LIVE VIRTUAL BOARD MEETING

JUNE 1, 2022 AT 9:00 AM*

BOARD OF RETIREMENT MEETING

*This meeting will take place following the Committee meeting being held prior.

TO VIEW VIA WEB

https://lacera.com/leadership/board-meetings

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 would like to remain anonymous at the meeting without stating your name, please let us know.

Attention: Public comment requests must be submitted via email to PublicComment@lacera.com.

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, JUNE 1, 2022*

This meeting will be conducted by the Board of Retirement by teleconference under California Government Code Section 54953(e).

Any person may view the meeting online at
https://LACERA.com/leadership/board-meetings

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 May 5, 2022

III. PUBLIC COMMENT

(Written Public Comment - You may submit written public comments by email to PublicComment@lacera.com. 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.

Verbal Public Comment - You may also request to address the Board at PublicComment@lacera.com before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)

IV. OTHER COMMUNICATIONS

A. For Information

1. April 2022 All Stars

2. Chief Executive Officer's Report
(Memo dated May 23, 2022)

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

VI. CONSENT ITEMS

A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, subject to continuation of the State of Emergency, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated May 24, 2022)

B. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated May 25, 2022)

C. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised LACERA Budget Policy and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post- Employment Benefits Trust Budgets.
(Memo dated May 20, 2022)

D. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board adopt the LACERA Fiscal Year 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.
(Memo dated May 20, 2022)

E. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a "Support" position on Assembly Bill 1971, which would make various administrative amendments to the County Employees Retirement Law of 1937.
(Memo dated May 20, 2022)

F. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeal and request for an administrative hearing for applicants Brian D. Jordan, Maria D. Rios, Paul G. Murphy, Jose De Jesus Lopez, and Ressie L. Ducut.
(Memo dated May 20, 2022)

VI. CONSENT ITEMS (Continued)

G. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice Sheila R. La Bomme's appeal of the service-connected disability retirement. (Memo dated May 24, 2022)

VII. EXCLUDED FROM CONSENT ITEMS

VIII. REPORTS

A. Presentation by Legislative Advocates, Shari McHugh and Naomi Padron of McHugh Koepke & Associates, regarding the State Legislative Update. (Memo dated May 20, 2022)

B. Presentation by Frank Boyd, Senior Staff Counsel, regarding the Board of Retirement's Role as Trier of Fact in Disability Retirement Applications. (Presentation dated June 1, 2022)

C. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated May 24, 2022)

D. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation. (Memo dated May 20, 2022)

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

<u>3rd Quarter Trustee Travel and Education Reports</u>
(Memo dated May 17, 2022)

<u>Monthly Trustee Travel and Education Reports for April 2022</u>
(Public Memo dated May 16, 2022)
(Confidential Memo dated May 16, 2022 – Includes Anticipated Travel)

F. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the May 2022 Fiduciary Counsel Contact and Billing Report. (Memo dated May 23, 2022) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

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

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

B. Staff Recommendations

1. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board reject the Application of Nicholas A. Moreno for processing. (Memo dated May 19, 2022)

XIII. 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 Trustees 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., THURSDAY, MAY 5, 2022

This meeting was conducted by the Board of Retirement by teleconference under California Government Code Section 54953(e).

PRESENT: William Pryor (Alternate Safety), Chair

Shawn R. Kehoe, Vice Chair

Alan Bernstein, Secretary

Elizabeth Ginsberg, Alternate Ex-Officio for Keith Kox

Vivian H. Gray

Keith Knox

Wayne Moore (Joined the meeting at 9:01 a.m.)

Les Robbins

Antonio Sanchez

Herman Santos (Left the meeting at 11:05 a.m.)

ABSENT: JP Harris (Alternate Retired)

Keith Knox

Gina Zapanta

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Laura Guglielmo, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Michael Herrera, Senior Staff Counsel

Gayla Kraetsch Hartsough, KH Consulting Group

Dr. Glenn Ehresmann, Medical Advisor

Cassandra Smith, Retiree Healthcare Director

Ted Granger, Interim Chief Financial Officer

Carly Ntoya, Ph.D., Human Resources Director

Carlos Barrios, Interim Benefits Manager

Barry W. Lew, Legislative Affairs Officer

Francis J. Boyd, Senior Staff Counsel

Ricki Contreras, Disability Retirement Services Division 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

Vincent Lim, Disability Litigation Manager

Eugenia Der, Senior Staff Counsel

Allison E. Barrett, Senior Staff Counsel

Jason Waller, Senior Staff Counsel

I. CALL TO ORDER

The meeting was called to order virtually by Chair Pryor at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of April 6, 2022

Mr. Bernstein made a motion, Mr. Kehoe seconded, to approve the minutes of the regular meeting of April 6, 2022. The motion passed (roll call) with Messrs. Santos, Kehoe, Sanchez, Robbins, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, Moore, and Ms. Zapanta were absent for the vote.

III. PUBLIC COMMENT (Mr. Moore joined the meeting at 9:01 a.m.)

There were no requests from the public to speak.

IV. OTHER COMMUNICATIONS

A. For Information

1. March 2022 All Stars

Mr. Popowich announced the winners for the month of March: Debra Gonzalez, Michael Peterson, Faustino Herrera, and Vanessa Gonzalez and Rideshare winner was Regina Harris.

2. Chief Executive Officer's Report
(Memo dated April 27, 2022)

Mr. Kreimann provided the Board with an update to staff's return to the office via a hybrid schedule. He also shared that the Member Service Center will be opening back up and providing in person appointments soon. In addition, he shared that the MOU COLA

IV. OTHER COMMUNICATIONS (Continued)

increase was received by County Counsel and that it will be agendized before the Board of Supervisors in the near future, possibly by the end of the fiscal year.

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Mr. Santos, seconded by Mr. Robbins, 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. Santos, Moore, Robbins, Bernstein, Sanchez, Pryor, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, Kehoe, and Ms. Zapanta were absent for the vote.

APPLICATION NO.	NAME
671D	LUIS A. HERNANDEZ
672D	ROBERT D. WHEATCROFT
673D	AURELIO BICAD
674D*	RICHARD HERNANDEZ
675D	MICHAEL J. SCHAAP
676D	RONALD D. REYNOLDS
677D	JASON A. MCGINTY
678D	JANA T. MILLER (Pulled at the request of staff)

*Granted SCD – Employer Cannot Accommodate

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

APPLICATION NO.	NAME
679D	CHARLES W. YOUNGSTROM
680D	JOHN S. DENNIS
681D	RYAN E. DEYOUNG
682D	JOAQUIN ZEPEDA
683D	TIM W. SIEDENTOPP
684D	MARK F. SLATER*
685D	EDGAR P. HONORES
686D	JEFFREY H. POHL
687D	ROBERT R. MORRIS
688D	SUKARNO L. BROWN**
689D	XAVIER A. BAUTISTA
690D	ROBERT L. ALEXANDER II
691D	WILLIAM J. MATTISON
692D	WILLIAM N. HOLVERSON
693D	YANCY L. WALDEN
694D	JAMES C. ATKINS

*Granted SCD – Retroactive Employer Cannot Accommodate
**Granted SCD – Retroactive

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards
Service-Connected Disability Applications

On a motion by Mr. Pryor, seconded by Mr. Robbins, 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. Santos, Moore, Robbins, Bernstein, Sanchez, Pryor, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, Kehoe and Ms. Zapanta were absent for the vote.

APPLICATION NO.	NAME
1466B	ERIC G. WRIGHT
1467B	MICHAEL S. PACHECO
1468B	BRUCE A. ALPERN
1469B	WILLIAM J. HAILEY
1470B	ANDY T. NICASSIO
1471B	ADAM K. DEHART
1472B*	MICHAEL L. HETHERINGTON
1473B	CHRISTOPHER S. PALMER
1474B	SEAN K. MERRITT
1475B	DEAN P. HELSEL
1476B	COLT A. LARSON

*Granted SCD – Retroactive

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR (Continued)

General Members
Service-Connected Disability Applications

On a motion by Mr. Pryor, seconded by Ms. Ginsberg, 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. Kehoe, Santos, Moore, Robbins, Sanchez, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent for the vote.

APPLICATION NO.	NAME
2372C	KIM K. CADDICK
2373C*	TODJI D. THOMAS
2374C	HELEN RIVERA
2375C**	PAULA M. ORNELAS CAHHAL
2376C***	JOGINDER S. GILL
2377C	DORA SANCHEZ
2378C	DEBORAH LEWIS
2379C****	SHEILA R. CAMPBELL
2380C*****	MICHAEL E. WALL (DEC'D)
2381C	TONI R. BABERS

*Granted SCD – Salary Supplemental
**Granted SCD – Retroactive Employer Cannot Accommodate
***Granted SCD – Retroactive
**** Granted SCD – Employer Cannot Accommodate
*****Granted SCD – Survivor Benefit

V. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members (Continued)
Service-Connected Disability Applications

APPLICATION NO.	NAME
2382C*	BONNIE L. JAMES
2383C**	CHRISTINE D. WHITE
2384C	LINDA L. THOMAS
2385C**	BENJAMIN E. ACOSTA GOMEZ

VI. CONSENT ITEMS

Mr. Bernstein made a motion, Mr. Robbins seconded, to approve Consent Items A-F, H. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Moore, Kehoe, Robbins, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent for the vote.

A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, subject to continuation of the State of Emergency, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees. (Memo dated April 26, 2022)

B. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated April 27, 2022)

*Granted SCD – Retroactive Employer Cannot Accommodate
**Granted SCD – Salary Supplemental

VI. CONSENT ITEMS (Continued)

C. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a "Support" position on Assembly Bill 1824, which would provide clarification and technical updates to the County Employees Retirement Law of 1937.
(Memo dated April 22, 2022)

D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a "Support" position on Assembly Bill 1944, which would not require a nonpublic teleconference location to be identified or accessible to the public.
(Memo dated April 21, 2022) (Supplemental Memo dated April 21, 2022)

E. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board 1) Approve a visit with Congress by Board trustees as designated by the Chair of the Board of Retirement and by staff as designated by the Chief Executive Officer during the week of May 23, 2022 in Washington, D.C.; and 2) Approve reimbursement of all travel costs incurred in accordance with LACERA's Trustee Travel Policy.
(Memo dated April 21, 2022).

F. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board authorize staff to allow temporary one-time waiver of the 6-month waiting period for eligible members electing to transfer to SCAN's new expanded service areas.
(Memo dated April 7, 2022)

G. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised Education and Travel Policies. (Memo dated April 25, 2022)

This Item was pulled from the Consent Calendar and was discussed in Item

VII. Excluded from Consent Items.

H. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeal and request for an administrative hearing for applicants Pratin Kraisornkovit, Andrea Marie Serda, Angela M. Sorrels, Dawn M. Cross, Alvin D. Poff, Jr., and Bethly L. Mills. (Memo dated April 25, 2022)

VII. EXCLUDED FROM CONSENT ITEMS

G. Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board approve the revised Education and Travel Policies. (Memo dated April 25, 2022)

Mr. Rice was present for this item and answered questions from the Board.

Trustees provided feedback and requested revisions.

Mr. Santos made a motion, Mr. Bernstein seconded, to approve Consent Items G. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Moore, Kehoe, Robbins, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent for the vote.

VIII. NON-CONSENT ITEMS

A. Recommendation as submitted by Carlos Barrios, Interim Manager, Benefits Division: That the Board authorize staff to forgo the collection of interest on the overpaid retirement benefits resulting from adjustments required by the Alameda Decision. (Memo dated March 23, 2022)

Mr. Barrios and Mr. Popowich were present and answered questions from

the Board.

Mr. Santos made a motion, Mr. Robbins seconded, to approve staff's recommendation. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Moore, Kehoe, Robbins, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent for the vote.

VIII. NON-CONSENT ITEMS (Continued)

B. Recommendation as submitted by Kathy Delino, Interim Chief Information Technology Officer: That the Board authorize staff to engage and contract with Eccentex Corporation for consulting services to procure, configure, customize, and implement an enterprise Case Management Software Solution for Disability Retirement, Disability Litigation, and First Payment business processes at an implementation cost of $285,000 plus annual licensing fees of $259,200. (Memo dated April 20, 2022)

Ms. Delino provided a brief presentation and answered questions from the Board.

Mr. Santos made a motion, Mr. Sanchez seconded, to approve staff's recommendation. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Moore, Kehoe, Robbins, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent for the vote.

C. 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 April 21, 2022)

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

Mr. Bernstein made a motion, Mr. Santos seconded, to approve staff's recommendation. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, Robbins, and Ms. Zapanta were absent for the vote.

IX. REPORTS

A. Presentation by KH Consulting Group, regarding LACERA Strategic Planning. (Memo dated April 25, 2022)

Ms. Kraetsch Hartsough provided a brief presentation and answered questions from the Board.

IX. REPORTS (Continued)

The following items were received and filed.

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, 2022)

C. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation. (Memo dated April 25, 2022)

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

<u>Monthly Trustee Travel and Education Reports for March 2022</u>
(Public Memo dated April 15, 2022)
(Confidential Memo dated April 15, 2022 – Includes Anticipated Travel)

E. For Information Only as submitted by Ricki Contreras, Disability Retirement Services Division, regarding the 2022 Quarterly Reports of Paid Invoices. (Confidential Memo dated April 20, 2022)

F. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the April 2022 Fiduciary Counsel Contact and Billing Report. (Memo dated April 25, 2022) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

There were no Items for Staff Review.

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

There was nothing to report.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME	BOARD ACTION
5247B – MARIE J. BROWN	Mr. Kehoe made a motion, Mr. Moore seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
5248B – MICHAEL G. METAL	Mr. Robbins made a motion, Mr. Sanchez seconded, to deny a service-connected disability retirement. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
5249B – TIMOTHY-JOHN T. LAMSON	Mr. Sanchez made a motion, Ms. Gray seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME	BOARD ACTION
5250B – RESSIE L. DUCUT	Mr. Santos made a motion, Mr. Robbins seconded, to deny a service-connected disability retirement. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
5251B – DANA NGO	This application was pulled by staff and will be placed on a future agenda.
5252B – JEAN-PAUL SCHILL	Mr. Robbins made a motion, Mr. Moore seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
5253B – MARCELO O. CORDOVA	Mr. Santos made a motion, Mr. Robbins seconded, to deny a service-connected disability retirement. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME	BOARD ACTION
5254B – AN NING*	Mr. Pryor made a motion, Mr. Robbins seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
2365C – CHRISTIE L. RODRIGUES	Mr. Santos made a motion, Mr. Sanchez seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
5186B – TIMOTHY P. FINN	Mr. Pryor made a motion, Mr. Robbins seconded, to table this application for next month. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Pryor, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.

*Applicant Present

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME	BOARD ACTION
5201B – DEBORAH K. BRAND	Mr. Kehoe made a motion, Mr. Pryor seconded, to deny a service-connected disability retirement. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
639D – ROBERT G. GILLIS	Mr. Kehoe made a motion, Mr. Santos seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, Ms. Ginsberg and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.
6811A – STEVEN F. JIMENEZ	(Ms. Ginsberg recused herself from the discussion and returned after the vote on this item.) Ms. Gray made a motion, Mr. Santos seconded, to grant a service-connected disability retirement pursuant to Government Code Sections 31720 and 31724 since the employer cannot accommodate. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, Bernstein, and Ms. Gray voting yes. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote. Ms. Ginsberg was not present.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION (Continued)

B. Disability Retirement Appeals

APPLICATION NO. & NAME	BOARD ACTION
CYNTHIA A. CAMPBELL – Thomas J. Wicke for Applicant Jason E. Waller for the Respondent	
	Mr. Kehoe made a motion, Mr. Pryor seconded, to deny a service-connected disability retirement and grant a nonservice-connected disability retirement. Ms. Gray made a substitute motion, Mr. Moore seconded, to grant a service-connected disability retirement. The motion passed unanimously (roll call) with Messrs. Santos, Sanchez, Robbins, Moore, Kehoe, and Ms. Gray voting yes and Ms. Ginsberg and Mr. Bernstein voting no. Messrs. Knox, Harris, and Ms. Zapanta were absent from the vote.

C. Staff Recommendations

1. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board adopt the Proposed Findings of Fact and Conclusions of Law granting Crandlon R. McGinnis a nonservice-connected disability retirement pursuant to Government Code Section 31720. (Memo dated March 29, 2022)

(Mr. Santos left the meeting at 11:02 a.m.)

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

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION (Continued)

C. Staff Recommendations (Continued)

2. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board approve the service provider invoice for Jeffrey A. Hirsch, M.D.
(Memo dated April 21, 2022)

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

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:05 a.m.

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ALAN BERNSTEIN, SECRETARY

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WILLIAM PRYOR, CHAIR

L///CERA

May 23, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Santos H. Kreimann SHK
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – JUNE 2022**

The following Chief Executive Officer's Report highlights key operational and administrative activities that have taken place during the past month.

Strategic Plan Update

The LACERA Strategic Planning process is continuing to progress smoothly. Over the last month, we've interviewed key staff members across our divisions, held our first meetings with our Advisory team (Spark), and lastly engaged in a three-hour Strategy Lab session with the Spark team and leaders throughout the organization. The purpose of the Strategy Lab session was aimed at synthesizing information gained from staff interviews and beginning to formulate strategic priorities and goals for the organization.

The next steps in our Strategic Planning process will involve the Spark team identifying LACERA's Strategic Priorities and formulating Action Planning Teams to further outline specific objectives and tactics. KH Consulting and The Advisory team will continue to provide periodic updates on our Strategic Planning milestones, keeping staff and members regularly informed of important Strategic Planning information, dates, activities, and status updates throughout the process.

2022 Safety Member Elections

Elections will be held Friday, August 5 through Wednesday, August 31, 2022 for the safety member trustee seats on both boards. The positions are: seventh trustee seat and alternate safety trustee seat on the Board of Retirement, and the fourth trustee seat on the Board of Investments. The trustees' three-year terms will run from 2023 through 2025.

The Executive Office of the Board of Supervisors worked with various County departments to send out an email notifying all eligible active Safety Members about the election and providing details for interested candidates regarding the filing process and filing dates. These emails were sent on or around

May 17-18, 2022. LACERA also sent a message to all active Safety Members for whom we have a valid email address on May 19, 2022. Interested candidates have until June 17, 2022 to file their paperwork with the Registrar-Recorder. We continue to work with the Executive Office and will be sending out future informational notices when the County does.

- Candidate filing starts Thursday, May 19 and ends Friday, June 17, 2022. Nomination packets will be available during that time from the Registrar-Recorder/County Clerk, 12400 Imperial Highway, Norwalk, CA 90650, or via email at electionplanning@rrcc.lacounty.
- Voting will be electronic. Members will be mailed and emailed credentials for online and telephonic voting.
- LACERA's boards would like to include paper ballots by request; this request to the County is pending and will be decided at a later date.

In the meantime, LACERA is promoting the elections and the "call for nominations" announcement in the June issue of *PostScript. Due to the newsletter schedule, our newsletter will reach members in the middle of the nomination period.* LACERA will also provide election details (reminders, where to find information on how to vote, etc.) to members in coordination with the County's email blasts. The schedule is still being finalized.

Additionally, during our initial meeting with the Executive Office, we requested that this year's election allow an electronic nomination process. In past elections interested candidates were required to gather "wet signatures" of a specific number of eligible voters in the election on a physical petition. With the use of electronic signatures becoming more prominent, and considering the risks of the pandemic, an electronic process is safer and more efficient. The Executive Office included this in their process and interested candidates will have two options for signature collections – a traditional "wet signature" or an electronic process. Interested candidates can obtain a nomination package from the County Registrar-Recorder/County Clerk.

Hybrid Work Model

The executive team officially welcomed the LACERA staff back to the office on Monday, May 2, 2022. All staff have transitioned back to LACERA via a hybrid work model. As we adjust to this new work model, the executive team will continue to engage staff and division managers on areas of success and improvement. Ultimately, the goal for our hybrid work model is to offer workplace flexibility and balance, while also embracing a culture of accountability. Thus far, the feedback has been mostly positive from both staff and managers.

Recruitment Updates

Vacancies and Hiring

Filling vacant positions continues to be a high priority. Member facing Divisions, Investments Division, Systems Division, and Legal Division are the top priorities. The Executive team, HR, and our Investments Division have met to clearly outline their hiring priorities and develop a recruitment strategy. We plan to take a similar approach with other divisions. The Executive management and HR teams will review the organizational recruitment plan at least quarterly to ensure the priorities are still appropriate given attrition that may have occurred in the prior quarter.

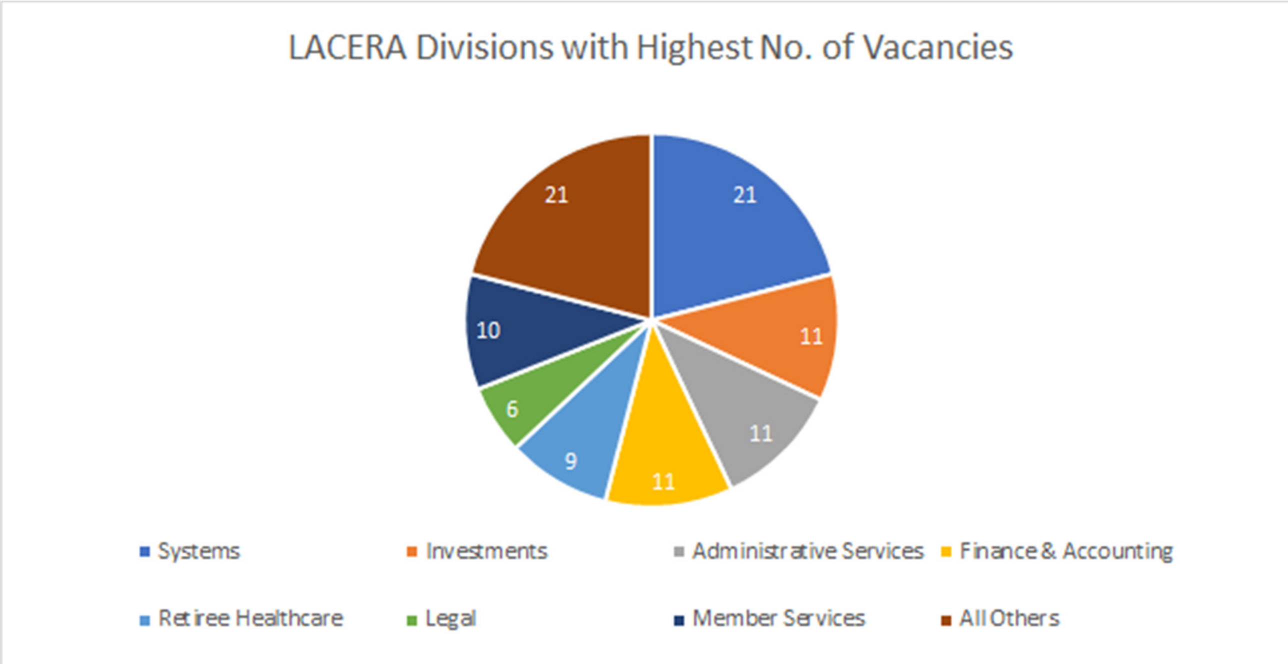
The current hiring priority in the Investments Division recruitment efforts is the Senior Investment Officer. There are eleven (11) vacancies in Investments (24% vacancy rate) and below is a summary of the recruitment status of these positions.

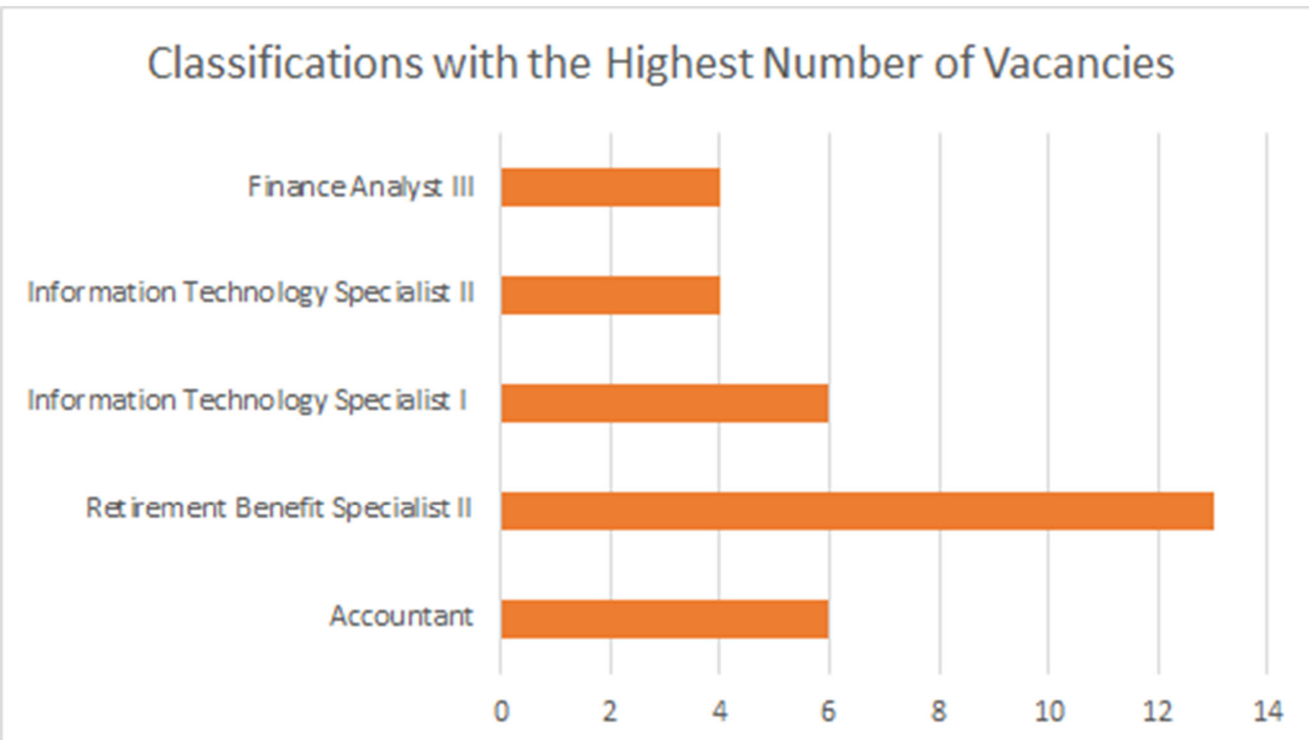
Status of vacant positions in the Investments Division

Classification	# of Vacancies	LACERA Priority	Recruitment Stage
Deputy Chief Investment Officer	1	Tier 2 – December 2022	Outsourced Recruitment
Senior Investment Officer (SIO)	1	Tier 1 – June 2022	4 - Recruitment
Finance Analyst III (FA III)	4	Tier 1 – June 2022	4 – Recruitment
Finance Analyst II (FA II)	2	Tier 2 – December 2022	1 – Exam Requested
Senior Management Secretary	1	Tier 2 – December 2022	n/a
Principal Investment Officer (PIO)	1	Tier 2 – December 2022	n/a
Senior Investment Officer	1	Unassigned	n/a

Recruitment Stages: (1) Exam requested, (2) Classification review, (3) Test development, (4) Resume canvas, (5) Recruitment, (6) Assessment qualification, (7) Assessment review, (8) List promulgated, (9) Division interviews, (10) Background check, (11) Onboarding

LACERA has 508 budgeted positions, of which 100 are vacant (20% vacancy rate). The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.





Development

Human Resources works with the hiring Division to review the classification description, create an ideal candidate profile, and discuss the assessment process. This information is used by HR to create the job bulletin and recruiting brochure (management positions only). The recruitments/assessments are in development for Accountant and Retirement Systems Specialist.

Recruiting & Assessment

The Human Resources Team opened the recruitments for Finance Analyst III in Corporate Governance and Stewardship and Portfolio Analytics. Senior Investment Officer in Real Estate and Finance Analyst III in Real Estate are in the assessment phase. The application period for Senior Accountant was reopened to accept additional applications with the intent of filling the remaining vacancy.

A Request for Proposal to solicit executive recruitment services to fill items such as the Deputy Chief Investment Officer, Chief Financial Officer, Chief Information Technology, and Information Security Officer, Principal Investment Officer, and Senior Investment Officer positions closed on March 22, 2022, the RFPs are currently being scored. Human Resources will move forward with a revised timeline.

Hiring

The Data Systems Analyst I Eligible Register was promulgated. In addition to, one offer (promotion) made, three additional offers are pending. The Senior Staff Counsel and Staff Counsel candidates started May 16 and May 6, 2022, respectively. A candidate for the Interdepartmental Transfer opportunity for the accountant position started May 16, 2022.

Retiree Healthcare (RHC) Update

California Dental Disclosure Matrix

In early 2021, the Department of Insurance approved a regulation requiring all specialized health care services plans that cover dental services and operating in California to provide a Summary of Dental Benefits and Coverage (SDBC) Disclosure Matrix to groups offering dental coverage to their retirees.

Cigna has provided this matrix for our Dental Preferred Provider Organization (DPPO) plan. Per the regulation, this document must be made available to members either electronically or in paper format. Due to the timing of the receipt of this information, we were unable to include it in the annual premium notification packet, so it's been made available on the website.

The California Department of Managed Care (CA DMHC) has not completed its final SDBC regulation for the Dental Health Maintenance Organization (DHMO) plan. The document for the DHMO will be provided upon approval of the DMHC’s final regulation and as required by the regulation.

$1 Million Lifetime Maximum Benefit (LMB) for Non-Medicare Plans - Update

LACERA staff continues to be engaged with the Board of Supervisors and County of Los Angeles CEO's office on the elimination of the $1 million dollar Lifetime Maximum Benefit (LMB). The LMB applies to over 8,700 County active members and retirees enrolled now (or in the future) in the PPO and indemnity plan options.

The County CEO's office, LACERA staff, LACERA's Healthcare consultant, and actuary, met with County staff to discuss the findings of the County's actuarial analysis. We will continue to work through the situation and will inform the Board Trustees as updates become available.

SHK
CEO report June.2022.doc

Attachments

CEO DASHBOARD

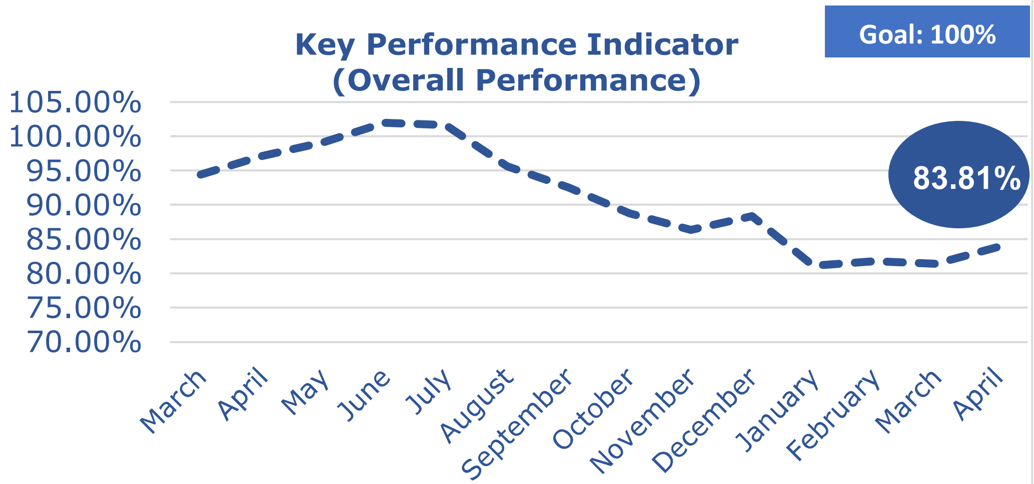
June 1, 2022

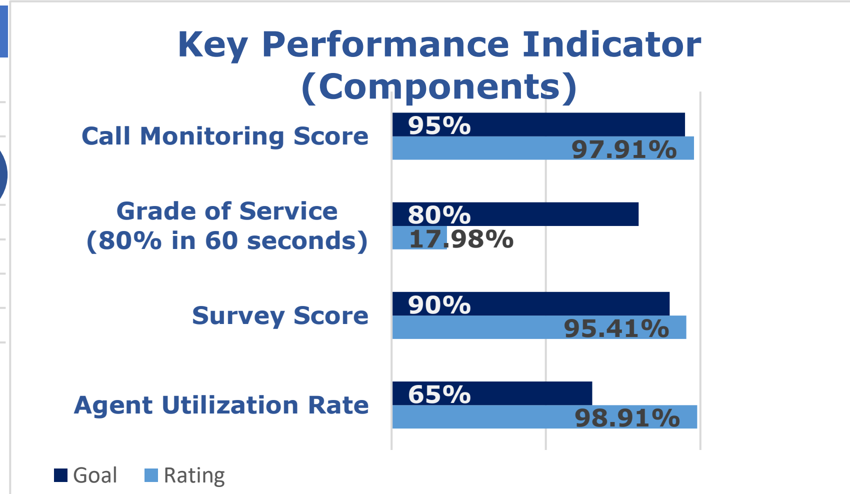
Striving for Excellence

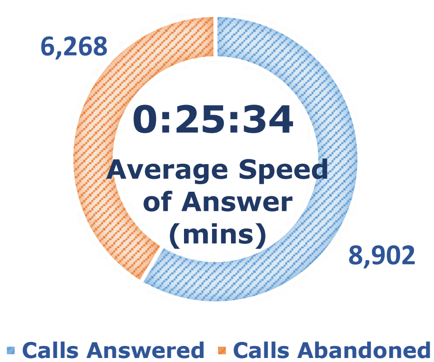
Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

WORKSHOP ATTENDANCE	OUTREACH EVENTS	WORKSHOP SATISFACTION	MSC SATISFACTION	MEMBER SERVICES CALL CENTER
850	14	N/A	N/A	15,170
Year-to-Date: 9,999	Year-to-Date: 172	Mo. To Mo. Change N/A	Mo. To Mo. Change N/A	3 Month Average 17,682

Member Services







Top Calls

1. Retirement Counseling: Process Overview
2. Retirement Counseling: Estimate
3. Retirement Counseling: Plan Overview

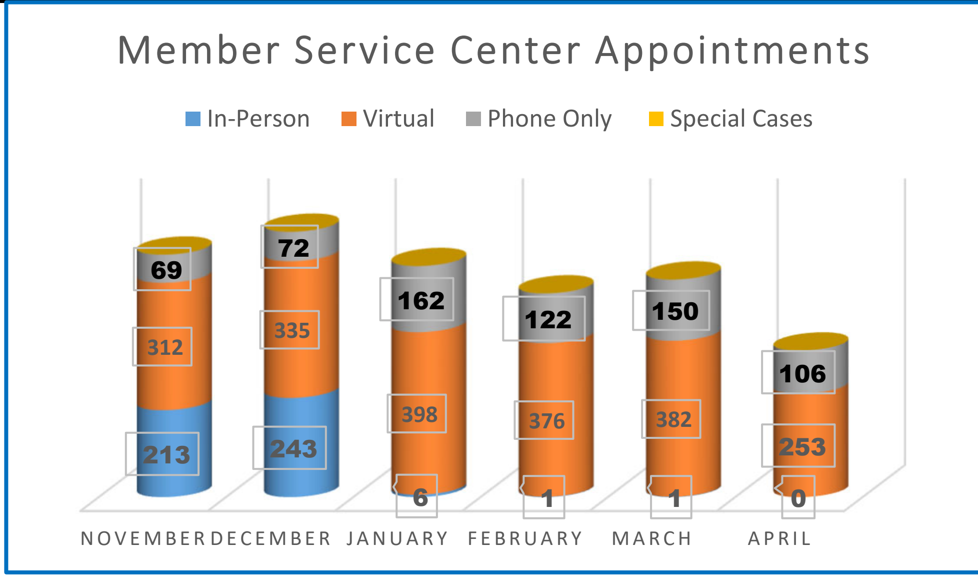
Emails
297
Avg. Response Time (ART)
24:00 hours

Secure Message
705

Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

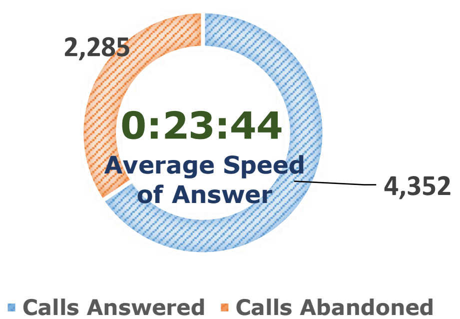
Member Services



COMING SOON

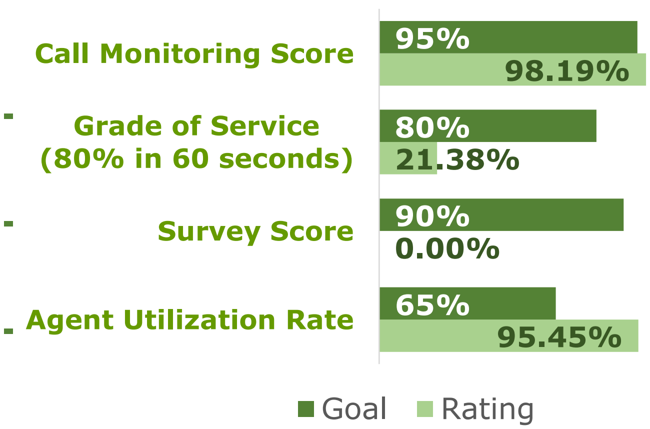
Retiree Healthcare

Total RHC Calls: 6,637



Top Calls

1. Medical/Dental Enrollments
2. Medicare Part B Inquiries
3. General Inquiries



Emails 359

Avg. Response Time (ART) 5 Days

Secure Messages 719

Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

Disability

Applications
869

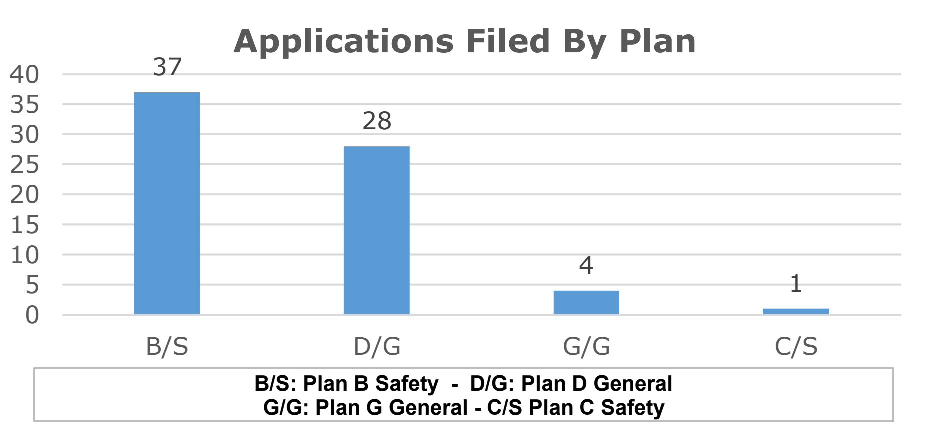
In Process As Of 4/30/2022

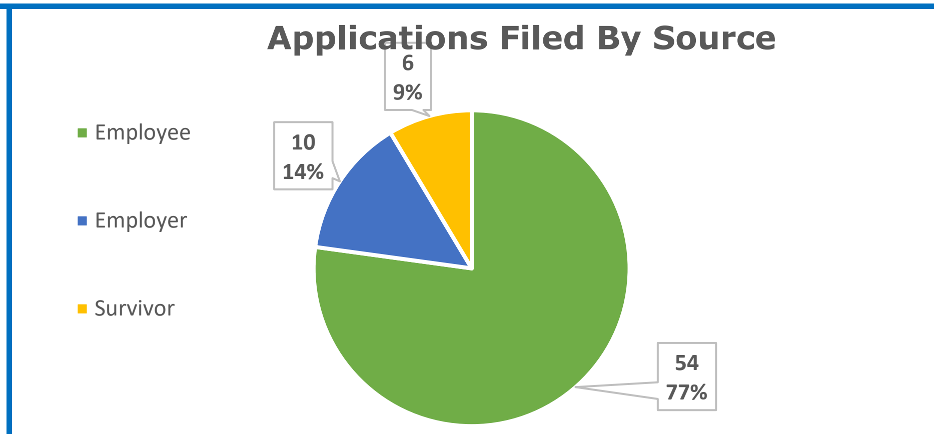
853	Pending on: 3/31/2022
70	Received
650	Year-to-Date
0	Re-Opened
0	Year-to-Date
47	To Board - Initial
469	Year-to-Date
7	Closed
51	Year-to-Date

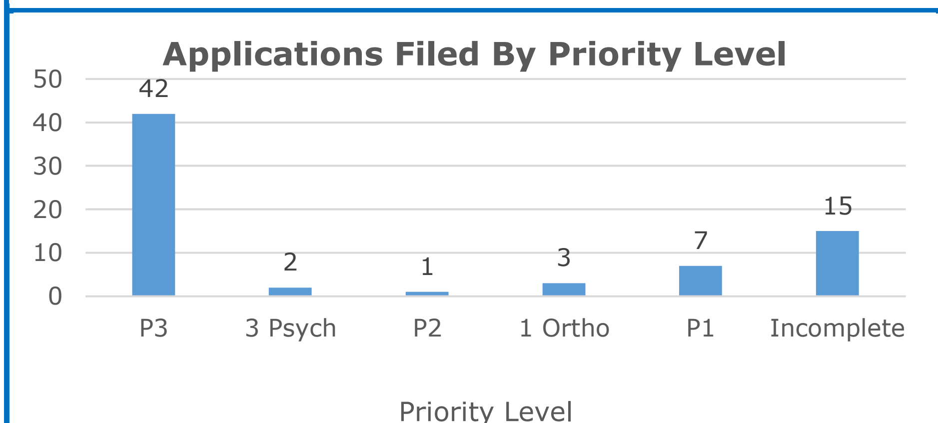
Appeals
68

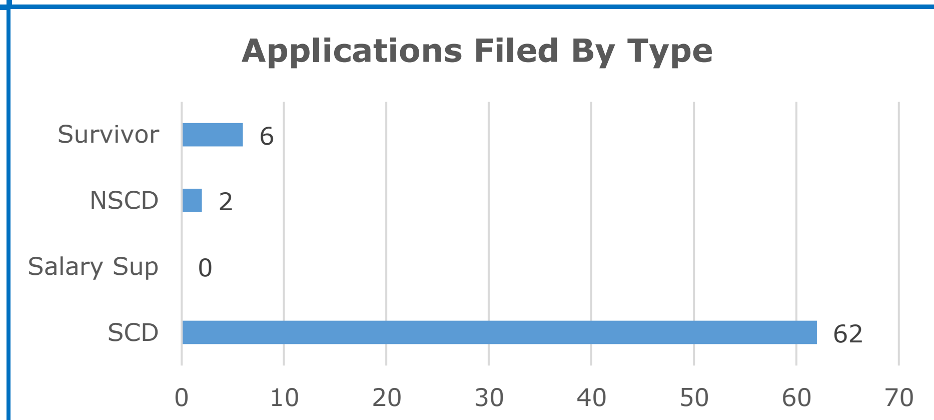
In Process As Of 4/30/2022

70	Pending on: 3/31/2022
2	Received
20	Year-to-Date
4	Admin Closed/Rule 32
26	Year-to-Date
0	Referee Recommended
6	Year-to-Date
0	Revised/Reconsidered for Grantii
0	Year-to-Date



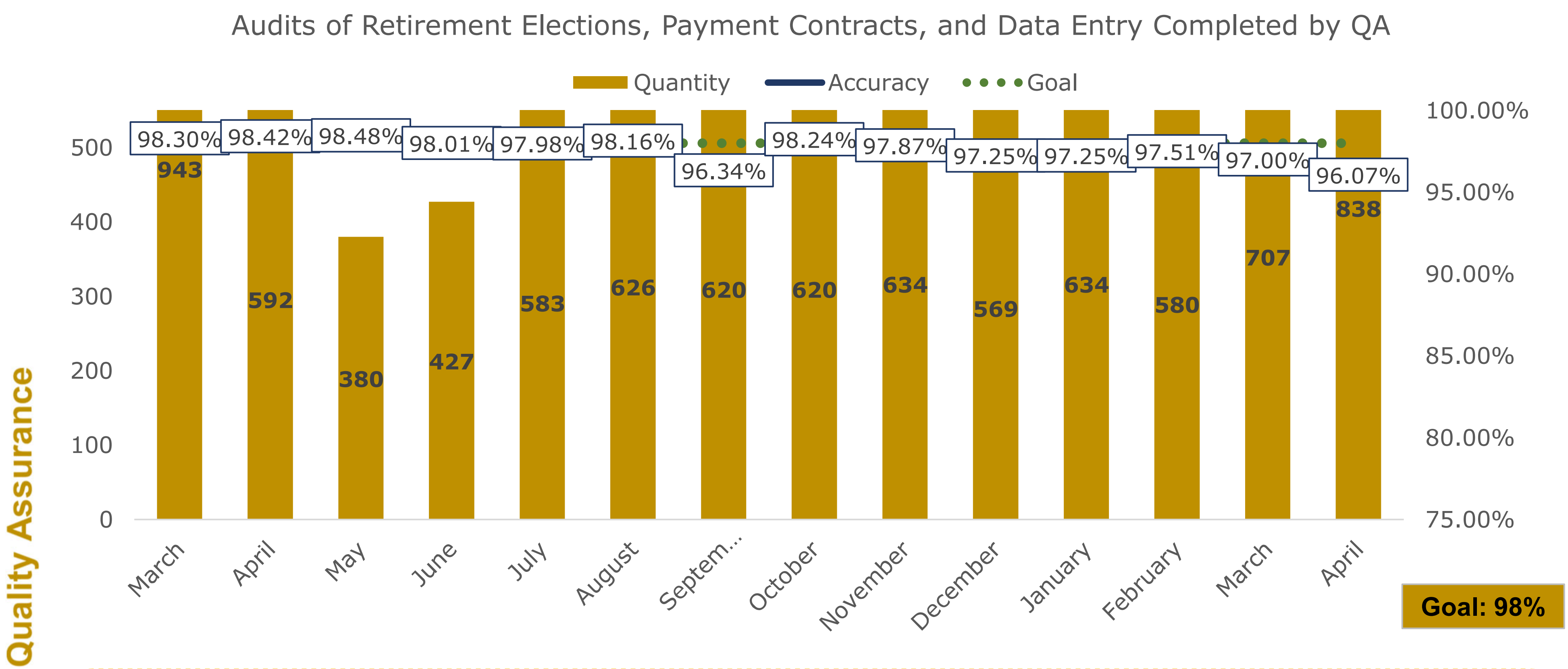






Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022



April 2022

96.07%

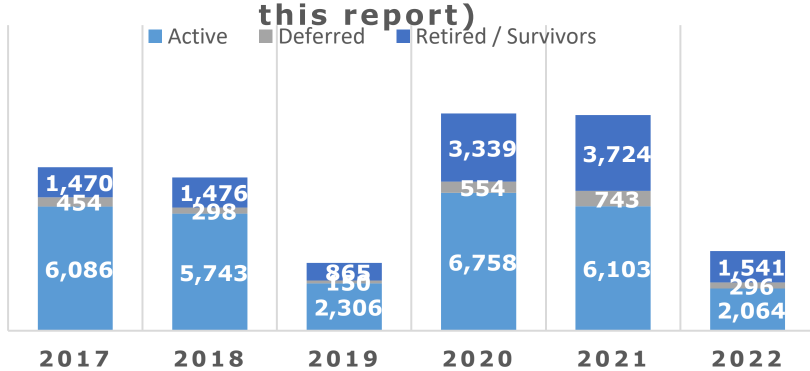
Retirement Elections		Payment Contracts		Data Entry	
496	Samples	251	Samples	91	Samples
98.29%	Accuracy	95.60%	Accuracy	94.32%	Accuracy

Service On-Line for All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

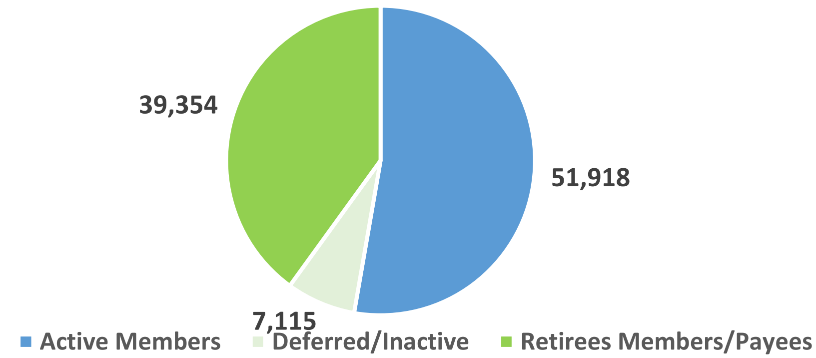
Serving Members Through LACERA.com and MyLACERA

MyLACERA Annual Registration (as of the 15th of the month prior to this report)

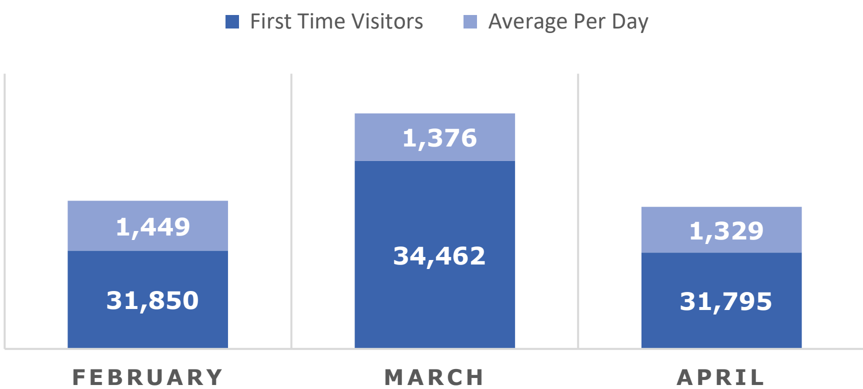


Total Registered Members	98,387	59%

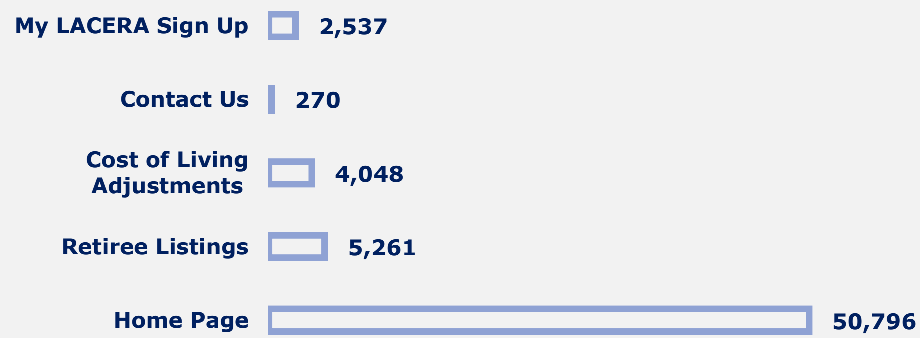
Total Registrations By Member Type



LACERA.com User Traffic



Top Five LACERA.com Page Views



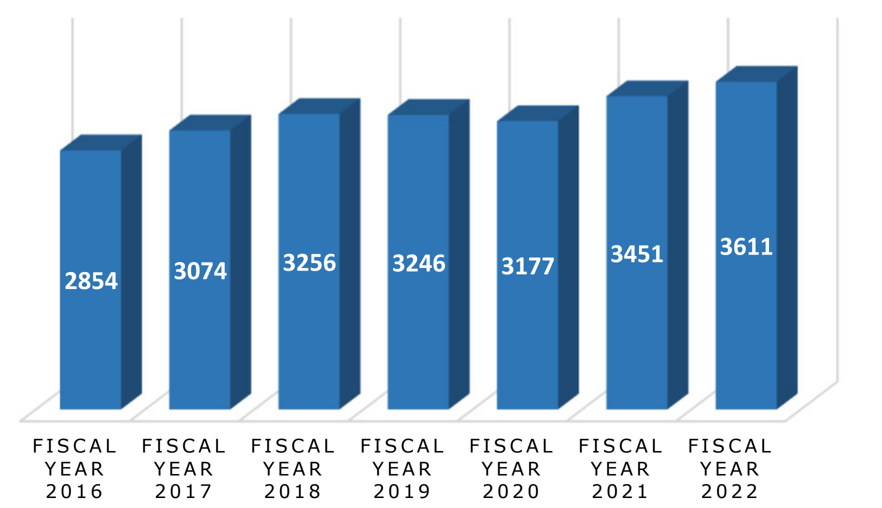
Home Page "I Would Like To" View	Views	% of Change	Home Page Tile Views	Views	% of Change
See My COLA	3,699	0%	My LACERA	2,537	-12%
Change My Tax Settings	1,459	10%	Pre-Retirement Workshops	1,108	-23%
Update My Beneficiary	1,089	-17%	Careers	1,198	2%
Print a Pay Day Calendar	985	-13%	Investments	732	-26%
Apply for Survivor Benefits	765	-46%	Annual Reports	550	-17%
Busiest Day of the Month	Wednesday, May 25, 2022		Investments	168	-23%

Member Snapshot

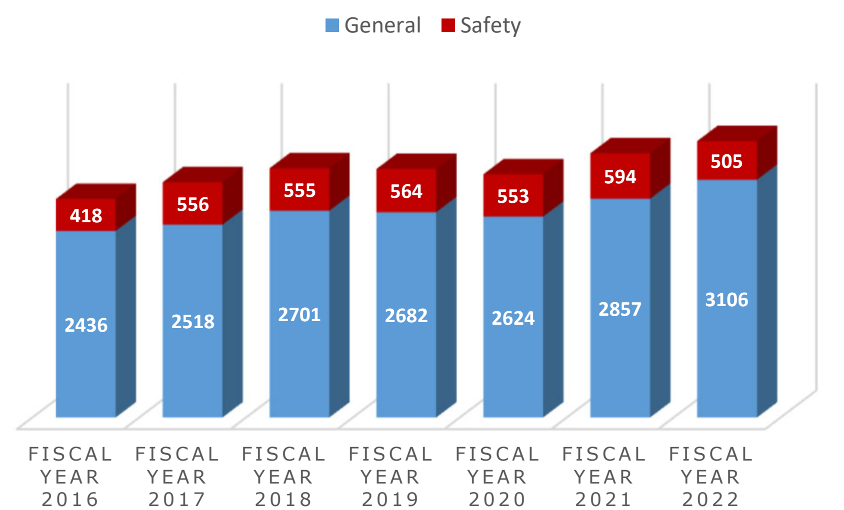
Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2022

	Members as of 05/15/2022				
	Plan	Active	Retired	Survivors	Total
General	Plan A	56	14,059	4,166	**18,281**
General	Plan B	15	645	70	**730**
General	Plan C	18	421	65	**504**
General	Plan D	36,022	19,865	1,815	**57,702**
General	Plan E	14,142	14,813	1,506	**30,461**
General	Plan G	33,281	174	14	**33,469**
General	**Total General**	**83,534**	**49,977**	**7,636**	**141,147**
Safety	Plan A	1	4,576	1,648	**6,225**
Safety	Plan B	8,130	7,378	383	**15,891**
Safety	Plan C	4,731	19	2	**4,752**
Safety	**Total Safety**	**12,862**	**11,973**	**2,033**	**26,868**
TOTAL MEMBERS		**96,396**	**61,950**	**9,669**	**168,015**
% by Category		**57%**	**37%**	**6%**	**100%**

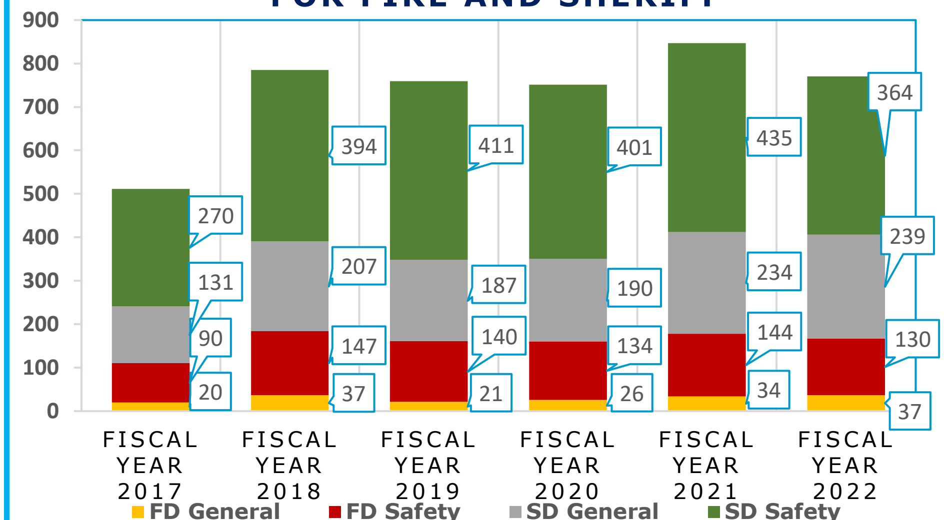
RETIREMENTS BY YEAR



ANNUAL RETIREMENTS BY TYPE



GENERAL VS. SAFETY RETIREMENTS FOR FIRE AND SHERIFF



Member Snapshot

Average Monthly Benefit Allowance Distribution May 25, 2022				
	General	Safety	Total	%
$0 to $3,999	29,995	1,502	31,497	51.0%
$4,000 to $7,999	14,124	3,455	17,579	28.5%
$8,000 to $11,999	4,034	4,276	8,310	13.5%
$12,000 to $15,999	1,121	2,106	3,227	5.2%
$16,000 to $19,999	369	429	798	1.3%
$20,000 to $23,999	113	137	250	0.4%
$24,000 to $27,999	31	41	72	0.1%
> $28,000	24	4	28	0.0%
Totals	49,811	11,950	61,761	100%

Average Monthly Benefit Amount: $ 4,760.00

Healthcare Program

(Mo. Ending:4/30/2022)

	Employer	Member
Medical	$485.2	$36.0
Dental	$38.7	$3.7
Part B	$68.0	$0.0
Total	**$591.9**	**$39.7**

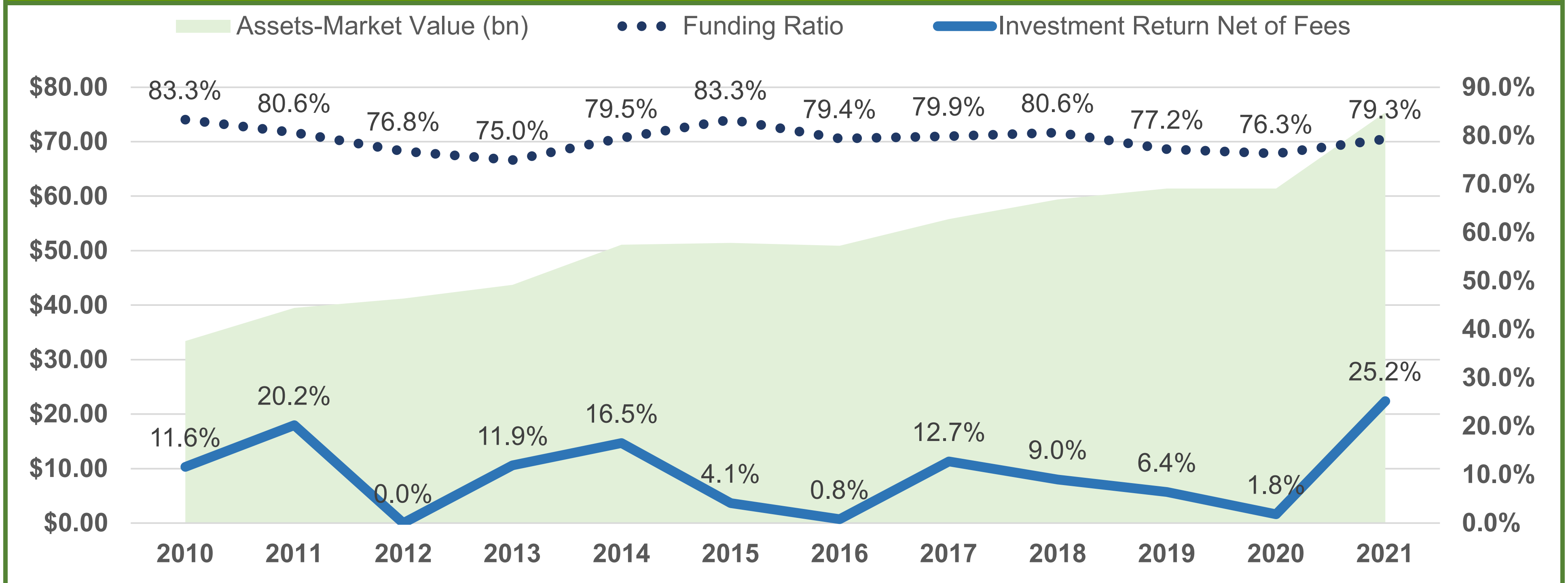
Health Care Enrollments

(Mo. Ending:4/30/2022)

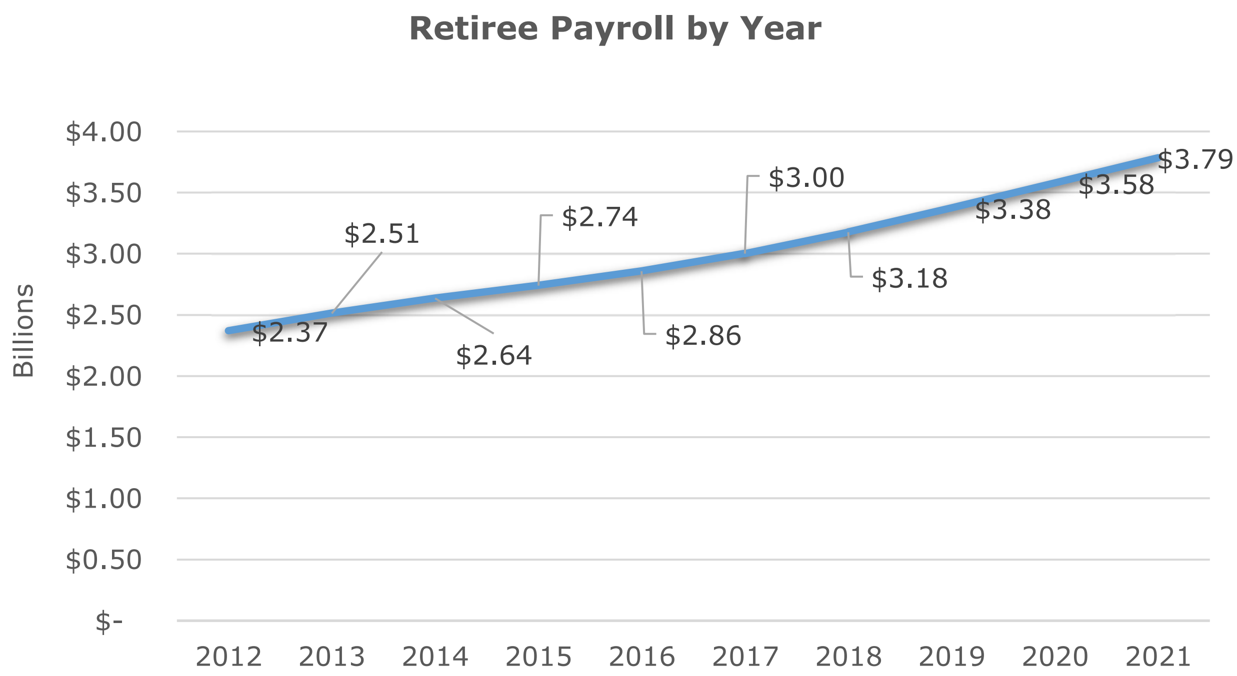
Medical	53,474
Dental	55,168
Part B	36,734
LTC	540
Total	**145,916**

KEY FINANCIAL METRICS

Fiscal Year End Financial Update (as of 06/30/2021)



Key Financial Metrics



FUNDING METRICS
(as of 6/30/21)

Employer NC	10.88%
UAAL	13.58%
Assumed Rate	7.00%
Star Reserve	$614m
Total Assets	$73.0b

Contirbutions
(as of 6/30/21)

	Employer	Member
Annual Add	$2.0b	$761.0m
% of Payroll	24.46%	7.87%

Contirbutions
(as of 6/30/21)
(Net of Fees)

5 YR: 10.8% **10 YR:** 8.6%

Retired Members Payroll
(As of 4/30/2022)

Monthly Payroll	$354.44m
Payroll YTD	$3.4b
New Retired Payees Added	1,166
Seamless %	98.71%
New Seamless Payees Added	4,602
Seamless YTD	96.81%
By Check %	2.00%
By Direct Deposit %	98.00%

LACERA

QUIET PERIOD LIST
Administrative/Operations
Last Update:5/13/2022

RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
Search for Classification & Compensation Study Services (HR)	Human Resources	5/24/2021	Bid Review	• Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Search for Classification & Compensation Study Services (RHC)	Human Resources	5/24/2021	Bid Review	• Koff and Associates • Magnova Consultant • Grant Thornton • Reward Strategy Group
Contract Lifecycle Management Application	Administrative Services/ Systems	3/4/2022	Vendor Presentation and Evaluation	• Agiloft • Cobblestone • DocuSign • Icertis • Pantheon
~~2Case Management Software Solution~~	~~Systems Division~~	~~10/6/2021~~	~~Contract Negotiation~~	~~• Eccentex~~
Budget Software	Administrative Services/ Systems	3/10/2022	RFP Review	• Neubrain • ClearGov • Workday • Vena • Prophix • Questica • Denovo/Oracle • Board • TruEd/TruGov • IGM/Gravity

RFP/RFI Name	Issuing Division	RFP Issued	Status*	Quiet Period for RFP Respondents*
Executive Recruitment Services	Human Resources	2/23/2022	Bid Review	• Alliance Consulting • David Gomez Partners, Inc • EFL • Ralph Anderson • Spencer Stuart • WBCP

*Subject to change

INVESTMENTS QUIET PERIOD FOR SEARCH RESPONDENTS

Custody Bank Search

- ✓ State Street Bank and Trust Co.

Illiquid Credit Emerging Manager Program Search

- ✓ BlackRock Alternative Advisors
- ✓ Blackstone Alternative Asset Management
- ✓ Cambridge Associates
- ✓ GCM Grosvenor
- ✓ Stable Asset Management

OPEB Private Markets Investments Search

- ✓ BlackRock Financial Management Inc.
- ✓ Cambridge Associates LLC
- ✓ Goldman Sachs Asset Management, L.P.
- ✓ Hamilton Lane Advisors, LLC
- ✓ HarbourVest Partners, LLC
- ✓ J.P. Morgan Asset Management
- ✓ Morgan Stanley Investment Management
- ✓ Neuberger Berman Alternatives Advisers, LLC
- ✓ Pathway Capital Management, LP
- ✓ StepStone Group Holdings, LLC

Date	Conference
June, 2022	
5-8	Government Finance Officers Association (GFOA) Annual Conference Austin, TX
8-9	2022 PREA (Pension Real Estate Association) Institute Emory University Atlanta, GA
14-15	19th Annual Consortium 2022 Diverse plus Women Managers Conference New York, NY
14-15	RFK Compass Summer Investors Conference Chatham, MA
21-23	AHIP (America's Health Insurance Plans) Institute Las Vegas, NV
24	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual
27-29	National Association of Securities Professionals (NASP) Annual Financial Services Conference Chicago, IL
27-29	IFEBP (International Foundation of Employment Benefit Plans) Public Employee Benefits Institute Seattle, WA
27-30	World Healthcare Congress National Harbor, MD
July, 2022	
13-15	Pacific Pension Institute (PPI) Summer Roundtable Vancouver, British Columbia
17-22	Leading in Artificial Intelligence: Exploring Technology and Policy Harvard Kennedy School, Cambridge, MA
August, 2022	
21-23	NCPERS (National Conference on Public Employee Retirement Systems) Public Pension Funding Forum Los Angeles, CA
29-September 1	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Pepperdine University *(subject to change)*
September, 2022	
16	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

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

May 24, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Steven P. Rice, SPR
Chief Counsel

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of Teleconference Meetings Under AB 361 and Government Code Section 54953(e)

RECOMMENDATION

That, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

LEGAL AUTHORITY

Under Article XVI, Section 17 of the California Constitution, the Boards have plenary authority and exclusive fiduciary responsibility for the fund's administration and investments. This authority includes the ability of each Board to manage their own Board and Committee meetings and evaluate legal options for such meetings, such as whether to invoke teleconferencing of meetings under AB 361 and Government Code Section 54953(e) of the Brown Act to protect the health and safety of Trustees, staff, and the public. The Boards previously took this action at their meetings since October 2021. Findings made under this memo will be effective for meetings during the next 30 days, so long as the State of Emergency remains in effect.

DISCUSSION

A. Summary of Law.

On September 16, 2021, the Governor signed AB 361 which enacted new Government Code Section 54953(e) of the Brown Act to put in place, effective immediately and through

December 31, 2023, new teleconferencing rules that may be invoked by local legislative bodies, such as the LACERA Boards, upon making certain findings and following certain agenda and public comment requirements.

Specifically, Section 54953(e)(3) provides that the Boards may hold teleconference meetings without the need to comply with the more stringent procedural requirements of Section 54953(b)(3) if a state of emergency under Section 8625 of the California Emergency Services Act impacts the safety of in person meetings or state or local officials have imposed or recommended social distancing rules, provided that the Board makes the following findings by majority vote:

(A) The Board has considered the circumstances of the state of emergency; and

(B) Any of the following circumstances exist:

- (i) The state of emergency continues to directly impact the ability of the Trustees to meet safely in person; or
- (ii) State or local officials continue to impose or recommend measures to promote social distancing.

If each Board makes the required findings, that Board and its Committees may hold teleconference meetings for the next 30 days without the need to comply with the regular rules of Section 54953(b)(3) provided that: agendas are prepared and posted under the Brown Act; members of the public are allowed to access the meeting via a call-in option or an internet-based service option; and the agenda provides an opportunity for public comment in real time and provides notice of the means of accessing the meeting for public comment.

B. Information Supporting the Required Findings and Process if the Boards Determine to Invoke Section 54953(e).

The Governor's State of Emergency for the COVID-19 pandemic as declared in the Proclamation of a State of Emergency dated March 4, 2020 remains active. The Proclamation was issued under the authority of Section 8625 of the California Emergency Services Act. It is unclear when the State of Emergency will end, although the Governor recently extended certain COVID-19 emergency provisions only to March 31, 2022 and has actively terminated other emergency provisions. *See* Order No. N-21-21, issued November 10, 2021, Order No. N-04-22, issued February 25, 2022.

The Los Angeles County Department of Public Health maintains guidance to "Keep your distance. Use two arms lengths as your guide (about 6 feet) for social distancing with people outside your household when you are not sure that they are vaccinated." http://publichealth.lacounty.gov/acd/ncorona2019/reducingrisk/. The County Public Health Department also maintains guidance that employers should, "Whenever possible, take steps to reduce crowding indoors and encourage physical distancing: … Limit indoor occupancy to increase the physical space between employees at the worksite, between employees and customers, and between customers. … Continue, where feasible to offer telework options for employees. Offer teleworking options during times of high community transmission (100 or more new cases per 100,000 persons in the past 7 days). In addition, at other times, consider offering teleworking arrangements that do not interfere with business operations to reduce crowding indoors." http://publichealth.lacounty.gov/acd/ncorona2019/bestpractices/.

As further indication of the County's interpretation of the impact of the State of Emergency on public meetings, at its May 17, 2022 meeting, the Board of Supervisors voted to find that the State of Emergency remains active and "local officials continue to recommend measures to promote social distancing" and that the Board of Supervisors shall continue to hold teleconference meetings under the terms of Assembly Bill 361 and Government Code Section 54953(e)(3).

The City of Pasadena (City), where LACERA's offices are located and Board and Committee meetings are held, has substantially revised its guidance to give more flexibility. The City still offers guidance that businesses recognize that COVID-19 continues to pose a risk to communities, and it is important for employers to continue to take steps to reduce the risk of COVID-19 transmission among their workers and visitors. https://www.cityofpasadena.net/economicdevelopment/covid-19-business-resources/. Earlier guidance promoting physical distancing by business also remains posted on the City's COVID web page as a reference. As of the date of this memo, the City Council continues to hold its meetings by videoconference/teleconference, although some council members have started to attend in person in the council chambers. At its May 23, 2022 meeting, the City Council voted to extend the video and teleconference meeting process through June 22, 2022.

The Centers for Disease Control and Prevention (CDC) has recently updated its guidance, but the CDC still advises the public to "Stay 6 feet away from others" and that, "Indoors in public: "If you are not up to date on COVID-19 vaccines, stay at least 6 feet away from other people, especially if you are at higher risk of getting very sick with COVID-19." https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html#stay6ft%20.

Under these circumstances, the Boards may reasonably conclude and find that teleconferencing under Section 54953(e) is appropriate for Board and Committee meetings during the next 30 days, so long as the State of Emergency remains in effect, because (1) the State of Emergency continues to impact the ability of the Trustees to meet safely in person, or (2) the County and other authorities continue to recommend measures to promote a safe workplace, including physical distancing, as required by the statute. Either finding is sufficient under Section 54953(e) to support continued teleconference meeting.

If each Board makes these findings and directs teleconferencing under Section 54953(e), procedures exist and will be implemented to ensure compliance with the agenda and public comment requirements of the statute, as stated above.

Finally, while the pandemic continues to present a significant health risk, as the virus presents itself in different variants, LACERA staff returned to the office on May 2, 2022 under hybrid work schedules for most employees, including both on site work and continued teleworking. The return to office for staff is made under COVID safety protocols, including vaccination and testing procedures and encouraging masks and social distancing. When the Boards decide to return to in person meetings, management will develop protocols for the boardroom, which will present separate safety challenges, including, for example, the small size of the room, ingress and egress, and public access and comment requirements.

