IN PERSON & VIRTUAL BOARD MEETING

JUNE 5, 2024 AT 9:00 AM*
BOARD OF RETIREMENT MEETING

***This meeting will be held following the Committee scheduled prior.**

TO VIEW VIA WEB

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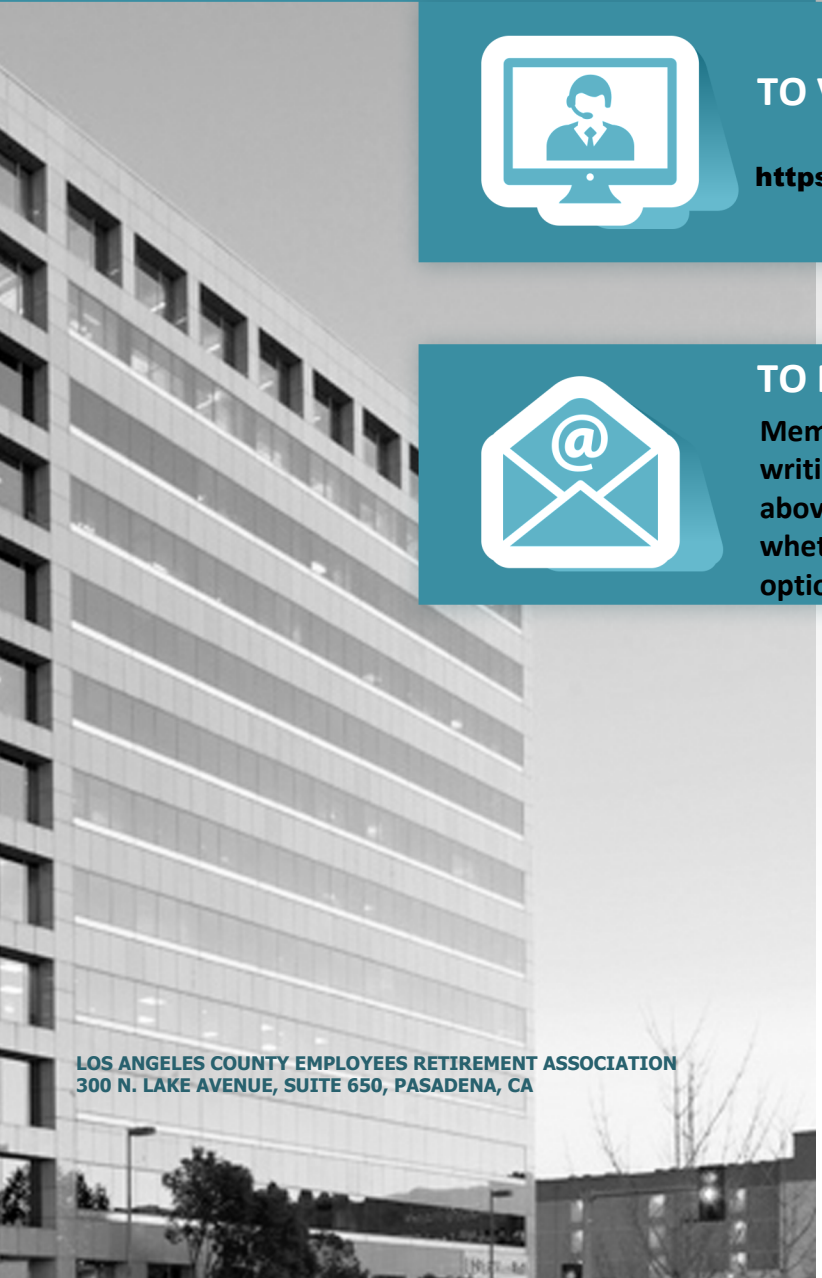
TO PROVIDE PUBLIC COMMENT

Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit the above link and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

Attention: If you have any questions, you may email PublicComment@lacera.com. If you would like to make a public comment during the board meeting, review the Public Comment instructions.



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

AGENDA

A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, JUNE 5, 2024*

This meeting will be conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953(b)(f).

Teleconference Locations for Trustees and the Public under California Government Code Section 54953(b).
6527 Whitworth Drive, Los Angeles, CA 90035
3733 Ostrom Ave., Long Beach, CA 90808

Any person may view the meeting in person at LACERA's offices or 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. PLEDGE OF ALLEGIANCE

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

A. Just Cause
B. Action on Emergency Circumstance Requests
C. Statement of Persons Present at AB 2449 Teleconference Locations

IV. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of May 1, 2024

V. PUBLIC COMMENT
(Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit https://LACERA.com/leadership/board-meetings and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

V. PUBLIC COMMENT

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3 minutes to address the Board. Oral comment requests will be accepted up to the close of the Public Comment item on the agenda.

If you select written comment, please input your written public comment or documentation on the above link as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email PublicComment@lacera.com.)

VI. EXECUTIVE UPDATE

A. LACERA All Stars
B. Member Spotlight
C. Chief Executive Officer's Report

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

VIII. CONSENT ITEMS

A. **LACERA Budget Policy (Annual Review)**
Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board review and approve the revised LACERA Budget Policy, as a companion to the adoption of the Fiscal Year 2024-25 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits (OPEB) Truste Budgets. (Memo dated May 10, 2024)

B. **Proposed Amendments to Conflict of Interest Code**
Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board discuss, provide input on, and approve proposed amendments to the Conflict of Interest Code, subject to final approval by the Los Angeles County Board of Supervisors. (Memo dated May 22, 2024) (Supplemental Memo dated May 30, 2024)

VIII. CONSENT ITEMS (Continued)

C. **Ratification of Service Retirement and Survivor Benefit Application Approvals**
Recommendation that the Board approve the service retirements and survivor benefit applications received as of May 28, 2024, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated May 28, 2024)

D. **Appeals for the Board of Retirement's Meeting**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board grant the appeals and requests for administrative hearing received from the following members and direct the Disability Retirement Services Manager to refer the case to a referee: Gina R. Heredia, Deborah L. Morgan, Ingrid L. Martinez, Rosario M. Ramirez.
(Memo dated May 22, 2024)

E. **Services Provider Invoice Approval Request – Noam Z. Drazin, M.D.**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board approve the service provider invoice for Noam Z. Drazin, M.D.
(Memo dated May 14, 2024 – Attachment is Non-Public and Exempt from Disclosure as Private Information and Exempt from Disclosure under California Government Code Sections 7927.700, 54957.5(a))

F. **Services Provider Invoice Approval Request – Mark Ganjianpour, M.D.**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board approve the service provider invoice for Mark Ganjianpour, M.D.
(Memo dated May 14, 2024 – Attachment is Non-Public and Exempt from Disclosure as Private Information and Exempt from Disclosure under California Government Code Sections 7927.700, 54957.5(a))

G. **Services Provider Invoice Approval Request – John L. Rosenthal**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board approve the service provider invoice for John L. Rosenthal.

VIII. CONSENT ITEMS (Continued)

(Memo dated May 14, 2024 – Attachment is Non-Public and Exempt from Disclosure as Private Information and Exempt from Disclosure under California Government Code Sections 7927.700, 54957.5(a))

IX. EXCLUDED FROM CONSENT ITEMS

X. NON-CONSENT ITEMS

A. **Approval of Fiscal Year 2024-25 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets**
Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board adopt the LACERA Fiscal Year (FY) 2024-25 Proposed Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets. (Memo dated May 9, 2024)

B. **Pensionability Analysis Under CERL and PEPRA for New Pay Item**
Recommendation as submitted by Jean J. Kim, Senior Staff Counsel: That the Board: 1) Adopt Resolutions No. 2024-BR003 and No. 2024-BR004, to add the pay item at issue to the list of pay items that have been determined to be excluded from the definitions of "Compensation Earnable" and “Pensionable Compensation.” 2) Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanisms and procedures to permit LACERA to exclude this item when calculating final compensation. (Memo dated May 17, 2024)

XI. REPORTS

A. **Pre-Designation of Retirement Options by Active Members in Advance of Retirement**
Francis J. Boyd, Senior Staff Counsel
(Presentation) (Memo dated May 21, 2024 – Attachment is Non-Public as Privileged and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

B. **Monthly Status Report on Legislation**
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated May 21, 2024)

XI. REPORTS (Continued)

C. **Report of Revised Pay Items**
Jean J. Kim, Senior Staff Counsel
(For Information Only) (Memo dated May 17, 2024)

D. **Disability Retirement Application Time Snapshot Reports**
Tamara Caldwell, Division Manager, Disability Retirement Services
(For Information Only) (Memo dated May 24, 2024)

E. **Monthly Trustee Travel & Education Reports – April 2024; Fiscal Year 2023-2024 3rd Quarter Trustee Travel & Education Expenditure Reports; Fiscal Year 2023-2024 3rd Quarter Staff Travel Report**
Ted Granger, Chief Financial Officer
(Memos dated May 24, 2024)

F. **May 2024 Fiduciary Counsel Contact and Billing Report**
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated May 30, 2024)
(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product and Exempt from Disclosure under California Government Code Sections 7927.705, 54957.5(a))

XII. ITEMS FOR STAFF REVIEW
(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agendized item at a future meeting.)

XIII. ITEMS FOR FUTURE AGENDAS
(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

XIV. GOOD OF THE ORDER
(For Information Purposes Only)

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Staff Recommendations

1. **Cheryl A. Wise Proposed Findings of Fact and Conclusion of Law**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board adopt the Proposed Findings of Fact and Conclusions of Law granting Cheryl A. Wise a service-connected disability retirement with the option of an earlier effective date pursuant to Government Code Sections 31720 and 31724. (Memo dated May 16, 2024)

2. **Application of Martha A. Shimizu (Deceased)**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board instruct staff to close Martha A. Shimizu's (deceased) application for Disability Retirement. (Memo dated May 17, 2024)

3. **E to D Application of Suzanne R. Eaglin**
Recommendation as submitted by Tamara Caldwell, Division Manager, Disability Retirement Services: That the Board reject the application of Suzanne R. Eaglin. (Memo dated May 21, 2024)

XVI. EXECUTIVE SESSION

A. **Potential Threats to Public Services or Facilities**
(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Deputy Chief Executive Officer Luis Lugo, Assistant Executive Officers JJ Popowich and Laura Guglielmo, Chief, Information Technology Kathy Delino, Information Security Officer Chaitanya Errande, and Other LACERA Staff.

XVII. 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 and will also be posted on lacera.com at the same time, Board Meetings | LACERA.

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 A REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, MAY 1, 2024

This meeting was conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953 (f).

TRUSTEES PRESENT:

Shawn R. Kehoe, Chair (Alternate Safety)

Les Robbins, Vice Chair (Teleconference under 54953(b))

Ronald Okum, Secretary

Nancy Durazo

Vivian H. Gray

Jason E. Green (Joined the meeting at 9:30 a.m.)

JP Harris (Alternate Retired)

Wayne Moore (Teleconference under 54953(b))

Elizabeth Ginsberg

David Ryu

Antonio Sanchez

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Jonathan Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

Dr. Glenn Ehresmann, Medical Advisor

Francis J. Boyd, Senior Staff Counsel

Vincent Lim, Disability Litigation Manager

Eugenia Der, Senior Staff Counsel

Ted Granger, Chief Financial Officer

Barry W. Lew, Legislative Affairs Officer

Anthony Roda, Williams & Jensen

Shane Doucet, Doucet Consulting Solutions

Carly Ntoya, Human Resources Director

Tamara Caldwell, Disability Retirement Manager

Vickie Neely, Disability Retirement Specialist Supervisor

Kerri Wilson, Disability Retirement Specialist Supervisor

Hernan Barrientos, Disability Retirement Specialist Supervisor

Ricardo Salinas, Disability Retirement Specialist Supervisor

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:07 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Trustee Harris led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953(f)

A. Just Cause
B. Action on Emergency Circumstance Requests
C. Statement of Persons Present at AB 2449 Teleconference Locations

A physical quorum was present at the noticed meeting location. There were two requests received from Trustee Moore and Trustee Robbins to participate by teleconference for Just Cause (C) physical disability. Trustee Moore and Robbins confirmed that there were no individuals 18 years or older present at the teleconference location. No requests were received for Emergency Circumstances (B).

IV. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of April 3, 2024

Trustee Okum made a motion, Trustee Gray seconded, to approve the Minutes of the Regular Meeting of April 3, 2024. The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Kehoe, Moore, Okum, Robbins, Ryu, Sanchez

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. EXECUTIVE UPDATE

A. LACERA All Stars

Mr. Popowich announced the winners for the month: Armand Castillon, Valerie Quiroz, Yadira Luna, and Angeles Garcia. The Web Watcher was Cookie Jaranilla and Larisa Fradkin was the winner for Rideshare.

VI. EXECUTIVE UPDATE

B. Member Spotlight

Mr. Popowich recognized LACERA member, Tina Young.

C. Service Award and Recognition (Trustee Green arrived at 9:30 a.m.)

LACERA staff member, Paul Carranza, was recognized for his 25 years of service.

The new Retirement Benefit Specialist class of trainees who will be assigned to the Retiree Healthcare and Member Services Divisions erewas recognized.

D. Chief Executive Officer's Report

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report and answered questions from the Board.

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Trustee Kehoe, seconded by Trustee Gray, 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.

