Antebi seconded, to approve the recommendation. The motion passed unanimously.

- B. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Board direct its voting delegate to vote “No” on a legislative proposal which would disallow appointed board members serving beyond their term of office. (Memo dated October 28, 2013)

Chair Chery and Ms. Lau informed the Board that SACRS withdrew the proposal and no further action is required from the Board.

- C. For information only as submitted by Cynthia Lau, Legislative Affairs Officer regarding the 2013 Enacted Retirement Legislation. (Memo dated October 29, 2013)

Ms. Lau provided a brief summary and was available to answer questions. In addition, Mr. Van Der Volgen thanked Ms. Lau and Ms. Billings for their work on the implementation of PEPRA.

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VII. GOOD OF THE ORDER  
(For information purposes only)

Mr. Kelly provided a friendly reminder that tax payments to the Treasurer and Tax Collector can be made online. In addition, Mr. Kelly thanked the Systems team for their support.

Mr. de la Garza and the Board sent their well wishes to Mr. Morris during his surgery.

VIII. EXECUTIVE SESSION

A. CONFERENCE WITH LABOR NEGOTIATORS  
(Government Code Section 54957.6)

Agency designated representatives:  
John Nogales, Director, Human Resources

The Board met in Executive Session pursuant to Government Code Section 54957.6 to discuss labor negotiations. Mr. Rademacher stated that there were no matters to report.

Green Folder Information (Information distributed in each Board Members Green Folder at the beginning of the meeting.)

1. LACERA Legislative Report -Bills Amending CERL  
(Dated October 31, 2013)
2. LACERA Legislative Report - Other (Dated October 31, 2013)

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IX. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:30 a.m.

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WILLIAM DE LA GARZA, SECRETARY

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YVES CHERY, CHAIR