CONCLUSION

Based on the above information, staff recommends that, under AB 361 and Government Code Section 54953(e)(3) of the Brown Act, the Board of Retirement and Board of Investments separately consider whether to find that the Governor's COVID-19 State of Emergency continues to directly impact the ability of each Board and its Committees to meet safely in person and that the County of Los Angeles and other agencies still recommend social distancing such that each Board and its Committees shall hold teleconference meetings for the next 30 days, so long as the State of Emergency remains in effect, and if so, direct staff to comply with the agenda and public comment requirements of the statute. Action taken by each Board will only apply to that Board and its Committees.

c:	Santos H. Kreimann	Luis Lugo	JJ Popowich
	Jonathan Grabel	Laura Guglielmo	Carly Ntoya

May 24, 2022

TO: Trustees, Board of Retirement

FOR: Board of Retirement Meeting on June 1, 2022

SUBJECT: Ratification of Service Retirement and Survivor Benefit Application Approvals

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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 JUNE 1, 2022

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
TERRY A. BURGIN J R	SHERIFF Dept.#SH	05-31-2022	34 YRS 10½ MOS
ALFREDO CASTRO JR	SHERIFF Dept.#SH	04-29-2022	24 YRS 11 MOS
ALBERT COBOS	SHERIFF Dept.#SH	06-30-2022	33 YRS 09 MOS
ANDRE S. CURRY	SHERIFF Dept.#SH	05-31-2022	32 YRS 06 MOS
DAVID M. GRALL	SHERIFF Dept.#SH	05-28-2022	21 YRS 00 MOS
JEFFREY M. HORN	L A COUNTY FIRE DEPT Dept.#FR	06-15-2022	19 YRS 05½ MOS
RICHARD S. KENT	SHERIFF Dept.#SH	07-29-2022	31 YRS 01 MOS
GEOFFREY R. LIDMAN	SHERIFF Dept.#SH	07-01-2022	31 YRS 01½ MOS
VICTOR B. PALADINO	SHERIFF Dept.#SH	03-31-2022	31 YRS 04½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
JUAN M. PALOMINO	L A COUNTY FIRE DEPT Dept.#FR	06-01-2022	24 YRS 08½ MOS
KEVIN P. POOLE	L A COUNTY FIRE DEPT Dept.#FR	04-30-2022	34 YRS 06 MOS
VICTOR M. SANCHEZ	L A COUNTY FIRE DEPT Dept.#FR	05-19-2022	34 YRS 00 MOS
FRANK G. TRIPP	L A COUNTY FIRE DEPT Dept.#FR	03-31-2022	32 YRS 10 MOS
DARYL L. WILLIAMS	SHERIFF Dept.#SH	06-17-2022	31 YRS 11 MOS
CHRISTOPHER T. WYATT	SHERIFF Dept.#SH	05-28-2022	31 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
LILLIAN ACEVEZ	REG-RECORDER/COUNTY CLERK Dept.#RR	04-30-2022	37 YRS 09 MOS
CLEMENTENE ADAMS	CHILD SUPPORT SERVICES Dept.#CD	04-29-2022	42 YRS 08 MOS
MARTHA AGUILA	PROBATION DEPARTMENT Dept.#PB	05-31-2022	28 YRS 02½ MOS
LUISA E. ALONZO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-30-2022	23 YRS 05 MOS
MAGDALENA M. ALVAREZ	CHIEF EXECUTIVE OFFICE Dept.#AO	05-13-2022	14 YRS ½ MOS
JULIANA AMIRI	CHILDREN & FAMILY SERVICES Dept.#CH	05-13-2022	13 YRS 05½ MOS
GENEVA E. ANKAI-TAYLOR	CHILDREN & FAMILY SERVICES Dept.#CH	06-30-2022	28 YRS 09 MOS
ROSAN ANZALONE	SHERIFF Dept.#SH	04-29-2022	31 YRS 08 MOS
MARIA ARRIZON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-28-2022	35 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
LYDIA M. ARZU GARCIA	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-29-2022	25 YRS 10 MOS
DORIS D. AVILES	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	32 YRS 01½ MOS
VALERE A. BAGGIO	CHILDREN & FAMILY SERVICES Dept.#CH	06-30-2022	29 YRS 05 MOS
SHELLISE N. BERRY	SHERIFF Dept.#SH	05-28-2022	34 YRS 11 MOS
JOY L. BOSTIC	HEALTH SERVICES ADMINISTRATION Dept.#HS	04-18-2022	27 YRS 04 MOS
BOBBY J. BRADFORD	INTERNAL SERVICES Dept.#IS	06-30-2022	25 YRS 00 MOS
JEROME BRAGG	PUBLIC WORKS Dept.#PW	06-30-2022	35 YRS 09 MOS
SARA D. BUTTE	SHERIFF Dept.#SH	04-30-2022	20 YRS 09½ MOS
CECILIA CANADAS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2022	28 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
CORINNA C. CERVANTES	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	06-02-2022	20 YRS ½ MOS
GANGADARSHNI CHANDRAMOHAN	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-01-2022	24 YRS 02 MOS
LISA I. CHAVEZ	AMBULATORY CARE NETWORK Dept.#HN	05-31-2022	21 YRS 01½ MOS
THERESA CHOW	PUBLIC HEALTH PROGRAM Dept.#PH	05-31-2022	18 YRS 01½ MOS
CRAIG L. COLEMAN	PROBATION DEPARTMENT Dept.#PB	04-21-2022	26 YRS 07½ MOS
ANNA M. COLLAY	LACERA Dept.#NL	05-26-2022	21 YRS 01 MOS
CARMEN L. COLLINS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-28-2022	43 YRS 05 MOS
MARIA A. CONTRERAS	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	06-30-2022	25 YRS ½ MOS
LINDA M. COOPER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	31 YRS 05½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
DELORIS F. CURRY	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-16-2022	36 YRS 06½ MOS
DIVINA V. DASALLA	PROBATION DEPARTMENT Dept.#PB	05-31-2022	21 YRS ½ MOS
DAVID J. DAVIS	PUBLIC LIBRARY Dept.#PL	08-02-2022	07 YRS 06½ MOS
MICHELE A. DAVIS	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-31-2022	37 YRS 01½ MOS
INGRID D. DAY	CHILD SUPPORT SERVICES Dept.#CD	06-30-2022	25 YRS 03 MOS
TERESITA T. DE JESUS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	15 YRS ½ MOS
NANCY L. DE LA CRUZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-31-2022	45 YRS 07½ MOS
CLARISSA D. DE LA TORRE	MEDICAL EXAMINER-CORONER Dept.#ME	05-31-2022	40 YRS 08½ MOS
RENE B. DE LOS SANTO	CHILDREN & FAMILY SERVICES Dept.#CH	06-01-2022	23 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
DONNA M. DEFAZIO	PUBLIC HEALTH PROGRAM Dept.#PH	06-02-2022	08 YRS 01½ MOS
RENATO M. DELACRUZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-28-2022	23 YRS 01 MOS
RHONDA E. DURRAH	HEALTH SERVICES ADMINISTRATION Dept.#HS	04-22-2022	22 YRS 10 MOS
MARCY W. EPSTEIN	MENTAL HEALTH Dept.#MH	06-15-2022	12 YRS 07½ MOS
SCOTT G. FILLER	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	06-04-2022	30 YRS ½ MOS
LLOYD V. FOWLER	SHERIFF Dept.#SH	04-28-2022	35 YRS 06 MOS
MICHAEL A. FUNCHES	TREASURER AND TAX COLLECTOR Dept.#TT	05-31-2022	30 YRS 05½ MOS
JULIO C. GALDAMEZ	PUBLIC WORKS Dept.#PW	05-27-2022	14 YRS 06 MOS
TEWOLDE GEBRU	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-30-2022	14 YRS 05½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
KIM GEORGE	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-28-2022	21 YRS 00 MOS
SYLVIA R. GIVENS	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	06-30-2022	43 YRS 05 MOS
CATHY GREENWOOD	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-30-2022	42 YRS 07 MOS
RICHARD J. HAHN	AMBULATORY CARE NETWORK Dept.#HN	05-13-2022	10 YRS 01½ MOS
SANDY M. HAMILTON	CHILDREN & FAMILY SERVICES Dept.#CH	05-18-2022	33 YRS 10 MOS
KAREN HANNA	CHILDREN & FAMILY SERVICES Dept.#CH	05-31-2022	25 YRS 09½ MOS
BRENDA F. HARRIS	DISTRICT ATTORNEY Dept.#DA	03-31-2022	43 YRS 07 MOS
FELICIA E. HARRIS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-29-2022	14 YRS 01 MOS
LINDLEY R. HEHER	DISTRICT ATTORNEY Dept.#DA	05-09-2022	21 YRS 06½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
BARBARA HENDERSON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	32 YRS 04½ MOS
TIMOTHY T. HENNEBERRY	PUBLIC WORKS Dept.#PW	06-09-2022	12 YRS 11½ MOS
HENRY HERNANDEZ	PUBLIC WORKS Dept.#PW	05-31-2022	37 YRS 06½ MOS
RICHARD H. HOFT	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-01-2022	24 YRS ½ MOS
SAMIR M. IBRAHIM	PUBLIC HEALTH PROGRAM Dept.#PH	05-31-2022	29 YRS 04½ MOS
SAULITO INGUITO	AGRICULTURAL COMM./WTS & MEAS. Dept.#AW	05-31-2022	19 YRS 09½ MOS
JOSE INIGUEZ	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	31 YRS 10½ MOS
DEANNA L. JACKSON-KEEB	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-18-2022	34 YRS 08 MOS
DARLENE D. JACKSON-RICH	CHILDREN & FAMILY SERVICES Dept.#CH	05-31-2022	34 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
CHRISTINA S. JENSON	INTERNAL SERVICES Dept.#IS	05-27-2022	31 YRS 01 MOS
SANDRA R. JIMENEZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	06-29-2022	22 YRS 00 MOS
ROBBIE L. JONES	CHILD SUPPORT SERVICES Dept.#CD	06-01-2022	13 YRS 04 MOS
MICHAEL L. JORDAN	PROBATION DEPARTMENT Dept.#PB	05-03-2022	27 YRS 03½ MOS
ANTOINE H. JOUBI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-23-2022	23 YRS 06 MOS
SUSAN M. KANE	PUBLIC LIBRARY Dept.#PL	05-19-2022	24 YRS 02 MOS
CHRISTOPHER W. KINNEY	HEALTH SERVICES ADMINISTRATION Dept.#HS	04-29-2022	27 YRS 06 MOS
CATHY C. KITA	PROBATION DEPARTMENT Dept.#PB	05-31-2022	24 YRS 03 MOS
NINA KOCH	AMBULATORY CARE NETWORK Dept.#HN	05-31-2022	23 YRS 01½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
SHERI L. KOENIG	ANIMAL CONTROL Dept.#AN	07-01-2022	27 YRS 06½ MOS
MAI THU LA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-02-2022	35 YRS 07½ MOS
CORLONDA L. LAKESHORE	TREASURER AND TAX COLLECTOR Dept.#TT	04-12-2022	30 YRS 02½ MOS
AMY W. LAW	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	05-27-2022	21 YRS 01 MOS
LINDA C. LEE	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	37 YRS 07½ MOS
ROSA G. LEMUS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	30 YRS 06½ MOS
LINDA T. LIU	INTERNAL SERVICES Dept.#IS	05-27-2022	16 YRS 07 MOS
NATALIE LOLLIS	CHILDREN & FAMILY SERVICES Dept.#CH	04-30-2022	13 YRS 11 MOS
SONIA LOPEZ	SHERIFF Dept.#SH	07-30-2022	21 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
ALMA E. LUCAS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	43 YRS 01½ MOS
KATHLEEN M. MACMILLAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	03-31-2022	22 YRS 03 MOS
SHIRLEY A. MAGNESS	AMBULATORY CARE NETWORK Dept.#HN	05-31-2022	20 YRS ½ MOS
GUIRINA MALIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2022	23 YRS 08 MOS
ANGELICA MANCILLAS	ASSESSOR Dept.#AS	05-11-2022	21 YRS 08½ MOS
EUSTACIO MARTINEZ	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-07-2022	21 YRS 07½ MOS
BASILIA O. MELENDEZ	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	04-30-2022	30 YRS 06 MOS
CARLOS M. MENDEZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-30-2022	18 YRS 06 MOS
DANILO M. MIGUEL	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-06-2022	22 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
MARK A. MOLINA	PROBATION DEPARTMENT Dept.#PB	05-31-2022	18 YRS ½ MOS
PAUL MOLL	DISTRICT ATTORNEY Dept.#DA	06-03-2022	17 YRS 01½ MOS
MICHAEL L. MOORE	COUNTY COUNSEL Dept.#CC	03-31-2022	24 YRS 01 MOS
HENRY MORALES	PARKS AND RECREATION Dept.#PK	06-30-2022	10 YRS 01 MOS
WESLEY R. MORGAN	PARKS AND RECREATION Dept.#PK	05-27-2022	38 YRS 04 MOS
CHERYL A. MOSLEY	CHILDREN & FAMILY SERVICES Dept.#CH	06-01-2022	23 YRS 04½ MOS
SARA MULROY	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	04-19-2022	33 YRS 01 MOS
RUSSELL W. MUN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-01-2022	34 YRS 08½ MOS
MARGARET MUNGUIA	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	37 YRS 04½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
GERARDO MURRIETA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-21-2022	28 YRS 02 MOS
FELIPE NAVA	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	31 YRS 05½ MOS
ELISHIA C. NELSON	PUBLIC HEALTH PROGRAM Dept.#PH	05-27-2022	31 YRS 11 MOS
CHRISTINA A. NGUYEN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-29-2022	40 YRS 03 MOS
NGOC B. NGUYEN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-01-2022	32 YRS 07½ MOS
TRENISE D. NOBLES	SHERIFF Dept.#SH	06-23-2022	20 YRS 11 MOS
CONSOLACION S. PABO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-31-2022	36 YRS 05½ MOS
LLOYD PANTELL	CHIEF EXECUTIVE OFFICE Dept.#AO	07-30-2022	25 YRS 08 MOS
LUCILA C. PARAISO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-27-2022	23 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
PHIL PARK	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	23 YRS 04½ MOS
CHERYL A. PATTERSON-SI	L A COUNTY FIRE DEPT Dept.#FR	05-28-2022	36 YRS 09½ MOS
GLORIA E. PERLA	AMBULATORY CARE NETWORK Dept.#HN	06-30-2022	16 YRS 06 MOS
TAM N. PHAM	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-28-2022	32 YRS 04 MOS
JULIAN R. PIJUAN	MENTAL HEALTH Dept.#MH	07-01-2022	21 YRS 01½ MOS
LETICIA PRADO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-30-2022	41 YRS 01 MOS
RAMON L. QUINTANA	PUBLIC DEFENDER Dept.#PD	07-01-2022	38 YRS 09½ MOS
ELIRIA RECIO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2022	22 YRS 06½ MOS
BERTHENIA REED	CORRECTIONAL HEALTH Dept.#HC	04-18-2022	10 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
MANUEL S. RODRIGUEZ	PUBLIC WORKS Dept.#PW	04-29-2022	32 YRS 07 MOS
MANUEL ROMERO	HEALTH SERVICES ADMINISTRATION Dept.#HS	06-30-2022	30 YRS 00 MOS
DALE N. SAKAMOTO	PUBLIC WORKS Dept.#PW	05-27-2022	25 YRS 00 MOS
NARDA C. SALAZAR	CHILDREN & FAMILY SERVICES Dept.#CH	06-30-2022	28 YRS 10 MOS
MICHELE P. SARTELL	PUBLIC HEALTH PROGRAM Dept.#PH	04-30-2022	17 YRS 00 MOS
SEYFOLLAH SHARGHI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	32 YRS 02½ MOS
TANDA L. SHAUL	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-30-2022	34 YRS 02 MOS
COLLIE J. SIMMONS	PROBATION DEPARTMENT Dept.#PB	06-23-2022	37 YRS 06 MOS
VIRGIL D. SIMMONS	PROBATION DEPARTMENT Dept.#PB	05-18-2022	33 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
ORIS SMILEY	PARKS AND RECREATION Dept.#PK	06-01-2022	30 YRS ½ MOS
FANNY E. SMITH	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-28-2022	33 YRS 01 MOS
BARBARA D. SMITH	PUBLIC HEALTH PROGRAM Dept.#PH	06-01-2022	40 YRS ½ MOS
VERNON F. SNEDDEN	PUBLIC WORKS Dept.#PW	03-26-2022	17 YRS 09½ MOS
ERNIE SOLANO	PROBATION DEPARTMENT Dept.#PB	04-30-2022	20 YRS 00 MOS
DEBRA A. SPAETHE	CORRECTIONAL HEALTH Dept.#HC	03-31-2022	07 YRS 04 MOS
BETTIE S. STOOT	CHILDREN & FAMILY SERVICES Dept.#CH	05-28-2022	40 YRS 08 MOS
GLEN K. TAO	PUBLIC HEALTH PROGRAM Dept.#PH	05-28-2022	35 YRS 01 MOS
JAMES K. TAVERNER	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-11-2022	10 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
RONA TINTUT	PUBLIC WORKS Dept.#PW	05-19-2022	34 YRS 05 MOS
MARYLOU TORRES	CHILDREN & FAMILY SERVICES Dept.#CH	05-09-2022	35 YRS 09 MOS
THUY T. TRAN	MENTAL HEALTH Dept.#MH	06-01-2022	14 YRS 03½ MOS
ELAINE VALENZUELA	CHILDREN & FAMILY SERVICES Dept.#CH	06-01-2022	37 YRS ½ MOS
KWANJAI VETVIRIYAKUL	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	06-01-2022	27 YRS 02½ MOS
MARIA C. VILLAMENA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2022	36 YRS 05½ MOS
TERESA VIRAMONTES	SHERIFF Dept.#SH	05-11-2022	25 YRS 03½ MOS
ANGIE G. VIRAMONTES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-19-2022	23 YRS 01½ MOS
THUY T. VU	INTERNAL SERVICES Dept.#IS	05-31-2022	40 YRS 07½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
SANDRA WALKER	REG-RECORDER/COUNTY CLERK Dept.#RR	05-31-2022	16 YRS 06½ MOS
MICHAEL K. WILLIAMS	CHILDREN & FAMILY SERVICES Dept.#CH	07-01-2022	36 YRS 06½ MOS
MARCIA A. WILSON	L A COUNTY FIRE DEPT Dept.#FR	05-31-2022	22 YRS ½ MOS
LORAINE J. WOLNISTY	PUBLIC HEALTH PROGRAM Dept.#PH	05-27-2022	20 YRS 02 MOS
ARMANDO J. WOOD	ALTERNATE PUBLIC DEFENDER Dept.#AD	06-30-2022	35 YRS 07 MOS
JEANNE Y. YAM	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-01-2022	23 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL SURVIVOR APPLICATIONS

NAME	DEPARTMENT	RETIRED	SERVICE
UCHECHI A. DURUJI	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	01-14-2017	09 YRS 08½ MOS
DAUGHTER of PAULINE-IFEO U ANYAIBE dec'd on 01-13-2017, Sect. #31781.1			
SHEYLA FIERRO	PROBATION DEPARTMENT Dept.#PB	01-24-2022	19 YRS 11 MOS
WIFE of ALEJANDRO R FIERRO dec'd on 01-23-2022, Sect. #31781.3			
MARTHA F. LOPEZ	PUBLIC WORKS Dept.#PW	01-08-2022	36 YRS 10½ MOS
WIFE of LEOPOLDO R LOPEZ dec'd on 01-07-2022, Sect. #31781.3			
PATSY C. MANSFIELD	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	02-23-2022	17 YRS 07 MOS
WIFE of BRUCE D MANSFIELD dec'd on 02-22-2022, Sect. #31781.3			
KRISTINE M. NEFF	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	02-23-2022	27 YRS 10½ MOS
WIFE of JULIO CUBE dec'd on 02-22-2022, Sect. #31781.3			
LAURA O. SOTO	SHERIFF Dept.#SH	02-08-2022	15 YRS 11½ MOS
WIFE of GERARDO SOTO-VASQUEZ dec'd on 02-07-2022, Sect. #31781.3			

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
SHAWN M. BOATRIGHT	SHERIFF Dept.#SH	04-05-2022	04 YRS 07 MOS
MARK A. ROSSI	SHERIFF Dept.#SH	02-04-2022	02 YRS 06 MOS
GEORGE RUIZ	SHERIFF Dept.#SH	04-09-2022	12 YRS 10½ MOS
CESAR A. VAZQUEZ	SHERIFF Dept.#SH	03-31-2022	01 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
LATUNYA ATKINS	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	05-09-2022	36 YRS ½ MOS
CHANDRA D. BROWN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	02-10-2022	25 YRS 05½ MOS
RODRIGO A. CASTRO-SILVA	COUNTY COUNSEL Dept.#CC	07-18-2022	09 YRS 00 MOS
LISA K. CLARK	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-21-2022	21 YRS 11 MOS
GINA M. COSTIDO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-26-2022	14 YRS 09 MOS
LISA COTTON	SHERIFF Dept.#SH	05-03-2022	14 YRS 10 MOS
J S. DRUGAN	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-14-2022	18 YRS 00 MOS
RITA M. HARTMAN	MENTAL HEALTH Dept.#MH	04-26-2022	09 YRS 02 MOS
BONITTO A. HOUSEN	PUBLIC WORKS Dept.#PW	04-13-2022	24 YRS ½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
JEFFREY S. JACKSON	INTERNAL SERVICES Dept.#IS	04-30-2022	06 YRS 10 MOS
GLENN F. JACKSON	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	03-04-2022	29 YRS 04 MOS
ROWENA G. LABAO	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	04-22-2022	37 YRS 00 MOS
SHAYNE J. LAMONT	PUBLIC HEALTH PROGRAM Dept.#PH	03-21-2022	15 YRS 05½ MOS
ANGELA D. LAND	PUBLIC DEFENDER Dept.#PD	03-31-2022	26 YRS 01 MOS
RICHARD C. LUCKHAM	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-11-2022	16 YRS 08 MOS
SERGE MERGELIAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-11-2022	15 YRS 07½ MOS
DANIEL L. OPBROEK	L A COUNTY FIRE DEPT Dept.#FR	04-11-2022	13 YRS 04 MOS
ADITYA PRASAD	PUBLIC WORKS Dept.#PW	03-04-2022	12 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
DAVID T. PROUTY	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-01-2022	23 YRS 00 MOS
LAUREL A. PUTNAM	PUBLIC WORKS Dept.#PW	04-19-2022	08 YRS 03 MOS
NGOC D. QUACH	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	03-01-2022	05 YRS 04 MOS
DANNY L. REDDIG	PUBLIC WORKS Dept.#PW	05-03-2022	10 YRS 09 MOS
ANGELA STAMPS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-20-2022	27 YRS 11 MOS
WILLIAM C. THOMAS	CHILDREN & FAMILY SERVICES Dept.#CH	04-06-2022	37 YRS 03½ MOS
JOSEPH TRAMTE	PUBLIC WORKS Dept.#PW	04-30-2022	10 YRS 08 MOS
JACQUELINE ZHAO	PUBLIC WORKS Dept.#PW	05-28-2022	32 YRS 10½ MOS
JENNIFER K. ZONNI	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-19-2022	12 YRS 05 MOS

BOARD OF RETIREMENT MEETING OF JUNE 1, 2022
RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST
APPROVED ON MAY 4, 2022

GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
LAURA FERNANDEZ	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO June 3, 2022
NANCY E RICHARDS-CHAND	PUBLIC DEFENDER	CHANGE OF DATE TO July 2, 2022
VICKI L TAMOUSH	SHERIFF	CHANGE OF DATE TO March 25, 2022

May 20, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Elizabeth Greenwood
James P. Harris
Shawn R. Kehoe
William R. Pryor
Antonio Sanchez
Gina V. Sanchez

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of the Revised LACERA Budget Policy

RECOMMENDATION

That the Board of Retirement (BOR) and Board of Investments (BOI) approve the revised LACERA Budget Policy, attached, and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SUMMARY

At its November 4, 2021 meeting, the Joint Organizational Governance Committee (JOGC) directed staff to consider developing a written budget adjustment policy. LACERA’s Budget Policy was last updated in 2009. It has a more limited scope, references an out-of-date statutory authority, lacks sufficient detail in some areas, and reflects a bureaucratic process that may not meet LACERA’s current and future needs. Staff reviewed sample policies from other systems and developed a new draft policy to modernize and provide greater clarity to the budget development and control processes. On April 22, 2022, the JOGC reviewed the revised policy as proposed by staff and recommend the Board of Retirement and Board of Investments adopt the Revised LACERA Budget Policy presented by staff. Because of the substantial nature of the changes, staff chose not to redline the prior policy. Both the new

draft policy proposed for your consideration and the current 2009 version are attached.

Proposed updates include:

- Expand scope to include the Retiree Healthcare Program Budget and the Other Post-Employment Benefits (OPEB) Trust as well as the Administrative Budget.
- Update the legal authority section to reflect the current statutory sections.
- Add definitions of terms.
- Update the budget development process to add more detail and include the role of the Audit Committee's review of the Internal Audit Division's budget.
- Update language regarding the Boards' authority to appropriate funding, including proposing protocols for increasing appropriations within the statutory limits and renaming the "contingency fund" to "unallocated statutory appropriation balance."
- Create a protocol for a mid-year budget review and update protocols for budgetary control reviews.
- Grant the Chief Executive Officer (CEO) greater flexibility to transfer appropriations within the Boards' statutory authority.
- Pre-fund the OPEB trust utilizing budgetary savings.

Of these proposed changes, three warrant greater discussion and explanation:

The Boards' Authority to Appropriate Funding

Government Code Section 31580.2 of the County Employees Retirement Law requires that a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

Each year as part of the budget process, staff calculates the statutory limit that the Boards may appropriate. Historically, the difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2 has been called the "Contingency Fund." Staff would request the Boards approval to utilize this "Contingency Fund" when expenses exceeded the budgeted levels for a particular account.

This past practice is no longer recommended. Instead, the CEO should make budgetary adjustments between accounts and major fund categories throughout the year with the goal of avoiding additional budgetary appropriations whenever possible. See discussion of the proposed new flexibility for the CEO to transfer appropriations in the section below.

In addition, it is recommended that LACERA move away from using the term "Contingency Fund" to reflect the difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2, and instead use the term "Unallocated Statutory Appropriation Balance." In budgetary practices, the term "Contingency Fund" generally refers to funds appropriated for unanticipated expenditures. However, the Boards do not appropriate these funds as part of the annual budget. Should it be determined that the budget is insufficient to address an emergent need, staff will bring a mid-year budget adjustment to the Boards for consideration, and the Boards may appropriate additional fund not to exceed the amount specified in the Unallocated Statutory Appropriation Balance for that fiscal year.

Flexibility for the CEO to Transfer Funds

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The current Administrative Budget Policy grants the CEO the authority to transfer funds between line items within a major account (such as between Office Supplies and Postage) but requires approval of the Boards to transfer funds across major accounts, such as from Salaries to Professional Services. There is no discussion of transfer limits in the current policy.

The CEO is a fiduciary and has broad executive responsibilities to manage and operate the organization. As such, he should be granted commensurate authority to make necessary financial adjustments to meet the organization's needs in a timely manner. Without such authority, the CEO risks violating policy to address urgent matters that may not rise to the level of an "emergency," or not acting timely, exposing the organization to unnecessary risks or higher costs.

It is proposed that such authority be limited to $1 million for transfers across major funds, and that all transfers be communicated to the Boards at the next meeting after such a transfer. The budget adjustment should also be noted in the regular budget control reports. The CEO would not have the ability to increase permanent staffing or to exceed the funding appropriated by the Boards. The Boards would retain that authority within the limits of their statutory authority outlined in Government Code Section 31580.2.

Use of Budgetary Savings to Pre-Fund the OPEB Trust

LACERA provides healthcare benefits to its employees and pays premiums each month on a pay-as-you-go basis. However, the pay-as-you-go approach results in an ongoing liability that cannot be fully absorbed within the working lifetime of the member, resulting in intergenerational inequity. To address this problem, in FY 2012 - 2013, the County and LACERA_established a trust to pre-fund their Retiree Healthcare Benefits Program and the Superior Court established its trust in FY17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

In addition to the monthly pay-as-you-go premium costs for its employees, LACERA also makes a quarterly contribution to paydown the future OPEB liability at a rate proportional to that of Los Angeles County. As of the July 1, 2020, valuation date, the most recent available, the OPEB program has a funded ratio of 7.0% and an unfunded accrued actuarial liability (UAAL) of more than 200%.

To achieve our goal of intergenerational equity more quickly, it is recommended that some or all year-end budgetary savings be used at the discretion of the CEO to make additional OPEB contributions. Such funds are already appropriated by the Boards and, if used to pay down the OPEB liability in the same fiscal year that the savings are realized, will result in long term savings to the fund through reduced future OPEB contributions. The County of Los Angeles is also looking at strategies to reduce its OPEB liability more quickly.

CONCLUSION

As outlined above, the proposed changes to the Budget Policy will help guide LACERA's fiscal and budgetary activities in a sound and reasonable manner. Therefore, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) approve the revised LACERA Budget Policy, attached, and review it annually as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SK:LL:LG

Attachments

LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009 **Last Updated:**

Mandatory Review: Annually

Approval Level: Board of Retirement and Board of Investments

1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's mission and vision. The policy also serves to increase the transparency of our budgeting process, which ensures stakeholders and members have insight into how we manage their funds and meet fiduciary obligations.

LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Budget, and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the budgeting principles and timeline for the preparation of the budget and the process and responsibilities for the review, approval, and implementation of all three components of the budget.

LEGAL AUTHORITY

Government Code Section 31580.2 of the County Employees Retirement Law requires a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

Government Code Section 31596.1 provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with investment matters shall not be considered a cost of administering the system. As such, these costs are not included in the Administrative Budget and are identified as "non-administrative expenses."

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs. Section 31529.1 provides that such legal representation is limited to one-hundredth of 1 percent of system assets in any budget year, except that investment legal expenses under Government Code Section 31607 are not limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products.

Government Code Sections 31691 and 31694 provide that the expenses of administering the RHCBP program and OPEB Trust may not be made from assets of the retirement fund. Therefore, such costs should be part of the pension system's administrative budget.

2. SCOPE

This Policy applies to the development, preparation, and implementation of all three components of LACERA's budget in accordance with County Employees Retirement Law (CERL).

Any exceptions to this Policy must be approved by the Board of Retirement and Board of Investments.

3. DEFINITIONS

Administrative Budget: LACERA's annual Administrative Budget consists of two components: Salaries and Employee Benefits, and Services and Supplies.

Appropriation: Funds set aside for specific purposes outlined in the Adopted Budget.

Budget: The annual financial plan that outlines the resources and revenue needed to achieve LACERA's work plan to meet its mission and vision.

Fiscal Year: LACERA's fiscal year begins on July 1 and concludes on June 30th. LACERA shall follow a naming convention referencing the fiscal year ending date, for example, FY23 for the fiscal year ending June 30, 2023.

Information Technology Coordination Council (ITCC): Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

Non-Administrative Expenses: Expenses excluded from the Administrative Budget as specified in Government Code Section 31596.1.

Other Post-Employment Benefits (OPEB) Trust: Trust funds established by Los Angeles County, LACERA and the Superior Court to pre-fund their Retiree Healthcare Benefit Program.

Retiree Healthcare Benefits Program (RHCBP) Budget: The RHCBP Budget reflects the resources and revenue required to administer retiree healthcare benefits to eligible members. These costs are funded through a monthly administrative fee via healthcare premiums, charged to program participants, or the plan sponsor if the member's benefit is fully subsidized.

Statutory Appropriation Limit: The limit of the Boards' authority to appropriate funds to administer the retirement system established by Government Code Section 31580.2. Currently twenty-one hundredths (.21) of one percent, of the Actuarial Accrued Liability of the retirement fund.

Unallocated Statutory Appropriation Balance: The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2.

4. POLICY STATEMENT

This document sets forth the fiscal policy for the administration of LACERA's budget to ensure that the budgeting practices of the organization maintain a fiscally sustainable balanced budget that recognizes the fiduciary duty owed to our members. LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Program Budget and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the principles and timeline for the preparation of the budget and the process and responsibilities for the preparation, review, approval, and implementation of all three components of the budget.

4.1 Administrative Budget

The Administrative Budget reflects the resources needed to achieve the organization's work plan, strategic goals, and operational activities in support of pension administration and investment of plan assets required to deliver retirement benefits for LACERA members and beneficiaries. It consists of two primary components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S).

S&EB costs consist of ongoing personnel costs for the organization, including salaries for permanent and temporary staff, overtime, and variable benefits. Variable benefits include retirement costs (pension, 457, and 401K plan costs), health insurance, OPEB contributions and other employee benefits.

S&S costs reflect the daily operational needs of the organization. Some examples include building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

4.2 Retiree Healthcare (RHC) Benefits Program Budget

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of our Plan Sponsors. The insurance premiums are born solely by the participants of the plan, or the Plan Sponsor if the employee is eligible for such benefit. LACERA trust funds are not used for premium payments or for the administration of the Program. The direct costs and variable overhead costs associated with the administration of the RHC Benefits Program are charged to our members and plan sponsors via an administrative fee. These administrative fees are added to the monthly premium costs and are not included in the Administrative Budget.

There are four categories of expenses for the RHC Benefits Program:

- Direct Costs of Salaries and Employee Benefits
- Direct Services and Supplies
- Indirect Salaries and Employee Benefits
- Indirect Services and Supplies.

Indirect Salaries and Employee Benefits and Indirect Services and Supplies reflect the program's pro-rata share of internal LACERA support functions such as Administrative Services, Information Technology and Human Resources.

4.3 Other Post-Employment Benefits (OPEB) Trust Budget

The County of Los Angeles (County), LACERA, and the Superior Court (Court) utilize an OPEB Trust to pre-fund the Retiree Healthcare Program benefits. In FY 2012-2013, the County and LACERA established a trust to fund their program and the Court established its trust in FY 2016-17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

The Trust Agreements stipulate that *"… the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust…"* As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust.

There are four categories of expenses of the OPEB Trust: Direct Costs of Salaries and Employee Benefits; Direct Services and Supplies; Indirect Salaries and Employee Benefits; and Indirect Services and Supplies. These expenses are allocated between the County, LACERA and the Court based on an agreed upon methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

5. PROCESS

The budget process consists of activities that encompass the development, implementation, and evaluation of the annual financial plan for the allocation of resources to support and accomplish goals and strategic initiatives.

5.1 Budget Preparation and Development

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization’s mission, vision, and values.

5.2 Criteria

LACERA Management develops the annual proposed budget reflecting the enterprise priorities established through the LACERA Strategic Plan. Criteria used by the organization to prioritize resources for the budget include, but are not limited to:

- Alignment with the Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to our members
- Identifying opportunities for cost efficiencies
- Identifying opportunities to improve service to members
- Staff development and succession planning
- Direction of the LACERA Board of Retirement and/or Board of Investments

5.3 Alignment with Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. The organization's Strategic Plan lays out its strategic goals, objectives, and action plans toward achieving the organization's mission, vision, and values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goal or objective has been met. As part of the budget development process, it is the responsibility of LACERA Trustees and Management to ensure that the organization's budget, or financial plan, allocates the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

5.4 Annual Budget Development and Approval Calendar

Date	*Activity*
By November 30	• Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle. • Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.
December	The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.
By January 15	Division Managers will submit their proposed budget to the Budget Unit.
By February 15	The Executive Office will meet with each Division Manager to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.
February	Audit Committee review of Internal Audit Proposed Budget
By Mid-April	The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB

	Trust Budgets to all Trustees and Division Managers.
April and May	• Present preliminary budget to JOGC for review and input • Conduct budget hearings with all Trustees for final direction to staff
By June 30	Board of Retirement and Board of Investment approve final budget

5.5 Budget Adoption

The Board of Retirement and Board of Investment ("Boards") have the joint responsibility to approve the enterprise-wide budget and resource allocations for all funds by June 30. The Boards have created the Joint Organizational Governance Committee (JOGC), to provide oversight over the budget preparation. The Preliminary Budget is presented to the JOGC in April for its review. Staff incorporates direction from the JOGC and the JOGC's recommendations are presented to both Boards during annual Budget Hearings in May. Staff incorporates additional Board direction into a Proposed Budget. The Boards independently take action to approve and adopt a Final Adopted Budget by June 30th.

5.6 Budget Appropriation

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA's statutory appropriation limit is identified in the Adopted Budget.

To the extent funding appropriated as part of the budget is less than the statutory appropriations limit, the Boards may, take specific action at any point during the fiscal year, to appropriate additional funds, not to exceed the maximum amount established by statute. LACERA's budgeting process includes a Mid-Year Budget Adjustment proposal to facilitate changes in priorities, goals, or economic conditions. The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit shall be referred to as the "Unallocated Statutory Appropriation Balance."

5.7 Budget Monitoring and Reporting

Budget Unit staff monitor and analyze Division and enterprise-wide expenditures throughout the year, consult with Division Managers to identify planned expenditures and project full year under/over expenditures by Division and compare those estimates against the Adopted Budget. Significant budgetary variances are discussed and explained.

Budget Control Reports are prepared and provided to all Trustees and Management Staff on an outlined schedule within the fiscal year. These reports include year to date expenditures and projected expenditures compared to the budget. Budget adjustments impacting staffing levels or exceeding the CEO's authority shall be approved by the Boards.

This budget monitoring and control activity occurs concurrently while the Proposed Budget for the upcoming fiscal year is being developed.

5.8 Mid-Year Budget Review

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if necessary. JOGC recommendations shall be considered for approval by the Boards.

5.9 Mid-Year and Year-End Adjustments Within the Administrative Budget

As part of LACERA's budget monitoring and reporting activities, it may become necessary to amend the Final Adopted Budget. Amendments may take the form of transferring appropriations between line items within a major account, transferring appropriations between major accounts, or increasing total appropriations within the statutory limits established by Government

5.10 Transferring Appropriations

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S).

Within each major account are several line items with individual appropriations. The CEO has the authority to transfer appropriations not to exceed $1 million across major accounts and has full discretion and authority to transfer appropriations between line items within each major account. The CEO shall notify all Trustees of such actions at the next meeting of the Board and as part of the routine Budget Control Reporting.

5.11 Pre-funding OPEB with Budgetary Savings

LACERA participates in the OPEB Trust as a “contributing employer” and funds its employees’ program benefits on a pay-as-you-go basis, funding actual monthly premium costs. It also makes a quarterly contribution to paydown the future OPEB liability at a rate equal to that of Los Angeles County. It is LACERA’s objective to fund these program benefits within the working lifetime of the program beneficiaries so as maintain intergenerational equity. To achieve intergenerational equity more quickly, some or all year-end budgetary savings may at the discretion of the LACERA CEO be used to make an additional OPEB contribution by June 30 of the year in which the funds were budgeted. Such additional OPEB contributions may be up to but may not exceed that year’s budgeted OPEB contribution.

5.12 Increasing Total Appropriations

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

6. Audit Committee Oversight of Internal Audit

LACERA’s Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization achieve its mission by improving our effectiveness of governance, risk management and control processes. To protect its independence, the Internal Audit Division reports to the Audit Committee of the Boards with functional reporting to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit’s Proposed Budget in February, which is then incorporated into LACERA’s Administrative Proposed Budget reviewed by the JOGC in April.

7 HISTORY

a. **Approvals**
b. **Current Status**
c. **Versions**
    i. This policy was last updated on May 20, 2009

POLICY DIRECTIVE

ADMINISTRATIVE BUDGET

LACERA's Board of Retirement and Board of Investments (the Boards) have the exclusive responsibility to administer the system in a manner that will assure prompt delivery of benefits and related services to the participants and their beneficiaries. To facilitate meeting this responsibility, LACERA uses a budgetary process to plan and defray the expenses of administering the system. This policy defines LACERA's administrative budget process.

Legal Requirement

Government Code Section 31580.2, of the County Employees Retirement Law, requires a budget, covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund.

Budget Preparation

- Annually, no later than December 1, each Manager (defined as the head of any distinct organizational unit) will be provided a budget package containing a proposed budget, a budget preparation timetable, and a schedule of meeting dates between each Manager and the Executive Office.

- By February 1 of each year, the Manager will submit their proposed budget to the budget staff.

- A meeting between each Manager and the Executive Office, held in February of each year, will allow for the opportunity to discuss the organization's goals, future program plans, and staffing needs in relation to their proposed budget.

- The Executive Office will meet with the budget staff no later than March 1, if necessary, to discuss any changes to the proposed budget based on the Manager meetings.

- Budget staff will prepare and distribute the proposed Administrative Budget to all board members and managers, no later than April 15.

Budget Adoption

Board members will be invited to open hearings during April and/or May to discuss the proposed Administrative Budget with the managers. Any requested revisions are completed and discussed at subsequent budget deliberation hearings/meetings.

A recommendation for approval of the Administrative Budget will be placed on the agenda at each Board of Retirement and Board of Investments meeting prior to June 30.

Budget Appropriation

Beginning with the 2009-2010 fiscal budget, Government Code Section 31580.3 shall be used to determine the budget appropriation for the LACERA Administrative Budget. This section shall remain in effect until January 1, 2013, the date that it is repealed (unless a later enacted statute is enacted before this date that would delete or extend this date).

Government Code Section 31580.3 limits the annual administrative expense to twenty-three hundredths of one percent of the total assets of the retirement system (Total Budget Appropriation). While Proposition 162 requires the Boards to defray **all reasonable expenses** of administering the system, it is the intent of the Boards to remain within the appropriation limit of twenty-three hundredths of one percent of the total assets of the retirement system, as defined in Government Code Section 31580.3

Government Code Section 31529.1 allows the Boards to elect to secure legal representation from other than the county counsel. The cost of the legal representation shall not exceed one-hundredth of one percent of the system assets in any budget year.

To determine the Total Budget Appropriation, the total fair market value of the retirement system's assets as of the prior calendar year end are projected forward to December 31 of the current calendar year. This projected value is then multiplied by twenty-three hundredths of one percent (for the Statutory Budget Appropriation) and one-hundredth of one percent (for the Legal Representation Appropriation) the sum of these two appropriations establishes the Total Budget Appropriation.

The Total Budget Appropriation is comprised of two major components: the Operating Budget (derived from the divisional budget requests) and the Budgetary Contingency Fund. The Budgetary Contingency Fund is the difference between the Total Budget Appropriation and the Operating Budget.

Budgetary Contingency Fund

The Budgetary Contingency Fund is available for unanticipated expenditures that may occur during the year. The respective board must approve funding for material over expenditures of previously budgeted items and previously unbudgeted expenditures.

Transfer of Funds Within the Operating Budget

Funding transfers between the major accounts, Salaries and Employee Benefits and Services and Supplies in the Operating Budget, must be approved by the Boards.

Budget Monitoring and Reporting

Budget staff monitors and analyzes departmental year-to-date expenditure information throughout the year; receives input from the Managers concerning any anticipated over/under expenditures; and prepares full year expenditure projections for each organizational unit. Significant budget variances are discussed and resolved with each Manager.

Budget Control Reports are prepared and provided to all Board members and management staff for review throughout the year. Subsequently, the Board of Retirement's Operations Oversight Committee and Managers discuss these reports in open public meetings.

NON-ADMINISTRATIVE EXPENSES

Investments, Actuarial Services, and Attorneys

As provided in Government Code Section 31596.1, the expenses of investing its moneys, securing custodial bank services, securing triennial actuarial services, and securing attorney services shall not be considered a cost of administering the system. As such, these costs are not included in the Administrative Budget.

Retiree Health Care Benefits Program

Our Retiree Health Care Benefits Program provides health care benefits to our membership on behalf of our plan sponsor, the County of Los Angeles. The insurance premiums are born solely by the participants of the plan and Los Angeles County. LACERA trust funds are not used for premium payments. The direct costs and variable overhead costs associated with the administration of the Retiree Health Care Benefits Program are charged against the premium payments and, as such, are not included in the Administrative Budget.

May 20, 2022

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Herman B. Santos, Chair
David Green, Vice Chair
Elizabeth Greenwood
James P. Harris
Shawn R. Kehoe
William R. Pryor
Antonio Sanchez
Gina V. Sanchez

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: Approval of Fiscal Year 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets

RECOMMENDATION

That the Board of Retirement (BOR) and the Board of Investments (BOI) adopt the LACERA Fiscal Year (FY) 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

LEGAL AUTHORITY

County Employees Retirement Law (CERL) Section 31580.2 grants Joint Boards authority to approve a budget no greater than 21 basis points of the Actuarial Accrued Liability (AAL) by June 30. The Joint Boards have the fiduciary duty under the California Constitution Article XVI, Section 17(a) to remember that "The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and ***defraying reasonable expenses of administering the system"*** and the fiduciary duty under Section 17(b) "to discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and ***defraying reasonable expenses of administering the system***. A retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty."

The Boards' fiduciary duty is a three-legged stool, one leg of which is "defraying the reasonable expenses of administering the system." This duty is exercised most directly in reviewing and approving the budget.

INTRODUCTION

In accordance with its Charter and LACERA's Budget Policy, on April 22, 2022, the Joint Organizational Governance Committee (JOGC) considered the FY 2022-2023 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets and now brings them forward to the Boards for adoption.

SUMMARY

The preliminary Administrative Budget for FY 2022–2023 represents the fiscal plan for achieving our administrative and operational objectives of: continuing to simplify and improve LACERA's business practices by implementing modern technology; assessing and updating our existing policies and procedures; identifying and reducing enterprise-wide risk; investing and safeguarding pension assets; and investing in our workforce. While it is a best practice for organizations to develop their budget in tandem with their strategic plan as companion documents, LACERA's strategic planning effort is underway. Regardless, the FY 2022–2023 preliminary_Administrative Budget is aligned with LACERA's well-established operational priorities. Specifically, the preliminary budget allocates resources to enable LACERA to:

- Develop and begin implementing our next strategic plan in a manner that engages trustees, staff, and members and creates agency at all levels of the organization toward our collective success.
- Continue to identify and implement modern technology tools that enable staff to fulfill efficiently and effectively fulfil their mission and provide a better member experience.
- Implement a robust hiring plan to attract and onboard highly qualified staff to minimize vacancies and support existing staff in

the delivery of member services and create a positive work culture and professional business environment.
- Prepare for succession by engaging staff and investing in their professional development.
- Support the investment team on the implementation of the Asset Allocation Strategy approved by the Board of Investments.
- Minimize risk and improve resiliency in all aspects of the organization.

LACERA ADMINISTRATIVE BUDGET

The LACERA Administrative Budget is composed of two components, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S). The total Preliminary LACERA Administrative Budget for Fiscal Year (FY) 2022-2023 is approximately $127.8 million an increase of approximately $13 million or 11.3% above the FY 2021-2022 approved budget of $114.8 million.

Salaries and Employee Benefits
The S&EB portion of the FY 2022-2023 Preliminary Administrative Budget is approximately $98.4 million, $11.2 million or 12.8% above FY 2021-2022 approved levels.

This increase is primarily attributed to the following:
- Cost of living adjustments (COLA) recently approved by the Boards of Retirement and Investments (the Boards) retroactive to January 1, 2022, and assumed to be paid in FY 2022-2023
- Benefit increases negotiated by the County
- Merit and salary step increases
- Full year funding for partially funded vacant positions filled or anticipated to be filled before June 30th
- Agency temporary staff while we work toward filling vacant positions
- 19 proposed new positions – partial year funding

Services and Supplies
The S&S portion of the FY 2022-2023 Preliminary Administrative Budget is approximately $29.4 million, $1.8 million or 6.5% above the FY 2021-22 approved levels.
This increase primarily reflects the following:
- Inflationary cost increases for insurance, rent, panel physician and related disability process medical expenses, and legal fees
- Strategic planning consulting
- Specialized recruitment and testing services

- Information technology security services

RETIREE HEALTH CARE BENEFITS PROGRAM (RHCBP) BUDGET

The RHCBP administers healthcare benefits to our membership on behalf of our plan sponsors. The healthcare premiums are borne solely by the plan participants or plan sponsor if eligible for such coverage. The direct costs and variable overhead costs associated with administering the program are included with the monthly premium payments and the administrative fee charged covers these support costs.

The total RHCBP Preliminary Budget for 2022-2023 is approximately $11.3 million, a decrease of $78,000 or - 0.7%.

Salaries and Employee Benefits
The S&EB portion of this budget is approximately $5.2 million, $100,000 less than FY 2021-2022. Despite negotiated salary increases, total S&EB costs are decreasing due to cuts in temporary staff. At the beginning of 2021-2022, RHC had a high rate of staff vacancies and added several new positions to address significant increases in workload. As many of these positions have been filled, or anticipated to be filled by mid-year, RHC expects to decrease its reliance on agency temporary staff, which are more costly to LACERA to employ due to agency overhead.

Services and Supplies
The S&S portion of this Preliminary Budget is approximately $6.1 million, $23,000 or 0.4% more than FY 2022-2023. While inflationary increases are anticipated in some areas, travel and office supplies are reduced to reflect expected operational shifts post COVID-19.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST BUDGET

The OPEB Trust was established by Los Angeles County and LACERA to pre-fund retiree healthcare benefits costs to reduce future liabilities. The Superior Court later joined the trust and began making payments to the OPEB Trust. LACERA's Board of Investments is the trustee and investment manager for the fund. Each agency's trust assets are separately reported on financial statements

The trust agreements stipulate that LACERA shall be entitled to reimbursement for all its reasonable and appropriate expenses incurred in administering or investing the trust. This Preliminary OPEB Trust Budget reflects these needs for FY 2022-2023.

The total Preliminary OPEB Trust Budget for FY 2022-2023 is $672,000, a decrease of $11,000 or -1.7%. The S&EB portion reflects a decrease of approximately $14,000 or -1.7%, while S&S increased by approximately $3,000 or 1.5%. Staff costs are based on estimates of direct staff time spent supporting OPEB as well as a proportionate amount of support received from Systems, Human Resources and Administrative Services divisions.

DISCUSSIONS

In addition to the JOGC, all Trustees were invited to participate in a Budget Hearing on May 16, 2022 affording them another opportunity to ask in depth questions of staff and exercise due diligence in the budget process.

General topics of discussion included:

- Staff vacancies and recruitment plans
- Effectiveness of the LACERA Intern Program and opportunities to make it more effective
- Why LACERA uses cash-based accounting instead of encumbrance (accrual-based) accounting typically used in Government.
- What happens to unspent appropriations at the end of the FY

Trustees also made suggestions for improving the information provided which staff will incorporate into future budget presentations including:

- Comparison of the current FY Adopted Budget, adjusted or Amended Budget and upcoming FY Preliminary Budget to highlight significant variances and changes over time
- Summarize investments in CyberSecurity
- Additional detail or explanation for Non-Administrative Expenses related to Investment performance and other fees

For more detailed information about the discussion, please refer to the JOGC minutes of April 22, 2022, and the recording of the Budget Hearing on May 16, 2022.

CONCLUSION

Based on the above information and attached documents, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) adopt the preliminary FY 2022-2023 Administrative, Retiree Healthcare

Benefits Program and Other Post-Employment Benefits Trust Budgets.

SHK:LL:LG

Attachments

Fiscal Year 2022-2023
Proposed Budget Presentation

Administrative, Retiree Healthcare Benefits & OPEB Trust Budgets

Fiscal Year 2022-2023 Proposed Budget

AGENDA

- Management's Philosophy in Developing the Budget
- Budget Policies that Guide and Direct Us
- Budget Development Process
- 2021-2022 Accomplishments & 2022-2023 Planned Initiatives
- Administrative Budget
- Retiree Healthcare Benefits Program Budget
- OPEB Trust Budget

Leadership Philosophy = Improve and Simplify

- Modern Technology
- Improving Member Experience
- Reducing enterprise risk
- Investing in Workforce
- Safeguarding Assets

Characteristics of a Growth Mindset?

- Embrace and adapt to change
- Work through obstacles with resilience
- Desire and openness to learning
- View failure as lessons and opportunities
- Strong work ethic modeled through effort
- Collaborative and supportive philosophy

Our Formula for Success

Dweck, Carol. (2016, January, 13) What Having a "Growth Mindset" Actually Means
Harvard Business Review: What Having a "Growth Mindset" Actually Means (hbr.org)

Organizational Focus

Technology - Modernizing our technology to simplify and improve our operations

People – Ensuring we recruit, develop and retain a well qualified workforce

Processes - Challenging the status quo, listening to our stakeholders, and preparing for and implementing change to provide better service

Legal Authority and Duty

CERL Section 31580.2

- Grants Joint Boards to approve a budget no greater than 21 basis points of AAL by June 30

CA Constitution Article XVI, Section *17(a)*

- "The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and ***defraying reasonable expenses of administering the system***"

CA Constitution Article XVI, Section *17(b)*

- Joint Boards' fiduciary duty is to "discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and ***defraying reasonable expenses of administering the system***. A retirement board's duty is to its participants and their beneficiaries shall take precedence over any other duties. "
- The Boards have a fiduciary duty to defray the expenses of administering LACERA, which includes reviewing and questioning the budget as appropriate to serve the members.

Budget Policies

Statutory Appropriation

County Employees Retirement Law

- Govt Code 31580.2 limits our annual administrative appropriation to 0.21% of Actuarial Accrued Liabilities
- Govt Code 31596.1 excludes specific non-administrative expenses from the appropriation limit

Surplus Unappropriated Balance

Unappropriated Funds

- Previously referred to as "Contingency Funds"
- Represents the balance of available appropriation after Administrative Costs
- 2022-23 = Approximately $44.2 Million

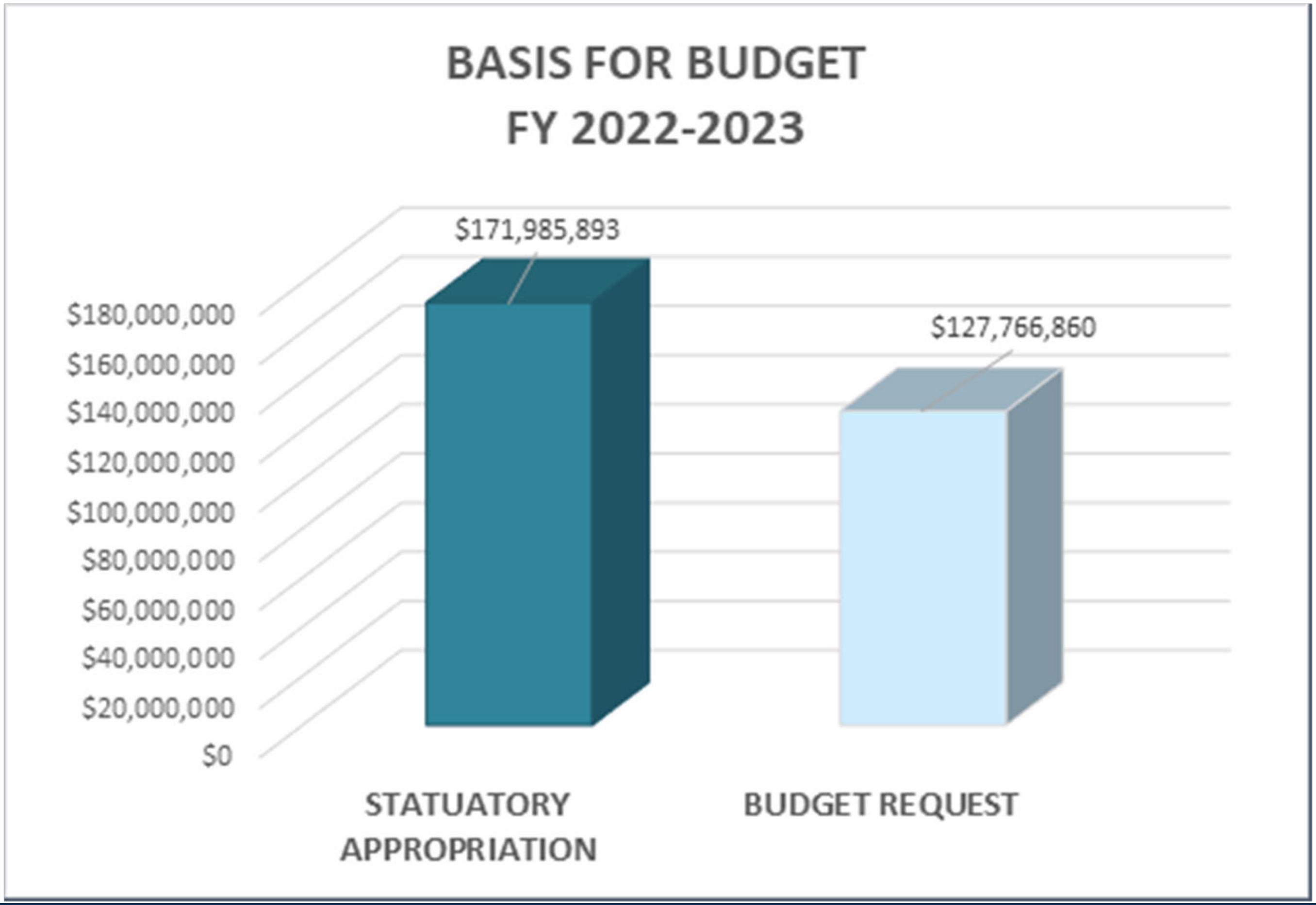
Retiree Healthcare Costs

RHC Administrative Overhead Costs

- Are *NOT* borne by the Pension System
- Are charged against the RHC Budget on an annual basis

Budget Development Process

Preliminary FY 2022-2023 Budget



Fiscal Year 2022-2023

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	FY 2021–2022 ADOPTED BUDGET	FY 2022–2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$87,230,186	$98,387,160	$11,156,974	12.8%
SERVICES & SUPPLIES	$27,577,300	$29,379,700	$1,802,400	6.5%
ADMINISTRATIVE BUDGET TOTAL	**$114,807,486**	**$127,766,860**	**$12,959,374**	**11.3%**

Technology Accomplishments FY 21-22

- **Launch of New LACERA Website**
  Easier to navigate, modern source for members to access services

- **Launch of LACERA Connect (Intranet)**
  Offers staff a one stop shop for all things LACERA

- **Launch of Service Now**
  Helpdesk solution to better manage IT service

- **Enterprise WiFi & Docking Station Rollout**
  Technology upgrades to allow staff greater in-office flexibility

- **Boardroom Audio Visual Enhancements**
  Upgraded A/V system to support hybrid Board and Committee meetings

Technology Accomplishments FY 21-22

- **Disaster Recovery/Business Continuity**
  Improved Recovery Time by 93% and Recovery Point by 81%
- **Creation of the IT Coordination Council**
  Charged with internal oversight of all significant IT decisions
- **Mainframe Hosting to Cloud Migration**
  Improved data recovery and security; lower costs
- **Microsoft Tenant Migration**
  Upgraded infrastructure bolstering information security
- **Transparent IT Project Reporting Solution**
  Leveraging JIRA to illustrate & document pending technology

Current Projects
Technology Improvements

Travel & Accounts Payable

- Automate workflows and approvals
- Links to LACERA financial system
- Ease of reporting

Budget Management Solution- Phase I

- Modern system for budget development and control
- Timely reporting to allow for manager decision-making
- Links to LACERA Financial System

Enterprise Contract Lifecycle Management

- Creates central repository for all LACERA contracts
- Automates workflow
- Facilitates better contract administration

Future Technology Initiatives FY 2022-2023

Case Management
- Modernize & Improve Operations
- Phase 1 = Focus on Disability Litigation, Disability Retirement & 1st Payment

Policy & Knowledge Management Solution
- Centralized repository for policies and SOPs
- Transparency – common understanding
- Eliminate older, disparate systems

Board Agenda Management Solution
- Replacement of Board Management solution
- Reduce manual process for staff
- Improved transparency for stakeholders

HR Document Management Solution
- Improve security of confidential records
- Accommodate storage needs for permanent records
- Allow for greater automation of HR processes – time savings

Future Technology Initiatives FY 2022-2023

Hosted MS Contact Center
- Modernize telecommunications infrastructure
- Greater automation and improved member experience

Cloud Migration
- Migrate mission critical systems to hosted platforms
- Improved disaster recovery
- Decreases down time and data loss

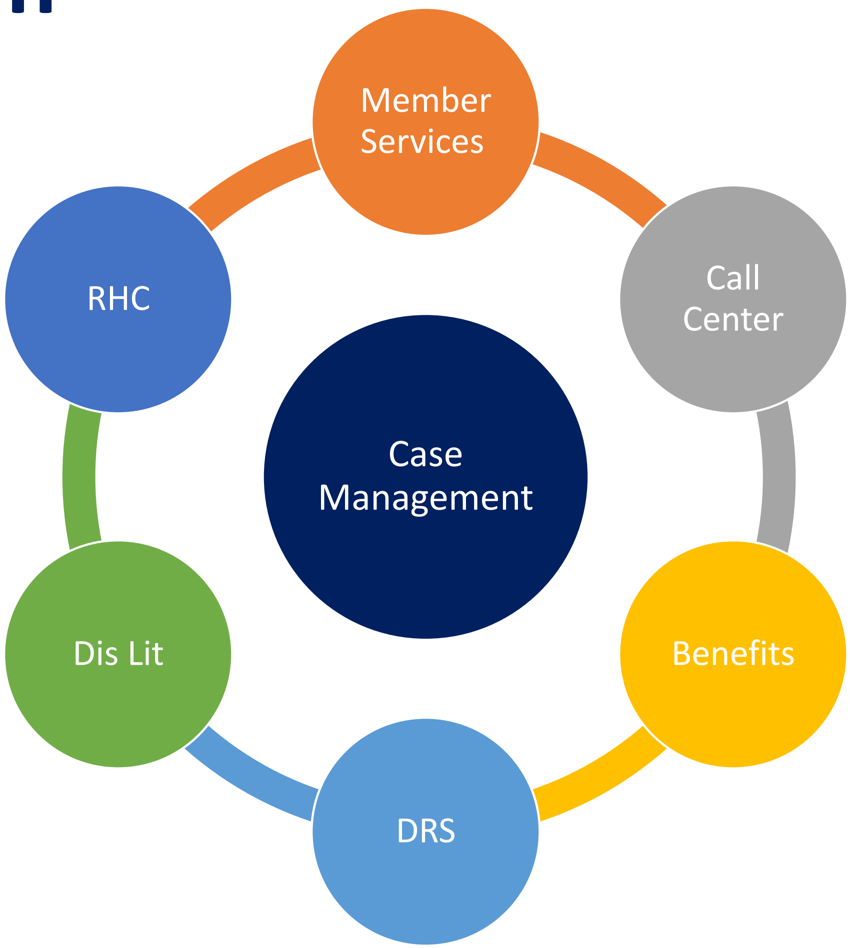
IT Equipment Upgrades
- Replace end of life workstations w/Laptops & dual monitors
- Better supports modern hybrid work schedules

Budget Modernization Phase II
- Implement new budget management solution
- Reduce manual process – save time
- Better, timely budget control reporting

Case Management System

Benefits
- Integration with Workspace
- Greater automation
- Improved Member experience

Phase I of V
- 1st Payment
- Disability Retirement
- Disability Litigation



Member Operations Group Accomplishments

Fiscal Year 2021/2022

- **Launch MOG Metrics 2.0**

  Redesigned production metrics for Benefits, Member Services; beta versions of QA metrics, and Demographics

- **Paperless ”Board Letter”**

  Converted retirement notifcation process to personnel offices to a paperless process – improving service and efficiency

- **Disability Collateral Resources Update**

  Improved educational materials explaining how Long Term Disability and Reciprocity impact disability benefits

Efforts in Process to Simplify + Improve

Death Claim Process Reengineering	Disability Online Application	Benefit Template Conversion Project
• Automate Death Claim Form Issuance • Automate claim processing & improved workflows • Measurable SLE, improved metrics, & improved service	• Online disability application • Reduces manual inputs for received claim forms • Improves the disability journey experience	• Conversion of all Excel/Word Templates & Worksheets into Workspace • Automates workflow – reduced error risk & delays, increased efficiency and service

Efforts in Process to Simplify + Improve

Member Service Center Queue Project	Member Operations Group Applications	Retirement University Expansion
• Easier to use Appointment System • Improved member communication – email & text updates & automated satisfaction survey • Improved management and metrics processes	• SharePoint apps improving workflow, tracking & metrics • Improved efficiency & service to members • Beta templates for future Case Management Initiatives	• Expanded multi-media materials on LACERA.com • Improving Member Experience • May reduce member inquiries

HR Accomplishments FY 21-22

- **Negotiated Three-Year Contract with SEIU**
  Also impacts our non-represented staff
- **Launched LACERA Telework Policy**
  Offering a flexible and hybrid work environment
- **Developed HR Recruitment Plan**
  Established organization-wide priorities, reviewed practices & aligned HR resources
- **New CORE Training Class**
  Onboarded 25 new RBS staff & launched first post-COVID class
- **List Promulgation & Promotions**
  HR promulgated 11 new eligibility lists +5 more planned; on-boarded 32 new staff members +6 anticipated; and processed 30 promotions

Human Resources Challenges

Hiring

Vacancies
- Persistent vacancy rates hovering at 20%
- Long, rigid processes
- Regional labor market

Retention

Attrition
- Trend = rising, Aging workforce
- 30 staff anticipated to leave LACERA service in FY 22
- Succession planning

Resources

Staff Capacity
- LACERA has grown but HR staff has not
- Limited support from LA County
- Use of professional recruiters; exam specialists

Plan to address HR Challenges

Strategic plan process

Transparent hiring plan

Recruitment manual for Managers & HR staff

Succession planning

Cultivating a workplace culture reflecting our values

Establish KPIs and recruitment goals

Additional support **for** HR

Investments Division Strategic Initiatives

Enhance Operational Effectiveness

Optimize Investment Model

Maximize Stewardship & Ownership Rights

Strengthen Influence on Fees & Cost of Capital

LACERA T.I.D.E

22

ADMINISTRATIVE BUDGET

Fiscal Year 2022-2023

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	FY 2021–2022 ADOPTED BUDGET	FY 2022–2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$87,230,186	$98,387,160	$11,156,974	12.8%
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ADMINISTRATIVE BUDGET TOTAL	**$114,807,486**	**$127,766,860**	**$12,959,374**	**11.3%**

2021-2022 Budget to Projected Actual

	Preliminary Budget 2022-2023	2021-2022 Adopted Budget	2021-2022 Projected Actuals	2021-22 Projected to Actual (UNDER)/OVER
Administrative Services	$ 15,071,615	$ 13,932,127	$ 13,091,823	$ (840,304)
Benefits	$ 12,019,386	$ 11,103,844	$ 10,514,500	$ (589,344)
BOR	$ 236,500	$ 214,000	$ 106,900	$ (107,100)
BOI	$ 458,000	$ 436,000	$ 192,800	$ (243,200)
Communications	$ 3,219,975	$ 3,295,291	$ 2,654,100	$ (641,191)
Disability Litigation	$ 2,407,817	$ 2,193,630	$ 2,175,600	$ (18,030)
Disability Retirement	$ 10,939,793	$ 9,897,398	$ 9,363,600	$ (533,798)
Executive Office	$ 5,451,099	$ 3,562,946	$ 2,812,800	$ (750,146)
Finance & Accounting Services	$ 5,120,014	$ 4,340,488	$ 4,035,000	$ (305,488)
Human Resources	$ 6,029,537	$ 4,695,603	$ 4,032,800	$ (662,803)
Internal Audit	$ 3,307,122	$ 3,154,313	$ 3,028,700	$ (125,613)
Investment Office	$ 18,239,154	$ 16,458,019	$ 14,810,900	$ (1,647,119)
Legal Services	$ 9,359,650	$ 7,748,024	$ 7,052,800	$ (695,224)
Member Services	$ 10,622,731	$ 10,027,130	$ 9,517,300	$ (509,830)
Quality Assurance	$ 3,443,785	$ 3,195,316	$ 2,985,800	$ (209,516)
Systems	$ 21,840,682	$ 20,553,351	$ 18,572,300	$ (1,981,051)
Total Administrative Budget	**$ 127,766,860**	**$ 114,807,486**	**$ 104,947,723**	**$ (9,859,763)**

FY 2022-2023 Budget Assumptions

Salaries & Employee Benefits

- Filled positions are based on current actual salaries
- Vacant positions are based on Step 1 salary & funded for 6 months
- 4% COLA for all staff – January 1, 2022 to December 31, 2022
  - Includes 6 months retroactive increase
- 3% COLA for all staff – January 1, 2023 to June 30, 2023

Services & Supplies

- Historical expenditures adjusted for inflation

Salaries & Employee Benefits

- 19 New Positions
- Full Year Costs for Partially Funded Positions
- Negotiated COLA & Benefit Increases
- Salary Step & Merit Increases
- Overtime CMS
- Increased Reliance on Agency Temporary Staff

LG0

Summary of Staffing Increases

DIVISION	BUDGETED POSITIONS FY 2021–2022	CHANGE	BUDGETED POSITIONS FY 2022–2023
ADMINISTRATIVE SERVICES	37	5	42
BENEFITS	78	1	79
COMMUNICATIONS	14		14
DISABILITY LITIGATION	7		7
DISABILITY RETIREMENT	41		41
EXECUTIVE OFFICE	14		14
FINANCIAL & ACCOUNTING	30		30
HUMAN RESOURCES	15	6	21
INTERNAL AUDIT	11		11
INVESTMENT	45		45
LEGAL SERVICES	28	1	29
MEMBER SERVICES	79		79
QUALITY ASSURANCE	19		19
SYSTEMS	56	6	62
TOTAL	**474**	**19**	**493**

LG0 Laura to finish notes

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Organizational Changes

Administrative Services	• Restructured for success and succession • Better supports ASD staff and customers
Investments Division	• Reorganized around asset strategies • Fosters self-reliance and deep knowledge
Secretarial Series Reclassification	• Reflected in each division organizational chart • Properly aligns duties with title and pay

Services & Supplies

Summary of Changes

- Insurance premium increases & brokerage fees - $260,000
- Rent for LACERA headquarters - $275,000
- Disability related medical services - $485,000
- Strategic planning - $321,000
- Information Security software subscriptions $95,000
- HR outside recruitment and testing services $290,000
- Outside legal counsel - $450,000

RHC & OPEB BUDGETS

Fiscal Year 2022-2023
Retiree Healthcare Program Budget Overview

	FY 2021-2022 ADOPTED BUDGET	FY 2022-2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
Salaries & Employee Benefits	$ 5,272,936	$ 5,172,923	$ (100,013)	-1.9%
Services & Supplies	$ 6,118,192	$ 6,140,699	$ 22,507	0.4%
OPERATING BUDGET	**$ 11,391,128**	**$ 11,313,623**	**$ (77,505)**	**-0.7%**

2021-2022 RHC Budget to Projected Actual

	FY 2022-23 Preliminary Budget	FY 2021-2022 Adopted Budget	FY 2021-2022 Projected Actual	2021-22 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	$ 5,172,923	$ 5,272,936	$ 4,379,900	$ (893,036)
Services & Supplies	$ 6,140,699	$ 6,118,192	$ 6,094,792	$ (23,400)
Total RHC Operating Budget	**$ 11,313,623**	**$ 11,391,128**	**$ 10,474,692**	**$ (916,436)**

Fiscal Year 2022-2023
Other Post Employment Benefits Summary

OPEB	FY 2021-2022 ADOPTED BUDGET	FY 2022-2023 PRELIMINARY BUDGET	VARIANCE	% CHANGE
Salaries & Employee Benefits	$ 481,543	$ 495,700	$ 14,157	2.9%
Services & Supplies	$ 190,304	$ 187,449	$ (2,855)	-1.5%
OPEB OPERATING BUDGET	$ 671,847	$ 683,150	$ 11,303	1.7%

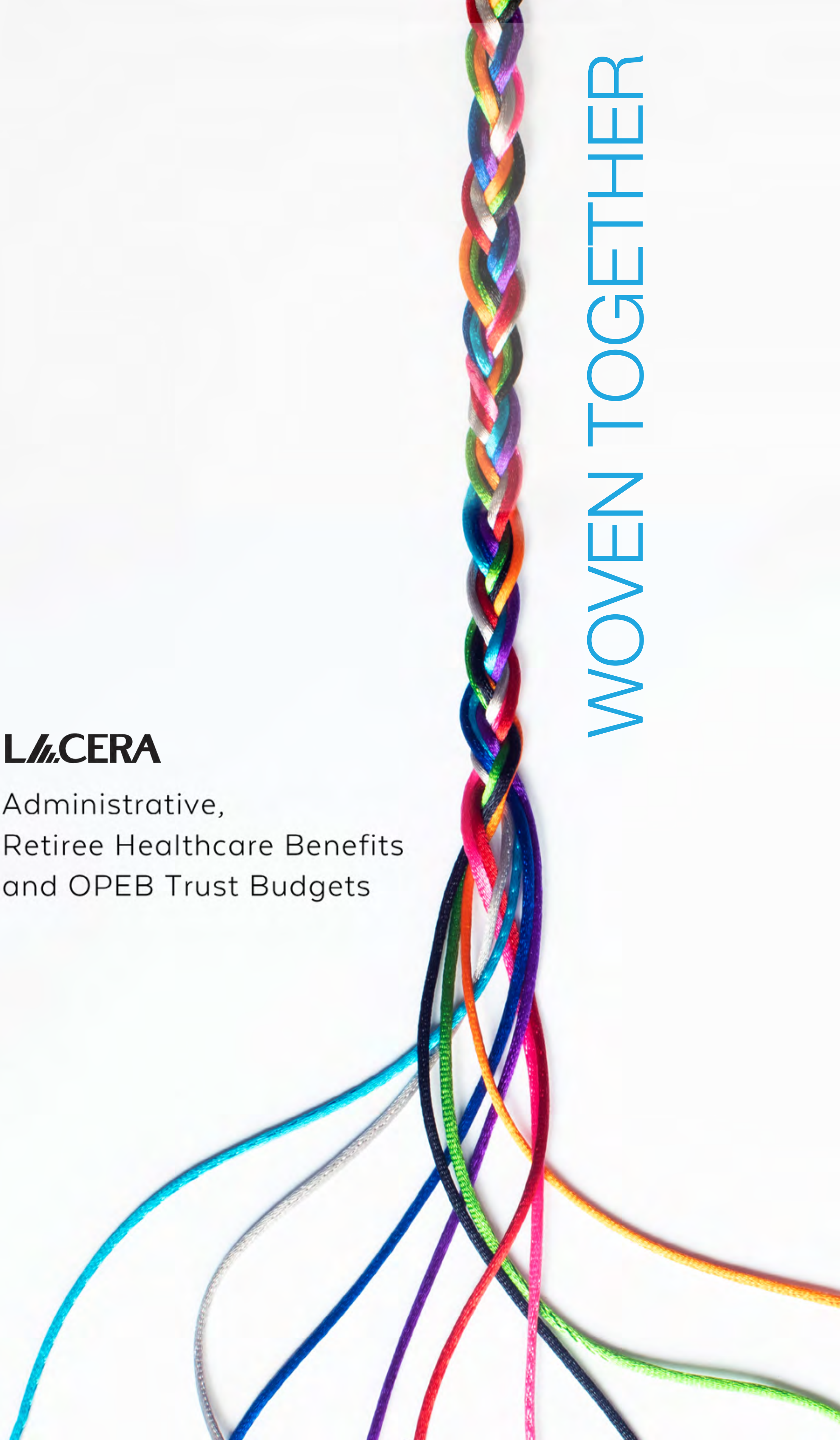
2021-2022 OPEB Budget to Projected Actual

	FY 2022-2023 Preliminary	FY 2021-2022 Adopted Budget	FY 2021-2022 Projected Actual	FY 2021-22 Projected to Actual (UNDER)/OVER
Salaries & Employee Benefits	$ 481,543	$ 495,700	$ 465,958	$ (29,742)
Services & Supplies	$ 190,304	$ 187,449	$ 176,203	$ (11,247)
Total OPEB Budget	$ 671,848	$ 683,149	$ 642,161	$ (40,988)

THANK YOU!

QUESTIONS?

WOVEN TOGETHER



LACERA

Administrative, Retiree Healthcare Benefits and OPEB Trust Budgets

Fiscal Year 2022-2023

FY 2022-2023

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Fiscal Year 2022-2023

EXECUTIVE SUMMARY

The preliminary Administrative Budget for fiscal year 2022-2023 represents the fiscal plan for achieving our administrative and operational objectives of: continuing to simplify and improve LACERA's business practices by implementing modern technology; assessing and updating our existing policies and procedures; identifying and reducing enterprise-wide risk; and investing in our workforce. While it is a best practice for organizations to develop their budget in tandem with their strategic plan as companion documents, LACERA's strategic planning efforts is underway but will not coincide with the budget process this year. Regardless, the FY 2022-2023 preliminary Administrative Budget is aligned with LACERA's well-established priorities. Specifically, the preliminary budget provides the resources to enable LACERA to:

- Develop and begin implementing our next strategic plan in a manner that engages staff, trustees, and members, and creates agency at all levels of the organization toward our collective success.
- Continue to identify and implement modern technology tools that enable staff to more efficiently and effectively fulfill our mission and provide a better member experience.
- Implement a robust hiring plan to attract and onboard highly qualified staff to minimize vacancies and support existing staff.
- Prepare for succession by engaging staff and investing in their professional development.
- Minimize risk and improve resiliency in all aspects of the organization.

Strategic Planning

LACERA has launched its next strategic planning process by engaging a consultant to help the Trustees engage the executive management team, staff at all levels, members, and plan sponsors in the development of our strategic goals and priorities and to help us create an action plan to communicate and execute the strategic vision of the Trustees' plan. We want to ensure we fully understand our stakeholders' needs and create a sense of agency among our staff and trustees toward the future success of LACERA. The preliminary Administrative Budget includes Executive Office funding for the consultant ($315,000) as well as $80,000 for any high-priority improvement projects identified for immediate implementation during FY 2022-2023.

Leveraging Technology to Modernize Operations

Over the past two years, LACERA has invested heavily in technology to simplify many of our processes, reduce operational risk, and improve our member and staff experience through use of modern tools. While much progress has been made, much more investment is necessary. We have included a summary of our current and planned technology projects with proposed funding levels. (See table on page 4 for details on technology modernization projects.)

The most significant project for FY 2022-2023 is our Case Management System implementation. We propose that this project be implemented in phases, with the goal of streamlining and simplifying manual and error-prone processes to assist staff in more efficiently and effectively serving our members. The first three processes we hope to fold into the new case management system are first payments, disability retirement and disability litigation. Staff have been engaged in an extensive vendor selection process and are excited to begin implementation once approved by the Board of Retirement (BOR). The preliminary budget includes funding for the software implementation and consultant services, as well as overtime for subject matter experts to dedicate toward implementation, beta testing, and future planning.

Hiring and Succession Planning Efforts

The key to every successful organization is its people. LACERA has been fortunate to have had a very stable workforce throughout its history. However, even before the COVID-19 pandemic, LACERA began to experience vacancy rates above 10 percent due to its aging workforce. This was exacerbated by a temporary halt in hiring in the first several months of the pandemic. The demographic shift has similarly hit the County of Los Angeles, and we have transitioned more of our members from active to retired status, increasing our workload.

The national “great resignation” in all sectors and changing norms in private sector hiring practices have made it even more challenging for public-sector organizations like LACERA that follow rigid civil service rules to compete for talent. Almost all divisions have experienced resource constraints due to high vacancy levels in the past two years, which in turn has put more pressure on existing staff to address the increasing workload.

LACERA is working on becoming more nimble and strategic in its our hiring plans within the confines of merit-based civil service practices. We have developed an ambitious hiring plan that prioritizes the examination process by classification and leverages outside resources where feasible. Unfortunately, it is clear that the existing resources within the Human Resources (HR) Talent Acquisition and Management Unit are insufficient to address the backlog. In fact, despite the tremendous growth of LACERA staff over the past 10 years, the number of HR staff has not increased. This FY 2022-2023 preliminary Administrative Budget includes six new staff for HR to implement our hiring plan.

While we focus on adding to our workforce, we must also plan better for succession. This includes engaging staff, identifying risks in each division, and investing in employee development through training, professional memberships, coaching, and formal and informal mentorship.

Our overarching goal is to make LACERA the employer of choice, offering a superior workplace culture that values and encourages diversity, actively implements equity and inclusion in our policies and practices, values our employees' ideas, pays fair wages, and supports our staff by giving them the tools and resources necessary to be successful.

Minimizing Risk and Improving Resiliency

LACERA's long-term success relies on thoughtful preparation and planning for both what *could* happen and likely *will* happen in the future. Our members expect and need us to be there for them throughout their lifetimes.

Over the past two years, LACERA has made significant investments toward this objective, particularly with our investment in technology and focus on information security hardening and business continuity planning. This investment continues in the preliminary Administrative Budget for FY 2022-2023. Our investments to evolve LACERA — whether it be by implementing modern technology, reducing error-prone processes, hardening our data, or readying our people to grow into leadership positions via succession planning — are critical to ensure LACERA is well-positioned to thrive in the future.

Summary of Technology Modernization Projects for FY 2022-2023

Project Title	Description	Benefit/Goal	FY 2022-2023 Budget	Phase	Estimated Completion Date
Member Case Management System - Phase I	All LACERA's member facing divisions are asking for Case Management for their complex processes to improve operational efficiency. Phase I includes the First Payment Process, Disability Application Process, and the Disability Litigation Process.	The goal is to track and manage cases coming from Workspace Pension Administration System. The benefits are more efficient processing, greater automation, and improved member satisfaction.	$660,000	Phase I of V	06/30/23
Policy and Knowledgebase Solution - Phases I and II	LACERA seeks to purchase or build a repository and automated workflow solution for policies, standards, procedures, and operating instructions at LACERA. We currently maintain this critical enterprise content in multiple formats and on disparate systems. Phase I is the selection and implementation of a centralized repository and workflow for the development, review, and publication of policies, standards, and procedures. Phase II is the incorporation of business rules, operating instructions, and a knowledgebase.	The goals are a centralized repository and workflow for policies, standards, procedures, and operating instructions. The benefits are consistent and transparent development, review, and publication of policies and business rules as well as quicker and more consistent adoption of new policies and business rules. This new system will also allow us to retire older disparate systems: the Benefits WIKI, KBase, MSOI and Benefits Index.	$300,000	Phase I and II of II	06/30/23
Telecommunications Upgrade and Hosted Contact Center	LACERA seeks to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, Case Management Application, and our Pension Administration System.	The goal is to modernize LACERA's existing telecommunications infrastructure. The benefits are more automation and greater member satisfaction.	$250,000	Phase I of I	06/30/23
IT Equipment Upgrade	LACERA seeks to upgrade all staff with laptops and dual monitors as needed to improve mobility and productivity.	The goal is to replace end of life workstations with laptops and provide dual monitors to all LACERA's workforce as needed. The benefits are enhanced mobile and teleworking capabilities, a reduction in hardware, and increased user productivity.	$210,000	Phase II of II	06/30/23
Cloud Migration	As part of LACERA's IT Modernization effort, the Systems Division is moving our enterprise systems to publicly hosted platforms. The systems that are targeted for migration in Fiscal Year 2022-23 are Workspace, My LACERA, and our enterprise reporting services.	The goal is to migrate mission critical systems to hosted platforms. The benefits are decreased dependency on the data center in Pasadena and an improved disaster recovery solution that decreases both downtime and data loss.	$200,000	Phase II of II	06/30/23
Budget Systems Modernization Phase II	LACERA's current budget process is a tedious, manual process based on excel spreadsheets. This project is to implement an automated budget solution. Phase I included the selection of a consultant to guide LACERA through the select and procurement of an automated budget solution. Phase II includes the implementation of the selected solution.	The goal is to automate and streamline LACERA's budget process. The benefit is the reduction in time spent preparing annual budgets and mid-year adjustments as well as the ability to tie budget expenses to LACERA's strategic goals.	$150,000	Phase II of II	09/30/22
Board Management Solution	LACERA seeks to implement PrimeGov for the management of both Boards and all Committee meetings, including agenda management, livestreaming, recordings, online archives, and a public interface solution, with an indefinite retention period for archiving the audio and visual recordings.	The goal is to transition from BoardVantage to PrimeGov from Board Management. The benefits include a more modern solution for agenda management that includes livestreaming, recordings, and online archives that can be integrated with lacera.com.	$100,000	Phase I of I	09/30/22
Human Resources Digitization Project	LACERA seeks to create an electronic Human Resource file to securely store personnel, payroll, medical, and classification files.	The goal is to digitize Human Resources' personnel files. The benefits include more secure and permanent storage for essential personnel files and the greater opportunities for automation for Human Resources processes.	$50,000	Phase I of I	06/30/23

LACERA

MISSION STATEMENT

We Produce, Protect, and Provide the Promised Benefits

LACERA exists to:

- **Produce** the highest quality of service for our members and sponsors;
- **Protect** the promised benefits through prudent investment and conservation of plan assets;
- **Provide** the promised benefits.

What is the purpose of a corporate Mission Statement?
It explains why we are in business; it's the corporate mandate - in as few words as possible. The Mission Statement should be brief so every employee can remember it. New LACERA employees will receive the Mission Statement and immediately understand why we exist.

How does the Mission Statement differ from our corporate objectives?
Our objectives state how we will achieve our Mission. Our Objectives list our priorities - some are long-term and some short-term. Each Objective is well defined and includes the steps (goals) we must take to accomplish it. Our Objectives define how we conduct our business.

Our Vision and Values Statements Are Our Guiding Principles.
Our Vision is our pledge to be the premier retirement association through Excellence in retirement law; Commitment to teamwork; Trust to safeguard assets; and Service to members that is courteous, professional, and 100 percent accurate.

Our Values guide our personal behaviors - Professionalism, Respect, Open Communications, Fairness, Integrity, and Teamwork. We will reach our Vision through our shared Values.

LACERA VISION

Excellence– Our members deserve the best.

Therefore, we choose to be the best. We choose excellence through innovation. We choose to become unparalleled experts in retirement law, pension administration, and benefit solutions. We choose to be preeminent masters of portfolio management.

Commitment– We are the best.

We will work together to provide the best service. We will continually strengthen our commitment to effective teamwork by contributing our individual strengths, learning new methods and skills, and anticipating the demands of the future.

Trust– Our members place trust in LACERA.

Everyday, we will earn this trust by placing their interest first, by giving them easy-to-understand answers, by solving their problems quickly, and by safeguarding and maximizing their investment assets.

Service– Our members deserve the best.

We pledge to improve our member service until 100 percent of our members making inquiries receive courteous, professional, accurate answers with just one call. We have the ability to achieve this if each one of us reaches deep into our strengths and lends a hand. Our strengths are individual; collectively they are unstoppable.

Because members deserve the best,
LACERA will be the best.

LACERA VALUES

Professionalism

We take the initiative to develop our skills to get the job done. We are accountable for providing quality service to our members that is efficient and accurate.

Respect

Our members and coworkers deserve to be treated with courtesy, patience, and empathy. When we listen to and support each other, we create a nurturing work environment that promotes fairness and trust.

Open Communications

Our frank and straightforward expression of ideas fosters a common understanding of purpose — quality service to our members. We create a healthy work environment by sharing information, listening to each others' ideas, and giving constructive feedback.

Fairness

Our employees are entitled to a clear explanation of performance expectations. Performance evaluations are timely, honest, and impartial; personal improvement plans are reasonable and constructive; and we provide opportunities for professional development and promotion.

Integrity

We inspire confidence by our high standards for member services and sound investment practices. We are reliable, ethical, and honest. Loyalty to LACERA means loyalty to members. Integrity guides all of our work relationships.

Teamwork

We are committed to teamwork and we openly share information and ideas. Working together to reach common goals is the essence of success.

Achieving our MISSION through
shared VALUES and a collective VISION.

Org Chart
Fiscal Year 2022-2023

- **BOARD OF RETIREMENT**
- **BOARD OF INVESTMENTS**
  - **SANTOS H. KREIMANN**, Chief Executive Officer
    - **RICHARD BENDALL**, Chief Internal Auditor
    - **JONATHAN GRABEL**, Chief Investment Officer
    - **LUIS A. LUGO**, Deputy Chief Executive Officer
      - **JOHN POPOWICH**, Assistant Executive Officer
        - **ALLAN COCHRAN**, Division Manager, Member Services
        - **CARLOS BARRIOS***, Division Manager, Benefit Services
        - **RICKI CONTRERAS**, Division Manager, Disability Retirement
        - **CYNTHIA MARTINEZ**, Chief, Communications
        - **BERNARDO BUENAFLOR**, Chief, Quality Assurance (QA)
      - **LAURA GUGLIELMO**, Assistant Executive Officer
        - **KIMBERLY HINES**, Division Manager, Administration
        - **THEODORE GRANGER***, Chief Financial Officer
        - **CARLY NTOYA**, Director, Human Resources
        - **KATHY DELINO***, Information Systems
      - **CASSANDRA SMITH**, Director, Retiree Healthcare
    - **STEVEN RICE**, Chief Counsel, Legal Services
    - **VINCENT LIM**, Chief Counsel, Disability Litigation

* Interim Assignment

** For details, see Retiree Healthcare Benefits Program Budget

BUDGET POLICIES

The LACERA Budget is an annual financial plan with the purpose of promoting the long-term economic sustainability and responsible resource allocation to meet LACERA's mission to produce, protect, and provide the promised benefits for our members and beneficiaries.

