

LIVE VIRTUAL BOARD MEETING



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing PublicComment@lacera.com. If you are requesting to speak, please include your contact information, agenda item, and meeting date in your request.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com no later than 5:00 p.m. the day before the scheduled meeting.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

A REGULAR MEETING OF THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., WEDNESDAY, MAY 5, 2021*

This meeting will be conducted by the Board of Retirement by teleconference under the Governor's Executive Order No. N-29-20.

Any person may view the meeting online at
https://members.lacera.com/lmpublic/live_stream.xhtml

*The Board may take action on any item on the agenda,
and agenda items may be taken out of order.*

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
 - A. Approval of the Minutes of the Regular Meeting of April 7, 2021
 - B. Approval of the Minutes of the Regular Meeting of April 15, 2021

III. PUBLIC COMMENT

(*You may submit written public comments by email to PublicComment@lacera.com. Please include the agenda number and meeting date in your correspondence. Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.

You may also request to address the Boards. A request to speak must be submitted via email to PublicComment@lacera.com no later than 5:00 p.m. the day before the scheduled meeting. Please include your contact information, agenda item, and meeting date so that we may contact you with information and instructions as to how to access the Board meeting as a speaker.)

IV. OTHER COMMUNICATIONS

- A. For Information
 - 1. March 2021 All Stars

IV. OTHER COMMUNICATIONS

- A. For Information (Continued)
 - 2. Chief Executive Officer's Report
(Memo dated April 26, 2021)

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

VI. CONSENT ITEMS

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated April 27, 2021)
- B. Recommendation as submitted by Joseph Kelly, Chair, Audit Committee: that the Board approve and adopt the revised Audit Committee Charter. (Memo dated April 27, 2021)
- C. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeals and request for an administrative hearing for applicant Christopher G. Joy. (Memo dated April 22, 2021)
- D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits, and Legislative Committee: That the Board adopt a "Support" position on Assembly Joint Resolution 9, which would request the Congress of the United States to enact, and the President to sign, legislation that would repeal the Windfall Elimination Provision and Government Pension Offset from the Social Security Act. (Memo dated April 23, 2021)
- E. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits, and Legislative Committee: That the Board adopt a "Support" position on H.R. 82, which would enact the "Social Security Fairness Act of 2021." (Memo dated April 23, 2021)
- F. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits, and Legislative Committee: That the Board direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 634 for the SACRS 2021 legislative platform. (Memo dated April 23, 2021)

VII. REPORTS

- A. Presentation by Ashley Dunning, Partner and Peter Mixon, Partner of Nossaman LLP, regarding First Amendment Training - Free Speech Rights and Fiduciary Duties: A Governance Challenge for Retirement System Trustees. (California Continuing Legal Education (CLE) Credit Available) (Memo dated April 6, 2021)
- B. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated April 26, 2021)
- C. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding Monthly Status Report on Legislation. (Memo dated April 25, 2021)
- D. For Information Only as submitted by Ted Granger, Interim Chief Financial Officer, regarding the following reports:
 - Monthly Education and Travel Reports for March 2021
(Public Memo dated April 22, 2021)
(Confidential Memo dated April 22, 2021 – Includes Anticipated Travel)
- E. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the April 2021 Fiduciary Counsel Contact and Billing Report. (Memo dated April 9, 2021) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

VIII. ITEMS FOR STAFF REVIEW

IX. GOOD OF THE ORDER

(For information purposes only)

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

B. Staff Recommendations

- 1. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the 2021 Quarterly Reports of Paid Invoices – 1st Quarter. (Memo dated April 21, 2021)

May 5, 2021

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XI. ADJOURNMENT

**Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Committee meeting preceding it.*

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.

Requests for reasonable modification or accommodation of the telephone public access and Public Comments procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email PublicComment@lacera.com, but no later than 48 hours prior to the time the meeting is to commence.

MINUTES OF THE REGULAR MEETING OF THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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

9:00 A.M., WEDNESDAY, APRIL 7, 2021

This meeting was conducted by the Board of Retirement by teleconference under the Governor's Executive Order No. N-29-20.

PRESENT: Alan Bernstein, Chair

Vivian H. Gray, Vice Chair

Gina Zapanta, Secretary (Joined the meeting at 9:05 a.m.)

Keith Knox

JP Harris (Alternate Retired)

Shawn R. Kehoe

Wayne Moore

Ronald Okum

William Pryor (Alternate Safety)

Les Robbins

Herman Santos

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

John Popowich, Assistant Executive Officer

Jon Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Ted Granger, Interim Chief Financial Officer

Cassandra Smith, Retiree Healthcare Manager

Carly Ntoya, Human Resources Division Manager

Fern Billingsy, Senior Staff Counsel

Johanna Fontenot, Senior Staff Counsel

Barry Lew, Legislative Affairs Officer

Jim Rice, Principal Investment Officer

Kathy Delino, Interim Manager, Systems Division

Bob Schlotfelt, Interim Chief Information System Officer

Richard Bendall, Chief Audit Executive

Nick Collier, Milliman

I. CALL TO ORDER

The meeting was called to order virtually by Mr. Bernstein at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of March 3, 2021

Mr. Okum made a motion, Mr. Pryor seconded, to approve the minutes of the regular meeting of March 3, 2021. The motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Ms. Zapanta was absent from the vote.

III. PUBLIC COMMENT (Ms. Zapanta joined the meeting at 9:05 a.m.)

Member, Gerardo Navarro-Salgado and his legal representative, Mary Dederick, addressed the Board regarding his administrative appeal, Item X.A.1.

IV. OTHER COMMUNICATIONS

A. For Information

1. February 2021 All Stars

Mr. Popowich announced the winners for the month of February: Victor Tafolla, Bill Lindstrom, Teresa Inthavong, and Bertha Bargas. A special recognition was made to Retiree Healthcare staff, Scott Rhodes, for his excellent customer service he provided to a Member recently.

2. Chief Executive Officer's Report
(Memo dated March 25, 2021)

Mr. Santos shared that the Board of Supervisor's approved Supervisor Barger's appointment, Patrick Jones, to the Board of Investments. Mr. Santos congratulated Mr. Jones and thanked Mr. Okum for his service on the Board of Investments. In addition, Mr. Santos shared that interviews for an RFP consultant for MOU negotiations are underway and should conclude sometime in June. Lastly, he shared that in-person interviews for the Deputy CEO finalists are being scheduled.

V. CONSENT ITEMS

A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated March 30, 2021)

Ms. Gray made a motion, Mr. Robbins seconded, to approve Consent Item A. The

V. CONSENT ITEMS (Continued)

motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

VI. NON-CONSENT ITEMS

- A. Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer: That the Board provide the SACRS voting delegate direction on voting for the SACRS slate of officers. (Memo dated March 26, 2021)

Mr. Knox made a motion, Mr. Robbins seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

- B. Recommendation as submitted by JJ Popowich, Assistant Executive Officer, Ted Granger, Interim Chief Financial Officer, and Kathy Delino, Interim Systems Division Manager: That the Board, for the year ended December 2020, approve the corrected cost-of-living adjustment and respective COLA accumulation account (COLA bank) update for retired LACERA members and beneficiaries, based on retirement plan and date of retirement or death, effective April 1, 2021 in accordance with applicable California Government Code Sections 31495.5, 31870, and 31870.1. (Memo dated March 30, 2021)

Mr. Santos made a motion, Mr. Knox seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Ms. Zapanta was not present for the vote.

- C. Recommendation as submitted Fern M. Billingsy, Senior Staff Counsel: That the Board 1) Adopt Resolution No. 2021-BR002, specifying pay items that do qualify and do not qualify as "compensation earnable"; and 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation. (Memo dated March 24, 2021)

VI. NON-CONSENT ITEMS (Continued)

Mr. Kehoe made a motion, Mr. Okum seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Ms. Zapanta was not present for the vote.

- D. Recommendation as submitted Carlos Barrios, Interim Division Manager, Benefits: That the Board certify the nature of the employment and that the appointment of Lang Vuong is necessary to fill a critically needed position before 180 days has passed since her retirement, and thereby approves her return to work from retirement for a period not to exceed 120 days or until her successor is appointed, whichever comes earlier.
(Memo dated March 4, 2021)

Mr. Okum made a motion, Ms. Gray seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Knox, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Ms. Zapanta was not present for the vote.

VII. REPORTS

- A. For Information Only as submitted by JJ Popowich, Assistant Executive Officer, regarding the 2021 Board of Retirement and Board of Investments Election Planning Update. (Memo dated March 31, 2021)

Messrs. Popowich and Kreimann were present and answered questions from the Board.

- B. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Public Servants Protection and Fairness Act of 2021. (Memo dated March 23, 2021)

Mr. Lew was present and answered questions from the Board.

VII. REPORTS (Continued)

- C. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation.
(Memo dated March 25, 2021)

Mr. Lew was present and answered questions from the Board.

- D. For Information Only as submitted by Ted Granger, Interim Chief Financial Officer, regarding the following reports:

Monthly Education and Travel Reports for February 2021

(Public Memo dated March 25, 2021)

(Confidential Memo dated March 25, 2021 – Includes Anticipated Travel)

Mr. Granger was present to answer questions from the Board.

- E. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the March 2021 Fiduciary Counsel Contact and Billing Report.
(Memo dated March 30, 2021) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

Mr. Rice was present and answered questions from the Board.

VIII. ITEMS FOR STAFF REVIEW

The Board requested that the issue of voting right laws and proposals be agendized at a future meeting.

- IX. GOOD OF THE ORDER
(For information purposes only)

Several trustees made comments and provided feedback on the End-User Policy that was sent by staff.

X. EXECUTIVE SESSION

- A. Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9)

X. EXECUTIVE SESSION (Continued)

1. Administrative Appeal of Gerardo Navarro-Salgado

The Board met in Executive Session pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board voted 8-0, on a motion by Mr. Okum, seconded by Mr. Knox, to deny Mr. Navarro-Salgado's appeal. Messrs. Knox, Bernstein, Santos, Okum, Kehoe, and Moore and Meses. Gray and Zapanta voted yes. Mr. Robbins was absent for the vote.

B. Conference with Legal Counsel – Existing Litigation
(Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

1. Tod Hipsher vs. LACERA et al.
(For Information Only) Los Angeles County Superior Court Case No. BS153372 and Court of Appeal, Second Appellate District, Case No. B276486

The Board met in Executive Session pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9. There as nothing to report.

XI. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of LACERA staff member, Remigio Feliciano at 10:50 a.m.

GINA ZAPANTA, SECRETARY

ALAN BERNSTEIN, CHAIR

MINUTES OF THE REGULAR MEETING OF THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., THURSDAY, APRIL 15, 2021

This meeting was conducted by the Board of Retirement by teleconference under the Governor's Executive Order No. N-29-20.

PRESENT: Alan Bernstein, Chair

Vivian H. Gray, Vice Chair

JP Harris (Alternate Retired)

Shawn R. Kehoe

Keith Knox

Wayne Moore

Ronald Okum (Joined at 9:40 a.m.)

William Pryor (Alternate Safety)

Les Robbins

Herman Santos

ABSENT: Gina Zapanta

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

John Popowich, Assistant Executive Officer

Johanna Fontenot, Interim Chief Counsel

Francis J. Boyd, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Vincent Lim, Disability Litigation Manager

Allison E. Barrett, Senior Staff Counsel

Eugenia W. Der, Senior Staff Counsel

Jason E. Waller, Senior Staff Counsel

Ricki Contreras, Disability Retirement Manager

Tamara Caldwell, Disability Retirement Specialist Supervisor

Vickie Neely, Disability Retirement Specialist Supervisor

Kerri Wilson, Disability Retirement Specialist Supervisor

Hernan Barrientos, Disability Retirement Specialist Supervisor

Ricardo Salinas, Disability Retirement Specialist Supervisor

Amabelle Delin, Disability Retirement Specialist

Michelle Yanes, Disability Retirement Specialist

Angie Guerrero, Disability Retirement Specialist

Mario Muro, Disability Retirement Specialist

Anna Kwan, Disability Retirement Specialist

I. CALL TO ORDER

The meeting was called to order virtually by Mr. Bernstein at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of March 11, 2021

II. APPROVAL OF MINUTES (Continued)

Mr. Knox made a motion, Mr. Kehoe seconded, to approve the minutes of the regular meeting of March 11, 2021. The motion passed (roll call) with Messrs. Bernstein, Knox, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

III. PUBLIC COMMENT

There were no requests from the public to speak.

IV. CHIEF EXECUTIVE OFFICER UPDATE
(For Information Purposes Only)

Mr. Kreimann provided the Board with an update regarding the processing status of retirement and retiree healthcare applications. He thanked staff for their efforts during March Madness.

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Mr. Kehoe, seconded by Mr. Pryor, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof. The motion passed (roll call) with Messrs. Bernstein, Robbins, Moore, Kehoe, Knox, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

APPLICATION NO.

NAME

426D

GABRIELA MURGUIA

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
427D	RONALD W. ROBINETT, JR.
429D	DAVID L. DIOT
430D	MICHAEL G. BAYER
431D	CHRISTOPHER V. BERGNER
432D*	OLIVER J. DONAN
433D	TERENCE A. JOHNSON
434D	THOMAS E. PARRISH
435D	MICHAEL V. FRAIJO
436D	CRAIG C. UTLEY
437D	KEVIN S. KAZAN
438D	DAVID D. PETERSON, JR.
439D*	JUDITH M. LEYN
440D	DARREN W. LASS
441D*	CHRIS J. PEREZ
442D	JOHN D. PRENTICE
443D	CARL G. SMITH

*Granted SCD – Employer Cannot Accommodate

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
444D*	TIMOTHY D. CARR
445D	STEPHEN E. JOHNS
446D	JAMES M. MCGEE
447D	CHRISTOPHER J. LEE
448D**	GREGORY T. FRUM
449D	BRIANNE M. ROBERTS
450D	RONALD M. OCELLO

Safety Fire, Lifeguards
Service-Connected Disability Applications

On a motion by Mr. Pryor, seconded by Mr. Santos, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof. The motion passed (roll call) with Messrs. Bernstein, Knox, Moore, Robbins, Pryor, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

<u>APPLICATION NO.</u>	<u>NAME</u>
1340B	JOHN S. BARAN
1341B	RICHARD G. MURRIETTA

*Granted SCD – Employer Cannot Accommodate

*Granted SCD Retroactive - Employer Cannot Accommodate

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
1342B	CHARLES K. KINNEY
1343B	PATRICK J. ROHALEY
1344B	LEOPOLDO M. IBARRA
1345B	JAMES L. BENCI
1346B	RICHARD R. GONZALES
1347B	TONY M. MORENO
1348B	CHET W. HOPKINS

General Members
Service-Connected Disability Applications

On a motion by Mr. Santos, seconded by Mr. Moore, the Board of Retirement made a motion to approve a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof. The motion passed (roll call) with Messrs. Bernstein, Moore, Robbins, Knox, Kehoe, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

<u>APPLICATION NO.</u>	<u>NAME</u>
2193C*	GEORGE E. MATTHEWS
2194C*	TOMAS E. PANTIG

*Granted SCD – Employer Cannot Accommodate

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
2195C	GLORIA S. SANCHEZ
2196C*	DEIRDRE P. PIPER
2197C	IROABUCHI R. OKEREKE
2198C	MICHAEL D. CASTEEL
2199C**	DIANNA JONES
2200C	VINCENT F. TERZO
2201C***	DEBORA L. GOODRICH
2202C**	LAURA M. SPADARO
2203C	JACQUELINE D. STRINGER
2204C**	VIRGINIE MACHEMING
2205C****	BRENT W. BAKER
2206C****	JULIO C. GONZALEZ-REYES
2207C***	MERCY A. BAMKEFA
2208C****	GLADYS A. DATSOMOR
2209C	CORINNE S. MAHONEY

*Granted SCD – Salary Supplement Employer Cannot Accommodate

**Granted SCD –Employer Cannot Accommodate

***Granted SCD Retroactive - Employer Cannot Accommodate

****Granted SCD – Retroactive

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
2210C	SUSAN N. AGUIRRE
2211C*	MARIE E. SANDOVAL

General Members
Nonservice-Connected Disability Applications

On a motion by Mr. Santos, seconded by Mr. Moore, the Board of Retirement made a motion to approve a nonservice-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof. The motion passed (roll call) with Messrs. Bernstein, Moore, Robbins, Knox, Kehoe, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

<u>APPLICATION NO.</u>	<u>NAME</u>
4402	NGA A. NGO

VI. CONSENT ITEMS

- A. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeals and request for an administrative hearing for applicants Silvia Diharce and Ernie Barbosa (Dec'd). (Memo dated April 1, 2021)

Mr. Santos made a motion, Ms. Gray seconded, to approve staff's recommendation. The motion passed (roll call) with Messrs. Knox, Bernstein, Moore, Kehoe, Robbins, Santos, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

VII. REPORTS

- A. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated April 1, 2021)

Ms. Contreras was present to answer questions from the Board.

VIII. ITEMS FOR STAFF REVIEW

There were no items for Items for Staff Review.

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

Mr. Santos requested that staff entertain the option of starting Committees at 8 a.m. instead of following the Board of Retirement meetings.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

- A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

428B – JOSEPH E. DEMPSEY

This Item was pulled from the Consent Calendar for further discussion.

Mr. Kehoe made a motion, Mr. Santos seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720 since the employer cannot accommodate. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Bernstein, Ms. Gray voting yes; and Mr. Robbins voting no. Mr. Okum was absent from the vote.

5173B – AZNIV HANESOGHLIAN*

Mr. Bernstein made a motion Mr. Knox seconded, to deny a service-

*Applicant Present

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5173B – AZNIV HANESOGHLIAN (Continued)

connected disability since the employer can accommodate.

Mr. Kehoe made a substitute motion, Mr. Santos seconded, to refer back to staff for additional information. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Robbins, Bernstein, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

5174B – FRANCINE M. LENARD

Mr. Kehoe made a motion, Ms. Gray seconded, to grant a nonservice-connected disability retirement. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Robbins, Bernstein, and Ms. Gray voting yes. Mr. Okum was absent from the vote.

5175B – AROLY N L. BURNS*

(Mr. Okum joined the meeting at 9:40 a.m.)

(This application was held after 5176B)

Ms. Gray made a motion, Mr. Santos seconded, to deny a service-connected disability retirement since the employer can accommodate. The motion passed (roll call) with Messrs. Robbins, Knox, Santos, Okum, Moore, Kehoe, Bernstein, and Ms. Gray voting yes.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5176B – MALEINE M. TEA

Ms. Gray made a motion, to refer back to staff for additional information. The motion failed without a second.

Mr. Bernstein made a motion, Mr. Knox seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

Ms. Gray made a substitute motion, Mr. Santos seconded, to refer back to staff for a second opinion. The motion failed (roll call) with Messrs. Knox, Okum, Robbins, Bernstein voting no; and Messrs. Santos, Moore, Kehoe, and Ms. Gray voting yes.

The motion to deny a service-connected disability retirement and find the applicant not permanently incapacitated passed (roll call) with Messrs. Knox, Moore, Okum, Robbins, Bernstein voting yes; and Messrs. Santos, Kehoe, and Ms. Gray voting no.

5177B – MICHAEL J. WEBER

Pulled by staff for further development.

5178B – DACIA A. MARTINEZ

Mr. Kehoe made a motion, Mr. Knox seconded, to deny a service-connected disability retirement since the employer can accommodate. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Okum,

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5178B – DACIA A. MARTINEZ (Continued)

Robbins, Bernstein, and Ms. Gray voting yes.

5179B – SILVIA ARZAGA

Mr. Kehoe made a motion, Ms. Gray seconded, to refer back to staff for additional information.

Ms. Gray made a substitute motion, Mr. Santos seconded, to grant a service-connected disability retirement. The motion failed (roll call) with Messrs. Knox, Okum, Robbins, Bernstein voting no; and Messrs. Santos, Moore, Kehoe and Ms. Gray voting yes.

The motion to refer back to staff for additional information passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Okum, Robbins, Bernstein, and Ms. Gray voting yes.

5180B – RODNEY A. COOPER

Mr. Pryor made a motion, Ms. Gray seconded, to grant a service-connected disability retirement based on the medical advisor's opinion. The motion passed (roll call) with Messrs. Pryor, Knox, Santos, Okum, Bernstein and Ms. Gray voting yes, and Messrs. Moore and Robbins voting no.

Mr. Bernstein made the motion to reconsider, seconded by Mr. Kehoe passed (roll call) with Messrs. Pryor, Knox, Santos, Bernstein, Robbins and

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5180B – RODNEY A. COOPER (Continued)

Ms. Gray voting yes, and Messrs. Moore and Okum voting no.

The makers of the motion amended their motion to grant a retroactive service-connected disability retirement based on the medical advisor's opinion. The motion passed (roll call) with Messrs. Pryor, Knox, Santos, Bernstein and Ms. Gray voting yes; and Messrs. Okum, Moore, and Robbins voting no.

5136B – KATHLEEN AUSTIN

Mr. Santos made a motion, Mr. Robbins seconded, to grant a service-connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Okum, Kehoe, Robbins, Bernstein, and Ms. Gray voting yes.

5140B – MICHAEL J. CLAYTON

Mr. Okum made a motion, Ms. Gray seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Robbins, Okum, Bernstein, and Ms. Gray voting yes; and Mr. Kehoe voting no.

X. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5157B – PURISIMA M. VALENCIA

Mr. Okum made a motion, Mr. Knox seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Section 31720 since the employer cannot accommodate. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Okum, Robbins, Bernstein, and Ms. Gray voting yes.

2212C – 2020-2KS

Mr. Kehoe made a motion, Ms. Gray seconded, to grant a service-connected salary supplement disability retirement pursuant to Government Code Section 31720. The motion passed (roll call) with Messrs. Knox, Santos, Moore, Kehoe, Robbins, Okum, Bernstein, and Ms. Gray voting yes.

XI. EXECUTIVE SESSION

A. Conference with Legal Counsel—Existing Litigation
Paragraph (1) of subdivision (d) of Section 54956.9

1. Edward V. Marquez v. LACERA

Los Angeles County Superior Court Case No. BS17211
Second District Court of Appeal Case No. B295673

The Board met in Executive Session pursuant to Paragraph (1) of subdivision (d) of Section 54956.9. There was nothing to report.

April 15, 2021

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XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:47 a.m.

GINA ZAPANTA, SECRETARY

ALAN BERNSTEIN, CHAIR



April 26, 2021

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Santos H. Kreimann *SHK*
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT**

The following reflects the Chief Executive Officer's Report for April 2021 that highlights a few of the operational activities that have taken place during the past month, key business metrics to monitor how well we are meeting our performance objectives, and our educational calendar.

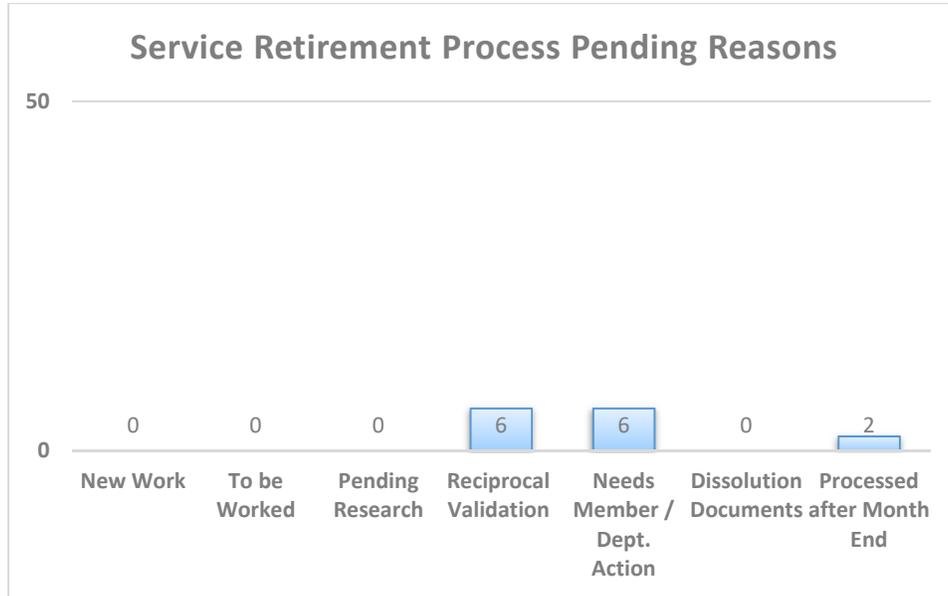
"March Madness" Wrap Up

We have come to the end of a very busy "March Madness" season. This is the time of the year when we see a spike in retirements as more members elect to retire in time to be eligible for any April 1st cost-of-living adjustment (COLA). With the "March Madness" season over, we are providing a wrap up report covering the two key measures tracked during this time of year.

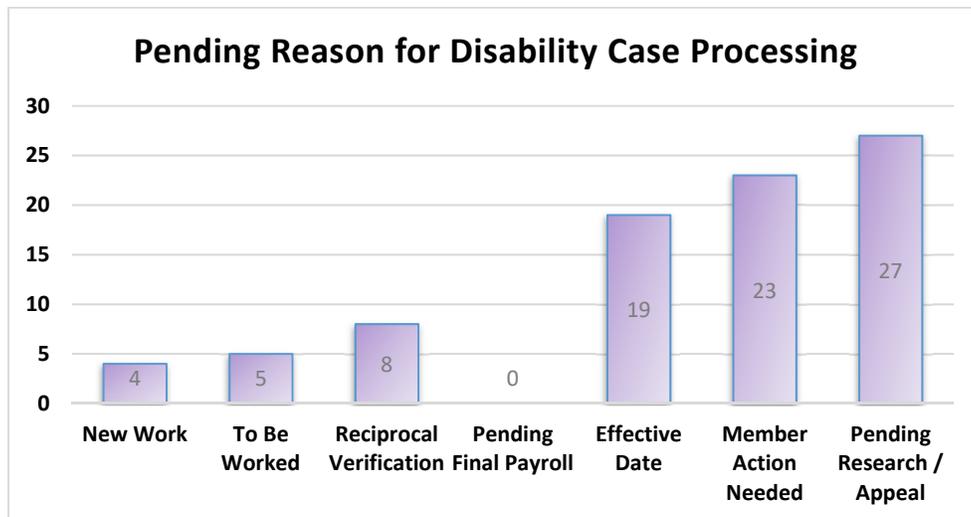
How well are we keeping up with our member's requests to retire? The chart below shows the total number of pending retirement elections from the date of this report. All incoming retirement requests are triaged by staff to facilitate processing those retirements with immediate retirement dates and those that require special handling (i.e., legal splits and those with uncompleted service credit purchases).

Retirement Month	Pending Retirement Elections
December 2020	0
January 2021	0
February 2021	8
March 2021	6
Pending Disability Cases	86
Total Pending	100

The 14 retirement elections to be completed for January - March are pending for the following reasons:



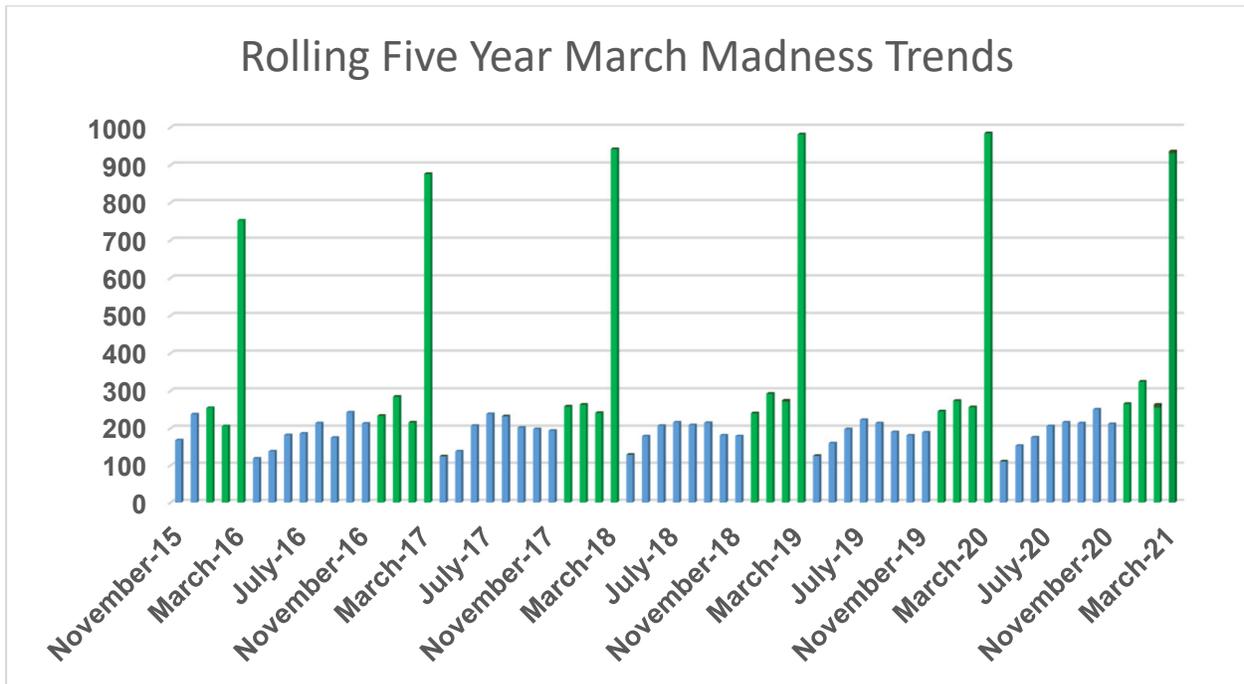
The 86 Pending Disability Cases represent the number of approved disability cases being processed by the Benefits Division. Once a disability has been granted by the Board of Retirement, the Benefits Division staff works with the member and their employer to select a disability effective date, determine the member's option election, and bring them on payroll. These disability cases are pending for the following reasons:



These cases are not assigned to a specific month in the "March Madness" period because the final effective date has not been determined. As with service retirements, some cases have mitigating factors such as legal splits and uncompleted purchases, which can also extend processing times.

The second key statistic is the volume of retirement applications received during the year, especially during “March Madness.” This gives us an indication on the severity of the stress placed on our capacity to meet our various member service requests and demands placed upon our staff.

The green bars in the chart below reflect those members approved by the Board of Retirement to retire (i.e., their retirement elections have been approved and completed). The red bars show those cases that have not been processed as of the date of this report. The blue bars represent retirement elections processed during the remaining months of the year. As of April 15, 2021, we have processed 1,778 out of 1,792 retirements for the “March Madness” period.



The following chart compares the total processed and pending cases per month to the average cases completed over the last five years.

	Current Period	Last Five Completed Years	Ahead (+) / Behind (-)
December	266	244	+
January	325	274	+
February	264	239	+
March	937	908	+
Total	1,792	1,665	+

This year represents the highest “March Madness” period in the last five years. Putting this into perspective, during last year's “March Madness” 1,762 members retired, which was higher than the rolling five-year average of 1,665 (the five-year averages may change from month-to-month as disability cases are processed due to retroactive retirement dates).

While this brings to a close the period when members can file for a retirement during “March Madness,” it does not bring to an end the behind-the-scenes efforts of Benefits, Member Services, and Retiree Healthcare. Benefits will be using the month of April to make final quality control checks and set-ups for members to be paid their first benefit at the end of April. Member Services typically sees continued high call volumes from members throughout April and into May as they inquire about the status of their first payments. Retiree Healthcare begins the intensive efforts to process new retiree’s healthcare enrollments.

I would like to extend a big thank you to all LACERA staff members who remain focused and dedicated to getting retired members on payroll so that they can enjoy their well-earned retirement.

Retiree Healthcare “March Madness” Enrollment Update

Retiree Healthcare staff members continue to process a high volume of Medicare Part B verifications. Administrative Services’ Document Processing Center (DPC) reports they continue to scan high numbers of verification documents as well. As of April 22, RHC has a balance of 10,917 Part B work objects scanned in the queue (860 on April 1). We expect this number to grow. Some of the work objects are duplicates as some members tend to send multiple documents. Staff must still review these source documents before rejecting them as duplicates. RHC staff continue to diligently process approximately 200 Part B verifications per day. It is all hands on deck as more documents are scanned.

Staff also continue to field calls from members following up on their Part B reimbursement verification documents. When members call, we assure them that they will continue to receive their 2020 Medicare Part B subsidy amount until we are able to process and update their new 2021 amount. Thank you to all RHC and DPC staff for their efforts for working through the Part B verification project.

Staff are making the final preparations to mail the Retiree Healthcare Annual Letter packet scheduled to take place over the Memorial Day weekend. As we shared with you last month, the mass mailing will be sent to all members/survivors currently enrolled in a LACERA-administered healthcare plan (approximately 57,000) and will contain the new 2021-2022 monthly healthcare premium rates effective July 1, 2021, as well as any mandated healthcare benefits as approved by the Trustees last month.

COVID-19 Response Update

Thankfully, the COVID-19 rate in Los Angeles County appears to continue to decline. The County reported 439 new cases as of April 22, 2021 (the most recent data available at the time this report was written) and, according to data available on the County’s Department of Public Health COVID-19 page, the seven day trend shows a decrease in the number of reported cases.

LACERA only had one reported incident of a staff member exposure over the last month. The following chart shows the number of LACERA staff members who were exposed (had direct close contact) to a person who tested positive for COVID-19; the number of LACERA staff members who tested positive for COVID-19; and the number of staff members who were in the office 14 days before testing positive for COVID-19.

LACERA COVID-19 Incidents March 25, 2021 - April 23, 2021		
Exposed	Confirmed Positive	In Office Before Positive Test
1	0	0

LACERA continues to follow the Public Health guidelines, including limiting the number of staff members physically in our offices on a daily basis. Based on the most recent numbers, we are averaging approximately 12.5% of our staff in the office on any given day. Efforts continue to be made to prepare the office for a safe return to work should conditions change.

We continue to monitor the directives issued by the County Department of Human Resources regarding the availability of vaccinations for our staff members. We have shared information provided by the County and their “Know Your Tier” vaccine public awareness program. The County has expanded the vaccination eligibility list to allow persons 16 and older to be vaccinated. Information has been shared with our staff and they have been provided information about vaccination clinics, as well as, information about the ability to be vaccinated during work hours. Staff members who have been fully vaccinated can report that information to Human Resources, if they choose to do so, but it is not required. We remain committed to help our staff members get vaccinated as soon as possible.

On March 19, 2021, SB 95 was signed into law, enacting Labor Code Section 248.2 effective March 29, 2021. The legislation provides for a COVID-19-related supplemental paid sick leave benefit (COVID-19 SPSL) to staff members who are unable to work or telework due to COVID-19. The law provides a maximum of 80 hours of COVID-19 SPSL for full-time staff members, and a pro-rated amount of COVID-19 SPSL hours for part-time staff members retroactive to January 1, 2021. COVID-19 SPSL is available in addition to any paid sick leave that a staff member is entitled to, and replaces the County’s FFCRA equivalent benefits.

Recruitment Updates

The Human Resources Division is enacting a new hiring plan to reduce the number of vacancies. We will keep trustees updated on the progress with regular updates in the CEO Report. This month’s update on our current recruitment exams is listed below:

- Administrative Services Officer (ASO): This is for two ASO positions in our Administrative Services Division. This recruitment was recently suspended and selection interviews are in process.

- Assistant Executive Officer: Alliance Resources Consulting started the search for the Assistant Executive Officer, LACERA. Resumes will be accepted through May 14, 2021.
- Deputy Chief Executive Officer: Final selection interviews are being conducted.
- Retirement Benefits Specialist (RBS) III: We are recruiting to fill seven (7) vacancies in Benefits and Member Services. Applications will be accepted through May 5, 2021.
- Senior Retirement Benefits Specialist: We are recruiting for two (2) supervisory positions in Benefits and Member Services. Interviews have been completed and the Eligible List is being created. Appointments are expected to be made in May 2021.
- Senior Quality Auditor: This is a supervisory position for the Quality Assurance Division. Interviews have been completed and the Eligible List is being created. Appointments are expected to be made in May 2021.

The Senior Retirement Benefits Specialist, Senior Quality Auditor, and Retirement Benefits Specialist III recruitments are promotional opportunities for current LACERA staff members.

Preparations for Upcoming Labor Negotiations

LACERA issued a Request for Proposal (RFP) on March 30, 2021 soliciting Labor Negotiation services. Six firms submitted proposals by the April 20, 2021 deadline. The RFP evaluation committee will interview the most qualified firms and make a recommendation to the CEO. LACERA will start its pre-negotiation preparation in anticipation of a successful negotiations with our labor partners at SEIU.

Preparations for Upcoming Strategic Planning Efforts

The Executive Office is in the process of preparing to issue a Request for Proposal (RFP) for a consultant to assist LACERA in undertaking a strategic planning effort. The request will be for assistance with designing a sustainable strategic planning process. We expect to release the RFP in May or June. We will keep the Board informed on this effort as we move forward.