APPLICATION NO.	NAME
345E	HINKEY, SEAN L.
346E	ECKERT, MICHAEL E.
347E	STEWART, MALCOLM B.
348E*	ROTH, DIRK D.
349E**	CHAVEZ, ERNEST E.
350E	MILLER, GARY J.
351E	WILLIS, JUAN M.
352E	CASTRO JR, JUAN
353E*	BOSSIER JR, MATTHEW

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

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

APPLICATION NO.	NAME
354E	GRANT, WINSTON A.
355E	ROGGE, BRIAN E.
356E	DESPOT, JOHN JR.
357E	IVASK, JEFFREY S.
358E*	STREET, KATINA R.
359E	GARRIDO, MINERVA P.
360E	NGUYEN, DUKE D.
361E	DE ANDA, MARCIA
362E	RAFFAELLI, MARK L.
363E	VALENZUELA, ANTHONY A.
364E	GASATAYA III, GABINO R.
365E	GOMEZ, MATTHEW J.
366E	CARDENAS, SAUL
367E	HALL, GARY M.
368E	LIZARRAGA, NICHOLAS S.
369E	BYRD, BYRON D.
370E	BAUTISTA, GEORGINA E.
371E	FUJINO, MICHAEL W.
372E	OLIVAS, OSCAR L.
373E	VILLALOBOS, MARIA D.
374E	REYNOLDS, MARIA

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Kehoe, Moore, Okum, Robbins, Ryu, Sanchez

*Granted SCD – Retroactive

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards
Service-Connected Disability Applications

On a motion by Trustee Green, seconded by Trustee Gray, 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.

APPLICATION NO.	NAME
1822B	MURCHISON, DANIEL B.
1823B	GARDNER, SCOTT C.
1824B*	PETERSON, ERIC F.
1825B	WRIGHT, GLENN A.
1826B	POPP, PAUL S.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

General Members
Service-Connected Disability Applications

On a motion by Trustee Gray, seconded by Trustee Okum, 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.

APPLICATION NO.	NAME
2736C*	RYLES, JERRY F.
2737C**	GUTIERREZ, MARGIE
2738C	ORNELAS, ALEX J.
2739C***	JOHNSON, MARVETTA L.
2740C	NGUYEN, HONGDAO T.
2741C*	SAVONNE, DENISE A.
2742C	MENDOZA, RAYMOND A.

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

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members (Continued)
Service-Connected Disability Applications

APPLICATION NO.	NAME
2743C	PADILLA, JAMES S.
2744C	LOPEZ, ARCELIA
2745C*	GARCIA, STEVEN R.
2746C**	SAMUEL, SHAWNTAE N.
2747C*	GODFREY, VERNICE M.
2748C***	TANG, ALLAN Y.
2749C**	BERNOUDY, MARTINA L.
2750C	GARCIA, DANIEL A.
2751C**	JOHNSON JR., ALVIN O.
2752C**	VALLES, SAIRA
2753C**	FLORES, JOSIE
2754C****	SIMS JR, PAUL J.
2755C*	RESNICK, NICOLE
2756C	FERNANDEZ, FIDEL R.
2757C*****	OSBORN, BRENT D. (DEC'D)

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

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

VIII. CONSENT ITEMS

Trustee Gray made a motion, Trustee Sanchez seconded, to approve consent items A-C.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

A. **Ratification of Service Retirement and Survivor Benefit Application Approvals**
Recommendation that the Board approve the service retirements and survivor benefit applications received as of April 24, 2024, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated April 24, 2024)

B. **Assembly Bill 2474 – County Employees Retirement Law of 1937**
Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board 1) Adopt a "Support" position on Assembly Bill 2474, which would make administrative amendments to the County Employees Retirement Law of 1937; and 2) Co-sponsor Assembly Bill 2474 if any of its provisions are amended to apply only to LACERA. (Memo dated April 17, 2024) (Supplemental Memo dated April 22, 2024)

C. **Revised Trustee Education and Travel Policies**
Recommendation as submitted by Vivian Gray, Chair, Joint Organizational Governance Committee: That the Board approve the revised Trustee Education and Travel Policies.
(Memo dated April 25, 2024)

IX. EXCLUDED FROM CONSENT ITEMS

There were no items excluded from Consent items.

X. NON-CONSENT ITEMS

A. **SACRS Officer Elections**
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 1, 2024)

Trustee Gray made a motion, Trustee Sanchez seconded, to approve this item.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

XI. REPORTS

A. **Federal Legislative & Regulatory Update**
Anthony Roda, Williams & Jensen
Shane Doucet, Doucet Consulting Solutions
Barry W. Lew, Legislative Affairs Officer
(Presentation) (Memo dated April 17, 2024)

Messrs. Roda and Doucet provided an educational presentation and answered questions from the Board. The item was received and filed.

B. **Monthly Status Report on Legislation**
Barry W. Lew, Legislative Affairs Officer
(For Information Only) (Memo dated April 23, 2024)

This item was received and filed.

C. **OPEB Master Trust – Strategic Asset Allocation Update**
Jonathan Grabel, Chief Investment Officer
Jude Perez, Deputy Chief Investment Officer
Esmeralda V. del Bosque, Principal Investment Officer
(For Information Only) (Memo dated April 15, 2024)

This item was received and filed.

XI. REPORTS (Continued)

D. **Report of Revised Pay Items**
Jean J. Kim, Senior Staff Counsel
(For Information Only) (Memo dated April 18, 2024)

This item was received and filed.

E. **Disability Retirement Application Time Snapshot Reports**
Tamara Caldwell, Division Manager, Disability Retirement Services
(For Information Only) (Memo dated April 23, 2024)

This item was received and filed.

F. **Monthly Trustee Travel & Education Reports – March 2024**
Ted Granger, Chief Financial Officer
(Public memo dated April 19, 2024) (Confidential memo dated April 19, 2024 - Includes Pending Travel)

This item was received and filed.

G. **2024 Quarterly Reports of Paid Invoices**
1st Quarter – January 1, 2024 to March 31, 2024
Tamara Caldwell, Division Manager, Disability Retirement Services
(For Information Only) (Memo dated April 16, 2024 - Attachment is Confidential)

This item was received and filed.

H. **April 2024 Fiduciary Counsel Contact and Billing Report**
Steven P. Rice, Chief Counsel
(For Information Only) (Memo dated April 23, 2024)
(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

XII. ITEMS FOR STAFF REVIEW

Trustee Kehoe requested that staff agendize HR 5214 in order for the Board to take a position. Lastly, Trustee Okum requested a brief summary of current healthcare legislation and updates.

XIII. ITEMS FOR FUTURE AGENDAS

There were no items to report.

XIV. GOOD OF THE ORDER
(For Information Purposes Only)

There was nothing to report.

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME AND BOARD ACTION

5419B – ANDERSON, DONNA M.

Trustee Gray made a motion, Trustee Ryu seconded, to return to staff for further development.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

5420B – HEADS, JESSICA

Trustee Gray made a motion, Trustee Kehoe seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME AND BOARD ACTION

5421B – MARTINEZ, INGRID L.*

Trustee Okum made a motion, Trustee Robbins seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

5209B – TORSAK, NICHOLAS A.

Trustee Kehoe made a motion, Trustee Green seconded, to grant a service-connected disability retirement with the option of an earlier effective date pursuant to Government Code Sections 31720 and 31724 since employer cannot accommodate.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

5326B – MORGAN, DEBORAH L.

Trustee Okum made a motion, Trustee Kehoe seconded, to deny a service-connected disability retirement pursuant to Government Code Section 31722 since employer can accommodate since the employer can accommodate

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Green, Okum, Robbins, Ryu, Sanchez

Abstain: Gray, Moore

*Applicant Present

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME AND BOARD ACTION

5328B – RAMIREZ, ROSARIO M.

Trustee Gray made a motion, Trustee Green seconded, to grant a nonservice-connected disability retirement with the option of an earlier effective date pursuant to Government Code Sections 31720 and 31724.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

5335B – KHACHETOURYANS, RIMA

Trustee Harris made a motion, Trustee Okum seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720.

The motion passed by the following roll call vote:

Yes: Durazo, Ginsberg, Gray, Green, Moore, Okum, Robbins, Ryu, Sanchez

B. Disability Retirement Appeals

APPLICATION NO. & NAME AND BOARD ACTION

RENKO, ROBERT J. – Michael Goldfeder for the Applicant
Jason E. Waller for the Respondent

This item was held over and will return to a future agenda.

XVI. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at Noon in memory of Los Angeles County Sheriffs, Alfred “Freddy” Flores and Jonathan Stewart.

_____
RONALD OKUM, SECRETARY

_____
SHAWN R. KEHOE, CHAIR

Recognizing Our Members' Service and Accomplishments

LACERA has nearly 100,000 active members working in dozens of L.A. County departments, many of whom dedicate their careers to serving the community. Meet one of our longest-serving members, who recently started her well-earned retirement.

MEMBER SPOTLIGHT

Retired Member

Georgia Langdon

Senior Clerk, Department of Public Social Services, Lancaster District

Years of Service: 58 years, one month

Retirement Date: February 3, 2024

Service Contributions and Achievements: Langdon first started working for DPSS on an unpaid status in February 1965. She was one of the first welfare recipients to be placed to work in a DPSS office.

After 11 months, Langdon passed the County test and was hired as a clerk on January 3, 1966. She promoted to Typist Clerk, Intermediate Typist Clerk, Supervising Clerk, and finally Senior Clerk/Timekeeper in 2011.

Family and County Service: Langdon's parents were L.A. County employees, and one of her sons is currently a Sergeant with the L.A. County Sheriff's Department. She has six grandchildren and five great-grandchildren.

Volunteerism: Langdon is a loyal supporter of many nonprofits, including United Way, Shriners, St. Jude, and various homeless programs administered by her church.

LACERA

May 28, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

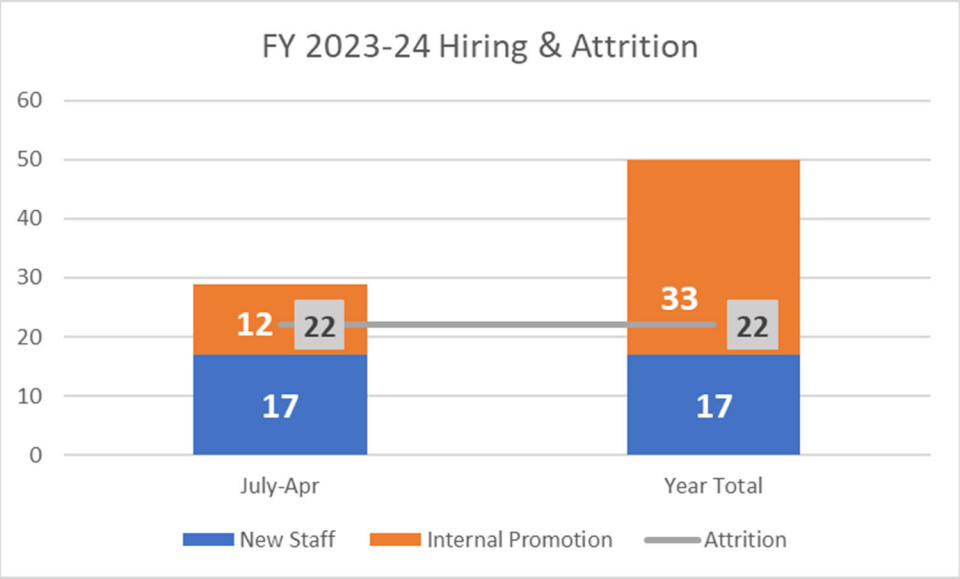
FROM: Santos H. Kreimann SHK
Chief Executive Officer

SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – JUNE 2024**

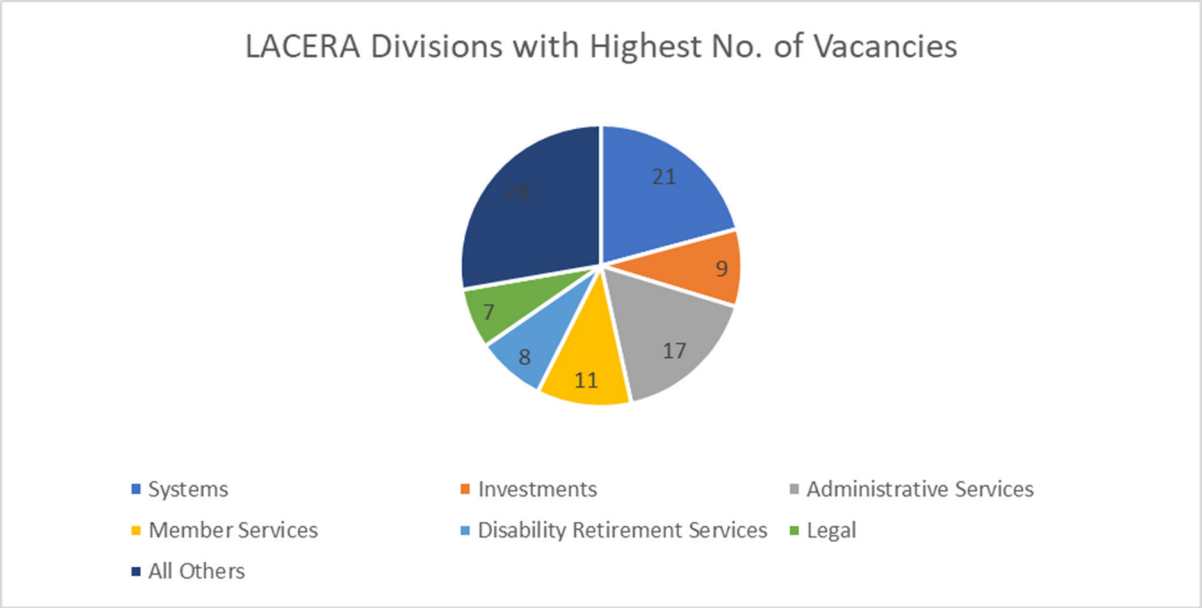
The following Chief Executive Officer's Report highlights key operational and administrative activities that have taken place during the past month.