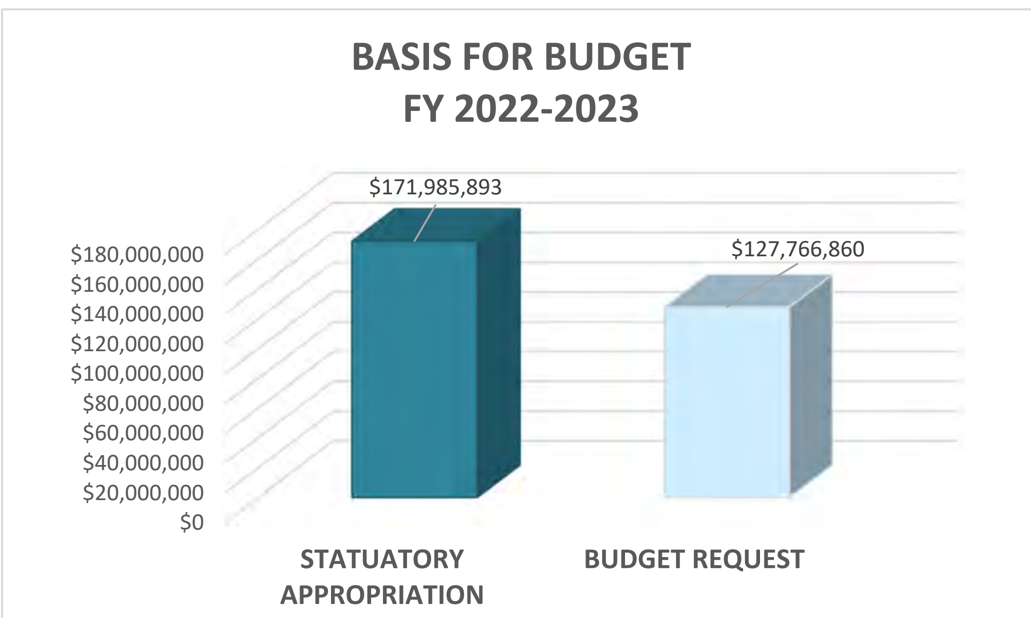
The budget is made up of three funds: the Administrative Fund, the Retiree Healthcare Fund, and the Other Post-Employment Benefits (OPEB) Trust Fund.

The annual budget aligns with LACERA's fiscal year (FY), the 12-month period from July 1 to June 30.

Legal Requirement

Government Code 31580.2 of the County Employees Retirement Law (1937 Act) requires the annual adoption of a budget covering the entire expense of administration of the retirement system. The code requires that the expenses be charged against the earnings of the retirement fund and that the expenses may not exceed 21 basis points (0.21 percent) of the accrued actuarial liability of the retirement system. Although expenses for computer software, hardware, and computer technology consulting services are included in the Administrative Budget, such costs are not subject to the budget limit. Additionally, Government Code Section 31596.1 provides that the following expenses shall not be considered as costs of administering the system: investing its moneys, securing custodial bank services, securing actuarial services, and securing attorney services. As such, these costs are not included in the Administrative Budget.

Per the 1937 Act, LACERA's statutory appropriation for FY 2022–2023 is $171,985,893. The proposed budget for FY 2022–2023 totals $127,766,860, $44,219,033 below the statutory appropriation limit.



JOGC Oversight

In addition to the statutory codes, the budget is also guided by LACERA's Joint Organization Governance Committee (JOGC), which provides oversight during the annual budget development cycle. The process consists of staff developing a preliminary budget plan that considers and supports the approved strategic objectives and general operating needs. The preliminary budget is presented to the JOGC for review. Recommendations by the JOGC are presented to the Board of Retirement and Board of Investment ("the Boards") during the budget hearings. Staff incorporates changes agreed upon in the budget hearings and brings the recommended budget to the Board of Retirement and the Board of Investment for review and independent adoption before June 30.

Budgetary Control and Financial Forecasting: Proposed Policy Change

LACERA has a responsibility to maintain a fiscally sustainable budget that aligns our Strategic Plan objectives and goals with the itemized resources and organization required to fulfill our mission, vision, and values. This financial plan is developed by staff and management and is approved by the Boards. After the budget is developed and approved, staff and management have a responsibility to monitor and forecast expenditures to ensure resources are being used as intended to meet LACERA's needs. Historically, LACERA has lacked timely financial data and reporting tools, which has limited management's ability to share timely reporting information with the Boards. With the development of a new budget system in FY 2022–2023, management expects to meet these obligations more efficiently and effectively and will be able to provide such status updates to the Boards on a more regular basis.

While the annual budget process is designed to develop the 12-month budget or financial plan for approval prior to the start of the fiscal year, there should always be a mid-year review of that plan to ensure the enterprise is on track. By establishing a mid-year budget review process, the Boards can address any enterprise critical, unforeseen, and emergency resources not included in the current fiscal year budget. The mid-year budget review shall be presented to the JOGC for information or action if required.

Proposed Policy Change

Historically, LACERA considered the difference in the statutory appropriation limit and the approved budget to be its "contingency fund" that could be available for unanticipated expenditures that may occur during the year. LACERA management recommends ending this practice as it confuses the unallocated balance of the statutory appropriation limit with a reasonable amount of funding required to address unanticipated needs that may arise. Instead, it is recommended that the surplus be referred to as the "Unallocated Surplus Appropriation Balance."

Should it be determined that additional funds are needed to address a significant problem, the Boards may amend their Adopted Budget at any point during the year and increase the appropriation, so long as the total appropriation does not exceed the statutory limit.

Additionally, it is recommended that the CEO have the authority to transfer up to $1 million between major fund categories (e.g., between Salaries and Employee Benefits and Services and Supplies) or between accounts within a major fund category (e.g., between postage and insurance within Services and Supplies) to address operational needs in a timely manner. Any such changes would be communicated to the Boards as part of the regular budget control reporting. The CEO could not increase total appropriations or add position authority without the approval of the Boards. The current policy, which has not been revised since 2009, requires changes between major accounts to be approved by both Boards, which could inhibit his ability to promptly address operational requirements of the organization. An updated Budget Policy is being provided to the JOGC and the Boards as a companion action to this Proposed Budget.

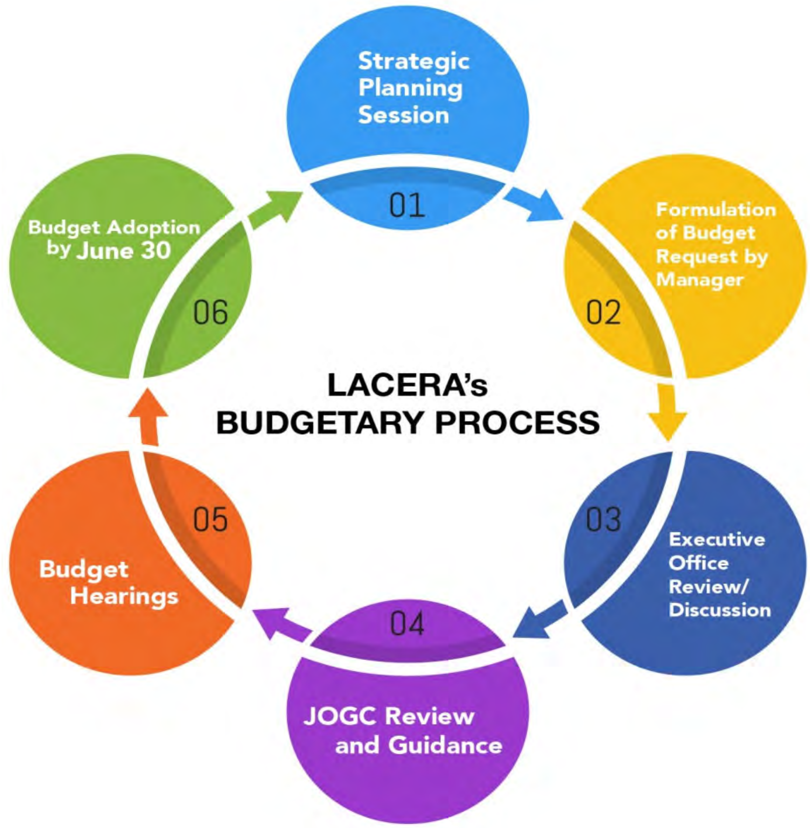
Retiree Healthcare Benefits Program

Our Retiree Healthcare Benefits Program provides healthcare benefits to our membership on behalf the plan sponsor. The insurance premiums are borne solely by the participants of the plan, or the plan sponsor if the participant is eligible for such benefits. LACERA trust funds are not used for premium payments. The direct costs and variable overhead costs associated with the administration of the Retiree Healthcare Benefits Program are fully included with the monthly premium payments and, as such, are not included in the Administrative Budget.

Non-Administrative Expenses

As provided in Government Code Section 31596.1, the expenses of investing its moneys, securing custodial bank services, actuarial services, and attorney services shall not be considered a cost of administering the system. As such, investment expenses are not included in the Administrative Budget, but are illustrated as part of the Non-Administrative Expenses section of the budget.

BUDGET PROCESS



LACERA's budget process includes six major stages as depicted in the diagram above. The budget process typically begins in October of each year and coincides with the strategic planning discussion, which is generally held offsite by the management team to engage in team-building exercises and begin discussion about organizational priorities and strategic direction consistent with the Boards vision.

From October to November, the management team begins to formulate their budget requests. Throughout the month of December, the budget team meets with the managers to gather information about their needs. This discussion helps the budget team, and their partners begin preparing spending plans to support the divisional and management requests.

The budget process normally parallels the strategic planning process. Ideally, the strategic planning process is also linked to the budget process to ensure the organization allocates the proper resources to support the plan to fruition. Although LACERA has a legacy strategic plan for FY 2018–2020, development of a new strategic plan has been delayed due to changes in executive leadership, responding to the COVID-19 pandemic, and the decision to engage a strategic planning consultant. As a result, executive management developed this proposed FY 2022–2023 budget with a strategic vision to continue simplifying and improving LACERA's operations using technology, processes, and people, consistent with the Chief Executive Officer's 100-Day Report and objectives provided in the Board approved 2018-2020 Strategic Plan.

During the month of January, the management team meets with the Executive Office to present their proposed budgets. During this process, the Executive Office weighs the requests against the organizational goals and the strategic plan as well as ancillary support requirements. These discussions help refine the requests and balance competing needs throughout the organization. At the end of this process, the Executive Office and the management team agree upon their divisional requests and the Budget Unit begins to assemble the budget.

The fourth and fifth stages include presenting the preliminary budget to the JOGC for review and guidance then presenting the proposed budget at the budget hearing for review and discussion with the Boards and the public.

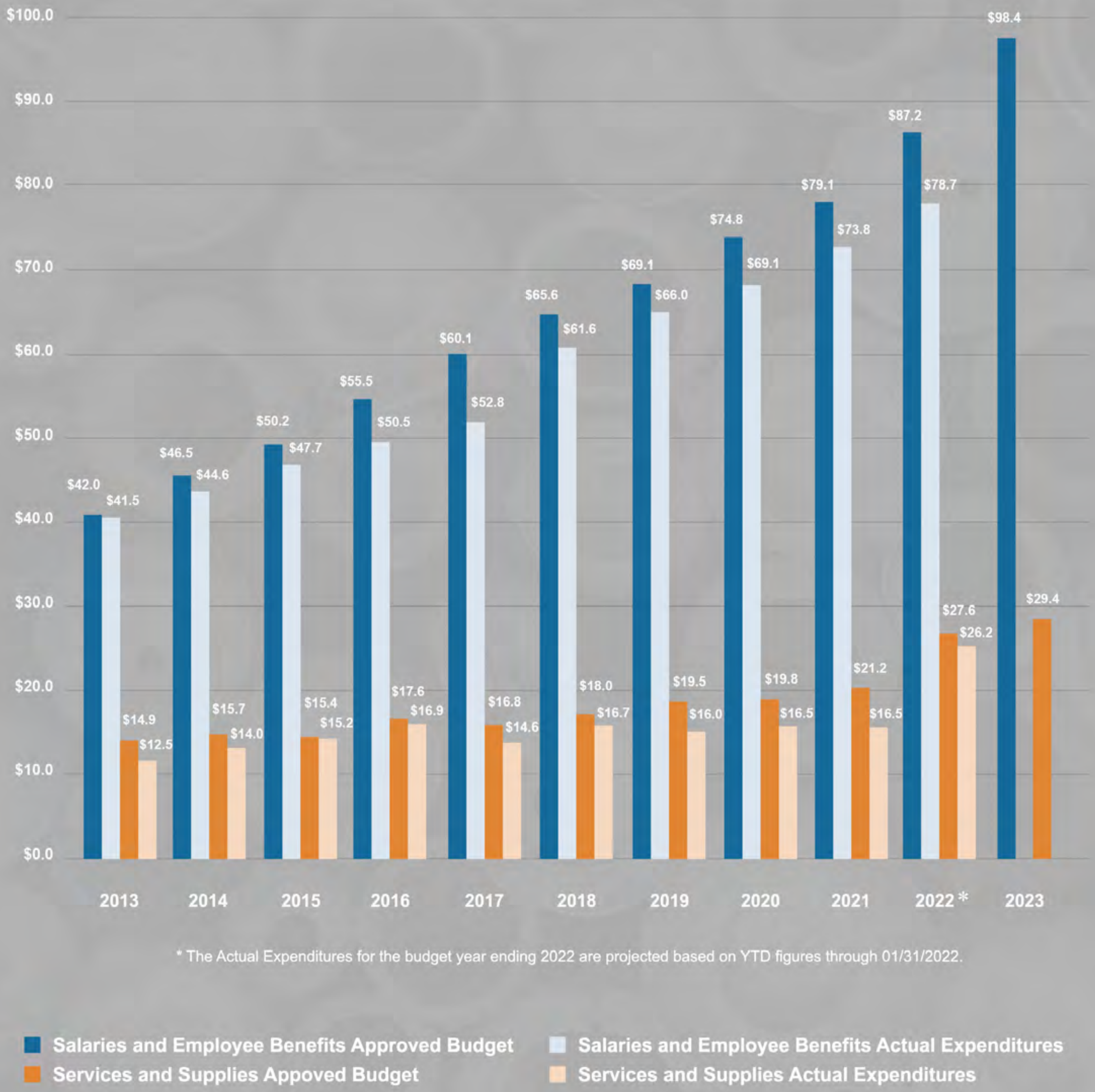
Lastly, the proposed budget is submitted for approval at the meetings of each Board in June.

HISTORY: BUDGET EXPENDITURES

Salaries and Employee Benefits & Services and Supplies

2013-2023

($ in Millions)



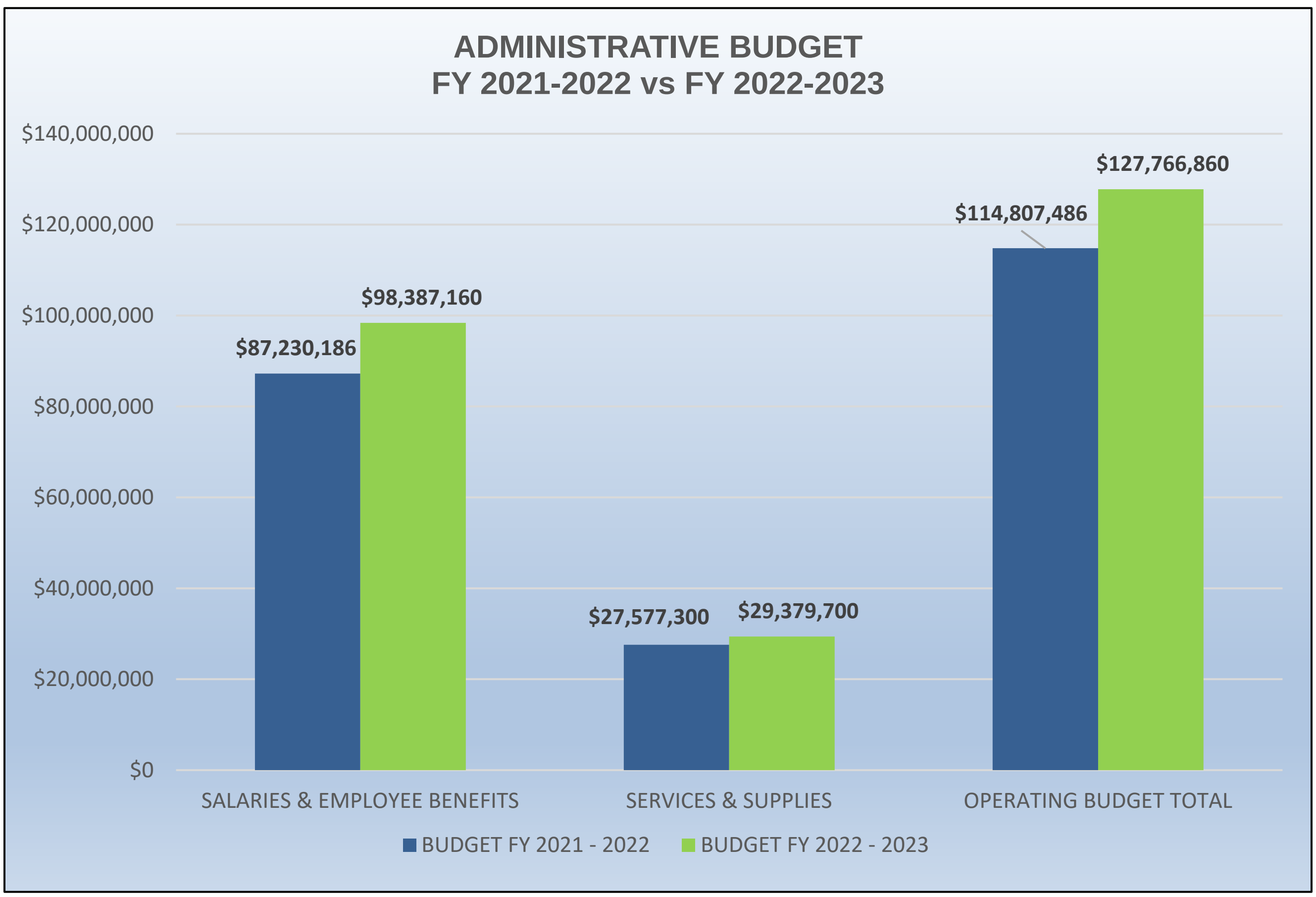
* The Actual Expenditures for the budget year ending 2022 are projected based on YTD figures through 01/31/2022.

BUDGET REQUEST SUMMARY

Overview

The Administrative Budget consists of two components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The proposed Administrative Budget request for FY 2022-2023 is $127,766,860. This represents a 11.3 percent increase from the prior year budget.

ADMINISTRATIVE BUDGET	BUDGET FY 2021–2022	BUDGET FY 2022–2023	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$87,230,186	$98,387,160	$11,156,974	12.8%
SERVICES & SUPPLIES	$27,577,300	$29,379,700	$1,802,400	6.5%
OPERATING BUDGET TOTAL	**$114,807,486**	**$127,766,860**	**$12,959,374**	**11.3%**



The chart below displays the total budgeted costs per division in comparison to the prior year.

DIVISION	BUDGET REQUEST FY 2021–2022	BUDGET REQUEST FY 2022–2023	VARIANCE	% CHANGE
Administrative Services	$13,932,137	$15,071,615	$1,139,478	8.2%
Benefits	11,103,844	12,019,386	915,542	8.2%
Board of Retirement	214,000	236,500	22,500	10.5%
Board of Investments	436,000	458,000	22,000	5.0%
Communications	3,295,291	3,219,975	(75,316)	-2.3%
Disability Litigation	2,193,630	2,407,817	214,187	9.8%
Disability Retirement	9,897,398	10,939,793	1,042,395	10.5%
Executive Office	3,562,946	5,451,099	1,888,153	53.0%
Financial & Accounting Services	4,340,488	5,120,014	779,526	18.0%
Human Resources	4,695,603	6,029,537	1,333,934	28.4%
Internal Audit	3,154,313	3,307,122	152,809	4.8%
Investment Office	16,458,019	18,239,154	1,781,135	10.8%
Legal Services	7,748,024	9,359,650	1,611,626	20.8%
Member Services	10,027,130	10,622,731	595,601	5.9%
Quality Assurance	3,195,316	3,443,785	248,469	7.8%
Systems	20,553,351	21,840,682	1,287,331	6.3%
TOTAL	**$114,807,486**	**$127,766,860**	**$12,959,374**	**11.3%**

For additional details see the divisional tabs.

Salaries and Employee Benefits (S&EB)

Salaries and Employee Benefits (S&EB) costs consist of the ongoing personnel costs for the organization. These costs include salaries, variable benefits (e.g., retirement costs, 457(b) and 401(k) plan costs, etc.), agency temporary staff, overtime, OPEB contributions, and other benefit costs.

S&EB CATEGORY	BUDGET REQUEST FY 2021–2022	BUDGET REQUEST FY 2022–2023	VARIANCE	% CHANGE
SALARIES & OTHER PAYS				
Permanent/County Temporary	$49,380,393	$52,924,020	$3,543,627	7.2%
Agency Temporary	4,001,700	5,908,400	1,906,700	47.6%
LACERA Intern Program	312,000	288,000	(24,000)	-7.7%
Stipends	65,000	65,000	0	0.0%
Overtime	888,900	1,088,800	199,900	22.5%
Bilingual Bonus	21,600	22,800	1,200	5.6%
Transportation Allowance	14,400	7,200	(7,200)	0.0%
Rideshare Allowance	70,300	70,300	0	0.0%
Sick Leave Buyback	68,800	68,800	0	0.0%
TOTAL SALARIES & OTHER PAYS	**$54,823,093**	**$60,443,320**	**$5,620,227**	10.3%
VARIABLE BENEFITS				
Retirement	10,558,179	12,520,797	1,962,618	18.6%
FICA Contribution	866,851	937,475	70,624	8.1%
County Subsidy: Insurance	2,853,102	3,686,450	833,348	29.2%
Options Plan	4,422,034	4,888,781	466,747	10.6%
Life Insurance	18,182	22,772	4,590	25.2%
Health Insurance Temps	219,772	325,317	105,545	48.0%
Flexible Benefit Plan	16,178	22,263	6,085	37.6%
Thrift Plan/Horizons	1,682,186	2,144,074	461,888	27.5%
Savings Plan	1,225,790	1,625,730	399,940	32.6%
Pension Savings Plan	37,462	36,645	(817)	-2.2%
Megaflex	5,995,931	6,613,389	617,458	10.3%
TOTAL VARIABLE BENEFITS	**$27,895,666**	**$32,823,693**	**$4,928,027**	17.7%
OPEB CONTRIBUTION	**$1,485,427**	**$1,775,147**	**$289,720**	19.5%
OTHER BENEFITS	**$3,026,000**	**$3,345,000**	**$319,000**	10.5%
TOTAL EMPLOYEE BENEFITS	**$32,407,093**	**$37,943,840**	**$5,536,747**	17.1%
TOTAL SALARIES & EMPLOYEE BENEFITS	**$87,230,186**	**$98,387,160**	**$11,156,974**	**12.8%**

Assumptions

The following assumptions were used in developing the S&EB portion of the budgets:

- Salaries are budgeted based on projected yearly costs by position.
- Vacant positions are budgeted at the first step and salary savings are calculated by reducing the salary cost by the number of months it takes to hire against the position. We estimate the vacancy at six months unless otherwise specified.
- Salary increases negotiated through a Memorandum of Understanding (MOU) are included in the budget request. Negotiations have been conducted and approved by LACERA's Boards; however, they are still pending the Board of Supervisors' approval. Once the salary schedules are modified and the increases are approved by the Board of Supervisors, they will most likely be effective in FY 2022-2023. The proposed salary increases are based on general salary movements of 4 percent for 2022 and 3 percent for 2023 per the approved MOU.

Increased Costs

The $11.2 million increase in S&EB includes funds for additional staffing as well as certain non-discretionary costs, as detailed below.

Hiring Plan Changes

During the budget development process, we calculate a salary savings for the number of months that a position will be vacant during the fiscal year. In FY 2021-2022, hiring plans were delayed and timelines were shifted due to the pandemic. At the mid-year FY 2021-2022 budget, vacancy estimates were reassessed. Based on that examination, it was determined that positions would remain vacant for several months longer than originally planned and we would retain temporary staff for a longer period. To account for this, we reduced Permanent Salaries and Variable Benefits by $2.1 million and increased agency-temporary staff salaries by $0.9 million.

For FY 2022-2023 we have developed a robust hiring plan that includes getting non-ordinance positions processed with the Board of Supervisors and filling vacant positions throughout the organization. The Proposed Budget reflects an increase of $8.7 million attributed to fully funding vacant positions filled or projected to be filled in FY 2022-2023. These previously vacant positions were either unfunded or partially funded in FY 2021-2022, but will require full year funding in FY 2022-2023.

Other cost increases are attributed to the following:

Performance/Merit Increases

Management Appraisal and Performance Plan (MAPP) Tier I and Tier II employees may be entitled to salary increases based on their performance ratings. The increase ranges from 0 to 5 percent depending on the staff performance rating. The increase is estimated to be $415,000.

Salary Step Increases

Staff that are not at the top of their designated salary range are entitled to a salary step increase. These increases are budgeted at 5.5 percent. The total cost is estimated to be $337,000.

Additional Staff

Staffing changes as outlined below include a net increase of 19 permanent positions (24 new and five deleted positions). Deleted positions are unfunded, but are not removed from LACERA's Ordinance. The total S&EB budget impact for these positions is estimated at $1.5 million, approximately $1.0 million for salaries and $0.5 million for variable benefits.

DIVISION	NUMBER	POSTION TITLE	FULL- YEAR SALARY	BUDGETED SALARY *	VARIABLE BENEFITS	BUDGET IMPACT
Administrative Services	2.0	Administrative Services Analyst II	$127,368	$63,684	$35,026	$98,710
	1.0	DPC Coordinator	$48,437	$24,219	$13,320	$37,539
	2.0	Intermediate Typist Clerk	$78,140	$0	$0	$0
Benefits Division	1.0	Senior Typist Clerk	$42,981	$21,490	$11,820	$33,310
Financial & Accounting Services	1.0	Accountant	$62,592	$46,944	$25,819	$72,763
	(1.0)	Accounting Technician	($49,643)	$0	$0	$0
Human Resources	2.0	Senior Human Resources Analyst	$163,362	$122,521	$67,387	$189,908
	4.0	Human Resources Analyst	$293,145	$219,858	$120,922	$340,781
Legal Services	1.0	Senior Staff Counsel	$169,179	$169,179	$93,048	$262,227
Systems Division	3.0	Information Technology Manager II	$380,043	$63,341	$34,837	$98,178
	1.0	Information Technology Specialist II	$143,306	$71,653	$39,409	$111,062
	2.0	Information Technology Specialist I	$249,046	$124,523	$68,488	$193,011
	1.0	Data Systems Coordinator	$102,475	$51,237	$28,181	$79,418
	3.0	Data Systems Analyst II	$263,864	$0	$0	$0
	(1.0)	Information Systems Manager	($146,396)	$0	$0	$0
	(3.0)	Asst. Information Systems Manager	($126,681)	$0	$0	$0
Total	**19.0**		**$1,801,216**	**$978,649**	**$538,257**	**$1,516,906**

** Based on Human Resources Recruitment Calendar*

Intern Program

The LACERA Intern Program is a component of LACERA's Administrative Equity Initiative and is advertised at colleges, including community colleges, throughout the nation. Our Intern Program has proven to be successful, as two of the previous interns that graduated from Columbia University and the University of California, Los Angeles were later hired as permanent LACERA staff. The FY 2022-2023 budget includes funding for 12 interns to support Administrative Services, Communications, Human Resources, Internal Audit, Investments, Legal Services, and Systems. The total cost for interns is estimated at $288,000 and represents a $24,000 decrease from the prior year budget amount of $312,000.

Total Budgeted Positions

Based on the proposal of a net increase of 19 permanent positions, LACERA's total budgeted positions count will be 493.

DIVISION	BUDGETED POSITIONS FY 2021–2022	CHANGE	BUDGETED POSITIONS FY 2022–2023
ADMINISTRATIVE SERVICES	37	5	42
BENEFITS	78	1	79
COMMUNICATIONS	14		14
DISABILITY LITIGATION	7		7
DISABILITY RETIREMENT	41		41
EXECUTIVE OFFICE	14		14
FINANCIAL & ACCOUNTING	30		30
HUMAN RESOURCES	15	6	21
INTERNAL AUDIT	11		11
INVESTMENT	45		45
LEGAL SERVICES	28	1	29
MEMBER SERVICES	79		79
QUALITY ASSURANCE	19		19
SYSTEMS	56	6	62
TOTAL	**474**	**19**	**493**

Vacancy Information

Each year as part of the budgeting process, the management team reviews the current workload to forecast the number of staff needed to fulfill LACERA's mission to produce, protect, and provide the promised benefits. One of the results of the process is a staffing plan that is presented to the executive team as part of each division's budget proposal.

Once the executive and managements teams have agreed on a plan, the staffing requests are included in the budget proposal presented to the Boards. The vacant position chart below shows that there are 95 vacant positions as of March 31, 2022. The proposed budget will add 19 positions. This will increase the expected number of vacant positions to 114 by July 1, 2022 (this number will change – increase or decrease – based on new hires or separations that occur before or after June 30, 2022).

Executive Management recognizes the critical importance of rebuilding our staffing levels and made the development of a comprehensive and transparent hiring plan one of our top priorities for FY 2021-2022. That plan has been developed and we are in the process of assessing opportunities to streamline our processes within the confines of a civil service system, and documenting those new procedures in a manual for recruiters and one for hiring managers.

Vacant Positions Summary

DIVISION	BUDGETED POSITIONS FY 2021–2022	VACANCY (AS OF 03/31/22)	%	PROPOSED BUDGETED POSITIONS FY 2022–2023*	VACANCY	%
Administrative Services	37	11	30%	**42**	16	38%
Benefits	78	0	0%	**79**	1	1%
Communications	14	4	29%	**14**	4	29%
Disability Litigation	7	0	0%	**7**	0	0%
Disability Retirement Services	41	2	5%	**41**	2	5%
Executive	14	6	43%	**14**	6	43%
Financial & Accounting Services	30	12	40%	**30**	12	40%
Human Resources	15	3	20%	**21**	9	43%
Internal Audit	11	1	9%	**11**	1	9%
Investments	45	11	24%	**45**	11	24%
Legal Services Ø	28	12	43%	**29**	13	45%
Member Services	79	7	9%	**79**	7	9%
Quality Assurance	19	5	26%	**19**	5	26%
Systems	56	21	38%	**62**	27	44%
LACERA Total	**474**	**95**	**20%**	**493**	**114**	**23%**

*Includes new requested positions.
Ø Includes three budgeted positions not yet approved by Board of Supervisors.

Services and Supplies (S&S)

The Services and Supplies (S&S) costs are reflective of the daily operational needs of the organization and are primarily based on historical expenditures adjusted for inflation. The 6.5 percent ($1.8 million) increase in S&S costs represents a combination of increases and decreases, resulting in a total S&S budget of approximately $29.4 million.

The following noteworthy items are included in the S&S budget:

- $260,000 increase in insurance premiums and brokerage fees including the following:
  - $46,600 increase in fiduciary insurance
  - $67,000 increase in cyber liability insurance
  - $125,000 for brokerage services fees

- $275,000 increase in rent and operating costs due to terms of our five-year lease agreement, common area management fees and storage space

- $485,000 increase due to the new medical fee schedule for disability panel physicians and an RFP for a new medical advisor

- $491,000 increase in the Executive Office, which includes:
  - $75,000 transferred from the Systems Division for an information technology security assessment
  - $321,000 for strategic planning and improvement projects
  - $95,000 for software subscriptions for the Information Security Office

- $290,000 increase in recruitment and testing costs to support our robust hiring plan to fulfill divisional needs and reduce vacancies

- $445,000 for outside legal counsel due to trends in usage (including major pending matters), while simultaneously committing to manage outside counsel assignments to contain costs

Services & Supplies Summary

SERVICES & SUPPLIES CATEGORY	BUDGET REQUEST FY 2021–2022	BUDGET REQUEST FY 2022–2023	VARIANCE	% CHANGE
Auto Expenses	$131,200	$133,500	$2,300	1.8%
Communications	630,000	535,000	(95,000)	-15.1%
Transportation & Travel	604,500	605,100	600	0.1%
Postage	991,400	1,021,400	30,000	3.0%
Stationery & Forms	645,300	653,300	8,000	1.2%
Office Supplies & Equipment	746,500	845,700	99,200	13.3%
Insurance	1,114,200	1,248,900	134,700	12.1%
Equipment Maintenance	437,800	258,300	(179,500)	-41.0%
Equipment Rents & Leases	277,000	287,000	10,000	3.6%
Building Costs	7,472,400	7,211,300	(261,100)	-3.5%
Parking Fees	377,000	437,000	60,000	15.9%
Professional & Specialized Services	3,844,200	4,272,700	428,500	11.1%
Bank Services	200,500	200,500	0	0.0%
Legal Fees & Services	1,127,500	1,571,000	443,500	39.3%
Disability Fees & Services	2,665,500	3,145,300	479,800	18.0%
Computer Services & Support	4,689,100	5,018,600	329,500	7.0%
Educational Expenses	1,225,400	1,253,000	27,600	2.3%
Miscellaneous	397,800	682,100	284,300	71.5%
TOTAL	**$27,577,300**	**$29,379,700**	**$1,802,400**	**6.5%**

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS
CATEGORY SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Gross Salaries	$52,924,020	$49,380,393	$22,781,033	$45,343,400	($4,036,993)	-8.2%	$3,543,627	7.2%
Salary Differential	-	-	-	-	-	-	-	-
Permanent Salaries	**$52,924,020**	$49,380,393	$22,781,033	$45,343,400	($4,036,993)	-8.2%	$3,543,627	7.2%
Outside Agency Temporary Staffing	**5,908,400**	4,001,700	2,364,914	3,840,300	(161,400)	-4.0%	1,906,700	47.6%
LACERA Intern Program	**288,000**	312,000	8,488	80,500	(231,500)	-74.2%	(24,000)	-7.7%
<u>Variable Benefits</u>								
Retirement	12,520,797	10,558,179	4,693,905	9,386,200	(1,171,979)	-11.1%	1,962,618	18.6%
FICA Contribution	937,475	866,851	375,892	728,800	(138,051)	-15.9%	70,624	8.1%
County Subsidy - Insurance	3,686,450	2,853,102	1,058,837	2,223,800	(629,302)	-22.1%	833,348	29.2%
Options Plan	4,888,781	4,422,034	1,883,988	3,880,000	(542,034)	-12.3%	466,747	10.6%
Life Insurance	22,772	18,182	8,577	19,700	1,518	8.3%	4,590	25.2%
Health Insurance Temps	325,317	219,772	0	221,600	1,828	0.8%	105,545	48.0%
Flexible Benefit Plan	22,263	16,178	9,965	19,200	3,022	18.7%	6,085	37.6%
Thrift Plan/Horizons	2,144,074	1,682,186	681,889	1,445,900	(236,286)	-14.0%	461,888	27.5%
Savings Plan	1,625,730	1,225,790	502,384	1,119,100	(106,690)	-8.7%	399,940	32.6%
Pension Savings Plan	36,645	37,462	1,146	25,600	(11,862)	-31.7%	(817)	-2.2%
Megaflex	6,613,389	5,995,931	2,672,094	4,905,200	(1,090,731)	-18.2%	617,458	10.3%
Total	**32,823,693**	27,895,666	11,888,676	23,975,100	(3,920,566)	-14.1%	4,928,027	17.7%
Other Benefits	**3,345,000**	3,026,000	1,460,796	2,980,800	(45,200)	-1.5%	319,000	10.5%
OPEB Contribution	**1,775,147**	1,485,427	752,109	1,510,600	25,173	1.7%	289,720	19.5%
Stipends	**65,000**	65,000	25,321	59,000	(6,000)	-9.2%	0	0.0%
Overtime	**1,088,800**	888,900	456,126	857,000	(31,900)	-3.6%	199,900	22.5%
Bilingual Bonus	**22,800**	21,600	9,100	17,300	(4,300)	-19.9%	1,200	5.6%
Sickleave Buyback	**68,800**	68,800	25,848	57,300	(11,500)	-16.7%	0	0.0%
Rideshare Allowance	**70,300**	70,300	1,190	2,500	(67,800)	-96.4%	0	0.0%
Transportation Allowance	**7,200**	14,400	3,900	7,200	(7,200)	-50.0%	(7,200)	-50.0%
S&EB TOTAL	**$98,387,160**	**$87,230,186**	**$39,777,500**	**$78,731,000**	**($8,499,186)**	**-9.7%**	**$11,156,974**	**12.8%**

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Administrative Services	**$5,146,415**	$4,109,837	$1,910,094	$3,849,700	($260,137)	-6.3%	$1,036,578	25.2%
Benefits	**11,960,086**	11,031,844	5,193,872	10,471,800	(560,044)	-5.1%	928,242	8.4%
Communications	**2,168,975**	2,253,791	854,293	1,744,700	(509,091)	-22.6%	(84,816)	-3.8%
Disability Litigation	**2,353,917**	2,141,130	1,115,509	2,127,800	(13,330)	-0.6%	212,787	9.9%
Disability Retirement	**7,514,693**	6,962,398	3,325,893	6,429,300	(533,098)	-7.7%	552,295	7.9%
Executive Office	**4,662,799**	3,244,146	1,388,879	2,604,500	(639,646)	-19.7%	1,418,653	43.7%
Financial & Accounting Services	**4,870,714**	4,100,488	1,810,071	3,796,100	(304,388)	-7.4%	770,226	18.8%
Human Resources	**3,813,337**	2,926,303	1,240,302	2,549,600	(376,703)	-12.9%	887,034	30.3%
Internal Audit	**2,582,622**	2,433,813	1,190,294	2,322,300	(111,513)	-4.6%	148,809	6.1%
Investment Office	**17,968,354**	16,189,519	7,250,423	14,660,900	(1,528,619)	-9.4%	1,778,835	11.0%
Legal Services	**7,432,150**	6,252,924	2,407,624	5,136,300	(1,116,624)	-17.9%	1,179,226	18.9%
Member Services	**10,595,931**	9,971,630	4,716,624	9,501,200	(470,430)	-4.7%	624,301	6.3%
Quality Assurance	**3,355,885**	3,111,416	1,331,767	2,926,800	(184,616)	-5.9%	244,469	7.9%
Systems Division	**13,961,282**	12,500,951	6,041,854	10,610,000	(1,890,951)	-15.1%	1,460,331	11.7%
S&EB TOTAL	**$98,387,160**	**$87,230,186**	**$39,777,500**	**$78,731,000**	**($8,499,186)**	**-9.7%**	**$11,156,974**	**12.8%**

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

AGENCY TEMPORARY STAFFING
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2 0 2 1 - 2 0 2 2			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Administrative Services	**$473,400**	$587,000	$256,051	$517,700	($69,300)	-11.8%	($113,600)	-19.4%
Benefits	**154,900**	71,900	25,156	71,900	0	0.0%	83,000	115.4%
Communications	**56,200**	79,600	0	79,600	0	0.0%	(23,400)	-29.4%
Disability Litigation	**9,800**	0	0	0	0	0.0%	9,800	0.0%
Disability Retirement	**129,000**	143,000	28,243	100,900	(42,100)	-29.4%	(14,000)	-9.8%
Executive Office	**1,129,700**	0	0	0	0	0.0%	1,129,700	0.0%
Financial & Accounting Services	**778,100**	729,400	219,781	729,400	0	0.0%	48,700	6.7%
Human Resources	**95,300**	47,700	3,472	47,700	0	0.0%	47,600	99.8%
Internal Audit	**0**	0	0	0	0	0.0%	0	0.0%
Investment Office	**0**	0	0	0	0	0.0%	0	0.0%
Legal Services	**135,900**	150,000	51,724	100,000	(50,000)	-33.3%	(14,100)	-9.4%
Member Services	**37,000**	0	0	0	0	0.0%	37,000	0.0%
Quality Assurance	**0**	0	0	0	0	0.0%	0	0.0%
Systems Division	**2,909,100**	2,193,100	1,780,488	2,193,100	0	0.0%	716,000	32.6%
TOTAL	**$5,908,400**	**$4,001,700**	**$2,364,914**	**$3,840,300**	**($161,400)**	**-4.0%**	**$1,906,700**	**47.6%**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

	FYE 2020		FYE 2021		FYE 2022		FYE 2023
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Administrative Services	$54,000	$211,262	$305,200	$236,187	$587,000	$517,700	$473,400
Benefits	809,700	595,413	47,700	61,449	71,900	71,900	154,900
Communications	47,800	83,162	135,700	73,304	79,600	79,600	56,200
Disability Litigation	0	0	8,700	0	0	0	9,800
Disability Retirement	36,000	28,860	72,100	100,660	143,000	100,900	129,000
Executive Office	0	0	0	0	0	0	1,129,700
Financial Servcies	424,200	254,613	505,400	354,985	729,400	729,400	778,100
Human Resources	26,200	39,962	47,700	68,633	47,700	47,700	95,300
Internal Audit	0	0	0	0	0	0	0
Investment Office	0	0	0	0	0	0	0
Legal Services	60,000	57,365	53,500	57,562	150,000	100,000	135,900
Member Services	160,700	100,646	0	0	0	0	37,000
Quality Assurance	0	0	0	0	0	0	0
Systems	1,700,000	1,143,206	2,650,000	2,843,400	2,193,100	2,193,100	2,909,100
GRAND TOTAL	**$3,318,600**	**$2,514,489**	**$3,826,000**	**$3,796,181**	**$4,001,700**	**$3,840,300**	**$5,908,400**

*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

OVERTIME REQUEST
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Admininstrative Services	**$49,400**	$50,000	$1,219	$30,000	($20,000)	-40.0%	($600)	-1.2%
Benefits	**398,100**	398,000	214,572	388,200	(9,800)	-2.5%	100	0.0%
Communications	**4,800**	4,100	3,076	4,100	0	0.0%	700	17.1%
Disability Litigation	**6,600**	0	0	0	0	0.0%	6,600	0.0%
Disability Retirement	**165,300**	16,100	17,654	20,000	3,900	24.2%	149,200	926.7%
Executive Office	**25,600**	25,600	0	5,000	(20,600)	-80.5%	0	0.0%
Financial & Accounting Services	**65,300**	67,900	27,649	56,500	(11,400)	-16.8%	(2,600)	-3.8%
Human Resources	**3,800**	2,900	726	1,500	(1,400)	-48.3%	900	31.0%
Internal Audit	**5,000**	4,900	771	1,700	(3,200)	-65.3%	100	2.0%
Investment Office	**1,000**	1,000	0	0	(1,000)	-100.0%	(0)	0.0%
Legal Services	**18,400**	30,000	8,561	16,000	(14,000)	-46.7%	(11,600)	-38.7%
Member Services	**174,000**	133,800	85,864	145,000	11,200	8.4%	40,200	30.0%
Quality Assurance	**21,500**	21,300	264	3,000	(18,300)	-85.9%	200	0.9%
Systems Division	**150,000**	133,300	95,769	186,000	52,700	39.5%	16,700	12.5%
TOTAL	**$1,088,800**	**$888,900**	**$456,126**	**$857,000**	**($31,900)**	**-3.6%**	**$199,900**	**22.5%**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

OVERTIME
HISTORY OF EXPENDITURES

	FYE 2020		FYE 2021		FYE 2022		FYE 2023
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Administrative Services	$31,500	$25,421	$43,700	$19,806	$50,000	$30,000	$49,400
Benefits	197,800	313,608	371,600	373,564	398,000	388,200	398,100
Communications	3,000	2,618	3,300	4,615	4,100	4,100	4,800
Disability Litigation	0	0	0	0	0	0	6,600
Disability Retirement	12,400	23,335	9,500	16,742	16,100	20,000	165,300
Executive Office	3,000	31,579	25,000	1,078	25,600	5,000	25,600
Financial Services	74,300	49,152	68,400	32,345	67,900	56,500	65,300
Human Resources	1,500	1,294	1,500	704	2,900	1,500	3,800
Internal Audit	3,000	390	4,800	785	4,900	1,700	5,000
Investment Office	0	0	1,000	0	1,000	0	1,000
Legal Services	35,000	743	12,500	6,290	30,000	16,000	18,400
Member Services	119,500	227,703	130,500	156,701	133,800	145,000	174,000
Quality Assurance	1,000	2,878	0	2,425	21,300	3,000	21,500
Systems	130,100	119,753	130,100	140,300	133,300	186,000	150,000
GRAND TOTAL	**$612,100**	**$798,474**	**$801,900**	**$755,356**	**$888,900**	**$857,000**	**$1,088,800**

*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

BILINGUAL BONUS
SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Benefits Division	**$3,600**	$2,400	$1,600	$2,900	$500	20.8%	$1,200	50.0%
Legal Services	**2,400**	2,400	650	1,200	(1,200)	-50.0%	0	0.0%
Member Services Division	**16,800**	16,800	6,850	13,200	(3,600)	-21.4%	0	0.0%
TOTAL	**$22,800**	**$21,600**	**$9,100**	**$17,300**	**($4,300)**	**-19.9%**	**$1,200**	**5.6%**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

VACANT POSITIONS
SUMMARY

DIVISION	BUDGETED POSITIONS FY 2021-2022	VACANCY (AS OF 03/31/22)	%	PROPOSED BUDGETED POSITIONS FY 2022-2023*	VACANCY	%
Administrative Services	37	11	30%	**42**	16	38%
Benefits	78	0	0%	**79**	1	1%
Communications	14	4	29%	**14**	4	29%
Disability Litigation	7	0	0%	**7**	0	0%
Disability Retirement Services	41	2	5%	**41**	2	5%
Executive	14	6	43%	**14**	6	43%
Financial Accounting Services	30	12	40%	**30**	12	40%
Human Resources	15	3	20%	**21**	9	43%
Internal Audit	11	1	9%	**11**	1	9%
Investments	45	11	24%	**45**	11	24%
Legal Services Ø	28	12	43%	**29**	13	45%
Member Services	79	7	9%	**79**	7	9%
Quality Assurance	19	5	26%	**19**	5	26%
Systems	56	21	38%	**62**	27	44%
LACERA Total	**474**	**95**	**20%**	**493**	**114**	**23%**

* Includes new requested positions.
Ø Includes three (3) budgeted positions not yet approved by Board of Supervisors.

LACERA

FISCAL YEAR 2022-2023

SERVICES AND SUPPLIES
CATEGORY SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Auto Expense	**$133,500**	$131,200	$26,591	$89,000	($42,200)	-32.2%	$2,300	1.8%
Communications	**535,000**	630,000	374,108	665,000	35,000	5.6%	(95,000)	-15.1%
Transportation and Travel	**605,100**	604,500	30,915	176,200	(428,300)	-70.9%	600	0.1%
Postage	**1,021,400**	991,400	732,668	985,820	(5,580)	-0.6%	30,000	3.0%
Stationery and Forms	**653,300**	645,300	347,203	569,800	(75,500)	-11.7%	8,000	1.2%
Office Supplies and Equipment	**845,700**	746,500	453,036	822,100	75,600	10.1%	99,200	13.3%
Insurance	**1,248,900**	1,114,200	1,104,702	1,111,203	(2,997)	-0.3%	134,700	12.1%
Equipment Maintenance	**258,300**	437,800	60,019	252,800	(185,000)	-42.3%	(179,500)	-41.0%
Equipment Rents and Leases	**287,000**	277,000	95,084	205,000	(72,000)	-26.0%	10,000	3.6%
Building Costs	**7,211,300**	7,472,400	3,153,912	7,087,400	(385,000)	-5.2%	(261,100)	-3.5%
Parking Fees	**437,000**	377,000	217,600	418,000	41,000	10.9%	60,000	15.9%
Professional and Spec. Srvcs.	**4,272,700**	3,844,200	1,424,899	3,814,600	(29,600)	-0.8%	428,500	11.1%
Bank Services	**200,500**	200,500	(10,519)	200,500	0	0.0%	0	0.0%
Legal Fees and Services	**1,571,000**	1,127,500	948,615	1,588,000	460,500	40.8%	443,500	39.3%
Disability Fees and Services	**3,145,300**	2,665,500	968,011	2,660,200	(5,300)	-0.2%	479,800	18.0%
Computer Services and Support	**5,018,600**	4,689,100	2,637,672	4,466,300	(222,800)	-4.8%	329,500	7.0%
Educational Expense	**1,253,000**	1,225,400	327,214	958,700	(266,700)	-21.8%	27,600	2.3%
Miscellaneous	**682,100**	397,800	47,047	146,100	(251,700)	-63.3%	284,300	71.5%
S&S TOTAL	**$29,379,700**	**$27,577,300**	**$12,938,776**	**$26,216,723**	**($1,360,577)**	**-4.9%**	**$1,802,400**	**6.5%**

*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SERVICES AND SUPPLIES
DIVISION SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Administrative Services	**$9,925,200**	$9,822,300	$4,889,096	$9,242,123	($580,177)	-5.9%	$102,900	1.0%
Benefits	**59,300**	72,000	7,222	42,700	(29,300)	-40.7%	(12,700)	-17.6%
Board of Retirement	**236,500**	214,000	64,761	106,900	(107,100)	-50.0%	22,500	10.5%
Board of Investment	**458,000**	436,000	81,261	192,800	(243,200)	-55.8%	22,000	5.0%
Communications	**1,051,000**	1,041,500	538,266	909,400	(132,100)	-12.7%	9,500	0.9%
Disability Litigation	**53,900**	52,500	15,431	47,800	(4,700)	-9.0%	1,400	2.7%
Disability Retirement	**3,425,100**	2,935,000	1,109,442	2,934,300	(700)	0.0%	490,100	16.7%
Executive Office	**788,300**	318,800	73,060	208,300	(110,500)	-34.7%	469,500	147.3%
Financial & Accounting Services	**249,300**	240,000	(2,758)	238,900	(1,100)	-0.5%	9,300	3.9%
Human Resources	**2,216,200**	1,769,300	411,278	1,483,200	(286,100)	-16.2%	446,900	25.3%
Internal Audit	**724,500**	720,500	178,785	706,400	(14,100)	-2.0%	4,000	0.6%
Investment Office	**270,800**	268,500	89,230	150,000	(118,500)	-44.1%	2,300	0.9%
Legal Services	**1,927,500**	1,495,100	1,117,055	1,916,500	421,400	28.2%	432,400	28.9%
Member Services	**26,800**	55,500	2,169	16,100	(39,400)	-71.0%	(28,700)	-51.7%
Quality Assurance	**87,900**	83,900	2,985	59,000	(24,900)	-29.7%	4,000	4.8%
Systems	**7,879,400**	8,052,400	4,361,492	7,962,300	(90,100)	-1.1%	(173,000)	-2.1%
S&S TOTAL	**$29,379,700**	**$27,577,300**	**$12,938,776**	**$26,216,723**	**($1,360,577)**	**-4.9%**	**$1,802,400**	**6.5%**

*All amounts rounded to the nearest dollar.

BOARD OF RETIREMENT
Budget Highlights
Fiscal Year 2022-2023

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

The Board of Retirement is responsible for the administration of the retirement system, the retiree healthcare program, and the review and processing of disability retirement applications. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of 11 members. Four of its members are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; safety members elect one member and one alternate member; and retired members also elect one member and one alternate member. The law requires the County Treasurer and Tax Collector to serve as an ex-officio member.

SERVICES AND SUPPLIES

The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA

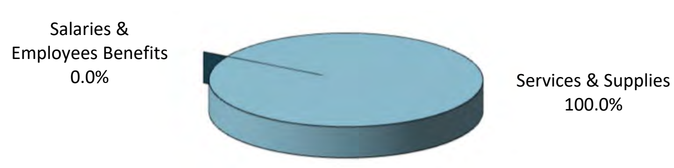
FISCAL YEAR 2022-2023

BUDGET SUMMARY

BOARD OF RETIREMENT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$0**	$0	$0	$0	$0	0.0%	$0	0.0%
Services & Supplies	**236,500**	214,000	64,761	106,900	(107,100)	-50.0%	22,500	10.5%
OPERATING BUDGET	**$236,500**	$214,000	$64,761	$106,900	($107,100)	-50.0%	$22,500	10.5%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF RETIREMENT

		CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
					OVER/(UNDER)			
ACCOUNT CLASSIFICATION	**PROPOSED BUDGET 2022-2023**	BUDGET	YTD (01-31-22)	PROJECTION	BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$93,500**	$85,000	$10,157	$25,300	($59,700)	-70.2%	$8,500	10.0%
EDUCATIONAL EXPENSES	**86,000**	82,000	46,003	71,000	(11,000)	-13.4%	4,000	4.9%
MISCELLANEOUS	**57,000**	47,000	8,600	10,600	(36,400)	-77.4%	10,000	21.3%
TOTAL	**$236,500**	$214,000	$64,761	$106,900	($107,100)	-50.0%	$22,500	10.5%

*All amounts rounded to the nearest dollar.

BOARD OF INVESTMENTS
Budget Highlights

Fiscal Year 2022-2023

Mission

Produce, Protect, and Provide the Promised Benefits

INTRODUCTION

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment management of the pension fund. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of nine members. Four members are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; and both safety members and retired members elect one member each. The law requires the County Treasurer and Tax Collector to serve as an ex-officio member.

SERVICES AND SUPPLIES

The Board's Services and Supplies budget request is based on actual expenditure trends.

LACERA

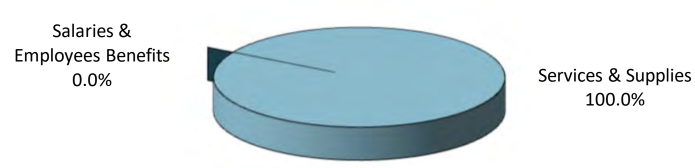
FISCAL YEAR 2022-2023

BUDGET SUMMARY

BOARD OF INVESTMENTS

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$0**	$0	$0	$0	$0	0.0%	$0	0.0%
Services & Supplies	**458,000**	436,000	81,261	192,800	(243,200)	-55.8%	22,000	5.0%
OPERATING BUDGET	**$458,000**	$436,000	$81,261	$192,800	($243,200)	-55.8%	$22,000	5.0%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF INVESTMENTS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$242,000**	$220,000	$14,693	$59,800	($160,200)	-72.8%	$22,000	10.0%
EDUCATIONAL EXPENSES	**150,000**	150,000	66,569	130,000	(20,000)	-13.3%	0	0.0%
MISCELLANEOUS	**66,000**	66,000	0	3,000	(63,000)	-95.5%	0	0.0%
TOTAL	**$458,000**	$436,000	$81,261	$192,800	($243,200)	-55.8%	$22,000	5.0%

*All amounts rounded to the nearest dollar.

ADMINISTRATIVE SERVICES
Budget Highlights

Fiscal Year 2022-2023

Mission

Administrative Services collaborates with all LACERA Divisions to provide quality services through people, technology and innovation.

- People**:** We are a professional team dedicated to customer service and motivated to achieve excellence.
- Technology: We provide superior customer service through the creative use of technology.
- Innovation**:** We partner with LACERA to promote creative ideas to surpass customer expectations.

INTRODUCTION

The Administrative Services Division (ASD) provides the operational infrastructure that supports the divisions in administering LACERA programs and services. In short, we ensure that each person has the right resources to do their jobs. Specific functions include:

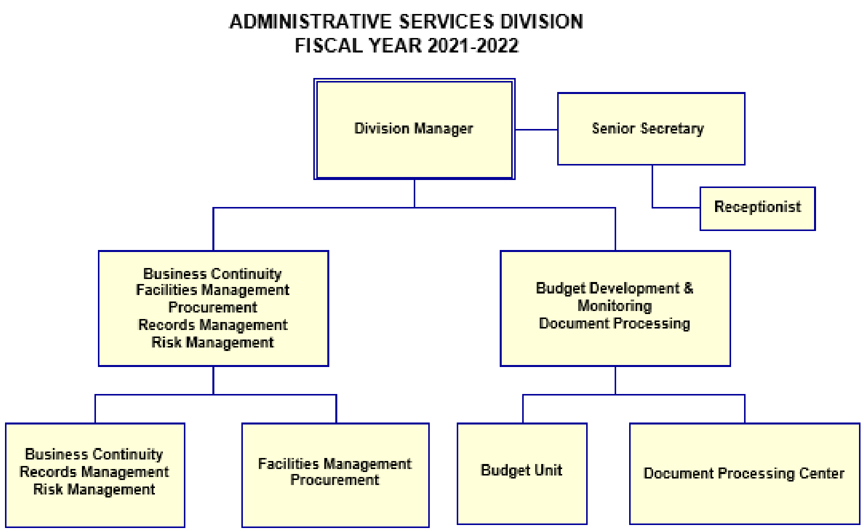
- Procurement Services
- Facilities Management
- Budget Development and Monitoring
- Document Processing (Imaging/Mail Room /Copy Services)
- Business Continuity Management
- Business Insurance Management
- Health and Safety Services
- Records and Information Management
- Risk Management
- Contract Management and Compliance
- Rideshare Administration

Proposed Organizational Chart Change

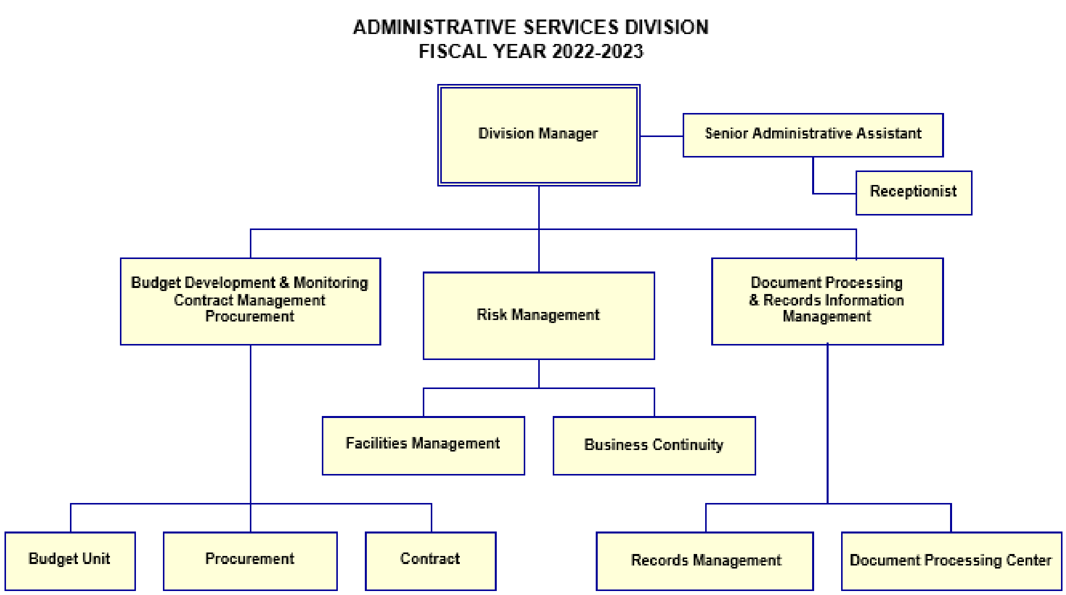
This budget request for the Administrative Services Division (ASD) includes a projected organization chart change.

The organization of the units in the ASD may have worked well in the history of the division, but as LACERA has evolved, ASD has lagged. We have reviewed the organization of the units within the division and found a misalignment of functions, making it difficult to recruit qualified supervisors and limiting career ladders for staff. By realigning the units into logical functional groupings, we anticipate improving ASD's ability to recruit and retain qualified staff.

The current org chart is as follows:



The proposed restructured for FY 2022–2023 is:



We propose three basic sections: The first section would comprise the Budget, Procurement, and Contracts Management units, to be supervised by one of the two Administrative Service Officers (ASO).

The second group would be a Records Section that includes the Document Processing Unit, mailroom, and Records Information Management functions. This unit would be supervised by the second ASO (currently vacant).
Lastly, Risk Management, Business Continuity, and Facilities Management Group would be supervised by the existing Supervising Administrative Assistant II position or Risk Management Supervisor. This last section has a smaller span of control, warranting a position below the ASO level. Both ASOs and the Risk Management Supervisor will report directly to the Division Manager as is the current reporting structure.

This new organizational structure is more straight-forward and aligns work units with complementary functions. We believe that this will help in recruiting qualified staff for these units which has been a challenge in staffing this position. Moreover, the change is expected to provide more opportunities for staff collaboration and cross training, resulting in better promotional opportunities for staff.

As part of this reorganization, we are requesting two additional staff positions, one focused on Contract Management and one for Records Information Management. Currently, there are no dedicated staff members performing these functions, which has resulted in a lack of consistency across the enterprise. The need for these staff is addressed more fully below.

STAFFING

New Positions Request

The Administrative Services Division is requesting to add the following five positions:

- One Administrative Services Analyst (ASA) II, Records Information Management
- One Document Processing Coordinator, Document Processing Center
- Two Intermediate Typist Clerks (ITCs), Mailroom
- One Administrative Services Analyst II, Contract Management

Records and Information Management: We are requesting the addition of one ASA II specifically for the Records and Information Management (RIM) Unit. This function had previously been assigned to Risk Management, but it is more functionally aligned with the Document Processing Center (DPC). Eventually, as LACERA transitions away from paper-based member documents, we envision the DPC and RIM unit evolving into a true Custodian of Records for all LACERA records.

The requested ASA II position will be responsible for ensuring that LACERA complies with its records retention schedule as well as all federal standards that regulate business records across all divisions. This includes over 20 million documents in 88 document categories. The RIM Unit works closely with staff in all LACERA divisions to identify and enforce retention requirements relating to the records in their unique functional areas, updates the records retention schedule as needed, and conducts quarterly audits to ensure all LACERA Divisions follow and comply with the established records management and retention policies. The RIM Unit trains staff on LACERA's records retention schedule and records management policies and procedures.

The RIM Unit also manages LACERA's offsite records archive program, containing more than 3,000 boxes of vital records stored offsite. Approximately 500 boxes are moved offsite each year, and the RIM Unit manages the quarterly archive purge to ensure that the stored boxes are destroyed based on the retention schedule requirements. The RIM Unit also assists staff throughout LACERA by retrieving documents stored offsite as needed and tracking their location, return and eventual destruction, if applicable.

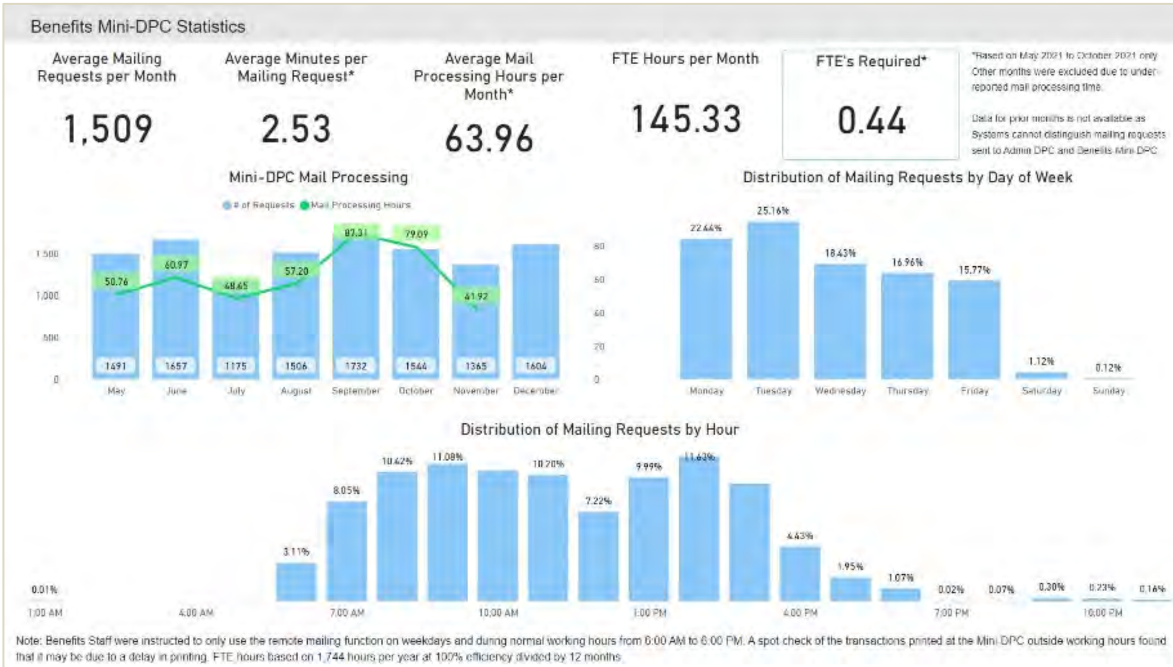
Document Processing Center: The requested new Document Processing Coordinator is a supervisory position that will be primarily responsible for the one-year training program for all new permanent and temporary Document Processing Assistants (DPAs), messenger drivers, and mailroom clerks. Those new DPC staff members will report directly to the DP Coordinator, who will also train current staff members on new processes and procedures and provide remedial training for those who need a refresher on the DPC processes. The Coordinator will work closely with the DPC Quality Control Unit to understand those areas where staff may need additional training based on the results from the QC Unit. The Coordinator will also assist in the development and implementation of new imaging procedures and business rules.

The training process in the DPC is a one-year process and is quite extensive due to the number of documents that are processed daily that must be prepared and indexed into the member's records. The DPC imaging process is the starting point for all benefit-related services for documents submitted both in hard-copy (the most common method currently) and electronically. Both hard-copy and electronic documents require categorization and quality control reviews. During FY 2020-2021, the DPC received 5,265 documents via the member portal and 161,631 documents by U.S. mail and fax. The Document Processing Assistants (DPAs) are expected to maintain a 97 percent accuracy rate in the documents they prepare and index. To meet quantity and quality performance expectations, DPAs must be meticulously trained on hundreds of document types, business rules, and imaging procedures. Therefore, a robust training program is critical to avoid costly mistakes that may lead to service delays, overpayments, underpayments, and even privacy breaches that involve LACERA members.

The typical DPA receives 12 months of on-the-job training before reaching journey-level experience. The DPA training program has three phases. During the first phase, the DPAs shadow the trainer (Coordinator) and receive extensive one-on-one coaching to learn to prepare documents for scanning. During the second phase, the DPAs learn to index, use the member portal, and run production reports. Finally, in phase three, the DPAs learn the J-letter process and remaining administrative duties. The one-on-one coaching allows the trainer to assess each trainee's performance and adjust their training accordingly. The trainer also audits 100 percent of the trainees' work and takes corrective action when necessary.

The DPC currently has two coordinators. In addition to having full supervisory responsibilities, they have additional administrative responsibilities, including the remote deposit of incoming checks from title holding companies, class action litigation, and vendors; staff training and quality control; and assisting with daily processing of member retirement and healthcare documents during our peak workload season of December through March. By allocating a new position focused on thorough and continuous staff training, LACERA can have confidence that the DPC staff will continue to provide accurate and timely imaging and records processing services.

DPC Mailroom: The DPC mailroom is responsible for preparing and mailing member correspondence generated from the Workspace system, referred to as "J-letters." As functionality within Workspace evolves, we have seen a substantial increase in the number of J-letters generated. During FY 2020-2021, the DPC mailed an average of 19,417 letters per month, an increase of 37 percent over FY 2019-2020, which averaged 14,187 per month. In addition, during the COVID pandemic, Benefits staff who printed and mailed member correspondence on an ad-hoc basis were no longer able to do so. To not overburden the DPC with even more correspondence, Benefits created an ad-hoc mini-DPC, assigning secretarial staff to print and mail correspondence that was not automatically generated by the system. We estimate that Benefits was generating 1,500 J-letters per month. This work requires attention to detail, as these letters often contain personally identifiable information, and require different attachments depending upon the member's specific needs. The DPC was established to handle this type of work but must increase its staffing capacity to meet the current and future demand.



In addition to volume, LACERA expects J-letters to be mailed within one business day. The DPC has not been able to meet this expectation with our current staffing level. We are requesting the addition of two Intermediate Typist Clerks for the DPC mailroom to process the current number of correspondences received daily, prepare for future automation of member correspondence, and ensure high quality and timely service to our members.

Contract Management and Compliance: Currently, the Risk Management Unit maintains a contracts repository for LACERA. It has been housed in this unit due to the need to coordinate and identify insurance requirements. However, LACERA does not have a true contract management and compliance program. Processes are manual and result in inconsistency in the development and management of contracts across the organization. We are currently in the process of procuring an enterprise contract lifecycle management (ECLM) system that would automate these processes as well as link with the new budget and accounts payable systems currently in development. However, to be truly effective, Administrative Services needs a dedicated staff person to coordinate the centralized contract management and compliance function. An ASA II is proposed. This position will:

- Train and assist LACERA's contract administrators with the development of new solicitations, the Request for Proposal (RFP) and the Request for Quote processes, and new and renewed contract processes.
- Standardize and provide technical assistance for the ongoing administration of a variety of contracts for goods, operations, maintenance, and professional services.

- Utilize the new ECLM system to monitor contracts and validate that all LACERA vendors have on file an active contract and required insurance/security audit reports (SOC-2 reports).
- Validate that all vendor payments are in alignment with the Purchasing Policy and the terms and conditions as indicated in the contract.
- Obtain and validate all documentation and signatures required to comply with LACERA's contracting policies and procedures.
- Coordinate with the Budget Unit to ensure that funding for existing and new contracts are included in the annual budget.

Effective and consistent contract compliance and oversight is an important risk mitigation strategy. On average, LACERA processes five to 10 new contracts each month and closes out up to 40 contracts in high-volume months. While the new ECLM system will help considerably, LACERA requires a dedicated staff person to ensure consistent compliance with our contract and procurement policy.

Agency Temporary Request

The Administrative Services Division currently has five vacant Administrative Services Analyst positions, including ASA I, ASA II, and ASA III classifications. These classifications have not been updated for many years and the job specifications require updating. We require temporary staffing until Human Resources reviews and completes classification updates prior to recruiting so that we can hire candidates with the specific knowledge, skills, and abilities that best fit these positions, which are in the Budget, Risk, Facilities, and DPC units. The DPC has two DPA positions that also need to be filled and will utilize agency-temporary staff until the recruitments can be generated. In addition, the DPC also requests three full-time agency-temporary personnel to work from January through April to assist during the March rush period for retirements, timely processing of Medicare Part B Premium Verifications (INSPARTBs), and other less complex member documents. These agency-temporary employees will also assist with the return of member documents, J-letters, scanning, and act as backups for the mailroom.

Intern Request

Administrative Services Division requests an intern to assist with the regular duties of the Budget Unit staff to allow them dedicated time to apply toward the implementation of the new budget system, once selected. We expect that this new system will be ready for implementation in the first half of the fiscal year. Since staff are the subject matter experts, they will need dedicated time to work toward this implementation, and their other duties cannot wait until the implementation is completed. The intern will assist them with various budget projects during this time.

Overtime

Overtime is necessary during periods of heightened activity related to budget preparation, renovations, special projects and for the DPC staff during the March rush. In addition, Administrative Services Division staff are the identified subject matter experts for several technology projects currently underway. Overtime may be required for them to support these new projects while fulfilling their current duties. Typically, the DPC utilizes much of the overtime budget request during the March rush for the annual spike in retirement applications, Medicare Part B Premium Verifications, and 1099-R mailings.

SERVICES AND SUPPLIES

Most of the FY 2022-2023 Services and Supplies line items are similar to the prior year's budget. There are small changes attributable to vendor or overall supplier cost increases, and there are some significant changes proposed for Rent, Renovation Projects, and Business Insurance fees, including cyber liability insurance as follows:

- Additional $275,000 increase for rent and operating costs for the headquarters building outlined in the lease agreement. Common area maintenance charges became effective January, 2022.
- $750,000 Is needed to partially renovate office spaces to create additional workspaces in three divisions and to refresh the staff lunchroom. We propose adding workspaces in the Communications, Human Resources, and Administrative Services divisions. This amount is $550,000 less than fiscal year 2021-2022.
- Business insurance fees are expected to increase between 5 percent and 15 percent with the largest increases projected in cyber liability. LACERA's new insurance brokerage fee of $125,000 is included in this line item.
- Staff development: Additional funds to cover memberships, training, and conference registrations are proposed to allow staff to participate in organizations and training related to their job responsibilities. We believe that memberships will contribute to staff's level of expertise in their profession. Attending training will provide them opportunities to gain additional knowledge in their respective positions and to pursue related professional certifications.

TECHNOLOGY SELECTION AND IMPLEMENTATION

The Administrative Services Division, in partnership with the Systems Division, is in the process of selecting new or upgrading existing technology and implementing several solutions to improve the efficiency and effectiveness of the units within the Division. This includes:

- **Procurement/Accounts Payable/Travel System:** Administrative Services, Finance and Accounting Division (FASD) and Systems Division have been collaborating to automate, simplify, and improve our procurement, travel, and accounts payable approval and workflow processes. This software will provide an automated travel tool for expense tracking, management, and reporting. It will also process electronic payment methods, including automating the procurement and purchasing processes in the Administrative Services Division. We anticipate this system will roll out in phases, starting with Travel and Accounts Payable in FY 2021-2022, followed by Procurement in early FY 2022-2023.

- **Hardware Asset Management System (HAMS):** This inventory management solution provided through the ServiceNow software system will allow Administrative Services to more simply and efficiently conduct its annual life-cycle counts and track inventory by location.
- **Enterprise Contract Lifecycle Management System:** This system will replace our current contract management database with an enterprise-wide solution that includes automated workflows and reporting capabilities and that will integrate with new and existing technology solutions. The RFP was released in March 2022.
- **Budget System:** Administrative Services has never had an automated system for budget development or control, relying upon Excel spreadsheets and manual processes. We conducted an extensive needs assessment and released an RFP in March 2022. We anticipate full implementation by fall of 2023 and hope to use the new system for the development of the FY 2023-2024 budget.

Utilizing technology, Administrative Services will be able to simplify and improve our work processes to better support LACERA's operating divisions.

ADMINISTRATIVE SERVICES DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 37.0
2021-2022 Hiring Plan: 37.0

2022-2023 Bud. Pos.: 42.0
2022-2023 Hiring Plan: 42.0

1.0 Division Manager
Kimberly Hines

1.0 Senior Admin. Assist. ^
~~1.0 Senior Secretary~~ *

1.0 Receptionist

Budget Development & Monitoring
Contract Management
Procurement

1.0 Admin. Serv. Officer
Martin Sandoval

Risk Management

1.0 Supv. Admin. Assist. II
1.0 Admin. Serv. Analyst II *

Document Processing & Records Information Management

1.0 Admin. Serv. Officer
Vacant

Facilities Management

1.0 Admin. Serv. Analyst II

Business Continuity

1.0 Admin. Serv. Analyst II *

Budget Unit

1.0 Supv. Admin. Assist. II
1.0 Admin. Serv. Analyst III *
1.0 Admin. Serv. Analyst II *

Procurement

1.0 Admin. Serv. Analyst III *
3.0 Procurement Asst. II
2.0 Procurement & Supply Clerk

Contract

+ 1.0 Admin. Serv. Analyst II *

Records Management

+ 1.0 Admin. Serv. Analyst II *

Document Processing Center

1.0 Supv. Admin. Assist. II *
1.0 Admin. Serv. Analyst III
1.0 Admin. Serv. Analyst I
2.0 Doc. Proc. Coordinator *
+ 1.0 Doc. Proc. Coordinator
11.0 Doc. Proc. Assistant *
1.0 Word Processor II
+ 2.0 Intermediate Typist Clerk
2.0 Messenger Driver

+ Added position
* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

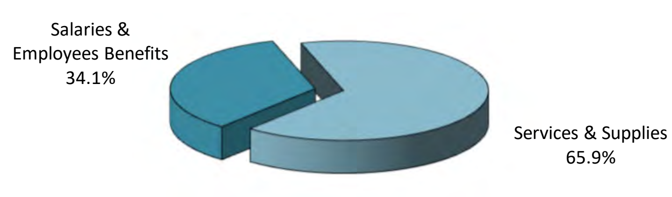
FISCAL YEAR 2022-2023

BUDGET SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$5,146,415**	$4,109,837	$1,910,094	$3,849,700	($260,137)	-6.3%	$1,036,578	25.2%
Services & Supplies	**9,925,200**	9,822,300	4,889,096	9,242,123	(580,177)	-5.9%	102,900	1.0%
OPERATING BUDGET	**$15,071,615**	$13,932,137	$6,799,189	$13,091,823	($840,314)	-6.0%	$1,139,478	8.2%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

ADMINISTRATIVE SERVICES DIVISION

	PROPOSED BUDGET 2022-2023	**CURRENT YEAR 2021-2022** BUDGET	YTD (01-31-22)	PROJECTION	**COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION** OVER/(UNDER) BUDGET	% CHANGE	**COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET** $ CHANGE	% CHANGE
Total LACERA Salaries	**$2,638,546**	$2,106,280	$995,313	$1,969,700	($136,580)	-6.5%	$532,266	25.3%
Total Agency Temp Salaries	**473,400**	587,000	256,051	517,700	(69,300)	-11.8%	(113,600)	-19.4%
Employee Benefits (Variable)	**1,715,602**	1,131,631	547,707	1,109,000	(22,631)	-2.0%	583,971	51.6%
Employee Benefits (Other)	**166,766**	148,050	71,426	146,000	(2,050)	-1.4%	18,716	12.6%
OPEB Contribution	**88,501**	72,676	35,371	70,800	(1,876)	-2.6%	15,825	21.8%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**49,400**	50,000	1,219	30,000	(20,000)	-40.0%	(600)	-1.2%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**7,300**	7,300	1,817	4,000	(3,300)	-45.2%	0	0.0%
Rideshare Allowance	**6,900**	6,900	1,190	2,500	(4,400)	-63.8%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$5,146,415**	$4,109,837	$1,910,094	$3,849,700	($260,137)	-6.3%	$1,036,578	25.2%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$5,146,415**	$4,109,837	$1,910,094	$3,849,700	($260,137)	-6.3%	$1,036,578	25.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

ADMINISTRATIVE SERVICES DIVISION

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00773A	DIVISION MANAGER	1	LS12	15,742	188,908
00410A	ADMINISTRATIVE SERVICES OFFICER	1	LS9	10,451	125,414
00423A	SUPV. ADMINISTRATIVE ASST. II	2	106E	18,647	223,761
00421A	ADMINISTRATIVE SERVICES ANALYST III	1	97H	6,960	83,516
00420A	ADMINISTRATIVE SERVICES ANALYST II	2	93H	11,739	140,867
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	7,330	87,955
00439A	SENIOR SECRETARY	1	89G	7,151	85,810
00439A	SENIOR SECRETARY	(1)	89G	(7,151)	(85,810)
00464A	PROCUREMENT ASSISTANT II	3	88A	16,438	197,256
00472A	DOCUMENT PROCESSING COORDINATOR	2	83G	10,878	130,540
00448A	WORD PROCESSOR II	1	82F	5,281	63,372
00471A	DOCUMENT PROCESSING ASSISTANT	9	80G	42,664	511,965
00466A	RECEPTIONIST	1	76C	3,891	46,693
00461A	MESSENGER DRIVER	2	74H	7,672	92,065
	POSITIONS	26			1,892,313

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00410A	ADMINISTRATIVE SERVICES OFFICER	1	LS9	8,498	101,973		76,480	
00423A	SUPV. ADMINISTRATIVE ASST. II	1	106E	7,494	89,930		67,448	
00421A	ADMINISTRATIVE SERVICES ANALYST III	2	97H	5,915	70,978		106,467	
00420A	ADMINISTRATIVE SERVICES ANALYST II	4	93H	5,307	63,684			127,368
00419A	ADMINISTRATIVE SERVICES ANALYST I	1	84D	4,117	49,399			
00472A	DOCUMENT PROCESSING COORDINATOR	1	83G	4,036	48,437			24,219
00471A	DOCUMENT PROCESSING ASSISTANT	2	80G	3,724	44,689		67,034	
00467A	PROCUREMENT AND SUPPLY CLERK	2	81E	3,807	45,685	91,370		
00445A	INTERMEDIATE TYPIST-CLERK	2	75C	3,256	39,070			
						91,370	317,428	151,587
	POSITIONS	16			560,385			

TOTAL POSITIONS	42	
GROSS SALARIES		2,452,698
ANTICIPATED MOU SALARY INCREASE **		134,898
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		35,841
BONUS		15,109
120-DAY RETIREE(S)		0
TOTAL SALARIES		2,638,546

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

ADMINISTRATIVE SERVICES DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
AUTO EXPENSE	**$111,500**	$111,500	$21,739	$75,300	($36,200)	-32.5%	$0	0.0%
TRANSPORTATION & TRAVEL	**8,000**	8,000	0	4,100	(3,900)	-48.8%	0	0.0%
POSTAGE	**331,400**	301,400	301,320	301,320	(80)	0.0%	30,000	10.0%
STATIONERY & FORMS	**3,800**	3,800	0	3,800	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**327,000**	288,500	107,402	237,500	(51,000)	-17.7%	38,500	13.3%
INSURANCE	**1,248,900**	1,114,200	1,104,702	1,111,203	(2,997)	-0.3%	134,700	12.1%
EQUIPMENT MAINTENANCE	**3,300**	3,300	675	3,300	0	0.0%	0	0.0%
EQUIPMENT RENTS & LEASES	**287,000**	277,000	95,084	205,000	(72,000)	-26.0%	10,000	3.6%
BUILDING COSTS	**7,211,300**	7,472,400	3,153,912	7,087,400	(385,000)	-5.2%	(261,100)	-3.5%
PROFESSIONAL & SPEC. SRVCS.	**366,000**	221,000	98,399	200,000	(21,000)	-9.5%	145,000	65.6%
EDUCATIONAL EXPENSES	**13,500**	7,700	512	3,200	(4,500)	-58.4%	5,800	75.3%
MISCELLANEOUS	**13,500**	13,500	5,351	10,000	(3,500)	-25.9%	0	0.0%
TOTAL	**$9,925,200**	**$9,822,300**	**$4,889,096**	**$9,242,123**	**($580,177)**	**-5.9%**	**$102,900**	**1.0%**

*All amounts rounded to the nearest dollar.