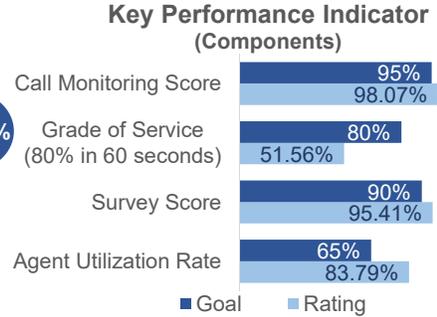
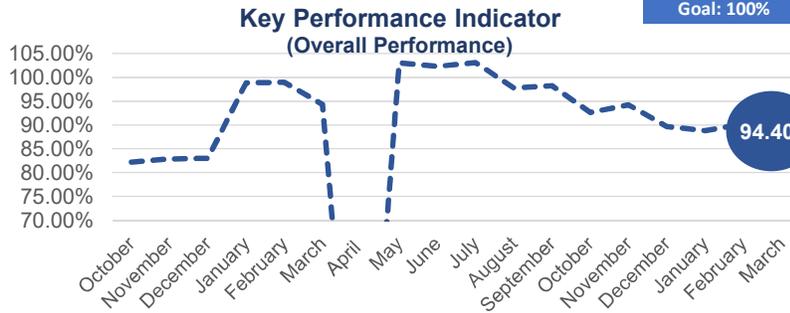
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CEO report Apr 2021.doc

Attachments

Striving for Excellence in Service

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: **March 2021**

<p>Outreach Attendance 1,829 14,633 Year-to-Date</p>	<p>Outreach Events 40 167 Year-to-Date</p>	<p>Outreach Satisfaction N/A Change Since Last Mo</p>	<p>Member Service Center N/A - Change Since Last Mo</p>	<p>Member Services Calls 17,177 16,887 3 Mo. Avg.</p>
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Member Services



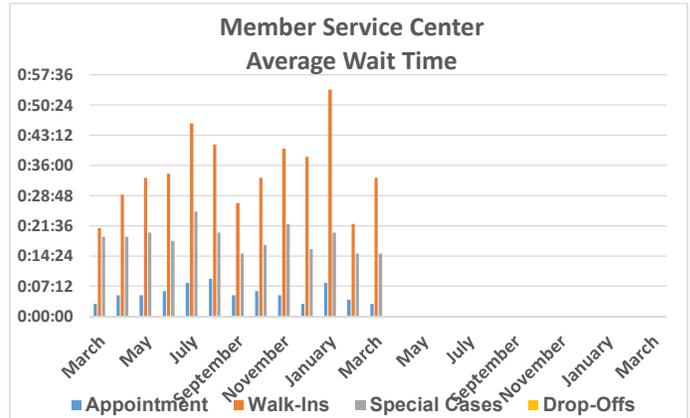
Top Calls

1. Retirement Counseling: Process Overview
2. MyLACERA Portal Login Issues
3. Retirement Counseling: Estimate

Emails **1,147**
24:00 hours
Avg. Response Time (ART)



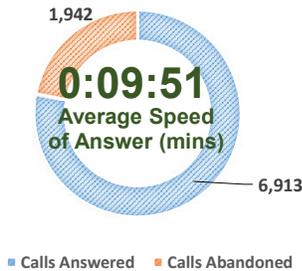
Secure Messages **1,049**



*Drop Off Wait Time: No Waiting

Retiree Healthcare

Total RHC Calls: **8,855**



Top Calls

1. Medical/Dental Enrollments
2. Medical Benefits
3. Medicare Part B Reimbursements



Emails **631**
10 Days
Avg. Response Time (ART)



Secure Messages **457**

Striving for Excellence in Service (Continued)

Disability

Applications

729

In Process As Of:
3/31/2021

713 Pending on: 2/28/2021
77 Received
520 Year-to-Date
0 Re-Opened
0 Year-to-Date
50 To Board - Initial
389 Year-to-Date
11 Closed
45 Year-to-Date

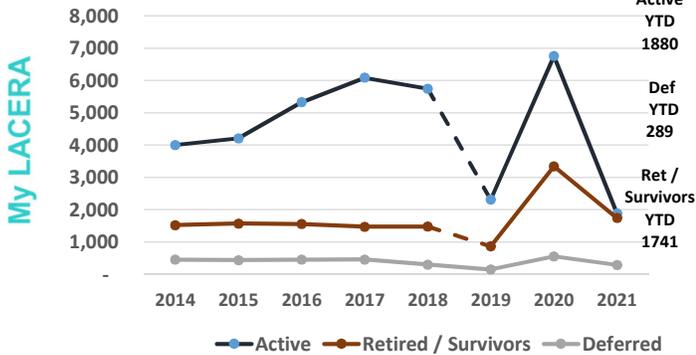
Appeals

92

In Process As Of:
3/31/2021

91 Pending on: 2/28/2021
2 Received
10 Year-to-Date
1 Admin Closed/Rule 32
9 Year-to-Date
0 Referee Recommended
7 Year-to-Date
0 Revised/Reconsidered for Granting
1 Year-to-Date

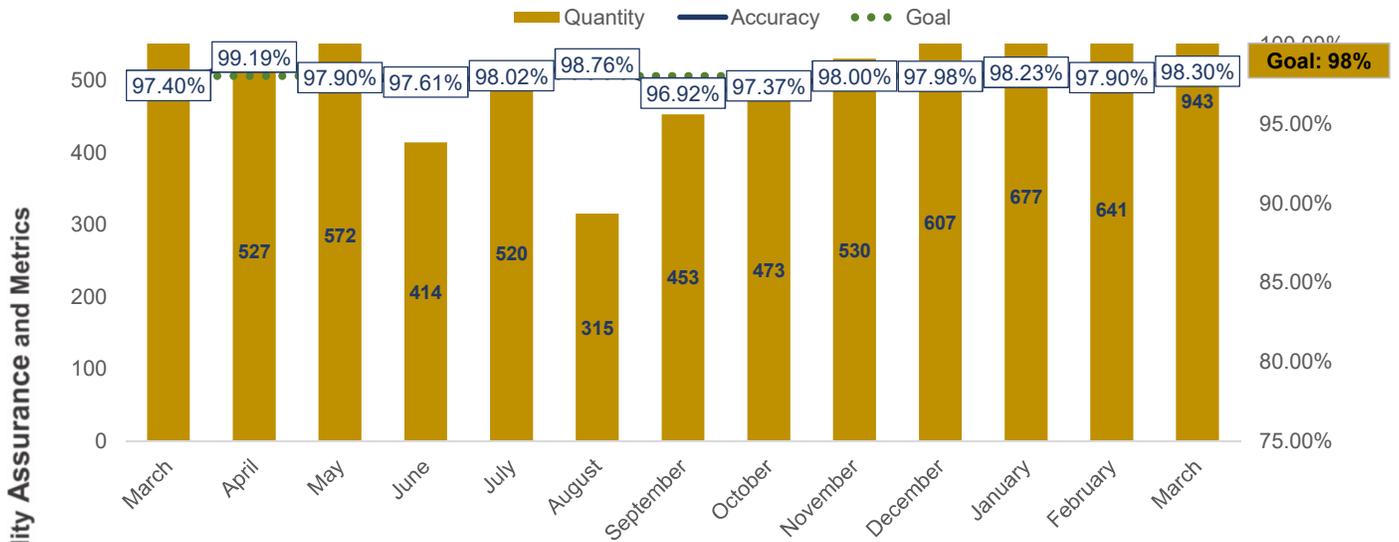
My LACERA Registrations



COVID-19 NOTE
Some Member Services, Retiree Healthcare, and Quality Assurance statistics became unavailable for a short time beginning in April 2020 due to COVID-19 impacts. Most of the data contained herein is up to date and based on current production both virtually and in the office. However, some data points such as surveys are based on six month average for survey scores prior to the pandemic.

Striving for Excellence in Quality

Audits of Retirement Elections, Payment Contracts, and Data Entry Completed by QA



*Data for April 2020 is incomplete due to COVID-19 challenges. This is an estimated accuracy %

March 2021



98.30%

Retirement Elections

759 Samples
97.37% Accuracy

Payment Contracts

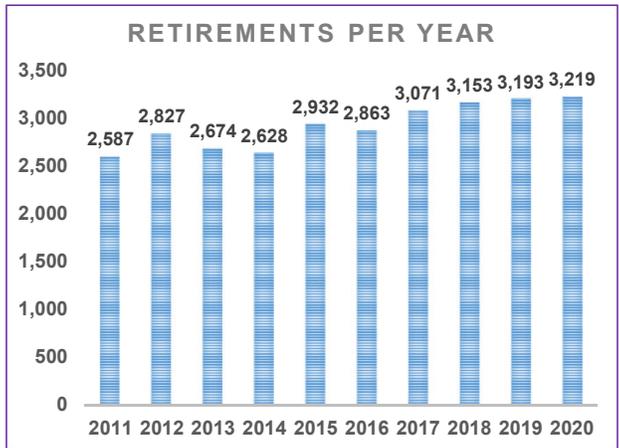
94 Samples
98.56% Accuracy

Data Entry

90 Samples
98.96% Accuracy

Member Snapshot

	Members as of 04/14/2021				
	Plan	Active	Retired	Survivors	Total
General	Plan A	81	15,085	4,269	19,435
	Plan B	20	667	68	755
	Plan C	24	426	65	515
	Plan D	38,922	17,653	1,657	58,232
	Plan E	15,651	13,951	1,375	30,977
	Plan G	32,030	90	9	32,129
	Total General	86,728	47,872	7,443	142,043
Safety	Plan A	2	4,874	1,624	6,500
	Plan B	8,944	6,684	335	15,963
	Plan C	4,459	13	0	4,472
	Total Safety	13,405	11,571	1,959	26,935
TOTAL MEMBERS	100,133	59,443	9,402	168,978	
% by Category	59%	35%	6%	100%	



Average Monthly Benefit Allowance Distribution March 2021

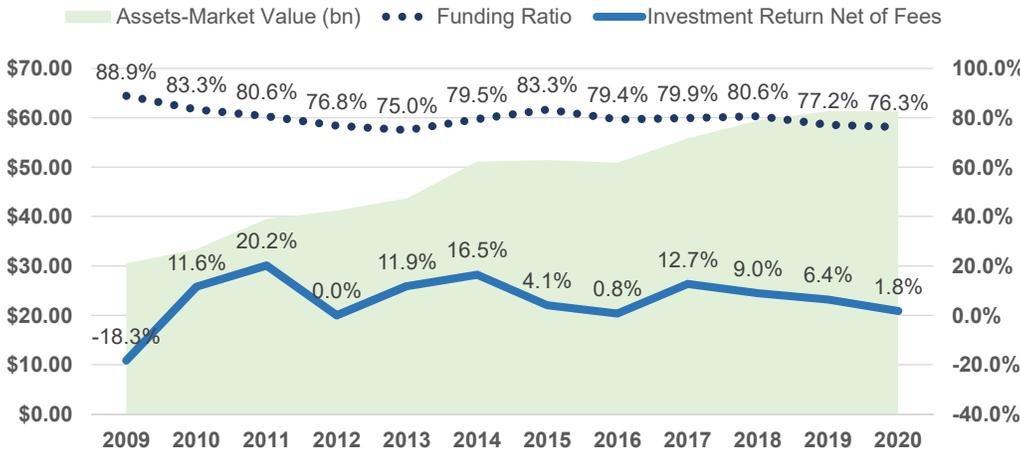
	General	Safety	Total	%
\$0 to \$3,999	29,722	1,698	31,420	52.51%
\$4,000 to \$7,999	13,327	3,474	16,801	28.08%
\$8,000 to \$11,999	3,641	4,264	7,905	13.21%
\$12,000 to \$15,999	996	1,760	2,756	4.61%
\$16,000 to \$19,999	329	341	670	1.12%
\$20,000 to \$23,999	100	111	211	0.35%
\$24,000 to \$27,999	24	27	51	0.09%
> \$28,000	18	3	21	0.04%
Totals	48,157	11,678	59,835	100%

Average Monthly Benefit Allowance: \$ 4,484.00

Healthcare Program		Healthcare Enrollments	
(Mo. Ending: 03/31/2021)		(Mo. Ending: 03/31/2021)	
	Employer	Member	
Medical	425.7	33.2	Medical 52,151
Dental	34.0	3.3	Dental 53,593
Part B	56.0	0	Part B 35,734
LTC			LTC 585
Total	515.7	36.5	Total 142,063

Key Financial Metrics

Fiscal Year End Financial Update (as of 06/30/2020)



Funding Metrics (as of 6/30/20)

Employer NC	10.89%
UAAL	14.85%
Assumed Rate	7.00%
Star Reserve	\$614m
Total Assets	\$58.5b

Contributions (as of 6/30/20)

	Employer	Member
Annual Add	\$1.8b	\$659.3m
% of Payroll	24.64%	7.80%

TOTAL FUND RETURN (Net of Fees)

5 YR: 6.1% 10 YR: 8.2%

Retired Members Payroll

(As of 03/31/2021)

Monthly Payroll	\$319.41m
Payroll YTD	\$2.8b
New Retired Payees Added	408
Seamless %	97.30%
New Seamless Payees Added	3,090
Seamless YTD	96.83%
By Check %	2.00%
By Direct Deposit %	98.00%

Retiree Payroll by Year



Date	Conference
May, 2021	
10	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Virtual
11-14	SACRS Spring Conference Virtual
17-20	IFEBP (International Foundation of Employment Benefit Plans) Washington Legislative Update Virtual
23-26	NCPERS (National Conference on Public Employee Retirement Systems) Annual Conference Denver, CO <i>IN-PERSON EVENT CANCELLED</i>
June, 2021	
14-18	Investment Strategies & Portfolio Management (<i>prev. Pension Fund & Investment Mgmt.</i>) Wharton School, University of Pennsylvania LIVE Virtual
22-24	AHIP (America’s Health Insurance Plans) Institute Virtual
25	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual
28-30	IFEBP (International Foundation of Employment Benefit Plans) Public Employee Benefits Institute San Diego, CA
July, 2021	
12-23	Government Finance Officers Association (GFOA) Annual Conference 2021 Virtual Conference
13-15	Pacific Pension Institute (PPI) North American Summer Roundtable Virtual
September, 2021	
17	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual (<i>subject to change in venue</i>)
22-24	National Association of Securities Professionals (NASP) 32nd Annual Pension & Financial Services Conference Virtual
22-24	Council of Institutional Investors (CII) Fall Conference Virtual/Limited In-Person Attendance
28 – October 1	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Virtual (<i>subject to change in venue</i>)



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



April 27, 2021

TO: Trustees, Board of Retirement

FOR: Board of Retirement Meeting on May 5, 2021

SUBJECT: Ratification of Service Retirement and Survivor Benefit Application Approvals

The attached report reflects service retirements and survivor benefit applications received as of the date of this memo, along with any retirement rescissions and/or changes approved at last month's Board meeting. Any retirement rescissions or changes received after the date of this memo up to the date of the Board's approval, will be reflected in next month's report.

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ABELARDO E. BALDERAS	L A COUNTY FIRE DEPT Dept.#FR	05-29-2021	25 YRS 06 MOS
ENRIQUE CARRILLO	SHERIFF Dept.#SH	03-30-2021	35 YRS 11 MOS
TERISA L. CARVER	DISTRICT ATTORNEY Dept.#DA	04-28-2021	31 YRS 02 MOS
PEDRO CASTILLO	SHERIFF Dept.#SH	03-30-2021	22 YRS 06 MOS
ROBIN S. DE LIMA	SHERIFF Dept.#SH	05-31-2021	30 YRS 01 MOS
ANDRE T. DECOHEN	L A COUNTY FIRE DEPT Dept.#FR	03-30-2021	37 YRS 07 MOS
JEFFREY D. DOMINGO	SHERIFF Dept.#SH	05-31-2021	33 YRS 10 MOS
JONN P. EIDEM	SHERIFF Dept.#SH	04-30-2021	27 YRS 09 MOS
RICHARD A. FULLERTON	L A COUNTY FIRE DEPT Dept.#FR	03-17-2021	35 YRS 05 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ROBERT A. FUNKE	L A COUNTY FIRE DEPT Dept.#FR	03-31-2021	30 YRS 02 MOS
CATARINO F. GONZALES	SHERIFF Dept.#SH	05-07-2021	29 YRS 07½ MOS
ROMEO F. INGRESO	SHERIFF Dept.#SH	06-30-2021	32 YRS 05 MOS
PETER M. JACKSON	SHERIFF Dept.#SH	03-31-2021	31 YRS 02½ MOS
WILLIE LLOYD	SHERIFF Dept.#SH	03-31-2021	27 YRS 08½ MOS
EDUARDO P. LOZANO	L A COUNTY FIRE DEPT Dept.#FR	03-30-2021	34 YRS 10 MOS
DAVID O. MANN	L A COUNTY FIRE DEPT Dept.#FR	03-31-2021	32 YRS 05½ MOS
MARK R. MARRIOTT LOD	SHERIFF Dept.#SH	03-30-2021	30 YRS 08 MOS
KEITH M. MCKAY	DISTRICT ATTORNEY Dept.#DA	05-29-2021	08 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MARK R. MIHALJEVICH	L A COUNTY FIRE DEPT Dept.#FR	04-30-2021	35 YRS 11 MOS
GABRIEL A. MORALES	SHERIFF Dept.#SH	06-30-2021	27 YRS 01 MOS
JOHN B. MUNDELL	SHERIFF Dept.#SH	06-30-2021	33 YRS 05 MOS
TERRI L. OSBURN	SHERIFF Dept.#SH	03-31-2021	37 YRS 04½ MOS
MARK C. PEREZ	L A COUNTY FIRE DEPT Dept.#FR	03-31-2021	41 YRS 01½ MOS
RAYMOND W. POON	SHERIFF Dept.#SH	05-31-2021	20 YRS ½ MOS
MICHAEL A. SELLERS	SHERIFF Dept.#SH	03-31-2021	31 YRS 04½ MOS
RICHARD J. SOTO	SHERIFF Dept.#SH	04-30-2021	29 YRS 11 MOS
RICHARD G. TOMLIN	SHERIFF Dept.#SH	03-31-2021	33 YRS 10½ MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GLENN E. TYUS	L A COUNTY FIRE DEPT Dept.#FR	04-30-2021	30 YRS 06 MOS
CHARLES N. WARREN	SHERIFF Dept.#SH	05-21-2021	23 YRS 00 MOS
CLIFTON S. WILLIAMS	SHERIFF Dept.#SH	05-01-2021	20 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
GLORIA D. ABIOG	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	32 YRS 04 MOS
ROBERT E. ABRAHAM	BEACHES & HARBORS Dept.#BH	05-29-2021	26 YRS 03 MOS
MARCOS A. ACOSTA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-01-2021	27 YRS 02½ MOS
REBECCA M. AGUILAR	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	20 YRS 08 MOS
MERCEDES AGUIRRE BENN	PUBLIC HEALTH PROGRAM Dept.#PH	04-30-2021	40 YRS 01½ MOS
SYLVIA ALMAGUER MIL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-13-2021	29 YRS 05½ MOS
DAVID G. ANDERSON	MENTAL HEALTH Dept.#MH	06-29-2021	10 YRS 00 MOS
SHERRY B. ANDERSON	DEPARTMENT OF HUMAN RESOURCES Dept.#HM	05-28-2021	32 YRS 00 MOS
RODOLFO S. ANGQUICO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-31-2020	06 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
OLIVIA APOLINAR	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	03-31-2021	14 YRS 01½ MOS
EUGENIA R. ARIZMENDI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2021	36 YRS 05½ MOS
PATRICIA A. ARMANI	CHILDREN & FAMILY SERVICES Dept.#CH	05-29-2021	36 YRS 00 MOS
ROBIN A. ARMSTRONG-IR	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-29-2021	41 YRS 09½ MOS
CHERI L. ARNOLD	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-30-2021	41 YRS 08 MOS
GREGORIO S. ASUNCION	CORRECTIONAL HEALTH Dept.#HC	05-29-2021	31 YRS 09 MOS
WILLIAM B. BABIANO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-01-2021	22 YRS ½ MOS
ALEJANDRO C. BACA	CHILDREN & FAMILY SERVICES Dept.#CH	05-29-2021	30 YRS 09 MOS
SENOVIA A. BAKER	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	05-29-2021	45 YRS 04 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
AMY BARRAGAN-ALV	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-14-2021	42 YRS ½ MOS
FERNANDO L. BARRERA JR	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	29 YRS 00 MOS
ROBERT A. BLACK	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	06-25-2021	17 YRS 01½ MOS
MARK R. BLANK	PUBLIC WORKS Dept.#PW	05-15-2021	33 YRS 09½ MOS
BARBARA A. BLANTON	SHERIFF Dept.#SH	03-31-2021	34 YRS 02 MOS
YOUGHAPER BORNAZYAN	PUBLIC HEALTH PROGRAM Dept.#PH	06-01-2021	30 YRS 01½ MOS
DUNBAR L. BRADLEY JR	PROBATION DEPARTMENT Dept.#PB	06-05-2021	31 YRS 07½ MOS
DONNA L. BRAZZELL	CHILDREN & FAMILY SERVICES Dept.#CH	05-29-2021	26 YRS 05 MOS
WILLIAM R. BRINSON	SHERIFF Dept.#SH	05-29-2021	11 YRS 07 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
PETER L. BROSANAN	CHILDREN & FAMILY SERVICES Dept.#CH	04-30-2021	23 YRS 09 MOS
TREVA C. BROWN	AMBULATORY CARE NETWORK Dept.#HN	05-29-2021	33 YRS ½ MOS
LANETTE BROWNING	CHILDREN & FAMILY SERVICES Dept.#CH	05-02-2021	38 YRS 06 MOS
CAROL A. BURKE	PUBLIC LIBRARY Dept.#PL	06-29-2021	25 YRS 00 MOS
LEONARDO D. CABAMONGAN	INTERNAL SERVICES Dept.#IS	05-01-2021	18 YRS 08½ MOS
NANCY A. CALCATERRA	INTERNAL SERVICES Dept.#IS	05-06-2021	45 YRS 09 MOS
CARLOS G. CALDERON	CHILD SUPPORT SERVICES Dept.#CD	03-31-2021	40 YRS 07 MOS
CELINDA T. CALDERON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	25 YRS 03 MOS
CHARLES CANCHOLA	SHERIFF Dept.#SH	04-06-2021	05 YRS 08½ MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
RICHARD CASAS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-26-2021	14 YRS 02½ MOS
ANA I. CASTILLA	SHERIFF Dept.#SH	04-30-2021	19 YRS 06 MOS
DORIS CASTILLA	SHERIFF Dept.#SH	04-30-2021	19 YRS 05 MOS
TERESA R. CELADA	MENTAL HEALTH Dept.#MH	04-30-2021	10 YRS 00 MOS
DOLJAI CHAIKUMNERD	PUBLIC HEALTH PROGRAM Dept.#PH	05-11-2021	14 YRS 02½ MOS
SONNY CHAN	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-29-2021	22 YRS 09 MOS
CYNTHIA H. CHAN	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	35 YRS 09 MOS
ERNESTO L. CLEOFE	HEALTH SERVICES ADMINISTRATION Dept.#HS	04-30-2021	15 YRS 00 MOS
FLORA CONTRERAS	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-30-2021	37 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
DAHLIA CORNEJO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-28-2021	27 YRS 07 MOS
JAMES B. CULVER	PUBLIC HEALTH PROGRAM Dept.#PH	06-30-2021	21 YRS 10 MOS
ANA M. DE LA TORRE	MENTAL HEALTH Dept.#MH	05-15-2021	18 YRS 08 MOS
GILBERTO DE SANTIAGO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	30 YRS 11 MOS
ENRICO A. DE YNCHAUSTI	CORRECTIONAL HEALTH Dept.#HC	06-01-2021	31 YRS 07½ MOS
RITA L. DES VIGNES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	32 YRS 10 MOS
GENIENE DOTSON-GARY	PROBATION DEPARTMENT Dept.#PB	04-30-2021	34 YRS 09 MOS
DIANE V. DURAZO	PROBATION DEPARTMENT Dept.#PB	06-26-2021	36 YRS 07 MOS
VERONICA L. EDILLO	AMBULATORY CARE NETWORK Dept.#HN	03-31-2021	37 YRS 11½ MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
NORA G. ESCOBEDO	PROBATION DEPARTMENT Dept.#PB	04-16-2021	13 YRS 06½ MOS
SUSANA FRAGOSO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	27 YRS 02½ MOS
ROGER GAILEY	PUBLIC HEALTH PROGRAM Dept.#PH	03-31-2021	31 YRS 01½ MOS
GEORGE P. GALINDO	SHERIFF Dept.#SH	06-30-2021	37 YRS 08 MOS
LETICIA GARCIA	SHERIFF Dept.#SH	05-28-2021	36 YRS 02 MOS
MICHAEL A. GARCIA	PUBLIC WORKS Dept.#PW	05-29-2021	34 YRS 02 MOS
RALPH W. GIBBONS	MENTAL HEALTH Dept.#MH	06-30-2021	36 YRS 08½ MOS
EDNAMARIE GODBY	PROBATION DEPARTMENT Dept.#PB	05-29-2021	35 YRS 07 MOS
STUART H. GOLDMAN	PUBLIC LIBRARY Dept.#PL	06-30-2021	13 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
MARTHA I. GOMEZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	04-15-2021	40 YRS 07½ MOS
HELEN GOZA	ASSESSOR Dept.#AS	03-31-2021	38 YRS 05 MOS
MIGUEL A. GREZ	CORRECTIONAL HEALTH Dept.#HC	06-17-2021	12 YRS 03 MOS
GOAR GRIGORYAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-30-2021	32 YRS 06 MOS
JEAN M. GURNEE	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-31-2021	21 YRS 02½ MOS
MAXINE HARRIS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	03-31-2021	33 YRS 06½ MOS
LA TONYA A. HEADS	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	03-31-2021	10 YRS 06½ MOS
DANIEL C. HELLWIG	L A COUNTY FIRE DEPT Dept.#FR	04-30-2021	22 YRS 10½ MOS
VERA HEPKER	HEALTH SERVICES ADMINISTRATION Dept.#HS	06-30-2021	27 YRS 00 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CARMEN J. HERNANDEZ	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-15-2021	37 YRS 02½ MOS
BEATRIZ HERRERA	AMBULATORY CARE NETWORK Dept.#HN	04-30-2021	35 YRS 03 MOS
NHAN T. HO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-29-2021	28 YRS 00 MOS
CHRISTY HOOKER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	26 YRS 09 MOS
ANTRANETTE HUDSON	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	03-31-2021	17 YRS 07½ MOS
NAMSON HUYNH	INTERNAL SERVICES Dept.#IS	05-31-2021	14 YRS 01 MOS
SHIRLEY IMSAND	REGIONAL PLANNING Dept.#RP	07-01-2021	13 YRS 01½ MOS
CHERYL A. JACKSON	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	04-17-2021	41 YRS 03 MOS
JAMIE M. JAUCH	SHERIFF Dept.#SH	05-31-2021	30 YRS ½ MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JAMES S. JOCKHECK	PROBATION DEPARTMENT Dept.#PB	05-05-2021	13 YRS ½ MOS
DREUSHON N. JONES	PUBLIC HEALTH PROGRAM Dept.#PH	04-06-2021	11 YRS 01½ MOS
TODD M. JONES	INTERNAL SERVICES Dept.#IS	05-27-2021	24 YRS 04 MOS
MANJULA KATAKIA	MENTAL HEALTH Dept.#MH	04-30-2021	07 YRS 06 MOS
ISSA H. KATTAN	PUBLIC WORKS Dept.#PW	04-30-2021	32 YRS 07 MOS
MARGARET A. KEATON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-30-2021	26 YRS 02 MOS
ANIK KHANBEKYAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-01-2021	15 YRS 06½ MOS
SYLLAR M. KNIGHT	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	04-30-2021	26 YRS 01 MOS
JAMES E. KRACKE	SHERIFF Dept.#SH	06-30-2021	10 YRS ½ MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CYNTHIA E. LADZEKPO	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-31-2021	32 YRS 10½ MOS
LEAH LARA	AMBULATORY CARE NETWORK Dept.#HN	05-29-2021	33 YRS 06 MOS
DONNA LEBOWITZ	DISTRICT ATTORNEY Dept.#DA	06-26-2021	37 YRS 00 MOS
SIPPORAH LEUNG	PUBLIC HEALTH PROGRAM Dept.#PH	06-30-2021	24 YRS 00 MOS
PATRICIA LOPEZ-WHITE	MENTAL HEALTH Dept.#MH	06-30-2021	21 YRS 05½ MOS
DALE A. LORENZEN	INTERNAL SERVICES Dept.#IS	05-31-2021	13 YRS ½ MOS
KANITHA LUCKANAVANIC	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	20 YRS 08 MOS
RAFIK MADIROSSIANS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	31 YRS 02 MOS
KIMBERLY E. MAILLET	SHERIFF Dept.#SH	04-17-2021	32 YRS 04 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LIDA MALKE	MENTAL HEALTH Dept.#MH	03-29-2021	27 YRS 03 MOS
MARTHA MARQUEZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-25-2021	29 YRS 07 MOS
MARIA L. MARTINEZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	20 YRS 05 MOS
MICHAEL MATA	PUBLIC WORKS Dept.#PW	05-28-2021	34 YRS 11 MOS
JOHN D. MC CLELLAND	LACERA Dept.#NL	03-31-2021	18 YRS ½ MOS
MARTHELL D. MC ELROY	PUBLIC HEALTH PROGRAM Dept.#PH	06-30-2021	28 YRS 10 MOS
JONATHAN B. MCALLISTER	PROBATION DEPARTMENT Dept.#PB	07-01-2021	28 YRS 03½ MOS
BERNARDINO MEDRANO	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-28-2021	23 YRS 03 MOS
EDITHA J. MEIMBAN	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	06-30-2021	18 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
XAVIER MIRANDA	PARKS AND RECREATION Dept.#PK	06-03-2021	25 YRS 11½ MOS
LUIS A. MONTALVO	MENTAL HEALTH Dept.#MH	06-01-2021	40 YRS ½ MOS
MARLENE MOSCATO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-29-2021	47 YRS 06 MOS
FRANCES M. MOXLEY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-29-2021	30 YRS 02 MOS
CHRISTINE V. MURPHY	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	13 YRS 04 MOS
KENNETH NAKATSUMI	INTERNAL SERVICES Dept.#IS	04-22-2021	34 YRS 04 MOS
PAUL B. NG	CHILDREN & FAMILY SERVICES Dept.#CH	06-01-2021	20 YRS 05½ MOS
MARGUERITE NICOLA	ASSESSOR Dept.#AS	06-30-2021	32 YRS 04 MOS
ROSE N. NWABUZOR-OKW	CHILDREN & FAMILY SERVICES Dept.#CH	06-25-2021	31 YRS 10 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
APOLONIO OCEGUEDA	INTERNAL SERVICES Dept.#IS	03-31-2021	23 YRS 03½ MOS
JANE S. OSHIRO	PROBATION DEPARTMENT Dept.#PB	05-29-2021	31 YRS 11 MOS
MICHAEL PALMER	PUBLIC HEALTH PROGRAM Dept.#PH	03-31-2021	36 YRS 07½ MOS
DAVE E. PEREZ	PUBLIC HEALTH PROGRAM Dept.#PH	06-16-2021	38 YRS 01 MOS
GLENDA R. PETEN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-31-2021	15 YRS 05½ MOS
FRANCIS R. PILAS	AMBULATORY CARE NETWORK Dept.#HN	04-30-2021	11 YRS 06 MOS
EDUARDO PRADO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2021	31 YRS 06½ MOS
CHRISTY L. PRESTON	HEALTH SERVICES ADMINISTRATION Dept.#HS	05-28-2021	36 YRS 10 MOS
JOON RHO	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-29-2021	18 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
BARBARA D. RIDGEWAY	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-30-2021	28 YRS 10 MOS
MARIA A. RIVERA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-31-2021	32 YRS 10½ MOS
EMELDA RODRIGUEZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2021	36 YRS 00 MOS
RENE R. SADSAD	ASSESSOR Dept.#AS	04-30-2021	30 YRS 04 MOS
JOSE A. SANCHEZ	PUBLIC LIBRARY Dept.#PL	05-29-2021	20 YRS 00 MOS
STEPAN SARDARYAN	CHILDREN & FAMILY SERVICES Dept.#CH	04-30-2021	28 YRS 02 MOS
DEBRA L. SAYLES	PROBATION DEPARTMENT Dept.#PB	04-09-2021	13 YRS 03½ MOS
MARIA G. SEGURA	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	04-30-2021	22 YRS 01 MOS
GWENDOLYN SERANO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	40 YRS 04 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
LISA C. SEVIN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-29-2021	38 YRS 00 MOS
STEPHANIE SHADOWENS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-30-2021	23 YRS 05½ MOS
HERAND SHAHIJANIAN	ASSESSOR Dept.#AS	06-30-2021	36 YRS 00 MOS
SHIRLEY SHEARS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2021	34 YRS 06 MOS
OZIE M. SHORTER	L A COUNTY FIRE DEPT Dept.#FR	05-28-2021	29 YRS 04 MOS
SAMUEL G. SIERRA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	12-03-2020	14 YRS 01½ MOS
NAOMI SIQUEIROS	SHERIFF Dept.#SH	05-06-2021	33 YRS 01½ MOS
DAISY M. SUAREZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-01-2021	23 YRS ½ MOS
BRIAN T. SUTHERLAND	SHERIFF Dept.#SH	04-30-2021	34 YRS 03 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
JEAN TADEMY	CHILDREN & FAMILY SERVICES Dept.#CH	05-01-2021	19 YRS 06 MOS
DORA M. TAYLOR-HEDEE	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-03-2021	17 YRS 00 MOS
ELENA C. TEANO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-27-2021	33 YRS 01 MOS
PRESHA THOMAS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-31-2021	26 YRS 01 MOS
FRANK TOSCANO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	06-30-2021	31 YRS 09 MOS
THUY T. TRAN	MENTAL HEALTH Dept.#MH	05-29-2021	12 YRS 00 MOS
STEFAN TRANDAFIR	PUBLIC HEALTH PROGRAM Dept.#PH	03-31-2021	13 YRS 05½ MOS
LINDA T. TRUJILLO	SHERIFF Dept.#SH	06-30-2021	34 YRS 03 MOS
MICHELLE M. TSENG	ASSESSOR Dept.#AS	06-01-2021	35 YRS 01½ MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ROSEMARIE A. UDARBE	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	06-18-2021	30 YRS 03 MOS
SARAH F. VIDAURRE	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	04-30-2021	35 YRS 07 MOS
ALFREDO C. VILGERA JR	CORRECTIONAL HEALTH Dept.#HC	05-31-2021	18 YRS 05½ MOS
MONICA VILLARRUEL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-15-2021	35 YRS 09½ MOS
ELENITA I. VIRTUDAZO	CORRECTIONAL HEALTH Dept.#HC	04-30-2021	11 YRS ½ MOS
PETER B. WALLACE	L A COUNTY FIRE DEPT Dept.#FR	05-29-2021	41 YRS 04 MOS
RAMONA WARD	CHILD SUPPORT SERVICES Dept.#CD	04-30-2021	51 YRS 00 MOS
SHARON L. WATSON	MENTAL HEALTH Dept.#MH	04-10-2021	16 YRS 06½ MOS
KIMBERLY L. WELLS	PROBATION DEPARTMENT Dept.#PB	05-28-2021	40 YRS 06 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SALLY WILBOURN	AMBULATORY CARE NETWORK Dept.#HN	06-30-2021	29 YRS 07 MOS
EDITHA M. WILKERSON	SHERIFF Dept.#SH	03-31-2021	25 YRS 05½ MOS
NAJILA R. WOODS	HEALTH SERVICES ADMINISTRATION Dept.#HS	05-01-2021	35 YRS 01 MOS
LINDA L. WRIGHT	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-29-2021	21 YRS 00 MOS
NORINE N. YASUNO	REG-RECORDER/COUNTY CLERK Dept.#RR	06-30-2021	16 YRS 07 MOS
FANGLI ZHANG	SHERIFF Dept.#SH	06-30-2021	22 YRS 00 MOS
CHARLES C. ZHENG	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-28-2021	21 YRS 05 MOS

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BENEFIT APPROVAL LIST

SAFETY SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ERICA A. ALBANESE	SHERIFF Dept.#SH	02-26-2021	07 YRS 07 MOS
WIFE of THOMAS J ALBANESE dec'd on 02-25-2021, Sect. #31781.1			
VIRGINIA V. BYNUM	SHERIFF Dept.#SH	06-20-2020	22 YRS 07 MOS
WIFE of RANDALL C BYNUM dec'd on 06-19-2020, Sect. #31781.1			
KYE RODRIGUEZ	SHERIFF Dept.#SH	10-19-2012	06 YRS 01 MOS
SON of FELIX J RODRIGUEZ dec'd on 10-18-2012, Sect. #31781.1			

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BENEFIT APPROVAL LIST

GENERAL SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
RAFAEL F. ACOSTA HUSBAND of CONSUELO C ACOSTA dec'd on 07-26-2020, Sect. #31781.3	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-27-2020	19 YRS 02½ MOS
ERICK M. CALICIA-GONZ HUSBAND of CLAUDIA A FIGUEROA dec'd on 01-26-2021, Sect. #31781.3	CHILD SUPPORT SERVICES Dept.#CD	01-27-2021	13 YRS 11 MOS
DELIA DE ROSA SPOUSE of SERGIO CAFARO dec'd on 01-12-2021, Sect. #31781.1	SUPERIOR COURT/COUNTY CLERK Dept.#SC	01-13-2021	05 YRS 08½ MOS
IRMA FUKUMOTO YOLANDA MANRIQUEZ SPOUSE of VICTOR CABRAL dec'd on 02-15-2017, Sect. #31781.1	PUBLIC LIBRARY Dept.#PL	10-20-2020	37 YRS 07 MOS
THUY T. TRAN WIFE of HUE NGUYEN dec'd on 01-20-2021, Sect. #31781.3	PARKS AND RECREATION Dept.#PK	02-16-2017	09 YRS 05½ MOS
	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	01-21-2021	20 YRS 01 MOS

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GENERAL SURVIVOR APPLICATIONS

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
SHENA D. TYLER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	01-08-2021	19 YRS 06½ MOS
WIFE of JARED C TYLER SR dec'd on 01-07-2021, Sect. #31781.1			

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BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
TRACY W. BURNS	SHERIFF Dept.#SH	03-23-2021	08 YRS 10 MOS