Recruitment Updates

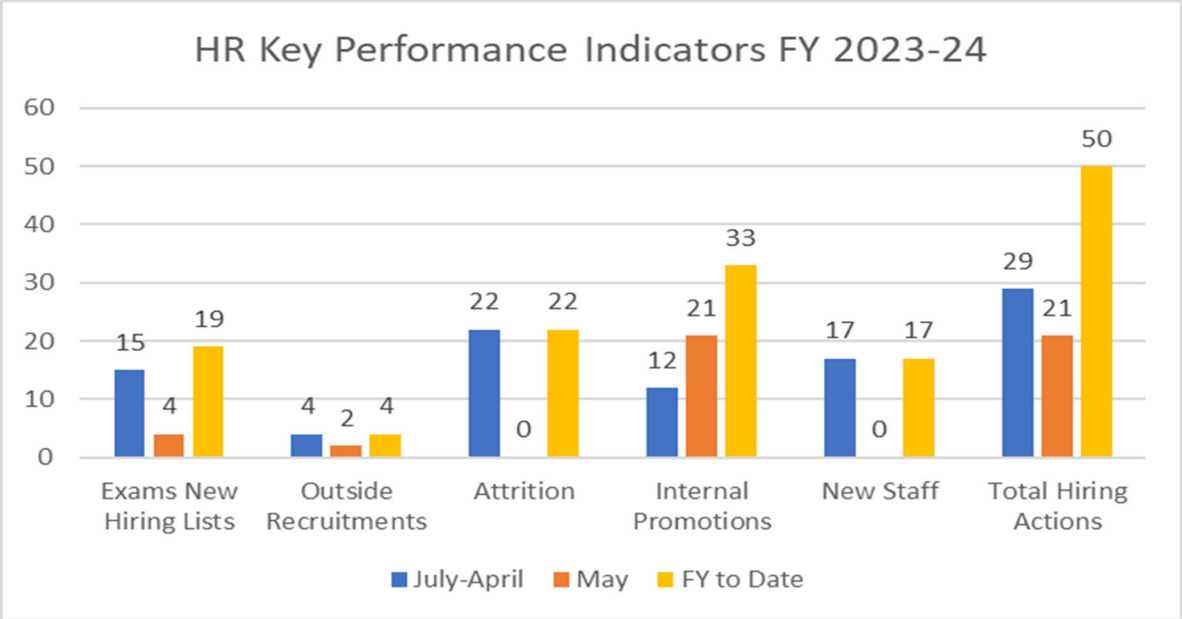
LACERA continues to prioritize our hiring efforts and make progress towards reducing our overall vacancy. Our current vacancy rate is 21% and fiscal year (FY) to date attrition is 4.5%. As noted in the chart below (FY to date), LACERA has lost more staff to attrition (22) than new staff hired (17). However, 22 new staff are anticipated to onboard in June, including 19 new Retirement Benefits Specialist I Trainees.



The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.



The following chart provides Human Resources (HR) Division's key performance indicators for FY 2023-24:



New Hires

Candidates for the following positions are expected to start June 3, 2024:

- 18 new Retirement Benefits Specialist I (RBS I) (Temporary) Trainees for the Specialist Basic Training Class
- One (1) Retirement Benefits Specialist I (RBSI) (Temporary) Trainee for Retiree Healthcare
- One (1) Senior Investment Officer (Real Estate)
- One (1) Information Technology Specialist II (Information Security Engineer)

- One (1) Information Technology Specialist II (Mainframe Architect and Administrator)

A candidate for one of the Staff Counsel (Investments) vacancies has been selected and is expected to start July 1, 2024.

External Recruitments

The Senior Investment Officer (Corporate Governance) recruitment continues to be open and managed by EFL Associates.

The recruitment brochures for the below listed positions in the Legal Office continue to be open and managed by Major Lindsey & Africa. Interviews continue as qualified candidates are identified. Job bulletins are pending to create eligible lists from which offers may be made:

- Staff Counsel (Investments)
- Staff Counsel (Benefits)

Internal Recruitments

The Administrative Services Analyst I, II, and III recruitments were opened and closed. The written examinations were conducted for all three (3) classifications, results are pending.

The Human Resources Analyst applications are currently under review.

In Development

The recruitments/assessments for the following classification(s) are in development:

- Information Technology Specialist I
- Legal Analyst
- Legal Secretary
- Senior Internal Auditor
- Senior Legal Secretary
- Senior Administrative Assistant
- Administrative Assistant
- Intermediate Typist Clerk
- Special Assistant
- Assistant Chief Financial Officer

New Lists Promulgated

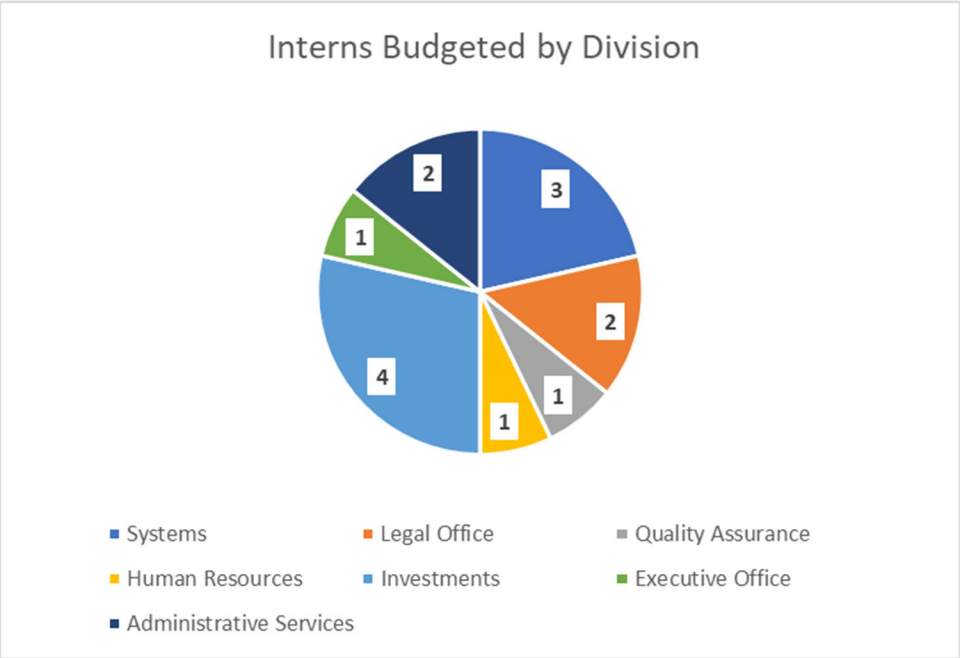
The Information Technology Specialist II (Java) and The Information Technology Specialist II (Network Architect) lists were promulgated, selection interviews are being conducted.

Selection interviews are currently in process for Finance Analyst III (Real Estate).

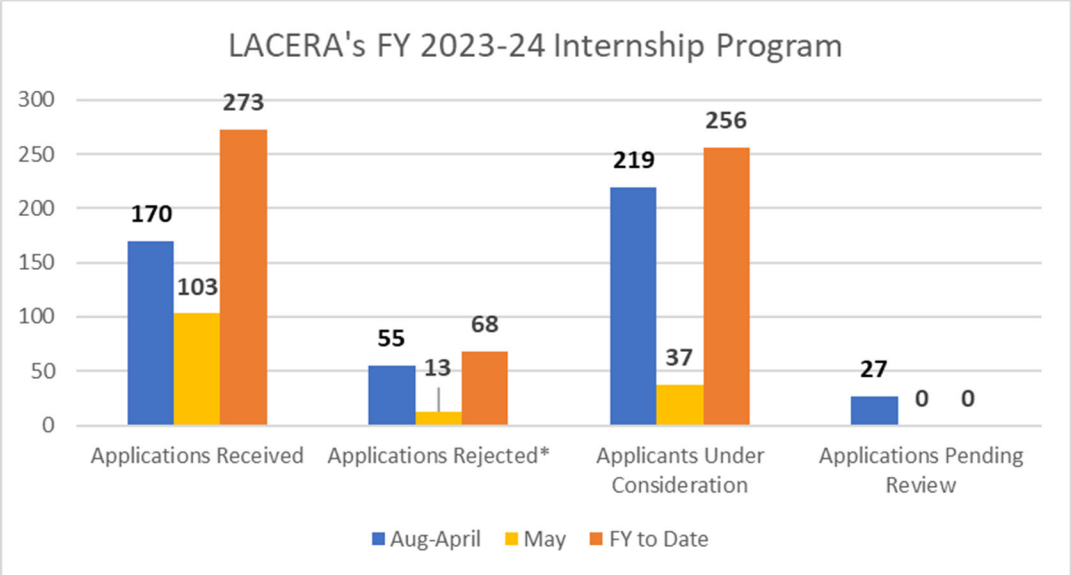
The Senior Investment Officer (Global Equites) list was promulgated on April 16, 2024. Selection interviews continue.

Interns

LACERA has budgeted 14 Intern positions for FY 2023-24 and will propose increasing that number in FY 2024-25. The following shows the Interns budgeted by Divisions:

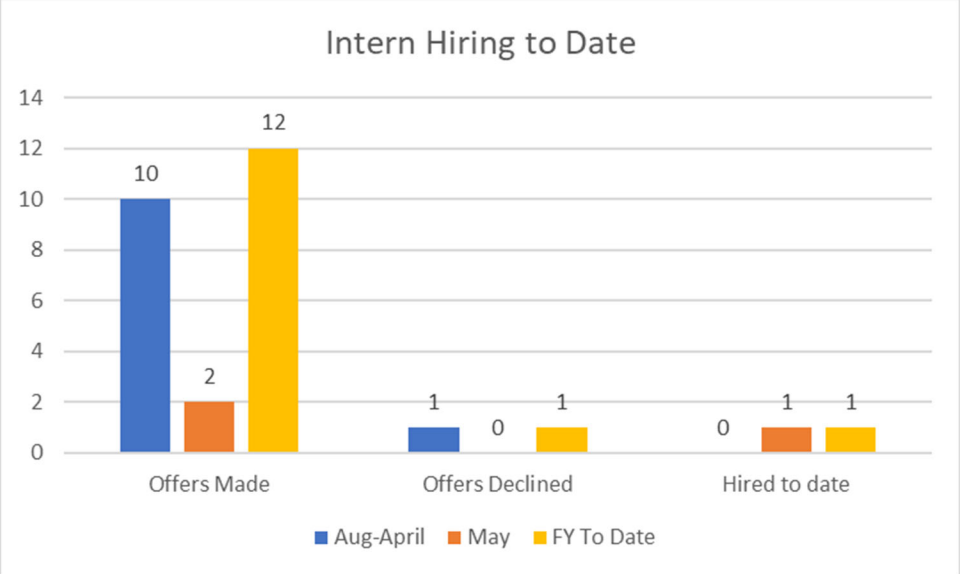


As noted below, interest in this program remains strong.



*Applicants did not meet the selection requirements

A total of 13 Intern candidates have been chosen for the program. The selection and hiring of the Interns is indicated on the chart below. Applications continue to be received and selection continues for additional positions.



Employee Council Team (ECT)

The Employee Council Team (ECT) is a volunteer group of staff members who work to foster better improved communication, promote teamwork, help improve morale, and an overall inclusive, positive work environment of LACERA. Over the years this team has sponsored or encouraged events designed to bring staff from across the organization together.

In May the ECT worked with LA County DHR and participated in the March of Dimes, annual March for Babies walk held at the Gloria Molina Grand Park on Saturday May 18th. Six LACERA staff members and their families raised $698 for the March of Dimes. This is the first year we have participated in some time and every dime counts towards the good work the March of Dimes does.

The team has also organized a LACERA Dodger's Night on June 22nd. Over 80 LACERA staff and family will be attending the Dodgers vs. Angels game. We are excited and proud of our LACERA staff coming together for the community and for fun and team building.

Retiree Healthcare

CVS Notifies LACERA of Upcoming Changes in CVS Caremark Mail Service Pharmacy

On May 7, 2024, LACERA received notification from our CVS Health Strategic Account Executive that, as the demand for GLP-1s drugs (Mounjaro, Trulicity, Wegovy, and Saxenda) continue to rise, certain GLP-1 brands were experiencing ongoing, widespread supply issues.

As a result, beginning May 15, 2024, CVS Caremark Mail Service Pharmacy would no longer have inventory to dispense supply-constrained GLP-1s. Members may be able to fill prescriptions for these medications at in-network retail pharmacies, where available.

For impacted members, of which there are 153 LACERA members that are currently filling these medications through the CVS Caremark Mail Service Pharmacy, CVS was planning to send written notification before May 15th, and CVS Caremark Mail Service Customer Care representatives were going to be calling these members to offer alternative options to fill their medications, including transferring their prescriptions to another pharmacy.

- After May 15, 2024, CVS Caremark's Mail Service Pharmacy will be notifying members who attempt to fill a prescription for these drugs that their order cannot be processed.

    - Multiple communication outreach channels are planned, as permitted: letter, email, and/or SMS. Letter attached.
    - Prescribers that attempt to send new prescriptions for supply- constrained GLP-1's to CVS Caremark Mail Service Pharmacy will also receive notification that the prescription cannot be filled.

- Claims for supply-constrained GLP-1s filled at in-network retail pharmacies will be processed at contracted retail rates. Members will pay retail copay.
- Members can view a list of participating pharmacies in their network by signing into Caremark.com. If they have additional questions, members can call the number on their benefit card.