BENEFITS DIVISION
Budget Highlights

Fiscal Year 2022-2023

Mission

The Benefits Division encapsulates LACERA's mission to "produce, provide, and protect the promise benefit" through the collection of contributions and purchase contracts, the payment of benefits, and the safeguarding of member accounts—carried out in compliance with the CERL, PEPRA, Board of Retirement Regulations, and organizational policies.

INTRODUCTION

The Benefits Division pursues the highest quality standards and most efficient processing methods for member requests through continuous process improvements within the division and in collaboration with its partner divisions throughout LACERA. This fiscal year, the Benefits Division's focus is to continue to refine its metrics and data analytics program to manage transactional processes, improve performance through automation of processes and services, identify resources to bring down backlogs, document all processes and procedures, and improve adherence to compliance requirements.

STAFFING

No. of Positions	Title of Requested Position	Section/Unit
1	Senior Typist Clerk	Account Maintenance Unit

The Benefits Division is requesting one position to fill a need in the Account Maintenance Unit (AMU) to handle increased workloads, alleviate the need to continuously employ an agency-temporary employee, reduce overtime, and perform work currently processed by higher-level staff.

Accounts Maintenance Unit (AMU)

The AMU processes high volume, routine account updates initiated by members and affiliated agencies. These changes include beneficiary updates, tax election changes, member payment preferences, agency deductions, pension verifications to third parties and/or members, new member enrollments, and returned mail, to name a few of the 28 processes. We have used agency-temporary employees for several years to keep up with the workload. However, some higher-level work, such as the agency deduction reconciliation process, custom pension verifications requiring benefit calculations, account corrections, unidentified certificates, and ad hoc projects, demonstrate the need for a higher-level position than an Intermediate Typist Clerk (ITC) or agency-temporary employee.

Before 2016, the AMU included a Retirement Benefits Specialist I to perform the higher-level work. When the individual retired, the position was removed. We currently use Retirement Benefits Specialists to support the unit's more complex transactions and to bring the work queues down. Having Retirement Benefits Specialists work overtime is not a sustainable method for addressing the more complex issues and the high volume of work. Therefore, we request a Senior Typist Clerk (STC) to alleviate the need to provide overtime to address the work that is not suited for an ITC and to no longer employ an agency-temporary employee to maintain the high volumes of work. The STC would perform the following functions that are above the level of ITC.

Senior Typist Clerk	
Process	**Description**
Agency Deduction Processing	Receipt of deduction transmittals, uploading to Workspace, processing deductions.
Agency Deduction Reconciliation	After month-end disbursements, confirming the deduction total for each agency corresponds to the amount generated within Workspace. Discrepancies must be reconciled.
Agency Deduction Reconciliation Report Prep and Emailing to Agencies	Pulling reports from WebViewer platform and securely emailing appropriate reports to the agencies.
Manual Mailing of Monthly Agency Checks, ADRs, and Specialized Reports	In-office receipt of “will call” agency checks and ADRs. Generate appropriate agency reports and prepare certified and FedEx labels for mailing.
Correction Queue	Analyze and correct processed transactions.
Pension Verifications for Deceased Members	Calculate retirement benefit estimate and send customized letter.
Returned Mail	Assess the returned mail and route to the appropriate queues.

New Enrollments	Rectify discrepancies with new enrollment through an eHR review or contact County HR department.
Returned 1099-Rs	Assess the reason for a return 1099-R and remail or route to an appropriate queue.
Requests for Duplicate 1099-R	Evaluate if a party is authorized to receive a copy of a deceased member's 1099-R.
PSO Status Affidavits	Process affidavits for public safety officers to determine tax exclusion eligibility.
Unidentified Queues (3)	Resolve unidentified documents when Administrative Services is unable to determine the appropriate member account.

From February 2020 through January 2021, the aggregate work received for AMU was 48,900 items. In comparison, from February 2021 through January 2022, 53,200 items of work were received, an 8.8 percent increase over the prior year. The STC would be assigned to work on AMU queues when not performing the above assigned duties.

Account Maintenance Unit Workload

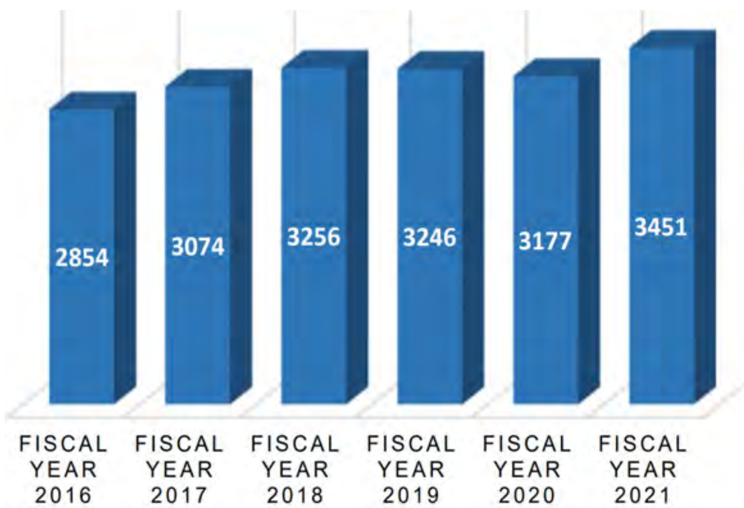
February 2020-January 2021 vs. February 2021-January 2022

Core Benefits Section

The growth in membership directly affects the workload in the Benefits Division. We continue to see year-over-year growth with the number of retirement applications submitted each year.

Number of Retirements

Per Year 2016-2021



We anticipate another increase in the number of retirements for FY 2022-2023 as well. It is important to note that the number of retirements each year does not necessarily reflect the changes in workloads due to the increasing complexity of member transactions and improvements to compliance adherence.

We continue to refine our metrics to understand the workloads. Although there were 3,451 retirements in FY 2021-2022, the following chart shows there were 6,752 the work objects submitted between February 2020 and January 2021, compared to 8,060 between February 2021 and January 2022 – a 16.2 percent increase in the number of work objects placed in the Retirement Election queue.

Retirement Election Work Queue

February 2020-January 2021 vs. February 2021-January 2022

Reviewing the number of work objects involved in the retirement process includes not only retirement elections but also retirement rescissions, changes in retirement dates, changes in retirement options, etc. Tracking the different items enables us to better analyze workloads that do not necessarily result in a retirement. For example, the deferred compensation plans are supplemental pension plans offered by the County. Members could be inclined to rescind or postpone their LACERA retirement if their deferred compensation account decreased during a stock market downturn. Although retirement numbers might decrease, LACERA's workload might not necessarily decrease as much, due to the need to process rescissions and retirement date postponements, which is not evident by counting retirements alone.

Improving Service Through Innovation

Through continuous innovation, we streamlined processes, added new documents, and worked with the Systems Division to automate and improve processes. To name a few improvements this fiscal year, we added:

- Metrics to better understand the work processes and time it takes to perform specific processes.
- A redeveloped required minimum distribution process.

- An attestation of authenticity for photocopies of birth certificates, marriage certificates, and death certificates.
- A revamped felony forfeiture process.
- Death claim reminder letters.

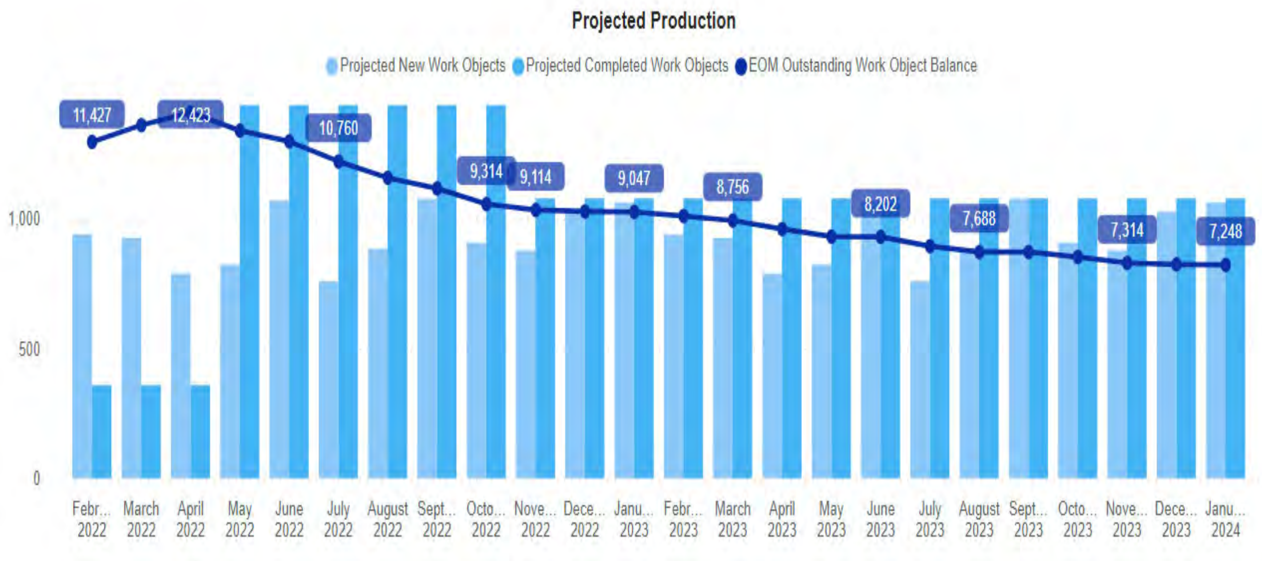
It generally follows that as we improve our service to members, it increases the amount of work staff must perform. We continuously review processing methods, business rules, and resources to stay ahead of this trend, and we refine our metrics to improve our ability to accurately capture workloads to predict the future needs of the division. Moreover, we continually seek opportunities to automate repetitive processes and ways to provide self service to our members.

Member Services Division staff have teamed with the Benefits Division to process retirement applications during the March rush during overtime. Member Services staff have processed 120 cases per month since November 2021 and we anticipate they will work through February 2022 for a total of approximately 480 cases. Reviews of Member Services staff production showed their commitment to the highest quality service to our members. This tremendous effort showed our commitment to teamwork across divisions to ensure our members received timely, high-quality service.

Account Settlement Unit (ASU)

The ASU takes appropriate action to resolve account imbalances and outstanding payables or receivables. A continual increase in thoroughness and improved compliance adherence reveals that the County's payroll system stopped collecting contributions from retroactive salary adjustments. We have been in contact with the County to work toward a solution to improve the process. Through those efforts, as of June 2021, the County identifies retroactive salary adjustments and manually sets up the collection of contributions. We continue to monitor the County's compliance with this requirement through regular testing of payroll data.

Past underpaid and unpaid contributions continue to be identified and the quantities identified outpace the resources available in ASU. The current backlog stands at just over 10,000 work objects. Open budgeted positions have been filled and the trainees are currently in the Core Benefits Training class. We anticipate half the trainees will complete the course by the end of September 2022 and the other half by end of October 2022. We anticipate the backlog will exceed 12,000 work objects by that time. Our current projections show it will take several years to reduce the backlog, even with staff working overtime.

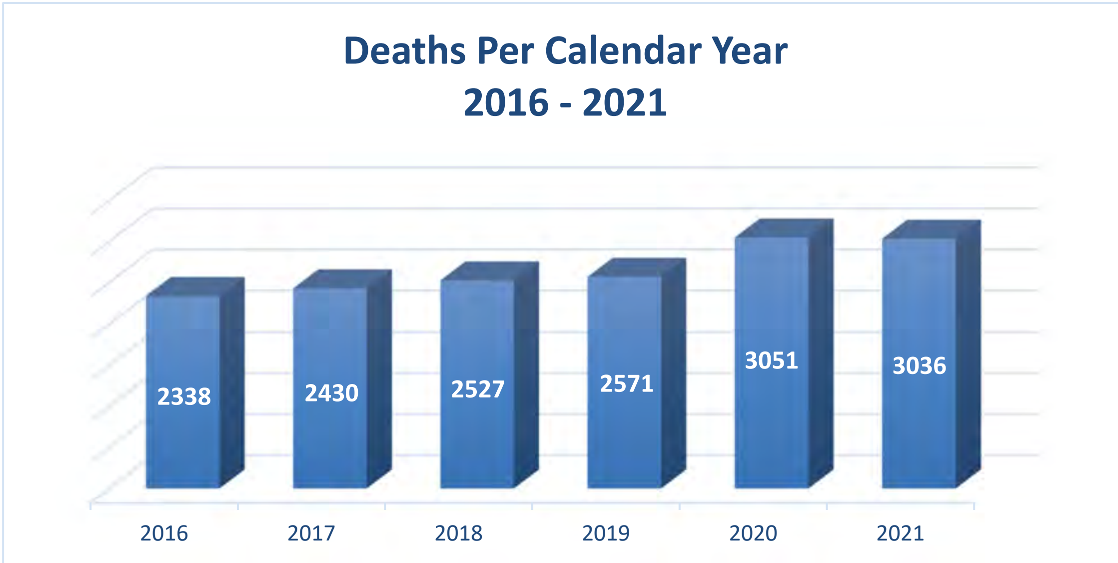


We have also been working with the Legal and Executive offices to determine how we should address the backlog of work objects in this queue. Through this partnership we have:

- Improved our training.
- Developed new spreadsheets to streamline the work and reduce the time it takes to process the backlogged items.
- Reviewed work complexity to identify the cases that could be resolved by the Core Benefits Section's Retirement Benefits Specialists IIs versus the complex cases that require a Retirement Benefits Specialist III.
- Supplemented the teams assigned to work on this by offering overtime to other Benefits and Member Services staff members.
- Reviewed our collections policy to make recommendations to address the backlogs in a more cost-effective manner.

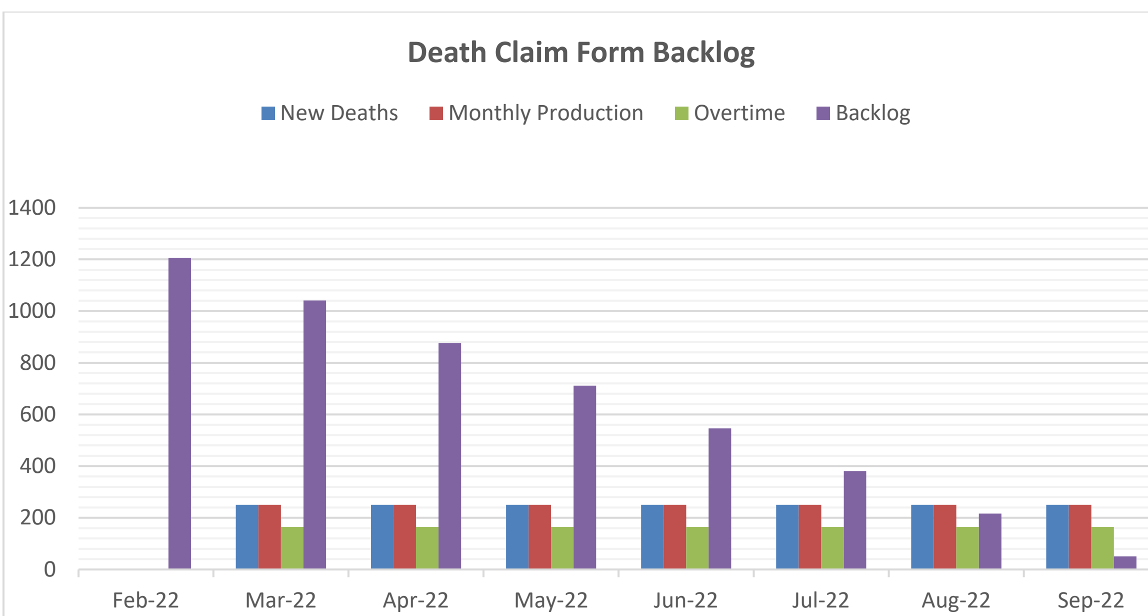
Death and Legal Unit (DLU)

The Death and Legal Unit (DLU) processes death-related transactions, as well as subpoena responses of member records, legal splits, tax levies, and spousal and child support orders. A sharp increase in the volume of deaths has occurred over the last two years and legal splits have become more complex and time-consuming to process.



The death claim process has a substantial backlog due to the increases over the last several years and the retirement of one of our staff members. We recently filled the vacant position as well as the additional position that was added to the prior budget. We anticipate that with both positions filled, processes improved, and overtime offered, we will eliminate the backlog by the first quarter of this FY 2022-2023. As of this writing, there are over 1,200 death-related work objects to process. We project the current trend of deaths will continue, with 250 deaths notifications per month.

We anticipate the additional staff and the overtime will help us to reduce the backlog by September 2022.



We have also re-engineered some of our death benefit processes and are working with Systems to implement two projects that we expect will improve our ability to efficiently resolve death claims and deal with the current backlogs.

The Seamless Survivor programming, which has been in place for nearly two decades and has proven to be a great success, sends claim forms to surviving spouses and sets up their survivor account automatically. We give the survivor three months to submit all the necessary paperwork to continue the payments without interruption. We are developing automated processes in other areas in the DLU that would replicate some of the benefits of the Seamless Survivor programming.

The first project automates the mailing of death claim forms through Workspace immediately upon the death notification for one-time payees. We anticipate this automated process will improve service levels compared to our current manual process. We anticipate completing this project during the beginning of this budget year. The second project automates the process once claim forms and other documents are returned. We anticipate the second process to be completed by the end of FY 2022-2023.

Process Management Group (PMG)

The Process Management Group (PMG) serves to improve organizational effectiveness through project initiatives, cross-divisional process integration, and the development of business process rules, procedures, and metrics. The PMG works with the entire Member Operations Group (MOG), which includes the Benefits Division, Member Services, Disability Retirement Services, Communications, and Quality Assurance. Recent efforts include large organization-wide projects such as the case management system and prepaid debit card initiatives, and divisional projects such as resolving Internal Audit recommendations, special projects due to recent court cases, and cleanup projects for regulatory compliance.

A top priority for the organization is to select and implement a case management system that will integrate with LACERA’s legacy system and allow LACERA to manage member cases across multiple divisions. Over the next several fiscal years, the PMG will play an integral role in coordinating and overseeing the Member Operations Group’s efforts to implement the case management project initiative, which will serve a broad cross-section of divisions, including Benefits, Disability Retirement Services, Legal Services, Disability Litigation, Systems, Retiree Healthcare, and Quality Assurance. Enhancements to our current processes and integrating efficient management of member requests with modern customer relationship software will allow us to improve the highly personalized service we provide members and do so in a more cost-efficient manner.

The PMG has developed and will be releasing an RFP to find a vendor that can provide members with a prepaid debit card as a more effective manner of receiving their retirement benefits. This initiative would especially benefit members living in foreign countries who cannot obtain direct deposit, as well as some domestic members without bank accounts.

The PMG's role in the Member Operations Group is developing solutions, changing processes, developing new business rules, and writing new procedures to meet or exceed internal audit recommendations.

The PMG team also assists with the project development, oversight, and procedural changes involved in special cleanup projects for regulatory compliance, such as the required minimum distribution, COLA Accumulation, Alameda and Mallano court decisions, and legislative or regulatory changes.

Currently, several knowledge bases exist in silos that will be combined into one knowledge management system for the organization. The PMG will be working with strategic partners to acquire a knowledge management system to replace the Knowledge Base, Operating Instructions, Benefits Wiki, and other systems. In addition to being easier to maintain, the unified system will be accessible to the entire organization and can be leveraged for portal inquiries, chatbots, or embedded into staff processes as a resource for information.

Advanced Payroll Unit (APU)

The Advanced Payroll Unit (APU) handles complex retiree processes, including disability agenda processing, complex agenda processing, payroll corrections, and payroll issues. The volume and complexity of transactions has steadily increased due to issues related to final average compensation (FAC), disability payroll, and reciprocal disability cases, among others. For example, complex agenda cases require more thorough analysis to process due to PEPRA changes. Although we are not requesting additional positions, we will address any additional needs of the unit at the mid-year budget, if necessary.

Special Projects

Two staff from the Core Benefits Section have been designated to complete special projects. The Alameda project identified salary items that were deemed as compensation earnable in the Alameda court decision. The project requires the return of overpaid contributions to active, retired, and deferred/inactive members; survivors; and beneficiaries of deceased members. It also impacted 118 purchase contracts using salaries that included pay items that are no longer deemed compensation earnable. Retired members whose final average compensation was based on salaries that included items no longer deemed as compensation earnable were overpaid and are receiving notification. We anticipate the project to be completed by November 2022, with 1) all overpaid contributions returned are set up to be returned through the suspension of contributions, or offset against retirement overpayments, 2) retirement overpayments to be collected or deductions set up to collect the overpayments, and 3) overpaid contracts to be paid off early or the excess balance placed in the member's account with interest.

The COLA Accumulation project seeks to correct 10,000 retiree accounts. All retiree and survivor benefits have been adjusted and retroactive payments made. The outstanding component of the COLA Accumulation project is to pay the beneficiaries and estates of deceased members. This project will resume after the completion of the Alameda project. We anticipate the COLA Accumulation project to be completed by February 2023.

Agency-Temporary Request

We are requesting three temporary staff to assist in the ASU and the AMU. The temporary staff in ASU would respond to service requests for outstanding underpayments and overpayments and perform the outlawed checks process. Another temporary staff in ASU would serve until the permanent staff in the Core Benefits Training have completed the course. A third temporary staff is needed in the AMU to assist with the workload until a Senior Typist Clerk is hired.

Overtime

Benefits Division has relied on the use of overtime to supplement its regular production strategies and to help limit the length of service levels. As in the past, overtime is being requested to manage the workload imbalances related to the annual March rush and to reduce backlogs as we continue to seek improvements in efficiency and automation of the work.

The Member Services Division has been working overtime on Saturdays to process March retirements. Reviews of Member Services staff production shows their commitment to the highest quality service to our members. This has been a tremendous undertaking and shows our commitment to teamwork across divisions to ensure our members receive timely, high-quality service.

Additional overtime will be needed for PMG staff, as their functions go beyond the Benefits Division and now serve to oversee broader organizational initiatives and projects.

Core Benefits Training classes began on January 3, 2022, and January 31, 2022, filled nine of the vacant Retirement Benefits Specialist II positions. The trainees are expected to complete their training by the end of September and October 2022, at which time they will become a productive part of the division. We anticipate an additional four months before they become fully acclimated to the work they are expected to perform and fully productive.

We anticipate three upcoming retirements: one retirement at the end of FY 2021-2022 and two retirements during the fiscal year 2022-2023.

SERVICES AND SUPPLIES

The following categories have been reduced from the previous year's budget:

- Professional and Specialized Services -- Record searches have been reduced as we evaluate alternative methods to validate members' prior service.
- Educational Expenses -- Registration Fees have been reduced due to lower attendance for educational training/conferences because of the COVID-19 pandemic.

BENEFITS DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 78.0
2021-2022 Hiring Plan: 78.0

2022-2023 Bud. Pos.: 79.0
2022-2023 Hiring Plan: 79.0

1.0 Interim Division Manager
Carlos Barrios

1.0 Sr. Administrative Assistant ^
~~1.0 Senior Secretary~~ *

ACCOUNT INTEGRITY SVCS.

1.0 Section Head
Sylvia Botros

ACCOUNT MAINTENANCE UNIT

1.0 Sr. Ret. Bfts. Spec.
+ 1.0 Senior Typist Clerk
3.0 Intermediate Typist Clerk

BENEFIT PROTECTION UNIT

1.0 Sr. Ret. Bfts. Spec.
2.0 Ret. Bfts. Spec. III

PROCESS MANAGEMENT

1.0 Section Head
Louis Gittens

PROCESS ANALYSIS

3.0 Sr. Ret. Bfts. Spec.
1.0 Sr. Ret. Bfts. Spec
2.0 Ret. Bfts Spec. III

CORE BENEFITS SVCS.

1.0 Section Head
Dmitriy Khaytovich

1.0 Admin. Asst. ^
~~1.0 Secretary~~ *

ACCOUNT SETTLEMENT UNIT

2.0 Sr. Ret. Bfts. Spec.
7.0 Ret. Bfts. Spec. II

CORE TEAM 1

1.0 Sr. Ret. Bfts. Spec.
6.0 Ret. Bfts. Spec. II

CORE TEAM 2

1.0 Sr. Ret. Bfts. Spec.
6.0 Ret. Bfts. Spec. II

CORE TEAM 3

1.0 Sr. Ret. Bfts. Spec.
6.0 Ret. Bfts. Spec. II

CORE TEAM 4

1.0 Sr. Ret. Bfts. Spec.
5.0 Ret. Bfts. Spec. II

SPEC. BENEFITS SVCS.

1.0 Section Head
Theodore King

1.0 Admin. Asst. ^
~~1.0 Secretary~~ *

LEGAL/DEATH

1.0 Sr. Ret. Bfts Spec.
6.0 Ret. Bfts. Spec. III
1.0 Ret. Bfts. Spec. III

EXCEPTIONS

1.0 Sr. Ret. Bfts. Spec.
5.0 Ret. Bfts. Spec. III

ADVANCED PAYROLL UNIT

2.0 Sr. Ret. Bfts. Spec.
4.0 Ret. Bfts Spec. III
1.0 Ret. Bfts. Spec. III

+ Added position
* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

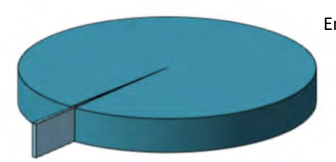
FISCAL YEAR 2022-2023

BUDGET SUMMARY

BENEFITS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$11,960,086**	$11,031,844	$5,193,872	$10,471,800	($560,044)	-5.1%	$928,242	8.4%
Services & Supplies	**59,300**	72,000	7,222	42,700	(29,300)	-40.7%	(12,700)	-17.6%
OPERATING BUDGET	**$12,019,386**	$11,103,844	$5,201,094	$10,514,500	($589,344)	-5.3%	$915,542	8.2%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

BENEFITS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$6,706,995**	$6,154,980	$3,058,288	$6,063,700	($91,280)	-1.5%	$552,015	9.0%
Total Agency Temp Salaries	**154,900**	71,900	25,156	71,900	0	0.0%	83,000	115.4%
Employee Benefits (Variable)	**4,019,322**	3,818,095	1,592,051	3,332,500	(485,595)	-12.7%	201,227	5.3%
Employee Benefits (Other)	**423,908**	374,387	181,081	369,000	(5,387)	-1.4%	49,521	13.2%
OPEB Contribution	**224,962**	183,782	113,815	227,600	43,818	23.8%	41,180	22.4%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**398,100**	398,000	214,572	388,200	(9,800)	-2.5%	100	0.0%
Bilingual Bonus	**3,600**	2,400	1,600	2,900	500	20.8%	1,200	50.0%
Sick Leave Buyback	**12,000**	12,000	7,309	16,000	4,000	33.3%	0	0.0%
Rideshare Allowance	**16,300**	16,300	0	0	(16,300)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$11,960,086**	$11,031,844	$5,193,872	$10,471,800	($560,044)	-5.1%	$928,242	8.4%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$11,960,086**	$11,031,844	$5,193,872	$10,471,800	($560,044)	-5.1%	$928,242	8.4%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

BENEFITS DIVISION

			2022-2023 BUDGET						
	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00773A	DIVISION MANAGER	1	LS12	11,939	143,272			
00772A	SECTION HEAD, LACERA	4	LS9	41,500	498,004			
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	14	101F	115,059	1,380,711			
01311A	RETIREMENT BENEFITS SPECIALIST III	22	96A	156,998	1,883,976			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,384.91	76,619			
00439A	SENIOR SECRETARY	1	89G	6,229	74,750			
00439A	SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)			
01310A	RETIREMENT BENEFITS SPECIALIST II	30	89F	158,298	1,899,570			
00438A	ADMINISTRATIVE ASSISTANT	2	84C	11,372	136,461			
00438A	SECRETARY	2	83D	11,094	133,132			
00438A	SECRETARY	(2)	83D	(11,094)	(133,132)			
00445A	INTERMEDIATE TYPIST-CLERK	3	75C	11,485	137,825			
	POSITIONS	77			6,156,437			
	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	1	101F	6,560	78,719			39,359
00446A	SENIOR TYPIST CLERK	1	79B	3,582	42,981			21,490
						0	0	60,850
	POSITIONS	2			60,850			
	TOTAL POSITIONS	79						
	GROSS SALARIES				6,217,287			
	ANTICIPATED MOU SALARY INCREASE**				341,951			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				75,343			
	BONUS				72,415			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				6,706,995			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

BENEFITS DIVISION

		CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
ACCOUNT CLASSIFICATION	**PROPOSED BUDGET 2022-2023**	BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$6,500**	$6,500	$529	$3,300	($3,200)	-49.2%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**3,400**	3,400	77	1,400	(2,000)	-58.8%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**41,000**	46,000	4,526	28,000	(18,000)	-39.1%	(5,000)	-10.9%
EDUCATIONAL EXPENSES	**7,600**	14,600	2,090	9,400	(5,200)	-35.6%	(7,000)	-47.9%
MISCELLANEOUS	**800**	1,500	0	600	(900)	-60.0%	(700)	-46.7%
TOTAL	**$59,300**	**$72,000**	**$7,222**	**$42,700**	**($29,300)**	**-40.7%**	**($12,700)**	**-17.6%**

*All amounts rounded to the nearest dollar.

COMMUNICATIONS
Budget Highlights

Fiscal Year 2022-2023

Mission

Our mission is to provide a full range of professional in-house communications services and create essential retirement information for LACERA members.

INTRODUCTION

Communications services include creative visioning, project management, public relations and strategic marketing, graphic design, photography, writing and editing, and video production. We create print materials, videos, and web design and content across our four websites (LACERA.com, Intranet, HR Pros, and Board Resources).

ANNUAL PROJECTS

Following are some of Communications Division's regular projects throughout the year.

- Quarterly *PostScript* and *Spotlight* newsletters
- Themed Annual Comprehensive Financial Report (ACFR), Popular Annual Financial Report (PAFR), and Who We Are brochure
- *Retirement Law Book*
- Cost-of-living inserts and associated email messaging and web content
- Executive Office communications and copywriting support
- Website maintenance and content creation
- Retiree payday, Boards, and staff calendars
- Retiree Healthcare annual mailings
- Budget binder production

- Collateral for annual events such as the Take Our Daughters and Sons to Work Day, Employee Wellness Fair, and Forum
- HR conference coordination and collateral
- LACERA Connect (Intranet) – Continual updates to keep staff members engaged and informed

2021 ACCOMPLISHMENTS AND ONGOING PROJECTS

Throughout 2021, Communications Division completed its regular projects on deadline, even with most staff members working remotely from home due to safer-at-home restrictions during the COVID-19 pandemic. In addition, staff members continued to move ongoing priority projects forward to help achieve the Boards' outlined strategic goals:

- **Redesign of lacera.com**: After more than two years of production (and several years of development prior to that), the new lacera.com was successfully launched in July 2021. Website development, design, content restructuring, and copywriting were all completed in-house by LACERA staff specialists. Communications also created a video to coincide with the launch, highlighting the website's new, interactive features and structure. The reception of the newly designed site has been overwhelmingly positive, with consensus that information is easier to find and understand. Website analytics also indicate the web traffic has increased post-launch. *Completed.*
- **Redesign of LACERA Intranet (LACERA Connect):** In collaboration Systems Division and vendor Compass 365, Communications has created new divisional landing pages based on internal client input, restructured major internal documents pages and the document library, and made other improvements. *Completed.*
- **Redesign of the Annual Retirement Benefits Statement**: Working with Systems Division, Communications has expanded the statement to include new, customized information fields from the member database. *In progress pending availability of internal resources and the selection of a new print vendor.*
- **Redesign of the Retirement Summary and Application Form** (formerly the Retirement Benefits Estimate): The form has been customized and expanded to include member-specific information including scenarios under the different retirement options. *In progress pending beta testing of the form.*
- **Redesign of the *Pre-Retirement Guide***: The guide has been updated in coordination with multiple internal stakeholders and subject matter experts. *In progress; ready to print pending finalization of the Retirement Summary and Application Form.*
- **Plan Book updates:** Now that lacera.com has launched, the member plan books require updates. The plan books should be the definitive source for all plan information. Once completed, the plan centers on lacera.com will be further developed and updated to reflect the changes to the plan books. *In progress pending internal resources.*

- **Development of a social media strategy and policy**: A draft policy has been completed. *In progress pending the hiring of a Public Information Officer (PIO).*
- Quality Assurance and Metrics e-learning video modules: *In progress.*
- **Campaigns** for LACERA ID, Return to Office, SMS, Paperless, My LACERA, Direct Deposit, and Update Your Beneficiary. *In progress.*

STAFFING

The Web Support Technician position was filled in March 2021. Having a permanent staff member in this position has been crucial for completing the LACERA.com redesign in 2021 and developing LACERA Connect.

A new Media Artist was hired and started working February 2022, which will boost our capabilities and help us meet the increasing demand for both print and video projects.

The Staff Assistant I position is currently vacant and a temporary hire will be put in place until a permanent hire is recruited. Other vacant budgeted positions to be filled are one Senior Writer and one Senior Media Artist. (Two Senior Media Artist positions were approved by the Boards and Board of Supervisors in 2021 so each production team would have one Media Artist and one Senior Media Artist. Two current Media Artist positions were to be converted to senior positions. However, we currently have three Media Artists so only one Senior Media Artist position is vacant.)

To meet increased media requests and required communications to the public and implement our Social Media Program the Boards approved a Public Information Officer (PIO) in 2020. In accordance with the recently outlined hiring plan we plan to hire this position in FY 2022-2023.

In addition, we will be working with Human Resources to hire an Intern to assist with the research, compiling of data and content, and the writing of the draft of a LACERA Style Guide and other writing duties as assigned.

GOALS

FY 2022-2023 promises to be a time of continued positive change, growth, and evolution. We are committed to meeting the annual and day-to-day needs of LACERA's various divisions to better serve our members.

Communications Division is currently working to develop a "vision" communications plan for presentation to the Executive Office. A first draft is in review.

Short-Term Goals:

- Develop and implement a defined communication plan, which will discuss Communications' support of the implementation of various LACERA goals and initiatives. In addition, this plan will discuss our long-term vision to get to know our audience better via surveys, data, and analytics so we can communicate more effectively.

- Provide support to the Case Management System project team by assisting with implementation of various processes – through updated communication to members, lacera.com, training videos, and updating collateral materials.
- Provide strategic planning support by assisting with various aspects of implementation and communication.
- Collaborate with the Business Continuity Plan (BCP) Team and public relations firm EKA to develop multiple crisis communication templates for the Business Continuity Plan.
- Continue professional development of staff in the areas of team-building and collaboration, as well as active participation in professional associations.
- Expand paperless campaign to move newsletters and other print collateral to digital format.
- Create a LACERA style guide.
- Continue to develop marketing campaigns to increase the sign up of My LACERA, paperless opt-in, Direct Deposit, online beneficiary updates, and more.
- Generate an RFP for the hiring of a professional firm to assist with creating a Social Media strategy and action plan for Board and Executive review.

Long-Term Goals:

- Establish and maintain a cohesive look for all print and digital materials and member communications, including a full rebranding of LACERA collateral.
- Automate our project request and tracking process through an online platform, to boost efficiency and provide convenience for internal clients.
- Increase video production for internal and member-facing communications, specifically:
    - Retirement Options Series: complete Options 2 and 3 in 2023
    - RHC Enrollment: complete in 2023
    - Medicare 101: complete in 2023
    - My LACERA: complete in 2023
    - Retirement University videos: update FY 2023-2024
- Increase use of technological tools and online platforms.

SERVICES AND SUPPLIES

Each of the Communications Division's line items was carefully reviewed. Those not already addressed or having accompanying notes in the budget request are explained below:

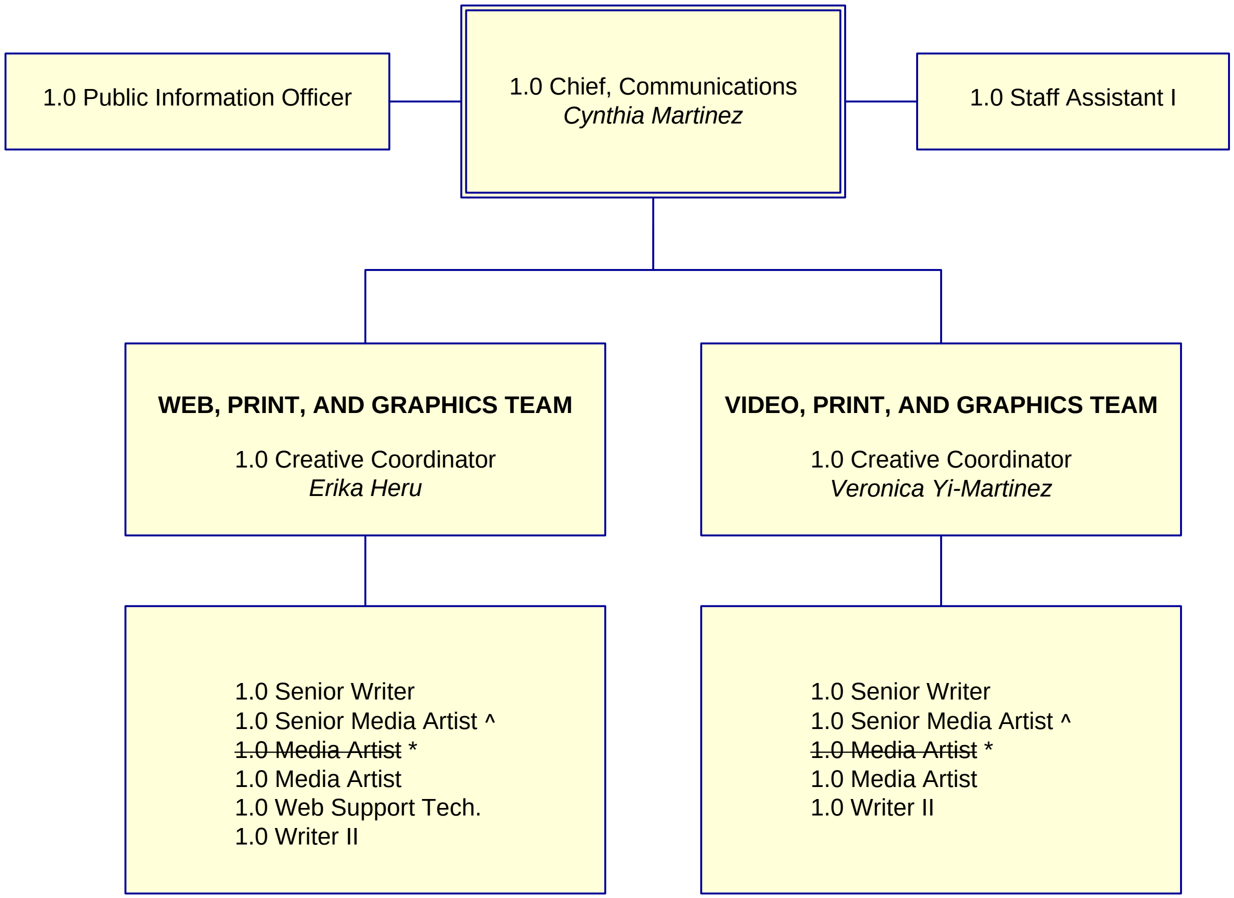
- A one-time request for Mac equipment is requested to accommodate new hires (Media Artist and Senior Media Artist).
- Inflation related cost adjustments for postage and paper.
- Registration fees increased to accommodate all staff to assist with short-term goal of continued professional development and staff team-building.

2021-2022 Bud. Pos.: 14.0
2021-2022 Hiring Plan: 14.0

2022-2023 Bud. Pos.: 14.0
2022-2023 Hiring Plan: 14.0

COMMUNICATIONS

FISCAL YEAR 2022-2023



* Classification study for the position requested.
^ Position upgrade from Media Artist to Senior Media Artist as a result of classification study (Board of Supervisors approved on September 15, 2021).

LACERA

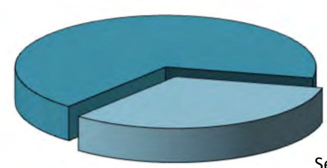
FISCAL YEAR 2022-2023

BUDGET SUMMARY

COMMUNICATIONS

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$2,168,975**	$2,253,791	$854,293	$1,744,700	($509,091)	-22.6%	($84,816)	-3.8%
Services & Supplies	**1,051,000**	1,041,500	538,266	909,400	(132,100)	-12.7%	9,500	0.9%
OPERATING BUDGET	**$3,219,975**	$3,295,291	$1,392,560	$2,654,100	($641,191)	-19.5%	($75,316)	-2.3%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES & EMPLOYEE BENEFITS SUMMARY

COMMUNICATIONS

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,242,896**	$1,290,318	$518,428	$990,800	($299,518)	-23.2%	($47,422)	-3.7%
Total Agency Temp Salaries	**56,200**	79,600	0	79,600	0	0.0%	(23,400)	-29.4%
LACERA Intern Program	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**740,334**	760,302	275,478	549,200	(211,102)	-27.8%	(19,968)	-2.6%
Employee Benefits (Other)	**78,556**	77,116	37,240	76,300	(816)	-1.1%	1,440	1.9%
OPEB Contribution	**41,689**	37,855	19,206	42,700	4,845	12.8%	3,834	10.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**4,800**	4,100	3,076	4,100	0	0.0%	700	17.1%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**3,500**	3,500	866	2,000	(1,500)	-42.9%	0	0.0%
Rideshare Allowance	**1,000**	1,000	0	0	(1,000)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$2,168,975**	$2,253,791	$854,293	$1,744,700	($509,091)	-22.6%	($84,816)	-3.8%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$2,168,975**	$2,253,791	$854,293	$1,744,700	($509,091)	-22.6%	($84,816)	-3.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

COMMUNICATIONS

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00794A	CHIEF, COMMUNICATIONS	1	LS10	12,835	154,018
00779A	CREATIVE COORDINATOR	2	107E	18,122	217,460
00784A	SENIOR WRITER	1	105D	8,561	102,730
99999A	SENIOR MEDIA ARTIST	1	103B	9,256	111,071
00789A	MEDIA ARTIST	3	99H	22,417	269,000
00789A	MEDIA ARTIST	(1)	99H	(6,245)	(74,935)
00787A	WEB SUPPORT TECHNICIAN	1	95K	5,630	67,555
00786A	WRITER II	2	95K	11,888	142,654
	POSITIONS	10			989,552

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00784A	SENIOR WRITER	1	105D	7,275	87,303			43,652
00465A	PUBLIC INFORMATION OFFICER	1	104C	7,063	84,757			42,379
99999A	SENIOR MEDIA ARTIST	1	103B	6,857	82,285			41,143
00789A	MEDIA ARTIST	1	99H	6,245	74,935			
00789A	MEDIA ARTIST	(1)	99H	6,245	74,935			
00426A	STAFF ASSISTANT I	1	85E	4,240	50,878			25,439
						0	0	152,612
	POSITIONS	4			152,612			

TOTAL POSITIONS	14	
GROSS SALARIES		1,142,164
ANTICIPATED MOU SALARY INCREASE**		62,819
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		37,914
BONUS		0
120-DAY RETIREE(S)		0
TOTAL SALARIES		1,242,896

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES AND SUPPLIES

COMMUNICATIONS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$4,500**	$7,500	$0	$2,400	($5,100)	-68.0%	($3,000)	-40.0%
POSTAGE	**300,000**	300,000	160,628	294,500	(5,500)	-1.8%	0	0.0%
STATIONERY & FORMS	**649,500**	641,500	347,203	566,000	(75,500)	-11.8%	8,000	1.2%
OFFICE SUPPLIES & EQUIPMENT	**6,000**	5,000	5,294	6,000	1,000	20.0%	1,000	20.0%
PROFESSIONAL & SPEC. SRVCS.	**47,000**	62,000	21,802	32,000	(30,000)	-48.4%	(15,000)	-24.2%
COMPUTER SERVICES & SUPPORT	**14,000**	14,500	2,400	5,500	(9,000)	-62.1%	(500)	-3.4%
EDUCATIONAL EXPENSES	**29,400**	10,400	940	3,000	(7,400)	-71.2%	19,000	182.7%
MISCELLANEOUS	**600**	600	0	0	(600)	-100.0%	0	0.0%
TOTAL	**$1,051,000**	**$1,041,500**	**$538,266**	**$909,400**	**($132,100)**	**-12.7%**	**$9,500**	**0.9%**

*All amounts rounded to the nearest dollar.

DISABILITY LITIGATION
Budget Highlights

Fiscal Year 2022-2023

Mission

Our mission is to provide timely and effective legal representation to LACERA in disability retirement and service-connected survivor benefit appeals. The goal of the Disability Litigation Office is to achieve impartial justice based on the facts and the law.

INTRODUCTION

The Disability Litigation Office (DLO) is a legal unit at LACERA that is separate from and independent of the Legal Office. The Disability Litigation Chief Counsel reports directly to the Chief Executive Officer. Established in 1996, the DLO has a staff of four attorneys (three Senior Staff Counsel and one Chief Counsel) and three secretaries (Senior Legal Secretaries). Our main operation consists of litigating appeals that members may file after the Board of Retirement denies any disability retirement application benefit. The DLO provides LACERA and its fund with legal representation for disability retirement and service-connected survivor benefit appeals at the administrative level before a hearing referee.

DIVISION UPDATE

Despite continued challenges from the ever-evolving pandemic, the DLO maintained a high level of performance in 2021. The DLO successfully conducted much of its operations remotely as we grew adept at working with Microsoft applications (Teams, OneDrive, and SharePoint). Our attorneys continued to hold hybrid hearings, with participants both on- and offsite, as the parties, hearing officers, and shifting pandemic landscape required. Several hearings were conducted entirely remotely via MS Teams or Zoom (which will continue into 2022). Remote capabilities allowed the DLO to maintain a minimum level of staff onsite, while still moving applicants' appeals forward at the expected and necessary pace for members to meet their Rule 32 deadlines. We rotated in office accordingly to protect staff, while still maintaining the highest levels of production.

Notwithstanding technological advances, the DLO remains heavily paper-based, requiring staff to be onsite periodically to handle mail, filing, and other paperwork. However, the DLO has made great strides in advancing its operations to minimize paper in favor of electronic files, with staff beginning to scan all new appeals (consisting of hundreds to thousands of pages of documents). Electronic appeal files are accessible remotely through MS OneDrive or SharePoint, providing attorneys 24/7 access to their case files to conduct discovery, prepare for hearings, and draft legal briefs. MS Teams and Outlook keep the DLO well-connected and fully informed.

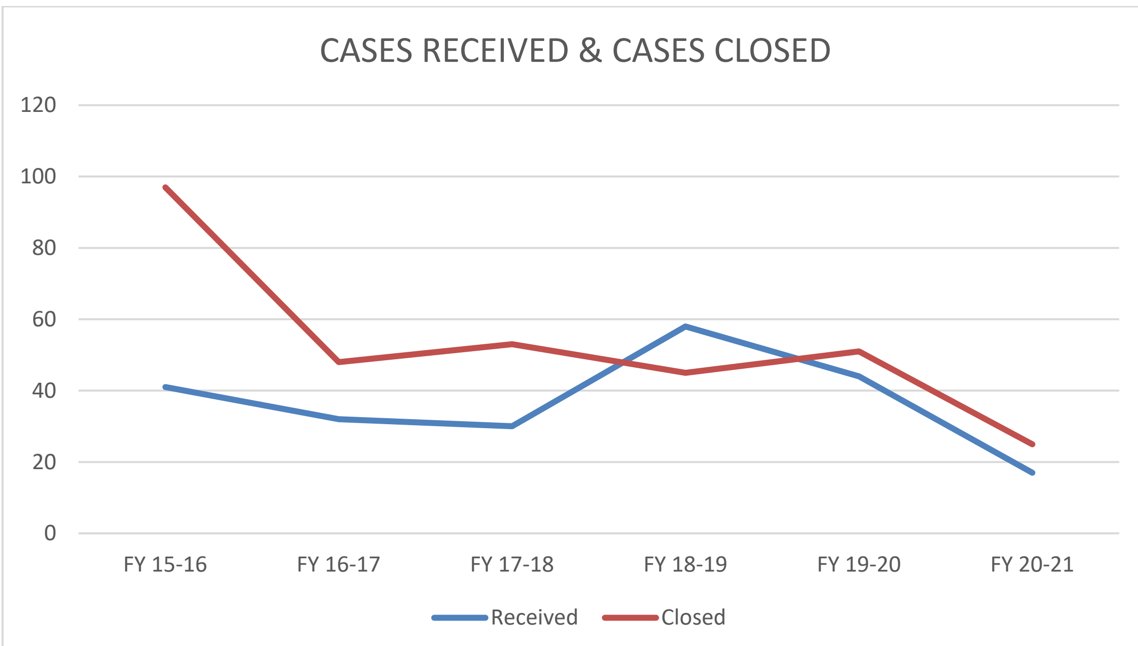
Our technical processes are still dependent on the electronic capabilities of third-party participants (pro per applicants, applicants' attorneys, and referees). The DLO staff continues to assist and encourage all parties to use technology (email, electronic filing, remote hearings) to reduce the need for paper correspondence, paper files, or in-person appearances, while maintaining the same levels of productivity with each appeal. Prior to each remote appearance, staff conducts a tech rehearsal to ensure every participant is familiar with logging into and maneuvering through MS Teams. Referees, pro per applicants, and applicants' attorneys are now comfortable appearing remotely for hearings, status conferences, and discovery disputes. Additionally, the DLO has worked with Systems to provide applicants' attorneys with a designated laptop and internet connection to appear via Zoom for oral argument from a secure location on LACERA's premises.

The DLO is also actively involved in the selection of a vendor for the case management software solution project, which included DLO subject matter experts presenting our operations, processes, and technology needs at the initial vendor presentation. With the recommendation of a selected vendor to the Board of Retirement, DLO will transition to focusing resources and efforts on the Phase I implementation. A Senior Staff Counsel will work directly with the vendor and Systems Division, consulting on the intricacies of DLO's processes. A Senior Legal Secretary will also participate during implementation, advising on day-to-day operations. We expect the case management software solution to place our digital casefiles at our fingertips, replacing manual processes and increasing productivity. More time can be spent on drafting legal arguments, litigation strategy, or legal research than thumbing through volumes of paper to locate a particular nugget of supporting evidence. In that vein and in support of the incoming case management system, we also plan to institute a pilot program to scan and convert our *entire* caseload of active paper files to digital files. We plan to enlist our Senior Legal Secretaries for this project, considering their knowledge of the DLO's processes, operations, and the content of the records we regularly handle (including P.I. and HIPAA-protected information). Accordingly, we are requesting overtime to cover this endeavor.

INVENTORY OF CASES

The DLO has 86 active cases as of December 31, 2021. The average age of these active cases is two years, three months, and 18 days. Under Rule 32 of the Board's *Procedures for Disability Retirement Hearings*, applicants must bring their cases to hearing within three years from the date the applicant is notified of the assignment of the referee. Cases do not move forward until the applicant files a prehearing statement. The respondent's deadline to file its prehearing statement is not triggered until the applicant (the moving party) first files its evidence.

The number of cases the DLO received versus those that have closed from FY 2015-2016 to FY 2020-2021 are demonstrated by the following graph:



There was a spike in the number of cases received in FY 2018-2019 and FY 2019-2020 due to the influx of the earlier effective date correction appeals. The deadline for applicants to file for correction appeal ended on December 31, 2019, effectively ending that upward trend. As of the beginning of January 2022, 43 earlier effective date correction appeals have been resolved (via recommendation, litigation, or withdrawal). Only two correction appeals remain open and active.

Based on statistics from the last three fiscal years, the DLO anticipates it will receive approximately 20 to 25 regular disability retirement appeals in FY 2022-2023.[1]

[1] "Regular" appeals are cases other than earlier effective date c*orrection appeals*, i.e., De novo appeals on the issues of permanent incapacity, service connection, and/or earlier effective date.

The average lifespan for all cases that were closed from 2011 to 2021 was two years, seven months, and 26 days.

STAFFING

There are currently seven budgeted full-time positions in the DLO. No additional staff positions are requested at this time. The classification study for the Senior Management Secretary has been completed, with recommendation for a position upgrade to Senior Legal Secretary. As indicated above, the Senior Legal Secretaries will be spearheading the DLO's scanning operation to convert its entire caseload into digital files. In addition to overtime, this project may also include agency temps working under the Senior Legal Secretaries' direction to complete this project.

SERVICES AND SUPPLIES

The DLO budget request for services and supplies has increased 2.7 percent from the FY 2021-2022 mid-year approved budget. Rising gas prices, distribution challenges, and supply chain shortages are impacting everything from transportation and travel to office supplies and equipment. Additionally, the increase in travel and transportation funds includes a return to in-person educational seminars, previously cancelled due to COVID-19. This request includes attendance at the annual National Association for Public Pension Attorneys (NAPPA) conference (where attending attorneys can complete all required continuing legal education credits). Additionally, annual California Bar attorney license fees increase each year. We also anticipate a 10 percent increase for LexisNexis/Westlaw research database contracts. We are, however, only anticipating two new conflict cases in the upcoming fiscal year and have reduced our request for outside counsel funds accordingly.

FUTURE

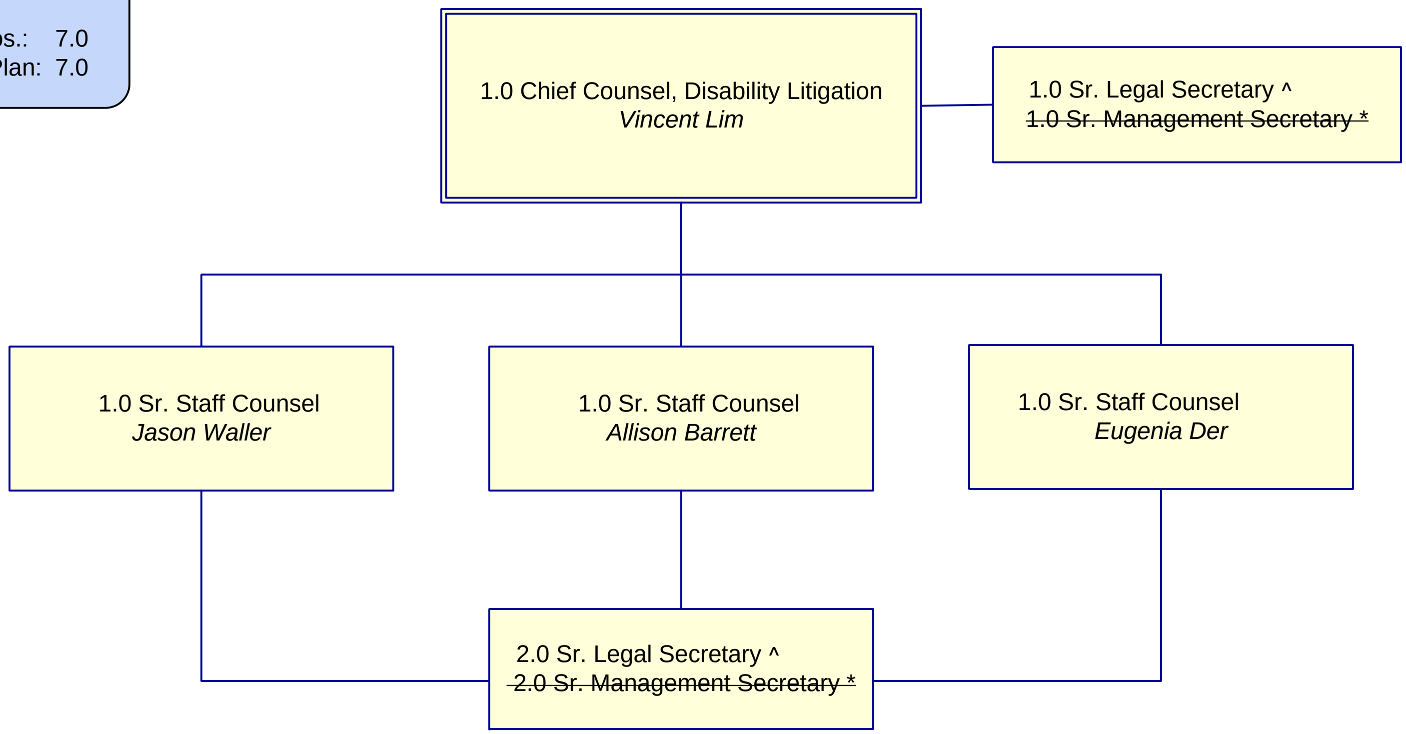
The DLO looks forward to working with its internal business partners in the ongoing move toward a fully electronic operation. We will continue to serve as active participants and subject matter experts in the selection and implementation of the case management software solution project. As always, the DLO will continue our mission of impartial justice – to provide applicants with full and fair hearings to ensure each determination on appeal is substantially supported by the facts and the law.

DISABILITY LITIGATION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 7.0
2021-2022 Hiring Plan: 7.0

2022-2023 Bud. Pos.: 7.0
2022-2023 Hiring Plan: 7.0



* Classification study for the position requested.
^ Position upgrade from Senior Management Secretary to Senior Legal Secretary as a result of classification study (Pending Board of Supervisors' approval).

LACERA

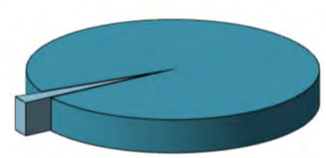
FISCAL YEAR 2022-2023

BUDGET SUMMARY

DISABILITY LITIGATION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$2,353,917**	$2,141,130	$1,115,509	$2,127,800	($13,330)	-0.62%	$212,787	9.9%
Services & Supplies	**53,900**	52,500	15,431	47,800	(4,700)	-9.0%	1,400	2.7%
OPERATING BUDGET	**$2,407,817**	$2,193,630	$1,130,940	$2,175,600	($18,030)	-0.8%	$214,187	9.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY LITIGATION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$1,371,867**	$1,294,960	$686,715	$1,292,000	($2,960)	-0.2%	$76,907	5.9%
Total Agency Temp Salaries	**9,800**	0	0	0	0	0.0%	9,800	0.0%
Employee Benefits (Variable)	**832,028**	729,886	370,181	716,800	(13,086)	-1.8%	102,142	14.0%
Employee Benefits (Other)	**86,707**	77,393	37,299	76,300	(1,093)	-1.4%	9,314	12.0%
OPEB Contribution	**46,014**	37,991	21,314	42,700	4,709	12.4%	8,023	21.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**6,600**	0	0	0	0	0.0%	6,600	0.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**900**	900	0	0	(900)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$2,353,917**	$2,141,130	$1,115,509	$2,127,800	($13,330)	-0.62%	$212,787	9.9%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$2,353,917**	$2,141,130	$1,115,509	$2,127,800	($13,330)	-0.62%	$212,787	9.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

DISABILITY LITIGATION

					2022-2023 BUDGET				
	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT				
09215A	CHIEF COUNSEL, DISABILITY LITIGATION	1	LS18	23,936	287,234				
09213A	SENIOR STAFF COUNSEL	3	LS16	58,300	699,603				
00441A	SENIOR LEGAL SECRETARY	3	99B	23,787	285,448				
00441A	SENIOR MANAGEMENT SECRETARY	3	97G	22,807	273,680				
00441A	SENIOR MANAGEMENT SECRETARY	(3)	97G	(22,807)	(273,680)				
	POSITIONS	7			1,272,286				
	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS	
	POSITIONS	0			0				
	TOTAL POSITIONS	7							
	GROSS SALARIES				1,272,286				
	ANTICIPATED MOU SALARY INCREASE**				69,976				
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				29,605				
	BONUS				0				
	120-DAY RETIREE(S)				0				
	TOTAL SALARIES				1,371,867				

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY LITIGATION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
AUTO EXPENSE	**$2,900**	$3,000	$1,098	$2,200	($800)	-26.7%	($100)	-3.3%
TRANSPORTATION & TRAVEL	**6,500**	6,800	0	5,000	(1,800)	-26.5%	(300)	-4.4%
OFFICE SUPPLIES & EQUIPMENT	**2,000**	1,500	1,169	1,500	0	0.0%	500	33.3%
LEGAL FEES & SERVICES	**5,500**	7,500	0	7,500	0	0.0%	(2,000)	-26.7%
EDUCATIONAL EXPENSES	**36,500**	33,000	13,164	31,300	(1,700)	-5.2%	3,500	10.6%
MISCELLANEOUS	**500**	700	0	300	(400)	-57.1%	(200)	-28.6%
TOTAL	**$53,900**	**$52,500**	**$15,431**	**$47,800**	**($4,700)**	**-9.0%**	**$1,400**	**2.7%**

*All amounts rounded to the nearest dollar.

DISABILITY RETIREMENT SERVICES
Budget Highlights

Fiscal Year 2022-2023

Mission

Our mission is to administer the LACERA Disability Retirement Program in an equitable, timely, accurate, and courteous manner consistent with applicable laws, policies, and procedures.

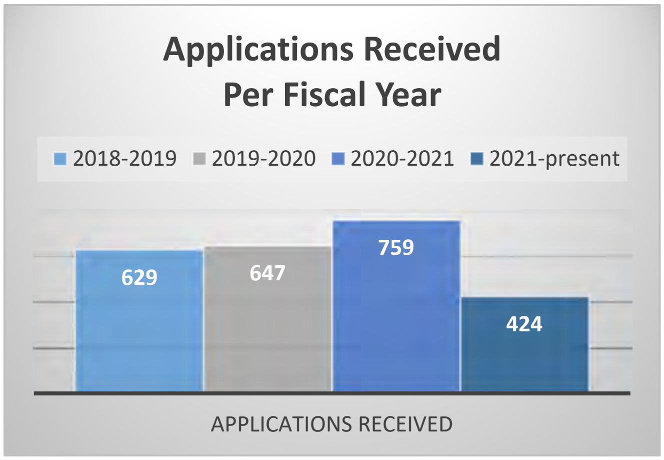
INTRODUCTION

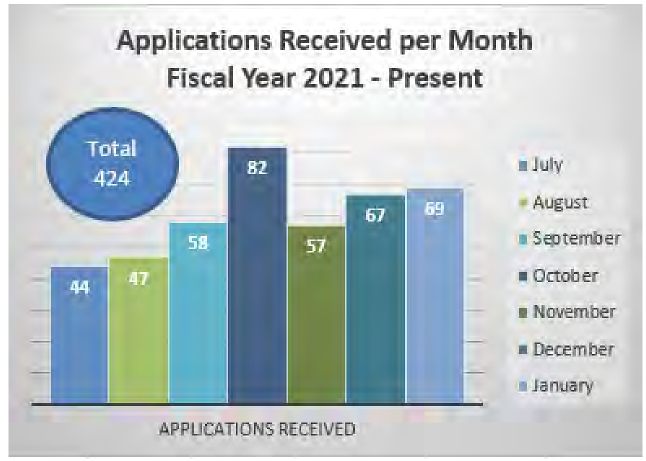
The Disability Retirement Services Division (DRS) is responsible for investigating and evaluating disability retirement applications submitted by active, retired, and deferred members of LACERA. Staff presents recommendations to the Board of Retirement, which is the governing board responsible for adjudicating each application. Staff also administers the disability appeals process in conjunction with Disability Litigation and serves as the official Custodian of Records for all disability retirement files.

Additionally, our division contracts for professional services for both the investigation and appeals processes, including panel physicians, referees, copy services, court reporters, job analysts, investigative services, and outside legal counsel.

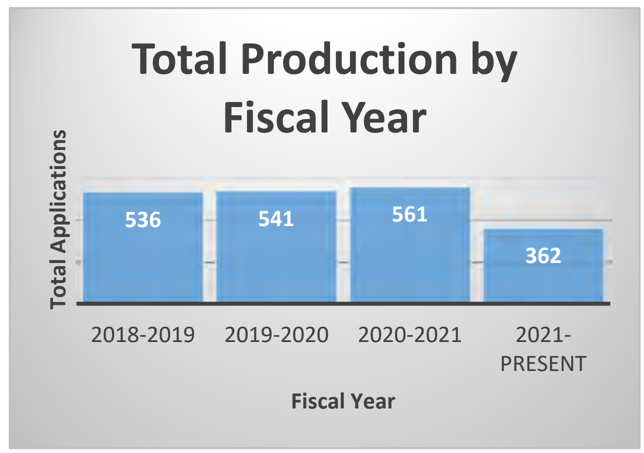
DISABILITY RETIREMENT CASE INVENTORY

DRS experienced a sharp increase in applications beginning FY 2020-2021, with an unprecedented number of incoming applications in October 2021. There is uncertainty whether this trend will continue; however, staff continues to monitor it closely and develop measures to minimize the impact to our members.

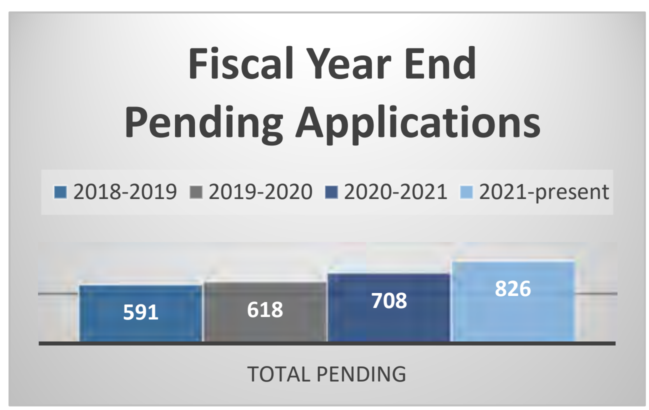




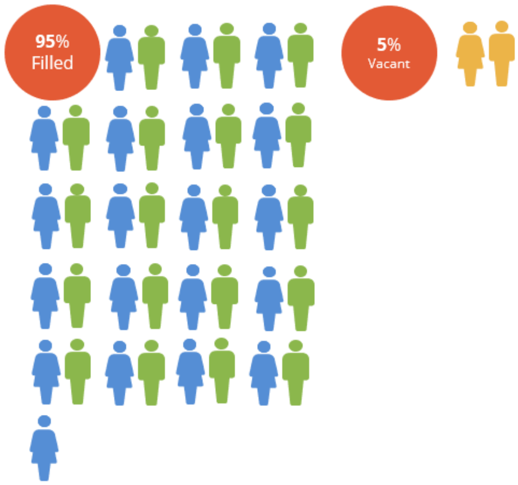
Disability Retirement Services currently has 826 pending disability applications. This is a dynamic statistic as applications move through production (i.e., are accepted, closed, and adjudicated). Of note is the current pending caseload, which has increased by approximately 17 percent since FY 2020-2021.



Our average annual case production to the Board is 546, with an average processing time of 13.5 months. In FY 2020-2021, our case production increased by approximately 2 percent. When fully staffed, DRS case processing capacity is 660 cases. Although we are operating at near capacity given our vacancy rate and staff leave of absences, we are unable to keep pace with the sharp increase in incoming applications.



Staffing



There are currently 41 budgeted full-time positions in DRS.

With the increase in incoming applications and due to vacancies in the Senior Disability Retirement Specialist and Staff Assistant II positions, the Executive Office and Human Resources approved a proposed pilot training opportunity for administrative support staff.

This opportunity is two-fold, as it allows for succession planning while partially addressing the increase in applications. The staff participating in the training will require significant overtime. Newly trained staff will assist in case processing by specifically targeting aging applications.

Overtime

DRS subject matter experts will be required to work overtime to ensure successful implementation of Phase I of the Case Management System. The implementation of the Case Management System will automate some aspects of the DRS process, help us work more efficiently, and allow us to create and track metrics and KPI'S tied to our strategic goals.

The table below illustrates the overtime budget needed for:

- Administrative support staff participating in the pilot training opportunity
- Subject matter experts for the case management implementation project
- Projected overtime for meeting operational and administrative deadlines, including generating statistics and special projects

Position	No. Staff	Total Hours Year	Total
Staff Assistant II (Pilot)	2	480	$ 26,400
Senior Typist Clerk (Pilot)	2	480	$ 18,240
SME Staff Assistant II (Case Management)	2	480	$ 26,400
SME Supervisor (Case Management)	3	720	$ 57,960
All Positions (Deadlines, Statistics and Special Projects)	20	640	$ 36,300
TOTAL		**2,800**	**$ 165,300**

Agency Temps

DRS currently has vacancies and is requesting two agency-temporary positions to support the administrative support staff participating in the pilot training opportunity and the team responsible for case management implementation.

Classification Study

The Board approved a classification study the for the Disability Retirement Specialist Supervisor position for FY 2021-2022, as the role and responsibilities of the supervisor position in Disability Retirement Services had substantially increased over the years. However, due to COVID-19 and competing priorities, the classification study was not completed by the end of the FY 2020-2021. Therefore, we are requesting the classification study be approved for FY 2022-2023.

SERVICES AND SUPPLIES

Medical Fees

Staff requests an additional $400,000 to cover the anticipated increase in medical fees due to the adoption of a new medical fee schedule that was approved by the Board of Retirement in June 2021. The adoption of the new schedule was recommended by staff in response to a new workers' compensation fee schedule effective April 1, 2021. The recommended increase allowed LACERA to remain competitive with industry increases in panel physician compensation for med-legal evaluations and reporting. It is imperative for LACERA to retain a well-qualified panel of board-certified physicians and ensure our members continue to receive timely and quality independent medical evaluations.

Medical Advisor

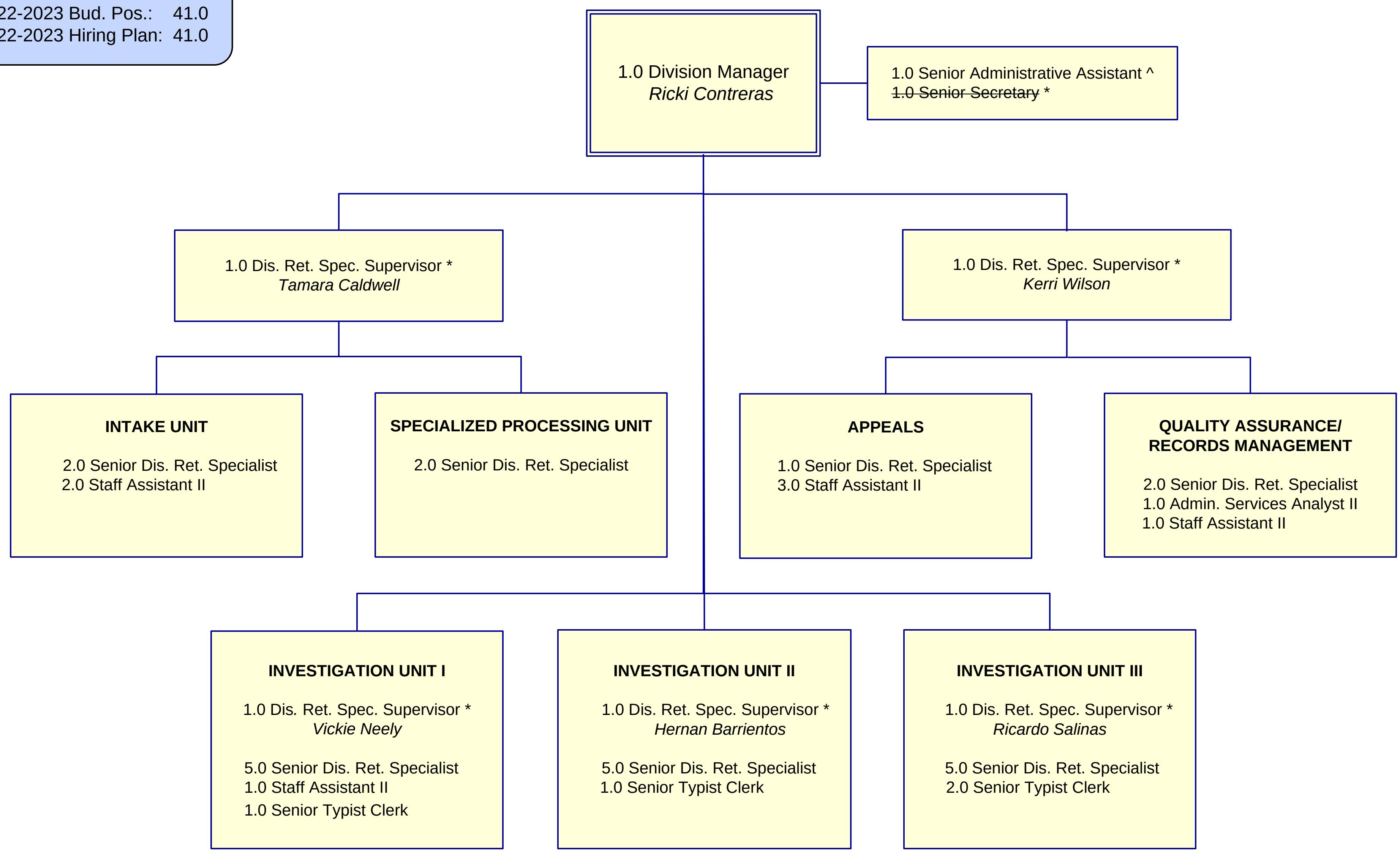
Staff requests an additional $85,000 to cover the anticipated increase in medical advisor fees for FY 2022-2023 due to an anticipated expansion of the Medical Advisor's role in reviewing applications for disability retirement per the passage of Senate Bill 634.

DISABILITY RETIREMENT

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 41.0
2021-2022 Hiring Plan: 41.0

2022-2023 Bud. Pos.: 41.0
2022-2023 Hiring Plan: 41.0



* Classification and/or compensation study requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

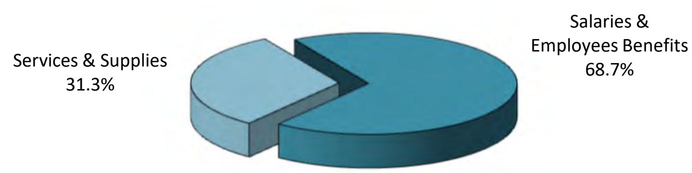
FISCAL YEAR 2022-2023

BUDGET SUMMARY

DISABILITY RETIREMENT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$7,514,693**	$6,962,398	$3,325,893	$6,429,300	($533,098)	-7.66%	$552,295	7.9%
Services & Supplies	**3,425,100**	2,935,000	1,109,442	2,934,300	(700)	0.0%	490,100	16.7%
OPERATING BUDGET	**$10,939,793**	$9,897,398	$4,435,334	$9,363,600	($533,798)	-5.4%	$1,042,395	10.5%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY RETIREMENT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$4,134,839**	$3,971,485	$1,940,677	$3,686,700	($284,785)	-7.2%	$163,354	4.11%
Total Agency Temp Salaries	**129,000**	143,000	28,243	100,900	(42,100)	-29.4%	(14,000)	-9.79%
Employee Benefits (Variable)	**2,675,028**	2,467,442	1,145,714	2,229,100	(238,342)	-9.7%	207,586	8.41%
Employee Benefits (Other)	**261,338**	237,356	114,616	234,000	(3,356)	-1.4%	23,982	10.10%
OPEB Contribution	**138,688**	116,515	77,273	154,600	38,085	32.7%	22,173	19.03%
Stipends	**0**	0	0	0	0	0.0%	0	0.00%
Overtime	**165,300**	16,100	17,654	20,000	3,900	24.2%	149,200	926.71%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.00%
Sick Leave Buyback	**6,000**	6,000	1,715	4,000	(2,000)	-33.3%	0	0.00%
Rideshare Allowance	**4,500**	4,500	0	0	(4,500)	-100.0%	0	0.00%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.00%
ADJUSTED GROSS S&EB	**$7,514,693**	$6,962,398	$3,325,893	$6,429,300	($533,098)	-7.7%	$552,295	7.9%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$7,514,693**	$6,962,398	$3,325,893	$6,429,300	($533,098)	-7.66%	$552,295	7.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

DISABILITY RETIREMENT

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE (2022-2023 BUDGET)	ANNUAL AMOUNT (2022-2023 BUDGET)
00773A	DIVISION MANAGER	1	LS12	15,510	186,117
01643A	DISABILITY RETIRE. SPECIALIST SUPV.	5	106F	48,481	581,768
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	21	102F	177,884	2,134,605
00420A	ADMINISTRATIVE SERVICES ANALYST II	1	93H	7,151	85,810
00427A	STAFF ASSISTANT II	6	92E	38,185	458,222
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,214	74,568
00439A	SENIOR SECRETARY	1	89G	6,062	72,750
00439A	SENIOR SECRETARY	(1)	89G	(6,062)	(72,750)
00446A	SENIOR TYPIST CLERK	4	79B	18,968	227,611
	POSITIONS	39			3,748,701

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
01632A	SENIOR DISABILITY RETIRE. SPECIALIST	1	102F	6,740	80,882			40,441
00427A	STAFF ASSISTANT II	1	92E	5,127	61,523			30,761
						0	0	71,203
	POSITIONS	2			71,203			
	TOTAL POSITIONS	41						
	GROSS SALARIES				3,819,903			
	ANTICIPATED MOU SALARY INCREASE**				210,095			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				32,535			
	BONUS				72,306			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				4,134,839			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$8,000**	$8,000	$710	$3,600	($4,400)	-55.0%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**5,800**	6,000	311	5,000	(1,000)	-16.7%	(200)	-3.3%
PROFESSIONAL & SPEC. SRVCS.	**230,000**	224,500	123,710	230,000	5,500	2.4%	5,500	2.4%
LEGAL FEES & SERVICES	**25,000**	20,000	16,181	25,000	5,000	25.0%	5,000	25.0%
DISABILITY FEES & SERVICES	**3,145,300**	2,665,500	968,011	2,660,200	(5,300)	-0.2%	479,800	18.0%
EDUCATIONAL EXPENSES	**10,700**	10,700	520	10,500	(200)	-1.9%	0	0.0%
MISCELLANEOUS	**300**	300	0	0	(300)	-100.0%	0	0.0%
TOTAL	**$3,425,100**	$2,935,000	$1,109,442	$2,934,300	($700)	0.0%	$490,100	16.7%

*All amounts rounded to the nearest dollar.

EXECUTIVE OFFICE
Budget Highlights

Fiscal Year 2022-2023

Mission

To provide the vision and direction to the LACERA organization, utilizing people, systems, policies, and processes for the purpose of implementing LACERA's mission to produce, protect and provide the promised benefits.

INTRODUCTION

The Executive Office, with broad oversight from the Boards of Retirement and Investments, sets the organizational vision and provides direction to staff to effectively implement LACERA's mission and simplify and improve how LACERA's mission is achieved.

CREATION OF INFORMATION SECURITY OFFICE

The Information Security Office (Info Sec) was established in FY 2020-2021 as one of the CEO's first critical initiatives. Info Sec sits within the Executive Office, reports directly to the Deputy Chief Executive Officer (DCEO), and has responsibility for minimizing cyber-related risk across the enterprise. Info Sec works cooperatively with the Systems Division but is intentionally independent to ensure reasonable checks and balances are in place. In addition to assessing LACERA's internal cyber-related risks, Info Sec ensures that LACERA's strategic partners have implemented appropriate safeguards, policies, and practices to protect LACERA's interests. Lastly, Info Sec plays an important role in LACERA's disaster recovery and business continuity program by assisting in the development of appropriate procedures, developing or participating in tabletop and other test scenarios, and educating LACERA staff on system security and data loss prevention.

STAFFING

No new positions are requested for the Executive Office in FY 2022-2023. Over the past two years, the Executive Office has undergone significant organizational changes to ensure better oversight and accountability of the LACERA organization. Changes included creating the new DCEO position and Info Sec, which reports to the DCEO. A Special Assistant also reports to the DCEO, in close coordination with the two Assistant Executive Officers (AEOs), to lead and manage LACERA's strategic planning efforts and help ensure that key LACERA-wide initiatives and projects receive the required focused attention and support to ensure success. The Special Assistant position is currently vacant with the goal of filling the position by the second quarter of FY 2022-2023.

When LACERA created Info Sec, which is independent from the Systems Division, LACERA added a new Chief Information Security Officer (CISO) as a temporary leader while we awaited County adoption and approval of the classification. In the fall of 2021, the County CEO recommended, and the Board of Supervisors adopted a lower Information Security Officer classification. LACERA will be utilizing an outside recruiter to help market and fill this critical position with a permanent Information Security Officer (ISO). Our goal is to have this position filled by the first quarter of FY 2022-2023. Four additional positions in the Information Security Office were initially "borrowed" from the Systems Division and filled with temporary staff with specialized information technology security expertise. This budget request includes $1,129,700 in Agency Temp Salaries for six months' funding for the ISO and full year funding for the four-subordinate staff. The original positions' authorities are slated to be restored in the Systems Division.

SERVICES AND SUPPLIES

The Executive Office is requesting an increase of $464,500 over the FY 2021-2022 Mid-Year Adopted Budget. Of this amount, $321,000 is included for strategic planning, $75,000 is transferred from the Systems Division to the Executive Office for an information technology security assessment, and $95,000 is included for two software subscriptions (Risk Recon and Threat Intelligence Reporting) for the Information Security Office. The Executive Office also plans to maintain funds for public media relations ($125,000) and improvement projects ($80,000) that may come out of our strategic planning efforts and/or internal audit recommendations.