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BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
CARLO ACHDJIAN	CHIEF EXECUTIVE OFFICE Dept.#AO	03-20-2021	04 YRS 04 MOS
FRANCESCA BRANDE	BEACHES & HARBORS Dept.#BH	03-07-2021	13 YRS 01 MOS
SUSAN CELENTANO	CHILDREN & FAMILY SERVICES Dept.#CH	06-06-2021	20 YRS 05½ MOS
KIMBERLY M. COURSEY	BOARD OF SUPERVISORS Dept.#BS	03-30-2021	07 YRS 01 MOS
JAMES R. DABNEY	DISTRICT ATTORNEY Dept.#DA	04-17-2021	18 YRS 02 MOS
LYNNE G. FINNER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-01-2020	14 YRS 04 MOS
MARK J. GALLAGHER JR	L A COUNTY FIRE DEPT Dept.#FR	03-26-2021	15 YRS 04½ MOS
DONNA L. HOLLINGSWORT	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-13-2021	14 YRS 03½ MOS
KENNETH E. JEWEL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-02-2021	32 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ROBERT C. KRUEGER	MENTAL HEALTH Dept.#MH	03-12-2021	21 YRS 01 MOS
ROSA E. LESLIE	CHILDREN & FAMILY SERVICES Dept.#CH	12-31-2020	05 YRS 08 MOS
MARICELA MENDOZA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-02-2021	15 YRS 06 MOS
KEYSHA MORRIS	SHERIFF Dept.#SH	03-31-2021	10 YRS 01 MOS
YVONNE D. O'VEAL	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-31-2021	33 YRS 05 MOS
PAMELA PAYNE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-19-2021	10 YRS 04 MOS
VANCE J. PETERSON	SHERIFF Dept.#SH	06-30-2021	12 YRS 05½ MOS
BRUCE A. PICONE	SHERIFF Dept.#SH	04-30-2021	07 YRS 05½ MOS
KAI SAITO	CHILDREN & FAMILY SERVICES Dept.#CH	05-14-2021	13 YRS 10½ MOS

BOARD OF RETIREMENT MEETING OF MAY 5, 2021

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

<u>NAME</u>	<u>DEPARTMENT</u>	<u>RETIRED</u>	<u>SERVICE</u>
ROBERT T. SAVISKAS	PUBLIC HEALTH PROGRAM Dept.#PH	03-03-2021	15 YRS 07 MOS
CLARA L. SLIFKIN	PUBLIC DEFENDER Dept.#PD	04-22-2021	11 YRS 09 MOS
FAYE TRAN	SHERIFF Dept.#SH	05-08-2021	12 YRS 02 MOS
THERESA A. TUCCILLO-SMI	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	03-01-2021	00 YRS 10 MOS
TERESA A. VIDAL-CAMACH	PUBLIC DEFENDER Dept.#PD	04-19-2021	19 YRS 11 MOS
EMERITA C. VILLANUEVA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	01-02-2021	01 YRS 09 MOS

**BOARD OF RETIREMENT MEETING OF MAY 5, 2021
RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST
APPROVED ON APRIL 7, 2021**

SAFETY MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
SERGIO TISCARENO	SHERIFF	RESCINDED RETIREMENT
DEBORAH A COTTO	SHERIFF	CHANGE OF DATE TO MARCH 27, 2021
MELVIN L JOHNICAN	SHERIFF	CHANGE OF DATE TO MAY 31, 2021

GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
JEREATHA THOMAS	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO MAY 28, 2021
CECILIA AGUILAR	SHERIFF	CHANGE OF DATE TO MARCH 30, 2021
DEMETRI Y THOMAS	SHERIFF	CHANGE OF DATE TO MARCH 27, 2021
JOCELYN C DELA MERCED	SHERIFF	RESCINDED RETIREMENT
JOHN M MOULIN	DISTRICT ATTORNEY	RESCINDED RETIREMENT
ZAHID ATASHZAY	PUBLIC WORKS	CHANGE OF DATE TO JUNE 30, 2021
JONATHAN B MCALLISTER	PROBATION DEPARTMENT	CHANGE OF DATE TO JULY 1, 2021
LINDA K QUON	HEALTH SERVICES ADMINISTRATION	RESCINDED RETIREMENT
EUGENIA R ARIZMENDI	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO MAY 31 2021
NARLESKI JOHNSON	NORTHEAST CLUSTER (LAC+USC)	RESCINDED RETIREMENT
HYEJOO K LEE	PUBLIC HEALTH PROGRAM	RESCINDED RETIREMENT
GUY F BROWN	PROBATION DEPARTMENT	RESCINDED RETIREMENT
DIONIS O WILSON	AMBULATORY CARE NETWORK	RESCINDED RETIREMENT
RODOLFO G CORTEZ	SHERIFF	CHANGE OF DATE TO MARCH 27, 2021
RODOLFO G CORTEZ	SHERIFF	CHANGE OF DATE TO MARCH 27, 2021
MARICELA GUERRERO	DEPT OF PUBLIC SOCIAL SERVICES	RESCINDED RETIREMENT
JETTION TOWNSLEY	CHILDREN & FAMILY SERVICES	CHANGE OF DATE TO FEBRUARY 27, 2021

SERENA LEE	MENTAL HEALTH	CHANGE OF DATE TO MARCH 27, 2021
MARIA MAGDALENA BERNAL	RANCHO LOS AMIGOS HOSPITAL	CHANGE OF DATE TO MAY 29, 2021
JAMES D GUSTIN	PUBLIC WORKS	CHANGE OF DATE TO MARCH 27, 2021
HERLINDA M AGUIRRE	CORRECTIONAL HEALTH	RESCINDED RETIREMENT
EFRAIN RUIZ	SUPERIOR COURT/COUNTY CLERK	RESCINDED RETIREMENT
ENEDINA F GARCIA	PUBLIC DEFENDER	CHANGE OF DATE TO MARCH 22, 2021
JOSEPHINE L ALMARIO	PUBLIC HEALTH PROGRAM	CHANGE OF DATE TO MARCH 27, 2021
KATE L CHANG	NORTHEAST CLUSTER (LAC+USC)	RESCINDED RETIREMENT
KEVIN D FRERS	PROBATION DEPARTMENT	RESCINDED RETIREMENT
GEORGETA OPRESCU	ASSESSOR	CHANGE OF DATE TO MAY 1, 2021
TRACY A ADAMS	SHERIFF	CHANGE OF DATE TO APRIL 30, 2021
KATHERINE K CRUZ	COUNTY COUNSEL	RESCINDED RETIREMENT
YVONNE R GIRARD	SUPERIOR COURT/COUNTY CLERK	RESCINDED RETIREMENT
SONIA Y RAMIREZ	COASTAL CLUSTER-HARBOR/UCLA MC	CHANGE OF DATE TO MAY 31, 2021
CYNTHIA BIRCH	DEPT OF PUBLIC SOCIAL SERVICES	RESCINDED RETIREMENT
LUIS E COLATO	SFV CLUSTER-OLIVE VIEW/UCLA MC	RESCINDED RETIREMENT
LAURICE GERGIS	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO APRIL 16, 2021
SONIA M PARRA	SHERIFF	CHANGE OF DATE TO MAY 29, 2021
STEPHANIE SHADOWENS	SUPERIOR COURT/COUNTY CLERK	CHANGE OF DATE TO APRIL 30, 2021
PATRICIA J HARRIS	SHERIFF	CHANGE OF DATE TO MAY 31, 2021
ARLENE SANTOS	AMBULATORY CARE NETWORK	CHANGE OF DATE TO MAY 11, 2021
JOSE L CASTANEDA	REG-RECORDER/COUNTY CLERK	CHANGE OF DATE TO MARCH 31, 2021
JANICE MARSH	NORTHEAST CLUSTER (LAC+USC)	RESCINDED RETIREMENT
GEHAN F MEGALY	LACERA	CHANGE OF DATE TO MARCH 31, 2021
ZAIDA L DELGADO	RANCHO LOS AMIGOS HOSPITAL	CHANGE OF DATE TO MARCH 31, 2021
KAREN M TRAN	GENERAL MEMBER ACTIVE SERVICE	CHANGE OF DATE TO MAY 29, 2021

GALINA N GORYACHEVA	CORRECTIONAL HEALTH	RESCINDED RETIREMENT
MARGO J SELLERS	CHILDREN & FAMILY SERVICES	RESCINDED RETIREMENT
WILLIAM V MC TAGGART JR	SUPERIOR COURT/COUNTY CLERK	CHANGE OF DATE TO MAY 31, 2021

April 27, 2021

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Audit Committee
Joseph Kelly, Chair
Shawn R. Kehoe, Vice Chair
Vivian H. Gray, Secretary
Alan J. Bernstein
Keith Knox
Ronald A. Okum
Gina V. Sanchez

FOR: May 5, 2021 Board of Retirement Meeting
May 19, 2021 Board of Investments Meeting

SUBJECT: Approval of the Revised Audit Committee Charter

RECOMMENDATION

That the Board of Retirement and Board of Investments approve and adopt the revised Audit Committee Charter.

BACKGROUND

The Institute of Internal Auditors (IIA) recommends that an audit committee formally define its purpose, authority, and responsibilities in a charter. In addition, the IIA recommends periodic reviews of the charter to ensure the charter is aligned with industry best practices and organizational changes. LACERA's Audit Committee Charter (Charter) was established in 2004, and has been updated throughout the years, most recently in December 2020.

At the February 19, 2021 Audit Committee meeting, staff recommended the Committee:

- A. Review and approve the proposed Internal Audit FY 2022 Budget Request to be presented to the Boards for approval.
- B. Provide direction to staff on the amount of contingency funding to be requested to fund the Audit Reserve Fund.

The Committee unanimously approved the proposed Internal Audit FY 2022 Budget Request to be presented to the Boards for approval. After discussion, the Committee voted to recommend to the Boards to fund the contingency budget in the amount of \$250,000 but asked staff to bring the Charter to the April meeting for additional consideration.

Internal Audit and the Audit Committee Chair proposed revisions to the Charter at the April 23, 2021 Audit Committee. Internal Audit proposed minor edits to the charter while the Chair proposed a more significant revision. The Chair's proposed revision was to:

Delete from section VII. (Responsibilities) A.1. **Internal Audit Activity**

Recommend to the Boards a budget to achieve the Plan plus a contingent budget for additional work related to audit findings or other unplanned work.

Add Section VII. (Responsibilities) F. **Audit Committee and Internal Audit Budget**

LACERA will provide appropriate funding, as determined by the Audit Committee for compensation and Internal Audit Budget for compensation to the Financial Service Provider that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

During the April 23, 2021 Audit Committee meeting, Committee members discussed the merits of having a dedicated budget contingency fund for the Committee versus the ability to obtain all necessary funding through the proposed new language. The Committee concluded unanimously that the new language provided the Audit Committee with the necessary funding and they agreed to striking the language that provided for the contingency.

Attached are the materials presented to the Audit Committee regarding the proposed Charter revisions, including the red-lined and clean versions of the proposed Charter, for the Board's review.

IT IS THEREFORE RECOMMENDED THAT THE BOARDS approve and adopt the revised Audit Committee Charter.

RPB:cl

Attachment:

Audit Committee materials regarding Audit Committee Charter revisions



April 15, 2021

TO: 2021 Audit Committee
Joseph Kelly, Chair
Shawn R. Kehoe, Vice Chair
Vivian H. Gray, Secretary
Alan J. Bernstein
Keith Knox
Ronald A. Okum
Gina V. Sanchez

Audit Committee Consultant
Robert H. Griffin

FROM: Richard P. Bendall 
Chief Audit Executive

Christina Logan 
Principal Internal Auditor

FOR: April 23, 2021 Audit Committee Meeting

SUBJECT: Revisions to the Audit Committee Charter

RECOMMENDATION

- a) Provide direction to staff on the proposed revisions to the Audit Committee Charter,
- b) Upon approval, recommend to the Board of Retirement and Board of Investments to adopt the revised Audit Committee Charter.

BACKGROUND

The Institute of Internal Auditors (IIA) recommends that an audit committee formally define its purpose, authority, and responsibilities in a charter. In addition, the IIA recommends periodic reviews of the charter to ensure the charter is aligned with industry best practices and organizational changes.

LACERA's Audit Committee Charter (Charter) was established in 2004, and has been updated throughout the years, most recently in December 2020 (Attachment B). The IIA's current model charter is provided for your reference (Attachment C).

At the February Audit Committee meeting, it was requested that we bring the Charter to this meeting for additional discussion. We have attached a red-line version (Attachment D) and a clean version (Attachment E).

PROPOSED REVISIONS

The Audit Committee Chair is proposing the revisions below to the Charter. The Chair has provided a memo detailing the reasoning for his proposal (Attachment A).

VII. Responsibilities A. Internal Audit Activity – replacing the language with a new section under **VII. Responsibilities G. Budget**. The wording for the new section is derived from Deloitte’s Sample Audit Committee Charter but tailored for LACERA.

PROPOSED EDITS

Internal Audit and the Audit Committee Chair are proposing the following minor edits to the Charter:

- **IV. Authority** - Remove the third paragraph since two of the three points were already under **VII. Responsibilities B. Professional Service Provider Activity**.
- **V. Audit Committee and Consultant** - Corrected the job title for the Los Angeles County Treasurer to be consistent with CERL and corrected a grammar error.
- **VI. Audit Committee Meetings** – Added to the fourth paragraph that materials are published to LACERA’s website and removed from the sixth paragraph unnecessary language.
- **VII. Responsibilities B. Professional Service Providers** – Corrected “External Financial Auditor” to “Financial Auditor” to be consistent throughout the Charter and added the third point from **IV. Authority**.

RECOMMENDATION

We recommend the Audit Committee Provide direction to staff on the proposed revisions to the Audit Committee Charter, and upon approval, recommend to the Board of Retirement and Board of Investments to adopt the revised Audit Committee Charter.

Attachments

RPB:cl

April 16, 2021

TO: Audit Committee
FROM: Joseph Kelly, Chair *JK*
SUBJECT: Audit Committee Funding

This memorandum responds to a discussion at the February 19, 2021 Audit Committee meeting regarding Item V. B. a recommendation that the Audit Committee approve the Internal Audit Proposed Fiscal Year (FY) 2021-2022 Budget and a contingent budget for additional work related to audit findings or other unplanned work. Section VII. A. 1.C. of the Audit Committee Charter requires the Committee to recommend to the Boards a budget to achieve the audit plan, plus a contingent budget.

In the meeting, we discussed replacing the contingent budget language with a statement that LACERA would commit to provide the Committee the funding necessary for the Committee to conduct its mission. The reasons for this included the availability of unspent operating funds in Internal Audit's operating budget as a source to fund unplanned audits, the limitations in the use of the contingent budget to only one area of Committee responsibility (i.e., audit), and the potential that any contingent budget the Committee approved may be insufficient to fund the costs of unplanned audits. Discussion followed regarding the mechanisms through which LACERA would be able to incorporate such a commitment into its budgetary practices. In the end, the Committee approved a contingent budget in the amount of \$250,000.

Discussion of an agency commitment to provide appropriate funding.

In presenting charter revisions for the Committee's consideration in calendar year 2020, staff had relied primarily on a sample charter promulgated by the Institute of Internal Auditors - Global (IIA) and a review of peer pension fund charters. The IIA sample charter was designed to illustrate common practices across multiple jurisdictions, including international jurisdictions, and, as such, the IIA cautioned that the generic nature of this document required customization. Like the charter the Audit Committee approved in December 2020, the IIA sample charter grants to the Audit Committee the authority to approve the appointment, compensation, and work of the Financial Auditor hired to audit financial statements and approve the appointment, compensation, and work of other Professional Service Providers to perform non-financial statement audits, reviews, or investigations. The IIA sample charter is silent on the budgetary impact to the organization of the granting of this authority to the Audit Committee. Yet, the charter the Audit Committee approved in December 2020, introduced the concept of a contingent budget and capped that contingent budget at \$500,000.

Deloitte also publishes a *Sample Audit Committee Charter*¹ based on its observations of selected companies and the requirements of the Securities and Exchange Commission (SEC), the New York Stock Exchange (NYSE), and the National Association of Securities Dealers and Nasdaq. The *Sample Audit Committee Charter* delegates to the Audit Committee the same responsibilities regarding the appointment and compensation of the financial auditor and other professional service providers as does the IIA sample charter, but Deloitte addresses the budgetary impact of this delegation as follows: ***The issuer [company] will provide appropriate funding, as determined by the audit committee, for compensation to the independent auditor, to any advisers that the audit committee chooses to engage, and for payment of ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.*** [Rule 10A-3(b)(5) of the Exchange Act, NYSE Corporate Governance Rule 303A.06, and NASDAQ Corporate Governance Rule 5605(c)(3)].

This language Deloitte recommends regarding Audit Committee funding is sourced from the SEC. Specifically, effective April 25, 2003, the SEC, as directed by the Sarbanes-Oxley Act of 2002 (SOX), adopted a new rule related to audit committee requirements. These requirements related to the independence of audit committee members; the audit committee's responsibility to select and oversee the independent accountant; procedures for handling complaints regarding accounting practices; the authority of the audit committee to engage advisors; and funding for the independent auditor and any outside advisors engaged by the audit committee. LACERA does not issue securities that are listed on national securities exchanges and is therefore not subject to this rule. However, organizations that are not subject to the rule consider its provisions to be best practice and many adopt its provisions, nonetheless, and many of the provisions of this rule are found in the IIA's sample Audit Committee Charter.

In promulgating this rule, the SEC provided the following commentary regarding Audit Committee funding which I found particularly insightful and applicable to the question at hand.

E. Funding

An audit committee's effectiveness may be compromised if it is dependent on management's discretion to compensate the independent auditor or the advisors employed by the committee, especially when potential conflicts of interest with management may be apparent. Accordingly, as proposed, the final rule requires the issuer to provide for appropriate funding, as determined by the audit committee, in its capacity as a committee of the board of directors, for payment of compensation:

¹ <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/center-for-board-effectiveness/us-audit-committee-resource-guide-appendix-a.pdf>

- *To any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the listed issuer; and*
- *To any advisors employed by the audit committee.*

This requirement will further the standard relating to the audit committee's responsibility to appoint, compensate, retain and oversee the outside auditor. It also will add meaning to the standard relating to the audit committee's authority to engage independent advisors. Not only could an audit committee be hindered in its ability to perform its duties objectively by not having control over the ability to compensate these advisors, but the role of the advisors also could be compromised if they are required to rely on management for compensation. Thus, absent such a provision, both the audit committee and the advisors could be less willing to address disagreements or other issues with management.

Commenters supported this requirement. We also requested comment on whether there should be limits on the amount of compensation that could be requested by the audit committee. The overwhelming majority of commenters did not support compensation limits, arguing that to do otherwise would subvert the intent of the requirement. These commenters argued that audit committee members' own fiduciary duties to the issuer and natural oversight by the board of directors over the audit committee would address any concerns over abuse. The final rule does not set funding limits.

Some commenters believed it would be appropriate to supplement the funding requirements. While the Commission's proposal would address the compensation of advisors, it would not provide assurance that the audit committee itself can obtain the funding it needs to carry out its duties. Specifically, these commenters believed the final rule should also state that the issuer must provide appropriate funding for ordinary administrative expenses of the audit committee. We find merit in this suggestion. An audit committee's effectiveness may be compromised if it is dependent on management's discretion to pay for the committee's expenses, especially when potential conflicts of interest with management may be apparent. Accordingly, the final rule provides that, in addition to funding for advisors, the issuer must provide appropriate funding for ordinary administrative expenses of the audit committee that are necessary or appropriate in carrying out its duties.

The Government Finance Officers Association (GFOA), a well-respected public sector finance organization, includes the following in its recommendations regarding the establishment of audit committees by state and local governments²: ***The audit committee should be adequately funded and should be authorized to engage the services of financial experts, legal counsel, and other appropriate specialists, as***

² <https://www.gfoa.org/materials/audit-committees>

necessary to fulfill its responsibilities. However, the GFOA also notes that one should not interpret this recommended practice as limiting the full governing body from exercising ultimate authority.

Analysis of contingent budget with a cap, or an agency commitment to provide appropriate funding

By its very nature, the contingent budget with its current cap of \$250,000 puts guiderails around the Audit Committee's spending authority. Some trustees may believe that is prudent given the fact that the organization's two governing boards, the Board of Retirement and Board of Investment, had never granted budgetary authority to any of its committees before they narrowly approved the granting of budgetary authority to this committee, and that any discretionary use of budgetary authority could be minimized through a very focused audit planning process. I concur that the audit planning process should be thorough and, if it is, would reduce the likelihood that the Audit Committee would need to retain advisory firms beyond those included in the plan. But, establishing guiderails could compromise, at a minimum, the perception that the Audit Committee can achieve its objectives. The Audit Committee in this organization is an important component in the system of internal controls designed to protect the organization's financial assets, which are approaching nearly \$70 billion. Deviations in Committee responsibility and support from recommended best practice could compromise the effectiveness of that system of internal controls, certainly in perception if not also in practice. To put that \$70 billion figure in perspective, it is greater than the market capitalization of each of the following well-known firms: Colgate-Palmolive, BMW, and Marsh & McClellan. This organization's 180,000 members deserve an internal control system that meets or exceeds that which the recommended practices would allow.

There are several mechanisms in place that should, individually and collectively, give comfort to each trustee that this Committee would act responsibly should the boards commit to provide it appropriate funding.

- Fiduciary duty - As commenters in the SEC rulemaking note, chief among these mechanisms are audit committee members' own fiduciary duties. I have served as a trustee for nearly ten years and although we may disagree from time to time on different issues, each one of us consistently holds high the fiduciary duty of loyalty and care.
- Number of Committee Members – at seven members, three from each board with the County Treasurer serving ex officio, each board is well represented. As well, the size of the group also allows for greater representation of differing opinions, which can be discussed and deliberated, enhancing the quality of decisions.
- Oversight – As commenters in the SECF rulemaking noted, natural oversight by the boards over the audit committee would address any concerns over abuse.

This Committee's authorities are those which the boards grant to it. If despite consistent application of our fiduciary duties and quality of decision-making, we run amok in the application of the boards' commitment to provide appropriate funding, then we should expect the boards to engage with the Committee on their concerns.

Application of a commitment to provide appropriate funding

Santos Kreimann, Steven Rice, Richard Bendall and I met to discuss the impact of this language, should the Audit Committee adopt it, on LACERA's budget practices. Mr. Kreimann stated that if the Audit Committee engaged a firm related to a matter that had not been included in the Audit Plan, he would first look to the Audit Division's operating budget to determine if any projected savings were available to fund that expenditure, in whole or in part. Secondly, he would identify budgetary savings from the overall budget to transfer to the Audit Division operating budget to fund the additional services. If the projected savings were not sufficient, then, depending on the dollar amount of the deficiency, he may present a budget adjustment for additional appropriation to each board.

Conclusion and Recommendation

I consider the SEC rulemaking and GFOA to be best practice in this area, which leads me to conclude that the Audit Committee charter should include a statement that LACERA will provide appropriate funding to the Audit Committee, replacing reference to a contingent budget. Applying a limit or a cap to that broad organizational commitment could compromise this organization's comprehensive system of internal controls. Committee abuse of this commitment can be minimized if not curtailed in its entirety through consistent adherence by trustees to their fiduciary duties, the number of trustees on the committee which leaves each board well represented and allows for deliberation of differing opinions, and general oversight by the boards. In my analysis I weight the negative impact to our system of internal controls more heavily than I do the likelihood of Committee abuse of this commitment.

Given this, the Audit Committee Charter before your Committee includes the deletion of the requirement that the Committee recommend a contingent budget and includes the addition of the following language:

LACERA will provide appropriate funding, as determined by the Audit Committee, for compensation to the Financial Auditor, to any Professional Service Provider that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

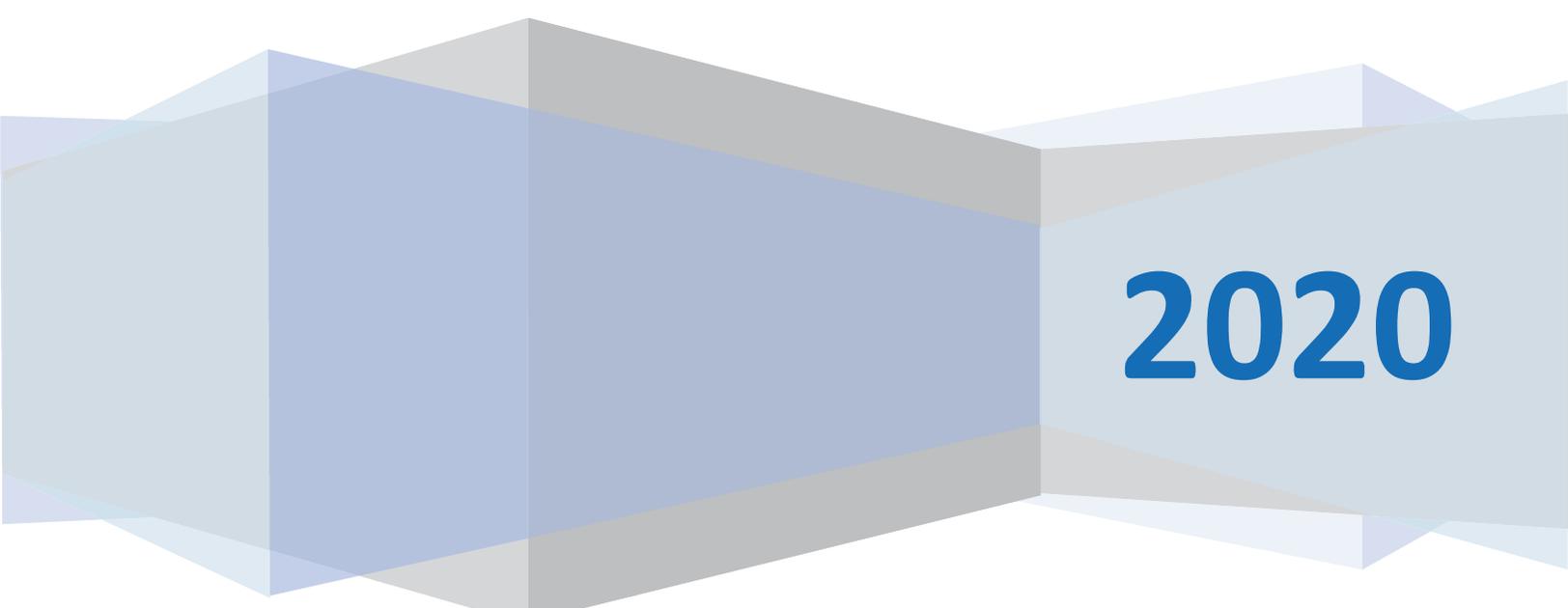
Thank you for your consideration of this information and recommendation.

C: Santos Kreimann
Richard Bendall
Steven Rice
Johanna Fontenot
JJ Popowich



Audit Committee Charter

December 2020

A decorative graphic at the bottom of the page consisting of several overlapping, semi-transparent geometric shapes in shades of blue and grey. The shapes are arranged in a way that creates a sense of depth and movement. The year "2020" is prominently displayed in a large, bold, blue font on the right side of the graphic.

2020



AUDIT COMMITTEE CHARTER

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AUDIT COMMITTEE CHARTER

I. CHARTER

This Charter establishes the authority and responsibilities of the Audit Committee, as assigned by Los Angeles County Employees Retirement Association's (LACERA) Board of Retirement and Board of Investments (Boards). The Audit Committee Charter is a living document and should be reviewed at least every three years.

II. PURPOSE AND ASSIGNED FIDUCIARY OVERSIGHT DUTIES

In November 2003, LACERA's Boards established the LACERA Audit Committee.

The purpose of the Audit Committee is to assist the Boards in fulfilling their fiduciary oversight duties for the:

- A.** Internal Audit Activity
- B.** Professional Service Provider Activity
- C.** Financial Reporting Process
- D.** Values and Ethics, and
- E.** Organizational Governance

III. PRINCIPLES OF THE AUDIT COMMITTEE

The Audit Committee will conduct itself in accordance with LACERA's Code of Ethical Conduct and the following core principles from the Institute of Internal Auditors' (IIA) Code of Ethics. The Audit Committee expects the Boards, Management, and staff will also adhere to these requirements.

Integrity – The Audit Committee Members will perform their work with honesty, diligence, and responsibility. The Audit Committee expects and will encourage transparency when fulfilling its duties. Communications between Committee Members, Management, staff, and/or Professional Service Providers will be open, direct, and complete. Subject to applicable laws and organizational limitations, Internal Audit will regularly provide the Audit Committee with updates on audit and consulting projects completed and related findings and follow-up.

Independence & Objectivity - The Audit Committee will perform its responsibilities in an independent manner and in compliance with fiduciary duty without exception. Audit Committee Members will disclose any conflicts of interest (actual or perceived) to the Committee.

Confidentiality – The Audit Committee Members will be prudent in the use and protection of information acquired during the course of its duties.



Competency - Audit Committee Members will receive formal orientation training on the purpose and mandate of the Committee and LACERA's objectives. Audit Committee Members are obligated to prepare for and participate in Committee meetings.

Professional Standards - The Audit Committee will ensure all related work will be handled with the highest professional standards consistent with auditing standards of practice and industry guidelines.

IV. AUTHORITY

The Audit Committee will have unrestricted access to Management and staff, and any relevant information it considers necessary to discharge its duties. All employees are directed to cooperate with the Committee and its requests. If access to requested information is denied due to legal or confidentiality reasons, the Audit Committee and/or CAE will follow a prescribed, Board approved mechanism for resolution of the matter.

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of duties, including engaging independent counsel and/or other advisors it deems necessary.

The Audit Committee is empowered to:

1. Approve the appointment, compensation, and work of the Financial Auditor hired to audit LACERA's financial statements.
2. Approve the appointment, compensation, and work of other Professional Service Providers to perform non-financial statement audits, reviews, or investigations, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
3. Resolve any significant disagreements regarding risks, findings, and/or payment between Management and the Financial and/or Other Service Providers.

V. AUDIT COMMITTEE COMPOSITION AND CONSULTANT

The Audit Committee will consist of seven members: three elected annually from each Board and the ex-officio member of both Boards, the LA County's Treasurer and Tax Collector. If any elected Audit Committee member leaves Board service or resigns from the Audit Committee prior to the completion of their term, the Board of the departing member, will elect a new Audit Committee member at the next regularly scheduled Board meeting.



The Committee shall have the authority to approve the hiring of the Audit Committee Consultant as an advisor through a Request for Proposal process. The Audit Committee Consultant will be designated as the audit technical and financial expert, to advise the Committee on audit and financial matters. The Audit Committee Consultant's contract will be for three years.

At the first Committee meeting of each calendar year, the Committee shall elect a Chairman, Vice Chair and Secretary, each to serve for a term of one year or until his or her successor is duly elected and qualified, whichever is less. In the event of a vacancy in the office of Chair, the Vice Chair shall immediately assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair or Secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.

VI. AUDIT COMMITTEE MEETINGS

The Audit Committee will conduct regular meetings at least four times per year, with authority to convene additional meetings, as circumstances require. The time frame between Audit Committee meetings should not exceed four months.

All Committee Members are expected to attend each meeting.

All meetings of the Audit Committee shall be as noticed as joint meetings with the Board of Retirement and Board of Investments to allow for participation of all trustees in open and closed session Audit Committee discussions, provided that non-committee trustees may not make or second motions or vote and provided further that closed sessions to discuss the CAE's annual assessment and the Committee's recommendation to the Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE shall be noticed for attendance by Committee members only.

Regular meeting notices and agendas will be posted at least 72 hours in advance of the regular meetings and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda will be made available for review at the office of the staff secretary to the Committee. The Committee will invite members of Management, Internal Auditors, Financial Auditors, all other Professional Service Providers, and/or others to attend meetings and provide pertinent information, as necessary.

Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee will have such other powers as provided in the Brown Act.

Robert's Rules of Order, except as otherwise provided herein, shall guide the Committee in its proceedings; however, the Chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the chair. The order of business shall be as determined by formal action of the Committee. Four members of the seven-member Audit Committee, excluding the Audit Committee Consultant, constitute a quorum.



The Secretary of the Committee shall cause to be recorded in the minutes the time and place of each meeting of the Committee, the names of the members present, all official acts of the Committee, the votes given by members except when the action is unanimous, and when requested by a member, that member's dissent or approval with his or her reasons, and shall cause the minutes to be written forthwith and presented for approval at the next regular meeting.

VII. RESPONSIBILITIES

A. Internal Audit Activity

1. Internal Audit Strategy and Annual Plan
 - a. Review and provide input on Internal Audit's annual risk assessment
 - b. Review and approve Internal Audit's Annual Audit Plan (Plan) and resource plan, make recommendations concerning audit projects.
 - c. Recommend to the Boards a budget to achieve the Plan plus a contingent budget for additional work related to audit findings or other unplanned work.
 - d. Review and monitor Internal Audit's activity relative to its Plan. Review and approve all major changes to the Plan.
2. Internal Audit Engagement & Follow-Up
 - a. Review and discuss engagement reports to take the following action(s):
 - i. accept and file report,
 - ii. instruct staff to forward report to Boards or Committees,
 - iii. make recommendations to the Boards or Committees regarding actions as may be required based on audit findings and/or,
 - iv. provide further instruction to staff.
 - b. Monitor Internal Audit's recommendations to ensure Management has adequately and timely addressed the risk(s) identified, either through implementing a new policy, procedure, or process, or accepting the associated risk.
 - c. Inquire whether any evidence of fraud has been identified during internal or external audit engagements, and evaluate what additional actions, if any, should be taken.
 - d. Inquire whether any audit or non-audit engagements have been completed but not reported to the Audit Committee; if so, inquire whether any matters of significance arose from such work.
 - e. Review and advise Management and the Boards on the results of any special investigations.



3. Standards Conformance
 - a. Approve the Internal Audit Charter.
 - b. Ensure the Internal Audit Division conforms with the IIA's International Standards for the Professional Practice of Internal Audit, particularly the independence of Internal Audit and its organizational structure.
 - c. Ensure the Internal Audit Division has a quality assurance and improvement program (QAIP), and that the results of these periodic assessments are presented to the Audit Committee.
 - d. Ensure the Internal Audit Division has an external quality assurance review every five years. Review the results of the external quality assurance review and monitor the implementation of related recommendations.

Advise the Boards about any recommendations for the continuous improvement of the internal audit activity.

4. Chief Audit Executive (CAE)

Since the CAE reports to the Chief Executive Officer (CEO) for administrative purposes, but to the Audit Committee for functional purposes, the Audit Committee will be responsible for the following:

- a. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE, which will be addressed by the Boards in a joint meeting. Both Boards will make the final decisions as to the appointment, discipline, dismissal, and/or removal of the CAE. The CEO has authority to administer minor discipline, which is limited to counseling memos and written warnings, with notice of such discipline to be provided to the Committee and the Boards at their next meetings. Consideration by the Boards and the Committee concerning the appointment, discipline, dismissal, and/or removal of the CAE will be made in executive session under Government Code Section 54957(b).
- b. Perform the CAE's annual assessment with qualitative input from the CAE and CEO. The Committee's discussion regarding the CAE's annual performance evaluation will be made in executive session under Government Code Section 54957(b).
- c. Administer the CAE's annual salary adjustment using the Boards' established compensation structure.

B. Professional Service Provider Activity

The Audit Committee is responsible for the oversight of all work performed by professional service providers (Service Providers) for audits, reviews, or investigations, including the audit of LACERA's financial statements.



1. Approve the appointment and compensation of the External Financial Auditor, hired to perform an independent audit of LACERA's financial statements. Oversee the work of the Financial Auditor, including review of the Financial Auditor's proposed audit scope and approach, as well as coordination with Internal Audit and Management.
2. Approve the appointment and compensation of other Professional Service Providers, hired to perform non-financial statement audits, reviews or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
3. Review the Professional Service Providers, including the Financial Auditor, and Management the results of the work performed, any findings and recommendations, Management's responses, and actions taken to implement the audit recommendations.

C. Financial Reporting Process

The Audit Committee is responsible for the oversight of the independent audit of LACERA's financial statement, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics.

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with Management and the Financial Auditors the results of the audit, including any difficulties encountered.
3. Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
4. Review with Management and the Financial Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

D. Values and Ethics

1. Review and assess LACERA's Code of Ethical Conduct established by the Boards and Management.
2. Annually, review Management's process for communicating LACERA's Code of Ethical Conduct to Trustees, Management, and staff, and for monitoring compliance therewith.



3. Review reports received relating to conflicts of interest and ethics issues, and if appropriate, make a recommendation to the Boards.

E. Organizational Governance

To obtain reasonable assurance with respect to LACERA's governance process, the Audit Committee will review and provide advice on the governance process established and maintained, and the procedures in place to ensure they are operating as intended.

1. Risk Management

- a. Annually review LACERA's risk profile.
- b. Obtain from the CAE an annual report on Management's implementation and maintenance of an appropriate enterprise wide risk management process. Provide advice on the risk management processes established and maintained, and the procedures in place to ensure that they are operating as intended.
- c. Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management and the Boards.

2. Fraud

- a. Oversee Management's arrangements for the prevention and detection of fraud, including ensuring adequate time is spent discussing and raising awareness about fraud and the Hotline.
- b. Review a summary of Hotline reports, and if appropriate make a recommendation to the Boards.

3. System of Internal Controls

- a. Consider the effectiveness of LACERA's internal control system, including information technology security and control, as well as all other aspects of LACERA's operations.
- b. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.
- c. Review and provide advice on control of LACERA as a whole and its individual divisions.

4. System of Compliance

- a. Annually, review the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are business critical.



- b. As needed, review the observations and findings of any examinations by regulatory agencies.
- c. Obtain regular updates from Management and LACERA's Legal Office regarding compliance matters.
- d. At least annually, review reported activity to ensure issues of fraud, noncompliance, and/or inappropriate activities are being addressed.

F. Other Responsibilities

- 1. Report to the Boards as needed about the Audit Committee's activities, issues, and related recommendations.
- 2. Provide an open avenue of communication between Internal Audit, all Professional Service Providers, including the Financial Auditor, Management, and the Boards.
- 3. Perform other activities related to this Charter as requested by the Boards.
- 4. Review and assess the adequacy of the Committee's Charter at least every three years, requesting the Boards' approval for proposed changes.

VIII. APPROVAL

This Charter was reviewed by the Audit Committee on December 11, 2020 and approved by the Board of Investments and Board of Retirement on December 16, 2020. This Charter is thereby effective December 16, 2020 and is hereby signed by the following persons who have authority and responsibilities under this Charter.