SHK
CEO report June 2024.doc

Attachments

LACERA

Appendix A

May 23, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: JJ Popowich, Assistant Executive Officer

SUBJECT: 2024 Election for the Third Member of the Board of Retirement and the Third Member of the Board of Investments Update

The 2024 Board of Retirement and Board of Investments election season has begun. This year members will be electing the Election for the Third Member of the Board of Retirement and the Third Member of the Board of Investments. Both seats term will begin January 1, 2025 and expire on December 31, 2027. However, due to the vacancy of the Third Seat on the Board of Investments, created by the retirement of Trustee Herman Santos, the candidate elected to fill that seat will be authorized to complete the term vacated by Trustee Santos effective the day after the Board of Supervisors ratifies the election results (expected to be October 22, 2024).

As reported last month the nomination period began on May 22, 2024, and will run through June 21, 2024. Both the County and LACERA have taken steps to notify eligible members about the nomination and the upcoming election. This includes the County training and providing direction to the election coordinators in each department and sending out email notices to eligible employees. LACERA also joined in this process by selecting our internal election coordinators – a resource designed to answer member questions about the election, ensure access to forms and information. And finally, Communications mailed a postcard to all eligible voters and sent out email to all eligible voters for which we have email addresses on file for through My LACERA. We have included a copy of the postcard and email message as an attachment to this update.

The important date calendar below has been updated to show completed efforts and as a reminder about upcoming milestone dates:

Date	Event	
05/13/2024 - 05/17/2024	Election Notification and Call for Nominations to eligible voters (LACERA/Election Vendor) LACERA will also mail a postcard to all eligible members which will arrive around this time frame.	☑
05/22/2024 – 06/21/2024	Nomination period	
06/15/2024	Members receive LACERA's Pathways to Retirement newsletter which reminds members the candidacy period ends 06/21/2024.	
07/02/2024	Election Announcement: Announcement of qualified candidates and whether an election is necessary.	
07/18/2024	Election notices emailed by vendor	
08/01/2024	Voter information and ballot mailed to all active general members eligible to vote.	
08/01/2024	LACERA election reminder notice (Email)	
08/05/2024	Voting Begins	
08/21/2024	LACERA election reminder notice (Email)	
08/30/2024	Voting Ends	
09/11/2024	Preliminary results available	
10/22/2024	BOS Declares Election Result Official	

LACERA and the Board of Supervisors' Executive Office continue to collaborate to ensure marketing and communication efforts towards election awareness and we will continue to keep the trustees update on the progress.

NOTED AND REVIEWED:

Luis Lugo, Deputy Chief Executive Officer

JJ:JJ

Attachment: LACERA mailed Postcard

Front

Back

PRESORTED
STANDARD
U.S. POSTAGE
PAID
PERMIT #288
ANAHEIM, CA

County Email Notice to Eligible Active General Members

PLEASE NOTE THAT SAFETY MEMBERS ARE NOT ELIGIBLE TO VOTE IN THIS ELECTION CYCLE

EXECUTIVE OFFICE
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

LACERA Elections

Attention LACERA General Members,

Election time is approaching. The terms of office for the Third Member of the Board of Investments, and the Third Member of the Board of Retirement will expire on December 31, 2024. To fill these positions, elections will be held this summer. These elections will fill the seats for three-year terms commencing January 1, 2025, and also fill the current vacancy on the Third Seat of the Board of Investments immediately after official certification of the results.

Eligible LACERA General Members interested in becoming a candidate in these elections may obtain a nomination packet from the Registrar-Recorder/County Clerk. Nomination packets may be obtained from the Registrar-Recorder/County Clerk, by contacting the Elections Planning section, at (562) 462-2317, or via email at Electionplanning@rrcc.lacounty.gov. The nomination period is from May 22 - June 21, 2024. To qualify as a candidate, General Members must obtain fifty nominating signatures from active General Members of LACERA in service on April 15, 2024. Detailed instructions regarding candidate nomination petitions will be included in the nomination packet. For more information about this election, please visit https://bos.lacounty.gov/services/conflict-of-interest-lobbyist/lacera-elections.

Eligible voters will be able to cast their votes online, by telephone, or by paper ballot from August 5 August 30th, 2024.

LACERA
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

* ***General Member*** is a person who is working at least three-quarter time as a permanent employee for the County or for an outside district, and who is earning service credit in a retirement plan.

CEO DASHBOARD

June 5, 2024

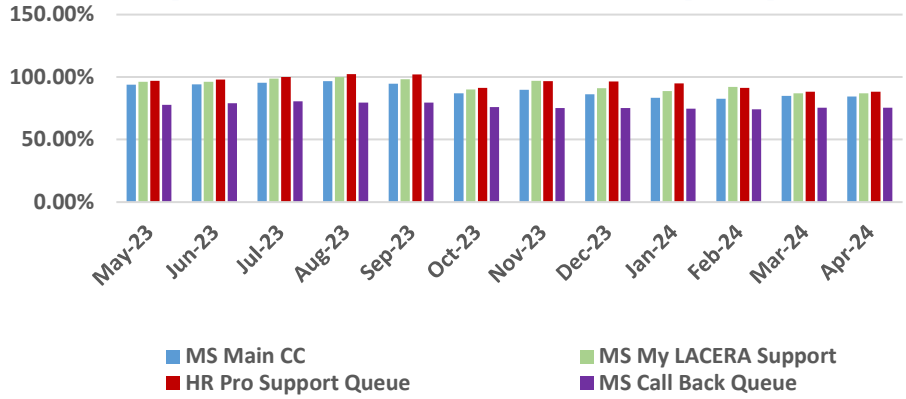
Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

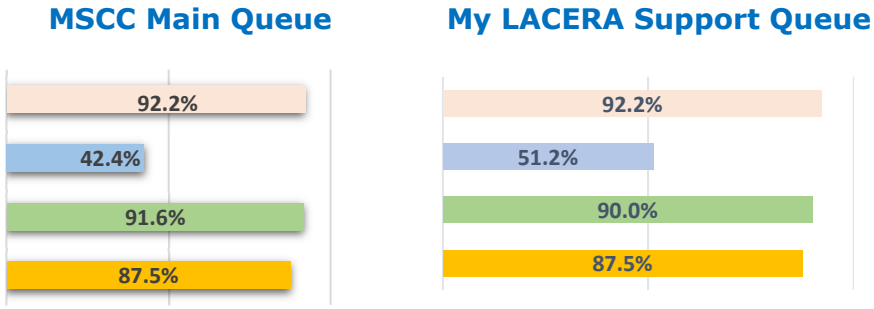
Events / Webinar Attendance		Events / Webinar		Webinar Satisfaction		Member Service Center Satisfaction		MS Main Queue Total Calls	
Current Mo.:	1,730	Current Mo.:	23	0%		96.34%		Current Mo.	8,518
Year-to-Date:	10,643	Year-to-Date:	194	Resp. Rate	Change	Resp. Rate	Change	3 Month Avg.	8,551
				0%	0%	22.5%	4.25%		

Member Services

Member Service Call Center Queue Key Performance Indicators (KPI)



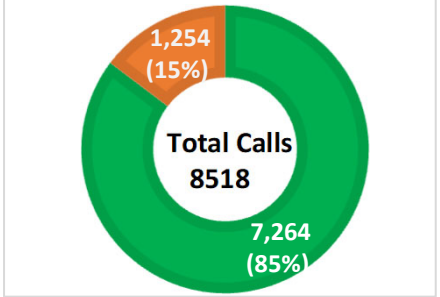
Key Performance Indicator (Components by Queue)



Agent Utilization (Goal:65%)	Grade of Service (Goal: 80% in 60 sec)
After Call Survey (Goal: 90%)	Call Monitoring (Goal: 95%)

MSCC MAIN QUEUE

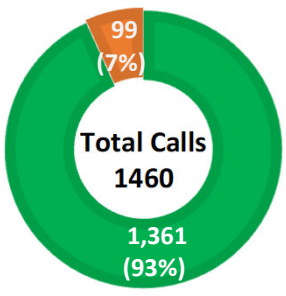
Calls Answered / Calls Abandoned



Queue KPI:	84.80%
Avg. Speed of Answer	Average Duration
0:10:19	0:17:16

MY LACERA SUPPORT

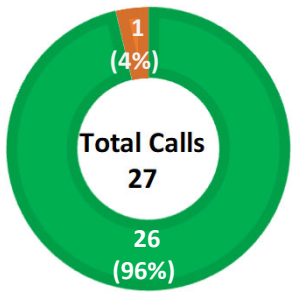
Calls Answered / Calls Abandoned



Queue KPI:	87.00%
Avg. Speed of Answer	Average Duration
0:01:43	0:12:13

HR PRO SUPPORT

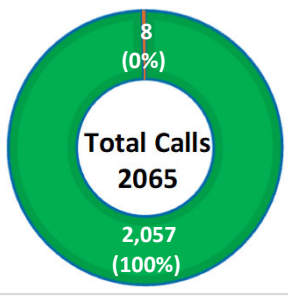
Calls Answered / Calls Abandoned



Queue KPI:	88.10%
Avg. Speed of Answer	Average Duration
0:00:55	0:14:27

MS CALL BACK QUEUE

Calls Answered / Calls Abandoned



Queue KPI:	75.30%
Avg. Speed of Answer	Average Duration
0:24:18	0:16:26

Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

Member Services

TOP REASONS MEMBERS CONTACT MEMBER SERVICES

Member Services Call Center	Member Service Center (Outreach)
1. Retirement Counseling	1. Retirement Counseling
2. My LACERA	2. Retiree Healthcare
3. Taxes	3. Reciprocity

Contact Center Email/Secure Message Performance

Emails (welcome@lacera.com): 574

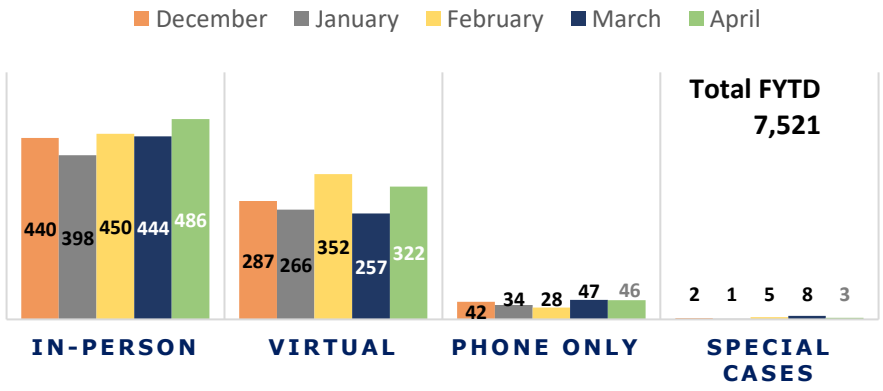
Service Level: 24 Bus. Hours On Target

Secure Message (My LACERA) 1,128

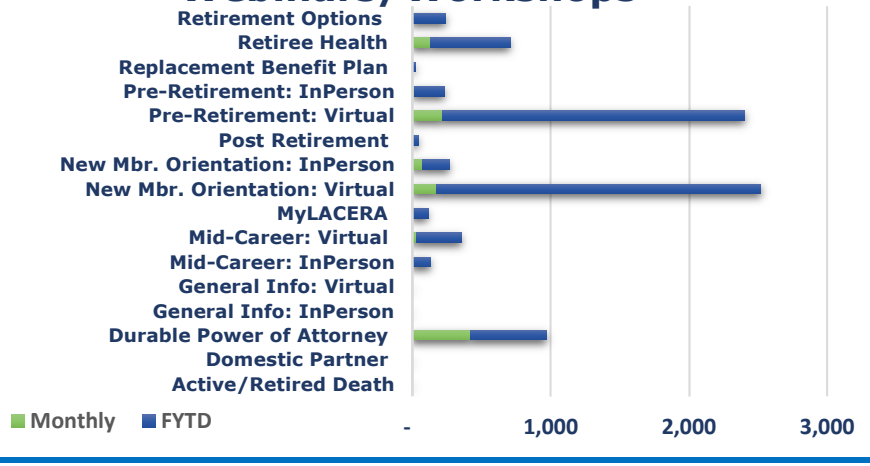
Service Level: 24 Bus. Hours On Target

Member Service Center (Outreach)

Member Service Center Appointments



Members Served in Webinars/Workshops

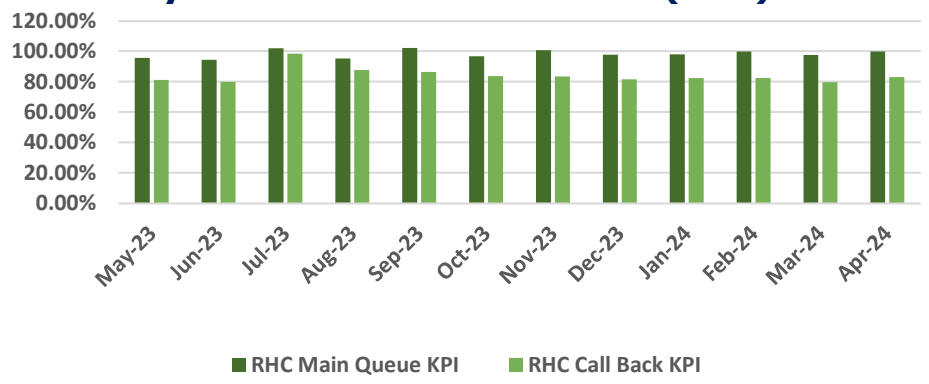


Striving for Excellence

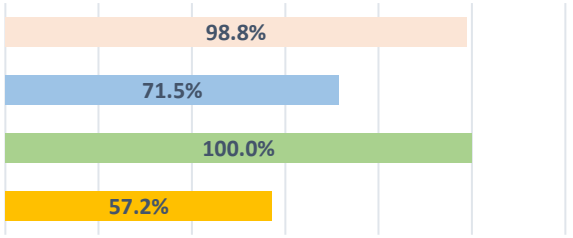
Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