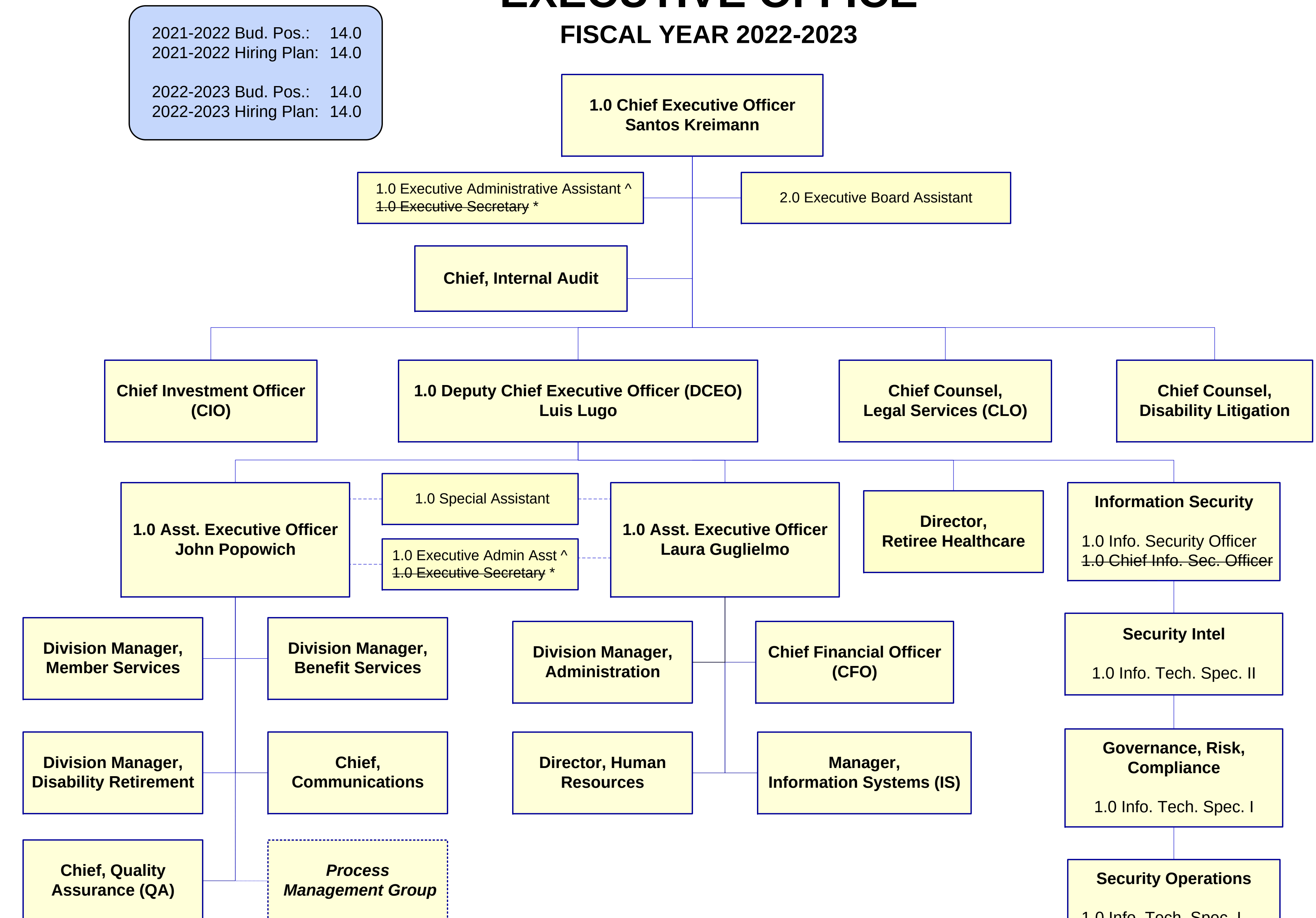
KEY INITIATIVES FOR FY 2022-2023

LACERA as an organization is currently undergoing many changes and process improvements to serve our members more efficiently and effectively. This includes implementing modern technology, policy and procedure review, and refinements to our organizational structure. However, effective change management requires a clearly articulated plan that incorporates input and has buy-in from key stakeholders. For this reason, the Executive Office plans to dedicate significant efforts in FY 2022-2023 toward developing and implementing LACERA's strategic plan. The strategic plan will lay the foundation for our growth and highlight our vision for the future. Our intent is for this to be a living guide that is frequently referenced and that will allow us to measure our progress as an organization. LACERA will utilize a consultant to facilitate and document the process and to provide specific guidance to ensure consistent and thorough implementation. Funds are included in the Executive Office's FY 2022-2023 budget for the consultant as well as funding to ensure any critical projects can begin immediately after adoption.

The Executive Office will also be sponsoring the significant technology projects identified to better serve our members. The most significant technology improvement project is the case management system, which we see as crucial for eventually eliminating mistake-prone manual processes and more seamlessly provide services to our members throughout their career and retirement journeys.

EXECUTIVE OFFICE

FISCAL YEAR 2022-2023



* Classification study for the position requested.

^ Position upgrade from Executive Secretary to Executive Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

Note: Title changed from Chief Information Security Officer to Information Security Officer. Board of Supervisors approved on 10/05/2021 (Effective 10/19/2021).

Added new division "Process Management Group" (pending)

LACERA

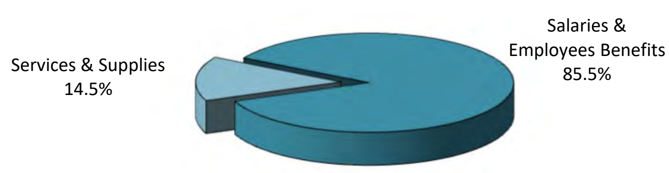
FISCAL YEAR 2022-2023

BUDGET SUMMARY

EXECUTIVE OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$4,662,799**	$3,244,146	$1,388,879	$2,604,500	($639,646)	-19.7%	$1,418,653	43.7%
Services & Supplies	**788,300**	318,800	73,060	208,300	(110,500)	-34.7%	469,500	147.3%
OPERATING BUDGET	**$5,451,099**	$3,562,946	$1,461,940	$2,812,800	($750,146)	-21.1%	$1,888,153	53.0%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

EXECUTIVE OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$2,065,815**	$1,908,555	$829,063	$1,535,000	($373,555)	-19.6%	$157,260	8.2%
Total Agency Temp Salaries	**1,129,700**	0	0	0	0	0.0%	1,129,700	0.0%
Employee Benefits (Variable)	**1,175,425**	1,051,621	445,649	827,000	(224,621)	-21.4%	123,804	11.8%
Employee Benefits (Other)	**130,567**	123,933	59,728	119,500	(4,433)	-3.6%	6,634	5.4%
OPEB Contribution	**69,290**	60,837	29,118	59,000	(1,837)	-3.0%	8,453	13.9%
Stipends	**65,000**	65,000	25,321	59,000	(6,000)	-9.2%	0	0.0%
Overtime	**25,600**	25,600	0	5,000	(20,600)	-80.5%	0	0.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**1,400**	1,400	0	0	(1,400)	-100.0%	0	0.0%
Transportation Allowance	**0**	7,200	0	0	(7,200)	-100.0%	(7,200)	-100.0%
ADJUSTED GROSS S&EB	**$4,662,799**	$3,244,146	$1,388,879	$2,604,500	($639,646)	-19.7%	$1,418,653	43.7%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$4,662,799**	$3,244,146	$1,388,879	$2,604,500	($639,646)	-19.7%	$1,418,653	43.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

EXECUTIVE OFFICE

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00776L	CHIEF EXECUTIVE OFFICER	1	LR27	33,333	400,000
00770A	DEPUTY CHIEF EXECUTIVE OFFICER (UC)	1	LR18	20,475	245,700
00792A	ASSISTANT EXECUTIVE OFFICER (UC)	2	LS16	38,462	461,544
00745A	EXECUTIVE BOARD ASSISTANT	2	104K	18,850	226,200
00442A	EXECUTIVE ADMINISTRATIVE ASSISTANT	2	101G	17,249	206,991
00442A	EXECUTIVE SECRETARY	2	101G	17,249	206,991
00442A	EXECUTIVE SECRETARY	(2)	101G	(17,249)	(206,991)
	POSITIONS	8			1,540,436

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00775A	SPECIAL ASSISTANT	1	LS12	10,557	126,681			63,341
00806A	INFORMATION SECURITY OFFICER	1	LS12	10,557	126,681	126,681		
00806A	CHIEF INFORMATION SECURITY OFFICER	1	LS12	10,557	126,681			
00806A	CHIEF INFORMATION SECURITY OFFICER	(1)	LS12	10,557	126,681			
00802A	INFORMATION TECHNOLOGY SPECIALIST II	1	123G	11,942	143,306			71,653
00801A	INFORMATION TECHNOLOGY SPECIALIST I	2	118E	10,377	124,523			124,523
00469A	DATA SYSTEMS COORDINATOR	1	111C	8,540	102,475			
						126,681	0	259,517
	POSITIONS	6			386,198			

TOTAL POSITIONS	14	
GROSS SALARIES		1,926,633
ANTICIPATED MOU SALARY INCREASE**		105,965
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		33,217
BONUS		0
120-DAY RETIREE(S)		0
TOTAL SALARIES		2,065,815

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

EXECUTIVE OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
AUTO EXPENSE	**$12,300**	$12,300	$3,520	$8,300	($4,000)	-32.5%	$0	0.0%
TRANSPORTATION & TRAVEL	**22,000**	17,000	2,654	3,400	(13,600)	-80.0%	5,000	29.4%
OFFICE SUPPLIES & EQUIPMENT	**3,500**	4,500	598	1,600	(2,900)	-64.4%	(1,000)	-22.2%
PROFESSIONAL & SPEC. SRVCS.	**696,000**	205,000	47,255	140,000	(65,000)	-31.7%	491,000	239.5%
EDUCATIONAL EXPENSES	**44,000**	64,000	12,283	44,000	(20,000)	-31.3%	(20,000)	-31.3%
MISCELLANEOUS	**10,500**	16,000	6,750	11,000	(5,000)	-31.3%	(5,500)	-34.4%
TOTAL	**$788,300**	$318,800	$73,060	$208,300	($110,500)	-34.7%	$469,500	147.3%

*All amounts rounded to the nearest dollar.

FINANCIAL & ACCOUNTING SERVICES (FASD)
Budget Highlights

Fiscal Year 2022-2023

Mission

Our mission is to provide sound guardianship of LACERA's assets and deliver quality service to our stakeholders through timely and accurate financial information.

INTRODUCTION

The Financial and Accounting Services Division (FASD) contributes to LACERA's mission by conducting investment and administrative financial transactions while ensuring compliance with regulatory and statutory financial reporting mandates.

CURRENT CHALLENGES

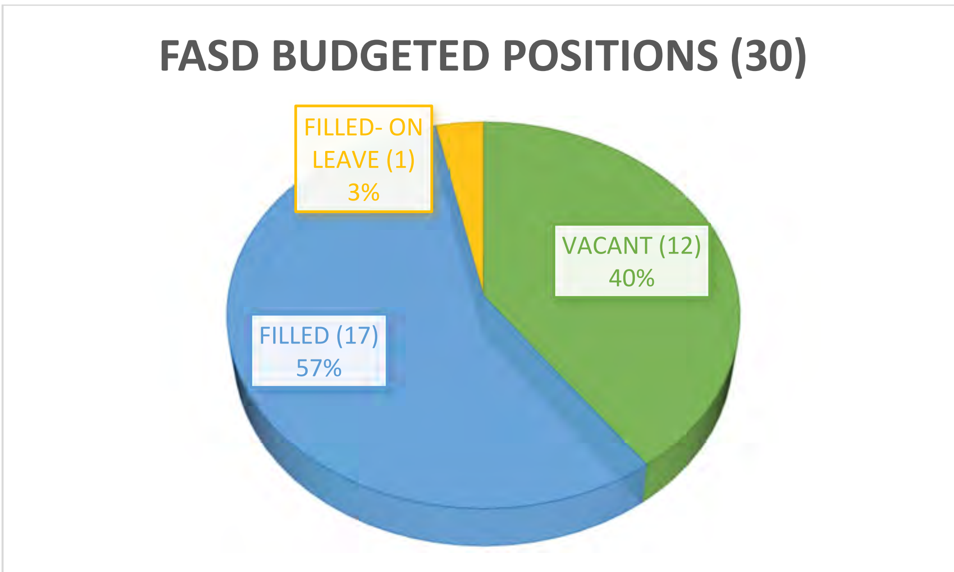
The FASD team strives to provide a high level of service to external and internal stakeholders. Our current operating capacity is constrained by our human resources, as we have a high number of vacant positions within the division. Staff continue to demonstrate their significant commitment to the organization and to serving LACERA members. The workload is managed by remaining staff absorbing the duties and responsibilities of vacant positions, using overtime, deferring vacations, and acquiring temporary staffing resources. A significant focus for the upcoming fiscal year will be on ensuring the recruiting and hiring goals that were not achieved in the prior fiscal year are met. Once the staffing numbers reach a higher level, the Division will have the capacity to address additional strategic initiatives and special projects.

FASD's budget request seeks to maintain financial reporting quality, ensure financial transactions are completed timely and accurately, and support LACERA's Trustees, operations, and organizational initiatives, while mitigating risks and managing change. To accomplish this, FASD requests authorization to:

1. Defund one Accounting Technician I, LACERA from the Reconciliation Unit

2. Fund one Accountant, LACERA for the Reporting and Compliance Section to meet operational needs due to increased workload and responsibilities. The addition of a subordinate position to the Reporting and Compliance Section will strengthen the ability to manage and distribute the increased workload and accommodate new projects.

STAFFING



One new Accountant, LACERA position is requested for the Reporting and Compliance Section. The Reporting and Compliance Section is currently staffed with one Senior Accountant position. This Section has seen an increase in workload due to adding a new annual actuarial report, the Risk Assessment Report, and coordination of more frequent special projects involving plan sponsors and the actuarial consultants. In addition, LACERA is routinely subject to implementation of new financial statement reporting disclosures which require study, review, and close coordination with the external financial statement auditor. The additional Accountant positions will help alleviate the heavy workload and ensure the Senior Accountant has the ability to supervise, an expectation of that classification. This additional Accountant position is proposed to be off-set by eliminating a vacant Accounting Technician position.

The Division's organizational chart currently includes two budgeted Accounting Technician I positions. One of the positions is recently vacant. The Division's needs have changed over time, becoming more complex. We recommend the vacant position authority in the Reconciliation Unit be defunded and funding be added for an additional Accountant position in the Reporting and Compliance Section.

Recruitment

FASD currently has 30 position authorities with 12 vacancies and one staff on long-term leave. This high rate of vacancy is due to retirements, resignations, and internal transfers, coupled with delays in hiring due to a classification study impacting most of the positions. This classification study was necessary because job analysis had not been updated to reflect the needs of the Division in more than a decade. LACERA was reluctant to hire new permanent accounting staff without a clear understanding of the current needs. Bulletins, brochures, and exams must all reflect the minimum and desired qualifications. Filling positions based on outdated requirements would not meet the organization's needs.

Ten Temporary Staff — Accountants and One Administrative Assistant

Because of the vacancies, FASD relies heavily on temporary staff and is limited in its ability to provide higher levels of service.

With our current vacancy level at 12 positions, we anticipate the need for a total of 10 temporary staff positions, two more than approved in FY 2021-2022. These temporary staff would be assigned as follows:

- Five temporary accountants to the Investment Accounting Section, with three in the Public Markets Unit and two in the Direct Investments Unit. Given the challenges of hiring temporary staff right now, the unit supervisors will evaluate each unit's responsibilities and then assign duties to the temporary staff based on their experience and knowledge. Hiring temporary staff to fill these vacant positions will help the Investment Accounting Section reduce the risk of errors and implement Investment Office initiatives by distributing the workload among a larger team.

- Four temporary accountants to the General Accounting Section, with three allocated to the Disbursements Unit and one in the Reconciliation Unit. The duties and responsibilities within each unit will be reallocated, depending on the ability to acquire and retain temporary staff. The temporary accounting staff will complete the daily workload that has been absorbed by existing staff who have been postponing vacation time and working overtime.

- One temporary staff to handle administrative assistant duties and responsibilities. The administrative staff manage a significant workload volume, including daily tasks as well as project-based assignments. The staff member currently assigned to the Administrative Assistant position is performing a dual-role assignment as the interim Senior Administrative Assistant, a position which remains vacant.

Overtime

As in the past, overtime is requested to manage the peak workload related to the annual fiscal year-end financial statement preparation and audit, which is the basis for preparing the Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR). Overtime will also allow management flexibility should special projects arise or if a sufficient number of temporary staff are unavailable for hire.

SERVICES AND SUPPLIES

The Services and Supplies total budget request of $249,300 represents a $9,300, or 3.9 percent, increase when compared with the prior fiscal year. This increase is primarily due to a proposed increase in travel required to allow for professional staff development.

LOOKING FORWARD

FASD actively participates in strategic organizational initiatives. During FY 2022-2023, FASD staff will be working on several important projects with other LACERA divisions. For the Investment Accounting Section, staff are assisting the Investment Office with the custodian bank search and OPEB Trust private market investments search projects. For the custodian bank search, FASD is assigned as co-lead of the multidivisional evaluation team. The evaluation team is conducting the Request for Proposal (RFP), which includes issuing the RFP and evaluating responses, as well as presenting the results with a recommendation to the Board of Investments.

If the Board selects a new custodian bank, the transition process will be a significant undertaking. FASD and Investment Office staff will work closely and diligently together to transfer all LACERA's investment assets from State Street Bank to the new custodian bank. The changeover date to the new custodian is tentatively scheduled for July 1, 2023.

For the OPEB Trust private market investments search project, FASD's Investment Accounting Section will create new processes and general ledger accounts for the OPEB Trust private market assets, which will be similar to the pension plan structure (e.g. private equity, illiquid credit, private real estate, and private infrastructure).

In the General Accounting Section, staff plan on finalizing the implementation of an automated procure-to-pay and accounts payable (P2P AP) solution, after completing the implementation of the travel and expense modules within the same online software. P2P AP will digitize documents and use optimized character recognition to reduce manual data entry, strengthen internal controls by routing invoices online for approval, and reduce or eliminate check printing process by offering a variety of electronic payment types to LACERA vendors.

Staff are also significantly involved in implementing a new enterprise budget application system. LACERA expects this new application to provide enhanced data management and reporting for managers and executives as well as reduce staff time in completing the current manual budget processes.

FASD’s General Accounting Section is also working closely with a cross-functional team to implement a prepaid debit card program that can be used to issue member benefits. The goal of this new initiative is to reduce the costs and risks associated with generating paper checks, while providing better service to our members, particularly those who reside outside of the United States.

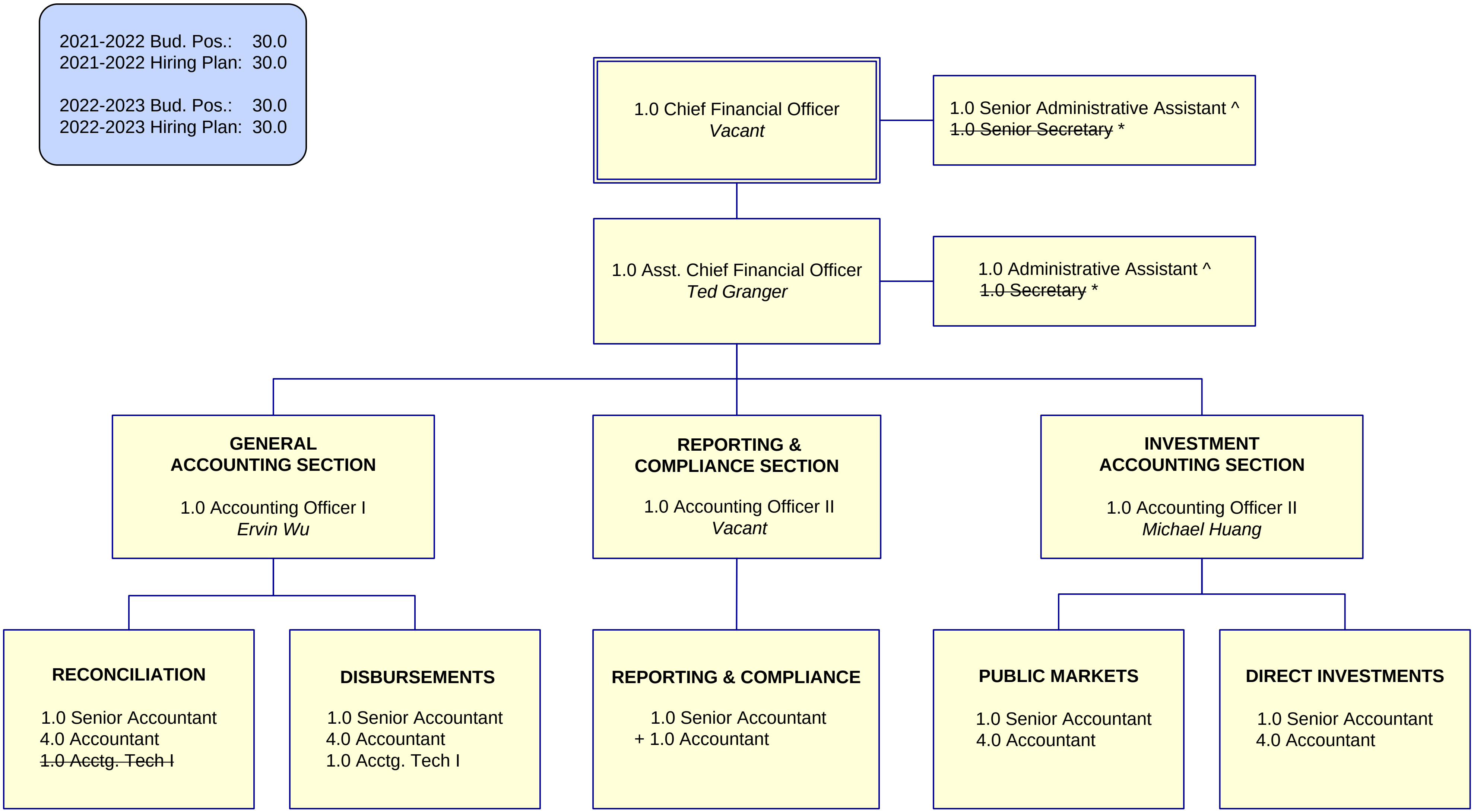
And finally, FASD’s General Accounting Section will continue working with another LACERA cross-functional team to implement a new software tool for managing the organization’s contracts and associated documentation and processes. Contract administration is an important administrative and compliance process where automation can help mitigate risks to the organization.

CONCLUSION

This budget request was developed to provide the Financial and Accounting Services Division with vital resources to readily contribute toward serving our members in the fulfillment of LACERA’s mission and vision.

FINANCIAL AND ACCOUNTING SERVICES DIVISION

FISCAL YEAR 2022-2023



+ Added position
– Deleted position
* Classification study in progress for all positions except management.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

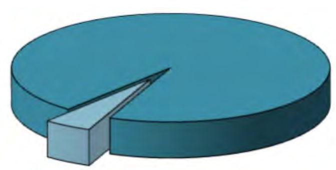
FISCAL YEAR 2022-2023

BUDGET SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	YTD (01-31-22)	PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	% CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	% CHANGE
Salaries & Employees Benefits	**$4,870,714**	$4,100,488	$1,810,071	$3,796,100	($304,388)	-7.4%	$770,226	18.8%
Services & Supplies	**249,300**	240,000	(2,758)	238,900	(1,100)	-0.5%	9,300	3.9%
OPERATING BUDGET	**$5,120,014**	$4,340,488	$1,807,314	$4,035,000	($305,488)	-7.0%	$779,526	18.0%

2022 -2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$2,346,649**	$1,942,091	$990,863	$1,858,300	($83,791)	-4.3%	$404,558	20.8%
Total Agency Temp Salaries	**778,100**	729,400	219,781	729,400	0	0.0%	48,700	6.7%
Employee Benefits (Variable)	**1,434,138**	1,168,551	477,012	959,600	(208,951)	-17.9%	265,587	22.7%
Employee Benefits (Other)	**148,317**	116,069	56,388	114,500	(1,569)	-1.4%	32,248	27.8%
OPEB Contribution	**78,710**	56,977	34,383	68,800	11,823	20.8%	21,733	38.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**65,300**	67,900	27,649	56,500	(11,400)	-16.8%	(2,600)	-3.8%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**12,000**	12,000	3,995	9,000	(3,000)	-25.0%	0	0.0%
Rideshare Allowance	**7,500**	7,500	0	0	(7,500)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$4,870,714**	$4,100,488	$1,810,071	$3,796,100	($304,388)	-7.4%	$770,226	18.8%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$4,870,714**	$4,100,488	$1,810,071	$3,796,100	($304,388)	-7.4%	$770,226	18.8%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

FINANCIAL & ACCOUNTING SERVICES

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE (2022-2023 BUDGET)	ANNUAL AMOUNT (2022-2023 BUDGET)
00799A	ASSISTANT CHIEF FINANCIAL OFFICER	1	LS10	13,622	163,469
00418A	ACCOUNTING OFFICER II	1	105D	9,542	114,503
00417A	ACCOUNTING OFFICER I	1	101H	8,190	98,276
00146A	SENIOR ACCOUNTANT	4	97C	30,261	363,127
00415A	ACCOUNTANT	9	93A	61,263	735,156
00413A	ACCOUNTING TECHNICIAN I	1	84F	5,575	66,896
00438A	ADMINISTRATIVE ASSISTANT	1	84C	4,832	57,984
00438A	SECRETARY	1	83D	4,714	56,570
00438A	SECRETARY	(1)	83D	(4,714)	(56,570)
	POSITIONS	18			1,599,410

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00800A	CHIEF FINANCIAL OFFICER	1	LS12	10,557	126,681	126,681		
00418A	ACCOUNTING OFFICER II	1	105D	7,275	87,303			
00146A	SENIOR ACCOUNTANT	1	97C	5,842	70,105	70,105		
00415A	ACCOUNTANT	8	93A	5,216	62,592		375,552	
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,048	72,571			
00439A	SENIOR SECRETARY	1	89G	4,749	56,992			
00439A	SENIOR SECRETARY	(1)	89G	4,749	56,992			
00413A	ACCOUNTING TECHNICIAN I	1	84F	4,137	49,643			
00413A	ACCOUNTING TECHNICIAN I	(1)	84F	4,137	49,643			
						196,786	375,552	0
	POSITIONS	12			572,338			
	TOTAL POSITIONS	30						
	GROSS SALARIES				2,171,748			
	ANTICIPATED MOU SALARY INCREASE**				119,446			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				8,954			
	BONUS				46,500			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				2,346,649			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$21,800**	$14,000	$0	$13,400	($600)	-4.3%	$7,800	55.7%
OFFICE SUPPLIES & EQUIPMENT	**5,000**	3,500	3,456	5,000	1,500	42.9%	1,500	42.9%
BANK SERVICES	**200,500**	200,500	(10,519)	200,500	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	**19,000**	19,000	3,040	17,500	(1,500)	-7.9%	0	0.0%
MISCELLANEOUS	**3,000**	3,000	1,265	2,500	(500)	-16.7%	0	0.0%
TOTAL	**$249,300**	**$240,000**	**($2,758)**	**$238,900**	**($1,100)**	**-0.5%**	**$9,300**	**3.9%**

*All amounts rounded to the nearest dollar.

Mission

Our mission is to effectively administer human resource programs; provide quality service to LACERA employees, supervisors, and managers; and reflect LACERA's values and vision in both the effort put forth and the work accomplished.

INTRODUCTION

Human Resources is responsible for providing human resources services to all LACERA staff members. Our work encompasses recruitment, selection, performance and workforce management, classification, compensation, employee and organizational development, employee payroll and benefits, employee relations, labor negotiations, workplace investigations, workers' compensation, career planning and development, and leave management.

STAFFING

Human Resources (HR) is requesting the addition of six permanent positions for FY 2022-2023, specifically, two Senior HR Analysts, and four HR Analysts. The purpose of these additions is to provide administrative support in HR and to provide increased service to LACERA's 15 divisions. Additionally, HR is requesting two agency temps (one Intermediate Typist Clerk and one HR Analyst) and one Intern.

One Senior HR Analyst will report to the Director, HR and have primary responsibility for policies, procedures, and technology implementation. A successful incumbent will have the ability to work independently and across divisions to execute plans and provide deliverables. One HR Analyst will be assigned to the Return to Work Unit for Leave Case Management to administer various wellness plans and to support the organization's COVID-19 plans.

The additional four position are requested to enable HR to change the way it supports LACERA's 15 divisions. A two-person team, consisting of one Senior HR Analyst and one HR Analyst, will support a group of divisions. These additional positions will be placed in the Talent Acquisition and Management Unit.

There are currently four Analysts (three Senior HR Analysts and one HR Analyst) who work in the Talent Acquisition and Management Unit. They are responsible for supporting the entire organization. Since approximately 1995, four Analysts were assigned to the Talent Acquisition and Management unit. Despite the growth of the organization from 250 to 400 staff members, with nearly 500 budgeted positions, the HR staff that supports the organization has not grown. The addition of four positions to the Talent Acquisition and Management Unit will allow each two-person team to perform all the HR functions for approximately 130 staff members in three to four divisions and serve as the divisions' primary contacts. This relationship will increase HR's capacity to respond timely to division requests, better anticipate division's needs, and work towards implementing initiatives at the division level. Most importantly, the additional staff members will provide HR the staff capacity to significantly decrease the vacancy rate.

SUCCESSES

Human Resources continues to improve its processes and procedures to increase efficiency and provide services to staff members. Examples of recent improvements include:

- Partnered with the Systems Division to automate processes using Smartsheets.
- Used the SparkHire platform to conduct online interviews.
- Conducted a completely virtual hiring process to hire 26 Retirement Benefits Specialist I staff members to participate in the Core Benefits Training Class.
- Conducted contact tracing and processed special leave requests related to COVID-19.
- Continued progress on the Employee Engagement Survey by scheduling focus groups to gather information for use by the action planning group.
- Negotiated a successor agreement with the Service Employees International Union (SEIU).
- Hired 38 staff members and secured 16 temporary staff to fill critical vacancies.
- Processed 150 protected leaves, including 62 supplemental paid sick leave requests related to COVID-19.

CHALLENGES

- HR continues to work towards reducing the vacancy rate. Using a different approach, HR is contracting with vendors to conduct civil service examinations.
- Implementation of recommendations resulting from completed classification studies.

- In response to the Administrative Equity Program, HR used a different approach to recruit Interns. Despite 150 applicants, the first round of recruiting did not yield successful candidates. Therefore, HR is conducting a second round of recruiting.
- Despite opening a transfer opportunity and making an employment offer, HR was not able to fill a vacant Human Resources Analyst position in the first six months of the fiscal year.

HUMAN RESOURCES' FUTURE PLANS

We are pleased to present an outline of goals and initiatives that will be our focus for FY 2022-2023:

- Work with the Executive Office to prioritize examinations and reduce the number of vacancies. Setting a maximum organizational vacancy rate will be discussed during strategic planning.
- Continue to partner with the Systems Division to automate frequent processes and to reduce paper-driven processes.
- Develop an Employee Engagement Program to address the actionable items discovered from the Employee Engagement Survey.
- Update methodologies and procedures used for job analysis and classification maintenance.
- Conduct the executive searches for the Investments, Systems, and Financial and Accounting Services Divisions.
- Support the development and execution of LACERA's strategic plan.

Budget Variances:

In comparing our FY 2022-2023 budget to the previous fiscal year, notable variances are found in the following areas:

- Agency Temp: Additional expenses anticipated for agency staff to perform scanning duties as part of HR's file digitization project.
- Overtime Request: Additional expenses in anticipation of new staff members.
- Organizational Program: A contract with Fulgent Genetics was added to the HR budget to provide COVID-19 testing for staff members.

SERVICES AND SUPPLIES

Departmental Training

Human Resources expects to continue LACERA's commitment as a learning organization and requests to retain the existing budget of $250,000. Training has been impacted by COVID-19, primarily due to gathering restrictions. For example, organization-wide active shooter training is included on the training list; however, the unpredictability of gathering restrictions makes it difficult to schedule training.

HUMAN RESOURCES

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 15.0
2021-2022 Hiring Plan: 15.0

2022-2023 Bud. Pos.: 21.0
2022-2023 Hiring Plan: 21.0

+ 1.0 Sr. Human Resources Analyst

1.0 Director, Human Resources
Carly Ntoya

1.0 Sr. Human Resources Assistant

EMPLOYEE & ORGANIZATIONAL DEVELOPMENT

1.0 Training Coordinator
2.0 Human Resources Analyst

1.0 Asst. Director, Human Resources
Annette Cleary

RETURN TO WORK/PAYROLL

1.0 Sr. Human Resources Analyst
3.0 Human Resources Analyst
+ 1.0 Human Resources Analyst
1.0 Sr. Human Resources Assistant

TALENT ACQUISITION AND MANAGEMENT

3.0 Sr. Human Resources Analyst
+ 1.0 Sr. Human Resources Analyst
1.0 Human Resources Analyst
+ 3.0 Human Resources Analyst

+ Added Position
* Classification study for all positions requested.

LACERA

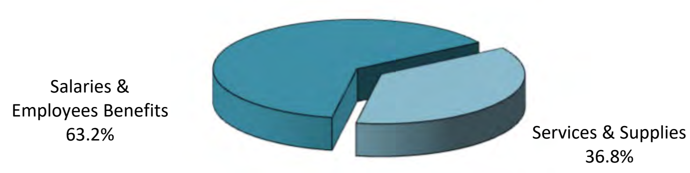
FISCAL YEAR 2022-2023

BUDGET SUMMARY

HUMAN RESOURCES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$3,813,337**	$2,926,303	$1,240,302	$2,549,600	($376,703)	-12.9%	$887,034	30.3%
Services & Supplies	**2,216,200**	1,769,300	411,278	1,483,200	(286,100)	-16.2%	446,900	25.3%
OPERATING BUDGET	**$6,029,537**	$4,695,603	$1,651,580	$4,032,800	($662,803)	-14.1%	$1,333,934	28.4%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

HUMAN RESOURCES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$1,948,338**	$1,513,977	$705,049	$1,428,300	($85,677)	-5.7%	$434,361	28.7%
Total Agency Temp Salaries	**95,300**	47,700	3,472	47,700	0	0.0%	47,600	99.8%
LACERA Intern Program	**288,000**	312,000	8,488	80,500	(231,500)	-74.2%	(24,000)	-7.7%
Employee Benefits (Variable)	**1,287,706**	913,126	449,402	843,200	(69,926)	-7.7%	374,580	41.0%
Employee Benefits (Other)	**123,142**	90,483	43,607	89,200	(1,283)	-1.4%	32,659	36.1%
OPEB Contribution	**65,350**	44,417	29,559	59,200	14,783	33.3%	20,933	47.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**3,800**	2,900	726	1,500	(1,400)	-48.3%	900	31.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**1,700**	1,700	0	0	(1,700)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$3,813,337**	$2,926,303	$1,240,302	$2,549,600	($376,703)	-12.9%	$887,034	30.3%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$3,813,337**	$2,926,303	$1,240,302	$2,549,600	($376,703)	-12.9%	$887,034	30.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

HUMAN RESOURCES

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
		2022-2023 BUDGET			
00425A	DIRECTOR, HUMAN RESOURCES	1	LS12	13,774	165,290
00437A	ASSISTANT DIRECTOR, HUMAN RESOURCES	1	LS10	12,835	154,018
00436A	SENIOR HUMAN RESOURCES ANALYST	4	102K	35,709	428,513
01886A	TRAINING COORDINATOR	1	102J	8,906	106,867
00434A	HUMAN RESOURCES ANALYST	4	98K	31,617	379,399
00435A	SENIOR HUMAN RESOURCES ASSISTANT	1	92A	6,657	79,884
	POSITIONS	12			1,313,970

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00436A	SENIOR HUMAN RESOURCES ANALYST	2	102K	6,807	81,681		122,521	
00434A	HUMAN RESOURCES ANALYST	6	98K	6,107	73,286		329,788	
00435A	SENIOR HUMAN RESOURCES ASSISTANT	1	92A	5,076	60,912			30,456
						0	452,309	30,456
	POSITIONS	9			482,765			
	TOTAL POSITIONS	21						
	GROSS SALARIES				1,796,735			
	ANTICIPATED MOU SALARY INCREASE**				98,820			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				9,579			
	BONUS				43,203			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,948,338			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

HUMAN RESOURCES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$9,400**	$9,000	$0	$100	($8,900)	-98.9%	$400	4.4%
OFFICE SUPPLIES & EQUIPMENT	**7,000**	8,000	546	4,000	(4,000)	-50.0%	(1,000)	-12.5%
PARKING FEES	**437,000**	377,000	217,600	418,000	41,000	10.9%	60,000	15.9%
PROFESSIONAL & SPEC. SRVCS.	**675,800**	575,800	146,838	574,700	(1,100)	-0.2%	100,000	17.4%
COMPUTER SERVICES & SUPPORT	**55,000**	55,000	3,290	31,200	(23,800)	-43.3%	0	0.0%
EDUCATIONAL EXPENSES	**509,000**	512,000	18,945	351,500	(160,500)	-31.3%	(3,000)	-0.6%
MISCELLANEOUS	**523,000**	232,500	24,059	103,700	(128,800)	-55.4%	290,500	124.9%
TOTAL	**$2,216,200**	$1,769,300	$411,278	$1,483,200	($286,100)	-16.2%	$446,900	25.3%

*All amounts rounded to the nearest dollar.

INTERNAL AUDIT
Budget Highlights

Fiscal Year 2022-2023

Mission

To support LACERA's mission through independent, objective assurance and consulting services.

INTRODUCTION

The purpose of Internal Audit is to provide independent, objective assurance services and consulting services designed to add value and improve LACERA's operations. The mission of Internal Audit is to enhance and protect LACERA's organizational values by providing risk-based and objective assurance, advice, and insight. Internal Audit brings a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes to help LACERA accomplish its mission.

Internal Audit assists the organization in meeting its control objectives through evaluating:

- Risk exposure relating to achievement of LACERA's strategic objectives
- The reliability and integrity of information and the means used to identify, measure, classify, and report such information
- The systems established to ensure compliance with those policies, procedures, laws, and regulations, which could have a significant impact on LACERA
- The means of safeguarding assets and, as appropriate, verifying the existence of such assets
- The effectiveness and efficiency with which resources are employed
- Operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operation or programs are being carried out as planned
- Monitoring governance processes

NOTABLE ACHIEVEMENTS AND CONTRIBUTIONS

All staff within Internal Audit are certified public accountants, certified internal auditors, or certified information systems auditors. Some have more than one certification and other relevant certifications, such as certified fraud examiner and certified information security designations. During the current fiscal year, we established a pool of external audit firms and began using them to supplement the work we perform internally. Included in the performance of our annual audit plan, Internal Audit developed, oversaw, or contributed significantly, in a consulting capacity, to the following notable achievements and ongoing efforts within LACERA.

- Initiated SOC-1 over OPEB census data
- Oversaw ongoing actuarial audit activities
- Oversaw real estate advisor compliance and operational audits
- Oversaw Audit Committee Charter revisions and hiring of new Audit Committee consultant
- Established a fully functional remote audit team
- Enhanced and formalized the recommendation follow-up process
- Performed a quality assurance improvement program (QAIP) over Internal Audit operations
- Upgraded Internal Audit's automated audit management system

STAFFING

We have 11 budgeted positions in Internal Audit of which 10 are currently filled. One of those positions, a Senior Internal Auditor, has been on loan to the Systems Division. While we are not requesting an increase in the number of budgeted positions within Internal Audit, we do look forward to ensuring that we are able to fully staff the office in FY 2022-2023.

It is important that we get to our full budget capacity and operate Internal Audit effectively and efficiently. This is becoming all the more important as the organization is continuing to develop and mature, undergoing a formal strategic planning process and a number of other initiatives. One of these, for example, is the implementation of the Case Management System (CMS) that will affect most of LACERAs divisions, and which Internal Audit will be supporting through assurance, as well as consulting and advisory services.

We will be seeking, whenever possible, to hire staff with specialized expertise needed by Internal Audit, which currently is in the areas of information technology (IT) and investment-related auditing. Also, a study was previously requested for the Principal Internal Auditor positions.

We look forward to participating in LACERA's internship program and are planning to employ an intern to work on a special project during the fiscal year. The budget for our intern will be included in Human Resources' budget.

We are continuing to evaluate, improve, and ensure that we provide comprehensive training for personnel at all levels to develop themselves as auditors, obtain credentials, and provide for succession planning to the management (Principal) and Division Management level (Chief Audit Executive).

SERVICES AND SUPPLIES

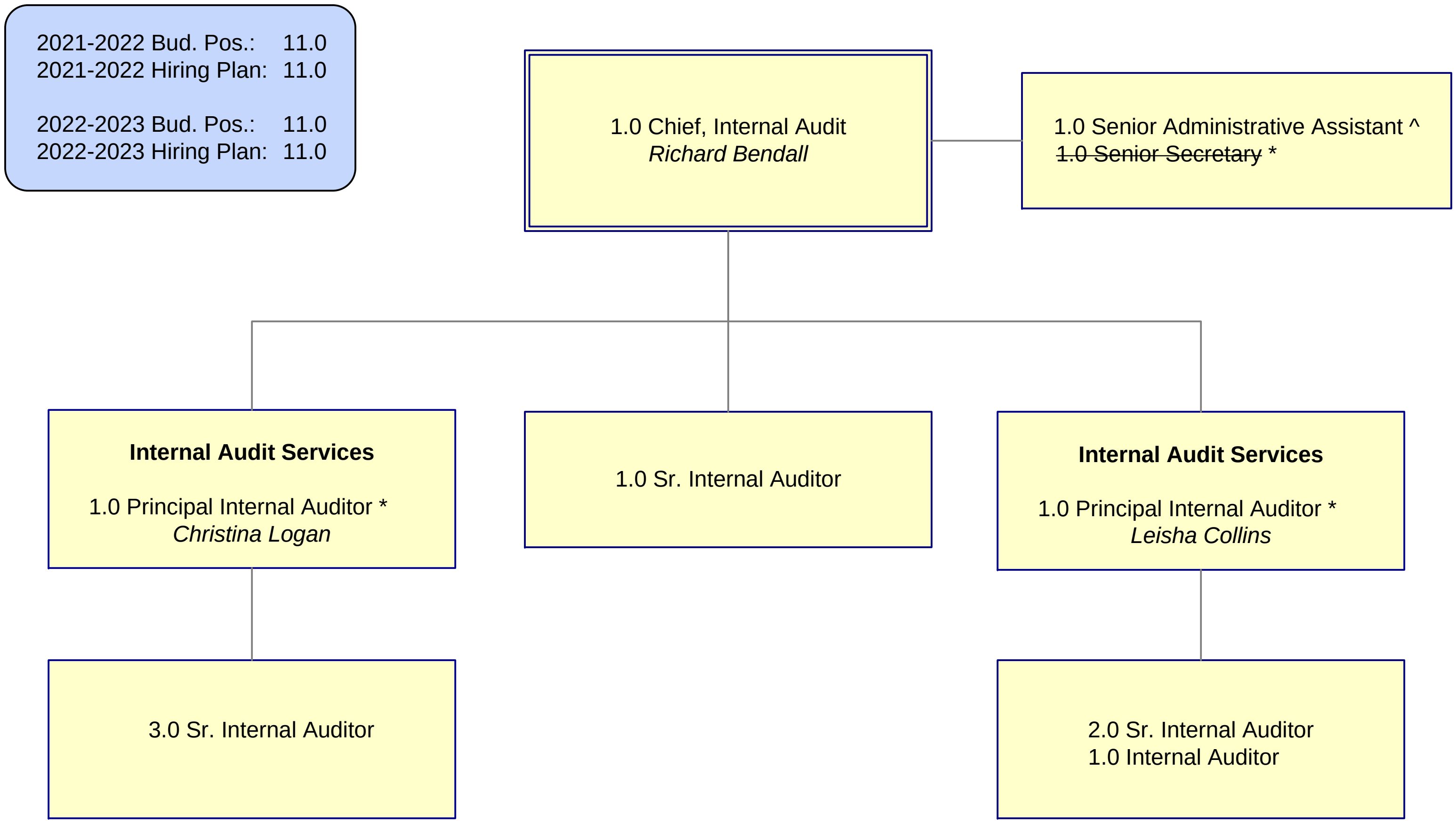
Each fiscal year, Internal Audit prepares a risk-based Audit Plan, approved by the Audit Committee. The Audit Plan defines the allocation of audit resources and communicates Internal Audit planned activities and resource requirements. This provides the basis for the Chief Audit Executive (CAE) and the Audit Committee to ensure that Internal Audit resources are appropriate, sufficient, and effectively deployed.

Internal Audit continues to leverage the use of external resources to better meet the needs of the organization and address the Audit Plan. The cost associated with these resources is a significant portion of the budget, $650,000. Of this, approximately $150,000 is for the external financial audit. $500,000 is to be used at the discretion of the Audit Committee and/or staff to perform external IT audits, real estate advisor audits, and other external audits as needed to address the Audit Plan.

Our total S&S budget has remained relatively unchanged, increasing only by $4,000, from $720,500 for FY 2021-2022 to $724,500 for FY 2022-2023.

INTERNAL AUDIT

FISCAL YEAR 2022-2023



* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

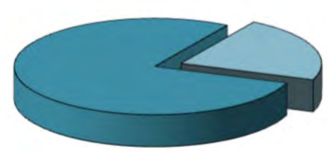
FISCAL YEAR 2022-2023

BUDGET SUMMARY

INTERNAL AUDIT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$2,582,622**	$2,433,813	$1,190,294	$2,322,300	($111,513)	-4.6%	$148,809	6.1%
Services & Supplies	**724,500**	720,500	178,785	706,400	($14,100)	-2.0%	4,000	0.6%
OPERATING BUDGET	**$3,307,122**	$3,154,313	$1,369,079	$3,028,700	($125,613)	-4.0%	$152,809	4.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

INTERNAL AUDIT

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$1,486,653**	$1,454,721	$723,273	$1,399,400	($55,321)	-3.8%	$31,932	2.2%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**945,642**	843,072	397,664	782,100	(60,972)	-7.2%	102,570	12.2%
Employee Benefits (Other)	**93,962**	86,941	41,900	85,700	(1,241)	-1.4%	7,021	8.1%
OPEB Contribution	**49,864**	42,678	26,685	53,400	10,722	25.1%	7,186	16.8%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**5,000**	4,900	771	1,700	(3,200)	-65.3%	100	2.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**1,500**	1,500	0	0	(1,500)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$2,582,622**	$2,433,813	$1,190,294	$2,322,300	($111,513)	-4.6%	$148,809	6.1%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$2,582,622**	$2,433,813	$1,190,294	$2,322,300	($111,513)	-4.6%	$148,809	6.1%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

INTERNAL AUDIT

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT			
00774A	CHIEF, INTERNAL AUDIT	1	LS12	15,979	191,742			
00762A	PRINCIPAL INTERNAL AUDITOR	2	115B	23,625	283,499			
00763A	SENIOR INTERNAL AUDITOR	6	108K	61,116	733,392			
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	5,728	68,737			
00439A	SENIOR SECRETARY	1	89G	5,588	67,060			
00439A	SENIOR SECRETARY	(1)	89G	(5,588)	(67,060)			
	POSITIONS	10			1,277,370			
	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00764A	INTERNAL AUDITOR	1	102G	6,757	81,082			40,541
						0	0	40,541
	POSITIONS	1			40,541			
	TOTAL POSITIONS	11						
	GROSS SALARIES				1,317,910			
	ANTICIPATED MOU SALARY INCREASE**				72,485			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				23,035			
	BONUS				73,223			
	120-DAY RETIREE(S)				0			
	TOTAL SALARIES				1,486,653			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

INTERNAL AUDIT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$17,000**	$17,000	$0	$4,700	($12,300)	-72.4%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**1,500**	1,500	295	1,000	(500)	-33.3%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**675,000**	671,000	159,016	671,000	0	0.0%	4,000	0.6%
EDUCATIONAL EXPENSES	**30,500**	30,500	19,475	29,500	(1,000)	-3.3%	0	0.0%
MISCELLANEOUS	**500**	500	0	200	(300)	-60.0%	0	0.0%
TOTAL	**$724,500**	$720,500	$178,785	$706,400	($14,100)	-2.0%	$4,000	0.6%

*All amounts rounded to the nearest dollar.

INVESTMENT OFFICE
Budget Highlights

Fiscal Year 2022-2023

Mission

Prudently invest the trust assets to achieve the highest risk-adjusted return in accordance with the policies and decisions of the Board of Investments.

INTRODUCTION

The Investment Office's staff responsibilities include developing and recommending prudent investment policies and risk management strategies to assist LACERA toward achieving the return objectives established by the Board of Investments. The Investment Office's staff is also responsible for implementing and monitoring Board-approved programs and policies.

BACKGROUND

On an ongoing basis, the Investment Office implements LACERA's strategic asset allocation and the Investment Office's strategic initiatives identified in its annual work plan. As part of this effort, the Investment Office's staff works to optimize asset category returns through structure reviews, monitor existing investments, and perform diligence on prospective mandates. The team takes a total portfolio approach that incorporates environmental, social, and governance (ESG) considerations and diversity, equity, and inclusion (DEI) factors in its analysis. The Investment Office balances risks such as leverage and illiquidity with its goal of optimizing risk-adjusted returns.

A challenge that the Investment Office faces is achieving the target rate of return in an environment of more muted expectations from all asset classes. To confront this, the Investment Office continues to increase its focus on risk management, proper portfolio diversification, and LACERA-friendly fee models.

In the recent period, the Investment Office has developed and begun implementing a new strategic asset allocation, successfully implemented a co-investment program in private equity and is building out this capability in other asset categories, enhanced the accounting internal controls in the real estate portfolio, and established a leading DEI framework around our TIDE (toward inclusion, diversity, and equity) initiative.

LACERA's most important resource is its people. Toward this end, the Investment Office has continued to focus on cross-asset category collaboration to enhance the team's overall investment knowledge and perspectives. The greater depth of investment talent best positions the fund to meet its goals in a challenging macroeconomic environment.

Over the coming years, the Investment Office will continue to enhance its operational capabilities, optimize LACERA's investment model, strengthen its influence on fees, and improve outcomes for the LACERA portfolio through its ESG and DEI efforts. For additional information, please see the 2022 Investments Division Work Plan, which is located in the Strategic Plans. This plan continues the strategic journey of morphing from an Allocator to Best-in-Class Investor.

STAFFING

For the Fiscal Year 2022-2023, the Investment Office will focus on filling 11 current vacancies. After the vacancy rate is reduced, an effort will be made to align the organizational structure to better meet the objectives of the portfolio. Also, the Investment Office is requesting that the Senior Management Secretary be changed to an Executive Administrative Assistant to administratively support the Chief Investment Officer and the Deputy Chief Investment Officer, as well as having this position serve as the Investment Office Manager.

SERVICES AND SUPPLIES

There is a one percent increase in the proposed FY 2022-2023 Supplies and Services budget compared to the approved FY 2021-2022 budget. We expect that the overall Services and Supplies expenses to remain in line with the prior fiscal year's budget.

2021-2022 Bud. Pos.: 45.0
2021-2022 Hiring Plan: 45.0

2022-2023 Bud. Pos.: 45.0
2022-2023 Hiring Plan: 45.0

INVESTMENT OFFICE

FISCAL YEAR 2022-2023

1.0 Chief Investment Officer
Jonathan Grabel

1.0 Deputy Chief Investment Officer
Vacant

1.0 Executive Administrative Assistant ^
~~1.0 Sr. Mgmt. Secretary~~ *

REAL ASSETS AND INFLATION HEDGES

PIO for REAL ASSETS and INFLATION HEDGES

1.0 Principal Investment Officer

Jim Rice

1.0 Sr. Investment Officer
5.0 Finance Analyst III
4.0 Finance Analyst II
1.0 Finance Analyst I
1.0 Sr. Admin. Assist. ^
~~1.0 Sr. Secretary~~ *

GROWTH ASSETS

CO-HEAD and PIO for GLOBAL EQUITY

1.0 Principal Investment Officer

Vacant

1.0 Finance Analyst III
2.0 Finance Analyst II

CO-HEAD and PIO for PRIVATE EQUITY

1.0 Principal Investment Officer

Christopher Wagner

1.0 Sr. Investment Officer
4.0 Finance Analyst III
2.0 Finance Analyst II
1.0 Sr. Admin. Assist. ^
~~1.0 Sr. Secretary~~ *

CREDIT AND RISK MITIGATING STRATEGIES

PIO for CREDIT and RISK MITIGATING STRATEGIES

1.0 Principal Investment Officer

Vache Mahseredjian

1.0 Sr. Investment Officer
2.0 Finance Analyst III
2.0 Finance Analyst II
1.0 Finance Analyst I
1.0 Sr. Admin. Assist. ^
~~1.0 Sr. Secretary~~ *

PORTFOLIO ANALYTICS

PIO for PORTFOLIO ANALYTICS

1.0 Principal Investment Officer

Jude Perez

1.0 Sr. Investment Officer
1.0 Finance Analyst III
1.0 Finance Analyst II
1.0 Finance Analyst I

STEWARDSHIP AND CORPORATE GOVERNANCE

PIO for STEWARDSHIP and CORPORATE GOVERNANCE

1.0 Principal Investment Officer

Scott Zdrazil

2.0 Finance Analyst III

* Classification study for the position requested.
^ Position upgrade from Senior Management Secretary to Executive Administrative Assistant and Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

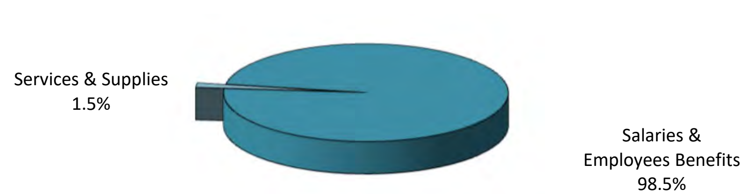
FISCAL YEAR 2022-2023

BUDGET SUMMARY

INVESTMENT OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$17,968,354**	$16,189,519	$7,250,423	$14,660,900	($1,528,619)	-9.44%	$1,778,835	11.0%
Services & Supplies	**270,800**	268,500	89,230	150,000	(118,500)	-44.1%	2,300	0.9%
OPERATING BUDGET	**$18,239,154**	$16,458,019	$7,339,653	$14,810,900	($1,647,119)	-10.0%	$1,781,135	10.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

INVESTMENT OFFICE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$10,325,037**	$10,263,564	$4,712,922	$9,425,000	($838,564)	-8.2%	$61,473	0.6%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**6,631,219**	4,998,241	2,148,386	4,444,000	(554,241)	-11.1%	1,632,978	32.7%
Employee Benefits (Other)	**652,582**	613,402	295,622	604,700	(8,702)	-1.4%	39,180	6.4%
OPEB Contribution	**346,317**	301,112	89,593	180,000	(121,112)	-40.2%	45,205	15.0%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**1,000**	1,000	0	0	(1,000)	-100.0%	(0)	0.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**5,000**	5,000	0	0	(5,000)	-100.0%	0	0.0%
Transportation Allowance	**7,200**	7,200	3,900	7,200	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$17,968,354**	$16,189,519	$7,250,423	$14,660,900	($1,528,619)	-9.4%	$1,778,835	11.0%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$17,968,354**	$16,189,519	$7,250,423	$14,660,900	($1,528,619)	-9.44%	$1,778,835	11.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

INVESTMENT OFFICE

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00493A	CHIEF INVESTMENT OFFICER (UC)	1	LR28	56,266	675,187
00495A	PRINCIPAL INVESTMENT OFFICER	1	LR23	38,813	465,760
00496A	PRINCIPAL INVESTMENT OFFICER (UC)	3	LR23	95,983	1,151,796
00492A	SENIOR INVESTMENT OFFICER	3	LR20	70,739	848,866
00769A	FINANCE ANALYST III	11	LR16	209,178	2,510,138
00768A	FINANCE ANALYST II	9	LR12	113,508	1,362,098
00767A	FINANCE ANALYST I	3	105E	28,441	341,293
00439A	SENIOR ADMINISTRATIVE ASSISTANT	3	90F	19,155	229,857
00439A	SENIOR SECRETARY	3	89G	18,688	224,250
00439A	SENIOR SECRETARY	(3)	89G	(18,688)	(224,250)
	POSITIONS	34			7,584,995

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00494A	DEPUTY CHIEF INVESTMENT OFFICER (UC)	1	LR24	25,144	301,726	301,726		
00495A	PRINCIPAL INVESTMENT OFFICER	1	LR23	23,390	280,676	280,676		
00496A	PRINCIPAL INVESTMENT OFFICER (UC)	1	LR23	23,390	280,676	280,676		
00492A	SENIOR INVESTMENT OFFICER	1	LR20	18,828	225,933	225,933		
00769A	FINANCE ANALYST III	4	LR16	14,098	169,179		507,536	
00768A	FINANCE ANALYST II	2	LR12	10,557	126,681		190,022	
00442A	EXECUTIVE ADMINISTRATIVE ASSISTANT	1	101G	6,576	78,913			39,457
00441A	SENIOR MANAGEMENT SECRETARY	1	97G	5,900	70,803			
00441A	SENIOR MANAGEMENT SECRETARY	(1)	97G	5,900	70,803			
						1,089,011	697,558	39,457
	POSITIONS	11			1,826,025			

TOTAL POSITIONS	45	
GROSS SALARIES		9,411,020
ANTICIPATED MOU SALARY INCREASE**		517,606
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		210,415
BONUS		185,996
120-DAY RETIREE(S)		0
TOTAL SALARIES		10,325,037

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

INVESTMENT OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
AUTO EXPENSE	**$2,400**	$0	$0	$0	$2,400	0.0%	$2,400	0.0%
TRANSPORTATION & TRAVEL	**$123,900**	$141,000	$46	$35,000	($106,000)	-75.2%	($17,100)	-12.1%
OFFICE SUPPLIES & EQUIPMENT	**3,500**	4,500	30	1,000	(3,500)	-77.8%	(1,000)	-22.2%
EDUCATIONAL EXPENSES	**140,000**	116,000	88,872	113,000	(3,000)	-2.6%	24,000	20.7%
MISCELLANEOUS	**1,000**	7,000	282	1,000	(6,000)	-85.7%	(6,000)	-85.7%
TOTAL	**$270,800**	$268,500	$89,230	$150,000	($118,500)	-44.1%	$2,300	0.9%

*All amounts rounded to the nearest dollar.

Mission

To provide timely and effective legal representation, advice, and counsel at the highest professional level to LACERA, the Board of Retirement and Board of Investments, and executive management and staff.

INTRODUCTION

The Legal Services Office provides comprehensive legal services to LACERA and its Boards and staff. These services currently are provided through the Chief Counsel, four sections within the Office (Benefits, Disability, Investments and Commercial Contracts, and Litigation and Employment), and the Legislative Affairs Officer. As noted below, we hope to soon add the Principal Staff Counsel and Director of Compliance, which also appear on the attached organizational chart.

While the Office is performing well now across its areas of specialization, our staffing must evolve over time to meet the changing needs of the organization. Our staffing challenges fall in the areas of 1) Benefits, to ensure adequate expert legal resources into the future, 2) Investments, to ensure that we keep up with the sophistication of investment operations and build our in-house resources so that we further reduce the use of outside counsel, 3) Compliance, to bolster the operational lines of compliance within the organization by providing a compliance leader to work with subject matter experts in LACERA's other divisions, and 4) Succession Planning.

The Office's FY 2022-2023 organizational chart continues to include the Principal Counsel positions not yet approved by the Board of Supervisors. These positions were approved by LACERA's Boards in 2017 and again in 2021.

Even as the Office's staffing grows in capability and as demand for legal services within the organization continues to expand, we will strive in FY 2022-2023 to be more efficient. Therefore, we have increased the Services and Supplies budget only to reflect the proposed greater headcount.

STAFFING

A. Positions

The Office's FY 2022-2023 budget addresses four categories of positions that are needed to ensure that the Office continues to provide excellent legal services to the Boards, staff in all divisions, and members, and to meet organizational changes in other parts of LACERA, such as the Executive Office, Investments, and the new organizational chart proposed by the Chief Executive Office. The current structure is over 15 years old. LACERA has greatly evolved during that time, as has the legal landscape and the sophistication of the services that the Office's clients in the organization require. The requested positions will help establish the foundation on which the Office can build to meet the challenges of the future.

1. **Principal Counsel**: Two positions were approved by the Boards in 2017. They have not yet been approved by the Board of Supervisors. These positions will enable better management of the Office by freeing Chief Counsel to focus on strategic planning with the Executive Office and the managers of LACERA's other divisions – enhancing the development of higher-level expertise and management experience within the Legal Office and improving succession planning. The Principal Staff Counsel will, between them, provide substantive oversight of the sections in the Office. Currently, the Chief Counsel must personally and directly oversee work in all sections, which detracts from the time available for strategic planning, the most important legal issues across the sections, and the increasingly complex governance issues raised by the Boards. With the increase in the amount and complexity of legal issues in the organization since 2017, the need for these positions is greater now than it was then.

2. **Senior Staff Counsel**: The Office proposes that the budget add one additional Senior Staff Counsel for the Investments Section to support investment and commercial transactions work. Currently, this section of the Office has nine staff members, including two Senior Staff Counsel (one vacant) and three Staff Counsel (all vacant), supporting billions of dollars of investment transactions and millions of dollars in commercial contracts annually. Recruitments are in progress for the vacant attorney positions. The investment component of the Office's work has and will continue to experience increasing volume as the management of the portfolio has increased in complexity, particularly with direct investments, and as the size of the Investments Office has grown. Even with the current recruitments, the Office requires another Senior Staff Counsel to supervise and perform investment and commercial work. The addition of another Senior Staff Counsel will also allow the office to allocate asset class specialization responsibility among three Senior Staff Counsel, which will enable the Legal Division to develop additional client focus and expertise in serving the needs of the Investment Office. The additional Senior Staff Counsel will focus on one or more asset class, while also providing support for the increasing volume and complexity of all investment work.

   As a result of adding the new Senior Staff Counsel, it will be necessary to increase number of ordinance positions for this classification. The current number of authorized positions is 10, which will be exhausted by the new position. To accommodate future needs, the number should be increased to 11.

The hiring of new lawyers is important not just to perform necessary legal work for the present, but to build the foundation for future leadership and succession planning in the Legal Division for senior positions, including Chief Counsel, Principal Staff Counsel, and Senior Staff Counsel. We have also learned that excellent lawyers hired by the Legal Division sometimes transfer to other LACERA divisions, where they pursue their ambitions and become part of the future in other areas of the fund.

3. **Director of Compliance:** This position has been previously discussed with the Boards. However, it has not been proposed to be filled in the past three budgets to assist in austerity measures. The time has come to fill this position, which will require action by the Board of Supervisors to add the position to the compensation ordinance. A compliance director will further the organization's operational and investment compliance by providing dedicated expertise and full-time commitment to the compliance function, which is currently spread throughout the Legal Office and even other parts of the organization. Adding a dedicated position will also strengthen LACERA's management and Internal Audit compliance efforts. A Director of Compliance will enable LACERA to implement a compliance structure in line with the Institute of Internal Auditors' "three lines" model of compliance, with the first line being the delivery of services and support for services, the second line being management of risk, and the third line being the independent role of Internal Audit. A Director of Compliance fits within the second line, which currently does not have dedicated staff at LACERA, although a variety of staff give some attention to the issue.

B. Classification Studies

1. Secretarial Classification Study

As a result of the secretarial classification study, the Legal Division secretaries will be converted from Senior Management Secretaries and Management Secretaries to Senior Legal Secretaries and Legal Secretaries, respectively. This is a positive development that reflects the special expertise required to provide secretarial support for LACERA's legal needs.

2. Senior Legal Analyst

The Legal Division requests a new classification for Senior Legal Analysts, in addition to the existing Legal Analyst classification, to recognize the Legal Division's increasing reliance on experienced legal analysts to perform high level legal work that is extremely important and sophisticated but does not require the services of an attorney. The Division currently relies upon Legal Analysts for work in the Benefits, Disability, and Investment sections of the Office. Senior Legal Analysts will perform advanced work in areas of benefit and legal order analysis, investment contract and investment regulatory requirements, and Form 700 and other ethics compliance functions. Senior Legal Analysts will free attorneys from performing these functions and leverage the legal staff of the office in an efficient and economical way.

C. Temporary Services and Overtime

The Agency-Temporary budget for FY 2022-2023 will provide for temporary staff to cover Legal Office needs, such as potential attorney and clerical assistance for special projects and coverage for administrative staff absences or medical leave. The Office also needs overtime occasionally throughout the year to support secretarial and Legal Analyst staff in the Investment Section of the Legal Office in keeping up with the very high volume and time-sensitive demands of the organization's investment work; in the Benefits Section of the Office to cover March Madness and other member service needs; and to complete compliance projects and other special assignments. However, the Office will continue to be efficient in the use of temporary staff and overtime and authorizes requests in these areas only when there is demonstrated need to complete work necessary to fulfill LACERA's mission.

In addition to usual temporary and overtime hiring, the Legal Division has brought back a retired former LACERA investment attorney as a 120-day returning retiree to assist in training and performance of investment work while the Division absorbs several new investment Staff Counsel and a new investment Senior Staff Counsel. This attorney's work will be of limited duration and is expected to be completed in FY 2022-2023.

D. Intern

The Legal Division intends to hire an intern in FY 2022-2023 to help recruit talent for the future and to provide opportunity to a law school student who may be interested in a career in government and public pension law. The Division intends to expose the intern to the work of all sections of the Office in order to provide broad experience of LACERA's legal needs and promote understanding of all major dimensions of LACERA's business. The Division will also support additional work in specialized areas if the intern expresses a focused interest. The Legal Division focuses on diversity as an important factor in all our recruiting, which will be a consideration as well in selecting an excellent intern.

SERVICES AND SUPPLIES

The budget for Services and Supplies is primarily based on historical expenditures, adjusted for experience, and increased headcount. LACERA will continue to be efficient across the board in FY 2022-2023, primarily through a focus on efficiency; continued reduction in the physical, hard copy library in favor of electronic resources; allocation of education opportunities and organizational memberships to minimize – if not eliminate – travel, avoid duplication, and increase the sharing of knowledge and information; and better management of outside legal resources.

Outside Legal Resources is a difficult category to budget and control, because it is dependent on unpredictable contingencies and claims as well as Board issues that may arise. The Office proposes a significant increase in FY 2022-2023 to recognize recent trends in outside counsel usage, including major pending matters, while at the same time committing to manage outside counsel assignments to control cost.

In order to supplement the Division's recruitment efforts for full-time investment attorneys, the Division is currently exploring secondments with some of our major outside investment law firms to be used in support of the Division's work for the Investments Division. Under this arrangement, one or more firms will place an attorney with LACERA on a full- or part-time basis. A secondment relationship will provide LACERA will high-quality investment attorneys devoted to our work, whom we may be able to recruit for a full-time position. Such a relationship will also deepen the selected law firms' understanding of LACERA and enable them to provide better service to the fund even after the secondment has ended. The secondment will be used if the Division is not able to recruit permanent investment Senior Staff Counsel and Staff Counsel through the civil service exam process and will be used on a temporary basis until permanent staff can be hired. This is a creative way of addressing staffing shortages and recruiting challenges for sophisticated permanent investment attorneys, while supporting LACERA's investment transactional work at the needed level of expertise. Because this expense is in support of investment work, it is not an administrative expense and therefore is not included in the administrative budget.

2021-2022 Bud. Pos.: 28.0
2021-2022 Hiring Plan: 28.0

2022-2023 Bud. Pos.: 29.0
2022-2023 Hiring Plan: 27.0

LEGAL SERVICES

FISCAL YEAR 2022-2023

1.0 Chief Counsel
Steven Rice

1.0 Legal Secretary ^
~~1.0 Management Secretary *~~

Pending Board of Supervisors Approval

1.0 Principal Staff Counsel Ø
TBD

LEGISLATIVE AFFAIRS

1.0 Legislative Affairs Officer
Barry Lew

Pending Board of Supervisors Approval

1.0 Principal Staff Counsel Ø
TBD

Pending Board of Supervisors Approval

1.0 Director of Compliance Ø
TBD

INVESTMENTS SECTION

2.0 Senior Staff Counsel
Christine Roseland
Vacant
+ 1.0 Senior Staff Counsel

2.0 Staff Counsel *
1.0 Staff Counsel *
2.0 Legal Analyst *
1.0 Senior Legal Secretary ^
~~1.0 Senior Management Secretary *~~
1.0 Legal Secretary ^
~~1.0 Management Secretary *~~

LITIGATION SECTION

2.0 Senior Staff Counsel
Johanna Fontenot
Michael Herrera

1.0 Staff Counsel *
1.0 Senior Legal Secretary ^
~~1.0 Senior Management Secretary *~~

BENEFITS SECTION

1.0 Senior Staff Counsel
Fern Billingy

2.0 Staff Counsel *
2.0 Legal Analyst *
1.0 Senior Legal Secretary ^
~~1.0 Senior Management Secretary *~~

DISABILITY SECTION

1.0 Senior Staff Counsel
Frank Boyd

1.0 Legal Analyst *
1.0 Senior Legal Secretary ^
~~1.0 Senior Management Secretary *~~

+ Added position
* Classification study for the position requested
^ Position upgrade from Senior Management Secretary to Senior Legal Secretary and Management Secretary to Legal Secretary as a result of classification study (Pending Board of Supervisors' approval).
Ø Not yet approved by Board of Supervisors (1.0 Principal Staff Counsel in Investments and Litigation Team, 1.0 Principal Staff Counsel in Benefits and Disability Team, & 1.0 Director of Compliance in Legal Services)

LACERA

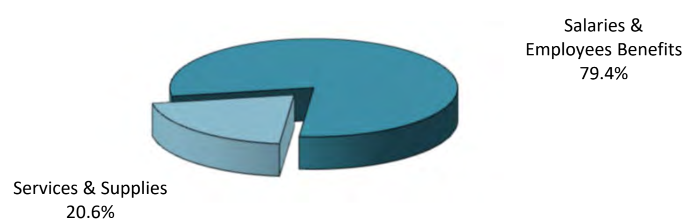
FISCAL YEAR 2022-2023

BUDGET SUMMARY

LEGAL SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$7,432,150**	$6,252,924	$2,407,624	$5,136,300	($1,116,624)	-17.9%	$1,179,226	18.9%
Services & Supplies	**1,927,500**	1,495,100	1,117,055	1,916,500	421,400	28.2%	432,400	28.9%
OPERATING BUDGET	**$9,359,650**	$7,748,024	$3,524,679	$7,052,800	($695,224)	-9.0%	$1,611,626	20.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

LEGAL SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$4,143,932**	$3,630,372	$1,405,001	$3,049,000	($581,372)	-16.0%	$513,560	14.1%
Total Agency Temp Salaries	**135,900**	150,000	51,724	100,000	(50,000)	-33.3%	(14,100)	-9.4%
Employee Benefits (Variable)	**2,728,113**	2,117,944	792,219	1,666,400	(451,544)	-21.3%	610,169	28.8%
Employee Benefits (Other)	**261,912**	214,441	103,348	211,400	(3,041)	-1.4%	47,471	22.1%
OPEB Contribution	**138,993**	105,267	46,121	92,300	(12,967)	-12.3%	33,726	32.0%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**18,400**	30,000	8,561	16,000	(14,000)	-46.7%	(11,600)	-38.7%
Bilingual Bonus	**2,400**	2,400	650	1,200	(1,200)	-50.0%	0	0.0%
Sick Leave Buyback	**0**	0	0	0	0	0.0%	0	0.0%
Rideshare Allowance	**2,500**	2,500	0	0	(2,500)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$7,432,150**	$6,252,924	$2,407,624	$5,136,300	($1,116,624)	-17.9%	$1,179,226	18.9%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$7,432,150**	$6,252,924	$2,407,624	$5,136,300	($1,116,624)	-17.9%	$1,179,226	18.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

LEGAL SERVICES

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
09216A	CHIEF COUNSEL	1	LS19	26,509	318,109
09213A	SENIOR STAFF COUNSEL	4	LS16	82,851	994,212
09212A	STAFF COUNSEL	2	LS12	29,894	358,722
00795A	LEGISLATIVE AFFAIRS OFFICERS	1	113B	11,795	141,544
09235A	LEGAL ANALYST	5	99L	39,641	475,686
00441A	SENIOR LEGAL SECRETARY	2	99B	14,225	170,704
00441A	SENIOR MANAGEMENT SECRETARY	2	97G	13,639	163,666
00441A	SENIOR MANAGEMENT SECRETARY	(2)	97G	(13,639)	(163,666)
00440A	LEGAL SECRETARY	2	94H	12,604	151,244
00440A	MANAGEMENT SECRETARY	2	93G	12,237	146,839
00440A	MANAGEMENT SECRETARY	(2)	93G	(12,237)	(146,839)
	POSITIONS	17			2,610,221

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
99999A	PRINCIPAL STAFF COUNSEL Ø	2	LS17	15,156	181,867			
99999A	DIRECTOR OF COMPLIANCE Ø	1	LS16	14,098	169,179			
09213A	SENIOR STAFF COUNSEL	3	LS16	14,098	169,179	507,536		
09212A	STAFF COUNSEL	4	LS12	10,557	126,681	506,724		
00441A	SENIOR LEGAL SECRETARY	2	99B	6,152	73,828	147,657		
00441A	SENIOR MANAGEMENT SECRETARY	2	97G	5,900	70,803			
00441A	SENIOR MANAGEMENT SECRETARY	(2)	97G	5,900	70,803			
						1,161,916	0	0
	POSITIONS	12			1,161,916			

TOTAL POSITIONS	29	
GROSS SALARIES		3,772,137
ANTICIPATED MOU SALARY INCREASE**		207,468
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		58,008
BONUS		7,785
120-DAY RETIREE(S)	1	98,533
TOTAL SALARIES		4,143,932

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

LEGAL SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
AUTO EXPENSE	**$4,400**	$4,400	$235	$3,200	($1,200)	-27.3%	$0	0.0%
TRANSPORTATION & TRAVEL	**17,800**	26,400	520	9,000	(17,400)	-65.9%	(8,600)	-32.6%
OFFICE SUPPLIES & EQUIPMENT	**6,000**	6,000	670	3,000	(3,000)	-50.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**252,300**	252,300	134,254	252,300	0	0.0%	0	0.0%
LEGAL FEES & SERVICES	**1,540,500**	1,100,000	932,434	1,555,500	455,500	41.4%	440,500	40.0%
EDUCATIONAL EXPENSES	**104,500**	103,000	48,494	91,500	(11,500)	-11.2%	1,500	1.5%
MISCELLANEOUS	**2,000**	3,000	449	2,000	(1,000)	-33.3%	(1,000)	-33.3%
TOTAL	**$1,927,500**	$1,495,100	$1,117,055	$1,916,500	$421,400	28.2%	$432,400	28.9%

*All amounts rounded to the nearest dollar.

MEMBER SERVICES
Budget Highlights

Fiscal Year 2022-2023

Mission

To provide world-class service in a positive, supportive, professional, and equitable manner through any channel the member chooses. We will strive at all times to provide accurate, clear, and common-language explanations of all plans, plan options, purchases, purchase options, and retirement-related issues. We strive to function as a team working together to fulfill our assigned mission of servicing members.

INTRODUCTION

Member Services is focused on finding innovative solutions that improve our members' experience as they progress through their LACERA journey. We provide services across multiple channels to ensure members can connect with us in the manner they feel most comfortable. Our Contact Center, which includes our Call Center and Correspondence units, provide members with quick access to everything from basic account maintenance to in-depth counseling on matters throughout all stages of a member's or a survivor's journey. Our Outreach Section, consisting of our Member Service Center and our Outreach team, connects with members often for in-depth, detailed counseling, both virtually and in-person. Our Member Services Quality Control Unit supports the division by ensuring that our service meets expectations. And this year we are proud to introduce our new Member Care Unit, dedicated to resolving escalated issues and providing case management in conjunction with the Outreach team for the more urgent or delicate cases that need extra attention.

Together, these teams work with our business partners to provide the service our members expect. This fiscal year we are proud to share some of our collective accomplishments:

- Handled a record number of incoming calls
- Expanded the number of virtual counseling sessions that have made it easier than ever to connect with members

- Continued our successful partnership with Empower to provide comprehensive pre-retirement seminars
- Launched the new Member Care Unit
- Partnered with the PMG to rollout a new member appeals and escalation database, which will help us improve our services to critical member concerns and define and develop the requirements that will be translated to the Case Management strategic project in its later phases
- Partnered with the PMG to roll out a new application for call monitoring, which will help us improve our efforts to provide consistent service and develop staff

This fiscal year we are finalizing plans to launch a new queue management and appointment system for the Member Service Center. The new process features a more user-friendly appointment scheduling interface, the addition of text message confirmations, updates to collect feedback about counseling sessions, increased insights into Member Service Center metrics, and the development of specific key performance indicators for the Member Service Center.

We are also partnering with other Member Operations Group divisions in the development of process improvements designed to provide faster and more efficient service to our members. Among these projects are the re-engineering of our death benefit claim process, required minimum distribution compliance program, and a closer partnership to proactively reach members regarding returned checks, lost contact, or special counseling needs.

Preparing for the Case Management System

We are also excited and motivated to be a participant in the Case Management System project. The various phases outlined for the Case Management System will revolutionize how we provide services to our members — creating more touchpoints, improved personalization, expanded self-service, and more efficient and effective interactions.

Member Services participated in the selection committee that will be making a recommendation to the Board of Retirement for the selected vendor. We are gearing up to provide subject matter experts to assist in the development and implementation of Phase I to help ensure the new processes and procedures maximize improvements to the member experience. Member Services provides support to members going through two of the first three areas of focus of Phase I of the Case Management project.

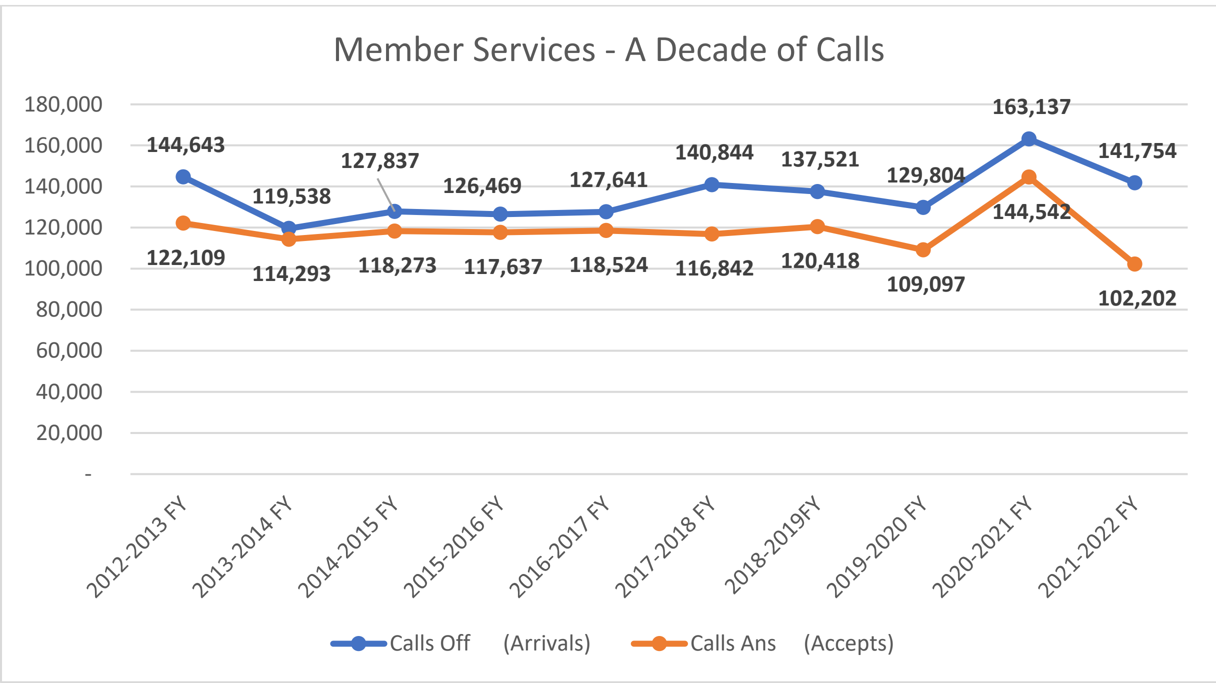
Member Services provides support and counseling to members as they progress through their retirement journey and transition to a retired payee, as well as support and counseling to members at the beginning of the disability process and during the transition to a retired payee. In support of this strategic initiative, we have requested an increase in overtime related expenses for support and testing of the new processes and tools.

Rising to Meet our Challenges

Despite our accomplishments, we acknowledge this past fiscal year proved to be challenging in terms of the volume of member contacts. Our Member Service Center and Outreach teams continued to adjust to pandemic-related impacts. At the beginning of the fiscal year, we were excited to reopen the Member Service Center. Unfortunately, the Omicron COVID-19 surge impacted LACERA, making it a necessity to close the MSC temporarily for staff and member safety. Despite these temporary setbacks, we remain focused on preparing to reopen the Member Service Center in May of the current fiscal year.