Gina V Sanchez

Gina Sanchez

Chair, Audit Committee

1/13/2021

Date

David Green

David Green

Chair, Board of Investments

1/13/21

Date

Herman B. Santos

Herman Santos

Chair, Board of Retirement

1/13/2021

Date

Signature: 
Gina V Sanchez (Jan 14, 2021 14:00 PST)

Email: gsanchez@lacera.com

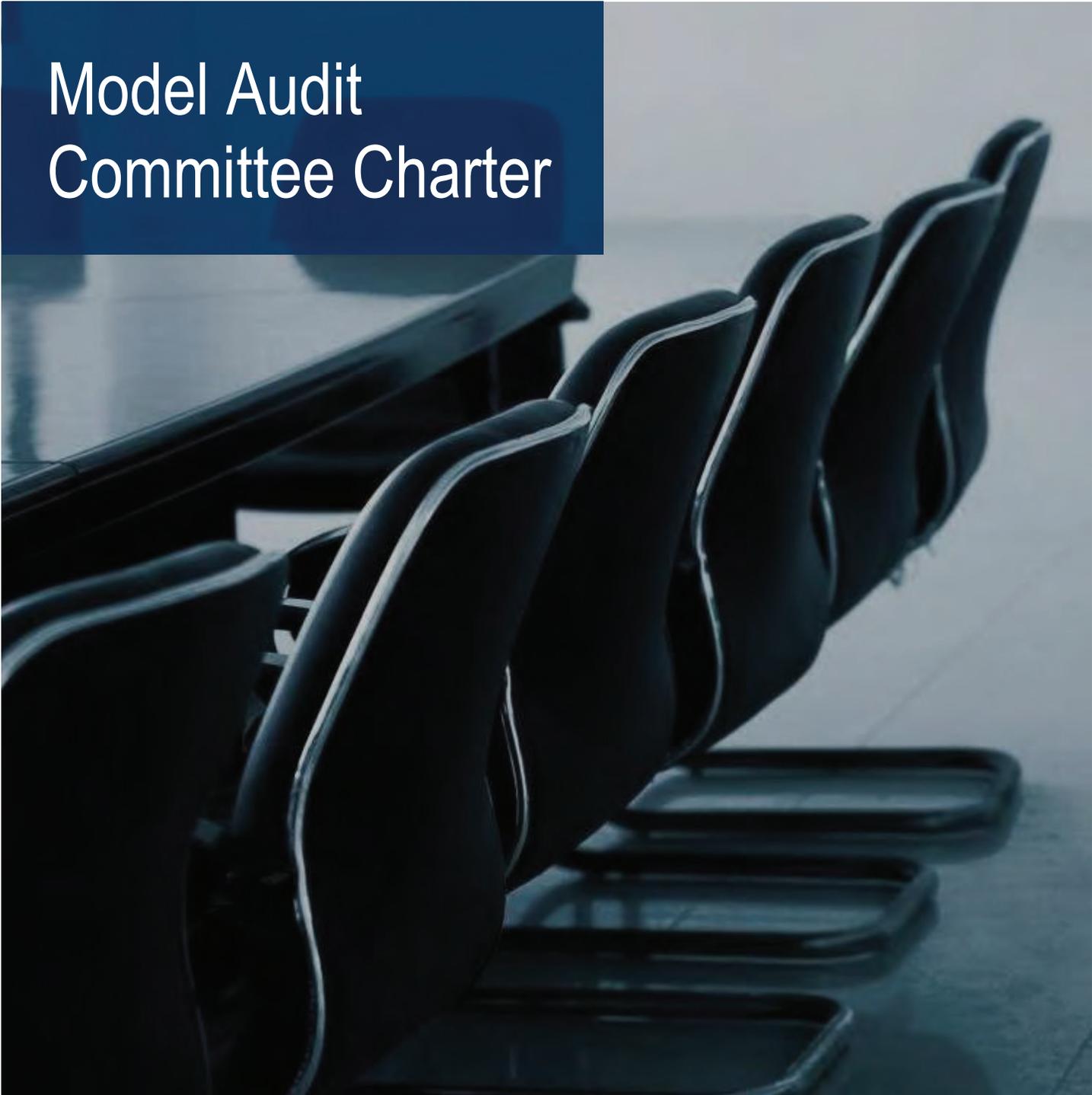
Signature: 
Herman Santos (Jan 20, 2021 14:13 PST)

Email: hermansantos49@gmail.com

Signature: 
David Green (Jan 14, 2021 14:09 PST)

Email: davidgreen37@sbcglobal.net

Model Audit Committee Charter



Revised: March 2017

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Preface

The Model Audit Committee Charter is designed to illustrate common or leading practices typically set out in an audit committee charter. The generic nature of this draft is intended to encourage customization.

The document may not reflect all legal or regulatory requirements that exist in the every jurisdiction. Additionally, stakeholder expectations may influence the inclusion or deletion of certain practices.

In drafting an audit committee charter, care should be exercised to customize the charter, including replacing bracketed, blue text with language that accurately reflects the user's situation.

Organizational Principles

Introduction [Optional]

The audit committee plays an important role in providing oversight of the organization's governance, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. The audit committee performs its role by providing independent oversight to the governing body e.g. board.

Background [Optional]

The audit committee was established on [date]. At that time, the charter for the committee was established. The charter, which governs the work of the committee, was reviewed and updated on [date].

Purpose

The purpose of the audit committee is to provide a structured, systematic oversight of the organization's governance, risk management, and internal control practices. The committee assists the board and management by providing advice and guidance on the adequacy of the organization's initiatives for:

- Values and ethics.
- Governance structure.
- Risk management.
- Internal control framework.
- Oversight of the internal audit activity, external auditors, and other providers of assurance.
- Financial statements and public accountability reporting.

In broad terms, the audit committee reviews each of the items noted above and provides the board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

Mandate [Optional]

The mandate for the establishment of the audit committee was derived from [Insert text; the exact source of the mandate will vary among jurisdictions and depend on the location, government structure, type of public sector services, and relationship to other government entities. This section is typical for public sector organizations and may come in the form of laws, regulations, policies and procedures, or bylaws.].

Authority

The audit committee charter sets out the authority of the audit committee to carry out the responsibilities established for it by the board as articulated within the Audit Committee Charter.

In discharging its responsibilities, the audit committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its duties. The committee also will have unrestricted access to records, data, and reports. If access to requested documents is denied due to legal or confidentiality reasons, the Audit Committee and/or CAE will follow a prescribed, board approved mechanism for resolution of the matter.

The audit committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The organization's management and staff should cooperate with audit committee requests.

The audit committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties.

The audit committee is empowered to:

- Appoint, compensate, and oversee all audit and non-audit services performed by auditors, including the work of any registered public accounting firm employed by the organization. **[Note: This requirement may not be applicable in the public sector if the external auditor is established by legislation; for example, an Auditor General.]**
- Resolve any disagreements between management and the external auditor regarding financial reporting and other matters.
- Preapprove all auditing and non-audit services performed by auditors.

Composition of the Audit Committee

The audit committee will consist of **[Insert number; at least three]** members that are independent of the organization. The members should collectively possess sufficient knowledge of audit, finance, specific industry knowledge, IT, law, governance, risk, and control. Because the responsibilities of the audit committee evolve in response to regulatory, economic, and reporting developments, it is important to periodically re-evaluate members' competencies and the overall balance of skills on the committee in response to emerging needs.

The Chair of the Audit Committee

The board will designate the chair of the audit committee and appointment committee members.

Terms of Office

The term of office for an audit committee member is **[Insert number; typically three to four]** years. Continuance of audit committee members will be reviewed annually. To ensure continuity

within the audit committee, the appointment of members should be staggered. [Note: In some jurisdictions there are limits to the number of terms which independent members of the committee may serve, if this is the case such limits may be reflected in the charter.]

Quorum

The quorum for the audit committee will be a majority of the members.

Operational Principles

Audit Committee Values

The audit committee will conduct itself in accordance with the code of values and ethics of the organization and [Add reference to additional pertinent legislation/regulations/policies]. The audit committee expects that management and staff of the organization will adhere to these requirements.

Communications

The audit committee expects that all communication with management and staff of the organization as well as with any external assurance providers will be direct, open, and complete.

Work Plan

The audit committee chair will collaborate with senior management and the chief audit executive (CAE) to establish a work plan to ensure that the responsibilities of the audit committee are scheduled and will be carried out.

Meeting Agenda

The chair will establish agendas for audit committee meetings in consultation with audit committee members, senior management, and the CAE.

Information Requirements

The audit committee will establish and communicate its requirements for information, which will include the nature, extent, and timing of information. Information will be provided to the audit committee at least one week prior to each audit committee meeting.

Executive Sessions

The audit committee will schedule, and hold if necessary, a private session with the chief executive officer (CEO), the chief financial officer (CFO), the CAE, external assurance providers, and with any other officials that the audit committee may deem appropriate at each of its meetings.

Preparation and Attendance

Audit committee members are obligated to prepare for and participate in committee meetings.

Conflict(s) of Interest

Audit committee members should adhere to the organization's code of conduct and any values and ethics established by the organization. It is the responsibility of audit committee members to disclose any conflict of interest or appearance of a conflict of interest to the committee. If there is any question as to whether audit committee member(s) should recuse themselves from a vote, the committee should vote to determine whether the member should recuse himself or herself.

Orientation and Training

Audit committee members will receive formal orientation training on the purpose and mandate of the committee and on the organization's objectives. A process of continuing education will be established.

Operational Procedures

Meetings

The audit committee will meet at least **[Insert number; at least four is generally recommended]** times annually or more frequently as the committee deems necessary. The time frame between audit committee meetings should not exceed four months.

Minutes

Minutes will be prepared in accordance with applicable law, regulation, bylaw, policy, procedure, and/or other applicable requirements. Meeting minutes will be provided in draft format at least two weeks after the audit committee meeting.

Required Attendance

The CAE and **[Insert text; include the title of the person to whom the CAE reports and the title of the person responsible for managing the external audit relationship]** are required to attend all audit committee meetings.

Secretariat Services

The CAE (or another appropriate designee) will facilitate and coordinate meetings as well as provide ancillary support to the committee, as time and resources permit.

Remuneration of Committee Members

Committee members may be reimbursed for travel and committee-related expenses. **[If applicable, a policy should be established and outlined in the legal basis and/or a formal travel policy that applies to all committee members.]**

Payment rates and allowances for committee members' time and/or services are established formally in **[Insert text regarding laws, regulations, or in written policy and procedures by the governing body]**.

Professional Indemnity Insurance: **[Professional indemnity insurance arrangements that are suitable to both the member and the organization should be established. Insert text regarding agreed-upon arrangements]**.

Responsibilities

It is the responsibility of the audit committee to provide the board with independent, objective advice on the adequacy of management's arrangements with respect to the following aspects of the management of the organization:

Values and Ethics

To obtain reasonable assurance with respect to the organization's values and ethics practices, the audit committee will:

- Review and assess the policies, procedures, and practices established by the governing body to monitor conformance with its code of conduct and ethical policies by all managers and staff of the organization.
- Provide oversight of the mechanisms established by management to establish and maintain high ethical standards for all of the managers and staff of the organization.
- Review and provide advice on the systems and practices established by management to monitor compliance with laws, regulations, policies, and standards of ethical conduct and identify and deal with any legal or ethical violations.

Organizational Governance

To obtain reasonable assurance with respect to the organization's governance process, the audit committee will review and provide advice on the governance process established and maintained within the organization and the procedures in place to ensure that they are operating as intended.

Risk Management

To obtain reasonable assurance with respect to the organization's risk management practices, the audit committee will:

- Annually review the organization's risk profile.
- Obtain from the CAE an annual report on management's implementation and maintenance of an appropriate enterprise wide risk management process.

- Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by senior management and the board.
- Provide oversight of the adequacy of the combined assurance being provided.
- Review and provide advice on the risk management processes established and maintained by management and the procedures in place to ensure that they are operating as intended.

Fraud

To obtain reasonable assurance with respect to the organization's procedures for the prevention and detection of fraud, the audit committee will:

- Oversee management's arrangements for the prevention and deterrence of fraud.
- Ensure that appropriate action is taken against known perpetrators of fraud.
- Challenge management and internal and external auditors to ensure that the entity has appropriate antifraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.

Control

To obtain reasonable assurance with respect to the adequacy and effectiveness of the organization's controls in responding to risks within the organization's governance, operations and information systems, the audit committee will:

- Consider the effectiveness of the organization's control framework, including information technology security and control.
- Review and provide advice on the control of the organization as a whole and its individual units.
- Receive reports on all matters of significance arising from work performed by other providers of financial and internal control assurance to senior management and the board.

Compliance

The audit committee will:

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the observations and conclusions of internal and external auditors and the findings of any regulatory agencies.

- Review the process for communicating the code of conduct to the organization's personnel and for monitoring compliance.
- Obtain regular updates from management and the organization's legal counsel regarding compliance matters.

Oversight of the Internal Audit Activity and Other Assurance Providers

Internal Audit Activity

To obtain reasonable assurance with respect to work of the internal audit activity, the audit committee will provide oversight related to:

Internal Audit Charter and Resources

- Review and approve the internal audit charter at least annually. The charter should be reviewed to ensure that it accurately reflects the internal audit activity's purpose, authority, and responsibility, consistent with the mandatory guidance of The IIA's International Professional Practices Framework and the scope and nature of assurance and consulting services, as well as changes in the financial, risk management, and governance processes of the organization and reflects developments in the professional practice of internal auditing.
- Advise the board about increases and decreases to the requested resources to achieve the internal audit plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing.

CAE Performance

- Advise the board regarding the qualifications and recruitment, appointment, and removal of the CAE.
- Provide input to management related to evaluating the performance of the CAE.
- Recommend to management or the governing body the appropriate compensation of the CAE.

Internal Audit Strategy and Plan

- Review and provide input on the internal audit activity's strategic plan, objectives, performance measures, and outcomes.
- Review and approve proposed risk-based internal audit plan and make recommendations concerning internal audit projects.
- Review and approve the internal audit plan and engagement work program, including reviewing internal audit resources necessary to achieve the plan.
- Review the internal audit activity's performance relative to its audit plan.

Internal Audit Engagement and Follow Up

- Review internal audit reports and other communications to management.
- Review and track management's action plans to address the results of internal audit engagements.
- Review and advise management on the results of any special investigations.
- Inquire of the CAE whether any internal audit engagements or non-audit engagements have been completed but not reported to the committee; if so, inquire whether any matters of significance arose from such work.
- Inquire of the CAE whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken.

Standards Conformance

- Inquire of the CAE about steps taken to ensure that the internal audit activity conforms with The IIA's *International Standards for the Professional Practice of Internal Auditing (Standards)*.
- Ensure that the internal audit activity has a quality assurance and improvement program and that the results of these periodic assessments are presented to the audit committee.
- Ensure that the internal audit activity has an external quality assurance review every five years.
- Review the results of the independent external quality assurance review and monitor the implementation of the internal audit activity's action plans to address any recommendations.
- Advise the board about any recommendations for the continuous improvement of the internal audit activity.

External Auditors

To obtain reasonable assurance with respect to work of the external assurance providers, the audit committee will meet with the external assurance providers during the planning phase of the engagement, the presentation of the audited financial statements, and the discussion of the results of engagements and recommendations for management.

The audit committee will:

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with the internal audit activity. **[Note: This may not be applicable in a public sector setting.]**
- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors. **[Note: This may not be applicable in a public sector setting.]**

- Obtain statements from the external auditors about their relationships with the organization, including non-audit services performed in the past, and discuss the information with the external auditors to review and confirm their independence.
- Have regularly scheduled exclusive meetings with external auditors to discuss any sensitive matters.
- Monitor management's progress on action plans.

To obtain reasonable assurance that management has acted on the results and recommendations of internal and external audit engagements, the audit committee will regularly review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements.

Financial Statements and Public Accountability Reporting

The audit committee is responsible for oversight of the independent audit of the government entity's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics.

The audit committee will:

- Review with management and the external auditors the results of audit engagements, including any difficulties encountered.
- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings and consider the accuracy and completeness of the information before it is released.
- Review with management and the external auditors all matters required to be communicated to the audit committee under generally accepted external auditing standards.
- Understand strategies, assumptions and estimates that management has made in preparing financial statements, budgets, and investment plans.
- Understand how management develops interim financial information and the nature and extent of internal and external auditor involvement in the process.
- Review interim financial reports with management and external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.

Other Responsibilities

In addition, the audit committee will:

- Perform other activities related to this charter as requested by the governing body.
- Institute and oversee special investigations as needed.
- Regularly evaluate its performance and that of its individual members. **[Note: Annual assessments are recommended.]**

Reporting on Audit Committee Performance

The audit committee will report to the board annually, summarizing the committee's activities and recommendations. The report may be delivered during an audit committee meeting attended by the board or during a regularly scheduled meeting of the board.

The report should include:

- A summary of the work the audit committee performed to fully discharge its responsibilities during the preceding year.
- A summary of management's progress in addressing the results of internal and external audit engagement reports.
- An overall assessment of management's risk, control, and compliance processes, including details of any significant emerging risks or legislative changes impacting the governing organization.
- Details of meetings, including the number of meetings held during the relevant period and the number of meetings each member attended.
- Provide information required, if any, by new or emerging corporate governance developments.
- The committee may report to the governing body at any time regarding any other matter it deems of sufficient importance.

Approval/Signatures

Chief Executive Officer _____ Date _____

Audit Committee Chair _____ Date _____

Chairman of the Board _____ Date _____

ABOUT THE IIA

The Institute of Internal Auditors (IIA) is the internal audit profession's most widely recognized advocate, educator, and provider of standards, guidance, and certifications. Established in 1941, The IIA today serves more than 190,000 members from more than 170 countries and territories. The association's global headquarters are in Lake Mary, Fla., USA. For more information, visit www.globaliia.org.

DISCLAIMER

The IIA publishes this document for informational and educational purposes and, as such, is only intended to be used as a guide. This guidance material is not intended to provide definitive answers to specific individual circumstances. The IIA recommends that you always seek independent expert advice relating directly to any specific situation. The IIA accepts no responsibility for anyone placing sole reliance on this guidance.

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Audit Committee Charter

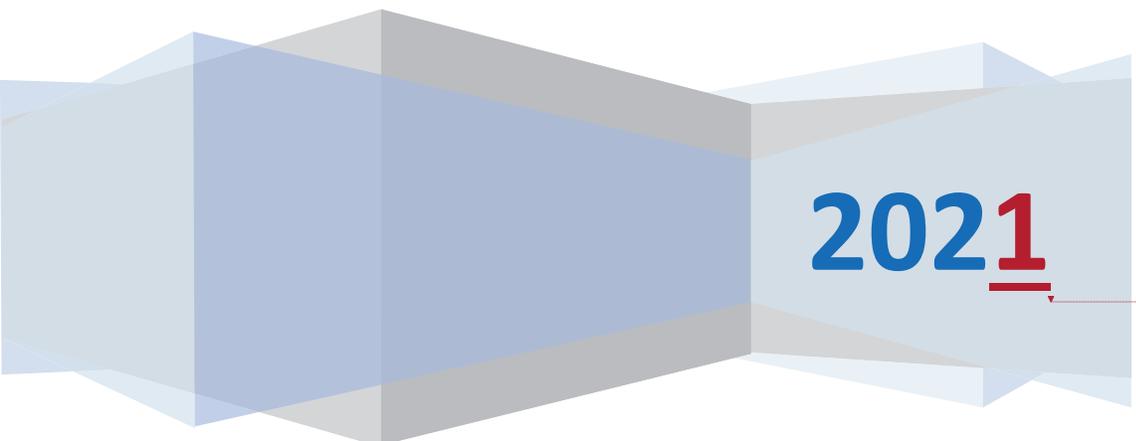
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AUDIT COMMITTEE CHARTER

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AUDIT COMMITTEE CHARTER

I. CHARTER

This Charter establishes the authority and responsibilities of the Audit Committee, as assigned by Los Angeles County Employees Retirement Association’s (LACERA) Board of Retirement and Board of Investments (Boards). The Audit Committee Charter is a living document and should be reviewed at least every three years.

II. PURPOSE AND ASSIGNED FIDUCIARY OVERSIGHT DUTIES

In November 2003, LACERA’s Boards established the LACERA Audit Committee.

The purpose of the Audit Committee is to assist the Boards in fulfilling their fiduciary oversight duties for the:

- A. Internal Audit Activity
- B. Professional Service Provider Activity
- C. Financial Reporting Process
- D. Values and Ethics, and
- E. Organizational Governance
- F. [Audit Committee and Internal Audit Budget](#)

III. PRINCIPLES OF THE AUDIT COMMITTEE

The Audit Committee will conduct itself in accordance with LACERA’s Code of Ethical Conduct and the following core principles from the Institute of Internal Auditors’ (IIA) Code of Ethics. The Audit Committee expects the Boards, Management, and staff will also adhere to these requirements.

Integrity – The Audit Committee Members will perform their work with honesty, diligence, and responsibility. The Audit Committee expects and will encourage transparency when fulfilling its duties. Communications between Committee Members, Management, staff, and/or Professional Service Providers will be open, direct, and complete. Subject to applicable laws and organizational limitations, Internal Audit will regularly provide the Audit Committee with updates on audit and consulting projects completed and related findings and follow-up.

Independence & Objectivity - The Audit Committee will perform its responsibilities in an independent manner and in compliance with fiduciary duty without exception. Audit Committee Members will disclose any conflicts of interest (actual or perceived) to the Committee.

Confidentiality – The Audit Committee Members will be prudent in the use and protection of information acquired during the course of its duties.

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Competency - Audit Committee Members will receive formal orientation training on the purpose and mandate of the Committee and LACERA’s objectives. Audit Committee Members are obligated to prepare for and participate in Committee meetings.

Professional Standards - The Audit Committee will ensure all related work will be handled with the highest professional standards consistent with auditing standards of practice and industry guidelines.

IV. AUTHORITY

The Audit Committee will have unrestricted access to Management and staff, and any relevant information it considers necessary to discharge its duties. All employees are directed to cooperate with the Committee and its requests. If access to requested information is denied due to legal or confidentiality reasons, the Audit Committee and/or CAE will follow a prescribed, Board approved mechanism for resolution of the matter.

The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of duties, including engaging independent counsel and/or other advisors it deems necessary.

V. AUDIT COMMITTEE COMPOSITION AND CONSULTANT

The Audit Committee will consist of seven members: three elected annually from each Board and the ex-officio member of both Boards, the Los Angeles County Treasurer. If any elected Audit Committee member leaves Board service or resigns from the Audit Committee prior to the completion of his or her term, the Board of the departing member, will elect a new Audit Committee member at the next regularly scheduled Board meeting.

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Deleted: The Audit Committee is empowered to:
¶ Approve the appointment, compensation, and work of the Financial Auditor hired to audit LACERA’s financial statements.
¶ Approve the appointment, compensation, and work of other Professional Service Providers to perform non-financial statement audits, reviews, or investigations, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
¶ Resolve any significant disagreements regarding risks, findings, and/or payment between Management and the Financial and/or Other Service Providers.

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The Committee shall have the authority to approve the hiring of the Audit Committee Consultant as an advisor through a Request for Proposal process. The Audit Committee Consultant will be designated as the audit technical and financial expert, to advise the Committee on audit and financial matters. The Audit Committee Consultant’s contract will be for three years.

At the first Committee meeting of each calendar year, the Committee shall elect a Chair, Vice Chair and Secretary, each to serve for a term of one year or until his or her successor is duly elected and qualified, whichever is less. In the event of a vacancy in the office of Chair, the Vice Chair shall immediately assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair or Secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.

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VI. AUDIT COMMITTEE MEETINGS

The Audit Committee will conduct regular meetings at least four times per year, with authority to convene additional meetings, as circumstances require. The time frame between Audit Committee meetings should not exceed four months.

All Committee Members are expected to attend each meeting.

All meetings of the Audit Committee shall be as noticed as joint meetings with the Board of Retirement and Board of Investments to allow for participation of all trustees in open and closed session Audit Committee discussions, provided that non-committee trustees may not make or second motions or vote and provided further that closed sessions to discuss the CAE’s annual assessment and the Committee’s recommendation to the Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE shall be noticed for attendance by Committee members only.

Regular meeting notices and agendas will be posted at least 72 hours in advance of the regular meetings and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda will be made available for review at the office of the staff secretary to the Committee and also published on the LACERA website, lacera.com. The Committee will invite members of Management, Internal Auditors, Financial Auditors, all other Professional Service Providers, and/or others to attend meetings and provide pertinent information, as necessary.

Commented [CL3]: Added website to align with current options for public documents

Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee will have such other powers as provided in the Brown Act.

Robert’s Rules of Order, except as otherwise provided herein, shall guide the Committee in its proceedings; however, the Chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the chair. The order of business shall be as determined by formal action of the Committee. Four members of the seven-member Audit Committee, constitute a quorum.

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The Secretary of the Committee shall cause to be recorded in the minutes the time and place of each meeting of the Committee, the names of the members present, all official acts of the Committee, the votes given by members except when the action is unanimous, and when requested by a member, that member’s dissent or approval with his or her reasons, and shall cause the minutes to be written forthwith and presented for approval at the next regular meeting.

VII. RESPONSIBILITIES

A. Internal Audit Activity

1. Internal Audit Strategy and Annual Plan
 - a. Review and provide input on Internal Audit’s annual risk assessment
 - b. Review and approve Internal Audit’s Annual Audit Plan (Plan) and resource plan, make recommendations concerning audit projects.
 - c. Review and monitor Internal Audit’s activity relative to its Plan. Review and approve all major changes to the Plan.
2. Internal Audit Engagement & Follow-Up
 - a. Review and discuss engagement reports to take the following action(s):
 - i. accept and file report,
 - ii. instruct staff to forward report to Boards or Committees,
 - iii. make recommendations to the Boards or Committees regarding actions as may be required based on audit findings and/or,
 - iv. provide further instruction to staff.
 - b. Monitor Internal Audit’s recommendations to ensure Management has adequately and timely addressed the risk(s) identified, either through implementing a new policy, procedure, or process, or accepting the associated risk.
 - c. Inquire whether any evidence of fraud has been identified during internal or external audit engagements, and evaluate what additional actions, if any, should be taken.
 - d. Inquire whether any audit or non-audit engagements have been completed but not reported to the Audit Committee; if so, inquire whether any matters of significance arose from such work.
 - e. Review and advise Management and the Boards on the results of any special investigations.

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3. Standards Conformance

- a. Approve the Internal Audit Charter.
- b. Ensure the Internal Audit Division conforms with the IIA's International Standards for the Professional Practice of Internal Audit, particularly the independence of Internal Audit and its organizational structure.
- c. Ensure the Internal Audit Division has a quality assurance and improvement program (QAIP), and that the results of these periodic assessments are presented to the Audit Committee.
- d. Ensure the Internal Audit Division has an external quality assurance review every five years. Review the results of the external quality assurance review and monitor the implementation of related recommendations.

Advise the Boards about any recommendations for the continuous improvement of the internal audit activity.

4. Chief Audit Executive (CAE)

Since the CAE reports to the Chief Executive Officer (CEO) for administrative purposes, but to the Audit Committee for functional purposes, the Audit Committee will be responsible for the following:

- a. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE, which will be addressed by the Boards in a joint meeting. Both Boards will make the final decisions as to the appointment, discipline, dismissal, and/or removal of the CAE. The CEO has authority to administer minor discipline, which is limited to counseling memos and written warnings, with notice of such discipline to be provided to the Committee and the Boards at their next meetings. Consideration by the Boards and the Committee concerning the appointment, discipline, dismissal, and/or removal of the CAE will be made in executive session under Government Code Section 54957(b).
- b. Perform the CAE's annual assessment with qualitative input from the CAE and CEO. The Committee's discussion regarding the CAE's annual performance evaluation will be made in executive session under Government Code Section 54957(b).
- c. Administer the CAE's annual salary adjustment using the Boards' established compensation structure.

B. Professional Service Provider Activity

The Audit Committee is responsible for the oversight of all work performed by professional service providers (Service Providers) for audits, reviews, or investigations, including the audit of LACERA's financial statements.

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1. Approve the appointment and compensation of the Financial Auditor, hired to perform an independent audit of LACERA’s financial statements. Oversee the work of the Financial Auditor, including review of the Financial Auditor’s proposed audit scope and approach, as well as coordination with Internal Audit and Management.
2. Approve the appointment and compensation of other Professional Service Providers, hired to perform non-financial statement audits, reviews or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
3. Review the Professional Service Providers, including the Financial Auditor, and Management the results of the work performed, any findings and recommendations, Management’s responses, and actions taken to implement the audit recommendations.
4. Resolve any significant disagreements regarding risks, findings and/or compensation between management and Professional Service Providers

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C. Financial Reporting Process

The Audit Committee is responsible for oversight of the independent audit of LACERA’s financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics.

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with Management and the Financial Auditors the results of the audit, including any difficulties encountered.
3. Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
4. Review with Management and the Financial Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

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D. Values and Ethics

1. Review and assess LACERA’s Code of Ethical Conduct established by the Boards and Management.
2. Annually, review Management’s process for communicating LACERA’s Code of Ethical Conduct to Trustees, Management, and staff, and for monitoring compliance therewith.

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3. Review reports received relating to conflicts of interest and ethics issues, and if appropriate, make a recommendation to the Boards.

E. Organizational Governance

To obtain reasonable assurance with respect to LACERA's governance process, the Audit Committee will review and provide advice on the governance process established and maintained, and the procedures in place to ensure they are operating as intended.

1. Risk Management

- a. Annually review LACERA's risk profile.
- b. Obtain from the CAE an annual report on Management's implementation and maintenance of an appropriate enterprise-wide risk management process. Provide advice on the risk management processes established and maintained, and the procedures in place to ensure that they are operating as intended.
- c. Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management and the Boards.

2. Fraud

- a. Oversee Management's arrangements for the prevention and detection of fraud, including ensuring adequate time is spent discussing and raising awareness about fraud and the Hotline.
- b. Review a summary of Hotline reports, and if appropriate make a recommendation to the Boards.

3. System of Internal Controls

- a. Consider the effectiveness of LACERA's internal control system, including information technology security and control, as well as all other aspects of LACERA's operations.
- b. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.
- c. Review and provide advice on control of LACERA as a whole and its individual divisions.

4. System of Compliance

- a. Annually, review the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are business critical.

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- b. As needed, review the observations and findings of any examinations by regulatory agencies.
- c. Obtain regular updates from Management and LACERA’s Legal Office regarding compliance matters.
- d. At least annually, review reported activity to ensure issues of fraud, noncompliance, and/or inappropriate activities are being addressed.

F. Audit Committee and Internal Audit Budget

LACERA will provide appropriate funding, as determined by the Audit Committee, for compensation to the Financial Auditor, to any Professional Service Provider that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

Commented [CL8]: New section proposed by Audit Committee Chair in his memo to address budget.

G. Other Responsibilities

- 1. Report to the Boards as needed about the Audit Committee’s activities, issues, and related recommendations.
- 2. Provide an open avenue of communication between Internal Audit, all Professional Service Providers, including the Financial Auditor, Management, and the Boards.
- 3. Perform other activities related to this Charter as requested by the Boards.
- 4. Review and assess the adequacy of the Committee’s Charter at least every three years, requesting the Boards’ approval for proposed changes.

VIII. APPROVAL

This Charter was reviewed by the Audit Committee on April 23, 2021 and approved by the Board of Investments and Board of Retirement on May XX, 2021. This Charter is thereby effective May XX, 16, 2021 and is hereby signed by the following persons who have authority and responsibilities under this Charter.

5/XX/2021
Joseph Kelly
 Chair, Audit Committee

5/XX/2021
Keith Knox
 Chair, Board of Investments

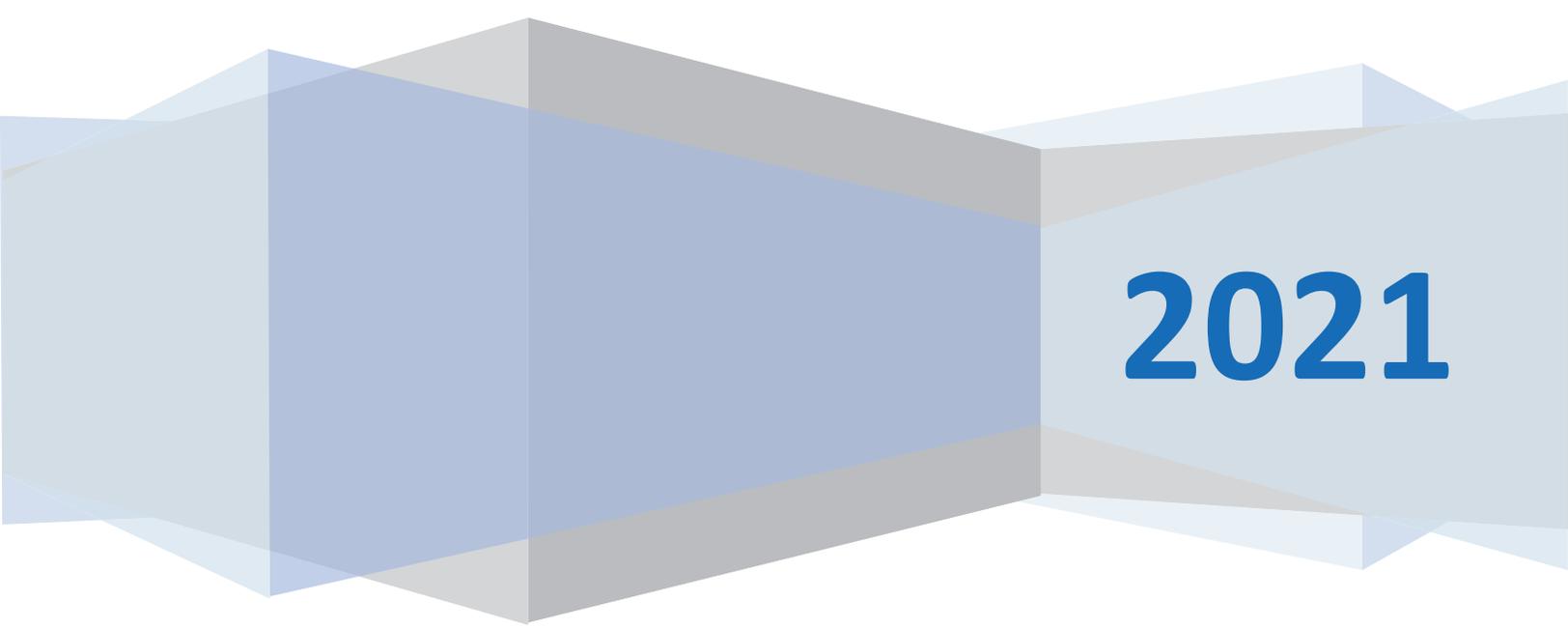
5/XX/2021
Alan Bernstein
 Chair, Board of Retirement

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Audit Committee Charter

April 2021

A decorative graphic at the bottom of the page consisting of several overlapping, semi-transparent geometric shapes in shades of blue and grey. The shapes are arranged in a way that creates a sense of depth and movement. The year "2021" is prominently displayed in a large, bold, blue font on the right side of the graphic.

2021



AUDIT COMMITTEE CHARTER

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AUDIT COMMITTEE CHARTER

I. CHARTER

This Charter establishes the authority and responsibilities of the Audit Committee, as assigned by Los Angeles County Employees Retirement Association's (LACERA) Board of Retirement and Board of Investments (Boards). The Audit Committee Charter is a living document and should be reviewed at least every three years.

II. PURPOSE AND ASSIGNED FIDUCIARY OVERSIGHT DUTIES

In November 2003, LACERA's Boards established the LACERA Audit Committee.

The purpose of the Audit Committee is to assist the Boards in fulfilling their fiduciary oversight duties for the:

- A.** Internal Audit Activity
- B.** Professional Service Provider Activity
- C.** Financial Reporting Process
- D.** Values and Ethics, and
- E.** Organizational Governance
- F.** Audit Committee and Internal Audit Budget

III. PRINCIPLES OF THE AUDIT COMMITTEE

The Audit Committee will conduct itself in accordance with LACERA's Code of Ethical Conduct and the following core principles from the Institute of Internal Auditors' (IIA) Code of Ethics. The Audit Committee expects the Boards, Management, and staff will also adhere to these requirements.

Integrity – The Audit Committee Members will perform their work with honesty, diligence, and responsibility. The Audit Committee expects and will encourage transparency when fulfilling its duties. Communications between Committee Members, Management, staff, and/or Professional Service Providers will be open, direct, and complete. Subject to applicable laws and organizational limitations, Internal Audit will regularly provide the Audit Committee with updates on audit and consulting projects completed and related findings and follow-up.

Independence & Objectivity - The Audit Committee will perform its responsibilities in an independent manner and in compliance with fiduciary duty without exception. Audit Committee Members will disclose any conflicts of interest (actual or perceived) to the Committee.

Confidentiality – The Audit Committee Members will be prudent in the use and protection of information acquired during the course of its duties.



Competency - Audit Committee Members will receive formal orientation training on the purpose and mandate of the Committee and LACERA's objectives. Audit Committee Members are obligated to prepare for and participate in Committee meetings.

Professional Standards - The Audit Committee will ensure all related work will be handled with the highest professional standards consistent with auditing standards of practice and industry guidelines.

IV. AUTHORITY

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The Audit Committee has the authority to conduct or authorize investigations into any matters within its scope of duties, including engaging independent counsel and/or other advisors it deems necessary.

V. AUDIT COMMITTEE COMPOSITION AND CONSULTANT

The Audit Committee will consist of seven members: three elected annually from each Board and the ex-officio member of both Boards, the Los Angeles County Treasurer. If any elected Audit Committee member leaves Board service or resigns from the Audit Committee prior to the completion of his or her term, the Board of the departing member, will elect a new Audit Committee member at the next regularly scheduled Board meeting.

The Committee shall have the authority to approve the hiring of the Audit Committee Consultant as an advisor through a Request for Proposal process. The Audit Committee Consultant will be designated as the audit technical and financial expert, to advise the Committee on audit and financial matters. The Audit Committee Consultant's contract will be for three years.