Retiree Healthcare

RHC Call Center Queue
Key Performance Indicator (KPI)

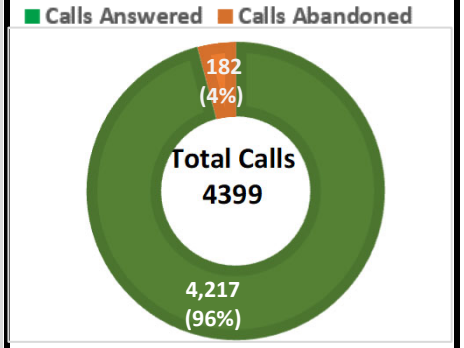


Key Performance Indicator (Components by Queue)
Main RHC Call Center Queue



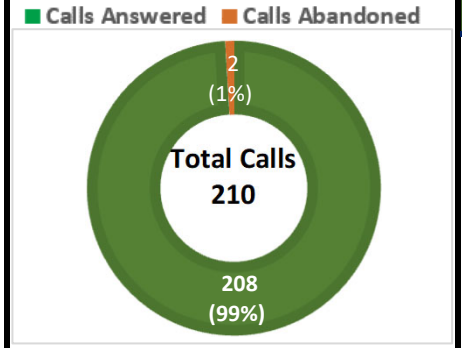
Agent Utilization (Goal:65%)	Grade of Service (Goal: 80% in 60 sec)
After Call Survey (Goal: 90%)	Call Monitoring (Goal: 95%)

RHC MAIN QUEUE



Queue KPI:	99.80%
Avg. Speed of Answer	**Average Duration**
0:02:01	0:12:28

RHC CALL BACK QUEUE



Queue KPI:	83.00%
Avg. Speed of Answer	**Average Duration**
0:06:40	0:08:27

TOP RHC CALL TOPICS

1. Medical/Dental Enrollments
2. Insurance Benefits
3. General Inquiries

RHC Email/Secure Message Performance

Emails (healthcare@lacera.com): 582
Service Level: 24 Bus. Hours On Target

Secure Message (My LACERA) 603
Service Level: 24 Bus. Hours On Target

Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

Disability

Applications

928

Pending: Applications in Process

82 Received: New Applications

700 Received Year-to-Date

53 To Board - Initial (Presented to BOR)

380 To Board - Initial Year-to-Date*

11 Closed (Incomplete/Withdrawn)

171 Closed Year-to-Date*

**Excludes cases prior to 9/12/23 due to transition to Sol case management system.*

Appeals

74

Pending: Appeals in Process

0 Received: New Appeals

13 Received Year-to-Date

1 Admin Closed

12 Admin Closed Year-to-Date

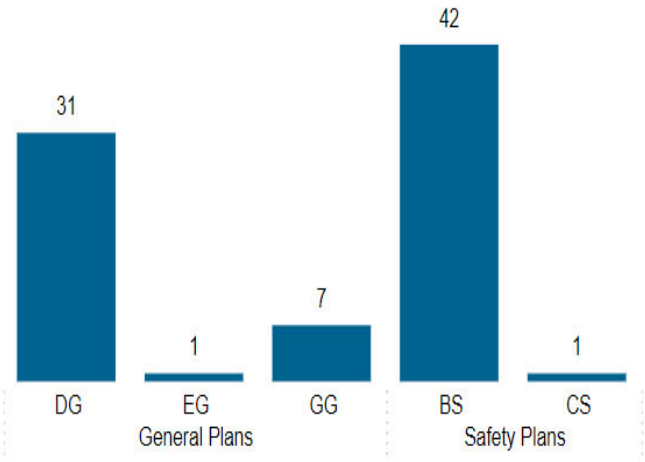
1 Referee Recommendations

11 Referee Recommendations Year-to-Date

0 DLO Recommendations

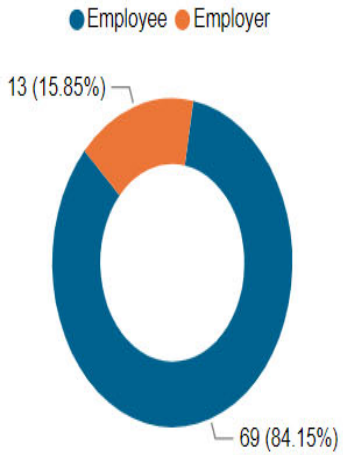
0 DLO Recommendations Year-to-Date

Applications Filed by Plan

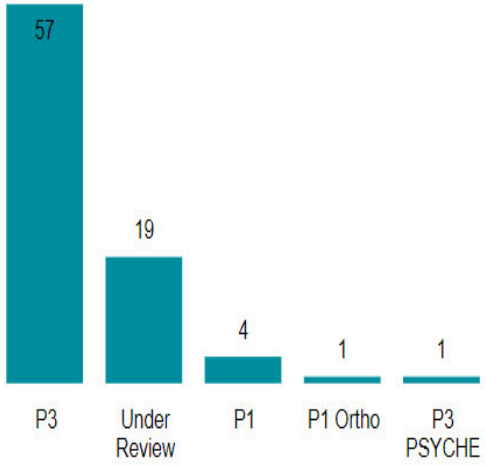


**Note: Plan E members are not eligible for a disability retirement allowance*

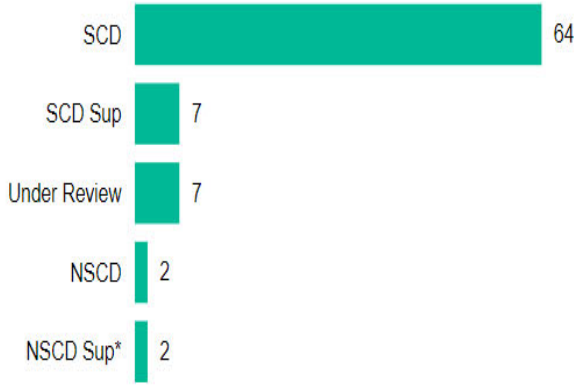
Applications Filed by Source



Applications Filed by Priority Level



Applications Filed by Type



**Under Review*

Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

Quality Assurance

Monthly Recap

April 2024

	Samples	Accuracy
Data Entry	120	98.42%
Payment Contract	615	95.72%
Retirement Election	306	97.97%
Total	**1041**	**96.69%**

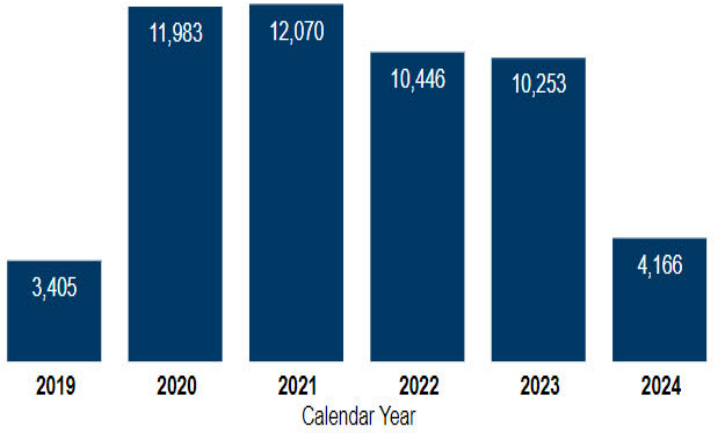
Prior audit values may update due to updated data.

Service On-Line for All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2024

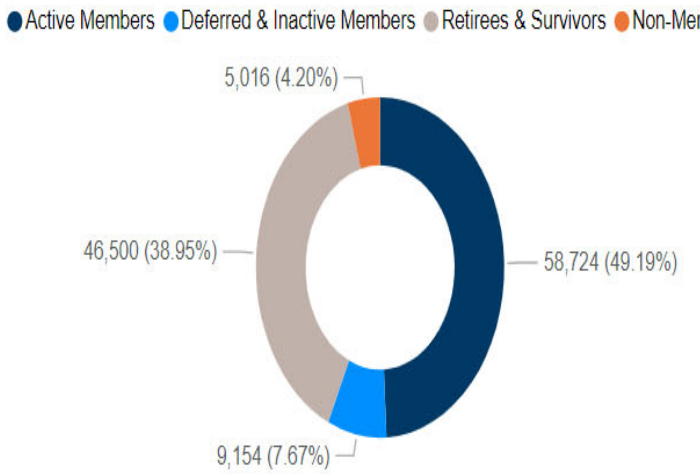
Serving Members Through LACERA.com and MyLACERA

Annual New MyLACERA Accounts*



Data labels may not appear for all values

Total Accounts by Member Type*



Total Member Accounts: **114,378**

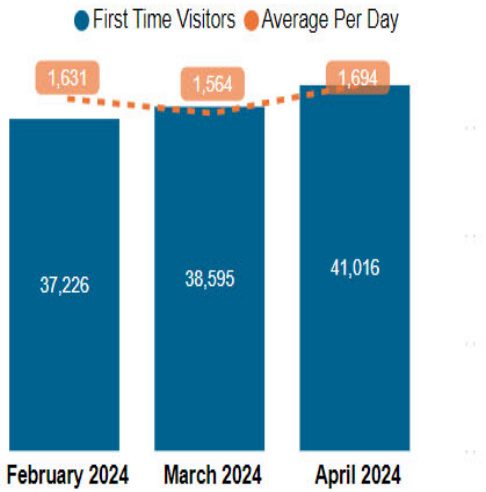
% of Total Members: **59%**

Excludes Non-Members

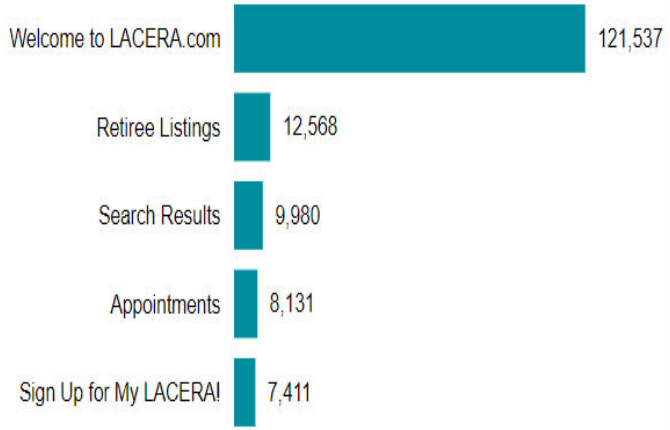
*Data as of May 15, 2024

Non-Members include legal split payees and withdrawn members.

LACERA.com User Traffic



Top Five LACERA.com Page Views



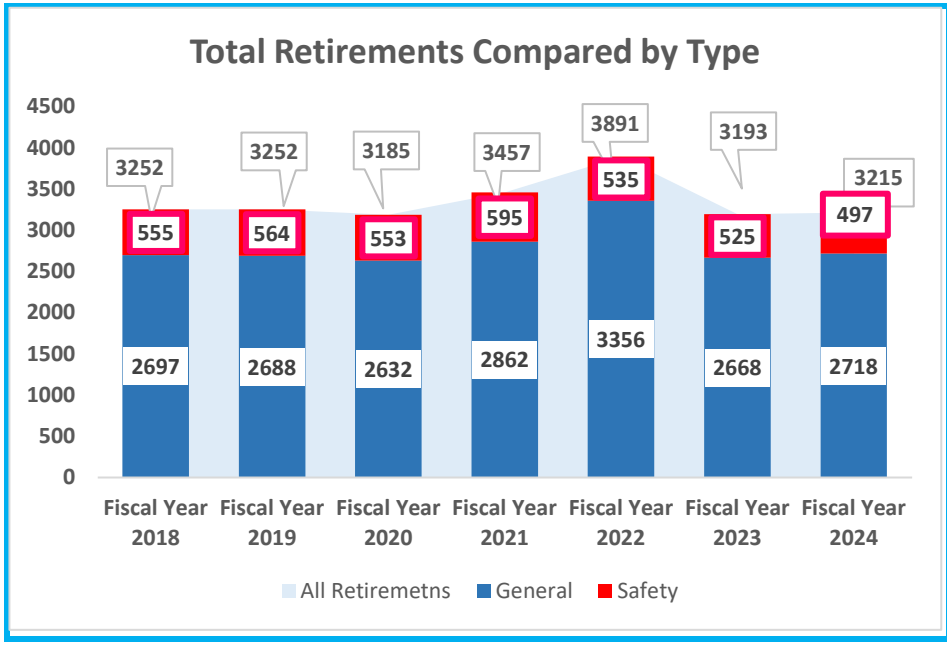
Busiest Day

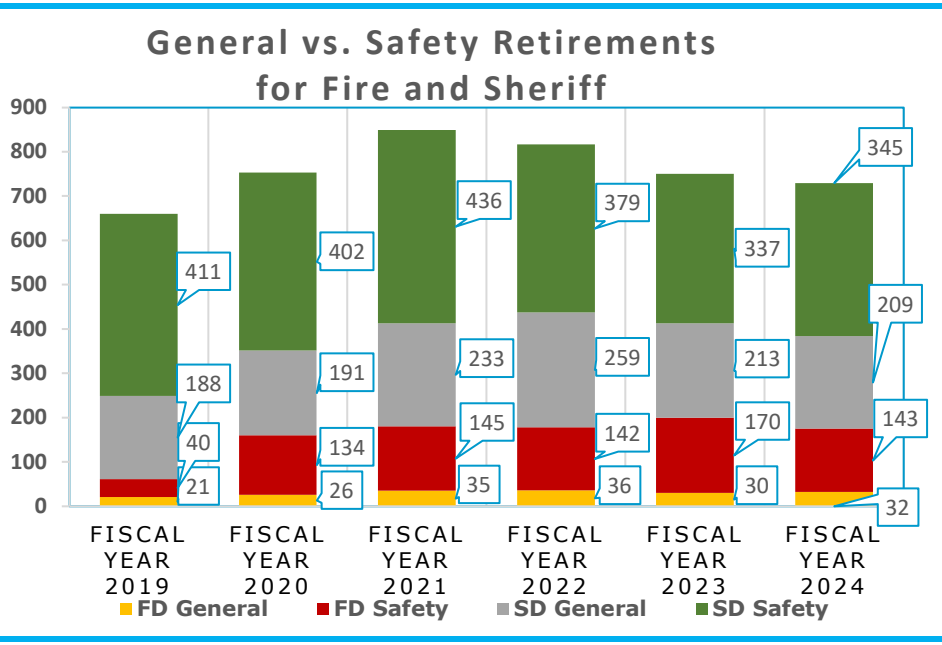
04/25/2024

Home Page Tile	Views	% of Change
Careers	3,792	32.77%
Investments	2,373	9.10%
Pre-Retirement Workshops	2,442	-1.33%
Sign Up for My LACERA!	7,411	-3.36%
Forms & Publications	212	-5.36%
Board Meetings and Agendas	3,030	-12.50%