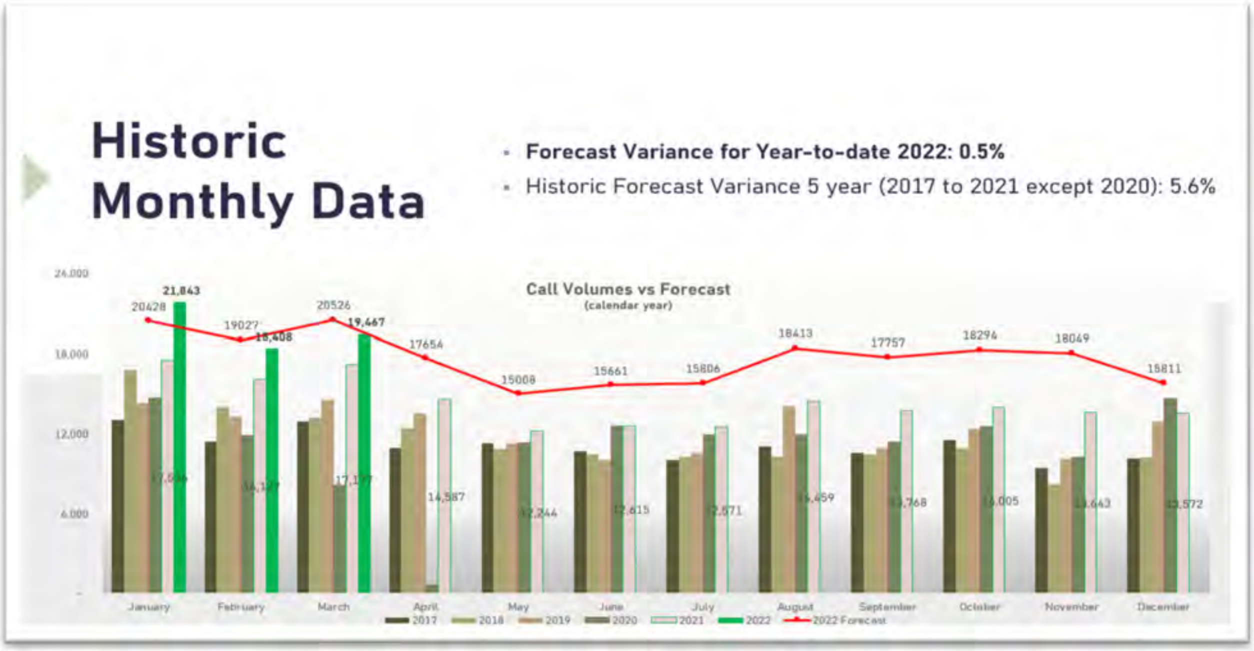
Throughout the ups and downs, the team adjusted well and increased the number of virtual appointments to help ensure we can connect with members. Our online seminar series has been tremendously successful, allowing us to reach more members per session than our traditional services. Both of these services have been received positively by members, and we will continue to offer and refine them in the coming fiscal year.

Our Member Services Call Center and Contact Center have seen record breaking increases in member contacts in the last two years:



During FY 2019-2020, which includes the first stages of the pandemic, we fielded 144,452 calls out of 163,137 calls offered.

Using monthly incoming call volumes for the last five years, we estimate an average variance of +/- 5.6 percent over historical call volumes. Based on these projections, we expect to finish the FY 2021-2022 having received between 180,000 and 190,000 calls.



The COVID-19 pandemic has had a significant impact on staffing levels in Member Services. This past fiscal year was the first fiscal year of living with the full impacts of the pandemic. The Board of Retirement has authorized Member Services with 79 positions that provide the staffing to service our more than 185,000 members and over 69,000 benefit payees. Due to retirements, departures, and internal movement, Member Services is operating with 55 of 79 positions filled and actively working. Approximately four of those 79 staff member positions are staff on approved leave, and 11 are part of the CORE Benefits Training class. We have nine vacant positions. This, along with the sharp increase in call volume, has led to a decrease in our response time in the Call Center and other areas.

In partnership with Human Resources and Quality Assurance, and with the support of the Executive Office, LACERA launched two Specialist Core Benefits Training classes this past fiscal year that will provide new specialists to Member Services and Benefits. These classes will be graduating in the autumn of 2022, restoring much-needed staff members to our Member Services Call Center. Member Services will still need additional staff member resources.

Even running a full complement in two classes, additional retirements and promotions during the fiscal year will necessitate at least one additional Core Benefits Training class that should begin during FY 2022-2023. While Member Services believes it will need additional staffing in the upcoming fiscal years if call volume trends continue, we are not requesting any new staffing until we can fill our current teams.

Focusing on the Future

Current call volume trends are likely to increase unless we can take proactive steps to reduce the number of incoming calls while improving the overall service we provide to members. As part of our ongoing initiative to examine call trends, we have identified several promising call triggers that can help us reduce call volume and improve service:

- Approximately 10 percent of our incoming calls have been to reset My LACERA passwords or to gain guidance on how to upload documents. Partnering with the Systems Division, they have identified changes to the login process that we feel will help reduce password reset-related calls. Additional future plans to introduce multifactor authentication will further efforts to provide members with a more efficient and safe self-service process. Systems and Communications has also worked with Member Services to continually improve our upload interface. We hope to add how-to videos in the near future to make it even easier.

- During the beginning of each calendar year, our Retiree Healthcare (RHC) Division processes Medicare Part B reimbursements, which can generate many calls to LACERA. Member Services identified that approximately 7 percent of our incoming calls are overflow calls from RHC or the result of members inadvertently selecting the Member Services Call Center option. We have taken several proactive steps to help reduce the impact of these calls:

    - Partnering with RHC, we adjusted the interactive voice response (IVR) system welcome greeting to help improve members' selection of the RHC Call Center option.
    - We also expanded our IVR by adding a Medicare Part B informational message box. Use of the IVR allows members to get needed information without speaking with a Specialist, and still affords them the opportunity to speak with RHC if they have additional questions.
    - We also worked with RHC to implement confirmation of receipt and processing letters to help provide members with proactive notification of the status of their Medicare Part B documents.

The use of an expanded IVR with unique message boxes for high volume calls like 1099-R mailings and COLA increases are some of the ways in which we are using existing technology to reduce call volume. Future projects included in this fiscal year's budget request such as the Case Management System and the selection of a new, modern contact center system will provide additional opportunities to reduce call volume while improving the member experience. Both of these initiatives will increase our ability to proactively communicate with members, reduce service times by increasing access to information for staff members assisting members, and by providing additional self-service options to members.

Overtime

The Member Services overtime budget provides resources for March Madness Saturday service and projects assisting the Benefits Division with retirement processing. Member Services routinely provides support for the Benefits Division in processing work to help meet service levels or reduce backlogs that develop throughout the year. During the past fiscal year, Member Services assisted in processing previous service applications and issuing death benefit claim forms, and has spent the last several months helping to process retirement Board letters. We also use overtime to address staff shortages within Member Services in the Call Center and Member Service Center.

We anticipate a similar effort this fiscal year and we are asking for $174,000 for overtime funds to support Saturday service, retirement processing and, for the first time, to allocate Member Services subject matter experts to the Case Management initiative during the design and testing of the Phase I implementations.

Agency Temporary Employees

We are asking for funding of $37,000 to have an agency-temporary employee work as an Administrative Assistant for the first six months of this fiscal year. As our Member Service Center (MSC) reopens to an increasing number of appointments, administrative support is needed there. Funding for an agency-temporary employee will allow for the recruitment of an Administrative Assistant to be completed by the end of this calendar year 2022.

SERVICES AND SUPPLIES

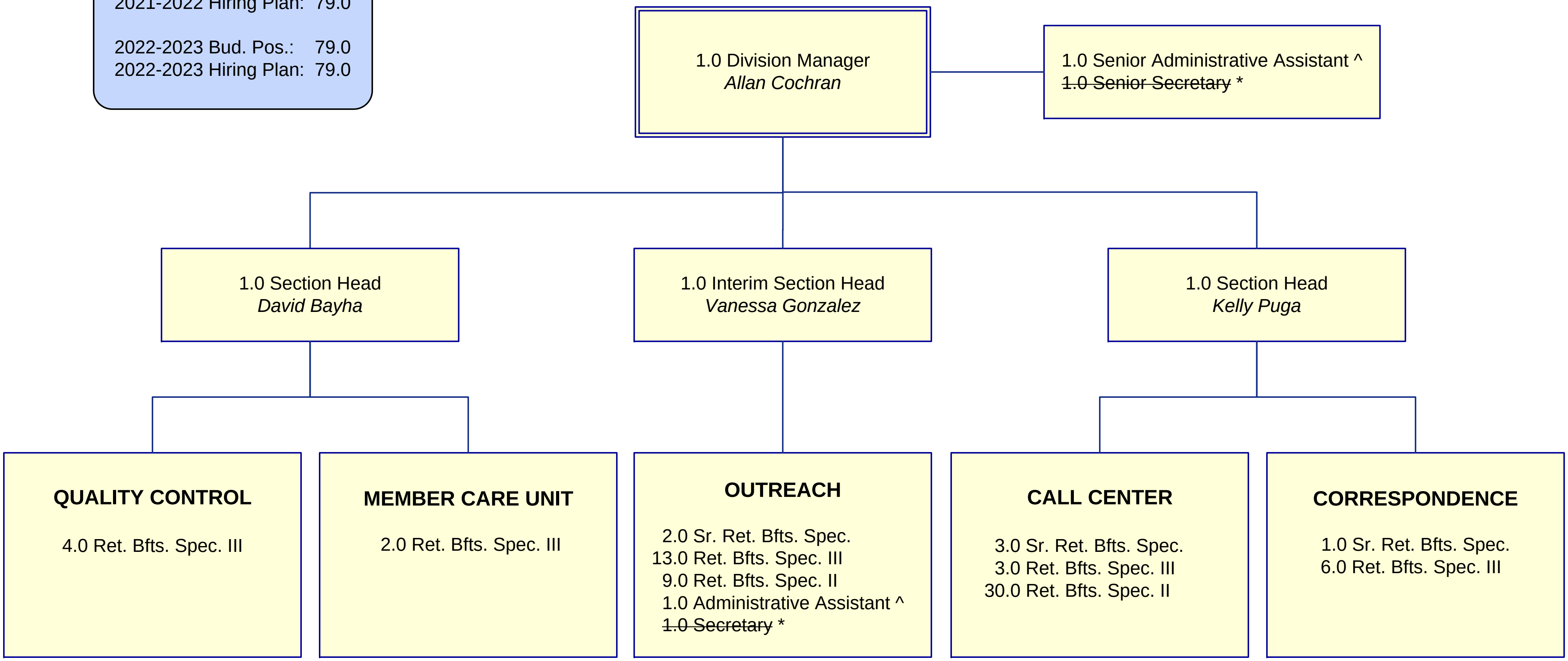
The Services and Supplies budget requests are in line with previous years and based on actual and historical expenditure trends.

MEMBER SERVICES DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 79.0
2021-2022 Hiring Plan: 79.0

2022-2023 Bud. Pos.: 79.0
2022-2023 Hiring Plan: 79.0



* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).

LACERA

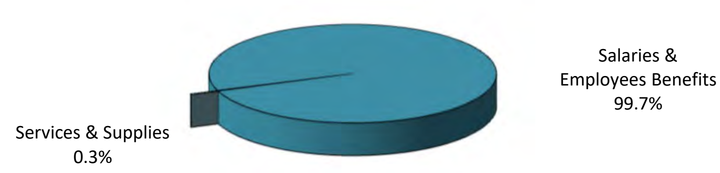
FISCAL YEAR 2022-2023

BUDGET SUMMARY

MEMBER SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$10,595,931**	$9,971,630	$4,716,624	$9,501,200	($470,430)	-4.7%	$624,301	6.3%
Services & Supplies	**26,800**	55,500	2,169	16,100	(39,400)	-71.0%	(28,700)	-51.7%
OPERATING BUDGET	**$10,622,731**	$10,027,130	$4,718,793	$9,517,300	($509,830)	-5.1%	$595,601	5.9%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

MEMBER SERVICES

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	YTD (01-31-22)	PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	% CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	% CHANGE
Total LACERA Salaries	**$6,063,633**	$5,973,011	$2,849,670	$5,715,000	($258,011)	-4.3%	$90,622	1.5%
Total Agency Temp Salaries	**37,000**	0	0	0	0	0.0%	37,000	0.0%
Employee Benefits (Variable)	**3,692,871**	3,275,270	1,482,610	3,037,100	(238,170)	-7.3%	417,601	12.8%
Employee Benefits (Other)	**383,245**	367,397	177,888	362,200	(5,197)	-1.4%	15,848	4.3%
OPEB Contribution	**203,383**	180,351	108,312	216,700	36,349	20.2%	23,032	12.8%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**174,000**	133,800	85,864	145,000	11,200	8.4%	40,200	30.0%
Bilingual Bonus	**16,800**	16,800	6,850	13,200	(3,600)	-21.4%	0	0.0%
Sick Leave Buyback	**15,000**	15,000	5,430	12,000	(3,000)	-20.0%	0	0.0%
Rideshare Allowance	**10,000**	10,000	0	0	(10,000)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$10,595,931**	$9,971,630	$4,716,624	$9,501,200	($470,430)	-4.7%	$624,301	6.3%
Salary Differential **	**-**	-	-	-	-		-	
TOTAL S&EB	**$10,595,931**	$9,971,630	$4,716,624	$9,501,200	($470,430)	-4.7%	$624,301	6.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

MEMBER SERVICES

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00773A	DIVISION MANAGER	1	LS12	14,187	170,249
00772A	SECTION HEAD, LACERA	2	LS9	21,614	259,370
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	5	101F	41,959	503,511
01311A	RETIREMENT BENEFITS SPECIALIST III	27	96A	187,641	2,251,692
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,214	74,568
00439A	SENIOR SECRETARY	1	89G	6,062	72,750
00439A	SENIOR SECRETARY	(1)	89G	(6,062)	(72,750)
01310A	RETIREMENT BENEFITS SPECIALIST II	38	89F	188,381	2,260,576
	POSITIONS	74			5,519,966

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00772A	SECTION HEAD, LACERA	1	LS9	8,498	101,973			50,987
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	1	101F	6,560	78,719			39,359
01311A	RETIREMENT BENEFITS SPECIALIST III	1	96A	5,657	67,884			
01310A	RETIREMENT BENEFITS SPECIALIST II	1	89F	4,738	56,852			
00438A	ADMINISTRATIVE ASSISTANT	1	84C	4,106	49,276			
00438A	SECRETARY	1	83D	4,007	48,081			
00438A	SECRETARY	(1)	83D	4,007	48,081			
						0	0	90,346
	POSITIONS	5			90,346			

TOTAL POSITIONS	79	
GROSS SALARIES		5,610,312
ANTICIPATED MOU SALARY INCREASE**		308,567
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		128,160
BONUS		16,594
120-DAY RETIREE(S)		0
TOTAL SALARIES		6,063,633

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

MEMBER SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$8,000**	$21,700	$0	$3,500	($18,200)	-83.9%	($13,700)	-63.1%
OFFICE SUPPLIES & EQUIPMENT	**5,000**	12,500	2,019	3,500	(9,000)	-72.0%	(7,500)	-60.0%
EDUCATIONAL EXPENSES	**11,300**	16,500	150	8,600	(7,900)	-47.9%	(5,200)	-31.5%
MISCELLANEOUS	**2,500**	4,800	0	500	(4,300)	-89.6%	(2,300)	-47.9%
TOTAL	**$26,800**	**$55,500**	**$2,169**	**$16,100**	**($39,400)**	**-71.0%**	**($28,700)**	**-51.7%**

*All amounts rounded to the nearest dollar.

QUALITY ASSURANCE & METRICS
Budget Highlights

Fiscal Year 2022-2023

Mission

To provide the promised benefits to our members in a timely and accurate manner by training and monitoring staff's quality and improving our business processes.

INTRODUCTION

In its current configuration, the Quality Assurance & Metrics Division (QA) performs four main functions in service to LACERA's Member Operations Group (MOG), which are those divisions that provide retirement benefit services to LACERA's members. QA's services consist of:

- Independent transactional audits of work processed by MOG staff for our members
- Technical benefits training for MOG staff, from new hires to veterans
- Developing performance metrics based upon new functions in Workspace
- Special projects as assigned by the Executive Office and consistent with QA's independent quality assurance function

A 2021 Internal Audit recommendation suggested that LACERA can increase the independence of the quality assurance operations by removing the function from the purview of the Member Operations Group. While discussions are ongoing with the Executive Office on how we will accomplish this, the general plan is to move Quality Assurance to the Administrative management group and move the Metrics and Training functions currently in Quality Assurance to the Member Operations Group under the Process Management Group (PMG) umbrella. Our metrics development program has been a PMG project and responsibility for metrics has been formally assumed by PMG during this fiscal year. This change did not involve any movement of staff positions as the lead for the metrics program currently resides in PMG.

LACERA's management is developing plans to transfer QA's training function to PMG. This change will help ensure the independence and objectivity of QA auditors and will increase the synergy between the business rule administration function that is already in PMG and the training function currently overseen by QA. In preparation for this transition, QA's Senior Quality Auditor responsible for the training function will be developing the project plan in conjunction with PMG to manage the transition and to organize the program and the new training unit within PMG.

It is proposed that, once this transition takes place, the Quality Assurance and Metrics Division may be renamed the Quality Assurance Division. No additional resources or staff movement are included in this year's fiscal request. However, once plans are developed movement and or additional requests may be included in the mid-year budget adjustment process or as part of the FY 2023-2024 budget request.

Quality Assurance is also looking forward to partnering with the development team for the Case Management System. During the current fiscal year, Quality Assurance was an active partner in evaluating the vendors for the Case Management System Phase I implementation. QA will be an integral part of the development of the new system once the Board has approved a vendor. We expect to be contributing subject matter experts to work on the development of the new first payment process and will be conducting user acceptance testing throughout the various stages of the implementation.

QUALITY AUDITING

QA independently reviews and reports on the benefit-related business transactions performed by the MOG. The accuracy and completeness of business transactions are measured by audit parameters established by QA and the Executive Office after consultation between QA and auditee divisions. QA compiles an annual report to the Operations Oversight Committee of the Board of Retirement regarding the overall accuracy and quality of the preceding fiscal year's member transactions.

QA reviews audit parameters with the auditee divisions annually so QA can audit cases based primarily on risk. These parameters include:

- Audit Criteria: These are the standards against which the quality of transactions are measured, based on LACERA's policies and procedures, as well as governing laws and regulations.
- Audit Risk Levels: This is a ranking of the magnitude of a particular transaction's risks to LACERA or its member. Various risk-related characteristics are associated with each risk level. Risk levels help QA auditors triage cases for risk-based sampling and workload management.
- Audit Sampling Plan: Auditors apply a pre-determined sampling methodology when selecting cases to be audited for each audited group of transactions.
- Audit Workflow: To conduct its audits, QA uses a series of standardized steps designed to test the transaction's quality at appropriate points in the process.

PMG and QA, in conjunction with other members of MOG and Systems, implemented a new audit platform to manage all audit work, known as the MOG Audit Platform (MOGAP). This application allows QA and its MOG partners to more efficiently and reliably manage and report on all forms of QA audit work. To illustrate the benefits of this development, MOGAP has helped reduce the time it takes to resolve audit review notes. Without the MOGAP, those cases not resolved within the Service Level Expectations (SLE) of three to five days took over a month to resolve on average. QA anticipates that the MOGAP will similarly benefit the checking process for Core Benefits Training production.

The MOGAP has proven to be an effective interim solution until LACERA is able to fully integrate the audit function into LACERA's primary member service platform, Workspace, as well as LACERA's new Case Management System.

Future Quality Audit Plans

In addition to traditional transactional testing, QA will be working with the MOG divisions to undertake call monitoring to help support the quality of LACERA's service to its members as delivered through the Call Center and possibly other future channels of communication.

Training

QA has appointed a Senior QA Auditor to oversee its training program. The key initiatives of this training program are:

- Core Benefits Training for newly hired Retirement Benefits Specialists and others who may benefit from entry-level retirement benefit specialist training
- Ad hoc training on various topics at the request of the MOG divisions
- Advanced CERL Education (ACE) to help increase the analytical and advanced processing skills of specialists to prepare them to perform the most complex work at the level of RBS III or higher
- QA Staff Development Training.

The CORE Benefit Training program takes place over 10 months, alternating classroom instruction and practice with periods of actual processing of member requests. All training production work is checked 100 percent before being finalized. Training materials are reviewed and updated before each session to reflect changes in the retirement law, LACERA's business policies, and LACERA's Systems processing. The 2020 CORE Benefits Training class consisted of 13 participants, were trained and evaluated by nine QA instructors on 22 benefits processes. Even under the COVID conditions, trainees processed 2,951 cases with an overall accuracy of 96.37 percent during the production periods.

QA has developed e-learning modules to broaden our blended learning approach and continues to develop more, using the Udemy, SharePoint and Articulate software tools, which has proven most effective. This offers a combination of interactive learning complemented with face-to-face learning, as well as easily accessed refresher information.

In 2020, QA conducted our second Advanced CERL Education (ACE) training. ACE training was not conducted in FY 2020-2021, due to COVID exigencies as well as staff shortages, but refresher training for veteran staff was conducted. For FY 2021-2022, refresher training for veteran staff was provided covering Account Analysis, Redeposits, and General-to-Safety Transfers.

To help alleviate staffing shortages in all transactional operations divisions, QA must conduct two simultaneous CORE training classes. Staff conducting training cannot participate in the primary quality audit function of QA. Moreover, vacancies in both QA and MOG divisions have severely limited the number of trainers and checkers that can cover the 26 trainees distributed between the two simultaneous training classes. Consequently, QA will be increasing its use of overtime to keep pace with its unprecedented workload surge.

Production Metrics

PMG and QA, in conjunction with other members of MOG and Systems, implemented a new production metrics program (PMP) utilizing data from LACERA's primary member service platform, Workspace, that monitors the productivity of QA and MOG staff.

The objectives of the PMP are to support Member Operations Group in:

- Resource planning and budgeting
- Process improvement
- Workload management
- Workforce management

Performance of the PMP is measured based on its:

- Efficiency
- Reliability and accuracy
- Usability

This current PMP has proven to be an effective interim solution until LACERA is able to fully integrate it into LACERA's primary member service platform, Workspace, as well as LACERA's new case management system, for which a Request for Proposal is currently being conducted.

Special Projects

QA engages in special projects assigned by the Executive Office that are appropriate for QA's skills and resources and do not compromise QA's standards of independence, objectivity, and professional ethics. For example, QA Senior Auditors analyze, test, and validate new procedures, calculations, legislation, and system benefit calculation programming, such as beta testing the benefit calculation engine, validating mass contribution rate changes, validating member account adjustments for the felony conviction process, and analyzing new County pay codes. Pay code analysis can take from 90 minutes to several weeks for each batch of new pay codes, depending upon availability of information, and the extent of coordination needed between LACERA's Quality Assurance Division, Legal Division, and Executive Office, as well as Los Angeles County's Auditor Controller and Executive Office. The Quality Analysts also performed annual census testing of 30 randomly selected member records. The PEPRA embedded pay codes testing, Alameda project, and PEPRA final compensation testing are in process.

Quality Assurance also collaborates with other divisions to facilitate data cleanup projects as directed by LACERA's strategic goals.

Future Special Projects

QA will collaborate with the MOG Divisions on new special projects, such as additional Alameda project testing, PEPRA embedded earnings testing, FAC testing, organization-wide member surveys, other internal/external party surveys, and the Case Management System implementation.

STAFFING REQUEST

QA has five existing staff vacancies, which consist of three Senior QA Auditors and two QA Auditor IIs. To better match resources to QA's key functions, QA will seek to fill two Senior QA Auditor positions to ensure sufficient supervision of the QA audit staff, and then use the remaining vacancies to further increase audit staffing. Once these vacancies are filled, QA plans to utilize the new metrics reports developed for QA to determine future staffing needs.

In light of increased member transactions and the existing QA staff shortages, the QA budget request includes $21,500 for overtime, which is for nonexempt staff who support the various QA functions, especially during the peak retirement season.

SERVICES AND SUPPLIES

Our request for Services and Supplies has decreased based on divisional restructuring for lean operating efficiency, the increased use of paperless remote working tools, and changes from physical travel to online training for staff.

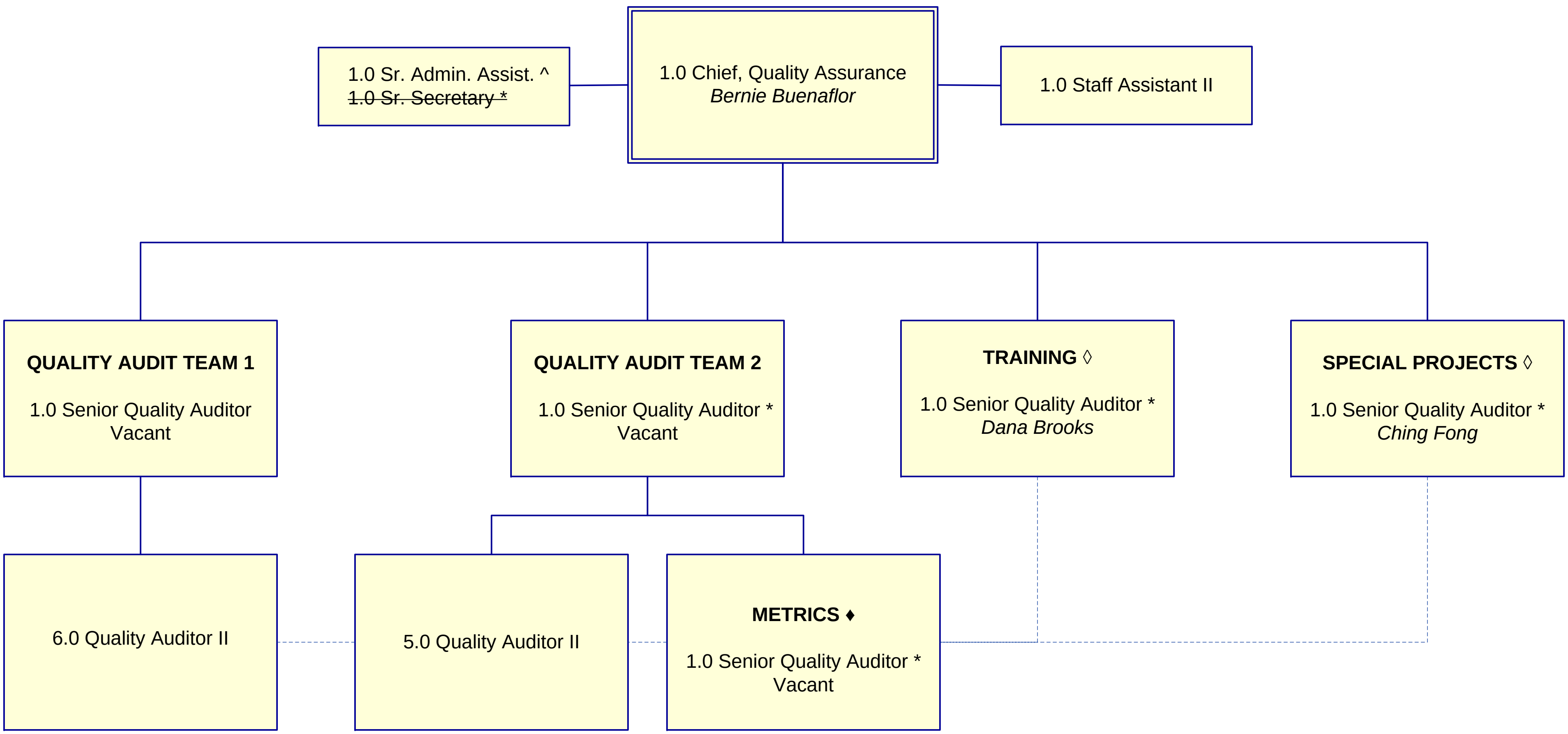
Educational expenses have increased from $19,500 to $24,500 to account for the planned increase in staffing levels as QA's vacancies are filled. In addition, new classes will be included in the QA staff development program so that LACERA is better able to prepare both current and future QA auditors to serve LACERA's quality control needs.

QUALITY ASSURANCE DIVISION

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 19.0
2021-2022 Hiring Plan: 19.0

2022-2023 Bud. Pos.: 19.0
2022-2023 Hiring Plan: 19.0



* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).
◊ In addition to the quality audit, QA Auditors conduct training and work on special projects, which are coordinated by the QA Sr. Auditor for Training and the QA Sr. Auditor for Special Projects, respectively.
♦ The Metrics function has been transferred to PMG under the Benefits Division. The Sr. Quality Auditor that was originally budgeted for this function will be repurposed to increase resources dedicated to auditing and special projects.

LACERA

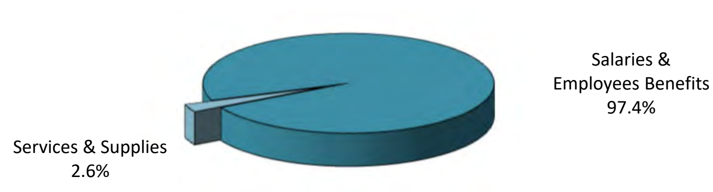
FISCAL YEAR 2022-2023

BUDGET SUMMARY

QUALITY ASSURANCE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$3,355,885**	$3,111,416	$1,331,767	$2,926,800	($184,616)	-5.9%	$244,469	7.9%
Services & Supplies	**87,900**	83,900	2,985	59,000	(24,900)	-29.7%	4,000	4.8%
OPERATING BUDGET	**$3,443,785**	$3,195,316	$1,334,753	$2,985,800	($209,516)	-6.6%	$248,469	7.8%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

QUALITY ASSURANCE

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$1,952,360**	$1,821,199	$796,763	$1,852,800	$31,601	1.7%	$131,161	7.2%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**1,189,944**	1,090,338	446,853	892,600	(197,738)	-18.1%	99,606	9.1%
Employee Benefits (Other)	**123,397**	117,634	56,692	116,000	(1,634)	-1.4%	5,763	4.9%
OPEB Contribution	**65,485**	57,745	31,195	62,400	4,655	8.1%	7,740	13.4%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**21,500**	21,300	264	3,000	(18,300)	-85.9%	200	0.9%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**1,000**	1,000	0	0	(1,000)	-100.0%	0	0.0%
Rideshare Allowance	**2,200**	2,200	0	0	(2,200)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$3,355,885**	$3,111,416	$1,331,767	$2,926,800	($184,616)	-5.9%	$244,469	7.9%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$3,355,885**	$3,111,416	$1,331,767	$2,926,800	($184,616)	-5.9%	$244,469	7.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

QUALITY ASSURANCE

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00780A	CHIEF, QUALITY ASSURANCE	1	LS12	15,742	188,908
00798A	SENIOR QUALITY AUDITOR	2	106A	18,202	218,424
00797A	QUALITY AUDITOR II	9	100K	74,561	894,733
00427A	STAFF ASSISTANT II	1	92E	5,127	61,523
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,385	76,619
00439A	SENIOR SECRETARY	1	89G	6,229	74,750
00439A	SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)
	POSITIONS	14			1,440,208

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00798A	SENIOR QUALITY AUDITOR	3	106A	7,420	89,040	267,120		
00797A	QUALITY AUDITOR II	2	100K	6,448	77,371			77,371
						267,120	0	77,371
	POSITIONS	5			344,491			

TOTAL POSITIONS	19	
GROSS SALARIES		1,784,698
ANTICIPATED MOU SALARY INCREASE**		98,158
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		19,821
BONUS		49,682
120-DAY RETIREE(S)		0
TOTAL SALARIES		1,952,360

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

QUALITY ASSURANCE

		CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
			YTD		OVER/(UNDER)		OVER/(UNDER)	
ACCOUNT CLASSIFICATION	**PROPOSED BUDGET 2022-2023**	BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$12,000**	$12,000	$0	$0	($12,000)	-100.0%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**1,000**	2,000	235	600	(1,400)	-70.0%	(1,000)	-50.0%
PROFESSIONAL & SPECIALIZED SERVICES	**50,000**	50,000	0	50,000	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	**24,500**	19,500	2,750	8,200	(11,300)	-57.9%	5,000	25.6%
MISCELLANEOUS	**400**	400	0	200	(200)	-50.0%	0	0.0%
TOTAL	**$87,900**	**$83,900**	**$2,985**	**$59,000**	**($24,900)**	**-29.7%**	**$4,000**	**4.8%**

*All amounts rounded to the nearest dollar.

SYSTEMS DIVISION
Budget Highlights

Fiscal Year 2022-2023

Mission

The Systems Division (Systems) oversees all aspects of information technology for LACERA. Systems provides technology support services and creates innovative application solutions to assist the organization in meeting our commitment to protect, produce, and provide the promised benefits to our members.

INTRODUCTION

In support of the LACERA's mission to strengthen, modernize, and build a word-class technological infrastructure, Systems has implemented new remote computing capabilities, cloud-hosted services, better systems redundancies, and stronger cybersecurity features. This budget request for FY 2022-2023 reflects the Division's ongoing commitment to provide the highest level of end-user support to our internal customers, as well as providing more self-service options for LACERA members. This budget will also provide the organization with the resources needed to address disruptive cyber incidents, improve our cybersecurity program, and modernize the enterprise authentication and authorization capabilities.

FY 2021-2022 ACCOMPLISHMENTS

FY 2021-2022 has been transformative for the Systems Division. Our three information technology sections – Applications Development, Project Management Office, and Infrastructure – are engaged, working effectively, and making an impact on the organization. Here are the projects we've completed so far this year:

Disaster Recovery: Disaster recovery (DR) is a top priority for the current fiscal year. In FY 2020-2021, LACERA conducted its first disaster recovery exercise in six years. We successfully accomplished our goal of recovering all the mission critical applications used to support our members. In the current fiscal year, the Systems Division conducted a second disaster recovery exercise that included *all* applications used by LACERA. Representatives from all 15 divisions participated in the exercise, and 115 applications and websites were successfully recovered. Additionally, the LACERA DR team improved two key metrics for disaster recovery: the recovery time objective (RTO) – the amount of time it takes to recover systems and data, and the recovery point objective (RPO) – the age of the backup that is used for recovery. In January 2021, our RTO was 75 hours; in December 2021, it was 5.5 hours. In January 2021, our RPO was 132 hours; in December 2021, it was less than 24 hours. We will continue to finetune our disaster recovery plan going forward and work in partnership with Information Security and LACERA's Business Continuity Team to execute annual disaster recovery exercises.

Information Technology Coordination Council (ITCC): LACERA established the ITCC in April 2021. The purpose of this council is to provide oversight of all significant technology decisions and ensure the effective and efficient use of technology as well as organizational collaboration to achieve LACERA's strategic goals within acceptable levels of risk. In short, the Council is tasked with reviewing and prioritizing new project requests as well as approving strategic technology decisions. This fiscal year, the ITCC established a standard process to submit new IT project requests. This process provides transparency to incoming requests and the priorities assigned to new projects. The implementation of this process also includes an IT project dashboard that allows executive sponsors, stakeholders, project managers, and subject matter experts to get real-time status information on approved projects.

Mainframe Hosting: The Systems Division successfully migrated LACERA's mainframe operations to a multi-tenant, privately hosted solution. The successful migration also addresses many challenges LACERA faced with our mainframe: aging hardware, long disaster recovery time, support staff shortages, high operational cost, and compulsory hardware investments.

Microsoft Dynamics Great Plains (GP) Hosting: The Systems Division successfully migrated LACERA's legacy Microsoft Dynamics GP application to a privately hosted solution in November 2021. This migration will ensure the stability of LACERA's mission critical application until LACERA completes the transition to a more modern solution in three years. Additionally, the migration will provide LACERA an improved disaster recovery solution that decreases both downtime and data loss.

Wi-Fi Implementation: The infrastructure team completed the implementation of LACERA's first enterprise Wi-Fi network, to be used by trustees, employees, and members. All fiber, cables, access points, and switches have been installed and the appropriate segmented networks have been configured.

Boardroom Audio/Visual Enhancements: In preparation for a return to in-person meetings, the audio and visual equipment in LACERA's boardroom has been upgraded to a modern system that will support hybrid board and committee meetings. The enhancements will allow for remote participation while maintaining the current look, feel, and functionality of the current Zoom meetings. The audio and visual enhancements include new 24" touchscreen monitors, dedicated, fixed cameras, and LED/touch switch microphones at each seated position. The touchscreen monitors will display video feeds from the fixed cameras as well as from participants attending remotely while enabling users to control all onscreen functions via touch. The microphone touch switches allow users to individually mute their microphones.

We also have the following projects in progress, which we expect to complete before June 30, 2022:

HR Case Management: The Systems Division has assisted HR in procuring a low-code workflow solution for their core business processes: personnel requisition, onboarding, training and travel requests, and orientation. The workflows have been completed, are in final acceptance testing, and should be implemented by the end of April 2022.

ServiceNow Implementation: The Systems Division selected ServiceNow, a cloud-based IT service management tool, to improve how the division manages IT incidents, problems, requests, and knowledge. Phase I of the ServiceNow implementation will be completed by April 2022 and will provide automation and tracking for all requests coming into the Systems Helpdesk. Future phases of the project will introduce sophisticated automation for routine IT requests.

LACERA Intranet 2.0: In collaboration with the Communications Division, LACERA has developed a modern internet that will be implemented by the end of April 2022. This new intranet is called “LACERA Connect” and will become the hub for electronic resources and collaboration at LACERA.

Microsoft (MS) Tenant Migration: LACERA has consolidated from two MS Tenants to one commercial tenant to take advantage of integration opportunities and streamline future administration for LACERA.

Procure-to-Pay (P2P) Solution: LACERA has procured a procure-to-pay solution that integrates and automates purchasing and accounts payments for greater efficiencies. It exists within the larger procurement management process and involves four key stages: selecting goods and services; enforcing compliance and order; receiving and reconciliation; and invoicing and payment. We expect to implement the solution by June 2022.

Travel and Expense Management Solution: LACERA has procured travel and expense management software to automate travel booking and expense reporting. The solution includes approval workflow approval and leverages character recognition to reduce manual data entry. We expect to implement the solution by June 2022.

Hardware Asset Management Solution: LACERA has selected a cloud-based solution for hardware asset management (HAM). This low-code solution automates the tracking of assets throughout their lifecycle – from procurement to disposal – and has mobile capabilities for asset inventory auditing, remote asset receiving, and asset disposal scanning. This enterprise solution is currently being configured and is expected to be implemented by June 30, 2022.

PERMANENT STAFFING

The Systems Division is continuing to evaluate and make the appropriate staffing adjustments necessary to ensure we have the proper resources to meet our commitments, support LACERA’s mission, and to create the most efficient, productive, and secure enterprise.

The Systems Division is requesting the addition of positions to the budget to provide operational support for new solutions, engineering support for our continued IT modernization efforts, development resources for increased member self-service and administrative automation, and a leadership pipeline for succession planning. In addition, we would like remove classifications no longer needed and replace them with classifications that appropriately support LACERA's operations.

We are requesting a net increase of six positions, which will result in 62 budgeted positions for FY 2022-2023, with the following changes:

- We are requesting that two positions, Information Systems Manager and Chief Technology Officer, be removed and replaced with one position, Chief Information Technology Officer, who will provide strategic leadership and overall management of the Information Technology program at LACERA.
- We are requesting that the three lead positions in our division, Assistant Information System Manager, be replaced with three new lead positions, Information Technology Manager II, to reflect their changing role. These positions are more than assistants to the division manager; they are leaders who plan, organize, and direct a major information systems section.
- We are requesting a position upgrade of the Senior Secretary to a Senior Administrative Assistant, based on a classification study.
- We are requesting the restoration of one IT Technology Specialist II to support LACERA's infrastructure on the network engineering team to support IT modernization and hosted solutions. This position is one of five transferred from Systems to create the new Information Security Office to address LACERA's then most pressing need. This position is needed to ensure LACERA's modernization efforsts can move forward at the pace the organization now requires.
- We are requesting the restoration of two IT Technology Specialist I positions to support LACERA's infrastructure on the network engineering team to support IT modernization and hosted solutions. These positions were two of five positions transferred from Systems to the newly created Information Security Office. These positions are needed to ensure LACERA's modernization efforts can move forward at the pace the organization now requires.
- We are requesting the restoration of one Data Systems Coordinator in the System Administration team to support case management and pension administration. This position is one of five transferred from Systems to the newly created Information Security Office. This position is critical to address LACERA's current technology support needs.
- We are requesting the addition of three Data Systems Analyst IIs: one in the System Administration team to support administrative applications such as our general ledger application, procurement-to-payment automation, and a travel and expense management solution; and two in the Operational Applications team to provide programming and analysis support for increased process automation and member self-service.

The Systems Division is requesting the addition of 12 positions to the budget, including the restoration of four previously transferred positions. At the same time, we are requesting the removal of six positions from the budget. These requests will result in a net change of six positions added to the Systems Division budget, including four positions previously transferred to form the Information Security Office. No positions will be removed from the LACERA Ordinance.

Positions Requested for FY 2022-2023:	12
Positions Removed FY 2022-2023:	(6)
Net Change:	6

TEMPORARY STAFFING

The Systems Division uses temporary staffing for two reasons: to fill a temporary gap in skillsets for a limited amount of time and to acquire essential technical resources on a temporary basis while waiting for competitive exams to be opened. Most of our current temporary staffing fall into the second category. They are performing work that will be performed by permanent staff members once the permanent positions are filled. These temporary staff members have the technical skills needed to support our IT operations, and we hope they will apply for the positions when they open.

While we have had vacancies in the Systems Division for a long time, Human Resources has developed a hiring plan that includes our vacancies. We look forward to working with them to fill our vacant positions through the remainder of this fiscal year as well as FY 2022-2023.

INTERNS

The Systems Division is requesting three interns: one for each of our major information systems sections. Our goals for hiring interns are to provide meaningful work to students that are studying Information Technology, obtain energetic resources with a new perspective for short-term projects, and find qualified candidates to permanently join our division.

OVERTIME

The overtime budget is primarily allocated for

- After-hour system maintenance and upgrades
- Emergency system support
- Support for Saturday Member Services and Benefits operations

- Support for extended office hours during peak months
- Support for case management implementation

SERVICES AND SUPPLIES

LACERA's budget aggregates all information technology expenditures, including those that are division-specific, within Systems' budget. This provides centralized technology services to all divisions, sets LACERA's technology standards, and coordinates and governs organization-wide technology-related initiatives to improve planning and technology investments decisions.

The Systems Division's services and supplies budget is intended to support the needs of the entire organization, and contains the following major components:

- Planning: Ensure LACERA's IT processes support the organization's overall strategic plan; consolidate fragmented infrastructure and network appliances; develop and update standard operating procedures; expand enterprise solutions; and redesign the delivery of services
- Maintenance: Product support, licensing fees, ongoing and established operational costs, etc.
- New Projects: Requirements gathering, workflow understanding and optimization, allocation for new systems, applications, products, or services

The list of projects highlights Systems FY 2022-2023 budget requests:

Project	Total Cost	Description
Member Case Management (Phase 1)	$660,000	Case Management is the top priority for LACERA next fiscal year. It has been discussed at LACERA for many years, and we are now able to move forward with the project. During the current FY 2021-2022, LACERA published a Request for Proposal (RFP) for a case management solution. Thirteen vendors submitted proposals for the project, and we identified three finalists. These finalists are presenting proof of capabilities demonstrations and we expect to recommend a final vendor for consideration by the BOR by May 2022. The case management solution will integrate with Workspace and My LACERA and will be used by all member-facing divisions. This estimate is for the software and hardware (or hosted solution) plus professional implementation and consulting services.

Project	Total Cost	Description
Member Case Management (Phase 1) *(Continued)*		This estimate represents the highest bid of all three vendors plus a 20 percent contingency allowance. We requested $300,000 for this project over two previous fiscal year budgets, but the project was not moving forward, and we did not use the funds. This estimate is for phase one of five phases. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward.
Policy and Knowledgebase Solution	$380,000	LACERA seeks to purchase or build a repository and automated workflow solution for policies, standards, procedures, and operating instructions at LACERA. We currently maintain this critical enterprise content in multiple formats and on disparate systems. This project will ensure consistent and transparent development, review, and publication of policies and business rules.
Telecommunications Upgrade and Hosted Contact Center	$250,000	LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA's telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system.
Cloud Migration	$200,000	As part of LACERA's IT modernization effort, the Systems Division is moving our enterprise systems to publicly hosted platforms. The systems that are targeted for migration in FY 2022–2023 are Workspace, My LACERA, and our enterprise reporting services.
Budget System Software	$150,000	LACERA seeks to implement an enterprise budget software solution to replace our current tediously manual process. We are currently developing the RFP for the solution and hope to release it in March 2022.

Project	Total Cost	Description
Continual IT Equipment Upgrade (workstations, laptops and monitors)	$210,000	LACERA seeks to replace end-of-life workstations, acquiring more laptops to further enhance mobile and teleworking capabilities, and provide dual monitors to all LACERA's workforce as needed.
Board Management Solution	$100,000	LACERA seeks to implement PrimeGov for the management of both Boards and all Committee meetings, including agenda management, livestreaming, recordings, online archives, and a public interface solution, with an indefinite retention period for archiving the audio and visual recordings.
Human Resources Digitization Project	$50,000	LACERA seeks to create electronic Human Resource files to securely store personnel, payroll, medical, and classification files

2021-2022 Bud. Pos.: 56.0
2021-2022 Hiring Plan: 56.0

2022-2023 Bud. Pos.: 62.0
2022-2023 Hiring Plan: 62.0

SYSTEMS DIVISION

FISCAL YEAR 2022-2023

+ 1.0 Chief Information Technology Officer
~~1.0 Information Systems Manager~~
Vacant

1.0 Sr. Administrative Assistant ^
~~1.0 Sr. Secretary~~ *

1.0 Information Tech. Manager II

APPLICATIONS AND BUSINESS SOLUTIONS

+ 1.0 Information Tech. Manager II
~~1.0 Asst. Info. Systems Manager~~

SYSTEM ADMINISTRATION

2.0 Info. Tech. Specialist II
2.0 Info. Tech. Specialist I
1.0 Ret. Systems Specialists
1.0 Data Systems Supervisor II
1.0 Data Systems Coordinator
+ 1.0 Data Systems Coordinator
+ 1.0 Data Systems Analyst II
2.0 Data Systems Analyst I

OPERATIONAL APPLICATIONS

1.0 Info. Tech. Specialist I
2.0 Ret. Systems Specialists
2.0 Data Systems Supervisor II
7.0 Data Systems Coordinator
2.0 Data Systems Analyst II
+ 2.0 Data Systems Analyst II
2.0 Data Systems Analyst I

ADMINISTRATIVE APPLICATIONS

1.0 EDP Principal Programmer Analyst
1.0 Data Systems Analyst II

PROJECT MANAGEMENT OFFICE

+ 1.0 Information Tech. Manager II
~~1.0 Asst. Info. Systems Manager~~
2.0 Info Tech. Manager I
1.0 Data Systems Supervisor II
2.0 Data Systems Analyst II

INFRASTRUCTURE

+ 1.0 Information Tech. Manager II
~~1.0 Asst. Info. Systems Manager~~

SERVICE DESK

1.0 Information Systems Manger I
3.0 Data Systems Coordinator
3.0 Data Systems Analyst II
2.0 Data Systems Analyst I
1.0 Staff Assistant I

ENGINEERING

~~1.0 Chief Technology Officer~~ *
2.0 Info. Tech. Specialist II
+ 1.0 Info. Tech. Specialist II
1.0 Info. Tech. Specialist I
+ 2.0 Info. Tech. Specialist I
2.0 Data Systems Coordinator

TELCO / AV / DATA CENTER MGMT

1.0 Info. Tech. Specialist II
1.0 Data Systems Coordinator

+ Added position
– Deleted position
* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Pending Board of Supervisors' approval).
Note: Information Tech. Manager II approved by Board of Supervisors on 10/05/2021. (Effective 10/19/2021).

LACERA

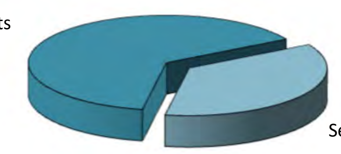
FISCAL YEAR 2022-2023

BUDGET SUMMARY

SYSTEMS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$13,961,282**	$12,500,951	$6,041,854	$10,610,000	($1,890,951)	-15.1%	$1,460,331	11.7%
Services & Supplies	**7,879,400**	8,052,400	4,361,492	7,962,300	(90,100)	-1.1%	(173,000)	-2.1%
OPERATING BUDGET	**$21,840,682**	$20,553,351	$10,403,346	$18,572,300	($1,981,051)	-9.6%	$1,287,331	6.3%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

SYSTEMS DIVISION

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Total LACERA Salaries	**$6,496,459**	$6,054,880	$2,569,009	$5,077,700	($977,180)	-16.1%	$441,579	7.3%
Total Agency Temp Salaries	**2,909,100**	2,193,100	1,780,488	2,193,100	0	0.0%	716,000	32.6%
Employee Benefits (Variable)	**3,756,321**	3,530,149	1,317,749	2,586,500	(943,649)	-26.7%	226,172	6.4%
Employee Benefits (Other)	**410,601**	381,398	183,960	376,000	(5,398)	-1.4%	29,203	7.7%
OPEB Contribution	**217,901**	187,224	90,163	180,400	(6,824)	-3.6%	30,677	16.4%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**150,000**	133,300	95,769	186,000	52,700	39.5%	16,700	12.5%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**12,000**	12,000	4,716	10,300	(1,700)	-14.2%	0	0.0%
Rideshare Allowance	**8,900**	8,900	0	0	(8,900)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$13,961,282**	$12,500,951	$6,041,854	$10,610,000	($1,890,951)	-15.1%	$1,460,331	11.7%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$13,961,282**	$12,500,951	$6,041,854	$10,610,000	($1,890,951)	-15.1%	$1,460,331	11.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

SYSTEMS DIVISION

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00804A	INFORMATION TECH. MANAGER II	1	LS12	26,100	313,200
00803A	INFORMATION TECH. MANAGER I	1	LS11	14,004	168,052
00802A	INFORMATION TECHNOLOGY SPECIALIST II	1	123G	13,311	159,731
00460A	DATA SYSTEMS SUPERVISOR II	2	116K	25,845	310,141
00782A	INFORMATION SYSTEMS MANAGER I	1	116E	12,891	154,688
02644A	RETIREMENT SYSTEMS SPECIALIST	2	115E	25,373	304,476
00453A	EDP PRINCIPAL PROG. ANALYST	1	116B	12,795	153,539
00469A	DATA SYSTEMS COORDINATOR	14	111C	148,420	1,781,034
00458A	DATA SYSTEMS ANALYST II	8	105G	76,993	923,922
00457A	DATA SYSTEMS ANALYST I	3	102L	22,414	268,973
00426A	STAFF ASSISTANT I	1	85E	5,268	63,216
	POSITIONS	35			4,600,972

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00805A	CHIEF INFORMATION TECHNOLOGY OFFICER (UC)	1	LS14	12,200	146,396	146,396		
00783A	INFORMATION SYSTEMS MANAGER	1	LS14	12,200	146,396			
00783A	INFORMATION SYSTEMS MANAGER	(1)	LS14	12,200	146,396			
00781A	ASST. INFORMATION SYSTEMS MANAGER	3	LS12	10,557	126,681			
00781A	ASST. INFORMATION SYSTEMS MANAGER	(3)	LS12	10,557	126,681			
00805A	CHIEF TECHNOLOGY OFFICER, LACERA	(1)	LS12	10,557	126,681			
00805A	CHIEF TECHNOLOGY OFFICER, LACERA	1	LS12	10,557	126,681			
00804A	INFORMATION TECH. MANAGER II	3	LS12	10,557	126,681			63,341
00803A	INFORMATION TECH. MANAGER I	1	LS11	9,820	117,843			58,921
00802A	INFORMATION TECHNOLOGY SPECIALIST II	5	123G	11,942	143,306			358,265
00801A	INFORMATION TECHNOLOGY SPECIALIST I	6	118E	10,377	124,523			373,569
00460A	DATA SYSTEMS SUPERVISOR II	2	116K	9,950	119,403			
02644A	RETIREMENT SYSTEMS SPECIALIST	1	115E	9,566	114,787	114,787		
00469A	DATA SYSTEMS COORDINATOR	1	111C	8,540	102,475			51,237
00458A	DATA SYSTEMS ANALYST II	3	105G	7,330	87,955			
00457A	DATA SYSTEMS ANALYST I	3	102L	6,823	81,880	245,641		
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	4,868	58,416			
00439A	SENIOR SECRETARY	1	89G	4,749	56,992			
00439A	SENIOR SECRETARY	(1)	89G	4,749	56,992			
						506,823	0	905,333
	POSITIONS	27			1,412,157			

TOTAL POSITIONS	62	
GROSS SALARIES		6,013,128
ANTICIPATED MOU SALARY INCREASE**		330,722
ANTICIPATED STEP AND/OR MERIT SALARY INCREASE		49,991
BONUS		25,080
120-DAY RETIREE(S)	1	77,538
TOTAL SALARIES		6,496,459

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

LACERA

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

SYSTEMS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
COMMUNICATIONS	**$535,000**	$630,000	$374,108	$665,000	$35,000	5.6%	($95,000)	-15.1%
TRANSPORTATION & TRAVEL	**4,200**	4,600	1,605	3,600	(1,000)	-21.7%	(400)	-8.7%
POSTAGE	**390,000**	390,000	270,720	390,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**469,000**	399,600	330,935	551,000	151,400	37.9%	69,400	17.4%
EQUIPMENT MAINTENANCE	**255,000**	434,500	47,637	249,500	(185,000)	-42.6%	(179,500)	-41.3%
PROFESSIONAL & SPECIALIZED SERVICES	**1,239,600**	1,536,600	689,100	1,636,600	100,000	6.5%	(297,000)	-19.3%
COMPUTER SERVICES & SUPPORT	**4,949,600**	4,619,600	2,643,689	4,429,600	(190,000)	-4.1%	330,000	7.1%
EDUCATIONAL EXPENSES	**36,500**	36,500	3,407	36,500	0	0.0%	0	0.0%
MISCELLANEOUS	**500**	1,000	291	500	(500)	-50.0%	(500)	-50.0%
TOTAL	**$7,879,400**	**$8,052,400**	**$4,361,492**	**$7,962,300**	**($90,100)**	**-1.1%**	**($173,000)**	**-2.1%**

*All amounts rounded to the nearest dollar.

PROJECTED NON-ADMINISTRATIVE EXPENSES
For the Fiscal Year Ended June 30, 2023

	Current Year EXPENSES AS OF 12/31/2021	Current Year PROJECTED FOR FY 2022-2023	Prior Year ACTUAL FOR FY 2020-2021
Pension Trust Fund:			
Investment Management Fees			
U.S. Equity	$ 7,195,036	$ 14,390,072	$ 10,832,357
Non-U.S. Equity	15,367,842	30,735,684	27,470,353
Fixed Income	17,838,016	35,680,014	45,605,634
Cash and Short-Term	187,686	375,373	446,854
Mortgage Loan Services	15,470	30,939	43,756
Private Equity	3,167,971	11,129,848	15,345,573
Real Estate	11,963,587	16,963,587	15,174,234
Hedge Funds	53,941	761,870	-
Commodities	2,594,148	5,188,297	4,029,157
Total Investment Management Fees	**58,383,698**	**115,255,685**	**118,947,918**
Other Investment Expenses			
Consultants			
General Investment Portfolio	98,750	395,000	395,000
Private Equity	485,000	1,140,000	1,103,750
Real Estate	159,750	310,500	390,150
Other Consulting Fees	486,375	1,028,750	957,095
	1,229,875	**2,874,250**	**2,845,995**
Custodians			
Investment Custodian and Banking Fees	2,347,948	3,399,500	2,500,712
Mortgages	1,250	5,000	3,750
	2,349,198	**3,404,500**	**2,504,462**
Performance and Other Fees	**117,277,294**	**212,772,938**	**144,811,407**
Investment Management Software	**899,907**	**1,675,455**	**1,378,400**
Investment Legal Counsel	**560,011**	**1,600,000**	**1,263,301**
Total Other Investment Expenses	**122,316,285**	**222,327,143**	**152,803,564**
Total Management Fees and Other Investment Expenses	**$ 180,699,983**	**$ 337,582,829**	**$ 271,751,482**
Actuarial Consulting Services	**135,108**	**270,215**	**247,956**
Total Pension Fund Non-Administrative Expenses	**$ 180,835,091**	**$ 337,853,044**	**$ 271,999,438**
Retiree Health Care (RHC) Program Funds:			
Fixed Income Management Fees	$ 45,225	$ 89,528	$ 81,992
Short-Term Management Fees	14,072	25,220	25,096
Custodian Fees	15,167	30,167	30,000
Total RHC Program Non-Administrative Expenses	**$ 74,463**	**$ 144,915**	**$ 137,088**
Other Post Employment Benefits (OPEB) Trust Fund:			
Enhanced Cash Management Fees	$ 9,473	$ 18,947	$ 12,090
Commodities Management Fees	76,251	152,503	111,321
Global Equity Management Fees	130,601	261,203	229,322
Fixed Income Management Fees	163,154	326,309	231,757
Real Estate Management Fees	70,818	141,637	107,366
General Investment Portfolio Consultant	27,500	55,000	55,000
Custodian Fees	136,293	272,586	270,342
Total OPEB Trust Non-Administrative Expenses	**$ 614,092**	**$ 1,228,184**	**$ 1,017,199**

CEO's 100-Day Plan Status

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus		Action Steps	Lead	Support	Jul	Aug	Sep	Q2	Q3	Q4	FY2021-22	FY2022-23	Percent Completed
			Accountability		Timeline								
					FY2020-21								
	CHAPTER II - UPDATE ON ACTIONS TAKEN												
		Strategic Planning & Action Plans											
SP	II.1	Report review with Trustees	CEO	Trustees									100%
SP	II.2	Refined "Next Action Steps"	CEO	Execs									100%
SP	II.3	Strategic planning effort	CEO	Trustees, Execs									90%
SP	II.4	Strategic Plan actions defined	CEO	Execs									90%
		COVID-19 Transition Plan											
C19	II.5	After action reviews	CEO	Execs	M	M	M	M	M	M	Ongoing		
C19	II.6	COVID-19 Transition Plan	CEO, AEO/Ops	IT, Admin, HR	Starting with Member Services								100%
C19	II.7	Plans to address the work backlog:	AEO/Ops	Mem Group									
C19	II.7a	-- Retiree Disability (moving to paperless)	AEO/Ops	Mgr/Disab	Slight delays in third-parties providing documentation								100%
C19	II.7b	-- Member Services (heavily "real time")	AEO/Ops	Mgr/Mem									75%
C19	II.7c	-- Benefit Services (rules, resources, tech)	AEO/Ops	Mgr/Benefits, IT	Heavy backlog pre-/post-COVID-19						Ongoing		
C19	II.7c1	. "Quick fix" Benefits backlog plan	Mgr/Benefits	Legal, IT							Ongoing		
C19	II.7c2	. Longer term Benefits backlog plan (self-service)	Mgr/Benefits	IT, PMG							Ongoing		
		Business Continuity Planning (BCP)											
SP	II.8	Unified BCP	AEO/Ops	Admin., HR									100%
IT	II.9	BCP/DRP initiatives implementation for IT	IT Exec		See Chapter V								100%
		Management of Staff Working Remotely											
Culture	II.10	Remote staff management	Execs	HR Dir									90%
	CHAPTER III - NEW ORGANIZATIONAL ALIGNMENT												
Org	III.1	Structural review with both Boards	CEO	Trustees									100%
Org	III.2	Staff announcement of new structure	CEO	Execs		MAC							100%
Org	III.3	Routine executive meetings	CEO	Execs							Ongoing		100%
Org	III.4	Member-facing functional alignment	AEO/Ops	Mem Ops									100%
Org	III.5	New COO position	CEO	HR Dir									100%
Org	III.6	CFO position redefined & filled	CEO	HR Dir									10%
Org	III.7	CI&TO position defined; recruitment begun	CEO	HR Dir									10%
Org	III.8	Compliance Officer position filled	Chief Counsel	HR Dir									25%
Org	III.9	PIO position filled	CEO	HR Dir									10%
Org	III.10	Organizational refinements if any	CEO	Execs							Ongoing		
Org	III.11	Job titles/org hierarchy consistency	HR Dir								Ongoing		
	CHAPTER IV - PLANNING												
SP	IV.1	Best practices identified for Strategic Plan	Execs	Mgrs							See also VII.4		
SP	IV.2	Shared vision & strategic planning	CEO	Trustees				See Chapter II on Update					25%

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus		Action Steps	Accountability Lead	Accountability Support	Timeline FY2020-21 Jul	Aug	Sep	Q2	Q3	Q4	FY2021-22	FY2022-23	Percent Completed
SP	IV.3	Unified BCP	Admin Services	IT	See Chapter II on Update								100%
SP	IV.4	IT plans (strategy, security BCP, DRP)	IT	ITMC	See Chapter V on IT Modernization								100%
SP	IV.5	HR Plans	HR Dir	Execs									50%
SP	IV.6	Improved budgeting process	CFO, Admin		See also VII.1 on budgeting								25%
SP	IV.7	Communications Plan	Comm	Mem Ops, RHC, IT							Ongoing		75%
SP	IV.8	Linkage of plans to Strategic Plan	Execs								Ongoing		
		CHAPTER V - IT MODERNIZATION											
		IT Planning, Structure, & Staffing											
IT-Org	V.1	IT Management Council established	IT Exec	CEO, Execs					Meets quarterly thereafter				100%
IT-Org	V.2	Priority IT plans developed & implemented	IT Exec	IT Tean									50%
IT-Org	V.3	Priority IT policies & IT developed	IT Exec	ITMC					Ongonig				
		-- PMO											100%
		-- IT Operations											30%
IT-Org	V.4	IT Strategic Plan developed & aligned	IT Exec	ITMC									50%
IT-Org	V.5	IT Program Management Office established	CEO	CTO, AEO/Admin									100%
IT-Org	V.6	IT/IS structure realigned	CEO, CTO	AEO/Admin									75%
IT-Org	V.7	IT staffing plan implemented	IT Exec	HR Dir									25%
		IT Security											
IT-Security	V.8	Immediate IT vulnerabilities addressed	IT Exec	IT Sec Consultant									100%
IT-Security	V.9	Security expert consultant study completed	CEO	IT Exec									100%
IT-Security	V.10	Security study recommendations adopted	IT Exec	ITMC									75%
		IT Investment											
IT-Invest	V.11	IT recommended investments	CTO, AEO/Admin	ITMC							Ongoing		
IT-Invest	V.12	IT Modernization/IT Strategic Plan adopted	IT Exec	Trustees									90%
IT-Invest	V.13	IT capabilities/systems upgrade investments	Trustees, IT Exec	ITMC									60%
IT-Imple		**IT Implementation**											
IT-Imple	V.14	IT "quick fixes" implemented	CTO, AEO/Admin										100%
IT-Imple	V.15	IT Strategic Plan/other IT plans implemented	CTO, AEO/Admin								Ongoing		
IT-Imple	V.16	Robust telecommuting capabilities	CTO, AEO/Admin	IT Exec									100%
IT-Imple	V.17	Migration to the cloud (vendor resources)	CTO, AEO/Admin	CIO									100%
IT-Imple	V.18	Migration to the cloud (servers & systems)	IT Exec										75%
IT-Imple	V.19	Virtual call center, including counseling	AEO/Ops, IT	Mem Group									100%
IT-Imple	V.20	Remote work capability for benefits analysts	IT										100%
		CHAPTER VI - WORK CULTURE & CHANGE MANAGEMENT											
Culture	VI.1	Leadership & management dev program	CEO	HR Dir									10%

Los Angeles County Employees Retirement Association (LACERA)

Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 04/13/2022

Focus		Action Steps	Accountability Lead	Accountability Support	Timeline FY2020-21 Jul	Aug	Sep	Q2	Q3	Q4	FY2021-22	FY2022-23	Percent Completed
Culture	VI.2	Diversity/Inclusion Plan (culture/values)	CEO	Execs, HR Dir									50%
Culture	VI.3	Shortened technical training	QA	Mem Group					Prepare			Monitor	100%
Culture	VI.4	Levels of Protection defined & implemented	Chief Counsel	Compliance Officer									20%
	CHAPTER VII - ENHANCED PROCESSES & OPERATIONS												
Improve	VII.1	New budget system and processes	Admin Services	CFO	Build on existing "Great Plains" platform								25%
Improve	VII.1	Division staffing & metrics in budget	CEO/COO	Mgrs/Mem Ops				Draft Budget				Ongoing	
Improve	VII.2	Continuous process improvement initiative	AEO/Mem Serv	PMG							Ongoing	Ongoing	
Improve	VII.3	Metrics & priority processes to improve	PMG	Mgrs/Mem Ops							Annual	Annual	50%
Improve	VII.4	Best practices & best-in-class standard	Execs	Mgrs/Mem Ops							See also IV.1		
Improve	VII.5	Process inventory/priorities approved	Execs	AEO/Ops, PMG							Annual	Annual	100%
Improve	VII.6	Process improvement with metrics	PMG	Mgrs/Mem Ops							Ongoing	Ongoing	75%
Improve	VII.7	Potential expansion of PMG's services	CEO	Execs									25%

STRATEGIC PLAN

Retirement Benefits

FOR FISCAL YEARS ENDING 2018-2020

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Status Update

The Strategic Plan has been reformatted and aligned along the four main key objectives outlined by our CEO. The format has also been redesigned so that we can easily see where we are on each goal (In Process, Substantially Complete, or Completed) and color coded to represent how well we are doing in terms of progress on the goals (red for behind, yellow for in danger of or near to being behind, and green for completed).

The goals each have current “owners” and “business partners” who are working on the goal. These assignments may change as we continue to review and restructure our teams to meet these goals. Here is the index that shows what the different initials stand for:

Division Codes									
AS	Admin Services	BE	Benefits	CO	Communications	FA	Financial & Accounting Services	DR	Disability Retirement Services
DL	Disability Litigation	EO	Executive Office	HR	Human Resources	IA	Internal Audit	IN	Investments
LS	Legal Services	MS	Member Services	QA	Quality Assurance	RH	Retiree Healthcare	SY	Systems

Governance

Work together to improve our Board and internal governance by:

1. Engaging the NACD to provide continual Board member training and development to provide them with the tools and knowledge to continually improve their ability to provide responsible leadership for LACERA.

2. Working with the internal management and supervisorial team to develop and deliver education to organizational leadership to transform LACERA into an innovative and best-in-class organization focused on delivering its mission.

Fund Sustainability

To advance LACERA's mission of producing the promised benefits, a separate plan for 2019 addresses five interrelated objectives:

1. Execute strategic asset allocation
2. Enhance operational effectiveness
3. Optimize Investment Implementation
4. Maximize ownership rights and stewardship
5. Strengthen influence on fees and capital costs

Please refer to the Investments Strategic Plan.

Preserving Retiree Healthcare

Preserve Retiree Healthcare by taking innovative and proactive steps to minimize costs and improve services provided to members and survivors.

Please refer to the Retiree Healthcare Strategic Plan.

Reduce Complexity of Our Organization

Continually work to make the process easier for our members and staff.

- ## Disability Retirement Information Integration and Enhancements

We are focusing our organizational energy on modernizing our disability investigation and appeal processes through revising Board policy, streamlining staff procedures, evaluating staffing deployment, changing operational expectations, improving accountability, creating new measurement structures, and developing new assistive technology tools.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Process Modification	Review the application processing to identify efficiencies and begin program design stage.					
	FY 2013–14	SY	DR			
Current Update	Completed					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Data Integration: Tracker	Export data from Tracker and import the data to Workspace.					
	FY 2013–14	SY	DR			
Current Update	Completed					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Document Management	Description Not Available					
	FY 2014–15	SY	DR, AS			
Current Update	Completed					

- Reduce Complexity of Our Organization >>> Disability Retirement Information Integration and Enhancements (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Process Management	Program and move most disability processes, including disability application intake, interviews, medical appointments, etc.					
	FY 2015–16	SY	DR			
Current Update	Substantially Complete: Rollout of the Board agenda process resulted in additional testing and reprogramming.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Board and Management Metric Reporting for Disability Processes	The development of metrics and reports to provide management and BOR critical insight to the status of disability cases. The intended goal of processing disability cases is nine to 12 months.					
	FY 2016–17	SY	DR, EO			
Current Update	Substantially Complete: The Workspace page provides metrics on pending completed cases. Provides aging (number of days) for pending cases. Additional reports will be developed as case tracking is implemented in Workspace.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Medical Document Portal System	The development of a system where doctors, medical record retrieval vendors, and others can electronically submit medical reports to LACERA.					
	FY 2017–18	SY	DR			
Current Update	The implementation of SharePoint has made this application obsolete. Since the objective of the goal has been met by alternate technological solutions, the goal is complete.					

• Reduce Complexity of Our Organization >>> Disability Retirement Information Integration and Enhancements (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Disability Medical Document Portal Training	The development of training for staff members on how to use this and how to train outside parties to use the system.					
	FY 2017–18	SY	DR			
Current Update	The implementation of SharePoint has made this application obsolete.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Case Management	Development of a case management system that will assist DRS staff members to manage individual cases more efficiently.					
	FY 2017–18	SY	DR			
Current Update	The trustees approved, and the LACERA Project Management Office (PMO) released, an RFP for vendors to provide a case management system and implement Phase I of a multiphase, multiyear project. Phase I consists of creating a case management process for first payments (aka “agenda process”), disability retirements, and disability appeals. LACERA has completed the first round of vendor interviews and narrowed the field down to four competing vendors. The final vendor interviews are being conducted and the team expects to pick a final vendor by the last quarter of FY 2021–2022. This is on target for the new timeline.					

- ## Reduce Complexity of Our Organization >>> Disability Appeal Process Modernization

We are leveraging our efforts and the lessons learned in the disability retirement process to modernize the disability litigation appeals process by streamlining staff processes and procedures, developing case management tools to improve resource management, process and manage writs, and develop a new measurement structure to provide greater insight into the caseload.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Appeal Packages	Create and store disability appeal packages electronically.					
	FY 2016–17	SY	AS, DR			
Current Update	Completed					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
E-Board Package: Digital Appeal Cases	Deliver disability appeal packages to the Board electronically.					
	FY 2016–17	SY	AS, DR			
Current Update	Completed					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Planning Writ Management Process	Complete a needs assessment and develop an overview of the writ management process to assist Systems in developing a writ management system.					
	FY 2016–17	SY	LS			
Current Update	In Process as part of case management project					

- Reduce Complexity of Our Organization >>> Disability Appeal Process Modernization (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Writ Process Management	Create a case management process for managing the response to writs filed to appeal Board decisions on disability cases.					
	FY 2017–18	SY	LS			
Current Update	In Process: This should be included in the case management project going forward. The case management project was recently reinitiated with Iveta Brecko serving as the Project Manager under Celso Templo's direction in the Systems Division Project Management Office. The business partner assigned has been corrected from DL to LS.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Appeal Process Management	Integrate the disability litigation appeal process with Workspace and the writ management system to allow electronic management of the process and institute metrics and reporting.					
	FY 2017–18	SY	DL, LS			
Current Update	This is part of the case management process.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retire Legacy System Tracker	Retire the legacy Tracker system after all functionality has been migrated to Workspace.					
	FY 2017–18	SY	DR			
Current Update	The major features of the Disability Tracker have been implemented in Workspace. The remaining process that has not been migrated is disability appeals. (This is part of Phase I of the case management project.)					

- **Reduce Complexity of our Organization >>> Managing Work Through the Job Ticket Process**

Through the years, LACERA introduced various tools to improve the accuracy, timeliness, and reliability of our member transactions. Building upon this foundation, LACERA is designing and implementing a system to track the progress of each transaction as it undergoes triaging, assigning, calculating, quality review, and completion. Intrinsic to each job ticket is process-centric and member-centric data to manage work objects efficiently and effectively.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Planning	Develop a needs assessment and outline of the job ticket requirements and system.					
	FY 2013–14	SY	BE			
Current Update	Complete					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Prototyping	Create a prototype of a the job ticket system.					
	FY 2015–16	SY	BE			
Current Update	Complete					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 1.0: Production	Implement the job ticket system into the production environment of Workspace.					
	FY 2015–16	SY	BE			
Current Update	Complete					

- **Reduce Complexity of our Organization >>> Managing Work Through the Job Ticket Process (Continued)**

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 2.0: Reporting	**Create and generate metric and tracking reports from the job ticket system.**					
	FY 2017–18	**SY**	**BE**			
Current Update	LACERA has shifted focus from a job ticket system to a case management system. The functionality originally expected for a job ticket has been incorporated into the case management process. Additionally, a separate initiative was developed to create business metrics for Benefits, Member Services, and Quality Assurance (QA). The majority of the Benefits and Member Services metrics are completed and in production and will be re-evaluated on a periodic basis. QA is in development and Retiree Healthcare will follow shortly after QA.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 3.0: Case Management	**Update the job ticket system to facilitate individual case management of work objects and member requests.**					
	FY 2018–19	**SY**	**BE**			
Current Update	This should be included in the case management project going forward. The case management project was recently reinitiated with Iveta Brecko serving as the Project Manager under Celso Templo’s direction in the Systems Division Project Management Office.					

- ## Reduce Complexity of Our Organization >>> Managing Work Through the Job Ticket Process (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Job Ticket 4.0 – Audit Version	N/A					
	FY 2019–20	SY	BE			
Current Update	Eventually the audit versions of a job ticket will be folded into the case management system, as QA is a part of the processes that are required to resolve member issues. In the meantime, a Member Operations Audit platform was created using SharePoint to provide a system for coordinating, resolving, and reporting on assurance audits.					

- ## Reduce Complexity of Our Organization >>> LACERA.com

Our website will have an easy to use and modern look that facilitates members' ability to learn about their LACERA benefits.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
LACERA.com Redesign	Update and modernize LACERA.com. This includes a complete review of all content on the website.					
	FY 2017–18	SY	CO			
Current Update	Completed as of July 30, 2021.					

• Reduce Complexity of Our Organization >>> LACERA.com: Member Portal

Our My LACERA member portal website will support online transactions so our members can self-service their accounts in a protected and expeditious manner.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Beneficiary Update	Implement ability for members to add, update, or delete beneficiary information on My LACERA member portal.					
	FY 2013–14	SY	BE, MS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Portal Redesign	Update and modernize the My LACERA member portal.					
	FY 2016–17	SY	EO, CO, MS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Secure Message Center	Implement a secure message center through the My LACERA member portal so members can communicate electronically with MS and RHC.					
	FY 2016–17	SY	EO, CO, MS			
Current Update	Completed.					

- ## Reduce Complexity of Our Organization >>> LACERA.com: Member Portal (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Pension Verification	**Allow members to request and print pension verification and amount-in-fund letters through the My LACERA member portal.**					
	FY 2017–18	**SY**	**BE, CO, MS**			
Current Update	Completed. In addition to the pension verification letters, Systems also delivered the ability to generate amount-in-fund letters. Additional functionality is being added to allow Member Services Outreach to print letters at the Member Service Center.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Service Credit Purchase	**Allow members to submit a request to purchase service credit online through the My LACERA member portal.**					
	FY 2018–19	**SY**	**BE, CO, MS**			
Current Update	Completed: This task was completed on October 28, 2019. Version 6.0 of My LACERA included a new Purchases page that allows members to submit requests to purchase service credit online.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Disability Application	**Allow members to securely submit a disability application online through the My LACERA member portal.**					
	FY 2018–19	**SY**	**BE, CO, DR**			
Current Update	Substantial work has been completed and a beta version is nearing a testing phase. We expect to begin UAT by the end of FY 2021–2022 The team is also working on developing a training and rollout plan to prepare staff to help members file their applications and to create a coordinated communication plan for members.					

- Reduce Complexity of Our Organization >>> LACERA.com: Member Portal (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Online Form: Retirement Election	Allow members to securely submit a retirement election online through the My LACERA member portal.					
	FY 2019–20	SY	BE, LS, MS			
Current Update	Significant progress has been made on designing a new retirement application, which will serve as the template for an online election form. Testing of the revised application and election has been postponed due to COVID-19 and the temporary suspension of in-person appointments. We will re-evaluate the timetable once we reopen the MSC.					

• Reduce Complexity of Our Organization >>> Retiree Healthcare Program

In 1987, we embarked on an ambitious program to create our own benefit administration software application. Over the ensuing decades, we have devoted considerable resources to support our retirement benefit administration and, more recently, our disability application work processes. Looking to the future, now is the time to begin planning how to best support the Retiree Healthcare Program with improved document control, workflow, and technology. Similar to our efforts in the disability application area, this will be a multidimensional effort that will require us to evaluate Board policy, staff procedures, staffing deployment, operational expectations, accountability, and measurement structures.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Needs Assessment	Complete a needs assessment to determine what future efforts will be needed to integrate RHC operations into Workspace.					
	FY 2017–18	SY	RH			
Current Update	Completed.					

• Reduce Complexity of Our Organization >>> Managing Member Interactions

The ability to provide world-class service to our members is dependent on ensuring LACERA manages member interactions in an efficient manner, measures service levels, and keeps an accurate record of member interactions in the member's file. LACERA will focus resources on expanding our ability to record and store inbound and outbound calls with members to the Benefits and Disability Retirement Services divisions. Recording calls ensures we have an accurate record of member interactions, which improves service and can be leveraged to provide quality assurance and training to staff. We will also begin focusing on the development of a Member Service Center queuing system to improve our ability to forecast, budget, and allocate staffing resources and improve management of service levels in the Member Service Center.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Member Service Center Queue System: Planning	Needs assessment and planning for implementation of a queuing system in the Member Services Center.					
	FY 2018–19	SY	MS			
Current Update	Significant work was completed, but initial testing of the system indicated that it was not ready for a rollout. The team has been working with the vendor to ensure that required functionality is available. The team is expected to go through training on functionality in March or April. Following the training, we will re-enter a UAT process. The goal is to launch the new appointment and queue management system for the Member Services Center by the end of FY 2021–2022.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Call Recording, Benefits Division: Planning	Planning the implementation and rollout of call recording for Benefits Division Specialists.					
	FY 2019–20	SY	BE			
Current Update	This project has been completed and those staff members in Benefits who make outbound calls to members are now recorded.					

- Reduce Complexity of Our Organization >>> Managing Member Interactions (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Call Recording, Disability Division: Planning	**Planning the implementation and rollout of call recording for Disability Division Investigators.**					
	FY 2017–18	**SY**	**DR**			
Current Update	Systems has completed the planning for the technical implementation of the call recording. Disability staff still has to be engaged to discuss the call-recording rollout. LACERA is in the process of hiring a Compliance Director. Once the Compliance Director has been hired, we will revisit this goal, given that information discussed on these calls is highly sensitive.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Replace Call Recording System	**Replace current call recording software and storage.**					
	FY 2018–19	**SY**	**BE, DR, MS**			
Current Update	During FY 2019–2020, this objective was listed as “In Process,” with 48 additional recording ports added and 24 designated for Disability staff, scheduled for implementation later in FY 2019-2020. The COVID-19 pandemic required LACERA to pivot to a cloud-based Call Center solution. As a result, this objective was terminated. Systems will work with Member Services, Retiree Healthcare, and the IT Council to developing a post-COVID telecom strategy, including a call recording system.					

- ## Reduce Complexity of Our Organization >>> Workspace

The information system will facilitate members service while protecting membership information. The system environment will be continually evaluated and updated. We look to improve the way we circulate the member's electronic document by creating a job ticket processing system.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Replace Green Screens	Replace the mainframe green screens by importing all functionality into Workspace.					
	FY 2017–18	SY	BE			
Current Update	Completed. The final green screens in use were retired on June 5, 2017.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retire CICS						
	FY 2017–18	SY	BE			
Current Update	Completed. CICS is no longer in use as of June 5, 2017.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
COBOL Program Replacement: Planning						
	FY 2017–18	SY				
Current Update	Completed.					

• Reduce Complexity of Our Organization >>> Workspace (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Update Retirement Estimate Program	**Update the retirement estimate logic to reflect current requirements.**					
	FY 2017–18	**SY**	**LS, IA**			
Current Update	Completed: The estimate program was updated on May 8, 2017. The program now generates estimates for service retirements, deaths, and both service-connected and non-service-connected disability retirements.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Multiple Plan Streams	**Updating Workspace programming to properly support members who have more than one membership stream.**					
	FY 2018–19	**BE**	**LS, SY**			
Current Update	In Process: Plan E-related plan stream eligibility rules have been incorporated into the final calculation and estimate programs. A safety plan stream with non-E eligibility rules has not been incorporated at this time. The initial decision to not complete this stream was due to low volume. However, it must be completed in order to ensure error-free processing.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Reengineer First Payment: Planning	**Review the first payment process to ensure the process is designed to efficiently and accurately issue the first benefit payment to members.**					
	FY 2018–19	**SY**	**BE, LS, QA**			
Current Update	The first payment (or agenda) process was selected as a Phase I project for case management. The process has been re-engineered and will be further reviewed and revised once we select a case management system and begin implementation. This will be reported as part of the case management project.					

- ## Reduce Complexity of Our Organization >>> Member Communications

Members have important retirement choices to make, from plan selection when first hired through choosing the best date and retirement option at the end of their careers. It is our responsibility to provide the education they need to make good choices for their individual circumstances. Our strategic direction is to continue to expand and improve our communication to members by offering a wide variety of user-friendly, updated, informative, and creative educational tools that include print materials, seminars and workshops, website materials, videos, etc. We will review our current pre-retirement workshop and develop and offer topic-specific modules that members could choose from as alternatives.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Outreach Web Video: New Member	Develop an online video that explains the new membership process.					
	FY 2014–15	MS	CO, LS			
Current Update	Completed.					

• Reduce Complexity of Our Organization >>> Member Communications (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Active Member Benefit Statement	**Redesign and implement a new Active Member Benefit Statement.**					
	FY 2017–18	**CO**	**EO, LS, MS, SY**			
Current Update	Communications developed a new design and worked with Systems on ensuring data elements would be available. However, work was halted due to continued delays in resolving challenges with systematically calculating PEPRA Final Average Compensation (FAC). Once we have resolved the PEPRA FAC issues, we will restart this project. When we restart the project, we will: • Finalize the design and seek staff input • Revise and finalize the RFP for printing both Active and Retirement Member Benefit Statements • Request approval from the Trustees to release an RFP It is difficult to determine a target date, as it depends on the PEPRA FAC project. Rebecca Sun from Systems is the IT representative on the project team.					

- Reduce Complexity of Our Organization >>> Member Communications (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement Estimate Document	Redesign the Retirement Estimate and Benefit Election form to make it more informative and user-friendly.					
	FY 2017–18	CO	EO, LS, MS, SY			
Current Update	Significant progress has been completed on the creation of a new retirement application and supporting materials. The new document was scheduled to be tested in early 2020. However, testing was delayed due to COVID-19 and the temporary closure of the MSC. Once we reopen the MSC, we will revisit the time frame for beta testing.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement University: Course 1	Design and implement an online course on the retirement benefit options.					
	FY 2017–18	CO	BE, DR, EO, LS, MS, RH, SY			
Current Update	Communications and Member Services finalized the first three segments of the course that addresses the top options chosen by members: Unmodified, Unmodified Plus, and Option 4. These courses were published to LACERA.com shortly after the launch of the new site. Communications is scheduling the production for the remaining options, 2 and 3. We anticipate publication of these videos by the end of the first quarter of FY 2022–2023.					