At the first Committee meeting of each calendar year, the Committee shall elect a Chair, Vice Chair and Secretary, each to serve for a term of one year or until his or her successor is duly elected and qualified, whichever is less. In the event of a vacancy in the office of Chair, the Vice Chair shall immediately assume the office of Chair for the remainder of the term. In the event of a vacancy in the office of Vice Chair or Secretary, the Committee shall elect one of its members to fill such vacancy for the remainder of the term, at its next regular meeting.



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The Audit Committee will conduct regular meetings at least four times per year, with authority to convene additional meetings, as circumstances require. The time frame between Audit Committee meetings should not exceed four months.

All Committee Members are expected to attend each meeting.

All meetings of the Audit Committee shall be as noticed as joint meetings with the Board of Retirement and Board of Investments to allow for participation of all trustees in open and closed session Audit Committee discussions, provided that non-committee trustees may not make or second motions or vote and provided further that closed sessions to discuss the CAE's annual assessment and the Committee's recommendation to the Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE shall be noticed for attendance by Committee members only.

Regular meeting notices and agendas will be posted at least 72 hours in advance of the regular meetings and will be made available to the public in accordance with the Ralph M. Brown Act (Government Code Sections 54950, et seq.). Public documents referred to in the agenda will be made available for review at the office of the staff secretary to the Committee and also published on the LACERA website, lacera.com. The Committee will invite members of Management, Internal Auditors, Financial Auditors, all other Professional Service Providers, and/or others to attend meetings and provide pertinent information, as necessary.

Special meetings of the Committee may be called in the manner provided by Government Code Section 54956(a). The Committee will have such other powers as provided in the Brown Act.

Robert's Rules of Order, except as otherwise provided herein, shall guide the Committee in its proceedings; however, the Chair of the Committee shall have the same rights to vote and participate in discussions as any other member of the Committee without relinquishing the chair. The order of business shall be as determined by formal action of the Committee. Four members of the seven-member Audit Committee, constitute a quorum.



The Secretary of the Committee shall cause to be recorded in the minutes the time and place of each meeting of the Committee, the names of the members present, all official acts of the Committee, the votes given by members except when the action is unanimous, and when requested by a member, that member's dissent or approval with his or her reasons, and shall cause the minutes to be written forthwith and presented for approval at the next regular meeting.

VII. RESPONSIBILITIES

A. Internal Audit Activity

1. Internal Audit Strategy and Annual Plan
 - a. Review and provide input on Internal Audit's annual risk assessment.
 - b. Review and approve Internal Audit's Annual Audit Plan (Plan) and resource plan, make recommendations concerning audit projects.
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 - a. Review and discuss engagement reports to take the following action(s):
 - i. accept and file report,
 - ii. instruct staff to forward report to Boards or Committees,
 - iii. make recommendations to the Boards or Committees regarding actions as may be required based on audit findings and/or,
 - iv. provide further instruction to staff.
 - b. Monitor Internal Audit's recommendations to ensure Management has adequately and timely addressed the risk(s) identified, either through implementing a new policy, procedure, or process, or accepting the associated risk.
 - c. Inquire whether any evidence of fraud has been identified during internal or external audit engagements, and evaluate what additional actions, if any, should be taken.
 - d. Inquire whether any audit or non-audit engagements have been completed but not reported to the Audit Committee; if so, inquire whether any matters of significance arose from such work.
 - e. Review and advise Management and the Boards on the results of any special investigations.



3. Standards Conformance
 - a. Approve the Internal Audit Charter.
 - b. Ensure the Internal Audit Division conforms with the IIA's International Standards for the Professional Practice of Internal Audit, particularly the independence of Internal Audit and its organizational structure.
 - c. Ensure the Internal Audit Division has a quality assurance and improvement program (QAIP), and that the results of these periodic assessments are presented to the Audit Committee.
 - d. Ensure the Internal Audit Division has an external quality assurance review every five years. Review the results of the external quality assurance review and monitor the implementation of related recommendations.

Advise the Boards about any recommendations for the continuous improvement of the internal audit activity.

4. Chief Audit Executive (CAE)

Since the CAE reports to the Chief Executive Officer (CEO) for administrative purposes, but to the Audit Committee for functional purposes, the Audit Committee will be responsible for the following:

- a. Make recommendations to both Boards regarding the appointment, discipline, dismissal, and/or removal of the CAE, which will be addressed by the Boards in a joint meeting. Both Boards will make the final decisions as to the appointment, discipline, dismissal, and/or removal of the CAE. The CEO has authority to administer minor discipline, which is limited to counseling memos and written warnings, with notice of such discipline to be provided to the Committee and the Boards at their next meetings. Consideration by the Boards and the Committee concerning the appointment, discipline, dismissal, and/or removal of the CAE will be made in executive session under Government Code Section 54957(b).
- b. Perform the CAE's annual assessment with qualitative input from the CAE and CEO. The Committee's discussion regarding the CAE's annual performance evaluation will be made in executive session under Government Code Section 54957(b).
- c. Administer the CAE's annual salary adjustment using the Boards' established compensation structure.

B. Professional Service Provider Activity

The Audit Committee is responsible for the oversight of all work performed by professional service providers (Service Providers) for audits, reviews, or investigations, including the audit of LACERA's financial statements.



1. Approve the appointment and compensation of the Financial Auditor, hired to perform an independent audit of LACERA's financial statements. Oversee the work of the Financial Auditor, including review of the Financial Auditor's proposed audit scope and approach, as well as coordination with Internal Audit and Management.
2. Approve the appointment and compensation of other Professional Service Providers, hired to perform non-financial statement audits, reviews or consulting, subject to limitations due to confidentiality, legal standards, and/or where approval will clearly impair the purpose or methods of the audit.
3. Review the Professional Service Providers, including the Financial Auditor, and Management the results of the work performed, any findings and recommendations, Management's responses, and actions taken to implement the audit recommendations.
4. Resolve any significant disagreements regarding risks, findings and/or compensation between management and Professional Service Providers

C. Financial Reporting Process

The Audit Committee is responsible for oversight of the independent audit of LACERA's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics.

1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, recent professional and regulatory pronouncements, and understand their impact on the financial statements.
2. Review with Management and the Financial Auditors the results of the audit, including any difficulties encountered.
3. Review the annual financial statements, consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
4. Review with Management and the Financial Auditors all matters required to be communicated to the Committee under *Generally Accepted Auditing Standards*.

D. Values and Ethics

1. Review and assess LACERA's Code of Ethical Conduct established by the Boards and Management.
2. Annually, review Management's process for communicating LACERA's Code of Ethical Conduct to Trustees, Management, and staff, and for monitoring compliance therewith.



3. Review reports received relating to conflicts of interest and ethics issues, and if appropriate, make a recommendation to the Boards.

E. Organizational Governance

To obtain reasonable assurance with respect to LACERA's governance process, the Audit Committee will review and provide advice on the governance process established and maintained, and the procedures in place to ensure they are operating as intended.

1. Risk Management

- a. Annually review LACERA's risk profile.
- b. Obtain from the CAE an annual report on Management's implementation and maintenance of an appropriate enterprise-wide risk management process. Provide advice on the risk management processes established and maintained, and the procedures in place to ensure that they are operating as intended.
- c. Provide oversight on significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by Management and the Boards.

2. Fraud

- a. Oversee Management's arrangements for the prevention and detection of fraud, including ensuring adequate time is spent discussing and raising awareness about fraud and the Hotline.
- b. Review a summary of Hotline reports, and if appropriate make a recommendation to the Boards.

3. System of Internal Controls

- a. Consider the effectiveness of LACERA's internal control system, including information technology security and control, as well as all other aspects of LACERA's operations.
- b. Understand the scope of Internal and External Auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with Management's responses.
- c. Review and provide advice on control of LACERA as a whole and its individual divisions.

4. System of Compliance

- a. Annually, review the effectiveness of Management's system of compliance with laws, regulations, policies, and procedures that are business critical.



- b. As needed, review the observations and findings of any examinations by regulatory agencies.
- c. Obtain regular updates from Management and LACERA's Legal Office regarding compliance matters.
- d. At least annually, review reported activity to ensure issues of fraud, noncompliance, and/or inappropriate activities are being addressed.

F. Audit Committee and Internal Audit Budget

LACERA will provide appropriate funding, as determined by the Audit Committee, for compensation to the Financial Auditor, to any Professional Service Provider that the Audit Committee chooses to engage, and for payment of ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

G. Other Responsibilities

- 1. Report to the Boards as needed about the Audit Committee's activities, issues, and related recommendations.
- 2. Provide an open avenue of communication between Internal Audit, all Professional Service Providers, including the Financial Auditor, Management, and the Boards.
- 3. Perform other activities related to this Charter as requested by the Boards.
- 4. Review and assess the adequacy of the Committee's Charter at least every three years, requesting the Boards' approval for proposed changes.

VIII. APPROVAL

This Charter was reviewed by the Audit Committee on April 23, 2021 and approved by the Board of Investments and Board of Retirement on May XX, 2021. This Charter is thereby effective May XX, 2021 and is hereby signed by the following persons who have authority and responsibilities under this Charter.

Joseph Kelly
Chair, Audit Committee

5/XX/2021

Date

Keith Knox
Chair, Board of Investments

5/XX/2021

Date

Alan Bernstein
Chair, Board of Retirement

5/XX/2021

Date



April 22, 2021

TO: Each Trustee
Board of Retirement

FROM: Ricki Contreras, Division Manager
Disability Retirement Services

SUBJECT: **APPEAL FOR THE BOARD OF RETIREMENT'S MEETING
OF MAY 5, 2021**

IT IS RECOMMENDED that the Board of Retirement grant the appeal and request for administrative hearing received from the following applicant's counsel, and direct the Disability Retirement Services Manager to refer this case to a referee:

5158B Christopher G. Joy Michael Treger Deny SCD

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Appeals.docx

April 23, 2021

TO: Each Trustee
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Vivian H. Gray, Vice Chair
Shawn R. Kehoe
Ronald A. Okum
Wayne Moore, Alternate

FOR: May 5, 2021 Board of Retirement Meeting

SUBJECT: **Assembly Joint Resolution 9—Social Security**

Author: Cooper [D]
Sponsor: Author-sponsored
Introduced: March 1, 2021
Status: In ASSEMBLY. Ordered to third reading. (04/19/2021)

IBLC Recommendation: Support (04/15/2021)
Staff Recommendation: Support

RECOMMENDATION

That the Board of Retirement adopt a “Support” position on Assembly Joint Resolution 9, which would request the Congress of the United States to enact, and the President to sign, legislation that would repeal the Windfall Elimination Provision and Government Pension Offset from the Social Security Act.

LEGISLATIVE POLICY STANDARD

The Board of Retirement’s legislative policy standard is to support proposals that have a positive impact upon LACERA’s members (page 6). In addition, the Board Policy on Engagement (pages 2-3) provides that the Board has a full range of positions that may be lawfully taken to further Board objectives, including preventing adverse impact upon existing rights and interests. AJR 9 would urge the repeal of the Windfall Elimination Provision and the Government Pension Offset, which reduce or eliminate the Social Security benefits that LACERA members may have earned through service with the County of Los Angeles before January 1, 1983 (the effective date that the County withdrew its employees from Social Security) or through employment outside of the County.

SUMMARY

AJR 9 would request the Congress of the United States to enact, and the President to sign, legislation that would repeal the Windfall Elimination Provision and Government Pension Offset from the Social Security Act.

ANALYSIS

Participation in Social Security by the County of Los Angeles prior to July 1, 1964. Employees of the County were not covered under Social Security because the County did not participate in Social Security.

July 1, 1964 through December 31, 1982. The County elected to participate in the Social Security system effective July 1, 1964. General members who were hired before July 1, 1964 were given the option to elect Social Security coverage and pay Social Security taxes retroactive to January 1, 1959 or date of hire, whichever was later. General members who were hired on or after July 1, 1964 were mandatorily covered under Social Security. Safety members were never participants under Social Security.

On and after January 1, 1983. The County withdrew its participation from Social Security effective January 1, 1983. As a result, some LACERA members may not have earned sufficient credits under County employment to be fully insured under Social Security, unless they had other employment that was covered by Social Security.

Windfall Elimination Provision (WEP)

Social Security benefits are designed to replace a percentage of a worker's pre-retirement earnings. A Social Security benefit is calculated by separating average monthly earnings into three amounts known as "bend points." Each bend point is multiplied by a percentage, and the total of the three amounts is the Social Security benefit.

For example, for a worker who turns 62 in 2021, the first \$996 of average monthly earnings is multiplied by 90 percent, earnings between \$996 and \$6,002 are multiplied by 32 percent, and the earnings over \$6,002 are multiplied by 15 percent. The benefit amount is decreased or increased depending on whether the worker begins receiving benefits before or after full retirement age.

For workers who qualify for a pension from a government employer that does not participate in Social Security, the percentage that is multiplied against the first \$996 of average monthly earnings is reduced from 90 percent to as low as 40 percent, based on years of substantial earnings. Those who have 30 years or more of substantial earnings do not see a reduction of the 90-percent factor. Note that to protect workers who receive a low government pension, the reduction of the Social Security benefit under the WEP cannot exceed more than one-half of the worker's government pension amount.

Government Pension Offset (GPO)

Under the GPO, dependent benefits paid by Social Security to a spouse, widow, or widower would be offset by two-thirds of the government pension paid to that person. Therefore, in some cases, if a person receives a government pension and two-thirds of the pension benefit is greater than his or her own Social Security dependent benefits, the GPO will completely eliminate the Social Security dependent benefit.

Social Security Beneficiaries Affected by WEP and GPO

According to analyses of the WEP¹ and GPO² by the Congressional Research Service, as of December 2020, the WEP affects 273,399 beneficiaries in California, consisting of retired workers, disabled workers, and spouses and children. Nationwide, the WEP affects 1,948,427 beneficiaries. The GPO affects 101,789 beneficiaries in California, consisting of spouses and widow(er)s. Nationwide, the GPO affects 716,662 beneficiaries.

Reasons for the Repeal of the WEP and GPO

AJR 9 states that the WEP and GPO were passed by Congress over 30 years ago and diminish or eliminate the Social Security benefits of more than 300,000 public service employees in California. These provisions affect workers employed in government positions that are not coordinated with the Social Security program, such as public school teachers, peace officers, firefighters, and other public servants working for cities and special districts. The resolution also states that effective government requires qualified and motivated personnel, including hiring 16,000 new public school teachers each year, but that recruitment and retention by California government agencies of individuals reentering the workforce is impeded by these provisions.

Repealing the WEP would restore the formula that reimburses low-income workers at a higher rate than high-income workers, which would avoid causing hardships for those who did not have high-paying public service. Repealing the GPO would avoid severely cutting or eliminating spousal and survivor benefits that were earned from community property income. Repeal of these provisions would facilitate recruitment and retention of public servants.

IT IS THEREFORE RECOMMENDED THAT THE BOARD adopt a “Support” position on Assembly Joint Resolution 9, which would request the Congress of the United States to enact, and the President to sign, legislation that would repeal the Windfall Elimination Provision and Government Pension Offset from the Social Security Act.

¹ Li, Z. (2021). *Social Security: The Windfall Elimination Provision (WEP)*. (CRS Report No. 98-35, updated February 4, 2021). Retrieved from <https://crsreports.congress.gov/product/pdf/RS/98-35>

² Li, Z. (2021). *Social Security: The Government Pension Offset (GPO)*. (CRS Report No. RL32453, updated February 8, 2021). Retrieved from <https://crsreports.congress.gov/product/pdf/RL/RL32453>

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Attachments

Attachment 1—Board Positions Adopted on Related Legislation
Attachment 2—Support and Opposition
AJR 9 (Cooper) as introduced on March 1, 2021
Windfall Elimination Provision Fact Sheet
Government Pension Offset Fact Sheet

cc: Santos H. Kreimann
JJ Popowich
Steven P. Rice
Joe Ackler, Ackler & Associates

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

HR 3934 (2019, held in committee) would amend the Social Security Act to replace the Windfall Elimination Provision with a formula equalizing benefits for certain individuals with noncovered employment. The Board of Retirement adopted a “Support” position.

HR 4540 (2019, held in committee) would amend the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

SJR 3 (Resolution Chapter 129, Statutes of 2019) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 141 (2019, held in committee) would amend the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 521 (2019, held in committee) would amend the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1205 (2017, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 915 (2017, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

SJR 1 (Resolution Chapter 92, Statutes of 2015) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 711 (2015, held in committee) would have amended the Social Security Act to replace the Windfall Elimination Provision with a new formula for the treatment of noncovered earnings in determining Social Security benefits for individuals who become eligible for benefits after 2016. It would have established a second formula to modify the Windfall Elimination Provision for current beneficiaries. The Board of Retirement adopted a “Watch” position.

H.R. 973 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 1651 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1332 (2011, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 10 (Resolution Chapter 103, Statutes of 2009) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

S. 484 (2009, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 5 (Resolution Chapter 116, Statutes of 2007) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

SUPPORT

California Retired Teachers Association (*Sponsor*)
Association of California School Administrators
California Federation of Teachers, AFT, AFL-CIO
California Teachers Association
Delta Kappa Gamma California
Faculty Association of California Community Colleges
Peace Officers Research Association of California

OPPOSITION

None on file

Assembly Joint Resolution

No. 9

Introduced by Assembly Member Cooper

March 1, 2021

Assembly Joint Resolution No. 9—Relative to Social Security.

LEGISLATIVE COUNSEL'S DIGEST

AJR 9, as introduced, Cooper. Social Security.

This measure would request the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

Fiscal committee: no.

1 WHEREAS, Two Federal Social Security Administration laws,
2 the Windfall Elimination Provision and the Government Pension
3 Offset, passed by Congress more than 30 years ago without
4 statistical analysis, diminish or eliminate the fully earned Social
5 Security benefits of large numbers of public service employees in
6 California; and

7 WHEREAS, These provisions affect workers who have been
8 employed in a government position that is not coordinated with
9 the Social Security program, such as California public school
10 teachers who have not been able to receive Social Security credits
11 since 1965; and

12 WHEREAS, Most peace officers, including the California
13 Highway Patrol, firefighters, and many other public servants
14 working for cities and special districts are not covered by Social
15 Security, making them subject to these provisions; and

1 WHEREAS, In California, more than 300,000 retirees have had
2 their Social Security benefits diminished or completely eliminated
3 by these laws; and

4 WHEREAS, Effective government requires highly qualified
5 and motivated personnel, and California government agencies need
6 to compete to recruit and retain outstanding employees, including
7 hiring 16,000 new public school teachers each year; and

8 WHEREAS, The recruitment and retention of qualified
9 individuals reentering the workforce is impeded by these two
10 provisions, which reduce or eliminate the Social Security retirement
11 benefits either earned by workers, themselves, or received through
12 dependent status; and

13 WHEREAS, The Government Pension Offset severely cuts, and
14 usually eliminates, all spousal and survivor benefits that were
15 earned from what is deemed by the State of California to be
16 community property income; and

17 WHEREAS, The Government Pension Offset requires that a
18 recipient of benefits report any yearly cost-of-living increase in
19 the recipient's public pension, so that the recipient's Social Security
20 benefits may be reduced by two-thirds of that amount; and

21 WHEREAS, The Windfall Elimination Provision cuts earned
22 Social Security benefits from work that is separate from the work
23 for which the individual earned a pension from a governmental
24 entity; and

25 WHEREAS, The Windfall Elimination Provision subverts the
26 purpose of Social Security retirement benefits by eliminating the
27 formula that reimburses low-income workers at a higher rate than
28 high-income workers, causing severe hardships for those who have
29 not had high-paying public service; and

30 WHEREAS, Until 2005, there were no requirements that a public
31 employer advise new workers that they would be subject to these
32 penalties; now, therefore, be it

33 *Resolved by the Assembly and the Senate of the State of*
34 *California, jointly*, That the Legislature requests that the Congress
35 of the United States enact legislation to repeal the Government
36 Pension Offset and the Windfall Elimination Provision from the
37 Social Security Act, and further requests that President Joe Biden
38 sign that legislation; and be it further

39 *Resolved*, That the Chief Clerk of the Assembly transmit copies
40 of this resolution to the President and the Vice President of the

- 1 United States, to the Speaker of the House of Representatives, to
- 2 the Majority Leader of the Senate, to each Senator and
- 3 Representative from California in the Congress of the United
- 4 States, and to the author for appropriate distribution.

O



Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a retirement or disability pension from an employer who didn't withhold Social Security taxes **and** you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached age 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amounts if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2021, the first \$996 of average monthly earnings is multiplied by 90 percent; earnings between \$996 and \$6,002 are multiplied by 32 percent; and the balance by 15 percent. The sum of the three amounts equals the PIA, which is then decreased or increased depending

on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2021, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,537 (approximately 50 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$8,000 per month, the benefit starting at FRA could be \$2,798 (approximately 35 percent) plus COLAs. However, if either of these workers start benefits earlier than their FRA, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or became disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983.
- You're an employee of a non-profit organization who was exempt from Social Security coverage on December 31, 1983, unless the non-profit organization waived exemption and did pay Social Security taxes, but then the waiver was terminated prior to December 31, 1983.
- Your only pension is for railroad employment.
- The only work you performed for which you didn't pay Social Security taxes was before 1957.
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce spouses, widows, or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90 percent factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90 percent factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90 percent factor to between 45 and 85 percent. To see the maximum amount we could reduce your benefit, visit www.ssa.gov/benefits/retirement/planner/wep.html.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit by more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

The most convenient way to do business with us from anywhere, on any device, is to visit www.ssa.gov. There are several things you can do online: apply for benefits; get useful information; find publications; and get answers to frequently asked questions.

When you open a personal *my* Social Security account, you have more capabilities. You can review your *Social Security Statement*, verify your earnings, and get estimates of future benefits. You can also print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, get a replacement SSA-1099/1042S, and request a replacement Social Security card (if you have no changes and your state participates).

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

A member of our staff can answer your call from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience a high rate of busy signals and longer hold times to speak to us. We look forward to serving you.

Year	Substantial earnings	Year	Substantial earnings	Year	Substantial earnings
1937–1954	\$900	1989	\$8,925	2013	\$21,075
1955–1958	\$1,050	1990	\$9,525	2014	\$21,750
1959–1965	\$1,200	1991	\$9,900	2015–2016	\$22,050
1966–1967	\$1,650	1992	\$10,350	2017	\$23,625
1968–1971	\$1,950	1993	\$10,725	2018	\$23,850
1972	\$2,250	1994	\$11,250	2019	\$24,675
1973	\$2,700	1995	\$11,325	2020	\$25,575
1974	\$3,300	1996	\$11,625	2021	\$26,550
1975	\$3,525	1997	\$12,150		
1976	\$3,825	1998	\$12,675		
1977	\$4,125	1999	\$13,425		
1978	\$4,425	2000	\$14,175		
1979	\$4,725	2001	\$14,925		
1980	\$5,100	2002	\$15,750		
1981	\$5,550	2003	\$16,125		
1982	\$6,075	2004	\$16,275		
1983	\$6,675	2005	\$16,725		
1984	\$7,050	2006	\$17,475		
1985	\$7,425	2007	\$18,150		
1986	\$7,875	2008	\$18,975		
1987	\$8,175	2009–2011	\$19,800		
1988	\$8,400	2012	\$20,475		

Years of substantial earnings	Percentage
30 or more	90 percent
29	85 percent
28	80 percent
27	75 percent
26	70 percent
25	65 percent
24	60 percent
23	55 percent
22	50 percent
21	45 percent
20 or less	40 percent



Securing today
and tomorrow

Social Security Administration

Publication No. 05-10045

January 2021 (Recycle prior editions)

Windfall Elimination Provision

Produced and published at U.S. taxpayer expense



Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.

How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security ($\$500 - \$400 = \$100$). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.

If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

For example, if a woman worked and earned her own \$800 monthly Social Security benefit, but was also due a \$500 spouse's benefit on her husband's record, we couldn't pay that spouse's benefit because her own benefit offsets it. Before enactment of the Government Pension Offset law, if that same woman was a government employee who didn't pay into Social Security and earned an \$800 government pension, there was no offset. We had to pay her a full spouse's benefit and her full government pension.

If this person's government work had been subject to Social Security taxes, we would reduce any spouse, widow, or widower benefit because of their own Social Security retirement benefit. The Government Pension Offset ensures that we calculate the benefits of government employees who don't pay Social Security taxes the same as workers in the private sector who pay Social Security taxes.

When won't my Social Security benefits be reduced?

Generally, we won't reduce your Social Security benefits as a spouse, widow, or widower if you:

- Receive a government pension that's not based on your earnings; or
- Are a federal (including Civil Service Offset), state, or local government employee and your government pension is from a job for which you paid Social Security taxes; and:
 - Your last day of employment (that your pension is based on) is before July 1, 2004; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time); or
 - You paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain

conditions, we require fewer than 60 months for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

There are other situations for which we won't reduce your Social Security benefits as a spouse, widow, or widower; for example, if you:

- Are a federal employee who switched from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and:
 - Your last day of service (that your pension is based on) is before July 1, 2004;
 - You paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time).
- Received, or were eligible to receive, a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- Received, or were eligible to receive, a federal, state, or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

Note: A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.

What about Medicare?

Even if you don't get benefit payments from your spouse's work, you can still get Medicare at age 65 on your spouse's record if you aren't eligible for it on your own record.

Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse, or widow, or widower. However, we may reduce your own benefits because of another provision. For more information, go online to read *Windfall Elimination Provision* (Publication No. 05-10045).

Contacting Social Security

The most convenient way to contact us anytime, anywhere is to visit www.socialsecurity.gov. There, you can: apply for benefits; open a *my* Social Security account, which you can use to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, and get a replacement SSA-1099/1042S; obtain valuable information; find publications; get answers to frequently asked questions; and much more.

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.



Securing today
and tomorrow

April 23, 2021

TO: Each Trustee
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Vivian H. Gray, Vice Chair
Shawn R. Kehoe
Ronald A. Okum
Wayne Moore, Alternate

FOR: May 5, 2021 Board of Retirement Meeting

SUBJECT: **H.R. 82—Social Security Fairness Act of 2021**

Author: Davis [R-IL]
Sponsor: Author and 136 co-sponsors
Introduced: January 4, 2021
Status: Referred to House Committee on Ways and Means (01/04/2021)

IBLC Recommendation: Support (04/15/2021)
Staff Recommendation: Support

RECOMMENDATION

That the Board of Retirement adopt a “Support” position on H.R. 82, which would enact the “Social Security Fairness Act of 2021.”

LEGISLATIVE POLICY STANDARD

LACERA’s legislative policy standard is to support proposals that have a positive impact upon LACERA’s members (page 6). In addition, the Board Policy on Engagement (pages 2-3) provides that the Board has a full range of positions that may be lawfully taken to further Board objectives, including preventing adverse impact upon existing rights and interests. H.R. 82 would repeal the Windfall Elimination Provision and the Government Pension Offset, which reduce or eliminate the Social Security benefits that LACERA members may have earned through service with the County of Los Angeles before January 1, 1983 (the effective date that the County withdrew its employees from Social Security) or through employment outside of the County.

SUMMARY

H.R. 82 would repeal the Windfall Elimination Provision and the Government Pension Offset of the Social Security Act.

ANALYSIS

Participation in Social Security by the County of Los Angeles

Prior to July 1, 1964. Employees of the County were not covered under Social Security because the County did not participate in Social Security.

July 1, 1964 through December 31, 1982. The County elected to participate in the Social Security system effective July 1, 1964. General members who were hired before July 1, 1964 were given the option to elect Social Security coverage and pay Social Security taxes retroactive to January 1, 1959 or date of hire, whichever was later. General members who were hired on or after July 1, 1964 were mandatorily covered under Social Security. Safety members were never participants under Social Security.

On and after January 1, 1983. The County withdrew its participation from Social Security effective January 1, 1983. As a result, some LACERA members may not have earned sufficient credits under County employment to be fully insured under Social Security, unless they had other employment that was covered by Social Security.

Windfall Elimination Provision (WEP)

Social Security benefits are designed to replace a percentage of a worker's pre-retirement earnings. A Social Security benefit is calculated by separating average monthly earnings into three amounts known as "bend points." Each bend point is multiplied by a percentage, and the total of the three amounts is the Social Security benefit.

For example, for a worker who turns 62 in 2021, the first \$996 of average monthly earnings is multiplied by 90 percent, earnings between \$996 and \$6,002 are multiplied by 32 percent, and the earnings over \$6,002 are multiplied by 15 percent. The benefit amount is decreased or increased depending on whether the worker begins receiving benefits before or after full retirement age.

For workers who qualify for a pension from a government employer that does not participate in Social Security, the percentage that is multiplied against the first \$996 of average monthly earnings is reduced from 90 percent to as low as 40 percent, based on years of substantial earnings. Those who have 30 years or more of substantial earnings do not see a reduction of the 90-percent factor. Note that to protect workers who receive a low government pension, the reduction of the Social Security benefit under the WEP cannot exceed more than one-half of the worker's government pension amount.

Government Pension Offset (GPO)

Under the GPO, dependent benefits paid by Social Security to a spouse, widow, or widower would be offset by two-thirds of the government pension paid to that person. Therefore, in some cases, if a person receives a government pension and two-thirds of the pension benefit is greater than his or her own Social Security dependent benefits, the GPO will completely eliminate the Social Security dependent benefit.

Social Security Beneficiaries Affected by WEP and GPO

According to analyses of the WEP¹ and GPO² by the Congressional Research Service, as of December 2020, the WEP affects 273,399 beneficiaries in California, consisting of retired workers, disabled workers, and spouses and children. Nationwide, the WEP affects 1,948,427 beneficiaries. The GPO affects 101,789 beneficiaries in California, consisting of spouses and widow(er)s. Nationwide, the GPO affects 716,662 beneficiaries.

Conclusion

For LACERA members who are eligible for a pension, the WEP and GPO reduce and, in some cases, eliminate the Social Security benefits that they earned through covered employment with the County of Los Angeles or become eligible for through their spouses. LACERA has traditionally supported legislation to repeal the WEP and GPO as well as resolutions by the California State Legislature urging the President and Congress of the United States to repeal the provisions.

IT IS THEREFORE RECOMMENDED THAT THE BOARD adopt a “Support” position on H.R. 82, which would enact the “Social Security Fairness Act of 2021.”

Attachments

Attachment 1—Board Positions Adopted on Related Legislation

Attachment 2—Support and Opposition

H.R. 82 (Davis) as introduced on January 4, 2021

Windfall Elimination Provision Fact Sheet

Government Pension Offset Fact Sheet

cc: Santos H. Kreimann
JJ Popowich
Steven P. Rice
Tony Roda, Williams & Jensen

¹ Li, Z. (2021). *Social Security: The Windfall Elimination Provision (WEP)*. (CRS Report No. 98-35, updated February 4, 2021). Retrieved from <https://crsreports.congress.gov/product/pdf/RS/98-35>

² Li, Z. (2021). *Social Security: The Government Pension Offset (GPO)*. (CRS Report No. RL32453, updated February 8, 2021). Retrieved from <https://crsreports.congress.gov/product/pdf/RL/RL32453>

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

HR 3934 (2019, held in committee) would amend the Social Security Act to replace the Windfall Elimination Provision with a formula equalizing benefits for certain individuals with noncovered employment. The Board of Retirement adopted a “Support” position.

HR 4540 (2019, held in committee) would amend the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

SJR 3 (Resolution Chapter 129, Statutes of 2019) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 141 (2019, held in committee) would amend the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 521 (2019, held in committee) would amend the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1205 (2017, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 915 (2017, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

SJR 1 (Resolution Chapter 92, Statutes of 2015) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 711 (2015, held in committee) would have amended the Social Security Act to replace the Windfall Elimination Provision with a new formula for the treatment of noncovered earnings in determining Social Security benefits for individuals who become eligible for benefits after 2016. It would have established a second formula to modify the Windfall Elimination Provision for current beneficiaries. The Board of Retirement adopted a “Watch” position.

H.R. 973 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

S. 1651 (2015, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

H.R. 1332 (2011, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 10 (Resolution Chapter 103, Statutes of 2009) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

S. 484 (2009, held in committee) would have amended the Social Security Act to repeal the Government Pension Offset and the Windfall Elimination Provision. The Board of Retirement adopted a “Support” position.

AJR 5 (Resolution Chapter 116, Statutes of 2007) requested the President and the Congress of the United States to pass legislation repealing the Government Pension Offset and Windfall Elimination Provision from the Social Security Act. The Board of Retirement adopted a “Support” position.

H.R. 82
Attachment 2—Support and Opposition
Board of Retirement
April 23, 2021
Page 1

SUPPORT

National Active and Retired Federal Employees Association
National Education Association
Fraternal Order of Police
National Association of Police Organizations
California State Teachers' Retirement System

OPPOSITION

Unknown

117TH CONGRESS
1ST SESSION

H. R. 82

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 2021

Mr. RODNEY DAVIS of Illinois (for himself, Ms. SPANBERGER, Mr. GRAVES of Louisiana, Mr. COHEN, Mr. VICENTE GONZALEZ of Texas, Mr. GARAMENDI, Mr. CICILLINE, Ms. ESHOO, Mr. JOYCE of Ohio, Mr. MULLIN, Ms. BROWNLEY, Mr. DEUTCH, Mr. TAKANO, Mr. DIAZ-BALART, Mrs. WATSON COLEMAN, Mr. RUIZ, Mr. COMER, and Mr. GOHMERT) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Fair-
5 ness Act of 2021”.

1 **SEC. 2. REPEAL OF GOVERNMENT PENSION OFFSET PROVI-**
2 **SION.**

3 (a) IN GENERAL.—Section 202(k) of the Social Secu-
4 rity Act (42 U.S.C. 402(k)) is amended by striking para-
5 graph (5).

6 (b) CONFORMING AMENDMENTS.—

7 (1) Section 202(b)(2) of the Social Security Act
8 (42 U.S.C. 402(b)(2)) is amended by striking “sub-
9 sections (k)(5) and (q)” and inserting “subsection
10 (q)”.

11 (2) Section 202(c)(2) of such Act (42 U.S.C.
12 402(c)(2)) is amended by striking “subsections
13 (k)(5) and (q)” and inserting “subsection (q)”.

14 (3) Section 202(e)(2)(A) of such Act (42
15 U.S.C. 402(e)(2)(A)) is amended by striking “sub-
16 section (k)(5), subsection (q),” and inserting “sub-
17 section (q)”.

18 (4) Section 202(f)(2)(A) of such Act (42 U.S.C.
19 402(f)(2)(A)) is amended by striking “subsection
20 (k)(5), subsection (q)” and inserting “subsection
21 (q)”.

22 **SEC. 3. REPEAL OF WINDFALL ELIMINATION PROVISIONS.**

23 (a) IN GENERAL.—Section 215 of the Social Security
24 Act (42 U.S.C. 415) is amended—

25 (1) in subsection (a), by striking paragraph (7);

1 (2) in subsection (d), by striking paragraph (3);

2 and

3 (3) in subsection (f), by striking paragraph (9).

4 (b) CONFORMING AMENDMENTS.—Subsections (e)(2)
5 and (f)(2) of section 202 of such Act (42 U.S.C. 402) are
6 each amended by striking “section 215(f)(5), 215(f)(6),
7 or 215(f)(9)(B)” in subparagraphs (C) and (D)(i) and in-
8 serting “paragraph (5) or (6) of section 215(f)”.

9 **SEC. 4. EFFECTIVE DATE.**

10 The amendments made by this Act shall apply with
11 respect to monthly insurance benefits payable under title
12 II of the Social Security Act for months after December
13 2021. Notwithstanding section 215(f) of the Social Secu-
14 rity Act, the Commissioner of Social Security shall adjust
15 primary insurance amounts to the extent necessary to take
16 into account the amendments made by section 3.

○



Windfall Elimination Provision

Your Social Security retirement or disability benefits can be reduced

The Windfall Elimination Provision can affect how we calculate your retirement or disability benefit. If you work for an employer who doesn't withhold Social Security taxes from your salary, such as a government agency or an employer in another country, any retirement or disability pension you get from that work can reduce your Social Security benefits.

When your benefits can be affected

This provision can affect you when you earn a retirement or disability pension from an employer who didn't withhold Social Security taxes **and** you qualify for Social Security retirement or disability benefits from work in other jobs for which you did pay taxes.

The Windfall Elimination Provision can apply if:

- You reached age 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn't pay Social Security taxes after 1985. This rule applies even if you're still working.

This provision also affects Social Security benefits for people who performed federal service under the Civil Service Retirement System (CSRS) after 1956. We won't reduce your Social Security benefit amounts if you only performed federal service under a system such as the Federal Employees' Retirement System (FERS). Social Security taxes are withheld for workers under FERS.

How it works

Social Security benefits are intended to replace only some of a worker's pre-retirement earnings.

We base your Social Security benefit on your average monthly earnings adjusted for average wage growth. We separate your average earnings into three amounts and multiply the amounts using three factors to compute your full Primary Insurance Amount (PIA). For example, for a worker who turns 62 in 2021, the first \$996 of average monthly earnings is multiplied by 90 percent; earnings between \$996 and \$6,002 are multiplied by 32 percent; and the balance by 15 percent. The sum of the three amounts equals the PIA, which is then decreased or increased depending

on whether the worker starts benefits before or after full retirement age (FRA). This formula produces the monthly payment amount.

When we apply this formula, the percentage of career average earnings paid to lower-paid workers is greater than higher-paid workers. For example, workers age 62 in 2021, with average earnings of \$3,000 per month could receive a benefit at FRA of \$1,537 (approximately 50 percent) of their pre-retirement earnings increased by applicable cost of living adjustments (COLAs). For a worker with average earnings of \$8,000 per month, the benefit starting at FRA could be \$2,798 (approximately 35 percent) plus COLAs. However, if either of these workers start benefits earlier than their FRA, we'll reduce their monthly benefit.

