

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 7, 2013 - 9:00 A.M.**

COMMITTEE MEMBERS:

Yves Chery, Chair
William de la Garza, Vice Chair
Marvin Adams
Vivian H. Gray
Shawn R. Kehoe, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of October 10, 2013

II. PUBLIC COMMENT

III. FOR INFORMATION

A. LACERA Operations Briefing
Robert Hill/JJ Popowich

B. Fiscal Year 2012-2013 Final Budget Control Report
Kaelyn Ung

C. Overpayment & Forgery Receivables (Period Ending September 30, 2013)
Gloria Harriel/Susana Seeckts/David Bayha

IV. MISCELLANEOUS

V. GOOD OF THE ORDER

(For information purposes only)

VI. 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 7, 2013, 11:15 A.M. – 11:55 A.M.

COMMITTEE MEMBERS

PRESENT: Yves Chery, Chair
William de la Garza, Vice Chair
Marvin Adams
Vivian H. Gray
Shawn R. Kehoe, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Sadonya Antebi
Ronald Okum

STAFF, ADVISORS, PARTICIPANTS

Robert Hill	Gloria Harriel
JJ Popowich	Susana Seeckts
David Bayha	Kaelyn Ung

The meeting was called to order by Chairman Chery at 11:15 a.m.

I. APPROVAL OF THE MINUTES

- A. Approval of the minutes of the regular meeting of October 10, 2013.

Mr. Okum made a motion, Ms. Gray seconded, to approve the minutes of the regular meeting of October 10, 2013. The motion passed unanimously.

II. PUBLIC COMMENT

III. FOR INFORMATION

- A. LACERA Operations Briefing
Robert Hill/JJ Popowich

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

- Positive Payee
- PEPRA Reciprocal Members

- B. Fiscal Year 2012-2013 Final Budget Control Report
Kaelyn Ung

Kaelyn Ung presented the final Budget Control Report for fiscal year 2012-2013, based on actual expenditures through June 30, 2013. Total operating expenses for the LACERA Administrative Budget were approximately \$53.98 million, an underexpenditure of approximately \$2.86 million from LACERA's operating budget.

The Retiree Health Care Benefits Program Budget's total operating expenses were approximately \$4.59 million. This represents an overexpenditure of approximately \$721,000 from the operating budget. The major factors contributing to this overexpenditure are higher than anticipated costs for salary and audits.

- C. Overpayment & Forgery Receivables (Period Ending September 30, 2013)
Gloria Harriel/Susana Seeckts/David Bayha

Gloria Harriel, Susana Seeckts, and David Bayha presented the status report on overpayment and forgery receivables for the six month period ending September 30, 2013. There are currently 426 overpayment and forgery cases. Overall, during the past six months we have decreased our overpayments by 16% to \$774,000.

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.
- Incorrect computation
One case amounts to \$126,000 of the total in this category. The system produced a check at the same time staff was processing a check manually, resulting in a double payment. This amount has been recovered in full by LACERA. A new special payment form has been created and put in use to ensure sufficient levels of approval before a check is released to a payee.
- Miscellaneous
These are situations over which staff has no control, such as data system clean-up. One case represents over half the total amount in this category. A member's final average compensation upon retirement in 2002 was miscalculated due to excessive vacation buy backs. The overpayment was discovered in 2012 when the member was granted a service-connected disability. This discovery was made due to improved calculation worksheets and updated training provided by Quality Assurance.

IV. MISCELLANEOUS

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

The meeting adjourned at 11:55 a.m.

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