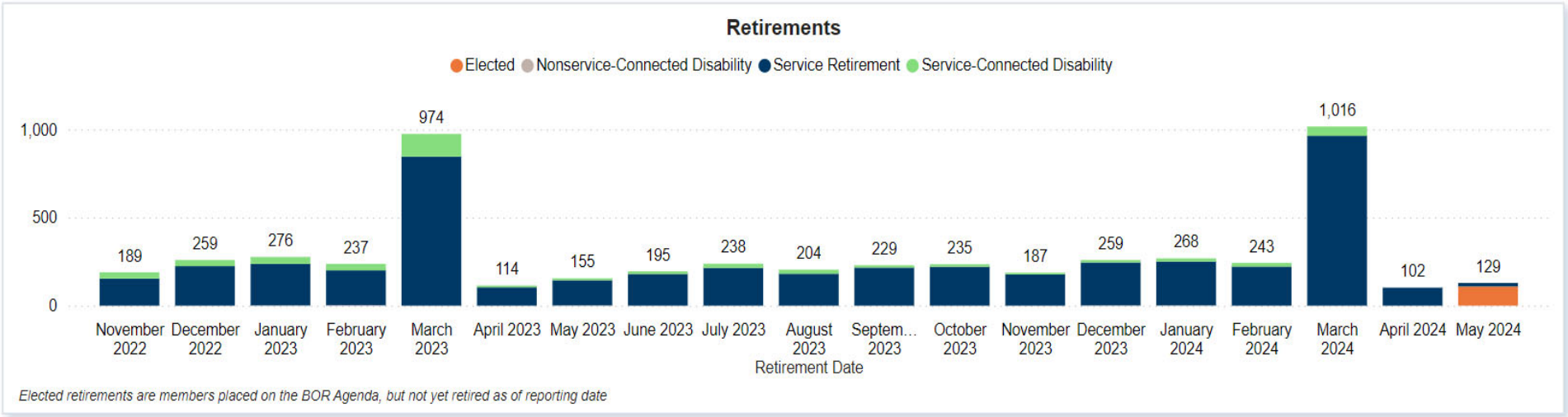
Member Snapshot

	PLAN	ACTIVE Vested	ACTIVE Non-Vested	INACTIVE Vested	INACTIVE Non-Vested	RETIRED Service	RETIRED SCD - Disability	RETIRED NSCD - Disability	RETIRED Survivors	Totals by Plan/Type
	Membership Count as of: May 15, 2024									
General	PLAN A	39	-	9	32	11,284	890	152	3,995	**16,401**
General	PLAN B	10	-	5	3	558	37	7	75	**695**
General	PLAN C	13	-	5	8	354	37	6	65	**488**
General	PLAN D	32,161	102	4,423	3,209	20,061	2,084	448	2,120	**64,608**
General	PLAN E	12,236	8	2,708	81	15,752	-	-	1,727	**32,512**
General	PLAN G	20,944	20,047	1,902	7,307	322	37	8	35	**50,602**
General	**TOTAL GENERAL**	**65,403**	**20,157**	**9,052**	**10,640**	**48,331**	**3,085**	**621**	**8,017**	**165,306**
Safety	PLAN A	-	-	2	2	1,766	2,308	24	1,649	**5,751**
Safety	PLAN B	6,998	64	546	227	3,462	4,858	54	445	**16,654**
Safety	PLAN C	2,940	2,379	160	552	13	23	-	4	**6,071**
Safety	**TOTAL SAFETY**	**9,938**	**2,443**	**708**	**781**	**5,241**	**7,189**	**78**	**2,098**	**28,476**
	TOTAL ALL TYPES	**75,341**	**22,600**	**9,760**	**11,421**	**53,572**	**10,274**	**699**	**10,115**	**193,782**





Member Snapshot



Retirements Metrics reported based on the 15th of the month.

Monthly Retirements

Retirement Type	May 2024
Elected	109
Service Retirement	20
Total	**129**

Average Monthly Benefit 4/30/2024	$ 5,050.00

Average Monthly Benefit Allowance Distribution 5/23/2024

	General	Safety	Total	%
$0 to $3,999	29,854	1,173	31,027	48.1%
$4,000 to $7,999	15,350	3,437	18,787	29.1%
$8,000 to $11,999	4,717	4,240	8,957	13.9%
$12,000 to $15,999	1,368	2,713	4,081	6.3%
$16,000 to $19,999	485	671	1,156	1.8%
$20,000 to $23,999	142	177	319	0.5%
$24,000 to $27,999	45	70	115	0.2%
> $28,000	37	13	50	0.1%
Totals	51,998	12,494	64,492	100%

Retired Members Payroll

(As of 4/30/2024)

Monthly Payroll	$392.4m
Payroll YTD	$3.8b
New Retired Payees Added	1,103
Seamless %	98.55%
New Seamless Payees Added	4,066
Seamless YTD	97.52%
By Check %	2.00%
By Direct Deposit %	98.00%

Healthcare Program

(Mo. Ending: 4/30/2024)

	Employer	Member
Medical	$532.5	$37.5
Dental	$41.4	$3.9
Part B	$79.3	$0.0
Total	**$653.2**	**$41.4**

Health Care Enrollments

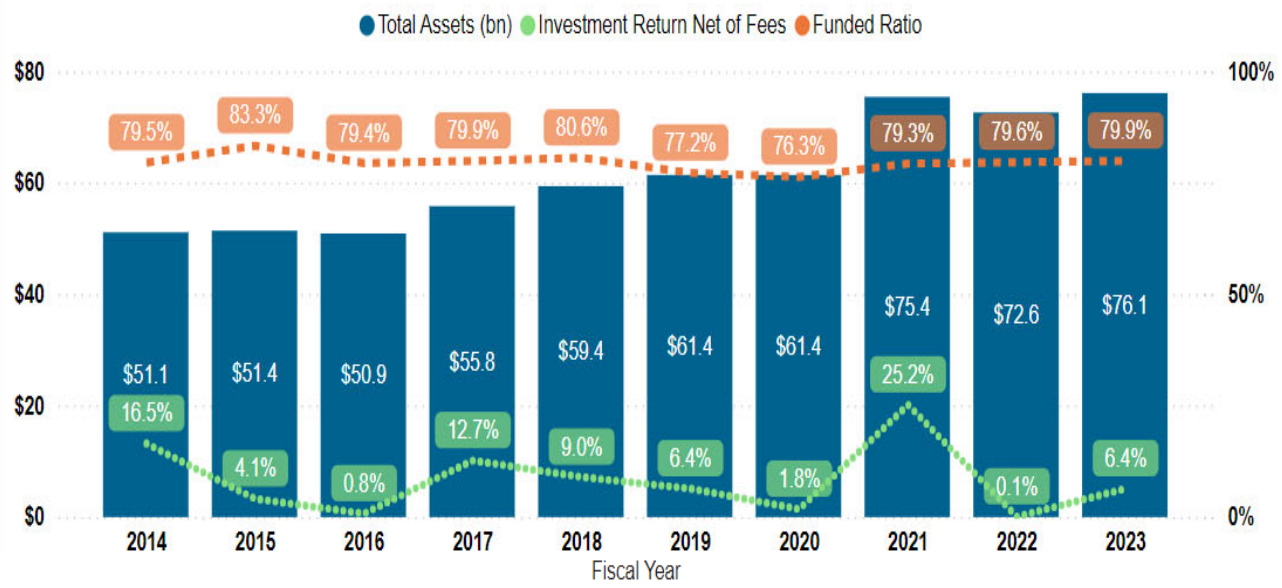
(Mo. Ending: 4/30/2024)

Medical	55,693
Dental	57,791
Part B	38,585
LTC	463
Total	**152,532**

Key Financial Metrics

(as of June 30, 2023)

Fiscal Year End Financial Update



Funding Metrics

11.01%
Employer NC

14.87%
UAAL

7.00%
Assumed Rate

$612m
Star Reserve

$73.9bn
Total Net Assets

Contributions

$2.3bn
Employer Annual Contribution

25.88%
Employer % of Payroll

$793.2m
Member Annual Contribution

8.37%
Member % of Payroll

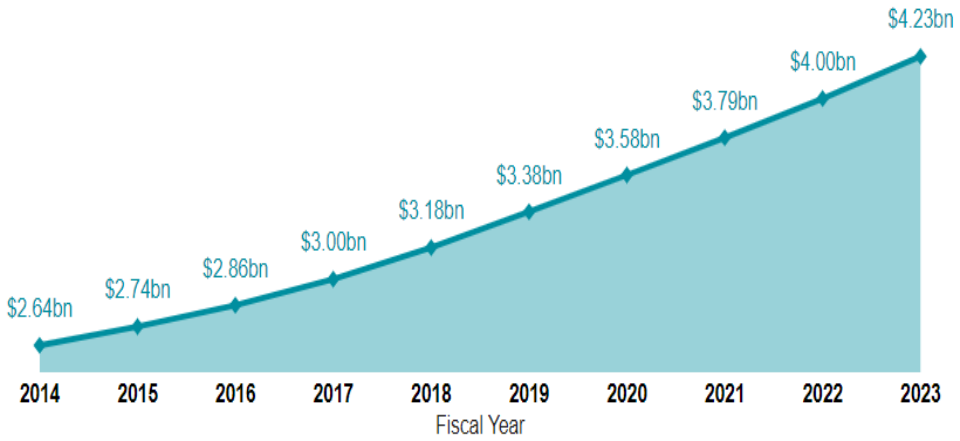
Investment Returns

6.4% *net of fees*
1-Year Return

10.1%
3-Year Return

8.1%
10-Year Return

Retiree Payroll by Year



LACERA Pension Dollar

LACERA

QUIET PERIOD LIST FOR TRUSTEES AND STAFF

Last Update
05/28/2024

ADMINISTRATIVE/OPERATIONS

Solicitation Name	Issuing Division	Public Release Date	Solicitation Stage*	Bid Respondents*
RFP: Member Experience Communications Platform (MECP)	Systems	11/6/2023	Bid Review	• 8x8, Inc • ConvergeOne, Inc. • Five9 • RingCentral • Talkdesk • Genesys • TTEC Government Solutions
RFQ: Governance, Risk and Compliance (GRC360)	Executive Office	04/08/2024	Solicitation Process	• Workovia • Navex • AuditBoard • Compass365 • LogicGate • Teammate • Archer • Kroll (Resolver) • Riskonnect

*Subject to change

INVESTMENTS

Solicitation Name	Public Release Date	Solicitation Stage*	Bid Respondents *
RFP: Actuarial Consulting and Actuarial Auditing Services	11/15/2023	Contract Development	• Cavanaugh Macdonald Consulting • Milliman
Hedge Funds, Credit, and Real Assets Consultant Search	12/29/2023	Proposal Evaluation	• Albourne • Meketa • Mercer • Wilshire

*Subject to change

Date	Conference
June, 2024	
4-5	2022 PREA (Pension Real Estate Association) Institute NYU Stern New York, NY
10-12	National Association of Securities Professionals (NASP) Annual Financial Services Conference Atlanta, GA
11-13	AHIP (America's Health Insurance Plans) 2024 Las Vegas, NV
17-19	NCPERS (National Conference on Public Employee Retirement Systems) Chief Officers Summit Nashville, TN
21	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Northern California - TBD
24-26	SuperReturn Emerging Markets Event/Private Equity Conference Amsterdam, Netherlands
July, 2024	
10-12	Pacific Pension Institute (PPI) Summer Roundtable Amsterdam, Netherlands
15-17	ICGN 2024 Annual Conference London, England
August, 2024	
18-20	NCPERS (National Conference on Public Employee Retirement Systems) Public Pension Funding Forum Boston, MA
26-29	CALAPRS (California Association of Public Retirement Systems) Principles of Pension Governance for Trustees Location TBD
September, 2024	
9-11	Council of Institutional Investors (CII) Fall Conference Brooklyn, NY
24-26	NCPERS (National Conference on Public Employee Retirement Systems) Public Pension HR Summit Denver, CO
October, 2024	
6-9	National Association of Corporate Directors (NACD) Directors Summit 2024 Gaylord National Harbor, Washington D.C.