Why we use a different formula

Before 1983, people whose primary job wasn't covered by Social Security had their Social Security benefits calculated as if they were long-term, low-wage workers. They had the advantage of receiving a Social Security benefit representing a higher percentage of their earnings, plus a pension from a job for which they didn't pay Social Security taxes. Congress passed the Windfall Elimination Provision to remove that advantage.

Under the provision, we reduce the 90 percent factor in our formula and phase it in for workers who reached age 62 or became disabled between 1986 and 1989. For people who reach 62 or became disabled in 1990 or later, we reduce the 90 percent factor to as little as 40 percent.

Some exceptions

The Windfall Elimination Provision doesn't apply if:

- You're a federal worker first hired after December 31, 1983.
- You're an employee of a non-profit organization who was exempt from Social Security coverage on December 31, 1983, unless the non-profit organization waived exemption and did pay Social Security taxes, but then the waiver was terminated prior to December 31, 1983.
- Your only pension is for railroad employment.
- The only work you performed for which you didn't pay Social Security taxes was before 1957.
- You have 30 or more years of substantial earnings under Social Security.

The Windfall Elimination Provision doesn't apply to survivors benefits. We may reduce spouses, widows, or widowers benefits because of another law. For more information, read *Government Pension Offset* (Publication No. 05-10007).

Social Security years of substantial earnings

If you have 30 or more years of substantial earnings, we don't reduce the standard 90 percent factor in our formula. See the first table that lists substantial earnings for each year.

The second table shows the percentage used to reduce the 90 percent factor depending on the number of years of substantial earnings. If you have 21 to 29 years of substantial earnings, we reduce the 90 percent factor to between 45 and 85 percent. To see the maximum amount we could reduce your benefit, visit www.ssa.gov/benefits/retirement/planner/wep.html.

A guarantee

The law protects you if you get a low pension. We won't reduce your Social Security benefit by more than half of your pension for earnings after 1956 on which you didn't pay Social Security taxes.

Contacting Social Security

The most convenient way to do business with us from anywhere, on any device, is to visit www.ssa.gov. There are several things you can do online: apply for benefits; get useful information; find publications; and get answers to frequently asked questions.

When you open a personal *my* Social Security account, you have more capabilities. You can review your *Social Security Statement*, verify your earnings, and get estimates of future benefits. You can also print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, get a replacement SSA-1099/1042S, and request a replacement Social Security card (if you have no changes and your state participates).

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

A member of our staff can answer your call from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience a high rate of busy signals and longer hold times to speak to us. We look forward to serving you.

Year	Substantial earnings	Year	Substantial earnings	Year	Substantial earnings
1937–1954	\$900	1989	\$8,925	2013	\$21,075
1955–1958	\$1,050	1990	\$9,525	2014	\$21,750
1959–1965	\$1,200	1991	\$9,900	2015–2016	\$22,050
1966–1967	\$1,650	1992	\$10,350	2017	\$23,625
1968–1971	\$1,950	1993	\$10,725	2018	\$23,850
1972	\$2,250	1994	\$11,250	2019	\$24,675
1973	\$2,700	1995	\$11,325	2020	\$25,575
1974	\$3,300	1996	\$11,625	2021	\$26,550
1975	\$3,525	1997	\$12,150		
1976	\$3,825	1998	\$12,675		
1977	\$4,125	1999	\$13,425		
1978	\$4,425	2000	\$14,175		
1979	\$4,725	2001	\$14,925		
1980	\$5,100	2002	\$15,750		
1981	\$5,550	2003	\$16,125		
1982	\$6,075	2004	\$16,275		
1983	\$6,675	2005	\$16,725		
1984	\$7,050	2006	\$17,475		
1985	\$7,425	2007	\$18,150		
1986	\$7,875	2008	\$18,975		
1987	\$8,175	2009–2011	\$19,800		
1988	\$8,400	2012	\$20,475		

Years of substantial earnings	Percentage
30 or more	90 percent
29	85 percent
28	80 percent
27	75 percent
26	70 percent
25	65 percent
24	60 percent
23	55 percent
22	50 percent
21	45 percent
20 or less	40 percent



Securing today
and tomorrow

Social Security Administration

Publication No. 05-10045

January 2021 (Recycle prior editions)

Windfall Elimination Provision

Produced and published at U.S. taxpayer expense



Government Pension Offset

A law that affects spouses and widows or widowers

If you receive a retirement or disability pension from a federal, state, or local government based on your own work for which you didn't pay Social Security taxes, we may reduce your Social Security spouses or widows or widowers benefits. This fact sheet provides answers to questions you may have about the reduction.

How much will my Social Security benefits be reduced?

We'll reduce your Social Security benefits by two-thirds of your government pension. In other words, if you get a monthly civil service pension of \$600, two-thirds of that, or \$400, must be deducted from your Social Security benefits. For example, if you're eligible for a \$500 spouses, widows, or widowers benefit from Social Security, you'll get \$100 a month from Social Security ($\$500 - \$400 = \$100$). If two-thirds of your government pension is more than your Social Security benefit, your benefit could be reduced to zero.

If you take your government pension annuity in a lump sum, Social Security will calculate the reduction as if you chose to get monthly benefit payments from your government work.

Why will my Social Security benefits be reduced?

Benefits we pay to spouses, widows, and widowers are "dependent" benefits. Set up in the 1930s, these benefits were to compensate spouses who stayed home to raise a family and were financially dependent on the working spouse. It's now common for both spouses to work, each earning their own Social Security retirement benefit. The law requires a person's spouse, widow, or widower benefit to be offset by the dollar amount of their own retirement benefit.

For example, if a woman worked and earned her own \$800 monthly Social Security benefit, but was also due a \$500 spouse's benefit on her husband's record, we couldn't pay that spouse's benefit because her own benefit offsets it. Before enactment of the Government Pension Offset law, if that same woman was a government employee who didn't pay into Social Security and earned an \$800 government pension, there was no offset. We had to pay her a full spouse's benefit and her full government pension.

If this person's government work had been subject to Social Security taxes, we would reduce any spouse, widow, or widower benefit because of their own Social Security retirement benefit. The Government Pension Offset ensures that we calculate the benefits of government employees who don't pay Social Security taxes the same as workers in the private sector who pay Social Security taxes.

When won't my Social Security benefits be reduced?

Generally, we won't reduce your Social Security benefits as a spouse, widow, or widower if you:

- Receive a government pension that's not based on your earnings; or
- Are a federal (including Civil Service Offset), state, or local government employee and your government pension is from a job for which you paid Social Security taxes; and:
 - Your last day of employment (that your pension is based on) is before July 1, 2004; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time); or
 - You paid Social Security taxes on your earnings during the last 60 months of government service. (Under certain

conditions, we require fewer than 60 months for people whose last day of employment falls after June 30, 2004, and before March 2, 2009.)

There are other situations for which we won't reduce your Social Security benefits as a spouse, widow, or widower; for example, if you:

- Are a federal employee who switched from the Civil Service Retirement System (CSRS) to the Federal Employees' Retirement System (FERS) after December 31, 1987; and:
 - Your last day of service (that your pension is based on) is before July 1, 2004;
 - You paid Social Security taxes on your earnings for 60 months or more during the period beginning January 1988 and ending with the first month of entitlement to benefits; or
 - You filed for and were entitled to spouses, widows, or widowers benefits before April 1, 2004 (you may work your last day in Social Security covered employment at any time).
- Received, or were eligible to receive, a government pension before December 1982 and meet all the requirements for Social Security spouse's benefits in effect in January 1977; or
- Received, or were eligible to receive, a federal, state, or local government pension before July 1, 1983, and were receiving one-half support from your spouse.

Note: A Civil Service Offset employee is a federal employee, rehired after December 31, 1983, following a break in service of more than 365 days, with five years of prior CSRS coverage.

What about Medicare?

Even if you don't get benefit payments from your spouse's work, you can still get Medicare at age 65 on your spouse's record if you aren't eligible for it on your own record.

Can I still get Social Security benefits from my own work?

The offset applies only to Social Security benefits as a spouse, or widow, or widower. However, we may reduce your own benefits because of another provision. For more information, go online to read *Windfall Elimination Provision* (Publication No. 05-10045).

Contacting Social Security

The most convenient way to contact us anytime, anywhere is to visit www.socialsecurity.gov. There, you can: apply for benefits; open a *my* Social Security account, which you can use to review your *Social Security Statement*, verify your earnings, print a benefit verification letter, change your direct deposit information, request a replacement Medicare card, and get a replacement SSA-1099/1042S; obtain valuable information; find publications; get answers to frequently asked questions; and much more.

If you don't have access to the internet, we offer many automated services by telephone, 24 hours a day, 7 days a week. Call us toll-free at **1-800-772-1213** or at our TTY number, **1-800-325-0778**, if you're deaf or hard of hearing.

If you need to speak to a person, we can answer your calls from 7 a.m. to 7 p.m., Monday through Friday. We ask for your patience during busy periods since you may experience higher than usual rate of busy signals and longer hold times to speak to us. We look forward to serving you.



Securing today
and tomorrow

April 23, 2021

TO: Each Trustee
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee
Les Robbins, Chair
Vivian H. Gray, Vice Chair
Shawn R. Kehoe
Ronald A. Okum
Wayne Moore, Alternate

FOR: May 5, 2021 Board of Retirement Meeting

SUBJECT: **PROVIDE VOTING DIRECTIONS ON SACRS 2021 LEGISLATIVE PROPOSAL**

RECOMMENDATION

That the Board of Retirement direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 634 for the SACRS 2021 legislative platform.

BACKGROUND

Each year, the 20 retirement systems operating under the County Employees Retirement Law of 1937 (CERL) are asked to submit proposals to the SACRS Legislative Committee for sponsorship in the annual SACRS legislative platform. The items submitted should have application to all CERL systems rather than an individual system; they should not propose new benefits that will be paid for by the plan sponsor; and they should not create major issues, such as conflicts with Proposition 162 or with any of the 19 other CERL retirement systems.

DISCUSSION

On September 2, 2020, the Board of Retirement approved submission of a legislative proposal for inclusion in the SACRS 2021 Legislative Platform on technical and clarifying amendments to CERL. However, the SACRS Legislative Committee subsequently intended to use a two-year cycle for technical and clarifying amendments to CERL, so that legislation is introduced during the second (even-numbered) year of each legislative session, whereas the first (odd-numbered) year of the session is used to review and further develop the amendments.

Due to the disruption of the California State Legislature's schedule in 2020 from the pandemic and the need for efficiency, separate technical bills for CalPERS, CalSTRS, and the CERL systems that were in process in 2020 were combined into one omnibus bill (AB 2101), which became law on September 29, 2020. That bill contained technical and

clarifying provisions on CERL that were developed by the SACRS Legislative Committee during the 2019-20 legislative session and were originally introduced in SB 783.

The Legislature's retirement policy committees will continue to use a combined omnibus bill for these type of changes for CalPERS, CalSTRS, and the CERL retirement systems and intend to introduce such bills on an annual basis. Consequently, the SACRS Legislative Committee decided to include amendments, including LACERA's, that did not require further review or development into SB 634 for the 2021 legislative year.

Senate Bill 634:

- *IBLC Recommendation: **Vote YES to Sponsor.***
- *Staff Recommendation: **Vote YES to Sponsor.***
- *SACRS Legislative Committee Recommendation: **Sponsor.***

The following is an outline of the technical and clarifying amendments for CERL in SB 634.

County Health Officer as Medical Advisor

Description

CERL requires the county health officer to advise the board on medical matters and, if requested by the board, shall attend its meetings. In practice, medical matters generally arise in the adjudication of disability retirement applications, and the various retirement systems operating under CERL usually do not have the actual county health officer perform this function. The county health officer's deputy or other representative may be performing this function, or the retirement systems may be engaging physicians in private practice.

Proposed Amendments

Clarify that the county health officer, either directly or through a duly authorized representative, shall advise the board on medical matters. Also clarify that the board may contract with a physician in private practice under its existing authority to secure the necessary medical service and advice in carrying out its adjudication of disability retirement applications. The changes will provide flexibility to retirement boards in procuring the services of a medical advisor.

Government Code Sections Affected

31530 and 31732.

County Office of Education

Description

A member of a county retirement system who ceases to be a member due to the transfer of retirement coverage of a county office of education to CalPERS may elect to remain a member of the county retirement system.

Proposed Amendments

Update the incorrect references to the Education Code when it was reorganized years ago.

Government Code Sections Affected
31565.5.

Installment Payments

Description

Members who elect to make additional contributions to purchase service credit may elect to make the contributions either on a pretax or after-tax basis. If members make pretax contributions, federal tax law prohibits them from changing or stopping the contributions before termination of service.

Section 31641.8 was enacted in 1955 and provides that a member who has elected to make contributions by installment payments may, at any time prior to the effective date of retirement, complete payment by lump sum. This section does not conform with current federal tax law with respect to pretax contributions.

Proposed Amendments

Section 31641.8 should be deleted as being obsolete. The payment terms related to pretax and after-tax contributions in conformity with federal tax law are generally specified in the contracts that members sign when they elect to make additional contributions. Moreover, members have up to 120 days after the effective date of retirement to complete the payment of contributions.

Government Code Sections Affected
31641.8.

Post-Retirement Employment

Description

Section 31680.2 provides that retired members may be reemployed without reinstatement to membership in a position requiring special skills or knowledge for a period of time not to exceed 90 working days or 720 hours in one fiscal year of any other 12-month period. Section 31680.3 provides that the period of time not exceed 120 working days or 960 hours.

Proposed Amendments

The current statutes are missing the phrase “a period of time,” which should be inserted between “for” and “not” in the first sentence of each. Section 31680.6 provides context for

this correction in that it extends "...the period of time provided for in Section 31680.2...."
The corrections will enhance readability of the statutes.

Government Code Sections Affected
31680.2 and 31680.3.

Survivor Benefits

Description

The surviving spouse of a member who dies prior to reaching the minimum retirement age and who has 10 or more years of service credit has the option to leave the death benefit on deposit until the earliest date when the deceased member could have retired.

If a surviving spouse dies before making this election and has a minor child, the legally appointed guardian shall make the election on behalf of the minor child.

Proposed Amendments

The word "the" is missing and should be inserted within the phrase "in guardian's judgment" in the last sentence of the second paragraph. The correction will enhance readability of the statute.

Government Code Sections Affected
31781.2

IT IS THEREFORE RECOMMENDED THAT THE BOARD direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 634 for the SACRS 2021 legislative platform.

Attachment

SACRS May 14, 2021 Business Meeting: Agenda Item 5.B.

cc: Santos H. Kreimann
JJ Popowich
Steven P. Rice
Ricki Contreras
Frank Boyd
Vincent Lim
Fern Billingsy
Joe Ackler, Ackler & Associates



SACRS Business Meeting Agenda
Friday, May 14, 2021
10:00 AM - Upon Adjournment
Online Via SACRS Conference Platform

SACRS Parliamentarian – TBD
Sergeant at Arms – Bob Goodchild, San Diego CERA

1. SACRS System Roll Call

Kathryn Cavness, Mendocino CERA, SACRS Secretary

2. Secretary's Report - Receive and File

Kathryn Cavness, Mendocino CERA, SACRS Secretary

- A. November 2020 SACRS Business Meeting Minutes

3. Treasurer's Report - Receive and File

Harry Hagen, Santa Barbara CERS, SACRS Treasurer

- A. July 2020 – January 2021 Financials

4. SACRS President Report - No Action

Vivian Gray, Los Angeles CERA, SACRS President

- A. SACRS President Update

5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action

6. SACRS Nomination Committee - 2021-2022 SACRS Election Notice – Action

Dan McAllister, San Diego CERA, SACRS Nomination Committee Chair

- A. SACRS Elections 2021-2022

7. SACRS Audit Report – Action

Steve Delaney, Orange CERS, SACRS Audit Committee Chair

- A. SACRS 2019-2020 Annual Audit



8. SACRS Education Committee Report – No Action

JJ Popowich, Los Angeles CERA, SACRS Education Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Evaluations/Feedback

9. SACRS Program Committee Report – No Action

Roger Hilton, Orange CERS, SACRS Program Committee Chair

- A. SACRS Annual Virtual Spring 2021 Conference Report

10. SACRS Affiliate Committee Report – No Action

Scott Draper, Algert Global LLC, SACRS Affiliate Committee Chair

- A. Affiliate Committee Update

11. SACRS Bylaws Committee Report – No Action

Johanna Fontenot, Los Angeles CERA, SACRS Bylaws Committee Chair

- A. Bylaws Committee Update

12. SACRS Spring Conference Breakout Reports – No Action

A representative from each breakout will give report on their meetings.

- A. Administrators
- B. Counsel
- C. Disability/ Operations & Benefits Combo
- D. Internal Auditors
- E. Investment Officers
- F. Safety Trustees
- G. General Trustees

13. Adjournment

Next scheduled SACRS Association Business Meeting will be held Friday, November 12, 2021 at the Hollywood Loews Hotel unless Covid-19 restrictions are in place.



5. SACRS Legislative Committee Update – Action

Eric Stern, Sacramento CERS and Dave Nelsen, Alameda CERA – SACRS Legislative Committee Co-Chairs

- A. 2021 Legislative Report – No Action
- B. SACRS Board of Directors Legislative Proposal – Action

March 5, 2021

TO: SACRS Board of Directors

FROM: SACRS Legislative Committee

RE: Sponsorship of SB 634 (Committee on Labor, Public Employment and Retirement)

Similar to last year with AB 2101 (Committee on Public Employment and Retirement), the Legislative Committee is pursuing another omnibus bill to provide technical and clarifying changes to the CERL. You may recall that SACRS' cleanup changes were initially placed into SB 783, then ultimately amended into AB 2101, a bill sponsored by SACRS, CalPERS, and CalSTRS that provided noncontroversial changes to each entity's respective code sections.

This year, the Senate Committee on Labor, Public Employment and Retirement is authoring another omnibus bill for SACRS, CalPERS, and CalSTRS technical cleanup.

After fielding proposals from member systems and deliberating among the legislative committee, several minor cleanup proposals were selected to be amended into SB 634 at the start of the new legislative session.

These changes include clarifying that a Board of Retirement may contract with a private physician to provide medical advice as part of the board's duties related to processing disability claims, deleting an obsolete reference to procedures for purchasing additional service, changing incorrect code references, and fixing typos. Along with these changes, the Legislative Committee will continue to review noncontroversial proposals to be added into this vehicle in the coming months.

On a separate track, the Legislative Committee continues to review more substantive CERL amendments for consideration by the Board of Directors for the 2022 legislative session.

The SACRS Legislative Committee is requesting Board of Directors approval for SACRS to formally sponsor SB 634. Thank you for your consideration.

The bill language for SB 634 and a summary matrix of CERL provisions in SB 634 are attached.

2021 CERL Amendments

Sec	Gov Code	Topic	Issue/Justification
9 14	31530 31732	County Health Officer as Medical Advisor	Updates statutes to conform to existing practices in which many retirement systems currently use outside, independent medical advisors to evaluate disability claims. Amendments clarify that the county health officer, either directly or through a duly authorized representative, shall advise the board on medical matters. Also clarifies that the board may contract with a physician in private practice under its existing authority to secure the necessary medical service and advice in carrying out its adjudication of disability retirement applications.
10	31565.5	County Office of Education	Fixes incorrect cross references when the Education Code was restructured years ago.
11	31641.8	Service Purchase-Installment Payments	Deletes obsolete section. The payment terms related to pre-tax and after-tax contributions in conformity with federal tax law are generally specified in the contracts that members sign when they elect to make additional contributions.
12 13	31680.2 31680.3	Post-Retirement Employment	Fixes typo/missing words. Section 31680.2 provides that retired members may be reemployed without reinstatement to membership in a position requiring special skills or knowledge for a period of time not to exceed 90 working days or 720 hours in one fiscal year of any other 12-month period. Section 31680.3 provides that the period of time not exceed 120 working days or 960 hours. The current statutes are missing the phrase "a period of time," similar to sentence structure in Section 31680.6.
15	31781.2	Survivor benefits	Fixes typo. The word "the" is missing before "guardian."

Introduced by Committee on Labor, Public Employment and Retirement (Senators Cortese (Chair), Durazo, Laird, Newman, and Ochoa Bogh)

February 19, 2021

An act to amend Sections 22011, 22802, 24204, and 26804 of the Education Code, and to amend Sections 20320, 20322, 20324, 31530, 31565.5, 31680.2, 31680.3, 31732, and 31781.2 of, to add Section 21499.1 to, and to repeal Section 31641.8 of, the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 634, as introduced, Committee on Labor, Public Employment and Retirement. Public employees' retirement.

(1) Existing law, the Teachers' Retirement Law, establishes the State Teachers' Retirement System (STRS) and creates the Defined Benefit Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. STRS is administrated by the Teachers' Retirement Board. Existing law requires STRS to pay premiums associated with Medicare Part A for certain retired or disabled members, as specified. Existing law creates the Cash Balance Benefit Program, which is administered by the board, to provide a retirement plan for the benefit of participating employees who provide creditable service for less than 50% of full time.

Existing law applicable to the Defined Benefit Program, for applications and documents requiring a signature, requires that the signature be in a form prescribed by the system.

This bill would apply the above-described requirements regarding signed applications and documents to the Cash Balance Benefit Program and the requirement that STRS pay certain Medicare Part A premiums.

Existing law authorizes a member of STRS who is not retired and who was previously excluded from membership in the Defined Benefit Program request to purchase service credit in the program for certain types of other service. The bill would delete and obsolete cross-reference.

This bill would prohibit a member from purchasing service credit for any school year if the purchase would result in more than one year of service for that school year.

Existing law authorizes a member of STRS who files an application for service retirement to change or cancel their retirement application if specified requirements are met. In this regard, existing law requires a member to return the total gross distribution amount of all payments for any canceled retirement benefit, including a lump-sum payment, as specified.

This bill would extend the requirement to return total gross distribution amount, as described above, to apply to any canceled benefit.

(2) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which is administered by the Board of Administration of the Public Employees' Retirement System. PERL excludes specified appointees, elective officers, and legislative employees from membership in the system unless the person to whom these provisions apply elects to file with the board an election in writing to become a member.

This bill would prescribe the circumstances pursuant to which the start date would be determined for an appointee, elective officer, or legislative employee who elects to become a member of PERS. If the written election is received by the system within 90 days of the applicable appointment, current term, or start date for the position, the bill would require that the effective date be the start date of the appointment, the start date of the term, or the start date of the position. If the election is not received by the system within 90 days, as specified, the effective date would be the first day of the month in which the election is received by the system.

PERL prescribes the circumstances pursuant to which specified payments and benefits may be paid by PERS in connection with the death of a member, among others.

This bill would require that overpayments, issued after the date of death to a member, retired member, or beneficiary, made to or on behalf of any member, retired member, or beneficiary, as specified, be deducted from any subsequent payment or benefit that is payable by PERS as a result of the death.

(3) The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and death benefits to county and district employees. CERL vests management of the retirement systems created pursuant to its provisions in a board of retirement. CERL requires the county health officer to advise the board on medical matters and, if requested, attend its meetings.

This bill would authorize a county health officer's duly authorized representative to also advise the board of retirement with advice on medical matters.

CERL authorizes a member of a system established under its provision who ceases to be an employee of the county under certain provisions of the Education Code to elect to remain a member of the CERL system.

This bill would correct an obsolete cross-reference in this regard.

CERL provides benefits based upon service credit, defines service for this purpose, and authorizes a member to elect to receive service credit for other forms of public service, as defined, by making contributions. CERL authorizes a member who has elected to make contributions to receive service credit to complete payment, at any time prior to the effective date of the member's retirement, by a lump sum.

This bill would repeal the above-described authority of a member to complete a payment by lump sum.

CERL requires a board of retirement to secure medical, investigatory, and other service and advice as is necessary for the purpose of administering provisions relating to disability retirement.

This bill would authorize the board to contract with a physician in private practice for the medical advice necessary to carry out the purpose of provisions relating to disability retirement.

This bill would make various technical and stylistic changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22011 of the Education Code is amended
2 to read:

3 22011. For an application or document requiring a signature,
4 that signature shall be in a form prescribed by the system,
5 including, but not limited to, on paper or made by electronic means.
6 Notwithstanding any other law, an application or document made
7 under this ~~part~~ *part, Part 13.5 (commencing with Section 25900),*
8 *or Part 14 (commencing with Section 26000)* that is signed and
9 submitted by the person authorized to do so using technology and
10 security measures prescribed by the system shall be deemed to be
11 a signed and valid original document.

12 SEC. 2. Section 22802 of the Education Code is amended to
13 read:

14 22802. (a) A member, other than a retired member, who was
15 previously excluded from membership in the Defined Benefit
16 Program may request to purchase service credit for:

- 17 (1) Service as a substitute excluded under Section 22602.
- 18 (2) Creditable service subject to coverage under the Cash
19 Balance Benefit ~~Program, excluding service credited pursuant to~~
20 ~~Section 26402, Program~~ if the member is currently contributing
21 to the Defined Benefit Program and has terminated all service
22 subject to coverage under the Cash Balance Benefit Program. Upon
23 requesting to purchase service credit under this paragraph, the
24 member shall cease to be eligible for a benefit for the same service
25 or time previously credited under the Cash Balance Benefit
26 Program pursuant to Part 14 (commencing with Section 26000).
- 27 (3) Service performed on a part-time basis excluded under
28 Section 22601.5 or Section 22604, other than service credited
29 under paragraph (2).
- 30 (4) Adult education service excluded under Section 22603, as
31 it read on December 31, 1995.
- 32 (5) Service as a school nurse excluded under Section 22606, as
33 it read on December 31, 1995.
- 34 (6) Service performed in a position prior to the date the position
35 was made subject to coverage under the Defined Benefit Program.
- 36 (7) Service subject to coverage under the Defined Benefit
37 Program performed while a member of another California public
38 retirement system, provided the member has ceased to be a member

1 of, and has ceased to be entitled to benefits from, the other
 2 retirement system. The member shall not receive credit for the
 3 service if the member may redeposit withdrawn contributions and
 4 subsequently be eligible for any benefits based upon the same
 5 service or based upon other full-time service performed during the
 6 same period, from another California public retirement system.

7 (b) A member who requests to purchase service credit under
 8 this part for service performed while excluded from membership
 9 under the Defined Benefit Program shall pay all of the required
 10 contributions for all or the portion of that service for which the
 11 member requests to purchase service credit.

12 (c) A member ~~may~~ shall not request to purchase service credit
 13 for service or time described in paragraphs (1) and (3) to (7),
 14 inclusive, of subdivision (a) if, after the request, the member would
 15 continue to receive credit for the same service or time in the Cash
 16 Balance Benefit Program under Part 14 (commencing with Section
 17 26000) or another public retirement system.

18 (d) *A member shall not purchase service credit for any school*
 19 *year if the purchase would result in more than one year of service*
 20 *for that school year.*

21 SEC. 3. Section 24204 of the Education Code is amended to
 22 read:

23 24204. (a) A service retirement allowance under this part shall
 24 become effective upon any date designated by the member,
 25 provided all of the following conditions are met:

26 (1) An application for service retirement allowance is filed on
 27 a form provided by the system, which is executed no earlier than
 28 six months before the effective date of retirement allowance.

29 (2) The effective date is later than the last day the member
 30 earned creditable compensation pursuant to Section 22119.2 or
 31 22119.3.

32 (3) The effective date is no earlier than one day after the date
 33 on which the retirement allowance was terminated under Section
 34 24208.

35 (4) The effective date is no earlier than one year following the
 36 date on which the retirement allowance was terminated under
 37 subdivision (a) of Section 24117.

38 (5) The effective date is no earlier than the date upon and
 39 continuously after which the member is determined to the
 40 satisfaction of the board to have been mentally incompetent.

1 (6) The effective date is no earlier than one day after the date
2 upon which the member completes payment of a service credit
3 purchase pursuant to Section 22801, 22820, or 22826, or payment
4 of a redeposit of contributions pursuant to Section 23200, except
5 as provided in Section 22801 or 22829.

6 (b) A member who files an application for service retirement
7 may change or cancel their retirement application if all of the
8 following are met:

9 (1) The form provided by the system is received in the system's
10 headquarters office no later than 30 days from the date the
11 member's initial benefit payment for the member's most recent
12 retirement under the Defined Benefit Program is paid by the
13 system.

14 (2) The member returns the total gross distribution amount of
15 all payments for any canceled ~~retirement~~ benefit, including a
16 lump-sum payment being changed to an annuity, to the system's
17 headquarters office no later than 45 days from the date of the
18 member's initial benefit payment. The member shall be liable for
19 any adverse tax consequences that may result from these actions.

20 (c) The retirement date of a member who files an application
21 for retirement pursuant to Section 24201 on or after January 1,
22 2012, shall be no earlier than January 1, 2012.

23 (d) Nothing in this section shall be construed to allow a member
24 to receive more than one type of retirement or disability allowance
25 for the same period of time by virtue of the member's own
26 membership.

27 SEC. 4. Section 26804 of the Education Code is amended to
28 read:

29 26804. Application for a retirement benefit under this part shall
30 be made on a form prescribed by the system. A participant who
31 files an application for a retirement benefit may change or cancel
32 the retirement application if all of the following are met:

33 (a) The form provided by the system is received in the system's
34 headquarters office no later than 30 days from the date of the
35 ~~member's~~ *participant's* initial benefit payment.

36 (b) The participant returns the total gross distribution amount
37 *of all payments* for any canceled retirement benefit, including a
38 lump-sum payment being changed to an annuity, to the system's
39 headquarters office no later than 45 days from the date of the
40 ~~participants's~~ *participant's* initial benefit payment. The participant

1 shall be liable for any adverse tax consequences that may result
2 from these actions.

3 SEC. 5. Section 20320 of the Government Code is amended
4 to read:

5 20320. (a) A person directly appointed by the Governor,
6 without the nomination of any officer or board, or directly
7 appointed by the Attorney General, Lieutenant Governor,
8 Controller, Secretary of State, Treasurer, or Superintendent of
9 Public Instruction exempt from civil service under Article VII of
10 the California Constitution, except those appointed pursuant to
11 subdivision (i) of Section 4 thereof, is excluded from membership
12 in this system unless ~~he or she~~ *the person* files with the board an
13 election in writing to become a member. *The election effective*
14 *date shall be the start date of the current appointment, provided*
15 *the election is received by this system within 90 days of the*
16 *applicable start date. If the election is not received by this system*
17 *within 90 days from the start date, the effective date shall be the*
18 *first day of the month in which the election is received by this*
19 *system.*

20 (b) Upon electing to become a member, the person may further
21 elect at any time prior to retirement to receive service credit for
22 ~~his or her~~ *their* prior, excluded state service by making the
23 contributions as specified in Sections 21050 and 21051.

24 SEC. 6. Section 20322 of the Government Code is amended
25 to read:

26 20322. (a) An elective officer is excluded from membership
27 in this system unless the officer files with the board an election in
28 writing to become a member. *The election effective date shall be*
29 *the start date of the current term, provided the election is received*
30 *by this system within 90 days of the applicable start date. If the*
31 *election is not received by this system within 90 days from the start*
32 *date, the effective date shall be the first day of the month in which*
33 *the election is received by this system.* Upon electing to become a
34 member, the officer may further elect at any time prior to retirement
35 to receive service credit for ~~his or her~~ *their* prior, excluded service
36 by making the contributions as specified in Sections 21050 and
37 21051.

38 (b) As used in this part, “elective officer” includes any officer
39 of the Senate or Assembly who is elected by vote of the members
40 of either or both of the houses of the Legislature, and any

1 appointive officer of a city or county occupying a fixed term of
2 office, as well as officers of the state or contracting agencies elected
3 by the people, and persons elected to a city council or a county
4 board of supervisors.

5 (c) Notwithstanding any other provision of subdivision (a) or
6 (b), elected or appointed officers of a county superintendent of
7 schools, school district, or community college district, or of a
8 contracting agency, who serve on public commissions, boards,
9 councils, or similar legislative or administrative bodies are
10 excluded from membership in this system. This exclusion shall
11 only apply to those elected or appointed officers, other than city
12 or county officers, who are first elected or appointed to an office
13 on or after July 1, 1994, or who are elected or appointed to a term
14 of office not consecutive with the term of office held on June 30,
15 1994. For city or county elected or appointed officers, this
16 exclusion shall only apply to those officers who are first elected
17 or appointed to an office on or after January 1, 1997, or who are
18 elected or appointed to a term of office not consecutive with the
19 term of office held on December 31, 1996. This exclusion shall
20 not apply to persons elected to a city council or county board of
21 supervisors.

22 (d) Any person holding the office of city attorney or the office
23 of assistant city attorney, whether employed, appointed, or elected,
24 is excluded from the definition of "elective officer" as defined in
25 subdivision (b). This subdivision shall apply only to persons first
26 employed, elected, or appointed on or after July 1, 1994, or
27 following any break in state service while serving in the office if
28 the office was held on June 30, 1994.

29 (e) In accordance with Section 20125, the board shall be the
30 sole judge of which elected or appointed positions qualify the
31 incumbent as an "elective officer" in this system under this section.

32 (f) Notwithstanding any other provision of law, with respect to
33 elective officers of contracting agencies, payment by a contracting
34 agency of employer contributions and any other amounts for
35 employer paid benefits under this system shall not be construed
36 as receipt of salary or compensation by the elective officer for
37 purposes of any statutory salary or compensation limitation.

38 SEC. 7. Section 20324 of the Government Code is amended
39 to read:

1 20324. (a) An employee of the Senate or the Assembly, or the
 2 respective committees thereof, whose salaries or wages are paid
 3 from the Senate Operating Fund or the Assembly Operating Fund
 4 or the Operating Funds of the Assembly and Senate, shall be
 5 deemed a "legislative employee." A legislative employee is
 6 excluded from membership in this system unless ~~he or she~~ *the*
 7 *person* files with the board an election in writing to become a
 8 member. *The election effective date shall be the start date of the*
 9 *current position, provided the election is received by this system*
 10 *within 90 days of the applicable start date. If the election is not*
 11 *received by this system within 90 days from the start date, the*
 12 *effective date shall be the first day of the month in which the*
 13 *election is received by this system.* The election shall not be
 14 required of a legislative employee who was a member of this
 15 system on October 1, 1963.

16 (b) Upon electing to become a member, a legislative employee
 17 may further elect at any time prior to retirement to receive service
 18 credit for ~~his or her~~ *their* prior, excluded legislative service and
 19 ~~he or she~~ *the legislative employee* shall have the option as to how
 20 much of that prior legislative service is to be credited. The
 21 legislative employee shall make contributions to this system as
 22 specified in Sections 21050 and 21051 for the previous service as
 23 a legislative employee for which ~~he or she~~ *desires they desire* to
 24 receive service credit.

25 SEC. 8. Section 21499.1 is added to the Government Code, to
 26 read:

27 21499.1. Any overpayment, issued after the date of death to a
 28 member, retired member, or beneficiary, made to or on behalf of
 29 any member, retired member, or beneficiary, including, but not
 30 limited to, contributions, interest, retirement allowance, payments
 31 of any kind, or federal or state tax, shall be deducted from any
 32 subsequent payment or benefit that is payable by this system as a
 33 result of the death.

34 SEC. 9. Section 31530 of the Government Code is amended
 35 to read:

36 31530. The county health ~~officer~~ *officer, either directly or*
 37 *through a duly authorized representative*, shall advise the board
 38 on medical matters and, if requested by the board, shall attend its
 39 meetings.

1 SEC. 10. Section 31565.5 of the Government Code is amended
2 to read:

3 31565.5. Any member of a system established under this
4 chapter who ceases to be an employee of the county under the
5 provisions of ~~Education Code Section 873~~ *Section 1312 of the*
6 *Education Code* may elect as authorized in ~~Education Code Section~~
7 ~~873.1~~ *Section 1313 of the Education Code* to remain a member of
8 such system.

9 SEC. 11. Section 31641.8 of the Government Code is repealed.

10 ~~31641.8. Any member who has elected to make contributions~~
11 ~~pursuant to this chapter by installment payments may, at any time~~
12 ~~prior to the effective date of his retirement, complete payment~~
13 ~~thereof by lump sum.~~

14 SEC. 12. Section 31680.2 of the Government Code is amended
15 to read:

16 31680.2. (a) Any person who has retired may be employed in
17 a position requiring special skills or knowledge, as determined by
18 the county or district employing ~~him or her, for them,~~ *for a period*
19 *of time* not to exceed 90 working days or 720 hours, whichever is
20 greater, in any one fiscal year or any other 12-month period
21 designated by the board of supervisors and may be paid for that
22 employment. That employment shall not operate to reinstate the
23 person as a member of this system or to terminate or suspend ~~his~~
24 ~~or her~~ *their* retirement allowance, and no deductions shall be made
25 from ~~his or her~~ *their* salary as contributions to this system.

26 (b) (1) This section shall not apply to any retired person who
27 is otherwise eligible for employment under this section if, during
28 the 12-month period prior to an appointment described in this
29 section, that retired person receives unemployment insurance
30 compensation arising out of prior employment subject to this
31 section with the same employer.

32 (2) A retired person who accepts an appointment after receiving
33 unemployment insurance compensation as described in this
34 subdivision shall terminate that employment on the last day of the
35 current pay period and shall not be eligible for reappointment
36 subject to this section for a period of 12 months following the last
37 day of employment.

38 (3) Beginning January 1, 2013, if any provision of this section
39 conflicts with the California Public Employees' Pension Reform
40 Act of 2013, the provisions of that act shall prevail, except that

1 the limit on postretirement employment provided in subdivision
2 (a) to the greater of 90 working days or 720 hours shall remain
3 effective.

4 SEC. 13. Section 31680.3 of the Government Code is amended
5 to read:

6 31680.3. (a) Notwithstanding Section 31680.2, any member
7 who has been covered under the provisions of Section 31751 and
8 has retired may be reemployed in a position requiring special skills
9 or knowledge, as determined by the county or district employing
10 the member, for *a period of time* not to exceed 120 working days
11 or 960 hours, whichever is greater, in any one fiscal year and may
12 be paid for that employment. That employment shall not operate
13 to reinstate the person as a member of this system or to terminate
14 or suspend the person’s retirement allowance, and no deductions
15 shall be made from the person’s salary as contributions to this
16 system.