- **Reduce Complexity of Our Organization >>> Member Communications (Continued)**

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Retirement University: Course 2	Select the content and design, and implement the second course in our online university.					
	FY 2020–21	CO	BE, DR, EO, LS, MS, RH, SY			
Current Update	Not started. Pending completion of Course 1 project.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Member Survey	Conduct a survey of all LACERA members and survivors to assess the services and service level that LACERA is providing.					
	FY 2020–21	EO	BE, DR, LS, MS, RH, SY			
Current Update	This project was delayed due to COVID-19. There may be some discussion of developing a survey as part of the strategic planning process.					

• Reduce Complexity of Our Organization >>> Board Operations

It is important for all members of the organization—Boards, executive management, and staff—to be dedicated to creating and maintaining a professional workspace. The Boards' workspace should foster an aesthetic appearance while maintaining functionality and readily communicate LACERA's commitment to its membership.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Branding Entryway	Refresh and update the entryway to the boardroom to include pictures of Board members, so the members and public can see who is representing them.					
	FY 2017–18	EO	AS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Branding	Refresh and update the boardroom, including branding.					
	FY 2017–18	EO	AS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Boardroom Speaker Timer and Signal						
	FY 2017–18	SY	EO, AS			
Current Update	Completed.					

Cultivate a Risk-Intelligent Organization

Creating an organization that is aware of risks and manages those risks appropriately, and that has a shared knowledge system and formalized operational compliance program.

- ## Knowledge and Content Management

Provide an enterprise content management system (ECMS) that integrates a centralized search of all knowledge content. We expect to internally ingest the Board of Retirement's committee documents and implement a user-friendly tool to access our membership rules and plan information.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Board Package Web Posting	Post all Board of Retirement and Board of Investments agendas online.					
	FY 2015–16	SY	EO, IN, LS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, BOI Back Files: Implement	Archive all prior versions of BOI agendas/minutes.					
	FY 2016–17	SY	EO, IN, LS			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, BOR Committee Agendas: Implement	Archive all prior versions of BOR Committee agendas/minutes.					
	FY 2016–17	SY	EO, IN, LS			
Current Update	Completed.					

- **Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)**

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive, Disability Case Back Files: Evaluate	Conduct a needs assessment of what it would take to archive all disability case back files.					
	FY 2017–18	SY	EO, DR, LS	(green)	(green)	
Current Update	During the height of the COVID-19 pandemic, LACERA initiated efforts to move DRS to a digital processing environment. All new cases are handled electronically with third parties encouraged to submit data electronically and any paper documents imaged upon receipt. The team is currently imaging active case files that are still in paper format. Back case records are maintained according to LACERA's Document Retention Policy.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: RFP	Issue an RFP.					
	FY 2017–18	SY	EO, DR, LS	(red)		
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Actuary Reports	Archive all actuary reports.					
	FY 2018–19	SY	EO, LS	(red)		
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

- Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Accounting Reports	Archive all accounting reports.					
	FY 2018–19	SY	EO, FA, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Brochures	Archive all brochures.					
	FY 2018–19	SY	EO, CO, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Summary Plan Descriptions	Archive all Summary Plan Descriptions.					
	FY 2018—19	SY	EO, CO, LS			
Previous Update	Not Started.					
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

Cultivate a Risk-Intelligent Organization >>> Knowledge and Content Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Digital Archive: Retiree Healthcare Program	Archive all Retiree Healthcare Program materials.					
	FY 2018–19	SY	EO, CO, RH, LS			
Current Update	Not Started: Project has been deferred due to other organizational priorities and resource limitations.					

• Cultivate a Risk-Intelligent Organization >>> Operational Compliance

LACERA continues implementing innovative and best practice quality initiatives by introducing another line of defense: a formalized operational compliance program. The operational compliance program is geared to nurture a culture of compliance and provide a structured and transparent approach to adhere to operational processes, policies, and key organizational training regimens. The program's ultimate success is achieved by an organization demonstrating a culture of compliance and ethical business practices coupled with the efficient and effective integration of operational compliance into daily business practices.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Create Compliance Program Charter	Create a charter to define the compliance program roles, responsibilities, and approach.					
	FY 2017–18	LS	EO			
Current Update	As described during the February 17, 2022 Audit Committee meeting, LACERA supports the approach outlined in the Institute of Internal Auditors' (IIA) Three Lines of Defense Model. The model provides a structure that assigns responsibility for compliance to all components of LACERA through mutually reinforcing roles to fulfill the organization's mission. An important piece in developing a strong compliance and ethics program is the hiring of a Compliance Director whose responsibilities focus on risk management—without operational responsibility. The Compliance Director will be responsible for examining the policy, procedures, and rules set forth by LACERA, and build a compliance program that minimizes organizational risk and enforces policy and procedural compliance throughout LACERA. The Compliance Director position will report to the Chief Counsel within the Legal Division. The classification and hiring for this position will be prioritized in calendar year 2022.					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Organizational Compliance Committee	**Create a Compliance Committee that will work together to define the compliance program; draft or review compliance policies, procedures, or charters; and provide oversight until a Compliance Officer is appointed.**					
	FY 2017–18	**LS**	**EO**			
Current Update	Although previously completed, we will revisit this task once we hire a Compliance Director.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Compliance Reporting Protocols						
	FY 2017–18	**LS**	**EO**			
Current Update	Templates gathered and reviewed by members of Compliance Committee; further action deferred pending hiring of Compliance Director.					

- Cultivate a Risk-Intelligent Organization >>> Operational Compliance (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Policy Governance Procedures and Training	Procedures for training on compliance principles, procedures, and values.					
	FY 2018 – 19	LS	EO			
Current Update	LACERA has developed an enterprise-wide Policy and Procedures Committee with representation across LACERA divisions. LACERA's Policy and Procedures Committee ("Policy Committee") is an administrative committee created by the LACERA executive team. The Policy Committee will exist to review new and existing policies and procedures against established standards. The Policy committee is responsible for ensuring that LACERA's policies and procedures support the mission and strategic goals of the organization. The committee is responsible for assisting policy authors with: 1. Reviewing proposed Board, administrative, and divisional policies to ensure proper translation of governmental and legislative mandates into meaningful policy 2. Promoting and educating policy authors on LACERA-specific policy template and writing standards 3. Providing organizational guidance and standards on policy management 4. Ensuring all LACERA policies and procedures are up to date and have a routine review cycle for new and existing policies 5. Providing organizational guidance and direction on properly designating policies, procedures, and standards 6. Overseeing LACERA's enterprise-wide policy management solution					

- ## Cultivate a Risk-Intelligent Organization >>> Operational Compliance (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop and Deliver Compliance and Ethics Training	**Training on compliance principles, procedures, and values.**					
	FY 2018 – 19	**LS**	**EO**			
Current Update	This responsibility will be delegated to LACERA's Compliance Director, once onboarded.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Inventory LACERA Policies and Standardize	**Develop log of all LACERA policies.**					
	FY 2019–20	**EO**	**ALL**			
Current Update	The Executive Office has conducted an inventory of all LACERA policies. As part of its responsibility, the Policy Committee will review existing policies to ensure relevance and address obsoletion. The Policy Committee will also work to implement a policy management solution that will offer a centralized repository for all existing, new, and archived LACERA policies, ensuring internal and external stakeholders can easily access such policies in a more structured and user-friendly format.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Conduct Best Practices Review	**Confirm success in achieving compliance program objectives.**					
	FY 2019–20	**LS**				
Current Update	Project has been deferred until Compliance Director is on board.					

• Cultivate a Risk-Intelligent Organization >>> In-Line Quality Audit

LACERA has made great strides in building a quality ecosystem over the past 10 years. Our efforts include comprehensive training courses, data cleanup projects, apprenticeship programs, standardized business practices, and independent quality assurance. These practices achieved impressive results, with our quality improving from 88 percent to a world-class quality level exceeding 98 percent. Our next evolutionary step is to identify data anomalies and calculation errors earlier when working a member's account to prevent errors from reaching the member in the first place.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Increase the In-Line Audit Ratio to 60 Percent	FY 2015–16	QA	BE			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Increase the In-Line Audit Ratio to 75 Percent	FY 2016–17	QA	BE			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Assess Program Resource Requirements	FY 2017–18	QA				
Current Update	Completed. Incorporated assessment of program into budget highlights.					

- Cultivate a Risk-Intelligent Organization >>> Member-Centric Process Management

Benefits Division has developed a Process Management Group (PMG) that has successfully managed its business rules, documentation, and tools so that they are coordinated, standardized, and optimized through a continuous process-improvement effort. Our Strategic Plan will expand this effort to include all member-centric service divisions and business-rule repositories.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Coordinated Procedures	Develop a process to coordinate the development of procedures for use by Benefits Division staff members.					
	FY 2017–18	BE	DR, LS, MS, QA			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Monitor and Harmonize Procedures						
	FY 2017–18	BE	DR, LS, MS, QA			
Current Update	The PMG continually monitors and harmonizes procedures internally and works with its business partners to ensure that DRS, MS, and QA are consulted on and apprised of new and updated procedures. The divisions work closely on this project. This is an ongoing objective and part of the normal work process. It is deemed complete, in as much as a formal process has been developed and implemented on an ongoing basis.					

- Cultivate a Risk-Intelligent Organization >>> Member-Centric Process Management (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop Requirements for Knowledge System	Develop a set of requirements for a knowledge management system that can be used to share operational knowledge, procedures, and rules throughout the organization.					
	FY 2017–18	BE	DR, LS, MS, QA, SY			
Current Update	Compass 365, a Microsoft Gold Partner, recently completed an assessment of our legacy knowledge management system(s). This project has been assigned to the Policy Committee, as it may share some synergy with the policy management solution. The Policy Committee will explore opportunities.					

• Cultivate a Risk-Intelligent Organization >>> Scrubbing Legacy Data

Our membership data is diverse, voluminous, and spans many decades of time. We maintain our membership data in perpetuity. The consequences of poor or incomplete data can magnify as time progresses and may cause serious ramifications to our members. The 1989–90 database conversion included a series of poor or incomplete data that placed a number of our members in harm's way. Our three-year strategic plan places a high priority in scrubbing our legacy data.

• Scrubbing Legacy Data

A multiyear project to identify and prioritize data cleanup projects that will improve processing accuracy and service to members.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
MOU Retroactive Salary Adjustments: 26,000	The County completed MOU negotiations that included retroactive salary increases. The County's payroll system could not retroactively collect contributions and assign them to the correct pay period, so Benefits had to adjust the accounts manually.					
	FY 2014–15	BE	MS, QA, SY			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Missing Service Credit: 1,000	A project to review accounts that had known periods of missing service credit and ensure the total service credit and related contributions were correct.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					

- Cultivate a Risk-Intelligent Organization >>> Scrubbing Legacy Data (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Missing Service Credit: 1,000	A project to review accounts that had known periods of missing service credit and ensure the total service credit and related contributions were correct.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Back Contributions Uncollected: 1,000						
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Service Contract, not Resident: 1,000	Members with a purchase in the system but no service contract set up.					
	FY 2015–16	BE	MS, QA, SY			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Recalculate Contracts Uncompleted: 4,000						
	FY 2017–18	BE	MS, QA, SY			
Current Update	Completed.					

• Cultivate a Risk-Intelligent Organization >>> Implementing PEPRA

The Public Employees' Pension Reform Act of 2013 (PEPRA) required LACERA to open new plan tiers, design information systems to support the new benefit structure, develop member communications, conduct staff training, and create new monitoring protocols. With the new plan tiers successfully launched, the organization needs to take a fresh look at the additional implementation efforts yet to be completed.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
PEPRA Implementation Needs Assessment	**A review of all systems, materials, and rules to identify any remaining PEPRA implementation items that need to be completed.**					
	FY 2016–17	**EO**	**BE, MS, LS, QA, SY**			
Current Update	Staff has evaluated and implemented a majority of the PEPRA processing needs. The following processes remain: • Annual Benefit Statements (ABS), Active Members: The current version of the ABS has not been revised to accommodate PEPRA. The PEPRA estimate logic has not been added to the program that generates these statements, and the text has not been updated to reflect PEPRA rules. This process is dependent on the completion of the ABS redesign. • Creating a PEPRA compliance payroll report that will help LACERA determine if any non-pensionable pay codes were paid out as pensionable by the Auditor-Controller. • PEPRA limits: Staff is working with the Legal Office to obtain guidance on how periods of absence without pay impact the Final Average Compensation period for PEPRA members. This is critical to be able to define the FAC period for comparison to PEPRA pensionable pay limitations. • Returning member processes to support the Superior Court employees. • Non-Concurrent Retirement Process: Members in double plans may have different retirement eligibility rules based on each plan. These rules, currently managed manually, will be automated.					

• Cultivate a Risk-Intelligent Organization >>> Implementing PEPRA (Continued)

• Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
PEPRA Implementation Tactical Plan						
	FY 2017–18	**EO**	**BE, MS, LS, QA, SY**			
Current Update	The Auditor-Controller (AC) has determined that it is not feasible to break apart the 099-pay code so that embedded pensionable and non-pensionable pay codes are reported to LACERA separately. However, they are making programming changes that will allow LACERA to identify pay code changes that occur during a payroll cycle. We continue to work with them to resolve this critical issue and will update the Committee on our efforts.					

High Performance and Diversified Team

We strive to create and maintain an environment where all staff members are coached and developed to be high performers by developing the tools and training to reach higher levels of performance as an effective team. Each staff member should receive continual, relevant, and timely feedback. A diverse workforce represents a greater range of knowledge, ideas, and opinions, and spurs innovative approaches to serving our members better.

• Advanced CERL Education (ACE) Certification

The International Foundation of Employee Benefits, in conjunction with the University of Pennsylvania, provides an outstanding educational certification in compensation management covering all aspects of benefits and compensation. This rigorous designation, known as the Certified Employee Benefit Specialist (CEBS), allows the student to specialize their CEBS certification into one of three specialty areas:

- *Compensation Management Specialist:* compensation and human resources
- *Group Benefits Associate:* healthcare and other group benefits
- *Retirement Plans Associate:* all aspects of retirement plans

While these are excellent educational opportunities, they do not specifically address plan design, practices, and procedures unique to LACERA. Our initial concept is for the ACE certification to serve as advanced certification available to LACERA’s Benefits, Member Services, Retiree Healthcare, Quality Assurance, and Internal Audit staff. The program would include an eligibility test, class work, proficiency tests (classroom and production), and continuing education requirements. It is our hope that this designation will be eligible for certification compensation.

- High Performance and Diversified Team >>> Advanced CERL Education (ACE) Certification (Continued)

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Develop ACE Program	**Develop and design the curriculum and processes of the program.**					
	FY 2016–17	**QA**	**EO**			
Current Update	Completed.					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Implement Program	**QA will conduct two pilot programs to solicit feedback on the program structure, content, and delivery. After the two pilot groups have completed the program, a final program will be outlined and presented for approval.**					
	FY 2020–21	**QA**	**EO / MS**			
Current Update	This goal has been extended based on the experience of completing the first pilot group. QA's first pilot was conducted with nine selected staff over a 22-month period. Using data gathered from this pilot group, the program content was revised for the second pilot, which began in mid-2019, consisted of five selected staff, and was expected to last about 17 months. Once the second pilot has been completed and reviewed, we will begin the implementation. QA believes this task is complete.					

- **High Performance and Diversified Team >>> Advanced CERL Education (ACE) Certification (Continued)**

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Graduate Inaugural Class	FY 2020–21	QA	EO/MS			
Current Update	The inaugural class graduated in 2020. However, the program was placed on hold due to the need to re-evaluate the goals. The program was originally designed to train staff to a high technical level. Additional components were added to include management and supervisory skill development. The program will be re-evaluated to determine how it can be redesigned to focus on technical skills, complex account analysis, and correcting and certifying accounts.					

• High Performance and Diversified Team >>> Succession Planning

Succession planning is an important part of doing business, no matter how certain the future seems. It promotes strong leadership, facilitates organizational responsiveness, and builds team strength. A successful plan includes employees throughout the organization at all operational levels.

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Employee Survey: Planning	**Develop an Employee Engagement Program starting with an employee survey.**					
	FY 2016–17	**HR**	**EO**			
Current Update	Completed					

Task	Implementation Schedule	Owner	Partners	In Process	Substantially Complete	Complete
Employee Survey: Conduct	**Implement an employee survey as part of the Employee Engagement Program.**					
	FY 2016–17	**HR**	**EO**			
Current Update	Complete. CPS conducted the Employee Engagement Survey in February 2021. A total of 352 staff members completed the survey, which is an 86 percent response rate. The results were delivered to staff and the Boards in May and June 2021.					

JP:jp
Strategic Plan Retirement Benefits Status Update – February 2022.docx

ATTACHMENT

Towards Best-In-Class Investor

2022 Work Plan and Strategic Initiatives
Investments Division

Board of Investments

January 12, 2022

Jonathan Grabel – Chief Investment Officer

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Discussion Outline

I. Work Plan Background

II. Strategic Initiatives

III. Appendix: Preliminary Project Schedules for 2022

2022 Work Plan

It is recommended that the Board approve the 2022 Work Plan and Strategic Initiatives with the **following goals**:

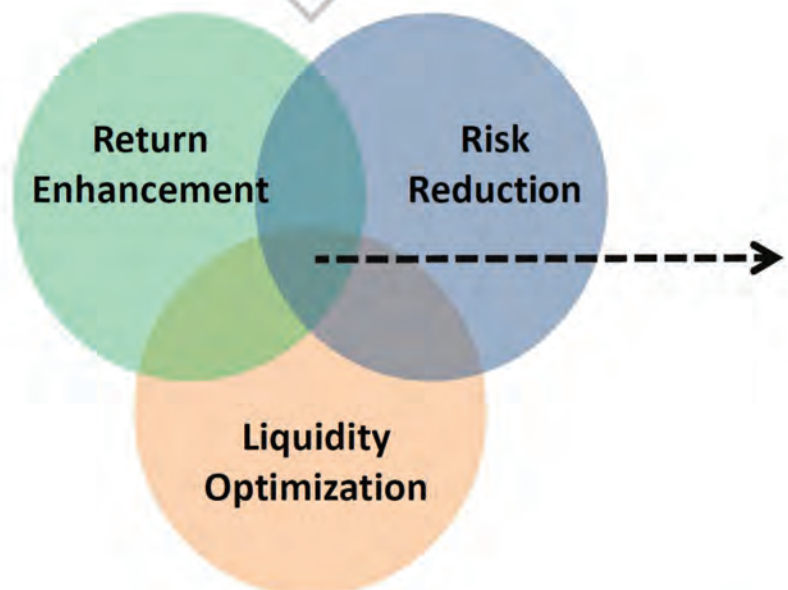
1. Provide **visibility** into current and upcoming initiatives
2. Accurately **reflect and synthesize** all Board-approved projects and input, recent Board meetings, and Offsite discussions into a cohesive action plan that includes best-in-class aspirations
3. Promote **disciplined execution** and aligned resources for defined priorities

2022 Work Plan
Objective and Strategic Initiatives

Objective

Execute Strategic Asset Allocation

while balancing…



Produce, Protect, and Provide the Promised Benefits

Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
- Strengthen Influence on Fees and Cost of Capital
- LACERA T.I.D.E.

Strategic Initiatives

2022 Work Plan

Strategic Initiatives Towards Best-In-Class Investor

Across LACERA's five strategic initiatives, our **journey** from an allocator to a best-in-class investor has numerous **accomplishments**, **ongoing efforts**, and **aspirational considerations**.

Upcoming slides describe our journey for each initiative and reflect feedback from the BOI.

2022 Work Plan Strategic Initiatives

Enhance Operational Effectiveness

Objective

To maximize the efficiency of our resources (internal and external, human and technological) and mitigate varied investment and enterprise risks, which can improve future outcomes

Connection to Investment Beliefs

"Risk is a broad term used to capture the concept of uncertainty. Since no single metric adequately conveys risk, LACERA will evaluate risk holistically, incorporating quantitative measures and qualitative assessments in managing its portfolio."

"Rebalancing the portfolio is a key aspect of prudent long-term asset allocation policy."

2022 Work Plan
Strategic Initiatives

Aspirational Considerations

- Strengthen risk orientation in a low expected return environment
- Continuously improve BOI meeting information
- Enhance compliance efforts
- Avoid uncompensated complexity

Ongoing Efforts

- Business continuity and information technology
- Comprehensive performance, risk, and return reporting
- Complete investment procedures manual
- Review OPEB operational structure

Accomplishments

✓ Elevated operational due diligence ("ODD") capabilities
✓ Improved cash flow accounting for real estate operations
✓ Consolidated and simplified securities lending program
✓ Approval for initial dedicated managed account ("DMA")

Enhance Operational Effectiveness

Optimize Investment Model

Objective

To leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns

Connection to Investment Beliefs

"Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy."

"LACERA will allow for modest tactical asset allocation adjustments during times of disruption."

"LACERA believes that conflicts of interest may pose risk; therefore, any perceived conflicts should be identified and explored as a material factor in risk analysis."

2022 Work Plan Strategic Initiatives

Enhance Operational Effectiveness | **Optimize Investment Model** | Maximize Stewardship and Ownership Rights | Strengthen Influence on Fees and Cost of Capital | LACERA T.I.D.E.

Optimize Investment Model

Aspirational Considerations

- Shared ownership interests with investment manager firms
- Continued co-investment program developments
- Further development of investor mindset

Ongoing Efforts

- Implement strategic asset allocation nuances
- Risk measurement and monitoring across the portfolio
- Evaluate most advantageous investment structures
- Evaluation of merits and risks for internal management

Accomplishments

✓ Co-investment program successes in private equity
✓ Co-leading secondary investment
✓ Portfolio adjustments towards 2021 strategic asset allocation
✓ Rebalancing and exposure management through overlay

Maximize Stewardship and Ownership Rights

Objective

To steward our investments – including legal rights associated with them – in a manner that promotes and safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy

Connection to Investment Beliefs

"LACERA considers the risks of environmental, social, and governance ("ESG") factors as relevant to its investment process."

"In an increasingly complex and dynamic investment universe, continued education on investment concepts and investment strategies within that universe is essential for long-term success."

2022 Work Plan
Strategic Initiatives

Aspirational Considerations

- Total Fund view of climate investment risks and opportunities
- Refine ESG language in investment beliefs
- Expand thought leadership through education and research

Ongoing Efforts

- Continue advancing corporate board diversity initiative
- Improve ESG data availability and reliability, i.e., SASB support
- Encourage corporate climate risk disclosures and reductions
- Ongoing regulatory and legislative advocacy

Accomplishments

✓ Global proxy voting authority across 8,000 holdings
✓ Routine SEC comment letters on investor rights
✓ Climate Action 100+ initiative on climate risks
✓ Elevated industry collaboration (i.e., CII, PRI, SASB, etc.)

Maximize Stewardship and Ownership Rights

2022 Work Plan Strategic Initiatives

Strengthen Influence on Fees and Cost of Capital

Objective

To strengthen our influence on fees and cost of capital with the goal of maximizing returns by minimizing cost across all investment strategies and structures in a manner that promotes durable investment returns

Connection to Investment Beliefs

"Consideration of net-of-fees returns is an integral part of a successful long-term investment strategy."

"Costs and fees should be actively monitored and negotiated to the greatest extent possible."

"As markets are largely efficient, passive management, when available, is the preferred structure for investment management; however, the Board recognizes that some asset classes may justify the higher fees and/or expected enhanced returns associated with active management."

2022 Work Plan
Strategic Initiatives

Aspirational Considerations

- Broadly be "term-makers" as opposed to "term-takers"
- Be a prominent co-investment and secondary investor
- Further measure and reduce costs across portfolio
- Develop a risk and fee adjusted performance measurement

Ongoing Efforts

- Expansion of co-investment and secondary programs
- Creative and beneficial fee structures such as hard hurdles
- Shared ownership interest alongside select managers
- Remain mindful of strategic considerations

Accomplishments

- ✓ Secondary purchase activity
- ✓ Beneficial structures such as dedicated managed accounts
- ✓ Capacity rights and fee negotiations
- ✓ Increased influence and improved fee terms

Strengthen Influence on Fees and Cost of Capital

2022 Work Plan Strategic Initiatives

Enhance Operational Effectiveness | Optimize Investment Model | Maximize Stewardship and Ownership Rights | Strengthen Influence on Fees and Cost of Capital | LACERA T.I.D.E.

LACERA T.I.D.E: Towards Inclusion, Diversity, and Equity

Objective

To improve outcomes through comprehensive, total Fund efforts that encourage constructive, inclusive, and equitable talent management at investment partners, industry, and internally

Connection to Investment Policy Statement

"LACERA values diversity, equity, and inclusion, and believes that effectively accessing and managing diverse talent leads to improved outcomes."

"LACERA's ongoing monitoring of third-party service providers incorporates an assessment of vendors' commitment to, adherence with, and track record of accessing and retaining diverse workforces in an inclusive and equitable manner."

2022 Work Plan
Strategic Initiatives

Aspirational Considerations

- All investment partners have clear DEI policies and reporting
- Be a catalyst for leading DEI practices at our business partners and in the investment industry
- Demonstrate cohesive, comprehensive DEI integration

Ongoing Efforts

- Diplomatic agitation of investment partners for further progress
- Industry advocacy to elevate DEI and improve data reporting
- Convening regional institutional investors on DEI practices
- Facilitate avenues for capital formation
- Intern program and avenues for DEI in internal practices

Accomplishments

- ✓ Due diligence across all new and current mandates
- ✓ Strides with partners regarding DEI policies and demographics
- ✓ Progress in corporate board diversity initiative
- ✓ LACERA tracking more data
- ✓ Increased allocation opportunities for emerging managers

LACERA T.I.D.E.

2022 Work Plan Recommendation
Towards Best-In-Class Investor

Recommendation:

Approve the 2022 Work Plan and Strategic Initiatives

Best-In-Class Investor

Strategic Initiatives

- Execute 2022 Work Plan and Strategic Initiatives
- Maintain principles and re-evaluate as necessary
- Scale division along with Strategic Initiatives
- A component of LACERA's broad strategic plan

Appendix

Prospective 2022 Calendar

Board of Investments and Committee Meetings

	January	February	March	April	May	June	July	August	September	October	November	December
Board of Investments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
							[Potential Offsite		]			
Corporate Governance Committee				✓						✓		
Credit and Risk Mitigation Committee					✓				✓			
Equity: Public/Private Committee			✓	✓							✓	
Real Assets Committee	✓					✓						✓

- Each committee meets at least two times per calendar year
- Additional meetings would be scheduled on an as-needed basis
- Will work with the Board regarding Offsite format and logistics

1st Quarter 2022 Preliminary Monthly Calendar

FEBRUARY 9, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	General Consultant Search Recommendation
Total Fund	4Q2021 Trust and OPEB Performance Report
Total Fund	General Consultant 4Q2021 Trust and OPEB Performance Report
Growth	Private Equity Investment Recommendations
Growth	Private Equity Emerging Manager Recommendation
Real Assets	Private Fund Investment Recommendation
Credit	Illiquid Credit Investment Recommendation
Committee: (open)	
Category	**Subject**

MARCH 9, 2022	
Board of Investments:	
Category	**Subject**
Growth	Private Equity Investment Recommendations
Real Assets	Real Estate Restructuring Update
Real Assets	Private Fund Investment Recommendation
Risk Mitigation	Long Duration Treasury Manager Recommendation
Committee: Equity: Public/Private	
Category	**Subject**
Growth	Analysis of Global Equity Activist Managers

Please note that certain listed items are subject to Committee advancement and/or Board approval.

2nd Quarter 2022 Preliminary Monthly Calendar

APRIL 13, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	Annual Securities Lending Income Report
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Committees: Corporate Governance and Equity	
Category	**Subject**
Corporate Gov.	Principles Policy Review
Corporate Gov.	ESG Standards Report
Growth	Global Equity Emerging Manager Program Assessment

MAY 11, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	1Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 1Q2022 Trust and OPEB Performance Report
Total Fund	OPEB Private Markets Search Recommendation
Growth	Private Equity Investment Recommendation
Committee: Credit and Risk Mitigation	
Category	**Subject**
Credit	Outside Speaker: Inflation and Interest Rates

JUNE 8, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	Internal Trading Update (Global Equity and Fixed Income)
Total Fund	Securities Lending Update Report
Real Assets	Private Fund Investment Recommendation
Committee: Real Assets	
Category	**Subject**
Real Assets	GRESB Review
Real Assets	RCP Review
Real Assets	Real Estate Emerging Manager Program RFP

Please note that certain listed items are subject to Committee advancement and/or Board approval.

3rd Quarter 2022 Preliminary Monthly Calendar

JULY 13, 2022

Board of Investments:

Category	Subject
Total Fund	**Board Offsite (potential)**
Growth	Private Equity Portfolio Performance Review
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Credit	Illiquid Credit Emerging Manager Program Recommendation

Committee: (open)

Category	Subject

AUGUST 10, 2022

Board of Investments:

Category	Subject
Total Fund	**Board Offsite (potential)**
Total Fund	2Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 2Q2022 Trust and OPEB Performance Report
Credit and Risk Mitigation	Credit and Hedge Funds Portfolio Performance Review

Committee: (open)

Category	Subject

SEPTEMBER 14, 2022

Board of Investments:

Category	Subject
Total Fund	**Board Offsite (potential)**
Total Fund	Custody Bank Search RFP Recommendation
Total Fund	Fiscal Year End Risk Review
Real Assets	Private Fund Investment Recommendation

Committee: Credit and Risk Mitigation

Category	Subject
Credit	Investment Manager Panel
Risk Mitigation	Implementation Update

Please note that certain listed items are subject to Committee advancement and/or Board approval.

4th Quarter 2022 Preliminary Monthly Calendar

OCTOBER 12, 2022	
Board of Investments:	
Category	**Subject**
Growth	Private Equity Investment Recommendation
Real Assets	Private Fund Investment Recommendation
Real Assets	Real Assets Portfolio Performance Review
Credit	Illiquid Credit Manager Recommendation
Committee: Corporate Governance	
Category	**Subject**
Corporate Gov.	Proxy Results and Trends
Corporate Gov.	PRI Assessment and ESG Update

NOVEMBER 9, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	3Q2022 Trust and OPEB Performance Report
Total Fund	General Consultant 3Q2022 Trust and OPEB Performance Report
Committee: Equity: Public/Private	
Category	**Subject**
Growth	Structure Review

DECEMBER 14, 2022	
Board of Investments:	
Category	**Subject**
Total Fund	T.I.D.E. Initiative Update
Total Fund	AB2833 – Investment Fee Validation
Real Assets	Private Fund Investment Recommendation
Other	2022 Actuarial Valuation of Retirement Benefits
Committee: Real Assets	
Category	**Subject**
Real Assets	Real Assets Emerging Manager Program RFP
Real Assets	Structure Review Update

Please note that certain listed items are subject to Committee advancement and/or Board approval.

STRATEGIC PLAN

RETIREE HEALTHCARE PROGRAM

Yesterday, Today, Tomorrow

FISCAL YEARS ENDING 2021–2023

LACERA

OVERVIEW

LACERA's Board of Retirement administers the Los Angeles County Retiree Healthcare Program. LACERA staff, external consultants, and advisors assist the Board of Retirement's Insurance, Benefits & Legislative Committee in overseeing the Los Angeles County Retiree Healthcare Program.

In 1961, the County Employees Retirement Law of 1937 (CERL) was amended to allow pension systems to provide healthcare to retirees in two ways:

- Board of Supervisors can pay all or part of the cost
- Board of Retirement can pay via excess earnings

OUR MISSION

To efficiently administer the Healthcare Benefits Program for retired association members and beneficiaries and provide a healthcare program of the highest quality at an affordable cost.

OUR CORE VALUES

PROFESSIONALISM: We take the initiative to develop our skills to get the job done. We are accountable for providing quality service to our members that is efficient and accurate.

RESPECT: Our members and coworkers deserve to be treated with courtesy, patience, and empathy. When we listen to and support each other, we create a nurturing work environment that promotes fairness and trust.

OPEN COMMUNICATIONS: Our frank and straightforward expression of ideas fosters a common understanding of purpose—quality service to our members. We create a healthy work environment by sharing information, listening to each other's ideas, and giving constructive feedback.

FAIRNESS: Our employees are entitled to a clear explanation of performance expectations. Performance evaluations are timely, honest, and impartial; personal improvement plans are reasonable and constructive; and we provide opportunities for professional development and promotion.

INTEGRITY: We inspire confidence by our high standards for member services and sound investment practices. We are reliable, ethical, and honest. Loyalty to LACERA means loyalty to members. Integrity guides all our work relationships.

TEAMWORK: We are committed to teamwork, and we openly share information and ideas. Working together to reach common goals is the essence of success.

OUR OBJECTIVES

PRUDENT FIDUCIARY

To act at all times as prudent fiduciaries, executing our responsibilities exclusively on behalf of our members, beneficiaries, and participating employers.

RESPONSIVE AND QUALITY SERVICES

To provide responsive and consistent quality service using integrated, cost-effective procedures.

COMMUNICATION

To promote and enhance the understanding of LACERA benefits among members, employers, County officials, and the public.

QUALITY WORKFORCE

To develop a human resources program to recruit, train, develop, and promote qualified staff; provide a quality work environment; and enhance the quality of life for our employees.

MANAGE GROWTH AND CHANGE

To manage growth and change through planning, innovation, and the maximum use of available technology.

OUR HISTORY

The 1970s

In January 1971, with the assistance of its healthcare consultant, Johnson & Higgins, LACERA first offered a hospital-medical plan and subsidized the retiree's premium by using excess earnings. At that time, the Board of Retirement offered retirees the choice of remaining in Blue Cross, Kaiser, or Ross-Loos from an active employment status. For those electing not to stay with their active plan carrier, Occidental or Kaiser Permanente was made available to them.

The indemnity dental/vision plan became a part of the Los Angeles County Retiree Healthcare Benefit Program effective January 1, 1977. In with July 1, 1996, we first offered the CIGNA Dental Health Plan/prepaid HMO plan.

The 1980s

In April 1982, the Board of Retirement negotiated an agreement with the County obligating the County to fund the healthcare program as long as the County provided a healthcare program for active employees.

The administration of the Los Angeles County Retiree Healthcare Program has gone through several evolutionary organizational changes. Initially, the insurance processing was handled as a function of the Retiree Member Unit as part of the retirement payroll function. Subsequently, at the recommendation of an independent auditor, the function was decentralized to several benefits processing units (team concept).

The 1990s

In early 1992, a determination was made that the health and dental/vision staff support provided to our members was at an unacceptable level. Thus, in May 1992, LACERA established the Insurance Services Section (now known as the Retiree Healthcare Division) to centralize the administration of the healthcare program.

With the establishment of the Retiree Healthcare Division in 1992, LACERA added its first Medicare Advantage plans along with a Medicare Part B Reimbursement Program: Kaiser Health Pledge, now Senior Advantage; Secure Horizons; FHP Golden Healthcare (terminated June 30, 1994); and Medicare Supplement plan (Provident III). This complimented the five medical plans (Kaiser, Blue Cross Prudent Buyer, CIGNA Network Model, Provident I, and Provident II) and one dental/vision plan with Provident already offered to retirees.

Effective August 1994, the 1982 agreement was amended to guarantee the County's obligation to continue providing a program even if the County terminated their health program for active employees.

The 21st Century

Our progression to the future is necessarily focused on our primary goal of providing efficient, accurate, and friendly service to members. We want to utilize and develop the skills and expertise of our staff to achieve the highest quality service possible. We continue to explore ways to ensure that we capitalize our human and technological resources to maximum effect.

Prior to 2009, all enrollment forms, correspondence, etc. were delivered directly to the Retiree Healthcare Division. In March 2009, we began scanning enrollment forms and correspondence via the CIB (Client In-Basket) document management system, which provided us the ability to better track and monitor workflow. When scanning of healthcare work objects began, an average of 950 forms were received monthly. With Baby Boomers reaching retirement eligibility, that average has climbed to 1,260 enrollment forms per month, while the number of staff processing those enrollments has decreased due to restructuring of the division and additional staff responsibilities.

In 2013, we reorganized the division to capitalize on the skills and strengths of staff and to ensure that we provide efficient and effective customer service to our members. Our division is currently divided into four specialized units: Call Center, Operations, Financial/Special Projects, and Audits.

OUR STRATEGIC INITIATIVES

Successful Implementation of 2014 RHC Program Changes

In January 2014, Los Angeles County (plan sponsor) informed LACERA of a proposed plan to lower the employer costs for the Retiree Healthcare Program—changes for new employees hired on or after July 1, 2014. The adopted plan has been named Los Angeles County Retirees Healthcare Program, Tier 2 (Tier 2). We worked closely with other divisions, including Communications, Member Services, Claims Processing, and Systems, to update processes, information, and procedures. Retiree Healthcare staff is in the process of revising our *Exploring Your Healthcare Benefits Through LACERA* booklet and information packet. We are also working with Systems in programming Workspace to calculate the County subsidy at the retiree-only premium level to support the new benefits structure and mandated Medicare enrollment for Tier 2 members. The only outstanding item is to modify Information Systems: Enrollment, which was completed by Systems in FY 2015-2016. All staff from our RHC Units (Call Center, Operations, Audits, and Quality Assurance/Special Projects) are fully trained on all aspects of the new healthcare benefits so our members can continue to receive excellent and accurate service.

Continued Integration of Information Technology

Information technology continues to play a vital role in Retiree Healthcare's ability to serve our retirees and their dependents. For the past few years, all enrollment processing functions have been integrated into Workspace. This has helped increase the efficiency of our Operations staff and helped improve the overall member experience. We continue working toward providing our members more electronic options to download forms and carrier-related documents, receive education, and complete enrollment. Already in place is the ability for members to input information into enrollment forms online, which can then be printed and submitted for processing. The goal is for members to complete the enrollment process online, with no need to print or mail forms. We are moving forward with anticipated informational and training videos to be included in the Retiree Healthcare section of LACERA.com that will be produced with the help of the Communications Division. The first of these videos were originally intended to be ready by the end of the 2014–2015 fiscal year, but were delayed due to the reallocation of staff resources to prepare for the implementation of Tier 2 to assist with Retiree Drug Subsidy (RDS) and Early Retiree Reinsurance Program (ERRP), programs by the federal government audits, and process an increased number of enrollments.

LACERA.com

GOAL	IMPLEMENTATION DATE
RHC Enrollment web video	**FY 2022–2023**
Medicare 101 web video	**FY 2022–2023**
RHC members' electronic submission of enrollment	**FY 2023–2024**

Workspace

The focus began with improving the tools available to Retiree Healthcare Specialists by changing the 1960s-era computer input screens (green screens) with user-friendly, Windows-based input screens. We have fully transitioned to all enrollment functions being processed through Workspace. We are also still looking toward automating transmittal of members' enrollment information to the carriers. We have been working with Systems to create an efficient process to automate the population of imputed income in 1099-R forms for affected members. We are now re-evaluating the need for such a system.

GOAL	IMPLEMENTATION DATE
Streamline generation and mailing of confirmation letter upon member election via Workspace	**FY 2022–2023**
Automate monthly premium reconciliation process	**FY 2023–2024**
Electronic submission to carriers*	**FY 2023–2024**

***Currently working on electronic submission of enrollments to Kaiser.**

Member Interaction and Communication

It is our responsibility to educate our members and assist them while they are making healthcare choices suitable for their needs. With so many changes in the world of healthcare today coupled with the various options available to our members, our plan is to continue to expand and improve our communication to members by offering a wide variety of user-friendly, updated, informative, and creative educational tools, including print materials and videos. We have made significant strides forward in automating correspondence to members and continue to look toward making the member's experience as consistent, informative, and efficient as possible.

GOAL	IMPLEMENTATION DATE
Implement new seminar for members becoming Medicare-eligible*	**FY 2022–2023**
Develop Medicare 101 Packet	**FY 2022–2023**

*Partnership with Member Services Division

Financial and Special Projects Section

The Quality Assurance and Special Projects Section is responsible for identifying, creating, and implementing new efficiencies. They build upon the quality assurance practices we have already put in place to assess needs such as staff training or task allocation. This section will also coordinate and conduct quality control of staff work (both Operations and Call Center) to ensure accuracy and will be responsible for working audits of our insurance carriers. Finally, this section will handle higher level tasks and projects such as Centers for Medicare and Medicaid Services Retiree Drug Subsidy Program (RDS) research, implementation, Affordable Care Act implementation, and accounting and monthly financial reconciliation.

The development of guidelines for the higher-level functions listed below are in progress:

GOAL	IMPLEMENTATION DATE
Dependent database audit RFP	**Postponed**

Audits Section

The Audits Section is responsible for generating and conducting audits that are generated based on internal needs (such as the Code 19 project) or reports received from different carriers (Kaiser, Cigna, SCAN and United Healthcare). The staff assigned to this section are responsible for researching and updating discrepancies found between members' accounts on LACERA and carriers' systems, including processing of complex premium adjustments and Medicare Part B retrievals. Part of the process is notifying other divisions at LACERA regarding eligibility updates for members and beneficiaries. The staff are also responsible for notifying members of any premium adjustments or eligibility changes and being the ultimate point of contact for future calls or correspondence regarding the audits they conducted. In addition, the Audits Section is responsible in checking the enrollment forms for accuracy.

GOAL	IMPLEMENTATION DATE
Automation of Medicare Part B retrievals	**FY 2023–2024**

Call Center Section

The Retiree Healthcare Call Center is the primary interface by which our staff interact with members. Call Center Specialists are responsible for answering member inquiries pertaining to their medical and dental/vision enrollment, eligibility issues, and premium payments, in addition to assisting members and their eligible dependents in selecting an appropriate medical and/or dental/vison plan that suits their needs.

To ensure our Call Center staff are well versed in all LACERA-administered plans, our specialists receive in-house training for approximately six weeks. This training is in addition to the Core Benefits training offered by the Quality Assurance Division.

GOAL	IMPLEMENTATION DATE
RHC new toll-free number	**Postponed**

Operations Section

Operations Section staff are assigned a specific carrier with whom they work and serve as a point-of-contact for the carrier, internal staff, and members for questions and issues regarding that carrier. Operations staff are responsible for processing all enrollments (including new members), changes, and cancellations for all plans.

GOAL	IMPLEMENTATION DATE
Process enrollment through Workspace (PDF) and submission to carriers via email	FY 2019–2020
Revise RHC Enrollment Processing Guidelines	FY 2022–2023

FY 2022-2023
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Retiree Healthcare Benefits Program

RETIREE HEALTHCARE
Budget Highlights

Fiscal Year 2022-2023

Mission

To effectively administer the Retiree Healthcare Benefits Program for LACERA members, survivors, and their eligible dependents and to provide a healthcare program of the highest quality at an affordable cost.

INTRODUCTION

The Retiree Healthcare Division (RHC) is responsible for administering the Retiree Healthcare Benefits Program (RHCBP) for retired members, survivors, and eligible dependents. This budget request for Fiscal Year 2022-2023 reflects our ongoing commitment to provide the highest level of customer service to our members and eligible dependents. RHC is also responsible for understanding and implementing the many complex changes in Federal and State Programs such as the Affordable Care Act (ACA), Medicare, and Social Security guidelines as applicable to the RHCBP, in addition to the general healthcare landscape. This budget will provide the division with the support needed to deliver timely quality service to our retired members/survivors and their eligible dependents.

The RHC Division consists of the following units:

- **Operations Unit:** Assists in planning, assigning, organizing, and directing the work of staff engaged in the research, resolution, and processing of healthcare enrollment forms and retiree healthcare benefits.

- **Audits Unit/Finance Section:** Assists in conducting extensive operational and procedural audits to ensure guidelines are followed by staff. Responsible for quality control. Provides review of retiree healthcare enrollment forms to ensure accuracy. Engages in carrier auditing of account to reflect that accurate eligibility and premiums are being paid. Monitors calls between members and staff monthly to assure that retirees are being provided accurate information during each encounter; conducts quality checks of enrollment forms processed by Operations staff. This unit will ultimately be responsible for coordinating with other RHC units, training new staff, and providing refresher classes to existing RHC staff.

- **RHC Call Center:** Assists members and the organization at large with responding to retiree healthcare benefits related questions and resolving complex questions regarding the Retiree Healthcare Benefits Program and healthcare enrollment, as well as providing information to management regarding its impact on division operations.

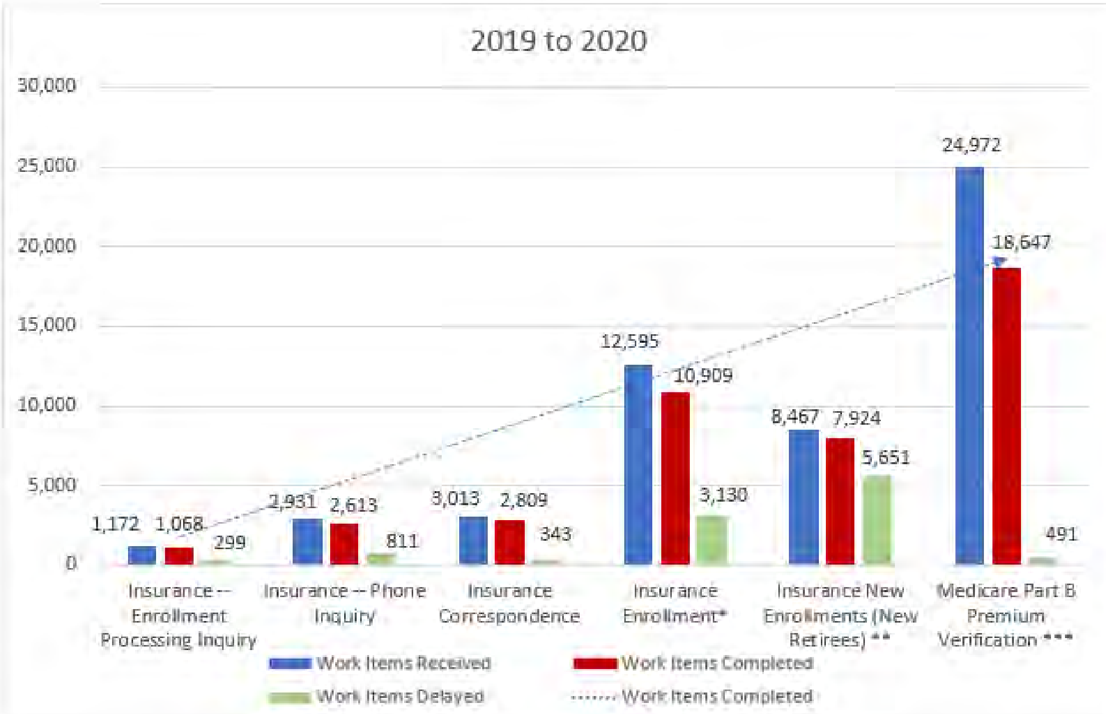
RHC Successes:

- Polished procedures to address the varying monthly Medicare Part B premium cost to eligible members/survivors and their eligible dependents
- Achieved an overall single-digit premium increase
- Improved the Operations enrollment processing triage description for efficiency
- Aligned each divisional unit in accordance with the organizational chart
- Solidified remote work capabilities, with access to the system, eHR and Intranet
- Ensured staff can upload documents to WorkSpace and send electronic documents to members via Workspace and Member Portal
- Continued to adjust working remotely and processing enrollment forms electronically
- Created a new interactive enrollment checklist that is simpler and more user-friendly for the processors and Audit team
- Created a divisional training plan and manuals for new hires in RHC
- Started supporting and participating in the case management search and implementation plan (although RHC is not part of the first three targeted divisions) so that we will be ready to test our RHC division plan when necessary

RHC Challenges:

- Members are unable to submit electronic enrollment forms; paper enrollments still being submitted to the health plan carriers
- Limited office space
- Medicare Part B premium verification requirement processing
- Policy mandating that all employees hired as a Retirement Benefits Specialist participate in the one-year CORE benefits training class even though they are being hired to perform other work within the organization
- Some work processes still require staff to go into the office

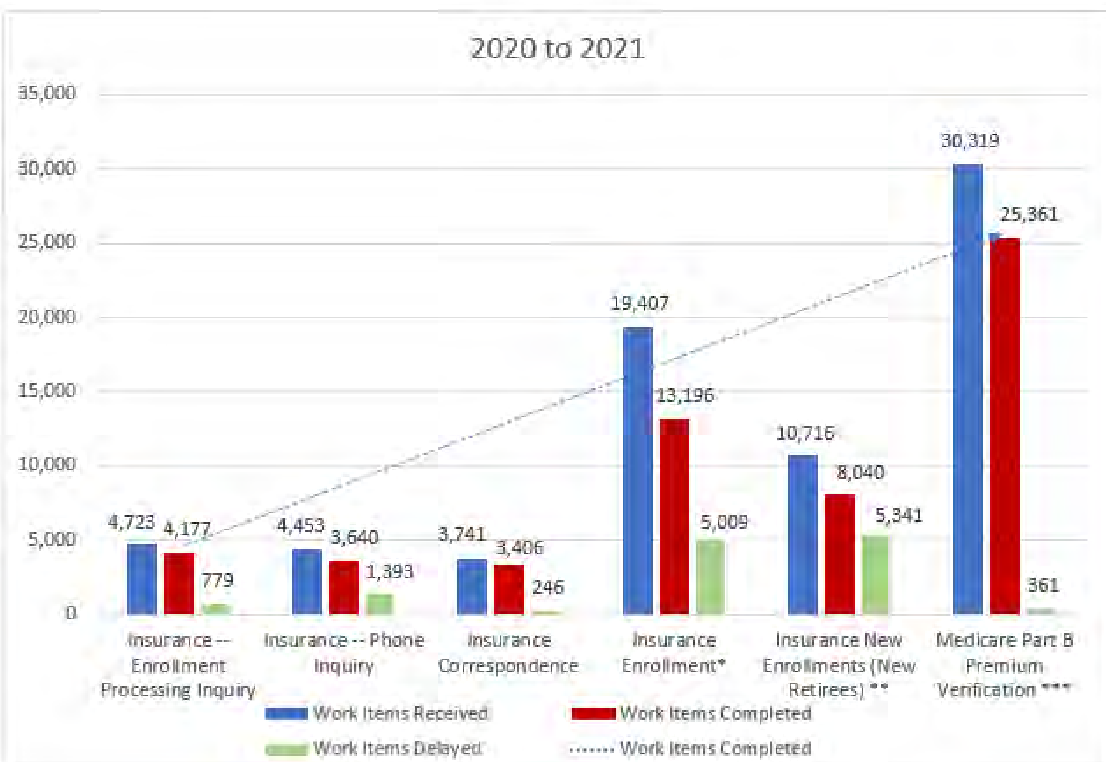
The Retiree Healthcare (RHC) division prides itself in providing members with best-in-class quality service. Over the last two years, the demand for our services has increased as a result of the pandemic and corresponding “Great Resignation.” Since last year, RHC saw a year-over-year increase in the following critical workloads:



* Changes (inside and outside plans)/Survivors/New enrollments with wait periods/adding and deleting family members/cancellations

** New enrollments (non-March Madness)

*** 2022 Part B Verification is as of January 2022



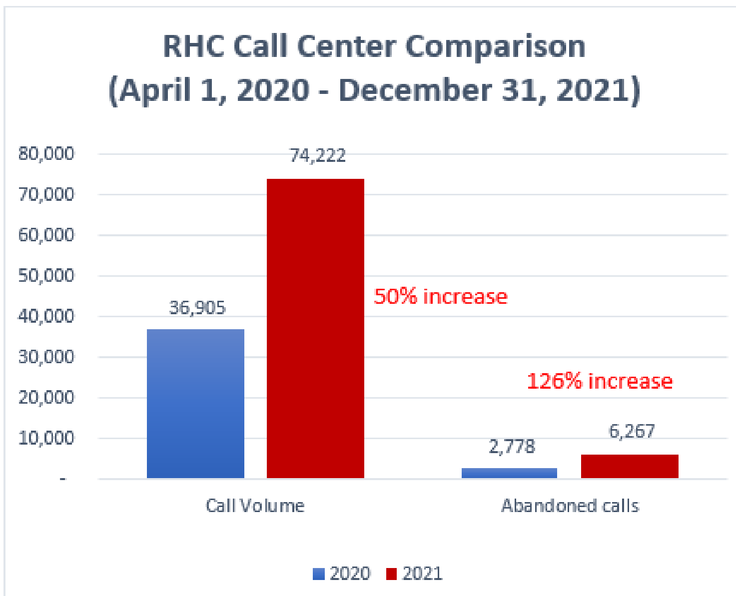
* Changes (inside and outside plans)/Survivors/New enrollments with wait periods/adding and deleting family members/cancellations

** New enrollments (non-March Madness)

*** 2022 Part B Verification is as of January 2022

Process Name	Percentage Increase
Insurance -- Enrollment Processing Inquiry	303.0%
Insurance -- Phone Inquiry	51.9%
Insurance Correspondence	24.2%
Insurance Enrollment*	54.1%
Insurance New Enrollments (New Retirees) **	26.6%
Medicare Part B Premium Verification	21.4%

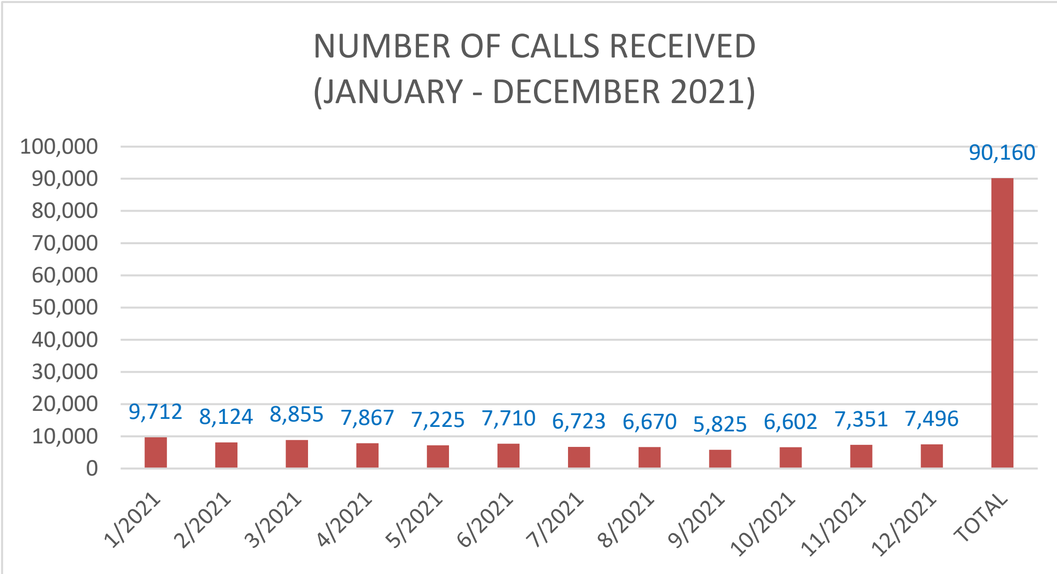
As a result of increased workloads, RHC has also realized constraints on call wait times:



Retiree Healthcare Call Center Comparison - April 1, 2020, through December 31, 2021		
Process	**2020**	**2021**
Average Queue Answer Time	11:27	23:43
Service Level	49.86%	36.04%*

* Service Level dropped 13.82 percent
**Amazon connect inception date was April 2020.

For the past year, staff experienced a steady increase in calls:



In order to continue meeting the growing demands of our members and providing high quality service, the Board of Retirement approved an increase in the monthly administrative fee to $10 per member, per plan, per month for FY 2022-2023. The administrative fee increase equates to about an additional $1.6 million increase. RHC's current administrative budget is estimated at $11.4 million. The increase will provide adequate funding for the RHC and will facilitate program administration as the retiree population continues to increase, federal programs expand and become more complex, and employers seek to mitigate program costs through new benefit tiers. In addition, the Center for Medicaid and Medicare Services (CMS) is making many changes to the Medicare Program, and whatever happens in the Medicare Program becomes mainstream in the healthcare landscape.

STAFFING

We have a total of 37 budgeted positions.

Temporary Agency Staff

We are requesting two agency-temp staff members at the level of the RBS II and Senior Typist Clerk for a year each due to increasing workload because of an increase in retirements and March Madness. The temp staff members will assist with critical annual projects including assisting in processing retiree healthcare enrollments, the large volume of Medicare Part B verifications, mailing member materials such as the new retiree healthcare packets, and assisting with member phone calls. The additional staffing will be assigned in Operations and Call Center.

Quality Auditor Position

Currently, RHC has a Quality Auditor position budgeted who will work closely with the Audit Section Head and Quality Assurance Division in the development of a formal RHC training class, like the current CORE retirement benefits training. In the future, RHC will be seeking to upgrade the Quality Auditor to a Training Coordinator specifically assigned to handle the RHC training upon final completion of new RHC staff and refresher RHC course training.

120-Day Return to Work Position

The 120-day retiree will continue to work on that basis as an advisor to the Retiree Healthcare Division, which she developed. With experience at developing programs on the County CEO side as well as having been LACERA's former Healthcare Director, she is instrumental in providing clarity and background on the intent behind ordinance language that supports LACERA's administration of the healthcare program for L.A. County. In addition, and most importantly, she diligently arranges introductions with the CEOs and presidents of various health plans that LACERA conducts business with as they are made available. The healthcare industry is and continues to become more complex – coupled with the unique program LACERA administers, the 120-day retiree advisor is and has been a resource to executive management, LACERA's healthcare consultants, and the Board of Retirement. This handoff of knowledge and relationships is vital to understanding both the intent behind the County ordinance and methods that would be allowable while remaining compliant.

Overtime

Overtime is being requested to manage the workload related to the high volume of enrollment forms received from March Madness, processing of Medicare Part B premium verifications, and for any unanticipated special projects and special mailings that regularly occur. The total overtime amount being requested remains constant for this fiscal year at $121,800.

<u>SERVICES AND SUPPLIES</u>

Postage – Special Retiree Mailings

Our Special Retiree Mailing account is primarily used to fund the postage costs and printing for the following retiree healthcare member materials:

- Annual letter packet mass mailing
- New retiree healthcare packet
- Rate booklets
- Medicare Part D prescription drug coverage Creditable Coverage Notice
- Retiree Staying Healthy Together Program bi-annual workshop invitations mass mailing
- Medicare Part B Premium Verification Notices mass mailing
- Retiree Healthcare member brochures and forms
- Other unanticipated special mailings

The total Special Retiree Mailings amount being requested remains constant for this fiscal year at $300,000.

Professional and Specialized Services – Audits

We have budgeted $141,100 to cover the cost of conducting the following program audits for this fiscal year:

Plante Moran/Cav Mac	$17,850
GASB 75 Work	$31,190
SOC-1 Audit	$92,000
TOTAL	**$141,040**

Internal Audit is adding a SOC 1 Type 2 audit over OPEB data and the cost of GASB 75 as it relates to the RHCBP for this fiscal year and Plante Moran/Cav Mac will be performing the audits.

In addition, we have budgeted $338,300 to cover the cost of conducting the OPEB valuation for this fiscal year, consistent with the previous fiscal year.

FUNDING AND OPERATING EXPENSES

The RHCBP's operating expenses must be funded by the program and its operations cannot be subsidized by the trust funds used to operate the retirement benefit trust. The administrative fee covers administrative expenses, including consulting services, vendor fees, and the cost of administering the RHCBP. As such, a RHCBP administrative fee is included as part of the retiree healthcare medical and dental/vision plan premiums, per member, per plan, per month.

The RHCBP operating expenses must be funded by the program and its operations cannot be subsidized by trust funds used to operate the retirement benefit trust. For this reason, an administrative fee is charged per member, per plan, per month and included in the monthly premium rates. This fee covers the RHCBP's administrative expenses, which include consulting services, vendor fees, audit fees, and benefits administration. The current administrative fee was last increased in 2016 from $5 to $8.

The BOR recently approved a $2 increase to the administrative fee from $8 per member, per plan, per month to $10. The plan sponsor pays the majority of these fees. We are currently in discussion with the County CEO office in evaluating how to reconcile the BOR's actions within the County's budgetary constraints for the FY 2023-2024 retiree healthcare premium renewals.

Below is a chart of administrative fee amounts from 1999 to present:

Time Period	Administrative Fee Amount
July 1, 2022 – Current	$10.00 *
July 1, 2016 – June 30, 2022	$8.00
July 1, 2013 – June 30, 2016	$5.00
July 1, 2005 – June 30, 2013	$3.00
July 1, 2000 – June 30, 2005	$3.20
July 1, 1999 – June 30, 2000	$2.50

* Approved by LACERA Boards, but not yet approved by the County.

The chart below shows the RHC administrative revenue and expenses for the last 10 years.

RHC ADMIN REVENUE AND EXPENSES
FOR THE LAST 10 YEARS

	Admin Revenue	Admin Expenses	Over/(Under)
FYE 2021	10,245,895	8,099,102	2,146,793
FYE 2020	10,076,876	6,828,067	3,248,809
FYE 2019	9,823,062	6,118,267	3,704,794
FYE 2018	9,559,745	5,681,953	3,877,792
FYE 2017	9,631,327	5,326,190	4,305,137
FYE 2016	5,984,986	5,279,617	705,369
FYE 2015	5,578,149	5,424,333	153,816
FYE 2014	5,466,487	5,006,498	459,989
FYE 2013	3,351,652	4,597,261	(1,245,609)
FYE 2012	3,133,352	3,232,274	(98,922)

RETIREE HEALTH CARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

2021-2022 Bud. Pos.: 37.0
2021-2022 Hiring Plan: 37.0

2022-2023 Bud. Pos.: 37.0
2022-2023 Hiring Plan: 37.0

1.0 Director, Retiree Health Care
Cassandra Smith

1.0 Sr. Administrative Assistant ^
~~1.0 Sr. Secretary~~ *

1.0 Assistant Division Manager
Leilani Ignacio

OPERATIONS

1.0 Section Head
Tatiana Bayer

1.0 Sr. Ret. Bfts. Specialist *
5.0 Ret. Bfts. Specialist III *
4.0 Ret. Bfts. Specialist II *

AUDITS/FINANCIAL

1.0 Sr. Ret. Bfts. Specialist *

4.0 Ret. Bfts. Specialist III *
1.0 Quality Auditor I
1.0 Accountant
2.0 Ret. Bfts. Specialist II *

CALL CENTER

1.0 Section Head
Keish Munn

1.0 Sr. Ret. Bfts. Specialist *
2.0 Ret. Bfts. Specialist III *
10.0 Ret. Bfts. Specialist II *

* Classification study for the position requested.
^ Position upgrade from Senior Secretary to Senior Administrative Assistant (Pending Board of Supervisors' approval).

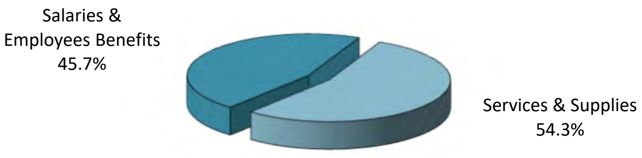
RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

BUDGET SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022 BUDGET	CURRENT YEAR 2021-2022 YTD (01-31-22)	CURRENT YEAR 2021-2022 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET % CHANGE
Salaries & Employees Benefits	**$5,172,923**	$5,272,936	$2,167,991	$4,379,900	($893,036)	-16.9%	($100,013)	-1.9%
Services & Supplies	**6,140,699**	6,118,192	3,149,841	6,094,792	(23,400)	-0.4%	22,507	0.4%
OPERATING BUDGET	**$11,313,623**	$11,391,128	$5,317,833	$10,474,692	($916,436)	-8.0%	($77,505)	-0.7%

2022 - 2023 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

SALARIES AND EMPLOYEE BENEFITS SUMMARY

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$3,006,805**	$2,814,534	$1,264,607	$2,498,600	($315,934)	-11.2%	$192,271	6.8%
Total Agency Temp Salaries	**149,800**	511,700	212,745	418,800	(92,900)	-18.2%	(361,900)	-70.7%
Employee Benefits (Variable)	**1,775,266**	1,728,430	623,238	1,267,200	(461,230)	-26.7%	46,836	2.7%
OPEB Contribution	**100,853**	82,573	32,892	65,800	(16,773)	-20.3%	18,280	22.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**121,800**	118,500	29,283	118,500	0	0.0%	3,300	2.8%
Bilingual Bonus	**4,800**	3,600	1,300	2,400	(1,200)	-33.3%	1,200	33.3%
Sick Leave Buyback	**10,000**	10,000	3,927	8,600	(1,400)	-14.0%	0	0.0%
Rideshare Allowance	**3,600**	3,600	0	0	(3,600)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$5,172,923**	$5,272,936	$2,167,991	$4,379,900	($893,036)	-16.9%	($100,013)	-1.9%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$5,172,923**	$5,272,936	$2,167,991	$4,379,900	($893,036)	-16.9%	($100,013)	-1.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/22, with the exception of Agency Temp Salaries, which are as of 01/31/22.

LACERA

FISCAL YEAR 2022-2023

SALARIES

RETIREE HEALTHCARE BENEFITS PROGRAM

2022-2023 BUDGET

	FILLED POSITIONS	# POS.	SCHEDULE	ACTUAL MO. RATE	ANNUAL AMOUNT
00793A	DIRECTOR, RETIREE HEALTHCARE	1	LS14	16,887	202,646
00771A	ASSISTANT DIVISION MANAGER	1	LS10	13,421	161,053
00772A	SECTION HEAD	2	LS9	19,129	229,544
01312A	SENIOR RETIREMENT BENEFITS SPECIALIST	3	101F	23,224	278,693
01311A	RETIREMENT BENEFITS SPECIALIST III	11	96A	75,618	907,416
00415A	ACCOUNTANT	1	93A	7,028	84,336
00439A	SENIOR ADMINISTRATIVE ASSISTANT	1	90F	6,385	76,619
00439A	SENIOR SECRETARY	1	89G	6,229	74,750
00439A	SENIOR SECRETARY	(1)	89G	(6,229)	(74,750)
01310A	RETIREMENT BENEFITS SPECIALIST II	9	89F	47,135	565,624
	POSITIONS	29			2,505,930

	VACANT POSITIONS	# POS.	SCHEDULE	1ST STEP MO. RATE	ANNUAL AMOUNT	FILLED AT 12 MONTHS	FILLED AT 9 MONTHS	FILLED AT 6 MONTHS
00796A	QUALITY AUDITOR I	1	95H	5,602	67,225			33,613
01310A	RETIREMENT BENEFITS SPECIALIST II	7	89F	4,738	56,852			198,981
						0	0	232,593
	POSITIONS	8			232,593			
	TOTAL POSITIONS	37						
	GROSS SALARIES				2,738,523			
	ANTICIPATED MOU SALARY INCREASE**				150,619			
	ANTICIPATED STEP AND/OR MERIT SALARY INCREASE				41,669			
	BONUS				0			
	120-DAY RETIREE(S)	1			75,994			
	TOTAL SALARIES				3,006,805			

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/22.
Represented/Non-Represented positions are shown at actual salaries as of 01/01/22.
Represented positions shown in blue.
Vacancies are shown at the 1st Step.
*All amounts rounded to the nearest dollar.
** Gross salaries are multiplied by 5.5% to calculate anticipated MOU increase.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

	FYE 2020		FYE 2021		FYE 2022		FYE 2023
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Retiree Healthcare	$60,300	$231,964	$308,000	$290,409	$511,700	$418,800	$149,800
GRAND TOTAL	**$60,300**	**$231,964**	**$308,000**	**$290,409**	**$511,700**	**$418,800**	**$149,800**

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

OVERTIME
HISTORY OF EXPENDITURES

	FYE 2020		FYE 2021		FYE 2022		FYE 2023
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Retiree Healthcare	$113,700	$27,124	$115,600	$118,314	$118,500	$118,500	$121,800
GRAND TOTAL	**$113,700**	**$27,124**	**$115,600**	**$118,314**	**$118,500**	**$118,500**	**$121,800**

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

VACANT POSITIONS
SUMMARY

Division	Budgeted Positions FY 2021-2022	Vacancy (as of 03/31/22)	%	Budgeted Positions FY 2022-2023	Vacancy	%
Retiree Healthcare	37	10	27%	37	10	27%
TOTAL	**37**	**10**	**27%**	**37**	**10**	**27%**

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2022-2023

SERVICES & SUPPLIES ACCOUNT SUMMARY

		CURRENT YEAR 2021-2022			**COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION**		**COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET**	
			YTD		OVER/(UNDER)			
ACCOUNT CLASSIFICATION	**PROPOSED BUDGET 2022-2023**	BUDGET	(01-31-22)	PROJECTION	BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$24,700**	$28,500	$0	$8,700	($19,800)	-69.5%	($3,800)	-13.3%
POSTAGE	**300,000**	300,000	12,059	300,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**4,500**	6,000	975	3,000	(3,000)	-50.0%	(1,500)	-25.0%
OPERATIONAL COSTS	**4,540,999**	4,532,792	2,642,828	4,533,692	900	0.0%	8,207	0.2%
PROFESSIONAL AND SPECIALIZED SERVICES	**1,229,400**	1,209,800	475,556	1,208,300	(1,500)	-0.1%	19,600	1.6%
BANK SERVICES	**21,500**	21,500	10,694	21,500	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	**19,300**	19,300	7,730	19,300	0	0.0%	0	0.0%
MISCELLANEOUS	**300**	300	0	300	0	0.0%	0	0.0%
TOTAL	**$6,140,699**	**$6,118,192**	**$3,149,841**	**$6,094,792**	**($23,400)**	**-0.4%**	**$22,507**	**0.4%**

*All amounts rounded to the nearest dollar.

FY 2022-2023

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Other Post-Employment Benefits (OPEB) Trust

Program Description

PAGE

Cost Summary

Cost Allocation: The Need for Separate Accounting of the OPEB Trust

LACERA administers a Retiree Healthcare Program for members that is funded through the employer plan sponsors. Historically, these plan sponsors have paid the monthly premium costs for current eligible retirees on a pay as you go basis. In FY 2012-2013, the County of Los Angeles (County) and LACERA established a trust to begin to pre-fund the program and address the long-term liability. LACERA's Board of Investments is the trustee and investment manager for the trust. In FY 2016-2017, the Superior Court joined the program. Beginning in FY 2017-2018, the costs of administering the program were required to be reported separately on financial statements based on the size of the participating agencies.

The trust agreements between the County, Superior Court, and LACERA stipulate that "…the Trustee (LACERA) shall be entitled to payment or reimbursement of all its reasonable and appropriate expenses incurred in administering or investing the Trust…" In other words, LACERA will not expend its principal or operating allocation to administer the trusts. Instead, the trust agreements allow LACERA to seek payment directly from the County and Superior Court, or to obtain payment from the OPEB Trust.

To avoid OPEB Trust assets being commingled with the retirement fund assets, it is important for LACERA to maintain a separate accounting of the costs associated with administering the OPEB Trust.

A Method for Tracking OPEB Trust Expenses

Only the LACERA divisions that participate in the administration of the OPEB Trust are included in the calculation of costs. These divisions are: Administrative Services, Communications, Executive Office, FASD, Human Resources, Internal Audit, Investments, Legal Services, Systems, and Retiree Healthcare.

Each division utilizes staff and resources to administer the OPEB Trust. In estimating the costs to administer the trust, LACERA considers the amount of time expended by employees as a share of the total cost of salaries and benefits. In estimating the additional costs used to administer the trust, LACERA also considers the share of the total costs of services and supplies.

Cost Methodology

There are four categories of expenses applicable to our cost methodology as follows:

Direct Costs of Salaries and Employee Benefits

Division managers provided a list of staff members and the number of hours those staff members worked on OPEB activities. Those “hours spent” are converted into a percentage of annual hours. The salaries and benefits totals of each staff member are then multiplied by the percentage of annual hours devoted to OPEB.

Indirect Services and Supplies

These costs were estimated by taking the overall cost of services and supplies for LACERA and dividing it by the total number of employees. This provides LACERA with a “per employee cost,” which is then multiplied by the overall percentage of hours worked on OPEB.

Indirect Salaries and Employee Benefits

Systems, Human Resources, and Administrative Services divisions provide staffing support to all LACERA divisions. The Salary and Employee Benefits costs for these divisions are added up, then divided by the number of LACERA employees to determine a per employee cost. This total is then multiplied by the overall percentage of hours worked on OPEB.

Direct Services and Supplies

Direct Services and Supplies costs are based on actual payment requests that are applicable to OPEB.

Allocation of Costs

The total overhead cost is divided amongst County, LACERA, and the Superior Court. The shared cost is allocated in a hybrid method that considers fund size, effort, and resources to approximate a fair and equitable allocation. These allocations are scheduled to be reviewed every two years. The current allocation is:

- County: 75 percent
- LACERA: 5 percent
- Superior Court: 20 percent

Reconciliation of Actual Costs

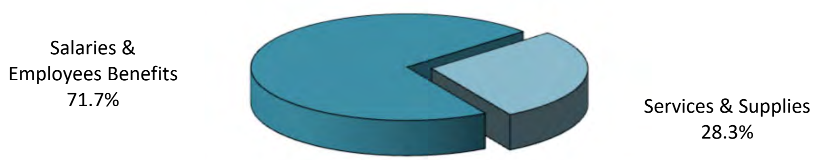
At the close of each fiscal year, the actual costs are reconciled with the budget costs. Variances are either credited or debited to each allocated entity to ensure that each OPEB Trust is appropriately capturing the true operating costs.

OPEB TRUST COST ALLOCATION

FISCAL YEAR 2022-2023

	PROPOSED BUDGET 2022-2023	CURRENT YEAR 2021-2022			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2021-2022 BUDGET	
		BUDGET	YTD (01-31-22)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$481,543**	$495,700	$371,775	$465,958	($29,742)	-6.0%	($14,157)	-2.9%
Services & Supplies	**190,304**	187,449	140,587	176,203	(11,247)	-6.0%	2,855	1.5%
OPERATING BUDGET	**$671,847**	$683,150	512,362	642,161	(40,989)	-6.0%	($11,303)	-1.7%

2022 - 2023 PROPOSED BUDGET



LACERA

May 20, 2022

TO: Each Trustee
Board of Retirement

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

FOR: June 1, 2022 Board of Retirement Meeting

SUBJECT: **Assembly Bill 1971—County Employees Retirement Law of 1937**

Author: *Cooper [D]*
Sponsor: *State Association of County Retirement Systems*
Amended: *April 18, 2022*
Introduced: *February 10, 2022*
Status: *Read second time. Ordered to third reading. (04/21/2022)*

IBLC Recommendation: *Support (05/05/2022)*
Staff Recommendation: *Support*

RECOMMENDATION[‘
That the Board of Retirement adopt a “Support” position on Assembly Bill 1971, which would make various administrative amendments to the County Employees Retirement Law of 1937.

LEGISLATIVE POLICY STANDARD
The Board of Retirement’s legislative policy standard is to support proposals that provide the Board with increased flexibility in its administration of retirement plans and operations or enable more efficient and effective service to members and stakeholders.

SUMMARY
AB 1971 is an omnibus bill that contains additions and amendments to the County Employees Retirement of Law of 1937 (CERL) that provide administrative flexibility and more efficient and effective service to members and stakeholders, including proposed amendments submitted by LACERA to the State Association of County Retirement Systems’ (SACRS) legislative platform.

BACKGROUND
Although these provisions are also sponsored by SACRS and were intended to be included in AB 1824 (Committee on Public Employment and Retirement), which is also sponsored by SACRS, these provisions are considered substantive, potentially

controversial, and not technical in nature. Consequently, they are included separately in AB 1971.

The Co-Chairs of the SACRS Legislative Committee and the SACRS lobbyists met with various stakeholders regarding the version of the bill as introduced on February 10, 2022. Based on those discussions and feedback, a number of provisions were removed from that version of the bill.

ANALYSIS

Family Leave (31646)

A member who returns to active service following an uncompensated leave of absence on account of illness may purchase up to 12 consecutive months of service credit for that period of illness.

A member who returns to active service following an uncompensated leave of absence due to parental leave may purchase up to 12 consecutive months of service credit for that period of absence. This provision is subject to adoption by the board of supervisors.

The bill would add that a member who returns to active service following an uncompensated leave of absence due to the serious illness of a family when the absence is covered under the Family and Medical Leave Act of 1993 or the California Family Rights Act may purchase up to 12 consecutive months of service credit for that period of absence. This provision is subject to adoption by the board of supervisors.

Temporary Mandatory Furlough (31646.2)

The bill would provide that a retirement board may grant a member who is subject to a temporary mandatory furlough the same service credit and compensation earnable to which the member would have been entitled in the absence of the temporary mandatory furlough. The retirement board may require additional member or employer contributions that the board determines are necessary to fund these benefits on an actuarially sound basis.

Post-retirement Service Without Reinstatement (31680.16)

The bill would provide that a retired person may serve without reinstatement from retirement or loss or interruption of benefits for part-time service on a state, county, city, district, or other board or commission of a political subdivision. It would provide limits on the hours of service and any associated salary or stipend. Such a provision currently exists only for retirees serving part-time on state boards or commissions.

Disability Application and Service Retirement (31725.7, 31760)

A member who files an application for disability may, if eligible, apply for a service retirement allowance pending the determination of their disability application. If granted a disability retirement, appropriate adjustments are made to the member's retirement allowance retroactive to their disability effective date. If the member should die before a determination is made but is later granted a disability retirement, the beneficiary may change the optional or unmodified type of allowance that the member was receiving.

The bill would provide that this provision also applies to a member retired for service who subsequently files an application for and is found eligible for disability retirement.

IT IS THEREFORE RECOMMENDED THAT THE BOARD adopt a "Support" position on Assembly Bill 1971, which would make various administrative amendments to the County Employees Retirement Law of 1937.

Attachments
Attachment 1—Board Positions Adopted on Related Legislation
Attachment 2—Support and Opposition
AB 1971 (Cooper) as amended on April 18, 2022

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Frank Boyd
Ricki Contreras
Carlos Barrios
Allan Cochran
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

BOARD POSITIONS ADOPTED ON RELATED LEGISLATION

AB 2376 (Chapter 134, Statutes of 2016) clarified the definition of Plan D for purposes of a prospective plan transfer and the applicability of the reciprocal provision on nonconcurrent retirement to Plan E members. The Board of Retirement adopted a "Support" position.

AB 992 (Chapter 40, Statutes of 2015) clarified the ability of members to change their retirement option after being granted a disability retirement. The Board of Retirement adopted a "Support" position.

AB 2474 (Chapter 741, Statutes of 2014) made various amendments to the County Employees Retirement Law of 1937 to conform with the California Public Employees' Pension Reform Act of 2013. The Board of Retirement adopted a "Support" position.

AB 2473 (Chapter 740, Statutes of 2014) made various amendments to the County Employees Retirement Law of 1937 to conform with federal law. The Board of Retirement adopted a "Support" position.

SB 13 (Chapter 528, Statutes 2013) made various technical and clarifying amendments to the County Employees Retirement Law of 1937 and California Public Employees' Pension Reform Act of 2013. The Board of Retirement adopted a "Support" position.

AB 1380 (Chapter 247, Statutes 2013) amended various provisions of the County Employees Retirement Law of 1937 to conform with the California Public Employees' Pension Reform Act of 2013. The Board of Retirement adopted a "Watch" position.

SB 996 (Chapter 792, Statutes of 2012) clarified that for purposes of disability retirement the presumption of heart trouble is a rebuttable presumption. The Board of Retirement adopted a "Support" position.

AB 1902 (Chapter 86, Statutes of 2010) provided technical and clarifying amendments to the provisions of Plan E related to prospective plan transfers and disability retirement, reciprocity, and the crediting of service. The Board of Retirement adopted a "Support" position.

SB 1479 (Chapter 158, Statutes of 2010) provided technical and clarifying amendments to the County Employees Retirement Law of 1937 related to the commencement of membership, exclusion from membership based on monthly compensation rate, advance payments of employer contributions from districts, and compliance with Internal Revenue Service procedures. The Board of Retirement adopted a "Watch" position.

AB 1354 (Chapter 188, Statutes of 2010) amended the County Employees Retirement Law of 1937 to conform with federal law on tax qualification requirements and benefits related to deaths due to military service. The Board of Retirement adopted a “Support” position.

AB 1355 (Chapter 9, Statutes of 2009) updated cross-references related to the calculation of survivor allowances and made other technical changes. The Board of Retirement adopted a “Watch” position.

SUPPORT
State Association of County Retirement Systems (*Sponsor*)

OPPOSITION
None on file.

AMENDED IN ASSEMBLY APRIL 18, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL No. 1971

Introduced by Assembly Member Cooper

February 10, 2022

An act to amend Sections ~~31525,~~ 31646, 31725.7 ~~, 31730, 31760, and 31838.5~~ *and 31760* of, and to add Sections 31646.2 and 31680.16 to, the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1971, as amended, Cooper. County Employees Retirement Law of 1937.

The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension and other benefits to county and district employees. CERL generally vests responsibility for management of a retirement system created pursuant to its provisions in a board of retirement (board). ~~CERL authorizes a board to make regulations that are not inconsistent with its provisions and these regulations become effective when approved by the applicable board of supervisors.~~

~~This bill would specify other provisions with which the above-described regulations are required to be consistent and would remove the requirement of approval by the board of supervisors as a necessary condition for them to become effective.~~

CERL authorizes a member who returns to active service following an uncompensated leave of absence on account of illness or parental leave to receive service credit for the period of the absence upon the payment of the contributions, as specified. CERL prescribes limits on these benefits and processes for making contributions. CERL authorizes the provision of service credit to members in other specified instances while generally providing that a person is not entitled to service credit for time the person was not in service.