Date	Conference
11	CALAPRS (California Association of Public Retirement Systems) Round Table – Trustees Northern California - TBD
14-18	Investment Strategies & Portfolio Management Wharton School, University of Pennsylvania
23-25	PPI Asia Pacific Roundtable Hong Kong
23-25	PREA (Pension Real Estate Association) Annual Institutional Investor Conference Washington D.C.
23-25	Pacific Pension Institute (PPI) Asia Pacific Roundtable Hong Kong
26-27	NCPERS (National Conference on Public Employee Retirement Systems) Program for Advanced Trustee Studies (PATS) Palm Springs, CA
26-27	NCPERS (National Conference on Public Employee Retirement Systems) Accredited Fiduciary (NAF) Program Palm Springs, CA
27-30	NCPERS (National Conference on Public Employee Retirement Systems) Public Safety Conference Palm Springs, CA
November, 2024	
3-6	CRCEA (California Retired County Employees Association) Fall Conference Walnut Creek, CA
10-13	IFEBP (International Foundation of Employment Benefit Plans) Annual Employee Benefits Conference San Diego, CA
12-14	Institutional Limited Partners Association (ILPA) General Partner Summit New York, NY
12-15	SACRS Fall Conference Monterey, CA
December, 2024	
6	CALAPRS (California Association of Public Retirement Systems) Round Table – Benefits Virtual

LACERA

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

LACERA

May 10, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Vivian Gray, Chair
Patrick Jones, Vice Chair
David Ryu
Trevor Fay
Debbie Martin
Shawn Kehoe
Les Robbins
JP Harris

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: **LACERA Budget Policy (Annual Review)**

RECOMMENDATION

That the Board of Retirement (BOR) and Board of Investments (BOI) review and approve the revised LACERA Budget Policy, attached as a companion to the adoption of the Fiscal Year 2024-25 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits (OPEB) Trust Budgets.

BACKGROUND

Revisions to the Budget Policy were reviewed and approved by the LACERA's Ethics and Compliance Committee (ECC). Consistent with its Charter, the JOGC has responsibility for issues that impact both the Boards of Retirement and Investments (the Boards), including strategic planning and budgeting, and joint Board policy development. On April 24, 2024, the JOGC considered an update to LACERA's Budget Policy as a companion document to the Fiscal Year 2024-25 Budget and recommends approval.

A redline version is not provided because the format of the policy has changed substantially to comply with the standards set by the ECC. The only substantive change to the policy itself can be found on page 8, paragraph V.B. 11, Pre-funding OPEB. Previously, the policy authorized the Chief Executive Officer to utilize year-end budgetary savings, if available, to pay down the liability of the OPEB program. The amount was limited to no more than 100 percent of the pre-funded amount, set at the Los Angeles County rate, included in LACERA's budget. However the Board of Retirement, at its August 2, 2023 meeting, directed staff to update the policy to permanently pre-fund LACERA's OPEB liability as part of our annual budget process. Staff will work with our

actuary to identify options to fully fund LACERA's OPEB liability over the next 30 years and bring recommendations back to the JOGC and then to both Boards for approval.

CONCLUSION

LACERA's Budget Policy serves to guide the organization's fiscal and budgetary activities in a sound and reasonable manner.

Attachment

BUDGET POLICY

Authorizing Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009 **Last Updated:** 03/21/2024

Mandatory Review: June 2025 (Annually)

Approval Level: Board of Retirement and Board of Investments

I. 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 and to support the goals of the Board of Retirement and Board of Investments' Strategic Plans. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages its funds and meets its 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 LACERA's budgeting principles, the timeline for the preparation of the budget, and the process and responsibilities for review, approval, and implementation of all three budget components.

II. Scope

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

Any exceptions to this Policy must be requested in writing (clearly stating the basis for the exception) and approved by the Board of Retirement and Board of Investments.

III. Legal Authority

Government Code Section 31580.2 of the County Employees Retirement Law (CERL) 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 under Government Code Sections 31607 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 and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. Under Section 31529.1, legal representation within the scope of that statute is limited to one-hundredth of 1 percent of system assets in any budget year; investment legal expenses under Section 31607 are not similarly limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, hardware, and technology consulting services in support of these computer products shall not be considered a cost of administration of the retirement system for purposes of this section.

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 not be part of the pension system's administrative budget.

IV. 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 and LACERA's Board of Retirement Strategic Plan and Board of Investments Strategic Plan.

Fiscal Year: LACERA's fiscal year begins on July 1st 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 that the 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.

V. Policy Statement

This policy seeks to document LACERA's budgetary practices, consistent with its fiduciary duty of prudence.

V.A. Budgetary Components

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

V.A.1. Administrative Budget

The Administrative Budget reflects the resources needed to achieve the organization's work plan, each Board's Strategic Plan and 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, but are not limited to, building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

V.A.2 Retiree Healthcare (RHC) Benefits Program Budget

The Retiree Healthcare Benefits Program provides healthcare benefits to LACERA membership on behalf of the fund's 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 the plan sponsors and participating members 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.

V.A.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. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

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 methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

V.B. 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 organizational goals and strategic initiatives.

V.B.1. Budget Monitoring and Control

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 and each Board's Strategic Plan.

V.B.2. Criteria

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

- Alignment with each Board's Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service to LACERA's 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

V.B.3 Alignment with Each Board's Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. Each Board's Strategic Plan lays out its strategic goals, objectives, and action plans to achieve LACERA's Mission, Vision, and Values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goals or objectives have 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 allocate the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

V.B.4 Annual Budget Development and Approval Calendar

Date	***Activity***
By November 30	• Executive Office and Management review each Board's Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle.

	• Administrative Services Division provides 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, a schedule of meeting dates with the Budget Unit, and a schedule of meeting dates with the Executive Office.
December	The Budget Unit, representatives from Human Resources and Systems meet with Division Managers and their designees to provide guidance in the development of their budget requests.
By January 15	Division Managers submit their proposed budget to the Budget Unit.
By February 15	The Executive Office meets with each Division Manager and their designees to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.
March	Audit Committee review of Internal Audit Proposed Budget.
April	The Budget Unit prepares and distributes the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.
April	Present preliminary budget to JOGC for review and input
By June 30	Board of Retirement and Board of Investment review and approve final budget

V.B.5. Budget Adoption

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

V.B.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."

Budgetary adjustments that do not fall within the authority of the Chief Executive Officer, as outlined in Section V.B.10 below, require the review and recommendation by the JOGC for approval by both Boards as outlined in Section V.B. 12.

V.B.7. Budget Monitoring and Reporting

Budget Unit staff monitors and analyzes Division and enterprise-wide expenditures throughout the year, consults with Division Managers to identify planned expenditures and project full year under/over expenditures by Division, and compares 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 referenced in Section V.B.10 shall be considered by the JOGC and approved by the Boards.

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

V.B.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, as described in Section V.B.6. JOGC recommendations shall be considered for approval by the Boards. As part of the mid-year budget, Executive Management may also address the progress and status of achieving the Boards' respective Strategic Plans.

V.B.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 the Government Code as discussed in Sections V.B.6 and V.B.10.

V.B.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 Board meeting and as part of the routine Budget Control Reporting.

V.B.11. Pre-funding OPEB

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 to maintain intergenerational equity. To achieve intergenerational equity more quickly, since 2022, LACERA's CEO has authorized additional OPEB contributions utilizing budgetary savings identified at year end. In order to ensure a consistent paydown of the OPEB liability, LACERA's actuary shall now calculate the additional annual pre-funding necessary to fully fund LACERA's OPEB liability over the next 30 years. The annual amount necessary shall be included as a separate line item in LACERA's budget.

V.B.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. Such requests will first be considered by the JOGC for a recommendation to both Boards to take the required action.

V.C. Audit Committee Oversight of Internal Audit

LACERA's Internal Audit Division provides independent and objective assurance and consulting services to assist the organization in achieving its Mission, Vision, and Values and each Board's Strategic Plan. To protect its independence, the Internal Audit Division reports functionally to the Audit Committee of the Boards and administratively to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit's Proposed Budget by Mid-March, which is then incorporated into LACERA's Administrative Proposed Budget reviewed by the JOGC in April or May.

VI. References

The following information complements and supplements this document.

Related Policies:

- Retirement Benefit Funding Policy
- OPEB Investment Policy Statement – OPEB Master Trust

Related Internal Procedures: Budget instructions provided annually; Questica Budget Guide (Internal Document)

Related Forms/Templates: Not Applicable; Data captured in Questica Budget System

Other Related Information:

- Joint Organizational Governance Charter
- Audit Committee Charter

VII. Version History

VII.A. Approvals

Policy Issue Date: May 20, 2009

Policy Effective Date: *Pending Approval*

Policy Update/Review Summary:

- Updated and approved by the Board of Retirement and the Board of Investments on (*Pending Approval*), respectively. Prior versions supersed and have no effect as of the stated approval date.
- This policy was previously approved by the Board of Retirement on June 7, 2023, and the Board of Investments on June 14, 2023
- This policy was previously approved by the Board of Retirement on June 1, 2022, and Board of Investments on June 9, 2022

VIII. Review/Approval

The Joint Organizational Governance Committee shall review and recommend that the Board of Retirement and the Board of Investments approve this policy annually when they adopt the Budget for the upcoming fiscal year.

LACERA

SUPPLEMENTAL INFORMATION

May 30, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Jessica C. Rivas JR
Staff Counsel

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Retirement Meeting

SUBJECT: Staff Update re: Proposed Amendments to Conflict of Interest Code

Following the Joint Organizational Committee's approval of the Proposed Amendments to the Conflict of Interest Code, the Legal Office continued analyzing additional potential amendments. Since the JOGC's approval of this item on April 24, 2024, staff added language on temporary employees. Please see paragraph G of the memo for more detail.

Reviewed and Approved:

Steven P. Rice
Chief Counsel

cc: Santos H. Kreimann, Luis A. Lugo, JJ Popowich, Laura Guglielmo, Carly Ntoya, Richard Bendall

LACERA

May 22, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Vivian Gray, Chair
Patrick Jones, Vice Chair
David Ryu
Trevor Fay
Debbie Martin
Shawn Kehoe
Les Robbins
JP Harris

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Retirement Meeting

SUBJECT: Proposed Amendments to Conflict of Interest Code

Recommendation

That the Board of Retirement and Board of Investments discuss, provide input on, and approve proposed amendments to the Conflict of Interest Code ("Code"), subject to final approval by the Los Angeles County Board of Supervisors. There is a staff update memo relating to changes made following the JOGC meeting.

Legal Authority and Background on Review Process

The Political Reform Act ("Act") requires every local government agency to review its conflict of interest code biennially. A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700).

The Act requires each local government agency to receive approval for any necessary amendments from their code reviewing body. LACERA's code reviewing body is the County of Los Angeles Board of Supervisors. The County has final editorial authority over the wording of the Code. LACERA last reviewed its Code in 2022, and accordingly, the Code is due for review in 2024. The Legal Office will work closely with the Conflict of Interest/Lobbyist Division of the Executive Office of the Board of Supervisors during the current biennial cycle to make necessary amendments to the LACERA Conflict of Interest Code that reflect the input and approval of the LACERA Boards. LACERA's 2024 amendments are due for submission to the County by the end of 2024.

Given the number of local agencies for which the Board of Supervisors is the code

reviewing authority, it can take up to a year or more for the County to review and the Board of Supervisors to act upon changes requested by LACERA. For example, the Board of Supervisors only approved LACERA's 2022 amendments, as modified by the County, in September 2023.

Discussion

At this early stage in the process, we would like to inform the Boards of staff's proposed amendments, solicit feedback, and learn if there are any questions or additional suggestions. On April 24, 2024, the Joint Organizational Governance Committee met and recommended approval of the proposed amendments to the Code.

A copy of the Code reflecting the proposed changes set out immediately below is attached for your reference. A presentation summarizing the changes is also attached.

In reviewing proposed changes, please be aware of the distinction between what are known as "87200 filers" and "code filers." 87200 filers are those who must file because they are identified in Government Code section 87200, which includes Board of Investments trustees and high-level staff, including those who manage public investments. Their filing requirements are not affected by the Code, but they are listed for reference on the last page of Exhibit B. In contrast, code filers must file because they are included in Exhibit B of the Code. This includes Board of Retirement trustees and other staff.

With the exception of paragraphs E and G below, all of the proposed changes will only affect code filers. The change in paragraph E will ensure that the description of 87200 filers in our Code is consistent with FPPC regulations. The change in paragraph G will provide clarification on the filing requirement for temporary employees.

A. New Positions
Information Technology Manager I & II

Shortly after the adoption of our current Code, staff identified these positions for inclusion in our next code amendments based on their role in contracting. Staff holding these positions are currently required to file Statements of Economic Interest (Form 700) because we included the positions on FPPC Form 804 Agency Report of New Positions in November 2023. Adding them to the Code will eliminate the need for Form 804.

B. Correcting Position Titles
Deputy Chief Investment Officer, LACERA, *Unclassified*
Deputy Chief Executive Officer, LACERA, *Unclassified*
Chief Information Technology Officer, LACERA, *Unclassified*

Our current code does not reflect that these are unclassified positions, and this revision would correct that.