17 (b) (1) This section shall not apply to any retired member who
18 is otherwise eligible for reemployment under this section if, during
19 the 12-month period prior to an appointment described in this
20 section, that retired person receives unemployment insurance
21 compensation arising out of prior employment subject to this
22 section with the same employer.

23 (2) A retired person who accepts an appointment after receiving
24 unemployment insurance compensation as described in this
25 subdivision shall terminate that employment on the last day of the
26 current pay period and shall not be eligible for reappointment
27 subject to this section for a period of 12 months following the last
28 day of employment.

29 (c) Beginning January 1, 2013, if any provision of this section
30 conflicts with the California Public Employees’ Pension Reform
31 Act of 2013, the provisions of that act shall prevail.

32 SEC. 14. Section 31732 of the Government Code is amended
33 to read:

34 31732. The board shall secure such medical, investigatory and
35 other service and advice as is necessary to carry out the purpose
36 of this article. Notwithstanding Section 31529, the board may
37 contract with an attorney in private practice for the legal services
38 and advice necessary to carry out the purpose of this article.
39 *Notwithstanding Section 31530, the board may contract with a*
40 *physician in private practice for the medical advice necessary to*

1 *carry out the purpose of this article.* It shall pay for such services
2 and advice such compensation as it deems reasonable.

3 SEC. 15. Section 31781.2 of the Government Code is amended
4 to read:

5 31781.2. In lieu of accepting in cash the death benefit payable
6 under Section 31781 or 31781.01, the surviving spouse of a
7 member who dies prior to reaching the minimum retirement age
8 and who at the date of the member's death has 10 or more years
9 of service to the member's credit, shall have the option to leave
10 the amount of the death benefit on deposit in the retirement system
11 until the earliest date when the deceased member could have retired
12 had the member lived, and at that time receive the retirement
13 allowance provided for in Section 31765, 31765.1, or 31765.11,
14 whichever is applicable.

15 If, at the death of the spouse, the spouse is survived by one or
16 more unmarried children of the member, under the age of 18 years,
17 the retirement allowance shall continue to the child or children,
18 collectively, until every child dies, marries, or attains the age of
19 18 years. If the spouse dies, either before or after the death of the
20 member, without either making the election or receiving any
21 portion of the death benefit, and no part of the death benefit had
22 been paid to any person, prior to the payment of any benefits, the
23 legally appointed guardian of the children shall make the election
24 herein provided for on behalf of the surviving children as, in *the*
25 guardian's judgment, may appear to be in their interest and
26 advantage, and the election so made shall be binding and
27 conclusive upon all parties in interest.

28 Notwithstanding any other provisions of this section, the benefits
29 otherwise payable to the children of the member shall be paid to
30 those children up to the 22nd birthdays of the children if the
31 children remain unmarried and are regularly enrolled as full-time
32 students in an accredited school as determined by the board.

O

April 6, 2021

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Steven P. Rice *SPR*
Chief Counsel

FOR: April 14, 2021 Board of Investments Meeting
May 5, 2021 Board of Retirement Meeting

SUBJECT: First Amendment Training
“Free Speech Rights and Fiduciary Duties: A Governance Challenge for Retirement System Trustees”

Fiduciary counsel Ashley Dunning and Peter Mixon, from Nossaman LLP, will present training on the First Amendment rights of trustees and the intersection of those rights with fiduciary duty and fund governance. The presentation slides are attached, as well as a supporting memo with additional analysis and legal authority. Continuing Legal Education (CLE) credit will be available for interested trustees.

Brief summaries of counsel’s backgrounds are as follows:

Ashley Dunning – Ashley is Co-Chair of Nossaman’s Public Pensions Group and serves on Nossaman’s Executive Committee. She is a nationally recognized public pension counselor and litigator who has provided fiduciary and governance counsel services to public retirement systems throughout California since 1998. Ashley has served LACERA as fiduciary counsel since 2006. She has also served as fiduciary counsel to the California Public Employees' Retirement System (CalPERS) and has provided fiduciary, litigation, governance, and/or special projects counsel to the majority of the 20 retirement systems governed by the County Employees Retirement Law of 1937 and to the city retirement systems in San Francisco, Los Angeles, and San Diego. She was elected President of NAPP in 2019, is immediate past Chair of the Fiduciary and Governance Section and is a member of its Executive Board. She is on the Program Committee of SACRS and frequently provides training at SACRS meetings and at the meetings of other public pension organizations as well as for the trustees of her clients.

Peter Mixon – Peter has more than 20 years of experience advising public pension plans and their boards. He focuses on trust and fiduciary law, governance, investments, benefits, and funding issues. He currently provides fiduciary advice to a number of plans in California and across the nation. Peter has extensive experience representing public pension boards and committees in litigation involving fiduciary and investment issues.

Re: First Amendment Training

April 6, 2021

Page 2 of 2

Peter served as the General Counsel to CalPERS for over a decade before coming to Nossaman. In that position, he was the system's primary fiduciary counsel. He oversaw the Board Governance Project. As General Counsel, he also oversaw the internal audit function and supervised the preparation of performance audits of the system and plan employers. He is a former member of the Executive Board of NAPPA and is a well-known speaker on public pension issues. He continues to provide ethics and fiduciary training to clients and at public pension conferences. Peter recently testified in state court as an expert on the fiduciary standards of public pension trustees in California.

Attachments

c: Santos H. Kreimann
Jonathan Grabel
JJ Popowich
Johanna Fontenot

**FREE SPEECH RIGHTS AND
FIDUCIARY DUTIES: A GOVERNANCE
CHALLENGE FOR RETIREMENT SYSTEM
TRUSTEES**

**Los Angeles County Employees Retirement Association
Board of Investments and Board of Retirement**

April 14, 2021 and May 5, 2021

Presented By:

Peter Mixon

Ashley Dunning



Free Speech & Fiduciary Duties

- **Fiduciary Duties**

- Public Pension Trustees Owe Duties of Loyalty and Prudence

- **Free Speech Fundamentals**

- First Amendment of the U.S. Constitution and Article I of the California Constitution
- Right to Free Speech is not “Absolute”
 - Certain Forms Are Protected: artistic, symbolic, commercial, political, and government speech
 - Certain Forms Are Not: defamation, fraud, obscenity, incitement to violence and others
 - Statutes May Regulate Protected Speech In Certain Contexts, Which Involves A “Weighing of the Governmental Interest Involved.” (*Konigsberg v. State Bar* (1961) 366 U.S. 36.)

- **Focus: Trustees’ Fiduciary Duties And Their Rights of Free Speech**

Free Speech & Fiduciary Duties

- Government Speech Of LACERA And Its Agents
 - California Constitution
 - Governmental entities may speak freely “provided it does not drown out private communication.” (*Miller v. Cal. Com. On Status of Women* (1984) 151 Cal.App.3d 693.)
 - Exception: Expenditure of public funds to influence the outcome of an election
 - In the absence of a “clear and explicit legislative authorization,” a public agency expenditure of public funds to promote a partisan position in an election is an illegal expenditure of public funds. (*Stanson v. Mott* (1976) 17 Cal.3d 206.)
 - General legislative authority to provide information to the public will support a “fair presentation” of information relating to the electoral issue. This includes an analytical evaluation and opinion of the merits of a ballot measure. (*Vargas v. City of Salinas* (2009) 46 Cal.4th 1.)

Free Speech & Fiduciary Duties

- Regulation Of Government Officials' Speech: Balancing The Interests
 - Government Service
 - “When a citizen enters government service, the citizen by necessity must accept certain limitations on his or her freedom”
 - Frequently litigated example: public employee speech
 - U.S. Supreme Court has developed a two-part balancing test: court will weigh the interests of the public employee, as a citizen, to comment upon matter of public concern and the interests of the government, as an employer, to promote efficiency and effectiveness of the public services that it performs. (*Garcetti v. Ceballos* (2006) 547 U.S. 410.)
 - California courts follow the *Garcetti* analysis in analyzing free speech rights of California public employees. (*Kaye v. San Diego County Public Law Library* (2009) 179 Cal.App.4th 48.)
 - Public Pension Trustees Accept Fiduciary Responsibilities And Corresponding Free Speech Limitations Upon Entry of Government Service

Free Speech & Fiduciary Duties

- Application of Government Speech Balancing Test To Elected Officials
 - Split of Authority In Federal Courts (*Werkeiser v. Pocono Township* (3rd Cir. 2015) 780 F.3d 172.)
 - The Supreme Court Has Not Addressed The Issue
 - None of the Cases Address A Public Fund Trustee's Fiduciary Duties In This Context
- Balancing Approach: Government's (including LACERA's) interest in ensuring pension boards meet their constitutional responsibilities weighs in the balancing test
 - "Restricting speech that owes its existence to a public employee's professional responsibilities" does not violate Free Speech rights. (*Garcetti, supra*, 547 U.S. at p. 422 [emphasis added].)

Free Speech & Fiduciary Duties

- **Fiduciary Duties And Constitutional Rights**

- There are constraints on a prudent trustee's free speech rights: exercise of a power by a public pension plan trustee is subject to the trustees' prudent exercise of their fiduciary duties.
- The U.S. Supreme Court and other federal courts have held that First Amendment rights do not supersede fiduciary obligations owed by a person who holds these rights. (*Snepp v. United States* (1980) 444 U.S. 507 and *Askew v. Trustees of the Gen. Assembly of the Church of the Lord Jesus Christ* (E.D.Pa. 2009) 644 F.Supp.2d 584.)

- **First Amendment Review Premised On Speaker's Specific Injury**

- Enforcement of ethics or governance policies by censure or similar actions unlikely to trigger First Amendment protections. (*Phelan v. Laramie County Community College Bd. Of Trustees* (10th Cir. 2000) 235 F.3d 1243.)

Free Speech & Fiduciary Duties

• Free Speech And Fiduciary Duties: Legal Conclusions

- There is no free speech exception to the fiduciary duties owed by public pension trustees. LACERA Board members voluntarily enter government service as trustees and their actions (including speech) that are within the scope of their duties as board members are subject to fiduciary obligations.
- All Board members are subject to reasonable LACERA Board governance policies that may potentially restrict their speech. These governance restrictions reflect the collective decision of the Boards applicable to all co-trustees and are a form of speech themselves.
- An individual trustee's interest in free speech will be weighed against the interests of the Boards in having the Board members effectively govern themselves individually and collectively for the overall benefit of LACERA members and beneficiaries.
- The governmental speech balance of interests must also weigh the fiduciary responsibilities of all Board members to act consistently with their duties of loyalty and prudence.

Free Speech & Fiduciary Duties

- Governance Framework

- The fiduciary duties owed by a prudent LACERA trustee will apply to all statements made by the trustee when the trustee is speaking as a trustee
- Statements made by a LACERA trustee as a private citizen may still be subject to a balance between free speech rights and the interests of LACERA in meeting fiduciary responsibilities.
 - Simple disclaimer that trustee is speaking as a citizen is often not enough to distinguish these two speech types because reference to LACERA inherently implicates the Board member's fiduciary role and fiduciary duties.
 - Statements made about LACERA matters even as a private citizen could have an impact on the fiduciary mission of the system
 - Ethics and fiduciary policies may reasonably govern the content and manner of trustee speech

Free Speech & Fiduciary Duties

• Governance Examples

- Trustee statements made from the dais are subject to fiduciary obligations
 - Vigorous debate and advocacy, but within the fiduciary mission of LACERA
- Trustee statements made to the media or in public speeches on LACERA matters, even as a private citizen, will likely be construed as statements of LACERA representatives
 - Identification of speaker as a trustee infers some official status
 - Statements of “personal opinion” made about LACERA matters could have an impact on the retirement system with direct or indirect consequences
 - Trustees should consider the impact before speaking or signing written statements and, in the interests of effective governance, consider discussing with Board Chairs, the CEO, the CIO and/ or the Chief Counsel in advance any fiduciary and related responsibilities implicated by the speech or statement
 - Disparaging and unprofessional comments raise the risk of reputational injury
- Trustee statements on topics unrelated to LACERA business are far less likely to implicate the fiduciary mission of the system
- How will the trustee’s statement impact the governance of the system and, potentially, the members’ interests in the security and safety of their retirement benefits?

Free Speech & Fiduciary Duties

- LACERA Media Policy

- Purpose: To ensure that the policies of the BOR and BOI are accurately transmitted and explained to mass media representatives.
- Serves as a “guide” for communications “with all outside parties[,]” which is not limited to media and covers other contacts, presentations, and interviews with any third parties.
- Board members are encouraged to refer media inquiries to staff.
- Board member responses to media inquiries should use “discretion” to “limit the discussion to formally approved Board policy.”
- Personal opinions and speculation about Board member or staff motives “are to be avoided” and a personal opinion regarding LACERA and its business must be clearly identified as such.
- All media contacts will be reported to the Board
- Board member contacts with outside parties concerning LACERA “should be conducted in accordance with the intent of this policy.”

Free Speech & Fiduciary Duties

- LACERA Code of Ethical Conduct – Political Activities

- No LACERA funds, property, logo, or other resources may be used to support personal political activities.
- Board members and staff may not use their influence or their position to secure a vote or other support for a political campaign.
- Board members and staff “may use their LACERA position to identify themselves when making an endorsement, provided that no statement may be made or action taken directly or indirectly indicating that the person represents LACERA in making the endorsement or that the endorsement is supported by or represents the position of LACERA, except when providing information authorized by the Boards.”

Free Speech & Fiduciary Duties

• Board Governance Considerations: Discussion/Questions

- Are the current policies sufficiently clear so that all Board members understand their responsibilities and their compliance obligations?
- Are the interests of LACERA and its governing Boards in an effectively functioning organization sufficiently identified?
- Are the fiduciary duties of the Boards and its members sufficiently considered?
- Do the policies reflect and/or respect the roles and responsibilities of trustees and executive staff?
- What role, if any, should the Board Chairs, Committee Chairs, CEO, CIO, and/or Chief Counsel have in consulting with any Board member in advance of the member making public statements?
- What role should the Board Chairs and/or the Boards have in enforcing policy requirements?
- Other questions?

Thank You



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TO: Members of the Board of Investment and Board of Retirement
Los Angeles County Employees Retirement Association

FROM: Peter Mixon
Ashley Dunning
Nossaman LLP

DATE: April 14, 2021

RE: Memorandum of Legal Issues: Free Speech Rights and Fiduciary Duties

This memorandum supplements the training sessions provided to the Board of Retirement and the Board of Investments (collectively, “Boards”) for the Los Angeles County Employees Retirement Association (“LACERA”). The focus of the training is on the free speech rights of LACERA Board members and the exercise of these rights in the context of the Board members’ fiduciary duties of prudence and loyalty owed to the members and beneficiaries of the LACERA pension plan. This memorandum provides more depth and detail on the legal authorities and concepts cited in the training session.

I. Introduction

The First Amendment to the United States Constitution provides that “Congress shall make no law abridging the freedom of speech.” This amendment restricting the right of Congress to make legislation abridging free speech also applies to the States through the 14th Amendment. Similarly, the California Constitution provides that “[e]very person may speak freely A law may not restrain liberty of speech.” (Cal. Const., art. I, section 2.) The free speech clause of the California Constitution is broader than its First Amendment counterpart in some respects. But the California Supreme Court will not depart from United States Supreme Court First Amendment precedent unless there are “cogent reasons for doing so.” (*Edelstein v. City and County of San Francisco* (2002) 29 Cal.4th 164, 168.)

The rights of free speech, press, and assembly are not “absolutes.” The Supreme Court has consistently recognized at least two ways in which constitutionally protected freedom of speech is narrower than an unlimited license to talk. First, certain forms of speech, or speech in certain contexts, has been considered outside the scope of constitutional protection. Second, there are general regulatory statutes ... [that are] justified by subordinating governmental interests, ... which has necessarily involved a weighing of the governmental interest involved.” (*Konigsberg v. State Bar* (1961) 366 U.S. 36, 50-51.) Thus, a LACERA trustee does not have an unlimited license to speak. As explained further, the constitutional fiduciary obligations of a LACERA trustee are governmental interests that factor into the “weighing” of the Board’s interests. Board

members may not avoid their fiduciary duties by claiming to exercise free speech rights. The federal courts have devised a specific “balancing test” that governs restrictions on a public employee’s speech. While the United States Supreme Court has not applied this analysis to elected or appointed officials, it is instructive. The test weighs the interests of the government in effective management of the public agency against the free speech rights of the individual employee. Even when the employee speaks as a private citizen, restrictions are generally justified when the speech interferes with the “effective functioning” of the public agency. Like governmental employers, the LACERA Boards have an interest in the effective administration of their system. Because fiduciary obligations override a trustee’s rights to free speech, governance policies designed to implement these obligations and otherwise ensure the effective operation of the system may be justified even if they may restrict a trustee’s rights as a citizen to free speech, so long as those restrictions are narrowly tailored to the trustee’s statements and activities in which LACERA’s name and/or business is directly implicated. The LACERA Boards also have their own rights to free speech, and policy enforcement actions such as censure and similar measures, taken within the parameters noted, are unlikely to impair any rights of individual board members.

II. Government Speech

A. First Amendment

The free speech clause of the First Amendment generally does not regulate the speech of a governmental entity. “[T]he First Amendment does not say that Congress and other government entities must abridge their own ability to speak freely.” As the Supreme Court explained, “[i]t is not easy to imagine how government could function if it were subject to the restrictions that the First Amendment imposes on private speech.” (*Matal v. Tam* (2017) – U.S. – [137 S. Ct. 1744, 1758].) Similarly, citizens may challenge compelled support of private speech, “but have no First Amendment right not to fund government speech.” (*Johanns v. Livestock Mktg. Ass’n*. (2005) 544 U.S. 550, 562.)

B. California Constitution

The free speech provisions of the California Constitution are not quite as broad as those in the First Amendment. Government may “add its voice to the many that it must tolerate, provided it does not drown out private communication.” And the viewpoint expressed by the government need not be “ideologically neutral.” (*Miller v. Cal. Com. On Status of Women* (1984) 151 Cal.App.3d 693, 700.) In *Miller*, for example, a California commission on women’s rights had the right to advocate views on improving the status of women by issuing press releases, lobbying legislators, and responding to inquiries.

C. Government Speech, Elections and Misuse of Public Funds

In California, courts will closely scrutinize the expenditure of public funds to influence an election: “[T]he use of the public treasury to mount an election campaign which attempts to influence the resolution of issues which our Constitution leaves to the ‘free election’ of the people ... present[s] a serious threat to the integrity of the electoral process.” (*Stanson v. Mott*

(1976) 17 Cal.3d 206, 218.) In the absence of “clear and explicit legislative authorization,” a public agency may not expend public funds to promote a partisan position in an election campaign. To do so would violate the California constitutional prohibition on illegal expenditures of public funds. (*Id.* at pp. 216-218.) Examples of this form of prohibited speech include bumper stickers, advertising “floats,” radio and television ads, and dissemination (at public expense) of campaign materials. In other words, “the threat to the fairness of the electoral process ... arises when a public entity or public official is able to devote funds ... to campaign activities favoring or opposing such a measure.” (*Vargas v. City of Salinas* (2009) 46 Cal.4th 1, 36-37.)

However, general legislative authority to provide the public with information about the agency’s activities will support speech for informational purposes. In connection with an election issue, the agency may provide the public with “a fair presentation of relevant information relating to” the electoral issue. (*Stanson v. Mott, supra*, 17 Cal.3d at p. 221.) Thus, government agencies are not prohibited from analytically evaluating a proposed ballot measure and publicly expressing an opinion as to its merits.

The line between unauthorized campaign expenditures and authorized informational activities “is not so clear.” (*Stanson v. Mott, supra*, 17 Cal.3d at p. 222.) This determination depends upon a “careful consideration of such factors as style, tenor and timing” of the publication. (*Id.*)

III. Regulating Speech Of Government Officials

“When a citizen enters government service, the citizen by necessity must accept certain limitations on his or her freedom. ... Government employers, like private employers, need a significant degree of control over their employees’ words and actions; without it, there would be little chance for the efficient provision of public services.” (*Garcetti v. Ceballos* (2006) 547 U.S. 410, 418.)

The Supreme Court has also recognized that public employees do not surrender all of their First Amendment rights by reason of their service. “[T]he First Amendment protects a public employee’s right, in certain circumstances, to speak as a citizen addressing matters of public concern.” (*Garcetti v. Ceballos, supra*, 547 U.S. at p. 417.)

As a threshold observation and as further discussed below, *Garcetti v. Ceballos* analyzes government “employee” speech only. It does not consider the speech of those who are elected or appointed to boards and thereby become public officials, such as trustees on the Boards. Nevertheless, we conclude that the Supreme Court’s analysis in *Garcetti v. Ceballos* is useful to considering the manner in which the Boards may regulate co-trustees and themselves, in that, as quoted above with respect to trustees on the Boards, entering such “government service,” particularly in a fiduciary capacity, reasonably results in the conclusion that public retirement system trustees “by necessity must accept certain limitations on his or her freedom.” (*Garcetti v. Ceballos, supra*, 547 U.S. at p. 418.)

Courts have developed a two-part test to determine constitutional protection of government employee speech. The test is “a balance between the interests of the [employee], as a citizen, in

commenting upon matters of public concern and the interest of the State, as an employer, in promoting the efficiency of the public services it performs” (*Id.* at p. 418.) California courts follow the U.S Supreme Court’s analysis in *Garcetti*. (*Kaye v. San Diego County Public Law Library* (2009) 179 Cal.App.4th 48, 58.)

Federal courts have held that “the more the employee’s job requires confidentiality, policymaking, or public contact, the greater the state’s interest” in restricting or punishing the employee’s speech. (*McEvoy v. Spencer* (2nd Cir. 1997) 124 F.3d 92, 103.) “Common sense tells us that the expressive activities of a highly placed supervisory, confidential, policymaking, or advisory employee will be more disruptive to the operation of the workplace than similar activity by a low level employee with little authority or discretion.” (*Ibid.*; see also *Kinsey v. Salado Independent School District* (5th Cir. 1992 950 F.2d 988, 994 [government’s interests more easily outweigh the employee’s interests in balancing test when public employee occupies policymaker or confidential position].)

There is a split of authority in the federal courts over application of the *Garcetti* balancing test to determine government restrictions on the free speech rights of elected officials. (See *Werkeiser v. Pocono Township* (3rd Cir. 2015) 780 F.3d 172, 177-180 [collecting the cases on each side].) In *Hogan v. Township of Haddon* (D.N.J. 2006) 2006 U.S. Dist. LEXIS 87200*, *aff’d on other grounds*, 278 F.App’x 98 (3d Cir. 2008), the court reviewed the First Amendment claims of an elected member of a township commission. The plaintiff commissioner claimed that another elected member of the commission – the town mayor – took action to preclude publication of numerous articles in a local government-owned newspaper and to prevent access to the township cable access channel. The court rejected these claims because, in part, the plaintiff commissioner was seeking to speak in her capacity as a township commissioner and not as a private citizen; therefore, following the decision in *Garcetti* the plaintiff had no First Amendment rights to access these communication channels. (*Id.* at p. *23-*24.) However, other courts have found the *Garcetti* analysis inapplicable to elected officials. (See *Melville v. Town of Adams* (D.Mass. 2014) 9 F.Supp.3d 77, 102 [elected official has cognizable First Amendment rights in the face of board action directing her not to speak with certain town employees]; see also *Jenevein v. Willing* (5th Cir. 2007) 493 F.3d 551, 558 [“preferable course” is not to draw on *Garcetti* balancing test for sorting the free speech rights of employees elected to state office].)

The Supreme Court has not ruled on this issue. However, development of the law regarding government employees is instructive in evaluating the fiduciary responsibilities of LACERA trustees when they are speaking on LACERA matters. Moreover, the line of cases that disapprove of the application of *Garcetti* to *elected officials* may not automatically extend to individuals who are appointed or elected by retirement system membership, or those officials who serve *ex officio*, on a board of trustees. Thus, we recommend considering the *Garcetti* analysis as an appropriate framework for analyzing the manner in which the Boards may govern, and regulate, all trustees when they are speaking or taking other actions by reference to LACERA and its business.

A. First Inquiry: Speaking As a Citizen On a Matter of Public Concern

In applying the balancing test, the first inquiry is whether the employee is speaking as a citizen on a matter of public concern. If not, the employee has no claims of a First Amendment infringement based on the employer's reaction to the speech. (*Garcetti v. Ceballos*, *supra*, 547 U.S. at p. 418.)

The content of the speech will not be viewed in a vacuum. In determining whether speech touches on matters of public concern, courts will take into account the “the content, form, and context” of the employee's speech. “Speech relates to a matter of public concern if it is of political, social, or other concern to the community, with particular consideration given to speech that concerns issues about which information is needed or appropriate to enable members of society to make informed decisions about the operation of their government.” (*LeFande v. District of Columbia* (D.C. Cir. 2010) 613 F.3d 1155, 1159.)

To be protected, the person's speech must also be made as a “citizen” – not as a public employee. “When public employees make statements pursuant to their official duties, the employees are not speaking as citizens for First Amendment purposes, and the Constitution does not insulate their communications from employer discipline.” (*Garcetti v. Ceballos*, *supra*, 547 U.S. at p. 421.) In *Garcetti*, for example, the Supreme Court held that a memorandum of a supervising attorney criticizing accuracy of affidavit representations and affiant presented to supervisors as part of the attorney's job duties was not protected by First Amendment.

In *Williams v. Johnson* (D.C. Dist. 2008) 537 F.Supp. 141, the federal district court considered statements that were made by an employee of an office of the District of Columbia. She made statements during testimony to a governmental oversight commission which admitted that a particular program was a “failure.” After receiving substantial criticism from her supervisor, plaintiff met privately with a member of the commission and made similar statements in more detail. The federal district court held that because giving testimony to the commission was part of her job duties, this speech was not protected by the First Amendment. On the other hand, statements made at her private meeting would be protected if these statements were outside her duties because plaintiff's statements would be as “a citizen on a matter of public concern.” (*Id.* at pp. 152-153.)

The inquiry focuses on identifying the employee's practical duties and whether the speech was made pursuant to those responsibilities. In determining whether the speech was made pursuant to the public duties of the employee, the following are relevant factors:

- Whether the employee was commissioned to make the speech;
- Whether the speech took place at the place of employment;
- Whether the subject matter of the speech is within the employee's duties;
- Whether the speech was made up the chain of command;

- Whether the speech objectively gave the impression that the employee was representing the employer;
- Whether the speech derived from special knowledge obtained during employment; and
- Whether there is no “citizen analogue” to the speech.

(*Decotiis v. Whittemore* (1st Cir. 2011) 635 F.3d 22, 33-34.) The more these factors are answered in the affirmative, then the more likely the speech would fall within the employee’s responsibilities and thus be outside the protections of the First Amendment. We believe that these factors are instructive on the issue of trustee speech. The governmental interest at stake for LACERA is maintaining the Board’s responsibilities as trustee and fiduciary of the retirement system. When a trustee speaks outside of his or her responsibilities as a trustee, this speech is less likely to implicate his or her fiduciary responsibilities and thus less likely to be subject to limitation by the Board.

B. Second Inquiry: Adequate Justification Of The Government

If the speech is made as a citizen on a matter of public concern, the question becomes whether the government employer had “an adequate justification for treating the employee differently from any other member of the general public.” (*Garcetti v. Ceballos, supra*, 547 U.S. at p. 418.) Courts will perform a balancing test: the interests of the speaker in making the statement are weighed against “the interest of the State, as an employer, in promoting the efficiency of the public services it performs through its employees.” (*Rankin v. McPherson* (1987) 483 U.S. 378, 388.) For public contractor speech, the same test is used, “adjusted to weigh the government’s interest as a contractor rather than an employer.” (*Board of County Commissions v. Umbehr* (1996) 518 U.S. 668, 673.)

The employee’s statements are not considered in a vacuum; the “manner, time and place” are relevant factors in determining whether the speech is protected. Pertinent considerations include: (i) whether the statement impairs discipline or harmony among co-workers, (ii) whether the speech has a detrimental impact on close working relationships, (iii) whether the statement impedes performance of the speaker’s duties, and (iv) whether the statement interferes with the regular operation of the enterprise. (*Rankin v. McPherson, supra*, 483 U.S. at p. 388.) The interests of the State must be “focus[ed] on the effective functioning of the public employer’s enterprise.” (*Ibid.*)

In one case, *Richardson v. Pratcher* (S.D.N.Y. 2014) 48 F.Supp.3d 651, a federal district court applied the balancing test to determine whether speech of an employee at an investment firm that managed assets of a public pension plan was protected by the First Amendment. In *Richardson*, investments officials of the New York State Common Retirement Fund (“NY Common”) objected to the activities of a managing director (“Director”) of a private equity firm. NY Common invested in two funds of the firm and was considering a new commitment to a third fund when the Director engaged in lobbying efforts for the adoption of legislation requiring NY Common to invest certain percentages of its assets in emerging managers with a “significant presence in New York.” NY Common staff (including the investment officers) expressed

concerns about this aspect of the legislation and engaged in a series of meetings and conversations with the Director. At the end of the legislative process, the investment officers met with the managing member of the private equity firm, questioned the activities and judgment of the Director in lobbying for the legislation, and intimated that NY Common would stop investing in the private equity firm if the Director remained there. Ultimately, the private equity firm decided to terminate the Director, who sued the investment officials (among others) for unlawful retaliation in violation of his First Amendment rights. (*Id.* at pp. 657-661.)

The district court reviewed the Director's claims under the balancing test used to evaluate speech made by a citizen on a matter of public concern: A public official (here, the NY Common investment officials) may take an adverse action against a contractor (the private equity firm, including the Director) if: "(1) the official's prediction of the disruption that such speech will cause is reasonable; (2) the potential for disruption outweighs the value of the speech; and (3) the official took the adverse action not in retaliation for the speech, but because of the potential for disruption." (*Id.* at p. 664; see also *Jeffries v. Harleston* (2nd Cir. 1995) 52 F.3d 9, 13 [government need only show that speech "likely" interferes with agency operations].) The court reviewed the defendants' arguments that their actions were premised on legitimate concerns about the professionalism and efficacy of the Director's conduct, noting that the "manner, time and place" in which speech occurs is an important factor. Speech conducted in private on the speaker's own time is more likely to be protected than confrontational speech in front of other workers. Because the parties disputed the tenor and professionalism of the Director's discussions with the defendant officials, the court could not find as a matter of law that his speech was sufficiently disruptive to support a reasonable belief that the Director could not be trusted with NY Common investments. The court therefore denied the defendants' motion for summary judgment. (*Id.* at pp. 665-666.)

IV. First Amendment Rights and Fiduciary Duties of Public Pension Plan Trustees

Public pension plan trustees owe fiduciary duties to the overall best interest of the members of the plan with respect to their public retirement benefits. (Cal.Const., Art. XVI, section 17.) "The exercise of a power by a [public plan] trustee is subject to the trustee's fiduciary duties." (*O'Neal v. Stanislaus County Employees' Retirement Assn.* (2017) 8 Cal.App.5th 1184, 1209.) A trustee's actions must therefore conform to the duties of loyalty and prudence.

Several decisions of the federal courts are instructive on the intersection of First Amendment rights and fiduciary duties. In these decisions, the courts have held that a person's right to free speech does not supersede any fiduciary duties that the person owes.

In *Snepp v. United States* (1980) 444 U.S. 507, a former C.I.A. agent published a book about certain C.I.A. activities without submitting the account to a pre-publication review by the agency. The agent had entered into an agreement with agency at the time of his employment which gave rise to a trust or fiduciary relationship by the agent with the agency. Publication violated the express terms of an agreement as well as the agent's fiduciary obligations and thus the court was entitled to impose a constructive trust on proceeds from publication notwithstanding First Amendment prohibitions on restricting free speech. (*Id.* at pp. 514-515; see also *Askew v. Trustees Of the Gen. Assembly of the Church of the Lord Jesus Christ of*

Apostolic Faith (E.D.Pa. 2009) 644 F.Supp.2d 584, 593, 596 (First Amendment deference to religious organizations regarding internal disputes does not preclude breach of fiduciary duty claim against church trustees).

These cases demonstrate that LACERA trustees are required to fulfill their fiduciary duties even though they also have protected rights to free speech. As the court in *O'Neal* explained: the “grant of a power to a trustee, whether by trust instrument, by statute or by the court, does not in itself require or permit the exercise of the power. The *exercise* of a power by a trustee is *subject to the trustee’s fiduciary duties*.” (*O’Neal, supra*, 8 Cal.App.5th at p. 1209 [emphasis added].) The “general powers” of LACERA trustees should clearly include the authority to speak about LACERA matters. (See 13 Witkin, Summary of California Law, Trusts, § 105 [trustee has general power to act for the purposes of the trust under the prudential standard of care].) As the court in *O’Neal* states, however, the exercise of this authority is subject to the trustee’s fiduciary duties. Thus, the governmental interest in the effective fiduciary governance of the LACERA system weighs can be considered a “subordinating interest” over a Board member’s free speech rights.

Even if a trustee’s statement is qualified as a “personal opinion,” reasonable governance policies may still apply. As a practical matter, it is sometimes difficult to separate private citizen speech from LACERA statements. Trustee statements made to the general public by LACERA trustees infer official status. Even if they are clearly qualified as “personal opinions,” they could be construed as a statement by a LACERA representative. And even personal opinions on LACERA matters may still have an impact on the effective governance of the system.

Finally, the constitutional protections afforded to the free speech of elected, ex officio, and other officials acting within the scope of their duties likely apply “only when the retaliation interferes with their ability to adequately perform their elected duties.” (*Werkeiser v. Pocono Township, supra*, 780 F.3d at p. 181. In *Phelan v. Laramie County Community College Bd. Of Trustees* (10th Cir. 2000) 235 F.3d 1243, the Tenth Circuit considered a First Amendment claim brought by an elected community college board member. The board member had run an advertisement as a trustee urging voters to reject ballot proposition that was supported by the board and the board later censured her for violating the board’s ethics policy. While declining to apply the *Garcetti* balancing test to analyze the member’s free speech rights, the court nevertheless dismissed her complaint because the censure resolution “does not trigger First Amendment scrutiny.” (*Id.* at 1247.) It did not, the court noted, impose a specific injury such loss or denial of employment or denial of state bar admission. “The Board simply made a statement” that the complaining member “violated the ethics policy and ,, ask[ed] that she not engage in similar conduct in the future.” (*Id.* at 1248; see also *Curley v. Monmouth County Bd. Of Chosen Freeholders* (Dist.N.J. 2018) 2018 U.S.Dist. LEXIS 124039*, *34-*35 [censure does not give rise to First Amendment scrutiny].) Fiduciary and media policies that subject board members to “censure” or similar actions thus would likely not rise to the level of First Amendment scrutiny.

V. Legal Conclusions

1. There is no First Amendment exception to the fiduciary duties owed by trustees. All Board members voluntarily enter government service as trustees and actions (including speech) that are within the scope of their duties as LACERA trustees are subject to fiduciary standards.
2. All Board members are subject to reasonable LACERA Board governance policies that may potentially restrict their speech. These governance restrictions reflect the collective decision of the Boards and are applicable to all co-trustees. They are a form of speech by LACERA itself.
3. An individual trustee's interest in free speech will be weighed against the interests of the Boards in having the Board members effectively and prudently govern themselves individually and collectively for the overall benefit of LACERA members and beneficiaries.
4. The governmental balance of interests must also weigh the fiduciary responsibilities of all Board members to act consistently with their duties of loyalty and prudence.

VI. LACERA Policies

A. Media Policy

The purpose of the policy is to ensure that the policies of the Boards of Retirement and Investments are accurately transmitted and explained to mass media representatives. The policy also "serve[s] as a guide for communications with all outside parties" The policy is a reasonable limitation on the trustees' free speech rights. The Media Policy is summarized below.

1. LACERA Staff

The Media Policy appoints the LACERA CEO as the general spokesperson of the organization. The CIO is spokesperson on investment policies and practices and the AEO is spokesperson on retirement board policies, practices, and benefits issues.

Under the policy, staff may respond to inquiries by relaying any policy officially adopted by the Board. Staff may not speculate on the motivations of an individual Board or staff member. Personal opinions are to be avoided. When a person opinion is offered, discretion must be used and the opinion is to be identified as such.

Staff in general may not initiate any media contact without specific Board direction. Written press releases should be reviewed by the Chair of the Board that has jurisdiction over the subject matter of the release. Media contacts shall be reported to the Board.

2. Board Members

The Media Policy encourages Board members to refer media inquiries to staff. When a Board member responds to an inquiry, "discretion should be utilized to limit the discussion to formally

approved Board policy.” Personal opinions and speculation about the motivations of a Board or staff member “are to be avoided.” A personal opinion must be clearly identified as such.

As a courtesy, all media contacts should be reported to the Board.

All Board member contacts with outside parties concerning LACERA policies and practices “should be conducted in accordance with the intent of this policy.”

B. Code of Ethical Conduct – Political Activities

Like the Media Policy, the relevant provisions of the Code of Ethical Conduct are a reasonable limitation on trustee speech. These provisions are summarized below.

Board and staff members may work on candidate and ballot campaigns during their personal time. No LACERA funds, property, logo, or other resources may be used to support personal political activities. Solicitations of political donations are subject to certain requirements and may only be made on personal time. Board members and staff may not use their influence or their position to secure a vote or other support for a campaign.

Board members and staff “may use their LACERA position to identify themselves when making an endorsement, provided that no statement may be made or action taken directly or indirectly indicating that the person represents LACERA in making the endorsement or that the endorsement is supported by or represents the position of LACERA, except when providing information authorized by the Boards.”