This bill would allow a member who returns to active service following an uncompensated leave of absence because of the serious illness of a family member when the absence is eligible for coverage, as specified, to receive service credit for the period of the absence, upon the payment of the member and employer contributions that would have been paid during that period, together with the interest that would have been earned. The bill would prescribe requirements for, and limits on, this benefit and would condition its operation on approval by resolution, as specified, by the county board of supervisors.

This bill would authorize the board to grant members who are subject to a temporary mandatory furlough the same service credit and compensation earnable or pensionable compensation to which the members would have been entitled in the absence of the temporary mandatory furlough. The bill would authorize the board to condition this grant on specified factors.

CERL generally prohibits a member retired from service from being paid for service rendered to a county or district after retirement, subject to certain exceptions, and prescribes requirements for reinstatement into a retirement system upon reemployment. CERL and the California Public Employees' Pension Reform Act of 2013 authorize reemployment of, and service by, retired members in certain capacities after retirement without reinstatement into the applicable retirement system, and prescribe limits on this service.

This bill would authorize a person who is retired ~~under CERL~~ *and receiving a retirement benefit from a county system* to serve without reinstatement for service on a part-time ~~state, county, city, district, or other political subdivision~~ board or ~~commission.~~ *commission operating under a participating agency of the same county retirement system.* The bill would prohibit a retired person ~~serving~~ *acting* in this capacity from acquiring benefits, service credit, or retirement rights with respect to the service and would prescribe limits on the ~~hours of service and the associated~~ salary or stipend ~~for the part-time service.~~ *for service with the board or commission.*

CERL regulates disability retirements and authorizes a retirement board to grant a service retirement allowance pending the determination of the entitlement to disability retirement. If a member is found eligible for disability retirement, CERL requires that appropriate adjustments be made in the member's retirement allowance retroactive to the effective date of their disability retirement. CERL prohibits this authorization from being construed to authorize a member to receive more than one type of retirement allowance for the same period of time or to entitle a beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive.

This bill would apply specified provisions in this regard to a member retired for service who subsequently files an application for disability retirement and, if the member is found to be eligible for disability retirement, would require appropriate adjustments to be made in the retirement allowance retroactive to the effective date of the disability retirement.~~The bill would also require that, if a member with a disability retirement is subsequently determined not to be incapacitated, and the person's employer does not offer to reinstatement, the person's retirement allowance is to be reclassified to a service retirement in the same amount and subject to any applicable future cost of living adjustments. The bill would require, in this regard, that the optional or unmodified type of allowance selected by at the time of retirement for disability be binding as to the service retirement.~~

CERL authorizes a member or a retired member, until the first payment of a retirement allowance is made, to elect to have the actuarial equivalent of a retirement allowance, as of the date of retirement, applied to a lesser retirement allowance payable throughout life in accordance with specified optional settlements.

This bill would authorize a member retired for service who is subsequently granted a disability retirement to change the type of optional or unmodified allowance that they elected at the time the service retirement was granted, as specified.

~~CERL authorizes the granting of reciprocal benefits to members with service in other retirement systems that have entered into agreements to provide such benefits, provided that the member satisfies specified requirements. CERL prohibits these provisions from being construed to authorize a member credited with service in multiple entities who is eligible for a disability allowance to receive an amount that results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity. CERL requires, in this connection, that each entity calculate its respective obligations based upon the member's service with that entity and adjust its payment on a pro rata basis.~~

~~This bill would require, with regard to disability allowances subject to reciprocity to be adjusted on a pro rata basis, as described above, if one entity does not reduce the amount it pays a member, then another entity is to reduce the allowance it pays the member by as much as necessary to ensure that the member does not receive a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.~~

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

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

~~SECTION 1. Section 31525 of the Government Code is amended to read:~~

~~31525. The board may make regulations not inconsistent with this chapter, the California Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1), and any other provisions of law applicable to county retirement systems.~~

~~SEC. 2.~~

SECTION 1. Section 31646 of the Government Code is amended to read:

31646. (a) A member who returns to active service following an uncompensated leave of absence on account of *the member's* illness may receive service credit for the period of the absence upon the payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(b) (1) A member who returns to active service following an uncompensated leave of absence on account of parental leave may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had they been on deposit, if the member was not absent. For purposes of this subdivision, parental leave is defined as any time, up to one year, during which a member is granted an approved maternity or paternity leave and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to parental leave that commences after the adoption by the board of supervisors.

(c) (1) A member who returns to active service following an uncompensated leave of absence on account of the serious illness of a family member when the absence is eligible for coverage under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Sec. 2601 et seq.) or the Moore-Brown-Roberti Family Rights Act, commonly referred to as the California Family Rights Act, as described in Section 12945, may receive service credit for the period of the absence upon the payment of the contributions that the member and the employer would have paid during that period, together with the interest that the contributions would have earned had the contributions been on deposit, if the member was not absent. For purposes of this subdivision, “leave of absence on account of illness of a family member” means any time, up to one year, during which a member is granted an approved leave to care for a seriously ill family member and returns to employment at the end of the approved leave for a period of time at least equal to that leave. The contributions required to receive the service credit may be paid in a lump sum or may be paid on a monthly basis for a period of not more than the length of the period for which service credit is claimed. Credit shall not be received for any period of such an absence in excess of 12 consecutive months.

(2) This subdivision shall not be operative until the board of supervisors, by resolution adopted by majority vote, makes the provisions applicable to that county and applies it to leave that commences after the adoption by the board of ~~supervisors~~ *supervisors.*

~~SEC. 3.~~

SEC. 2. Section 31646.2 is added to the Government Code, to read:

31646.2. (a) The board may grant a member who is subject to a temporary mandatory furlough the same service credit and compensation earnable or pensionable compensation to which the member would have been entitled in the absence of the temporary mandatory furlough. The board may condition this grant on the receipt of additional member or employer contributions, or both as applicable, that the board determines are necessary to fund any benefits granted under this section on an actuarially sound basis.

(b) For the purposes of this section, "temporary mandatory furlough" means the time during which a member is directed to be absent from work without pay for up to one quarter of the member's normal working hours, provided that these reduced working hours shall not be in place for longer than two years.

~~SEC. 4.~~

SEC. 3. Section 31680.16 is added to the Government Code, to read:

31680.16. ~~A~~ *(a) This section shall apply to a retired person who is receiving a retirement benefit from a county retirement system and is appointed or elected to a board or commission operating under a participating agency of the same county retirement system.*

(b) A person who is retired under this chapter may serve *on a board or commission* without reinstatement from retirement or loss or interruption of benefits under this chapter or the California Public Employees' Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1), provided the ~~service~~ *appointment or election* is ~~on~~ *to* a part-time ~~state, county, city, district, or other political subdivision~~ board or commission. A retired person whose ~~employment~~ *service* without reinstatement is authorized by this subdivision shall not acquire benefits, service credit, or retirement rights with respect to the ~~employment. Part-time service authorized by this section is limited to less than 20 hours per week, and any salary or stipend for the part-time service shall~~ *appointment or election. The authorization provided by this section is limited to an appointment or election to a part-time board or commission for which any*

salary or stipend for serving does not exceed sixty thousand dollars ($60,000) annually.

~~SEC. 5.~~

SEC. 4. Section 31725.7 of the Government Code is amended to read:

31725.7. (a) Except as provided in subdivision (a), at any time after filing an application for disability retirement with the board, the member may, if eligible, apply for, and the board in its discretion may grant, a service retirement allowance pending the determination of their entitlement to disability retirement. If the member is found to be eligible for disability retirement, appropriate adjustments shall be made in their retirement allowance retroactive to the effective date of their disability retirement as provided in Section 31724.

(b) Notwithstanding subdivision (a), this section shall also apply to a member retired for service who subsequently files an application for disability retirement with the board. If the member retired for service is found to be eligible for disability retirement, appropriate adjustments shall be made in their retirement allowance retroactive to the effective date of their disability retirement, as provided in Section 31724.

(c) This section shall not be construed to authorize a member to receive more than one type of retirement allowance for the same period of time nor to entitle any beneficiary to receive benefits which the beneficiary would not otherwise have been entitled to receive under the type of retirement which the member is finally determined to have been entitled. In the event a member retired for service is found not to be entitled to disability retirement, they shall not be entitled to return to their job as provided in Section 31725.

(d) If the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary shall be as selected by the member at the time of retirement for service. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall also be binding as to the type of allowance the member receives if the member is awarded a disability retirement.

(e) Notwithstanding subdivision (d), if the retired member should die before a final determination is made concerning entitlement to disability retirement, the rights of the beneficiary may be as selected by the member at the time of retirement for service, or as if the member had selected an unmodified allowance. The optional or unmodified type of allowance selected by the member at the time of retirement for service shall not be binding as to the type of allowance the member receives if the member is awarded a disability retirement. A change to the optional or unmodified type of allowance shall be made only at the time a member is awarded a disability retirement and the change shall be retroactive to the service retirement date and benefits previously paid shall be adjusted. If a change to the optional or unmodified type of allowance is not made, the benefit shall be adjusted to reflect the differences in retirement benefits previously received. This paragraph shall only apply to members who retire on or after January 1, 1999.

~~SEC. 6. Section 31730 of the Government Code is amended to read:~~

~~31730. (a) If the board determines that the beneficiary is not incapacitated, and their employer offers to reinstate that beneficiary, their retirement allowance shall be canceled forthwith, and the beneficiary shall be reinstated in the county service pursuant to the regulations of the county or district for reemployment of personnel.~~

~~(b) If the board determines that the beneficiary is not incapacitated, and their employer does not offer to reinstate that beneficiary, notwithstanding any requirement of this chapter regarding eligibility therefor, the beneficiary's retirement allowance shall be reclassified to a service retirement in the same amount and subject to any applicable future cost of living adjustments. The optional or unmodified type of allowance selected by the beneficiary at the time of retirement for disability shall be binding as to the service retirement.~~

~~SEC. 7.~~

SEC. 5. Section 31760 of the Government Code is amended to read:

31760. (a) Except as provided in subdivisions (b) and (c), until the first payment of any retirement allowance is made, a member or retired member, in lieu of the retirement allowance for the member's life alone, may elect to have the actuarial equivalent of their retirement allowance as of the date of retirement applied to a lesser retirement allowance payable throughout life in accordance with one of the optional settlements specified in this article.

(b) Notwithstanding subdivision (a), a member who applies for disability and is subsequently granted a service retirement pending a determination of entitlement to disability may change the type of optional or unmodified allowance that they elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

(c) Notwithstanding subdivision (a), a member retired for service who applies for, and is subsequently granted, a disability retirement may change the type of optional or unmodified allowance that was elected at the time the service retirement was granted, subject to the provisions of Section 31725.7.

~~SEC. 8. Section 31838.5 of the Government Code is amended to read:~~

~~31838.5. No provision of this chapter shall be construed to authorize any member, credited with service in more than one entity and who is eligible for a disability allowance, whether service connected or nonservice connected to receive an amount from one county that, when combined with any amount from other counties or the Public Employees' Retirement System, results in a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.~~

~~In cases of service-connected disability allowances only, the limitation on disability allowances provided for in this section shall apply to service-connected disability allowances payable to those who, after being employed with another county or an entity within the Public Employees' Retirement System, become employed by a second public entity on or after January 1, 1984.~~

~~Each entity shall calculate its respective obligations based upon the member's service with that entity and each shall adjust its payment on a pro rata basis. If, however, another entity does not reduce the amount it pays the member, an entity subject to this section shall reduce the allowance it pays the member by as much as necessary to ensure that the member does not receive a disability allowance greater than the amount the member would have received had all the member's service been with only one entity.~~

O

May 20, 2022

TO: Each Trustee
Board of Retirement

FROM: Ricki Contreras, Division Manager
Disability Retirement Services

SUBJECT: **APPEALS FOR THE BOARD OF RETIREMENT'S MEETING OF JUNE 1, 2022**

IT IS RECOMMENDED that the Board of Retirement grant the appeals and requests for administrative hearing received from the following applicants, and direct the Disability Retirement Services Manager to refer each case to a referee:

5241B	Brian D. Jordan	Michael Treger	Deny SCD – Ineligible for Disability Retirement
5243B	Maria D. Rios	In Pro Per	Deny SCD – Grant NSCD With Option of Earlier Effective Date
5245B	Paul G. Murphy	Michael Treger	Deny SCD
5246B	Jose De Jesus Lopez	Michael Treger	Deny SCD – Employer Can Accommodate
5250B	Ressie L. Ducut	Thomas Wicke	Deny SCD

RC:kw
Memo.NewAppeals

May 24, 2022

TO: Each Trustee
Board of Retirement

FROM: Ricki Contreras, Manager RC
Disability Retirement Services Division

FOR: June 1, 2022 Board of Retirement Meeting

SUBJECT: **DISMISS WITH PREJUDICE THE APPEAL OF SHEILA R. LA BOMME**

Ms. Sheila R. La Bomme applied for a service-connected disability retirement on March 12, 2020. On October 6, 2021, the Board granted her application for service-connected disability retirement; however, Ms. La Bomme requested an appeal to receive a service-connected salary supplement, instead.

Ms. La Bomme filed a timely appeal. On May 18, 2022, she submitted a request to withdraw her appeal of the service-connected disability retirement.

IT IS THEREFORE RECOMMENDED THAT THE BOARD:

Dismiss with prejudice Sheila R. La Bomme's appeal of the service-connected disability retirement.

FJB:RC:mb

La Bomme, S.docx

Attachment

NOTED AND REVIEWED:

Francis J. Boyd, Sr. Staff Counsel

Date: 05/24/2022

L//CERA

FOR INFORMATION ONLY

May 20, 2022

TO: Each Trustee
Board of Retirement

FROM: Barry W. Lew
Legislative Affairs Officer

FOR: June 1, 2022 Board of Retirement Meeting

SUBJECT: **State Legislative Update**

LACERA's state legislative advocates last gave an update to the Board of Retirement on December 1, 2021. Our legislative advocates, Shari McHugh and Naomi Padron of McHugh Koepke & Associates, are here today to provide an educational update of the latest developments in the California State Legislature and Governor's Office.

Reviewed and Approved:

Steven P. Rice, Chief Counsel

Attachment
Presentation by McHugh Koepke & Associates

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

LACERA Board of Retirement Meeting

June 1, 2022

Shari McHugh | Naomi Padron
McHugh Koepke & Associates

Sacramento-based contract lobbying firm, originally established in 2000.

Specialize in advocacy, public affairs, research, and analysis.

The firm has five team members:

- Shari McHugh
- Naomi Padron
- Ana Mora
- Gavin McHugh
- Dawn Koepke

Collectively, we have decades of experience.

Worked with LACERA, alongside, Joe Ackler, since 2017.

Our Team

MKA ★ MCHUGH KOEPKE & ASSOCIATES
Government Relations

Legislative Calendar
Upcoming Key Dates

May 27th – House of Origin Deadline

June 15th – Budget Bill Must be Passed

July 1st - Aug. 1st – Summer Recess

Aug. 31st – Last Day for Bills to Pass

Sept. 30th – Last Day for Governor to Sign Bills

Pending Legislation

Status Update

AB 1824
Committee on Public Employment and Retirement
Public employees' retirement.

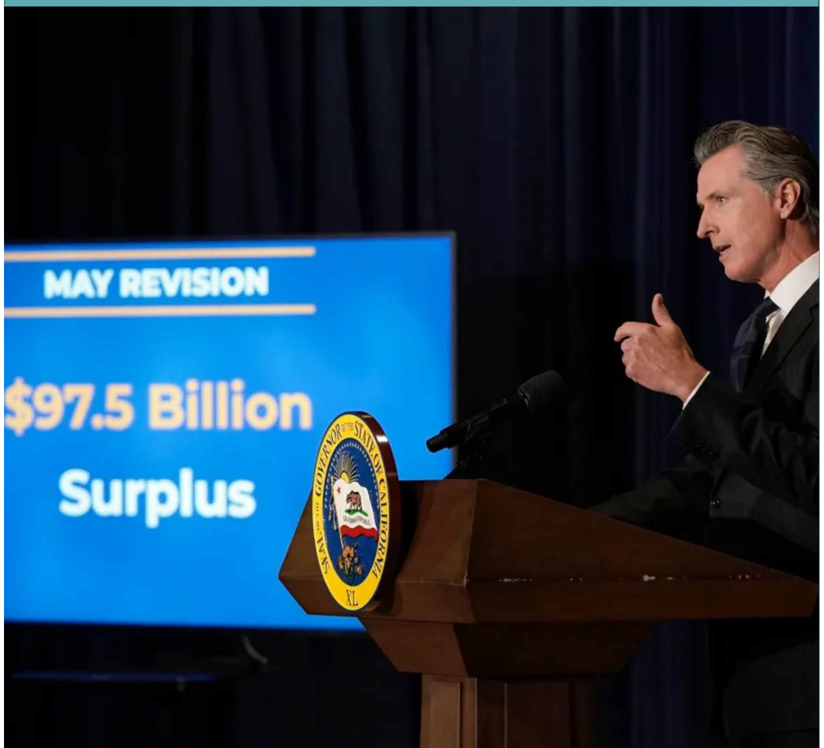
AB 1944
Assemblymember Alex Lee (D- San Jose)
Local government: open and public meetings.

AB 1971
Assemblymember Jim Cooper (D- Elk Grove)
County Employees Retirement Law of 1937.

AB 2493
Assemblymember Philip Chen (R- Brea)
County employees' retirement: disallowed compensation: benefit adjustments.

California Primary Election June 7, 2022

- All registered voters received a VBM ballot
- Primary Election ballot will include candidates for U.S. Senate, Governor, Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General, Insurance Commissioner, Member of State Board of Equalization, State Superintendent of Public Instruction, U.S. Representative in Congress, State Senator, State Assembly Member, as well as other local candidates.
- All 80 Assemblymembers and 20 Senators
- New members anticipated as **39 incumbents** in the Legislature have either termed out this year or indicated that they will resign, retire or run for office elsewhere
  - 14 Senators
  - 25 Assemblymembers



2022-23 Budget
May Revise

General Overview

- On May 13th, Governor Newsom presented a revised state budget proposal to the Legislature.
- Proposes spending of $300.7 billion.
  - Consisting of approximately $227.3 billion from the General Fund, $68.9 billion from special funds, and $4.4 billion from bond funds.
- Record Surplus
- Discretionary surplus focused on one-time commitments.

Retirement Liabilities

- Governor Newsom reported
  - CalPERS is 80.7 percent funded. Shortfall of $43.6 billion dollars
  - CalSTRS is 81.9 percent funded. Shortfall of $13 billion
- $12.7 Billion: Past Five Years
- $11 Billion: Next Four Years
  - $3.4: This year
  - $7.6 Billion: Estimated over the next 3 year

Sacramento Visit

April 26th and 27th

Chief Executive Officer
Santos H. Kreimann

Legislative Affairs Officer
Barry W. Lew

- Seven Assembly Offices
- Five Senate Offices
- Policy Consultants
- CalPERS CEO Marcie Frost and her team

Shari McHugh
Legislative Advocate
Partner

Naomi Padron
Legislative Advocate

Questions?

THANK YOU

1121 L Street, Suite 103
Sacramento, California 95814
Phone (916) 930-1993

https://www.mchughgr.com/

The Board of Retirement's Role as Trier of Fact in Disability-Retirement Applications

Presented By:
Frank Boyd
Senior Staff Counsel, LACERA

Board of Retirement's Powers

The Board of Retirement has the plenary authority and fiduciary responsibility to administer the retirement system, and it holds the following three powers:

1. Executive;
2. Legislative; and
3. Quasi-judicial powers.

(Cal Const., art. XVI, § 17, subds. (a) and (b).)

Quasi-Judicial Role — Trier/Finder of Fact

The Board of Retirement exercises its quasi-judicial powers when it decides disability-retirement applications. It is the trier of fact.

The Board of Retirement has the sole authority to determine the issue of permanent incapacity and service connection.

- **Permanent incapacity** for the performance of duty shall in all cases be determined by the Board of Retirement.

  (Gov. Code §§ 31724 and 31725.)

- The Board's authority to determine **service connection** is found in Government Code section 31720 (a).

  (*Flaherty v. Board of Retirement* (1961) 198 Cal.App.2d 397, 407.)

Disability Retirement Services Role
Fact Gatherer

Disability Retirement Services (DRS) gathers the facts for the Board to weigh. It processes and investigates disability retirement applications. (Gov. Code § 31522.1.)

DRS:

- Prepares a Disability Retirement Evaluation Report
- Describes the applicant's usual duties
- Arranges for applicants to be evaluated by the appropriate panel physician(s)
- Makes a recommendation to the Board

Board's Fiduciary Duty

The Board of Retirement has a fiduciary duty to pay benefits only to those members who are eligible for them.

(*McIntyre v. Santa Barbara County Employees' Retirement System, Board of Retirement* (2001) 91 Cal.App.4th 730, 734.)

"The constitutional mandate by which a retirement system operates does not include an overlay of fiduciary obligations justifying an order to pay greater benefits than the statutes allow."

(*Chaidez v. Board of Administration* (2014) 223 Cal.App.4th 1425, 1431.)

Applicant has the Burden of Proof

Applicants carry the burden of proving by a preponderance of the evidence that they are permanently incapacitated and that the incapacity is service-connected. **LACERA** does not have to prove the opposite.

(Gov. Code § 31720; *Lindsay v. County of San Diego Retirement Board* (1964) 231 Cal.App.2d 156, 160.)

Preponderance of Evidence

Preponderance of evidence means that a party has shown that its version of the facts is more likely than not the correct version.

(*McCoy v. Bd. of Ret.* (1986) 183 Cal.App.3d 1044, 1051 fn. 5.)

Proof that a fact is "possibly” true does not meet the burden of proof.

(*Rosas v. Workers' Comp. Appeals Bd.* (1993) 16 Cal.App.4th 1692, 1700-1701.)

Burden Exceptions

LACERA carries the burden to:

1. Rebut a presumption;
2. Establish that the employer can accommodate work restrictions when the evidence establishes that the applicant is permanently incapacitated from the usual duties;

   (Meyers v. Board of Administration (2014) 224 Cal.App.4th 250, 260.)
3. Establish that further medical treatment will allow the applicant to perform his or her usual duties.

   (Reynolds v. City of San Carlos (1981) 126 Cal.App.3d 208, 216-217

Permanent Incapacity

The evidence must establish that an applicant is substantially unable to perform the **usual duties of the job.**

- **Usual duties:** the actual duties performed on a regular basis.
- **Remote or uncommon** duties are not usual duties.

(*Mansperger v. Public Employees' Retirement System* (1970) 6 Cal.App.3d 873, 876; *Schrier v. San Mateo County Employees' Retirement Association* (1983) 142 Cal.App.3d 957, 961-962.)

Service Connection (3 elements)

Government Code section 31720 requires that the applicant's incapacity results from an injury or disease:

- **Arising out of employment**: Injury has its source in a **risk or hazard** of employment as opposed to a risk or hazard that is personal to the employee or the general community.

- **In the course of employment:** Injury or illness occurs in the **time, place,** and **circumstances of employment.**

The employment must substantially contribute to the incapacity: There must be a "real and measurable" connection between the incapacity and the employment. "Infinitesimal" or "inconsequential" connection is not enough. (*Bowen v. Board of Retirement* (1986) 42 Cal.3d 572, 578; *Hoffman v. Board of Retirement* (1986) 42 Cal.3d 590, 593.)

Only Substantial Evidence Is Placed on the Judicial Scales

Substantial Evidence

A finding of permanent incapacity and service-connection must be based on **substantial evidence**.

a) A determination of whether a member is eligible to retire for disability must be based on **competent medical evidence**.
(Gov. Code § 31720.3.)

b) A finding of permanent incapacity and service-connection must be based on a **preponderance of the evidence**.
(*Glover v. Board of Retirement* (1989) 214 Cal.App.3d 1327, 1332.)

The evidence that is deemed to be preponderate must amount to "**substantial evidence**."
(*Weiser v. Board of Retirement (1984) 152 Cal.App.3d 775, 783.)*

Substantial Evidence is:

- Relevant evidence that a reasonable mind might accept as adequate to support a conclusion.
(*Hosford v. State Personnel Board* (1977) 74 Cal.App.3d 302, 307.)

- Evidence that is reliable, solid proof—it must inspire confidence.
(*Estate of Teed* (1952) 112 Cal.App.2d 638, 644).

Substantial Evidence is NOT:

A medical opinion that is merely a conclusion.

The value of a medical opinion lies in the facts on which the opinion is based and in the reasoning by which the physician progresses from the facts to the conclusion.

(*People v. Bassett* (1968) 69 Cal.2d 122, 141.)

Substantial Evidence is <u>NOT</u>:

A medical opinion based upon surmise, speculation, guess, a false or inaccurate history.

(Owings v. Industrial Acci. Com. (1948) 31 Cal.2d 689, 692-693; *Garza v. Workers' Comp. Appeals Bd.* (1970) 3 Cal.3d 312, 318 (Fn. 3); *Place v. Workers' Comp. Appeals Bd.* (1970) 3 Cal.3d 372, 378.)

Lay opinion on a medical issue is not substantial evidence.

A finding on a *medical issue* must be based on medical expert opinion.

Lay opinion on a medical issue is not placed on the judicial scales to measure against a medical opinion.

(*Peter Kiewit & Sons v. Industrial Accident Comm.* (1965) 234 Cal.App.2d 831, 838.)

Personal Knowledge and Experience

The courts acknowledge that as triers of fact, trustees make decisions based upon inferences drawn from the evidence, and in doing so, bring their personal knowledge and experience to the evaluation of the evidence. However, this personal knowledge and experience is not evidence itself upon which a benefit can be granted.

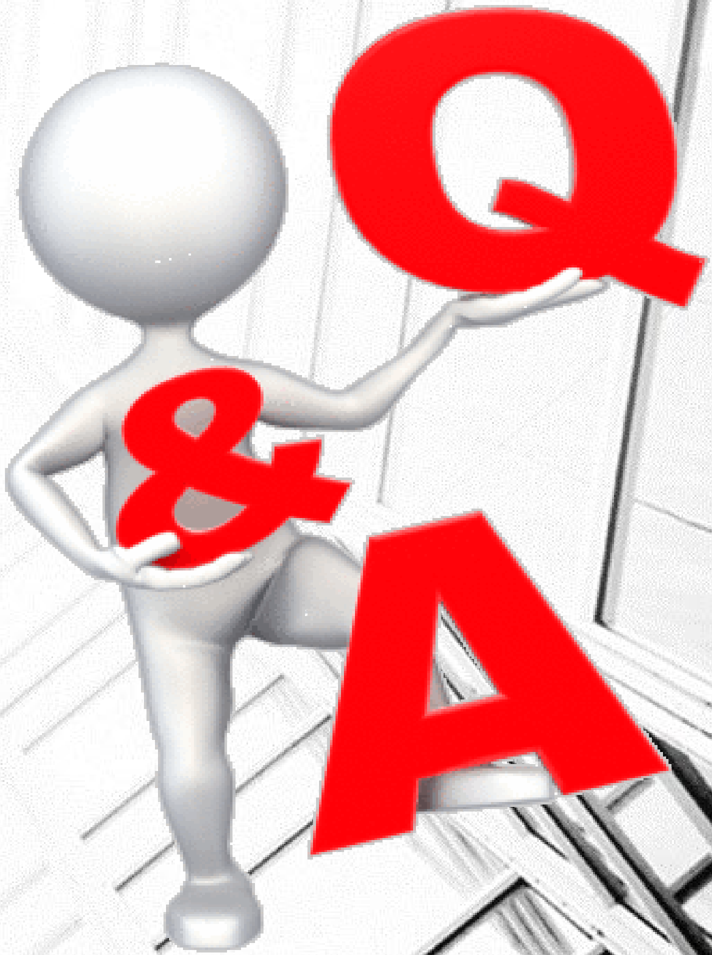
(*Flaherty v. Board of Retirement of Los Angeles County Employees Retirement Assoc.* (1961) 198 Cal.App.2d 397, 407)

Competing Medical Opinions

The determination of incapacity and service connection is often based upon conflicting medical opinions. The Board of Retirement is the trier of fact who weighs the conflicting medical opinions.

(Gov. Code Sec. 31725; *Flaherty v. Board of Retirement of Los Angeles County Employees Retirement Assoc., supra,* 198 Cal.App.2d 397, 407.)

QUESTIONS?



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FOR INFORMATION ONLY

May 24, 2022

TO: Each Trustee
Board of Retirement

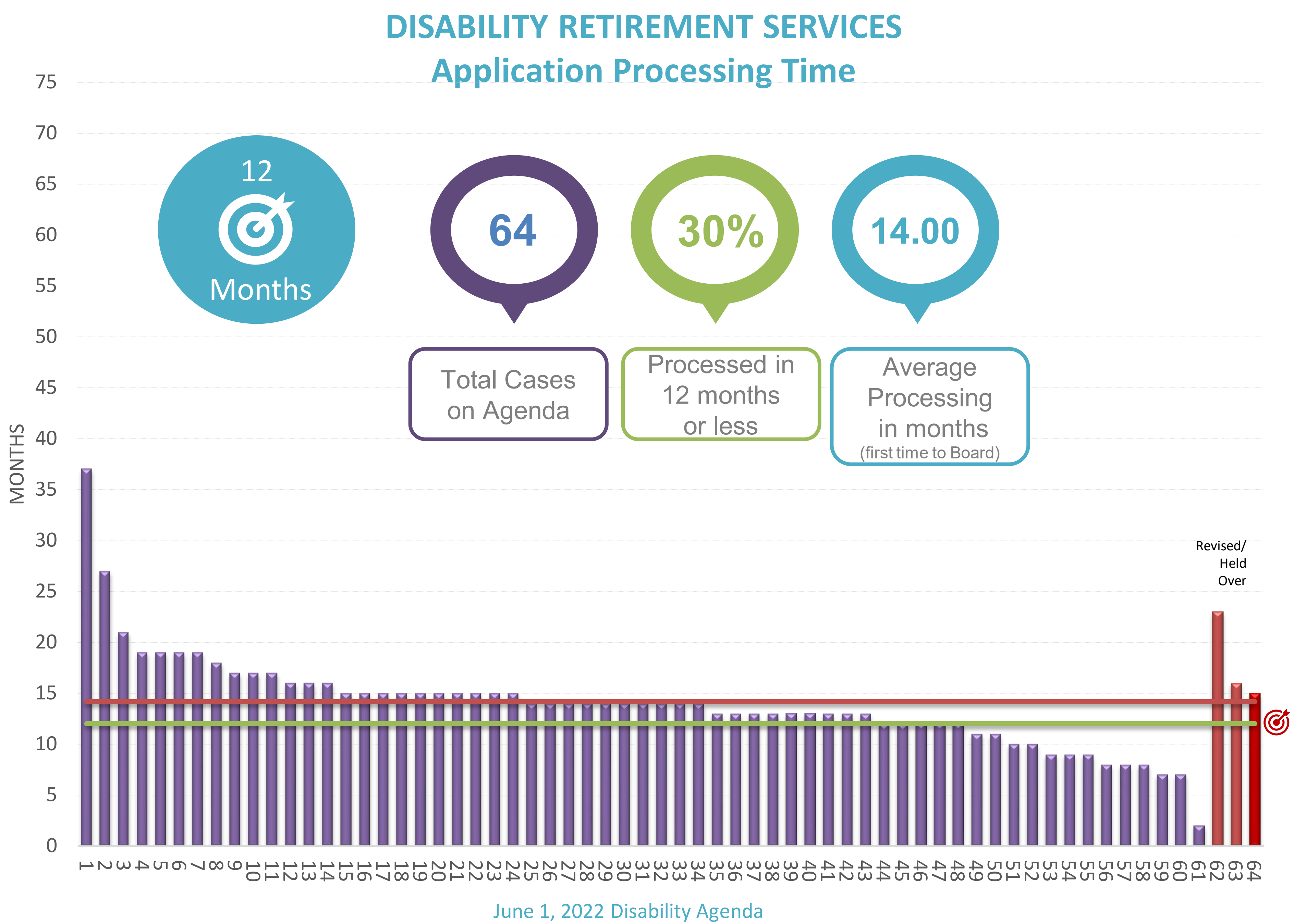
FROM: Ricki Contreras, Division Manager RC
Disability Retirement Services

FOR: June 1, 2022, Board of Retirement Meeting

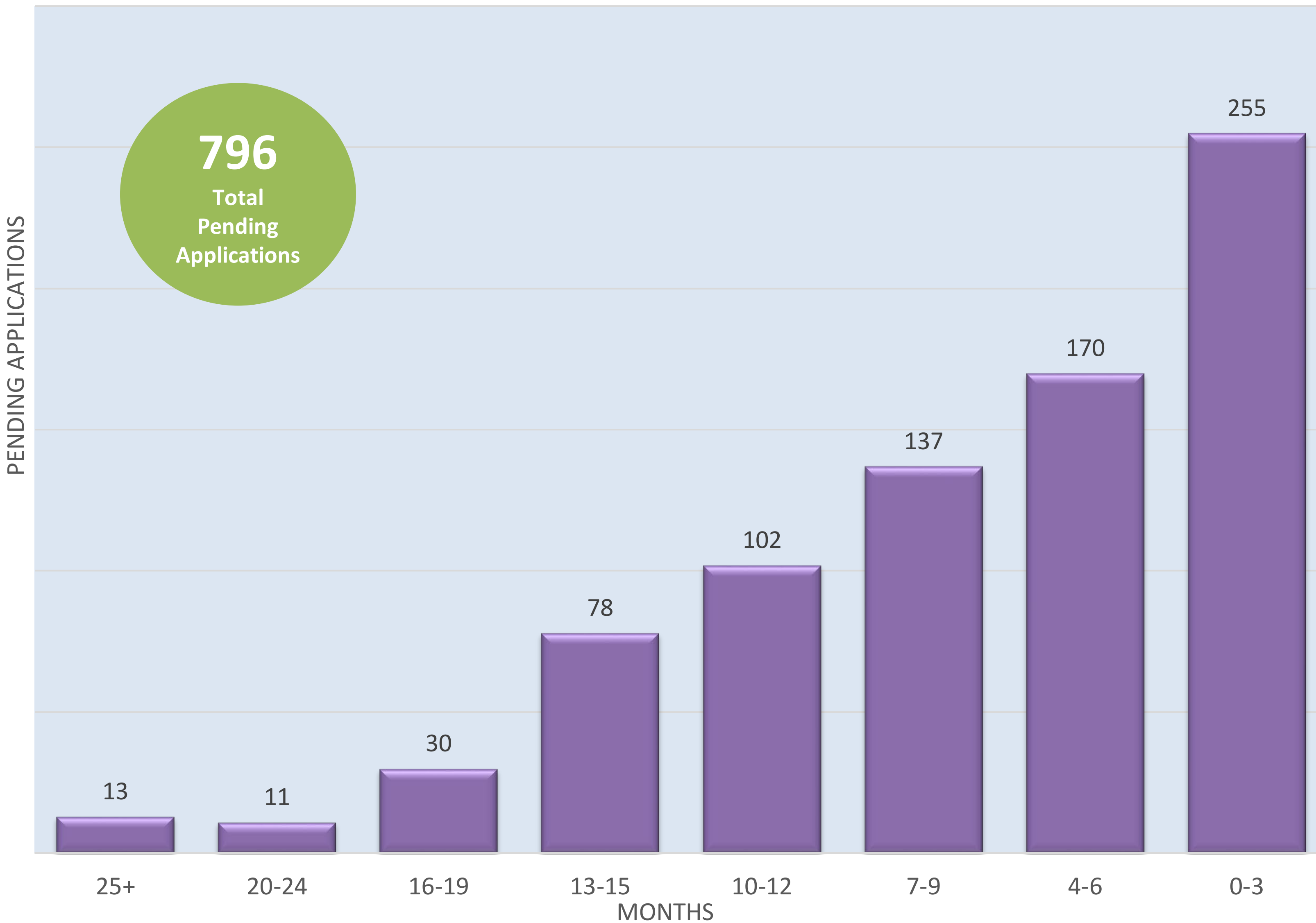
SUBJECT: **Application Processing Time Snapshot Reports**

The following chart shows the total processing time from receipt of the application to the first Board action for all cases on the June 1, 2022, Disability Retirement Applications Agenda.

Consent & Non-Consent Calendar			
Number of Applications	61		
Average Processing Time (in Months)	14.00		
Revised/Held Over Calendar			
Number of Applications	3		
Processing Time Per Case (in Months)	Case 1 23	Case 2 16	Case 3 15
Total Average Processing Time All **64** Cases on Agenda	14.19		


DISABILITY RETIREMENT SERVICES
Application Processing Time
12
Months
64
Total Cases on Agenda
30%
Processed in 12 months or less
14.00
Average Processing in months
(first time to Board)
MONTHS
Revised/ Held Over
June 1, 2022 Disability Agenda

DISABILITY RETIREMENT SERVICES
Pending Applications/Months



As of May 24, 2022

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FOR INFORMATION ONLY

May 20, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew
Legislative Affairs Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 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. Also included are copies of recent support letters.

Reviewed and Approved:

Steven P. Rice, Chief Counsel

Attachments
LACERA Legislative Report Index
LACERA Legislative Report
AB 1824 and AB 1944 support letters

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Grabel
Scott Zdrazil
Tony Roda, Williams & Jensen
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

LACERA Legislative Report
2021-22 Legislative Session
Status as of May 20, 2022

PUBLIC RETIREMENT

CA AB 498

AUTHOR: Quirk-Silva [D]
TITLE: County Employees Retirement Compensation Earnable
INTRODUCED: 02/09/2021
LAST AMEND: 09/10/2021
DISPOSITION: Pending
SUMMARY:

Relates to the County Employees Retirement Law of 1937, which authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and other benefits to county and district employees. Replaces the term "grade" with "group" for purposes of the definition of compensation earnable under this law. Defines group or class of positions.

STATUS:

09/10/2021	In SENATE. Senate Rules suspended.
09/10/2021	From SENATE Committee on APPROPRIATIONS with author's amendments.
09/10/2021	In SENATE. Read second time and amended. Re-referred to Committee on APPROPRIATIONS.

CA AB 551

AUTHOR: Rodriguez [D]
TITLE: Disability Retirement: Covid-19: Presumption
INTRODUCED: 02/10/2021
LAST AMEND: 05/09/2022
DISPOSITION: Pending
SUMMARY:

Establishes a disability retirement presumption that is applicable to the members of various public employee retirement systems who are employed in certain firefighter, public safety officer, and health care job classifications, among others, who test positive for COVID-19, as specified. Extends the operation of the provisions until specified date.

STATUS:

05/18/2022	Re-referred to SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 826

AUTHOR: Irwin [D]
TITLE: Compensation and Compensation Earnable
INTRODUCED: 02/16/2021
LAST AMEND: 08/31/2021
DISPOSITION: Pending
SUMMARY:

Relates to the bill, which would apply only in Ventura County. Provides that compensation and compensation earnable include flexible benefits plan allowances paid by a county or a district on behalf of its employees as part of a cafeteria plan, as specified, if certain requirements are met.

STATUS:

09/08/2021	In SENATE. From third reading. To Inactive File.

BOR_Position: Watch *09/01/2021*
IBLC_Recommendation: Watch *08/12/2021*
Staff_Recommendation: Watch

CA AB 1667

AUTHOR: Cooper [D]
TITLE: State Teachers' Retirement System: Administration
INTRODUCED: 01/19/2022
LAST AMEND: 05/19/2022
DISPOSITION: Pending
SUMMARY:

Defines exclusive representative for purposes of State Teachers' Retirement System. Requires the public agency to provide, as specified, the board and the exclusive representative a list of the names of any member affected by the audit not included in the board' s list.

STATUS:

05/19/2022	From ASSEMBLY Committee on APPROPRIATIONS: Do pass as amended. (12-0)
05/19/2022	In ASSEMBLY. Read second time and amended. To second reading.

CA AB 1722

AUTHOR: Cooper [D]
TITLE: Public Employees' Retirement: Safety Members
INTRODUCED: 01/27/2022
DISPOSITION: Pending
SUMMARY:

Relates to the Public Employees' Retirement Law which, until January 1, 2023, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. Deletes the termination of these provisions on January 1, 2023, thereby making them operative in perpetuity.

STATUS:

05/19/2022	In ASSEMBLY. Read second time. To third reading.

CA AB 1824

AUTHOR: Public Employment and Retirement Cmt
TITLE: Public Employees' Retirement
INTRODUCED: 02/07/2022
LAST AMEND: 03/07/2022
DISPOSITION: Pending
SUMMARY:

Revises the description of trustee service under the State Teachers' Retirement Law to link it to the definition of this service, which means duties performed by a member of the governing body of an employer. Specifies that termination of services does not include retired member activities, as defined, or retired participant activities, as defined. Makes Cash Balance Benefit Program.

STATUS:

05/04/2022	To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

Comments:

Omnibus bill containing SACRS 2022 legislative proposals.

BOR_Position: Support *05/05/2022*
IBLC_Recommendation: Support *04/06/2022*
Staff_Recommendation: Support

CA AB 1971

AUTHOR: Cooper [D]
TITLE: County Employees Retirement Law of 1937
INTRODUCED: 02/10/2022
LAST AMEND: 04/18/2022

	DISPOSITION:	Pending
	SUMMARY:	

Authorizes a person who is retired and receiving a retirement benefit from a county system to serve without reinstatement for service on a part-time board or commission operating under a participating agency of the same county retirement system. Prohibits a retired person acting in this capacity from acquiring benefits, service credit, or retirement rights with respect to the service and would prescribe limits on the salary or stipend for service with the board or commission.

STATUS:

04/21/2022 In ASSEMBLY. Read second time. To third reading.

Comments:

Omnibus bill containing SACRS 2022 legislative proposals.

IBLC_Recommendation: Support *05/05/2022*

Staff_Recommendation: Support

CA AB 2443	**AUTHOR:**	Cooley [D]
	TITLE:	Public Employees' Retirement: Federal Law: Limitation
	INTRODUCED:	02/17/2022
	LAST AMEND:	03/17/2022
	DISPOSITION:	Pending
	SUMMARY:	

Prescribes the method by which benefits are to be reduced when federal law requires aggregation of benefits from different plans maintained by the same employer and federal limits on benefits are reached.

STATUS:

05/18/2022 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 2493	**AUTHOR:**	Chen [R]
	TITLE:	County Employees' Retirement Disallowed Compensation
	INTRODUCED:	02/17/2022
	LAST AMEND:	04/05/2022
	DISPOSITION:	Pending
	SUMMARY:	

Authorizes a county retirement system to adjust retirement payments based on disallowed compensation for sworn peace officers and firefighters of that system. Provides that if the retirement system determines that the compensation reported for a sworn peace officer or firefighter of the system is disallowed compensation, as defined, the system would require the county employer or agency to discontinue reporting the disallowed compensation.

STATUS:

05/11/2022 To SENATE Committees on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT and JUDICIARY.

US HR 2954	**SPONSOR:**	Neal [D]
	TITLE:	Strong Retirement
	INTRODUCED:	05/04/2021
	LAST AMEND:	03/29/2022
	DISPOSITION:	Pending
	SUMMARY:	

Secures a Strong Retirement Act of 2021.

STATUS:

	03/30/2022	In SENATE. Read second time.
	03/30/2022	To SENATE Committee on FINANCE.

Comments:

Would gradually raise the age for mandatory distributions to age 75 by 2032.

US HR 6241

SPONSOR: Thompson M [D]
TITLE: Use of Retirement Funds
INTRODUCED: 12/09/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to provide for rules for the use of retirement funds in connection with federally declared disasters.

STATUS:

12/09/2021	INTRODUCED.
12/09/2021	To HOUSE Committee on WAYS AND MEANS.

US S 1703

SPONSOR: Grassley [R]
TITLE: Retirement Plan Administration
INTRODUCED: 05/19/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to increase retirement savings, to improve retirement plan administration.

STATUS:

05/19/2021	INTRODUCED.
05/19/2021	In SENATE. Read second time.
05/19/2021	To SENATE Committee on FINANCE.

US S 1770

SPONSOR: Cardin [D]
TITLE: Retirement Provisions
INTRODUCED: 05/20/2021
DISPOSITION: Pending
SUMMARY:

Amends the Internal Revenue Code of 1986 to reform retirement provisions.

STATUS:

05/20/2021	INTRODUCED.
05/20/2021	In SENATE. Read second time.
05/20/2021	To SENATE Committee on FINANCE.

PUBLIC INVESTMENT

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:

05/28/2021	To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 1173	**AUTHOR:**	Gonzalez [D]
	TITLE:	Public Retirement Systems: Fossil Fuels: Divestment
	INTRODUCED:	02/17/2022
	LAST AMEND:	04/21/2022
	DISPOSITION:	Pending
	SUMMARY:	

Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Suspends the above described liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.

STATUS:

05/19/2022	From SENATE Committee on APPROPRIATIONS: Do pass. (4-2)
05/19/2022	In SENATE. Read second time. To third reading.

CA SB 1328	**AUTHOR:**	McGuire [D]
	TITLE:	Investments and Contracts: Russia and Belarus
	INTRODUCED:	02/18/2022
	LAST AMEND:	05/19/2022
	DISPOSITION:	Pending
	SUMMARY:	

Prohibits the Treasurer from making additional or new investments or renewing existing investments of state moneys in any investment vehicle in the government of Russia or the government of Belarus that meets certain conditions, or in or from a Russian or Belarusian financial institution currently under sanctions imposed by the United States.

STATUS:

05/19/2022	From SENATE Committee on APPROPRIATIONS: Do pass as amended. (6-0)
05/19/2022	In SENATE. Read second time and amended. To second reading.

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:

09/10/2021	In SENATE. From third reading. To Inactive File.

CA AB 1751	**AUTHOR:**	Daly [D]
	TITLE:	Workers' Compensation: COVID-19: Critical Workers
	INTRODUCED:	02/01/2022
	DISPOSITION:	Pending

SUMMARY:

Extends specified workers' compensation provisions relating to COVID-19 until January 1, 2025.

STATUS:

05/19/2022	In ASSEMBLY. Read second time. To third reading.

CA SB 213

AUTHOR:	Cortese [D]
TITLE:	Workers Compensation: Hospital Employees
INTRODUCED:	01/12/2021
LAST AMEND:	05/05/2022
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. Includes the novel coronavirus 2019, among other conditions, in the definitions of infectious and respiratory diseases. Creates rebuttable presumptions that these injuries that develop or manifest in a hospital employee who provides direct patient care in an acute care hospital.

STATUS:

05/05/2022	To ASSEMBLY Committee on INSURANCE.
05/05/2022	From ASSEMBLY Committee on INSURANCE with author's amendments.
05/05/2022	In ASSEMBLY. Read second time and amended. Re-referred to Committee on INSURANCE.

CA SB 284

AUTHOR:	Stern [D]
TITLE:	Workers' Compensation: Firefighters and Peace Officers
INTRODUCED:	02/01/2021
LAST AMEND:	08/30/2021
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:

08/30/2021	In ASSEMBLY. Read second time and amended. To second reading.
08/30/2021	In ASSEMBLY. To Inactive 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:

07/13/2021 In ASSEMBLY Committee on INSURANCE: Failed passage.

BROWN ACT

CA AB 1944

AUTHOR: Lee [D]
TITLE: Local Government: Open and Public Meetings
INTRODUCED: 02/10/2022
LAST AMEND: 04/18/2022
DISPOSITION: Pending
SUMMARY:

Requires an updated agenda reflecting all of the members participating in the meeting remotely to be posted, if a member of the legislative body elects to participate in the meeting remotely after the agenda is posted. Authorizes a member to be exempt from identifying the address of the member's teleconference location in the notice and agenda or having the location be accessible to the public.

STATUS:

05/05/2022 In ASSEMBLY. Read second time. To third reading.

BOR_Position: Support *05/05/2022*
IBLC_Recommendation: Support *04/06/2022*
Staff_Recommendation: Support

CA AB 2449

AUTHOR: Rubio [D]
TITLE: Open Meetings: Local Agencies: Teleconferences
INTRODUCED: 02/17/2022
DISPOSITION: Pending
SUMMARY:

Authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions.

STATUS:

05/05/2022 In ASSEMBLY. Read second time. To third reading.

CA AB 2647

AUTHOR: Levine [D]
TITLE: Local Government: Open Meetings
INTRODUCED: 02/18/2022
LAST AMEND: 04/19/2022
DISPOSITION: Pending
SUMMARY:

Requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear.

STATUS:

05/12/2022 In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE. (62-0)

CA SB 1100

AUTHOR: Cortese [D]
TITLE: Open Meetings: Orderly Conduct
INTRODUCED: 02/16/2022
LAST AMEND: 04/21/2022
DISPOSITION: Pending
SUMMARY:

Authorizes the presiding member of the legislative body conducting a meeting to remove an individual for disrupting the meeting. Requires removal to be preceded by a warning by the presiding member of the legislative body that the individual is disrupting the proceedings, a request that the individual curtail their disruptive behavior or be subject to removal, and a reasonable opportunity to curtail their disruptive behavior.

STATUS:

05/05/2022 To ASSEMBLY Committees on LOCAL GOVERNMENT and JUDICIARY.

PUBLIC RECORDS ACT

CA AB 343

AUTHOR: Fong [R]
TITLE: California Public Records Act Ombudsperson
INTRODUCED: 01/28/2021
LAST AMEND: 05/24/2021
DISPOSITION: Pending
SUMMARY:

Establishes, within the California State Auditor's Office, the California Public Records Act Ombudsperson. Requires the California State Auditor to appoint the Ombudsperson subject to certain requirements. Requires the Ombudsperson to receive and investigate requests for review, determine whether the denials of original requests complied with the California Public Records Act, and issue written opinions of its determination.

STATUS:

06/09/2021 To SENATE Committees on JUDICIARY and GOVERNMENTAL ORGANIZATION.

CA AB 386

AUTHOR: Cooper [D]
TITLE: Public Employees Retirement: Investments: Confidential
INTRODUCED: 02/02/2021
LAST AMEND: 06/29/2021
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. Prescribes specified exceptions to this exemption from disclosure.

STATUS:

07/13/2021 In SENATE Committee on JUDICIARY: Failed passage.
07/13/2021 In SENATE Committee on JUDICIARY: Reconsideration

granted.

SOCIAL SECURITY

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.

BOR_Position: Support *05/05/2021*
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.

BOR_Position: Support *09/01/2021*
IBLC_Recommendation: Support *08/12/2021*
Staff_Recommendation: Support

US HR 5723

SPONSOR: Larson [D]
TITLE: Social Security System Benefits
INTRODUCED: 10/26/2021
DISPOSITION: Pending
SUMMARY:

Protects our Social Security system and improve benefits for current and future generations.

STATUS:

10/26/2021	In HOUSE Committee on WAYS AND MEANS: Referred to Subcommittee on SOCIAL SECURITY.

US S 1302

SPONSOR: Brown S [D]
TITLE: Pension Offset
INTRODUCED: 04/22/2021
DISPOSITION: Pending
SUMMARY:

Amends Title II of the Social Security Act to repeal the government pension offset and windfall elimination provisions.

STATUS:

04/22/2021	INTRODUCED.
04/22/2021	In SENATE. Read second time.

	04/22/2021	To SENATE Committee on FINANCE.
	BOR_Position:	Support *09/01/2021*
	IBLC_Recommendation:	Support *08/12/2021*
	Staff_Recommendation:	Support

HEALTHCARE

US HR 4148	**SPONSOR:**	Malinowski [D]
	TITLE:	First Responders Medicare Option
	INTRODUCED:	06/24/2021
	DISPOSITION:	Pending
	SUMMARY:	

Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.

STATUS:

06/24/2021	INTRODUCED.
06/24/2021	To HOUSE Committee on WAYS AND MEANS.
06/24/2021	To HOUSE Committee on ENERGY AND COMMERCE.
06/25/2021	In HOUSE Committee on ENERGY AND COMMERCE: Referred to Subcommittee on HEALTH.

US S 2236	**SPONSOR:**	Brown S [D]
	TITLE:	Medicare Buy In Option for First Responders
	INTRODUCED:	06/24/2021
	DISPOSITION:	Pending
	SUMMARY:	

Amends Title XVIII of the Social Security Act to provide an option for first responders age 50 to 64 who are separated from service due to retirement or disability to buy into Medicare.

STATUS:

06/24/2021	INTRODUCED.
06/24/2021	In SENATE. Read second time.
06/24/2021	To SENATE Committee on FINANCE.

May 19, 2022

The Honorable Dave Cortese, Chair
Senate Committee on Labor, Public Employment
And Retirement
1021 O Street, Room 6740
Sacramento, CA 95814

RE: Support AB 1824 (Assembly PE&R Committee)

Dear Chair Cortese:

The Los Angeles County Employees Retirement Association (LACERA) respectfully requests your Committee's support of Assembly Bill 1824, which is sponsored by the State Association of County Retirement Systems (SACRS).

SACRS represents 20 independent county retirement systems, including LACERA, which operate under the County Employees Retirement Law of 1937 (CERL). The bill makes several amendments to CERL that provide clarification, technical updates, and conforming changes. These amendments are noncontroversial and ensure efficient administration of plan benefits for our members.

The Board of Retirement of LACERA respectfully requests your Committee's support and an "aye" vote for AB 1824.

Respectfully submitted,

Santos H. Kreimann
Interim Chief Executive Officer

SHK:bwl

cc: Members of the Senate
LPE&R Committee
Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

LACERA Los Angeles County Employees Retirement Association
300 N. Lake Ave., Pasadena, CA 91101 / PO Box 7060, Pasadena, CA 91109-7060 / www.lacera.com / 626/564-6132 • 800/786-6464

May 19, 2022

The Honorable Alex Lee
California State Assembly
1021 O Street, Room 6330
Sacramento, CA 95814

The Honorable Cristina Garcia
California State Assembly
1021 O Street, Room 8140
Sacramento, CA 95814

RE: Support AB 1944

Dear Assemblymember Lee and Assemblymember Garcia:

The Los Angeles County Employees Retirement Association (LACERA) writes in strong support of your bill, AB 1944. The bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing the private location of a member who participates in a meeting through teleconference and making the location open and accessible to the public. It would also require a remote participation option for the public to address the legislative body.

LACERA manages over $75 billion in pension fund assets to ensure the retirement security of our 186,000 members, including over 100,000 active members who serve the 10 million residents of Los Angeles County. Over the past two years of the COVID-19 public health emergency, LACERA has successfully conducted teleconference meetings by ensuring effective public participation and communication, achieving full engagement of our board members in their decision-making process, and advancing the business of LACERA in the interests of our members.

AB 1944 ensures that should a board member choose to participate in a meeting by teleconference without revealing their private location or making the location accessible to the public, a livestream of the meeting is required, and the public can address the legislative body through a call-in or video option.

By allowing for remote participation options outside of a declared state of emergency, the bill provides flexibility to local agency boards to hold teleconference meetings and enables increased access and participation by the public and other stakeholders.

For these reasons, LACERA writes in strong support of your bill. If you have any questions, please contact LACERA's legislative advocates at McHugh Koepke & Associates: Shari McHugh (916-930-1993, smchugh@mchughgr.com) and Naomi Padron (916-930-1993, npadron@mchughgr.com).

Respectfully submitted,

Santos H. Kreimann
Chief Executive Officer

SHK:bwl

cc: Shari McHugh, McHugh Koepke & Associates
Naomi Padron, McHugh Koepke & Associates

L//CERA

FOR INFORMATION ONLY

May 17, 2022

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger TG
Interim Chief Financial Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: **3RD QUARTER TRUSTEE TRAVEL & EDUCATION REPORTS**

Attached for your review, is the Trustee Travel & Education Report which includes expenses paid and submitted for reimbursement for events between July 1, 2021 to March 31, 2022. In addition, the Trustee Cancellation & Credit Expenditures Report which includes credits and expenses associated with trip cancellations, for Fiscal Years 2019-2020, 2020-2021, and 2021-2022 are attached for your reference.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Van Nortrick

LACERA

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Alan Bernstein														
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	$3,684.58	$685.00	$529.83	$1,922.40	$348.35	$0.00	$0.00	$0.00	$0.00	$157.00	$42.00
	2	Edu - 2021 SuperReturn North America - Boston MA - 10/04/2021 - 10/05/2021	Attended	$3,196.31	$110.88	$1,128.00	$1,786.79	$145.64	$0.00	$0.00	$0.00	$0.00	$0.00	$25.00
	3	Edu - Latin America US Real Estate Meeting - South Beach FL - 11/29/2021 - 11/30/2021	Attended	$4,927.75	$200.00	$1,402.76	$3,033.80	$137.84	$16.35	$0.00	$0.00	$0.00	$122.00	$15.00
B	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$837.86	$120.00	$0.00	$578.86	$0.00	$0.00	$0.00	$11.00	$0.00	$103.00	$25.00
X	-	Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021	Canceled	$375.02	$375.02	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for Alan Bernstein:	$13,021.52	$1,490.90	$3,060.59	$7,321.85	$631.83	$16.35	$0.00	$11.00	$0.00	$382.00	$107.00

LACERA

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Vivian Gray														
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	$3,569.08	$685.00	$529.83	$1,810.81	$149.44	$0.00	$0.00	$0.00	$0.00	$195.00	$199.00
B	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$2,065.50	$120.00	$1,773.42	$0.00	$10.08	$0.00	$0.00	$0.00	$0.00	$137.00	$25.00
	-	Admin - SACRS Board of Directors Meeting - Rancho Mirage CA - 12/14/2021 - 12/14/2021	Attended	$349.44	$0.00	$349.44	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Admin - SACRS Board of Directors and Program Committee Meeting - Berkeley CA - 01/24/2022 - 01/25/2022	Attended	$499.26	$0.00	$0.00	$0.00	$0.00	$442.26	$0.00	$0.00	$0.00	$52.00	$5.00
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA - 03/05/2022 - 03/08/2022	Attended	$281.93	$0.00	$0.00	$0.00	$0.00	$150.93	$0.00	$0.00	$0.00	$121.00	$10.00
	-	Admin - SACRS Program Committee Meeting - Long Beach CA - 03/22/2022 - 03/23/2022	Attended	$46.53	$0.00	$0.00	$0.00	$0.00	$10.53	$0.00	$0.00	$0.00	$31.00	$5.00
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022	Attended	$10.53	$0.00	$0.00	$0.00	$0.00	$10.53	$0.00	$0.00	$0.00	$0.00	$0.00
V	-	Edu - NASP 32nd Annual Financial Services Virtual Conference - VIRTUAL - 09/22/2021 - 09/24/2021	Attended	$75.00	$75.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for Vivian Gray:	$6,897.27	$880.00	$2,652.69	$1,810.81	$159.52	$614.25	$0.00	$0.00	$0.00	$536.00	$244.00

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
David Green														
B	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$1,323.44	$120.00	$902.79	$0.00	$0.00	$21.95	$0.00	$161.70	$0.00	$102.00	$15.00
	-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA - 02/23/2022 - 02/25/2022	Attended	$186.66	$0.00	$0.00	$0.00	$0.00	$50.66	$0.00	$0.00	$0.00	$121.00	$15.00
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA - 03/05/2022 - 03/08/2022	Attended	$390.80	$0.00	$0.00	$0.00	$0.00	$163.80	$0.00	$0.00	$0.00	$207.00	$20.00
X	-	Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021	Host Canceled	$130.33	$0.00	$0.00	$130.33	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for David Green:	$2,031.23	$120.00	$902.79	$130.33	$0.00	$236.41	$0.00	$161.70	$0.00	$430.00	$50.00
James Harris														
B	-	Edu - CRCEA 2021 Fall Conference - Long Beach CA - 11/07/2021 - 11/10/2021	Attended	$269.65	$130.00	$139.65	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for James Harris:	$269.65	$130.00	$139.65	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Patrick Jones														
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	$96.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$96.00	$0.00	$0.00	$0.00
V	-	Edu - SACRS Public Pension Investment Management Program - VIRTUAL - 07/13/2021 - 07/22/2021	Attended	$500.00	$500.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - Harvard Kennedy School Executive Education: Leading Smart Policy Design: A Multisectoral Approach to Economic Decisions - VIRTUAL - 09/21/2021 - 10/12/2021	Attended	$3,800.00	$3,800.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Patrick Jones														
V	-	Edu - Duke University Executive Education Program - Corporate Social Responsibility - VIRTUAL - 12/06/2021 - 12/14/2021	Attended	$1,995.00	$1,995.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Patrick Jones:		$6,391.00	$6,295.00	$0.00	$0.00	$0.00	$0.00	$0.00	$96.00	$0.00	$0.00	$0.00
Shawn Kehoe														
X	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Canceled	$23.96	$0.00	$23.96	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Canceled	$120.00	$120.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Shawn Kehoe:		$143.96	$120.00	$23.96	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Joseph Kelly														
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	$45.58	$0.00	$0.00	$0.00	$3.50	$10.08	$0.00	$32.00	$0.00	$0.00	$0.00
V	-	Edu - SACRS Public Pension Investment Management Program - VIRTUAL - 07/13/2021 - 07/22/2021	Attended	$500.00	$500.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - 2021 Institute of Internal Auditors Los Angeles Conference: Governance, Grit and Gravitas - VIRTUAL - 10/04/2021 - 10/06/2021	Attended	$120.00	$120.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors Symposium - November 2021 - VIRTUAL - 11/10/2021 - 11/10/2021	Attended	$375.00	$375.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

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3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Joseph Kelly														
V	-	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors - March 2022 - VIRTUAL - 03/24/2022 - 03/24/2022	Attended	$375.00	$375.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for Joseph Kelly:	$1,415.58	$1,370.00	$0.00	$0.00	$3.50	$10.08	$0.00	$32.00	$0.00	$0.00	$0.00
Keith Knox														
V	-	Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL - 07/21/2021 - 07/23/2021	Attended	$5,700.00	$5,700.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for Keith Knox:	$5,700.00	$5,700.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Wayne Moore														
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	$141.44	$0.00	$0.00	$0.00	$0.00	$13.44	$0.00	$128.00	$0.00	$0.00	$0.00
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022	Attended	$133.85	$0.00	$0.00	$0.00	$133.85	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for Wayne Moore:	$275.29	$0.00	$0.00	$0.00	$133.85	$13.44	$0.00	$128.00	$0.00	$0.00	$0.00
William Pryor														
B	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$330.76	$120.00	$210.76	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
			Totals for William Pryor:	$330.76	$120.00	$210.76	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Les Robbins														
B	-	Edu - CRCEA 2021 Fall Conference - Long Beach CA - 11/07/2021 - 11/10/2021	Attended	$75.00	$75.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
V	-	Edu - CALAPRS Trustees Roundtable - VIRTUAL - 10/29/2021 - 10/29/2021	Attended	$50.00	$50.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Les Robbins:		$125.00	$125.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Gina Sanchez														
A	1	Edu - 2022 CII Spring Conference - Washington, DC MD - 03/07/2022 - 03/09/2022	Attended	$48.23	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$48.23	$0.00	$0.00
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	$166.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$166.00	$0.00	$0.00	$0.00
	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$179.00	$135.00	$0.00	$0.00	$0.00	$0.00	$0.00	$44.00	$0.00	$0.00	$0.00
V	-	Edu - 2021 Virtual NACD Summit - VIRTUAL - 10/04/2021 - 10/08/2021	Attended	$1,995.00	$1,995.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - CALAPRS Trustees Roundtable - VIRTUAL - 10/29/2021 - 10/29/2021	Attended	$50.00	$50.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Gina Sanchez:		$2,438.23	$2,180.00	$0.00	$0.00	$0.00	$0.00	$0.00	$210.00	$48.23	$0.00	$0.00
Herman Santos														
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY - 08/22/2021 - 08/24/2021	Attended	$2,709.58	$685.00	$706.45	$503.40	$160.99	$84.00	$0.00	$160.00	$0.00	$263.00	$146.74

3RD QUARTER BOARD
TRUSTEE TRAVEL AND EDUCATION EXPENDITURE
REPORT FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - MARCH 2022

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Herman Santos														
A	2	Edu - 2022 CII Spring Conference - Washington, DC MD - 03/07/2022 - 03/09/2022	Attended	$1,000.07	$0.00	$0.00	$501.90	$41.18	$54.99	$0.00	$135.00	$242.00	$0.00	$25.00
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021	Attended	$2,012.82	$0.00	$1,708.92	$0.00	$0.00	$105.95	$0.00	$0.00	$0.00	$155.00	$42.95
	-	Edu - PPI Asia Pacific Roundtable - Pasadena CA - 10/27/2021 - 10/29/2021	Attended	$1,837.24	$950.00	$643.32	$0.00	$0.00	$88.92	$0.00	$70.00	$0.00	$70.00	$15.00
	-	Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021	Attended	$1,469.91	$120.00	$902.79	$0.00	$130.62	$100.80	$0.00	$161.70	$0.00	$34.00	$20.00
	-	Admin - SACRS Board of Directors Meeting - Rancho Mirage CA - 12/14/2021 - 12/14/2021	Attended	$530.32	$0.00	$349.44	$0.00	$0.00	$75.88	$0.00	$0.00	$0.00	$95.00	$10.00
V	-	Edu - PPI Roundtable - July 2021 - VIRTUAL - 07/13/2021 - 07/15/2021	Attended	$175.00	$175.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
X	-	Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021	Canceled	$4.99	$4.99	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Herman Santos:		$9,739.93	$1,934.99	$4,310.92	$1,005.30	$332.79	$510.54	$0.00	$526.70	$242.00	$617.00	$259.69
Cnt: 7		**Grand Totals:**		$48,779.42	$20,465.89	$11,301.36	$10,268.29	$1,261.49	$1,401.07	$0.00	$1,165.40	$290.23	$1,965.00	$660.69

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.
V – Virtual Event
X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Airfare Credit Expiration Date	Refund Pending
Vivian Gray												
Admin - SACRS Program Committee and SACRS Board of Directors Meeting - Sacramento CA - 07/15/2019 - 07/19/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Admin - SACRS Legislative Committee - Sacramento CA - 07/19/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Admin - SACRS Program Committee and SACRS Board of Directors Meeting - Sacramento CA - 09/16/2019 - 09/17/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Admin - SACRS Legislative Committee - Sacramento CA - 09/20/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Admin - SACRS Legislative Committee - Sacramento CA - 10/19/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - KACALP Annual Conference - Los Angeles CA - 10/29/2019 - 10/30/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	$299.00	$299.00	$0.00	$0.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu - Trustee Leadership Forum (TLF) Trustee Forum - Boston MA - 06/08/2020 - 06/10/2020 - Host Canceled	X	$275.00	$0.00	$0.00	$275.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$574.00	$299.00	$0.00	$275.00	$0.00		**$0.00**		**$0.00**		**$0.00**
David Green												
Edu - 2019 Fortune Brainstorm Tech Conference - Aspen CO - 07/15/2019 - 07/17/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
James Harris												
Edu - CALAPRS Advanced Principles of Pension Management for Trustees - Los Angeles CA - 03/30/2020 - 04/01/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Shawn Kehoe												
Edu - National Association of Corporate Directors - Global Board Leaders' Summit - Washington D.C. MD - 09/21/2019 - 09/24/2019 - Canceled	X	$500.00	$500.00	$0.00	$0.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu - 2019 Pacific Pension Institute Executive Seminar and Asia Roundtable - Shanghai, China; Hong Kong, China - 11/03/2019 - 11/08/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - IAFCI 2020 Cyber Fraud Summit - Austin TX - 04/15/2020 - 04/16/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$500.00	$500.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**

BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Airfare Credit Expiration Date	Refund Pending
Joseph Kelly												
Edu - PPI 2019 Summer Roundtable - Chicago IL - 07/10/2019 - 07/12/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Keith Knox												
Edu - CII's Trustee Training Course for California Public Fund Trustees - Berkeley CA - 10/4/2019 - 10/4/2019 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - IFEBP Wharton Portfolio Concepts and Management - Philadelphia PA - 04/20/2020 - 04/23/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - SACRS: Don't Stop Thinking About Tomorrow; China A-Share Market & Opportunities - Webinar - 05/13/2020 - 05/13/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - SACRS: Private Markets Today Vs. The Global Financial Crisis - Webinar - 05/14/2020 - 05/14/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - SACRS: Cash Flows & Investment Management in the Time of COVID-19 - Webinar - 05/15/2020 - 05/15/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - SACRS: Private Market Investing in a Late-Cycle Market or Private Market Investing in the 8th Inning - Webinar - 05/20/2020 - 05/20/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - SACRS: Litigation 101 & Current Cases - Webinar - 05/20/2020 - 05/20/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Wayne Moore												
Edu - CII's Trustee Training Course for California Public Fund Trustees - Berkeley CA - 10/4/2019 - 10/4/2019 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu- CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	X	$1,776.08	$0.00	$0.00	$1,776.08	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$1,776.08	$0.00	$0.00	$1,776.08	$0.00		**$0.00**		**$0.00**		**$0.00**

BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Airfare Credit Expiration Date	Refund Pending
David Muir												
Edu- CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
William Pryor												
Edu - NCPERS 2019 Public Safety Conference - New Orleans LA - 10/27/2019 - 10/30/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Les Robbins												
Edu - CRCEA Fall 2019 Conference - Rohnert Park CA - 10/28/2019 - 10/30/2019 - Host Canceled	X	$291.95	$0.00	$0.00	$291.95	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$291.95	$0.00	$0.00	$291.95	$0.00		**$0.00**		**$0.00**		**$0.00**
Gina Sanchez												
Edu - NACI Engage - Oakland CA - 03/24/2020 - 03/25/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - Pomerantz Roundtable Event - Beverly Hills CA - 06/16/2020 - 06/16/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Herman Santos												
Edu - INCA Investments Latin American Investments Conference - Buenos Aires, Argentina - 10/16/2019 - 10/17/2019 - Canceled	X	$1,858.15	$0.00	$1,579.75	$278.40	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu - 2020 ICGN Seoul Conference - Seoul, South Korea - 02/25/2020 - 02/28/2020 - Host Canceled	X	$45.08	$23.48	$0.00	$21.60	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu- CII Spring 2020 Conference and 35th Anniversary Celebration - Washington D.C. MD - 03/09/2020 - 03/11/2020 - Canceled	X	$1,081.80	$0.00	$0.00	$1,081.80	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Edu - NASP 2020 "Day of Education in Private Equity" - Los Angeles CA - 03/26/2020 - 03/26/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	$299.00	$299.00	$0.00	$0.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$3,284.03	$322.48	$1,579.75	$1,381.80	$0.00		**$0.00**		**$0.00**		**$0.00**

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BOARD CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2020
FOR TRAVEL THROUGH THE 4TH QUARTER OF FY19-20

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Register	Lodging	Airfare	Other Misc Travel Exp.	Chair Pardon	Register Credit (1802)	Register Credit Expiration Date	Airfare Credit (1803)	Airfare Credit Expiration Date	Refund Pending
Gina Zapanta												
Edu - IFEBP 65th Employee Benefits Conference - San Diego CA - 10/20/2019 - 10/23/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - NCPERS 2019 Public Safety COnference - New Orleans LA - 10/27/2019 - 10/30/2019 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Edu - TBI Med Legal Conference - San Diego CA - 04/02/2020 - 04/04/2020 - Host Canceled	X	$299.00	$299.00	$0.00	$0.00	$0.00	**Yes**	**$0.00**		**$0.00**		**$0.00**
Attendee Totals:		$299.00	$299.00	$0.00	$0.00	$0.00		**$0.00**		**$0.00**		**$0.00**
Grand Totals:		$6,725.06	$1,420.48	$1,579.75	$3,724.83	$0.00		**$0.00**		**$0.00**		**$0.00**

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

TRUSTEE CANCELLATION AND CREDIT EXPENDITURES
REPORT FOR FISCAL YEAR 2021
FOR TRAVEL DURING JULY 2020 - JUNE 2021

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Vivian Gray												
Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL -9/23/2020 - 9/25/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Shawn Kehoe												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Les Robbins												
Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled	X	$0.00	$0.00	$0.00	$0.00	$0.00		$2,125.00	**12/31/2022**	$0.00		$0.00
Edu- 2020 SACRS Fall Virtual Conference -VIRTUAL - 11/10/2020 - 11/13/2020 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$2,125.00		$0.00		$0.00
Grand Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$2,125.00		$0.00		$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

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TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2022
FOR EVENTS DURING JULY 2021 - JUNE 2022

Purpose of Travel - Location - Date - Travel Status	Category	Total Expense	Registration (Reg.)	Lodging	Airfare	Other Misc. Travel Exp.	Chair Pardon	Reg. Credit	Reg. Credit Expiration Date	Airfare Credit	Airfare Credit Expiration Date	Refund Pending
Alan Bernstein												
Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021 - Canceled	X	$375.02	$375.02	$0.00	$0.00	$0.00		$0.00		$0.00		$375.02
Attendee Totals:		$375.02	$375.02	$0.00	$0.00	$0.00		$0.00		$0.00		$375.02
David Green												
Edu - 2021 CII Fall Conference - Chicago, IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	$130.33	$0.00	$0.00	$130.33	$0.00	Yes	$0.00		$256.80	10/6/2022	$0.00
Attendee Totals:		$130.33	$0.00	$0.00	$130.33	$0.00		$0.00		$256.80		$0.00
Patrick Jones												
Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham, NC - 09/23/2021 - 09/25/2021 - Host Canceled	X	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$616.80	12/31/2023	$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$616.80		$0.00
Shawn Kehoe												
Edu - 2021 Milken Institute Global Conference - Los Angeles, CA - 10/17/2021 - 10/20/2021 - Canceled	X	$23.96	$0.00	$23.96	$0.00	$0.00	Yes	$0.00		$0.00		$0.00
Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021 - Canceled	X	$120.00	$120.00	$0.00	$0.00	$0.00	Yes	$0.00		$0.00		$0.00
Attendee Totals:		$143.96	$120.00	$23.96	$0.00	$0.00		$0.00		$0.00		$0.00
Joseph Kelly												
Edu - Global Investors Annual Meeting - New York, NY - 12/13/2021 - 12/14/2021 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Gina Sanchez												
Edu - 2021 CII Fall Conference - Chicago, IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$282.80	7/27/2022	$0.00
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$282.80		$0.00
Herman Santos												
Edu - Global Investors Annual Meeting - New York, NY - 12/13/2021 - 12/14/2021 - Canceled	X	$4.99	$4.99	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$4.99	$4.99	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
Grand Totals:		$654.30	$500.01	$23.96	$130.33	$0.00		$0.00		$1,156.40		$375.02

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

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FOR INFORMATION ONLY

May 16, 2022

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger TG
Interim Chief Financial Officer

FOR: June 1, 2022 Board of Retirement Meeting
June 8, 2022 Board of Investments Meeting

SUBJECT: **MONTHLY TRAVEL & EDUCATION REPORT – APRIL 2022**

Attached for your review is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through April 2022. Staff travel and education has been omitted from this document and reported to the Chief Executive Officer separately.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Van Nortrick

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TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein				
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2	Edu - 2021 SuperReturn North America - Boston MA	10/04/2021 - 10/05/2021	Attended
	3	Edu - Latin America US Real Estate Meeting - South Beach FL	11/29/2021 - 11/30/2021	Attended
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
V	-	Edu - NACD Women in the Workforce: Beyond Diversity, Equity, and Inclusion - VIRTUAL	04/20/2022 - 04/20/2022	Attended
X	-	Edu - SuperReturn International Berlin - Berlin, Germany	11/09/2021 - 11/12/2021	Canceled
Vivian Gray				
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
B	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	-	Admin - SACRS Board of Directors and Program Committee Meeting - Berkeley CA	01/24/2022 - 01/25/2022	Attended
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	-	Admin - SACRS Program Committee Meeting - Long Beach CA	03/22/2022 - 03/23/2022	Attended
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	-	Edu - Congressional Black Caucus Foundation - VIRTUAL	09/12/2021 - 09/17/2021	Attended
	-	Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	-	Edu - NASP 32nd Annual Financial Services Virtual Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	-	Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	-	Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
	-	Edu - NASP Women's Forum - VIRTUAL	03/30/2022 - 03/31/2022	Attended
David Green				
B	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
X	-	Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled
Elizabeth Greenwood				
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
James Harris				
B	-	Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended

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TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Patrick Jones				
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - 2022 CALAPRS - General Assembly - San Diego CA	03/05/2022 - 03/08/2022	Attended
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
V	-	Edu - SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	-	Edu - Harvard Kennedy School Executive Education: Leading Smart Policy Design: A Multisectoral Approach to Economic Decisions - VIRTUAL	09/21/2021 - 10/12/2021	Attended
	-	Edu - Duke University Executive Education Program - Corporate Social Responsibility - VIRTUAL	12/06/2021 - 12/14/2021	Attended
	-	Edu - Harvard Kennedy School Executive Education: Behavioral Insights and Public Policy Program - VIRTUAL	01/31/2022 - 02/16/2022	Attended
	-	Edu - CFA Society of Los Angeles - Diversity, Equity, and Inclusion Virtual Conference - VIRTUAL	02/10/2022 - 02/10/2022	Attended
Shawn Kehoe				
V	-	Edu - Morgan Stanley Virtual Global Insights Day - VIRTUAL	02/09/2022 - 02/09/2022	Attended
X	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Canceled
	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Canceled
Joseph Kelly				
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
V	-	Edu - SACRS Public Pension Investment Management Program - VIRTUAL	07/13/2021 - 07/22/2021	Attended
	-	Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
	-	Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	-	Edu - 2021 Institute of Internal Auditors Los Angeles Conference: Governance, Grit and Gravitas - VIRTUAL	10/04/2021 - 10/06/2021	Attended
	-	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors Symposium - November 2021 - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	-	Edu – 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
	-	Edu - NACD Pacific Southwest / USC Marshall Corporate Directors - March 2022 - VIRTUAL	03/24/2022 - 03/24/2022	Attended
	-	Edu - ESG - SEC Proposed Rule on Climate Disclosures: Roles for Internal Audit - VIRTUAL	04/06/2022 - 04/06/2022	Attended
	-	Edu - NACD - Future of Water in the Pacific Southwest - VIRTUAL	04/06/2022 - 04/06/2022	Attended
Keith Knox				
V	-	Edu - Harvard Business School Audit Committees In A New Era of Governance - VIRTUAL	07/21/2021 - 07/23/2021	Attended
	-	Edu - Pugh Capital 30th Anniversary Virtual Event Series - VIRTUAL	09/22/2021 - 09/22/2021	Attended
	-	Edu - New America Alliance: U.S. Economic Recovery - VIRTUAL	11/10/2021 - 11/10/2021	Attended
	-	Edu - NACD Climate Continuous Learning Cohort Two-Day Program - VIRTUAL	03/31/2022 - 04/01/2022	Attended

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Wayne Moore				
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
William Pryor				
A	1	Edu - IFEBP Healthcare Management and Investments Institute Conference - Phoenix AZ	04/25/2022 - 04/28/2022	Attended
B	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
V	-	Edu – 2022 CII Spring Conference - VIRTUAL	03/07/2022 - 03/09/2022	Attended
	-	Edu - CALAPRS Special Virtual Trustee Round Table - VIRTUAL	04/29/2022 - 04/29/2022	Attended
Les Robbins				
B	-	Edu - CRCEA 2021 Fall Conference - Long Beach CA	11/07/2021 - 11/10/2021	Attended
V	-	Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
Gina Sanchez				
A	1	Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Attended
	-	Edu - 2022 Annual Pension Bridge - San Francisco CA	04/18/2022 - 04/20/2022	Attended
V	-	Edu - 2021 CII Fall Conference - VIRTUAL	09/22/2021 - 09/24/2021	Attended
	-	Edu - 2021 Virtual NACD Summit - VIRTUAL	10/04/2021 - 10/08/2021	Attended
	-	Edu - PRI Roundtable: The Road to Net-Zero with Ophir Bruck - VIRTUAL	10/12/2021 - 10/12/2021	Attended
	-	Edu - PRI Roundtable: Equity, Diversity & Inclusion with Ophir Bruck - VIRTUAL	10/14/2021 - 10/14/2021	Attended
	-	Edu - CALAPRS Trustees Roundtable - VIRTUAL	10/29/2021 - 10/29/2021	Attended
	-	Edu - Institutional ESG Investing Conference North America - VIRTUAL	04/10/2022 - 04/10/2022	Attended
X	-	Edu - 2021 CII Fall Conference - Chicago IL	09/22/2021 - 09/24/2021	Host Canceled

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TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2021 - 2022
APRIL 2022

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Herman Santos				
A	1	Edu - NCPERS 2021 Public Pension Funding Forum - New York NY	08/22/2021 - 08/24/2021	Attended
	2	Edu - 2022 CII Spring Conference - Washington, DC MD	03/07/2022 - 03/09/2022	Attended
	3	Edu - Congress of Private Capital and Entrepreneurial Capital of the Pacific Alliance - Bogota, Colombia	04/26/2022 - 04/27/2022	Attended
B	-	Edu - 2021 Milken Institute Global Conference - Los Angeles CA	10/17/2021 - 10/20/2021	Attended
	-	Edu - PPI Asia Pacific Roundtable - Pasadena CA	10/27/2021 - 10/29/2021	Attended
	-	Edu - SACRS Fall Conference - Los Angeles CA	11/09/2021 - 11/12/2021	Attended
	-	Admin - SACRS Board of Directors Meeting - Rancho Mirage CA	12/14/2021 - 12/14/2021	Attended
	-	Edu - 2022 PPI Winter Roundtable - Westlake Village CA	02/23/2022 - 02/25/2022	Attended
V	-	Edu - PPI Roundtable - July 2021 - VIRTUAL	07/13/2021 - 07/15/2021	Attended
	-	Edu - Private Credit Outlook: Key Trends and the Road Ahead - VIRTUAL	09/16/2021 - 09/16/2021	Attended
X	-	Edu - Global Investors Annual Meeting - New York NY	12/13/2021 - 12/14/2021	Canceled
	-	Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/23/2022 - 03/24/2022	Canceled

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.
V – Virtual Event
X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

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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