FOR INFORMATION ONLY

April 26, 2021

TO: Each Trustee
Board of RetirementFROM: Ricki Contreras, Division Manager
Disability Retirement Services

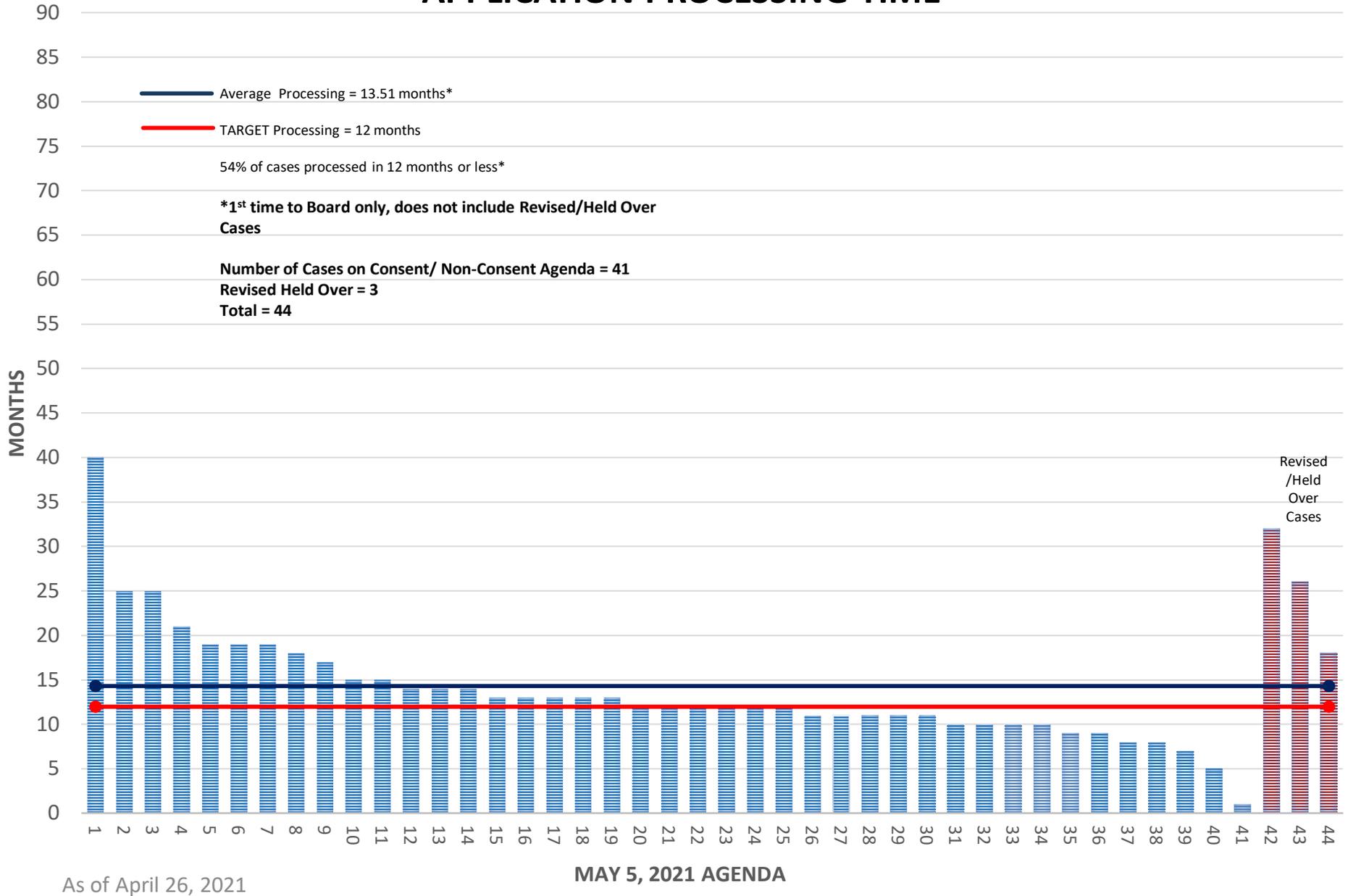
FOR: May 5, 2021 Board of Retirement Meeting

SUBJECT: **Application Processing Time Snapshot Reports**

The following chart shows the total processing time from receipt of the application to the first Board action for all cases on the May 5, 2021 Disability Retirement Applications Agenda.

Consent & Non-Consent Calendar			
Number of Applications	41		
Average Processing Time (in Months)	13.51		
Revised/Held Over Calendar			
Number of Applications	3		
Processing Time Per Case (in Months)	Case 1 32	Case 2 26	Case 3 18
Total Average Processing Time All <u>44</u> Cases on Agenda			
14.32			

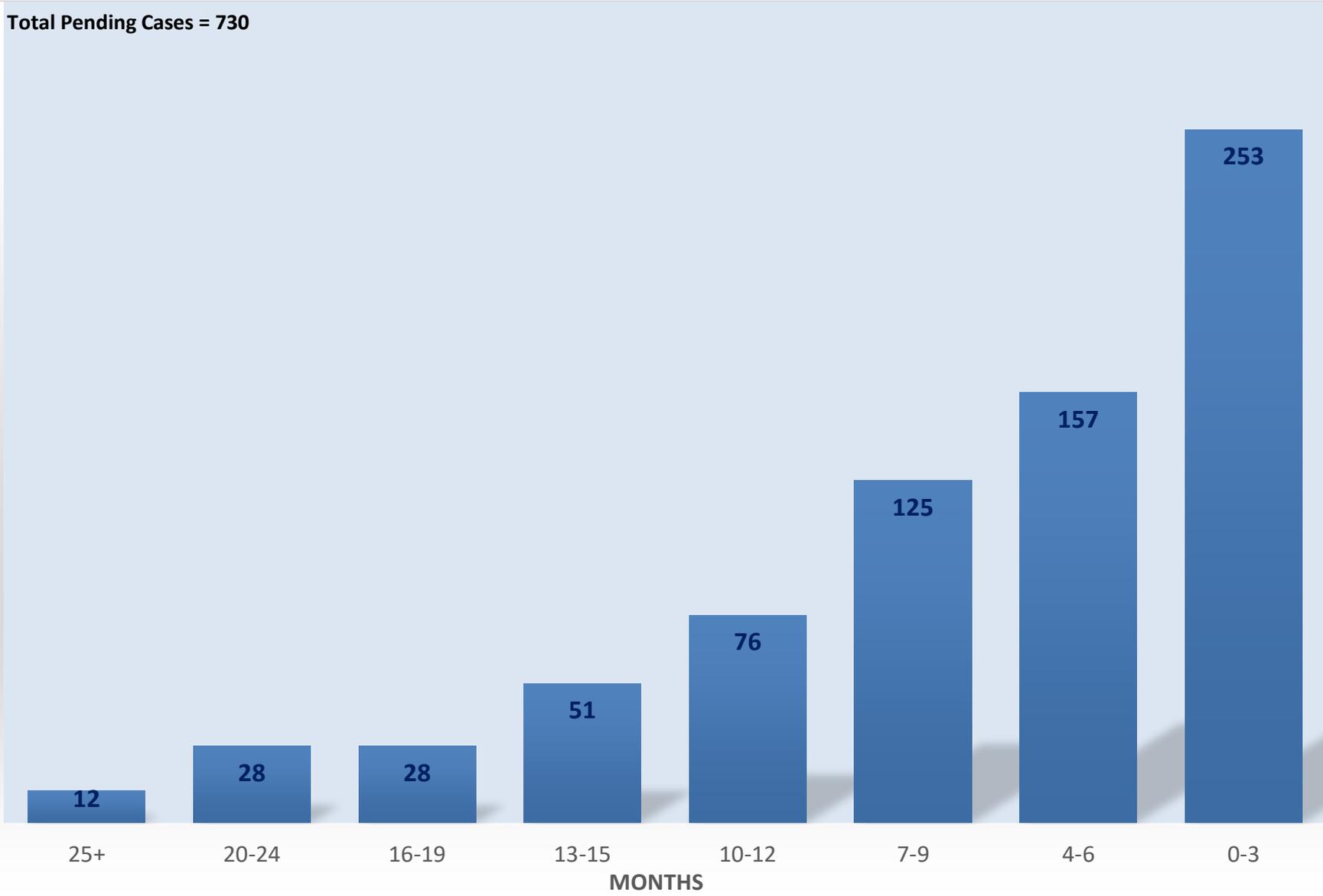
DISABILITY RETIREMENT SERVICES APPLICATION PROCESSING TIME



DISABILITY RETIREMENT SERVICES PENDING APPLICATIONS/TIME INTERVALS

Total Pending Cases = 730

NUMBER OF PENDING APPLICATIONS



As of April 26, 2021

FOR INFORMATION ONLY

April 25, 2021

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew 
Legislative Affairs Officer

FOR: May 5, 2021 Board of Retirement Meeting
May 19, 2021 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring or on which LACERA has adopted a position.

Reviewed and Approved:



Johanna Fontenot, Senior Staff Counsel

Attachments

LACERA Legislative Report Index
LACERA Legislative Report

cc: Santos H. Kreimann
JJ Popowich
Steven P. Rice
Jon Grabel
Tony Roda, Williams & Jensen
Joe Ackler, Ackler & Associates

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LACERA Legislative Report
2021-22 Legislative Session
Status as of April 25, 2021

PUBLIC RETIREMENT

CA AB 551	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Rodriguez [D] Teachers' Retirement System: Individual Plans 02/10/2021 Pending Authorizes the State Teachers' Retirement System to administer an individual retirement plan as described in Section 408 of Title 26 of the United States Code. Eliminates the requirement that the administration of these plans be for the purpose of accepting a rollover from an annuity contract or custodial account offered by the system.
	STATUS:	
	04/15/2021	From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (4-2)
CA AB 627	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Waldron [R] Recognition of Tribal Court Orders: Retirement Plans 02/12/2021 Pending Establishes a procedure pursuant to which one or both of the parties to a tribal court proceeding may file an application for recognition of a tribal court order that establishes a right to child support, spousal support payments, or marital property rights to a spouse, former spouse, child, or other dependent of a participant in a retirement plan or other plan of deferred compensation, and that assigns all or a portion of the benefits payable with respect to the plan participant to an alternate payee.
	STATUS:	
	04/22/2021	In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. (77-0)
CA AB 1133	AUTHOR: TITLE: INTRODUCED: DISPOSITION: SUMMARY:	Chen [R] State Employee Hybrid Pension System 02/18/2021 Pending States the intent of the Legislature to enact legislation that would create a hybrid retirement benefit, consisting of a defined benefit pension and a defined contribution program, within the Public Employees' Retirement System, that state employees would have the option of electing.
	STATUS:	
	02/18/2021	INTRODUCED.
CA AB 1293	AUTHOR: TITLE: INTRODUCED: LAST AMEND: DISPOSITION: SUMMARY:	Cooley [D] Federal Law Limits: Adjustments 02/19/2021 04/13/2021 Pending Prohibits the amount payable to a member under the Judges' Retirement System

II, including specified adjustments, from exceeding the limits established by federal law, and would incorporate specified provisions of federal law by reference.

STATUS:

04/17/2021 In ASSEMBLY. Coauthors revised.

CA SB 278

AUTHOR: Leyva [D]
TITLE: PERS: Disallowed Compensation: Benefit Adjustments
INTRODUCED: 01/29/2021
LAST AMEND: 03/23/2021
DISPOSITION: Pending
SUMMARY:

Establishes new procedures under Public Employees' Retirement Law for cases in which Public Employees' Retirement System determines that the benefits of a member or annuitant are, or would be, based on disallowed compensation that conflicts with State Public Employees' Pension Reform Act of 2013 and other specified laws and thus impermissible under Public Employees' Retirement Law.

STATUS:

04/19/2021 In SENATE Committee on APPROPRIATIONS: To Suspense File.

CA SB 294

AUTHOR: Leyva [D]
TITLE: Public Retirement: Leave of Absence: Service Credit
INTRODUCED: 02/02/2021
DISPOSITION: Pending
SUMMARY:

Removes the 12-year limitation for service credit earned on an employer-approved compensated leave under the Public Employees Retirement Law and Teachers Retirement Law.

STATUS:

03/23/2021 In SENATE. Read second time. To third reading.

CA SB 634

AUTHOR: Labor, Public Employment & Retirement Cmt
TITLE: Public Employees' Retirement
INTRODUCED: 02/19/2021
DISPOSITION: Pending
SUMMARY:

Prohibits a member of the State Teachers' Retirement System (STRS) from purchasing service credit for any school year if the purchase would result in more than one year of service for that school year.

STATUS:

04/08/2021 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (38-0)

Comments:

This is an omnibus bill that covers technical amendments for CalPERS, CalSTRS, and CERL retirement systems.

PUBLIC INVESTMENT

CA AB 539

AUTHOR: Cooley [D]
TITLE: State Teachers' Retirement: Investment Managers
INTRODUCED: 02/10/2021
DISPOSITION: Pending
SUMMARY:

Authorizes the Teachers' Retirement Board to contract with investment advisers upon the same finding by the Board and approval by the State Personnel Board. Authorizes the Board to establish a competitive bidding process and to specify the contract terms and conditions the Board solely deems necessary and prudent to contract with qualified investment managers and investment advisers.

STATUS:

04/17/2021 In ASSEMBLY. Coauthors revised.

CA AB 890

AUTHOR: Cervantes [D]
TITLE: Public Employee Retirement Systems: Investment
INTRODUCED: 02/17/2021
LAST AMEND: 03/11/2021
DISPOSITION: Pending
SUMMARY:

Requires the Board of Administration of the Public Employees' Retirement System and the Teachers' Retirement Board to provide reports to the Legislature on the status of achieving objectives and initiatives, to be defined by the boards, regarding participation of emerging managers or diverse managers responsible for asset management within each retirement system's portfolio of investments.

STATUS:

03/11/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

03/11/2021 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.

03/11/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 1019

AUTHOR: Holden [D]
TITLE: Public Employee Retirement Systems: Investments
INTRODUCED: 02/18/2021
DISPOSITION: Pending
SUMMARY:

prohibit state trust moneys from being used to make additional or new investments or to renew existing investments in investment vehicles issued or owned by the government of Turkey, unless the government adopts a policy to acknowledge the Armenian Genocide and embark on a path of affording justice to its victims.

STATUS:

03/04/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 457

AUTHOR: Portantino [D]
TITLE: Public Employee Retirement Systems: Investments
INTRODUCED: 02/16/2021
DISPOSITION: Pending
SUMMARY:

Requires the boards of administration of the Public Employees Retirement System and the State Teachers Retirement System to provide employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey.

STATUS:

04/19/2021 From SENATE Committee on LABOR, PUBLIC EMPLOYMENT

AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (4-1)

RETIREMENT PERSONNEL

CA AB 761 **AUTHOR:** Chen [R]
TITLE: County Employees' Retirement: Personnel: Orange County
INTRODUCED: 02/16/2021
LAST AMEND: 03/18/2021
DISPOSITION: Pending
SUMMARY:
Authorizes the board of retirement for Orange County to appoint an administrator, assistant administrators, a chief investment officer, subordinate investment officers, senior management employees, legal counsel, and other specified employees. Provides that the personnel appointed pursuant to these provisions would not be county employees subject to county civil service and merit system rules, and instead would be employees of the retirement system.
STATUS:
04/22/2021 In ASSEMBLY. Read third time. Passed ASSEMBLY.
*****To SENATE. (77-0)

PUBLIC EMPLOYMENT

CA AB 17 **AUTHOR:** Cooper [D]
TITLE: Peace Officers: Disqualification from Employment
INTRODUCED: 12/07/2020
LAST AMEND: 01/12/2021
DISPOSITION: Pending
SUMMARY:
Disqualifies a person from being a peace officer if the person has been discharged from the military for committing an offense that would have been a felony if committed in the state or if the person has been certified as a peace officer and has had that certification revoked by the Commission on Peace Officer Standards and Training.
STATUS:
01/12/2021 From ASSEMBLY Committee on PUBLIC SAFETY with author's amendments.
01/12/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC SAFETY.

CA AB 444 **AUTHOR:** Public Employment and Retirement Cmt
TITLE: State and Local Employees: Pay Warrants: Designees
INTRODUCED: 02/08/2021
DISPOSITION: Pending
SUMMARY:
Relates to State and local employees. Prescribes a process by which an appointing power would issue a check directly to a designated person instead of delivering employee warrants to that person. Provides that upon sufficient proof of the designee's identity, the appointing power must endorse and deposit the warrant issued to a deceased employee back into the Treasury to the credit of the fund or appropriation upon which it was drawn, then issue a revolving fund check to the designated person.
STATUS:
04/15/2021 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS.

(7-0)

Comments:

The SACRS Legislative Committee is considering a similar proposal that would clarify that a deceased member's last pension check may be issued to a corporation, trust, or estate.

CA AB 1354

AUTHOR: Grayson [D]
TITLE: Public Employees' Retirement
INTRODUCED: 02/19/2021
DISPOSITION: Pending
SUMMARY:

Makes nonsubstantive changes to provisions prohibiting a retired person from being employed by a public employer in the same public retirement system from which the retiree receives pension benefits without reinstatement from retirement into that system, subject to certain exceptions.

STATUS:

02/19/2021 INTRODUCED.

Comments:

This is a spot bill.

CA AB 1460

AUTHOR: Bigelow [R]
TITLE: State Employment: COVID-19 Telework: Costs
INTRODUCED: 02/19/2021
DISPOSITION: Pending
SUMMARY:

Authorizes the Department of Human Resources (CalHR) to provide a one-time payment of an unspecified amount to employees who have been required to telework as a result of the COVID-19 pandemic in order to offset costs associated with working remotely.

STATUS:

03/11/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 411

AUTHOR: Cortese [D]
TITLE: Public Employees' Retirement System
INTRODUCED: 02/12/2021
LAST AMEND: 04/13/2021
DISPOSITION: Pending
SUMMARY:

Eliminates the requirement that a person employed without reinstatement in a manner other than authorized by PERL be reinstated, instead providing that reinstatement is permissive. Makes conforming changes and makes specific reference to the duties of employees and employers regarding reinstatement after retirement in violation of PEPR.

STATUS:

04/19/2021 From SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (5-0)

DISABILITY RETIREMENT

CA AB 845

AUTHOR: Rodriguez [D]
TITLE: Disability Retirement: COVID-19: Presumption
INTRODUCED: 02/17/2021

LAST AMEND: 03/30/2021
DISPOSITION: Pending
SUMMARY:

Creates a presumption, applicable to the retirement systems that PEPRA regulates and to specified members in those systems, that would be applied to disability retirements on the basis, in whole or in part, of a Coronavirus disease 2019-related illness. Requires that it be presumed the disability arose out of, or in the course of, the member's employment.

STATUS:

04/15/2021 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on APPROPRIATIONS. (6-1)

WORKERS COMPENSATION

CA AB 334	AUTHOR: Mullin [D] TITLE: Workers Compensation: Skin Cancer INTRODUCED: 01/27/2021 DISPOSITION: Pending SUMMARY: Relates to existing law which provides that skin cancer developing in active lifeguards, for purposes of workers' compensation, is presumed to arise out of and in the course of employment, unless the presumption is rebutted. Expands the scope of this provision to certain peace officers of the Department of Fish and Wildlife and the Department of Parks and Recreation. STATUS: 02/12/2021 To ASSEMBLY Committee on INSURANCE.
CA AB 415	AUTHOR: Rivas R [D] TITLE: Employment: Workers' Compensation INTRODUCED: 02/03/2021 LAST AMEND: 02/12/2021 DISPOSITION: Pending SUMMARY: Relates to workers' compensation. Defines injury for certain public employees regularly exposed to active fires or health hazards directly resulting from firefighting operations to include cancer that develops or manifests during a period of exposure to a known carcinogen while in public employment. Establishes a presumption that the cancer arose out of, and in the course of, employment, unless the presumption is controverted by evidence. STATUS: 02/12/2021 To ASSEMBLY Committee on INSURANCE. 02/12/2021 From ASSEMBLY Committee on INSURANCE with author's amendments. 02/12/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.
CA AB 772	AUTHOR: Ramos [D] TITLE: Workers' Compensation: Medical Treatment INTRODUCED: 02/16/2021 LAST AMEND: 03/25/2021 DISPOSITION: Pending SUMMARY: Clarifies that an employer is not limited in its ability to insure against an act of

domestic terrorism or to provide benefits in excess of those required by existing law following an act of terrorism. Clarifies that when an employer approves a request for medical treatment from a treatment provider, without modification, the employer has completed utilization review under the law.

STATUS:

03/25/2021 To ASSEMBLY Committee on INSURANCE.
03/25/2021 From ASSEMBLY Committee on INSURANCE with author's amendments.
03/25/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.

CA AB 872

AUTHOR: Wood [D]
TITLE: Leave of Absence: Firefighters
INTRODUCED: 02/17/2021
DISPOSITION: Pending
SUMMARY:

Relates to Leave of absence for firefighters. Makes that benefit available to all rank-and-file and supervisory firefighters employed by the Department of Forestry and Fire Protection whose principal duties include active fire suppression or prevention services.

STATUS:

02/25/2021 To ASSEMBLY Committee on INSURANCE.

CA AB 991

AUTHOR: Ward [D]
TITLE: Workers' Compensation: Presumed Injuries
INTRODUCED: 02/18/2021
LAST AMEND: 03/11/2021
DISPOSITION: Pending
SUMMARY:

Expands presumptions for hernia, pneumonia, heart trouble, cancer, tuberculosis, bloodborne infectious disease, methicillin-resistant Staphylococcus aureus skin infection, and meningitis-related illnesses and injuries to a lifeguard employed on a year-round, full-time basis by the City of San Diego.

STATUS:

03/11/2021 To ASSEMBLY Committee on INSURANCE.
03/11/2021 From ASSEMBLY Committee on INSURANCE with author's amendments.
03/11/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.

CA SB 213

AUTHOR: Cortese [D]
TITLE: Workers' Compensation: Hospital Employees
INTRODUCED: 01/12/2021
LAST AMEND: 03/04/2021
DISPOSITION: Pending
SUMMARY:

Defines injury, for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. Creates a rebuttable presumption that these injuries that develop or manifest in a hospital employee who provides direct patient care in an acute care hospital arose out of and in the course of the employment. Includes COVID-19 in the definitions of infectious and respiratory diseases.

	STATUS:	
	04/19/2021	In SENATE Committee on APPROPRIATIONS: To Suspense File.
CA SB 284	AUTHOR:	Stern [D]
	TITLE:	Workers' Compensation: Firefighters and Peace Officers
	INTRODUCED:	02/01/2021
	LAST AMEND:	03/16/2021
	DISPOSITION:	Pending
	SUMMARY:	Relates to existing Law which provides that injury includes post-traumatic stress that develops during a period in which the injured person is in the service of the department or unit. Makes that provision applicable to active firefighting members of the State Department of State Hospitals, the State Department of Developmental Services, and the Military Department, and the Department of Veterans Affairs, including security officers of the Department of Justice when performing assigned duties.
	STATUS:	
	03/22/2021	In SENATE Committee on APPROPRIATIONS: To Suspense File.
CA SB 335	AUTHOR:	Cortese [D]
	TITLE:	Workers' Compensation: Liability
	INTRODUCED:	02/08/2021
	LAST AMEND:	03/10/2021
	DISPOSITION:	Pending
	SUMMARY:	Reduces the time periods after the date the claim form is filed with an employer in which the injury is presumed compensable and the presumption is rebuttable only by evidence discovered subsequent to the time period for certain injuries or illnesses, including hernia, heart trouble, pneumonia, or tuberculosis, among others, sustained in the course of employment of a specified member of law enforcement or a specified first responder.
	STATUS:	
	03/18/2021	Re-referred to SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
CA SB 788	AUTHOR:	Bradford [D]
	TITLE:	Workers' Compensation: Risk Factors
	INTRODUCED:	02/19/2021
	DISPOSITION:	Pending
	SUMMARY:	Prohibits consideration of race, religious creed, color, national origin, age, gender, marital status, sex, sexual identity, sexual orientation, or genetic characteristics to determine the approximate percentage of the permanent disability caused by other factors. Expresses the Legislature's intent to eliminate bias and discrimination in the workers' compensation system.
	STATUS:	
	04/19/2021	In SENATE Committee on APPROPRIATIONS: To Suspense File.

BROWN ACT

CA AB 339	AUTHOR:	Lee [D]
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TITLE: Local Government: Open and Public Meetings
INTRODUCED: 01/28/2021
LAST AMEND: 04/15/2021
DISPOSITION: Pending
SUMMARY:

Requires all meetings to include an opportunity for members of the public to attend via a telephonic option and an internet-based service option. Requires all meetings to include an in-person public comment opportunity, except in specified circumstances during a declared state or local emergency.

STATUS:

04/15/2021 To ASSEMBLY Committee on LOCAL GOVERNMENT.
04/15/2021 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.
04/15/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.

CA AB 361

AUTHOR: Rivas R [D]
TITLE: Open Meetings: Local Agencies: Teleconferences
INTRODUCED: 02/01/2021
LAST AMEND: 04/06/2021
DISPOSITION: Pending
SUMMARY:

Authorizes a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency. Makes conforming changes.

STATUS:

04/06/2021 From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.
04/06/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.

CA AB 703

AUTHOR: Rubio [D]
TITLE: Open Meetings: Local Agencies: Teleconferences
INTRODUCED: 02/12/2021
DISPOSITION: Pending
SUMMARY:

Removes the requirements of the Ralph M. Brown Act particular to teleconferencing and allows for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment.

STATUS:

02/25/2021 To ASSEMBLY Committee on LOCAL GOVERNMENT.

Comments:

According to SACRS lobbyists, this will be a two-year bill and not taken up in 2021.

CA SB 274

AUTHOR: Wieckowski [D]
TITLE: Local Government Meetings: Agenda and Documents
INTRODUCED: 01/29/2021

LAST AMEND: 04/05/2021
DISPOSITION: Pending
SUMMARY:

Requires a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. Requires the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to email a copy of all other documents constituting the agenda packet, if specified criteria or circumstances are met.

STATUS:

04/22/2021 In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (38-0)

PUBLIC RECORDS ACT

CA AB 386	AUTHOR: Cooper [D] TITLE: Public Employees Retirement: Investments: Confidential INTRODUCED: 02/02/2021 LAST AMEND: 03/18/2021 DISPOSITION: Pending SUMMARY: Exempts from disclosure under the California Public Records Act specified records regarding an internally managed private loan made directly by the Public Employees' Retirement Fund. Provides that these records would include quarterly and annual financial statements of the borrower or its constituent owners, unless the information has already been publicly released by the keeper of the information. STATUS: 04/15/2021 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT: Do pass to Committee on JUDICIARY. (7-0)
CA AB 473	AUTHOR: Chau [D] TITLE: California Public Records Act INTRODUCED: 02/08/2021 DISPOSITION: Pending SUMMARY: Recodifies and reorganizes the provisions of the California Public Records Act. The bill would include provisions to govern the effect of recodification and states that the bill is intended to be entirely nonsubstantive in effect. STATUS: 04/21/2021 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.
CA AB 474	AUTHOR: Chau [D] TITLE: California Public Records Act: Conforming Revisions INTRODUCED: 02/08/2021 DISPOSITION: Pending SUMMARY: Enacts various conforming and technical changes related to another bill that recodifies and reorganizes the California Public Records Act. The bill would only become operative if the related bill recodifying the act is enacted and becomes operative on January 1, 2023. STATUS: 04/21/2021 In ASSEMBLY Committee on APPROPRIATIONS: To Suspense

File.

SOCIAL SECURITY

CA AJR 9	AUTHOR: Cooper [D] TITLE: Social Security INTRODUCED: 03/01/2021 DISPOSITION: Pending SUMMARY: Requests the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act. STATUS: 04/19/2021 In ASSEMBLY. Ordered to third reading. IBLC_Recommendation: Support 04/15/2021 Staff_Recommendation: Support
US HR 82	SPONSOR: Davis R [R] TITLE: Government Pension Offset Repeal INTRODUCED: 01/04/2021 DISPOSITION: Pending SUMMARY: Amends the Social Security Act; repeals the Government pension offset and windfall elimination provisions. STATUS: 01/04/2021 INTRODUCED. 01/04/2021 To HOUSE Committee on WAYS AND MEANS. IBLC_Recommendation: Support 04/15/2021 Staff_Recommendation: Support
US HR 2337	SPONSOR: Neal [D] TITLE: Noncovered Employment INTRODUCED: 04/01/2021 DISPOSITION: Pending SUMMARY: Amends Title II of the Social Security Act to provide an equitable Social Security formula for individuals with noncovered employment and to provide relief for individuals currently affected by the Windfall Elimination Provision. STATUS: 04/01/2021 INTRODUCED. 04/01/2021 To HOUSE Committee on WAYS AND MEANS.

HEALTHCARE

CA AB 1092	AUTHOR: Mayes [R] TITLE: Public Employees' Retirement: Health Benefits INTRODUCED: 02/18/2021 LAST AMEND: 03/18/2021 DISPOSITION: Pending SUMMARY: Precludes a person who has retired under PERS and who obtains work with a subsequent employer from receiving any health benefits offered under PEMHCA if the person's subsequent employer offers health care coverage that provides reasonably comparable benefits. STATUS:
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03/18/2021 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
03/18/2021 From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT With author's amendments.
03/18/2021 In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 1400

AUTHOR: Kalra [D]
TITLE: Guaranteed Health Care for All
INTRODUCED: 02/19/2021
DISPOSITION: Pending

SUMMARY:

Creates the Guaranteed Health Care for All Program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. Provides that CalCare cover a wide range of medical benefits and other services and would incorporate the health care benefits and standards of other existing federal and state provisions. Creates the CalCare Board to govern CalCare, made up of 9 voting members.

STATUS:

02/19/2021 INTRODUCED.

**FOR INFORMATION ONLY**

April 22, 2021

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger *TG*
Interim Chief Financial Officer

FOR: May 5, 2021 Board of Retirement Meeting
May 19, 2021 Board of Investments Meeting

SUBJECT: **MONTHLY EDUCATION & TRAVEL REPORTS – MARCH 2021**

Attached, for your review, are the Board and Staff Education & Travel Reports as of March 2021. These reports include travel (i.e., completed and canceled) during Fiscal Year 2020-2021.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/krh

Attachments

c: J. Popowich
J. Grabel
J. Fontenot
K. Hines

**BOARD EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2020 - 2021
MARCH 2021**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein			
B	- Edu - NACD Real Estate Industry Outlook: Insights, Impacts and Opportunities - VIRTUAL	09/02/2020 - 09/02/2020	Attended
	- Edu - 2020 Milken Institute Virtual Global Conference - VIRTUAL	10/12/2020 - 10/21/2020	Attended
	- Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
	- Edu - Virtual Pension Bridge Alternatives - VIRTUAL	01/26/2021 - 01/28/2021	Attended
	- Edu - CII's 2021 Spring Conference - VIRTUAL	03/08/2021 - 03/10/2021	Attended
Elizabeth Ginsberg			
B	- Edu - CALAPRS Principles for Trustees - VIRTUAL	08/18/2020 - 08/26/2020	Attended
Vivian Gray			
B	- Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL	07/28/2020 - 08/13/2020	Attended
	- Edu - Koried Black Directors' Virtual Workshop - VIRTUAL	10/15/2020 - 10/15/2020	Attended
	- Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
	- Edu - Milken Institute: Walk the Talk: Investing in the Future of Black Banks, Entrepreneurship, and Opportunity - VIRTUAL	02/24/2021 - 02/24/2021	Attended
	- Edu - CALAPRS General Assembly - VIRTUAL	03/08/2021 - 03/09/2021	Attended
	- Edu - NASP 11th Annual Day of Education in Private Equity - VIRTUAL	03/25/2021 - 03/26/2021	Attended
David Green			
B	- Edu - PPI 2020 Summer Roundtable - Los Angeles CA	07/14/2020 - 07/16/2020	Attended
	- Edu - Pacific Council - "Beyond the Horizon" Summit - VIRTUAL	07/20/2020 - 07/24/2020	Attended
	- Edu - The Pacific Council on International Policy's PolicyWest 2020 - VIRTUAL	12/03/2020 - 12/04/2020	Attended
Elizabeth Greenwood			
B	- Edu - 2020 Milken Institute Virtual Global Conference - VIRTUAL	10/12/2020 - 10/21/2020	Attended
	- Edu- PPI 2020 Asia Pacific Roundtable - VIRTUAL	10/20/2020 - 10/22/2020	Attended
	- Edu - Yale School of Management Executive Education -Women's Leadership Program - VIRTUAL	11/18/2020 - 11/18/2020	Attended
James Harris			
B	- Edu - SACRS Sexual Harassment Prevention Training - VIRTUAL	07/15/2020 - 07/15/2020	Attended
	- Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL	07/28/2020 - 08/13/2020	Attended
Shawn Kehoe			
B	- Edu- PPI 2020 Asia Pacific Roundtable - VIRTUAL	10/20/2020 - 10/22/2020	Attended
	- Edu - NCPERS Fall Conference - VIRTUAL	02/02/2021 - 02/03/2021	Attended

**BOARD EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2020 - 2021
MARCH 2021**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Joseph Kelly			
B	- Edu - NACD Financial Services Industry Outlook: Future Trends in Middle Market Credit - VIRTUAL	01/07/2021 - 01/07/2021	Attended
	- Edu - NACD Hospitality and Travel Industry Outlook: Insights, Impacts, and Opportunities - VIRTUAL	01/27/2021 - 01/27/2021	Attended
	- Edu - PPI Virtual Roundtable - VIRTUAL	02/16/2021 - 02/18/2021	Attended
	- Edu - CII's 2021 Spring Conference - VIRTUAL	03/08/2021 - 03/10/2021	Attended
	- Edu - NASP 11th Annual Day of Education in Private Equity - VIRTUAL	03/25/2021 - 03/26/2021	Attended
Keith Knox			
B	- Edu - PPI 2020 Summer Roundtable - Los Angeles CA	07/14/2020 - 07/16/2020	Attended
	- Edu - SACRS Public Pension Investment Management Program 2020 - VIRTUAL	07/28/2020 - 08/13/2020	Attended
	- Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL	09/23/2020 - 09/25/2020	Attended
	- Edu - 2020 Milken Institute Virtual Global Conference - VIRTUAL	10/12/2020 - 10/21/2020	Attended
	- Edu - CALAPRS Virtual Trustees Round Table - VIRTUAL	10/23/2020 - 10/23/2020	Attended
	- Edu - PPI Virtual Roundtable - VIRTUAL	02/16/2021 - 02/18/2021	Attended
	- Edu - TLF Political Accountability and Investment - VIRTUAL	02/23/2021 - 02/23/2021	Attended
	- Edu - NCPERS Accredited Fiduciary Program (Module 1 & 2) - VIRTUAL	03/02/2021 - 03/05/2021	Attended
	- Edu - NCPERS Accredited Fiduciary Program (Module 3 & 4) - VIRTUAL	03/09/2021 - 03/12/2021	Attended
Wayne Moore			
B	- Edu- NASP 31st Annual Virtual Pension & Financial Services Conference - VIRTUAL	12/07/2020 - 12/10/2020	Attended
	- Edu - NASP 11th Annual Day of Education in Private Equity - VIRTUAL	03/25/2021 - 03/26/2021	Attended
Ronald Okum			
B	- Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
William Pryor			
B	- Edu - NCPERS Fall Conference - VIRTUAL	02/02/2021 - 02/03/2021	Attended
Les Robbins			
B	- Edu - IFEBP 66th Annual Employee Benefits Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
X	- Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI	11/15/2020 - 11/18/2020	Host Canceled

**BOARD EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2020 - 2021
MARCH 2021**

Attendee	Purpose of Travel - Location	Event Dates	Travel Status
Gina Sanchez			
B	- Edu - SACRS Sexual Harassment Prevention Training - VIRTUAL	07/15/2020 - 07/15/2020	Attended
	- Edu - 2020 Milken Institute Virtual Global Conference - VIRTUAL	10/12/2020 - 10/21/2020	Attended
	- Edu - 2020 Virtual NACD Summit - VIRTUAL	10/12/2020 - 10/13/2020	Attended
	- Edu - CALAPRS Virtual Trustees Round Table - VIRTUAL	10/23/2020 - 10/23/2020	Attended
	- Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
	- Edu - Harvard Business School Executive Education - Audit Committees - VIRTUAL	11/12/2020 - 11/14/2020	Attended
	- Edu - NCPERS Fall Conference - VIRTUAL	02/02/2021 - 02/03/2021	Attended
Herman Santos			
B	- Edu- LAVCA's Annual Investor Meeting - VIRTUAL	09/14/2020 - 09/17/2020	Attended
	- Edu - Nossaman's 2020 Public Pensions and Investments Fiduciaries' Forum - VIRTUAL	10/01/2020 - 10/01/2020	Attended
	- Edu- 2020 SACRS Fall Virtual Conference - VIRTUAL	11/10/2020 - 11/13/2020	Attended
	- Edu - Virtual PPI Salon: Gearing for Gridlock - VIRTUAL	12/10/2020 - 12/10/2020	Attended
	- Edu - PPI Virtual Roundtable - VIRTUAL	02/16/2021 - 02/18/2021	Attended
	- Edu - CII's 2021 Spring Conference - VIRTUAL	03/08/2021 - 03/10/2021	Attended
	- Edu - NASP 11th Annual Day of Education in Private Equity - VIRTUAL	03/25/2021 - 03/26/2021	Attended
	- Edu - PREA Spring Conference - VIRTUAL	03/25/2021 - 03/26/2021	Attended

Category Legend:

A - Pre-Approved/Board Approved

B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$2,000 per Trustee Travel Policy; Section III.A

C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00



**STAFF EDUCATION AND TRAVEL REPORT
FOR FISCAL YEAR 2020 - 2021
MARCH 2021**

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Systems				
Irwin Devries	1	Admin - Conduct Site Visit of Mesa, AZ Facility - Mesa AZ	12/03/2020 - 12/05/2020	Attended
Celso Templo	1	Admin - Conduct Site Visit of Mesa, AZ Facility - Mesa AZ	10/09/2020 - 10/09/2020	Attended



Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.

**For further information, contact:
LACERA
Attention: Public Records Act Requests
300 N. Lake Ave., Suite 620
Pasadena, CA 91101**



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**For further information, contact:
LACERA
Attention: Public Records Act Requests
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Pasadena, CA 91101**



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Pasadena, CA 91101**