C. Revision to Disclosure Category 1

"Persons in this category shall disclose all interests in real property within the jurisdiction ~~that would be suitable for housing all or part of LACERA's operations and all real property within two miles of that property~~. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the County of Los Angeles or within two miles of any land *owned or used by LACERA*. ~~used to conduct LACERA's operations~~."

This revision will bring this category of our Code into alignment with the Act and the Form 700 Reference Pamphlet published by the FPPC.

The Act requires local public agencies, such as LACERA, to have a code that requires its code filers to disclose interests in real property. (Gov. Code §§ 87302 & 87206.) The Act further defines "interest in real property" as property that is "located in the jurisdiction. " (Gov. Code § 82303). "Jurisdiction" is defined with respect to local government agencies to mean the "region, county, city, district or other geographical area in which it has jurisdiction. " (Gov. Code § 82035.) Furthermore, real property shall be deemed to be "within the jurisdiction" with respect to a local government agency if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency. (*Id*.)

The 2023/2024 FPPC Reference Pamphlet, which explains the reporting requirements, provides as follows: "For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency."

D. Revision to Disclosure Category 3

"Persons in this category shall disclose all business positions and investments in business entities that are the type in which LACERA's trust funds *are or* may be invested (includ*ing* securities, real estate and business entities), all income (including gifts, loans and travel payments) from such business entities, and all interests in real estate co-owned with or purchased from such business entities."

This revision will clarify that disclosures pursuant to this category should include not only interests in business entities that are the type in which LACERA's trust funds *may* be invested, which could be read to mean prospectively, but also the type in which funds are *currently* invested.

E. Revision re: Those Who Manage Public Investments Pursuant to a Contract

"LACERA's independent contractors, consultants, and any of their employees, who pursuant to a contract with LACERA, manage public investments ~~or perform~~ *by*

performing the same or substantially all the same functions as the Chief Investment Officer *or Principal Investment Officer*."

This revision will ensure that our Code is consistent with the definition of "other public officials who manage public investments" set out in FPPC regulation 18700.3, subd. (b)(1)(B-C), which identifies those who, pursuant to a contract with a local agency, perform the same or substantially all the same functions that would otherwise be performed by high-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers.

F. Revision re: Consultants or New Positions

Add "The Chief Executive Officer or his or her designee shall inform the Board of Retirement of any such action" to the end of the second paragraph on page 3.

Though not required by the Act or FPPC regulations, this would ensure that the Board of Retirement is kept informed of the Chief Executive Officer's or his or her designee's actions as it relates to consultants and new positions. Even if the County does not approve adding this language to our Code, the Legal Office can ensure that this protocol is followed.

G. New Language re: Temporary Employees

"Temporary Employees Serving in a Designated Positions shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position."

Temporary employees are required to comply with Form 700 filing requirements if they are serving in a position designated in this Code. Adding this language will remove any ambiguity.

Conclusion

Staff recommends that the Board of Retirement and Board of Investments discuss, provide input on, and approve proposed amendments to the Code, including the staff update following the JOGC meeting, subject to final approval by the Los Angeles County Board of Supervisors.

Reviewed and Approved:

Steven P. Rice
Chief Counsel

Attachments

cc: Santos H. Kreimann Luis A. Lugo JJ Popowich Jessica Rivas
Laura Guglielmo Carly Ntoya Richard Bendall

ATTACHMENT

Conflict of Interest Code
of the

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the Conflict of Interest Code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the Conflict of Interest Code of the Los Angeles County Employees Retirement Association (LACERA).

Place of Filing of Statements of Economic Interests

All officials and employees required by this Conflict of Interest Code to submit a statement of economic interests shall file their statements with LACERA's Chief Executive Officer; or his or her designee.

LACERA shall retain the originals of statements for all Designated Positions named in this Conflict of Interest Code and for positions listed under "Officials Who Manage Public Investments". All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)

EXHIBIT "A" – DISCLOSURE CATEGORIES

CATEGORY 1

Persons in this category shall disclose all interests in real property within the jurisdiction ~~that would be suitable for housing all or part of LACERA's operations and all real property within two miles of that property~~. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the County of Los Angeles or within two miles of any land owned or used by LACERA. ~~used to conduct LACERA's operations~~.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 2

Persons in this category shall disclose all investments and business positions in, and all income (including gifts, loans and travel payments) received from, business entities that are the type utilized by LACERA.

CATEGORY 3

Persons in this category shall disclose all business positions and investments in business entities that are the type in which LACERA's trust funds are or may be invested (including securities, real estate and business entities), all income (including gifts, loans and travel payments) from such business entities, and all interests in real estate co-owned with or purchased from such business entities.

CATEGORY 4

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans and travel payments) received from business entities that manufacture, provide or sell services and/or supplies of a type utilized by LACERA and associated with the job assignment of designated positions assigned to this disclosure category.

CATEGORY 5

Persons in this category shall disclose all income (including gifts, loans and travel payments) from, investments in and business positions with any member of LACERA, any agent or

employee association representing any such member, and business positions with, investments in or income (including gifts, loans and travel payments) from any entity owned or controlled by any such member or any such member's spouse or other financial dependent.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

EXHIBIT "A" – DISCLOSURE CATEGORIES (Continued)

CATEGORY 6

Persons in this category shall disclose all income (including gifts, loans and travel payments) received from any LACERA member, or agent of any such LACERA member, with a disability retirement application before the Board of Retirement (during the reporting period) and all business positions with, investments in, or income (including gifts, loans and travel payments) received, from any entity owned or controlled by any such member.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

EXHIBIT "B"

Designated Positions	**Disclosure Categories**
Board of Retirement:	
First Member (Treasurer and Tax Collector)	1, 2, 5
Alternate First Member (Chief Deputy, Treasurer and Tax Collector)	1, 2, 5
Second Member (Elected General Member)	1, 2, 5
Third Member (Elected General Member)	1, 2, 5
Fourth Member (Appointed by Board of Supervisors)	1, 2, 5
Fifth Member (Appointed by Board of Supervisors)	1, 2, 5
Sixth Member (Appointed by Board of Supervisors)	1, 2, 5
Seventh Member (Elected Safety Member)	1, 2, 5
Eighth Member (Elected Retired Member)	1, 2, 5
Ninth Member (Appointed by Board of Supervisors)	1, 2, 5
Alternate Safety Member (Elected by Safety Members)	1, 2, 5
Alternate Retired Member (Elected by Retired Members)	1, 2, 5
Retirement Administration:	
Assistant Executive Officer, LACERA, Unclassified	1, 2, 3, 5
Assistant Executive Officer, LACERA	1, 2, 3, 5
Deputy Chief Executive Officer, LACERA, Unclassified	1, 2, 3, 5
Senior Staff Counsel, LACERA	1, 2, 3, 5
Staff Counsel, LACERA	1, 2, 3, 5
Chief Counsel, LACERA (Disability Litigation Section)	4, 6
Senior Staff Counsel, LACERA (Disability Litigation Section)	6
Senior Investment Officer, LACERA	1, 2, 3
Finance Analyst III, LACERA	1, 2, 3
Finance Analyst II, LACERA	1, 2, 3
Chief, Internal Audit, LACERA	4, 5
Chief Financial Officer, LACERA	4, 5
Division Manager, LACERA	4, 5
Assistant Chief Financial Officer, LACERA	4, 5
Assistant Division Manager, LACERA	4, 5
Director, Human Resources, LACERA	4
Administrative Services Officer, LACERA	4, 5
Disability Retirement Specialist Supervisor	4, 6
Contract Analyst, LACERA	4
Special Assistant, LACERA	4
Creative Coordinator, LACERA	4
Chief, Communications, LACERA	4
Director, Retiree Health, LACERA	4, 5
Principal Internal Auditor, LACERA	4, 5
Chief, Quality Assurance and Metrics, LACERA	4, 5
Section Head, LACERA	4, 5

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

EXHIBIT "B" (Continued)

Designated Positions	Disclosure Categories
Chief Information Technology Officer, LACERA, Unclassified	4
Information Security Officer, LACERA	4
Assistant Information Systems Manager, LACERA	4
Information Technology Manager I, LACERA	4
Information Technology Manager II, LACERA	4
Consultants/New Positions*	
Temporary Employees Serving in Designated Positions**	

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in this code, subject to the following limitations:

The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer or his or her designee's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.) The Chief Executive Officer or his or her designee shall inform the Board of Retirement of any such action.

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

**Temporary Employees Serving in Designated Positions shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

EXHIBIT "B" (Continued)

Officials Who Manage Public Investments:

The following positions are not covered by the code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only.

Board of Investments:

First Member (Treasurer and Tax Collector)
Alternate First Member (Chief Deputy, Treasurer and Tax Collector)
Second Member (Elected General Member)
Third Member (Elected General Member)
Fourth Member (Elected Safety Member)
Fifth Member (Appointed by Board of Supervisors)
Sixth Member (Appointed by Board of Supervisors)
Seventh Member (Appointed by Board of Supervisors)
Eighth Member (Elected Retired Member)
Ninth Member (Appointed by Board of Supervisors)

LACERA Officials:

Chief Executive Officer, LACERA
Chief Executive Officer, LACERA, Unclassified
Chief Counsel, LACERA
Chief Investment Officer, LACERA, Unclassified
Deputy Chief Investment Officer, LACERA, Unclassified
Principal Investment Officer, LACERA, Unclassified
Principal Investment Officer, LACERA,
LACERA's independent contractors, consultants, and any of their employees, who pursuant to a contract with LACERA, manage public investments ~~or perform~~ by performing the same or substantially all the same functions as the Chief Investment Officer or Principal Investment Officer.

EFFECTIVE DATE:

Conflict of Interest Code Updates

Jessica Rivas
Legal Services

Background

- A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700).

- The California Political Reform Act ("Act") requires every local government agency to review its conflict of interest code **biennially**.
  - 2022 – most recent amendment cycle
  - 2024 – current amendment cycle

Background

Basic components of our Conflict of Interest Code:

- Cover Page
- Disclosure Categories (Exhibit A)
- Designated Positions (Exhibit B)
- Consultant/New Positions
- Officials Who Manage Public Investments

Background

Types of amendments:

- Add/delete positions
- Revise disclosure categories
- Revise titles of existing positions
- Other

Proposed Changes

1. **New Positions**
   - Information Technology Manager I & II

2. **Revise titles of existing positions**
   - Deputy Chief Investment Officer, LACERA, *Unclassified*
   - Deputy Chief Executive Officer, LACERA, *Unclassified*
   - Chief Information Technology Officer, LACERA, *Unclassified*

Proposed Changes

3. Revision to Disclosure Category 1

Gov. Code § 82035: “Real property shall be deemed to be “within the jurisdiction” with respect to a **local government agency** if the property or any part of it is located **within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the local government agency**.”

Proposed Changes

3. Revision to Disclosure Category 1

2023-2024 Form 700 Statement of Economic Interest Reference Pamphlet, p. 14:

> For local agencies, an interest in real property is located in your jurisdiction if any part of the property is located in, or within two miles of, the region, city, county, district, or other geographical area in which the agency has jurisdiction, or if the property is located within two miles of any land owned or used by the agency.

Proposed Changes

3. Revision to Disclosure Category 1

CATEGORY 1

Persons in this category shall disclose all interests in real property within the jurisdiction ~~that would be suitable for housing all or part of LACERA's operations and all real property within two miles of that property~~. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the County of Los Angeles or within two miles of any land owned or used by LACERA. ~~used to conduct LACERA's operations~~.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

Proposed Changes

3. Revision to Disclosure Category 1

Examples from other retirement systems' conflict of interest codes in California:

- OCERS – Notes that the Act "generally requires the disclosure of interests in real property in the agency's jurisdiction" and for certain disclosure categories, requires disclosure of "all interests in real property in Orange County."
- SCERS – "Interests in Real Property that could be affected by any decision made or participated in by the designated individual[.] If the designated individual is a trustee or SCERS employee, disclosure is only required on real property located in the County of Sacramento."
- FCERA – doesn't specify
- VCERA – doesn't specify
- CalPERS – "All interest in real estate located in whole or in part within the State of California."
- CalSTRS – Doesn't address geographic jurisdiction for real property.

Proposed Changes

4. Revision to Disclosure Category 3

CATEGORY 3

Persons in this category shall disclose all business positions and investments in business entities that are the type in which LACERA's trust funds are or may be invested (including securities, real estate and business entities), all income (including gifts, loans and travel payments) from such business entities, and all interests in real estate co-owned with or purchased from such business entities.

Proposed Changes

5. Revision re: Those Who Manage Public Investments Pursuant to a Contract

LACERA's independent contractors, consultants, and any of their employees, who pursuant to a contract with LACERA, manage public investments ~~or perform~~ by performing the same or substantially all the same functions as the Chief Investment Officer or Principal Investment Officer.

- Change "or perform" to "by performing" for clarity and accuracy.
- Add "or Principal Investment Officer" to align with FPPC regulations, which reference both the CIO and PIO.

Proposed Changes

6. Revision re: Consultants or New Positions

The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer or his or her designee's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.) The Chief Executive Officer or his or her designee shall inform the Board of Retirement of any such action.

Proposed Changes

7. New Language re: Temporary Employees

**Temporary Employees Serving in Designated Positions shall be required to file Statements of Economic Interests disclosing reportable interests in the categories assigned to that designated position.

Other Potential Changes

Any other suggestions?

Timeline

- March 2024 – Ethics & Compliance Committee
- April 2024 – JOGC
- June 2024 – BOR and BOI
- Fall 2024 – Submit proposed amendments to County
- Winter/Spring 2025 – Work with County (Executive Office of Board of Supervisors, Conflict of Interest/Lobbying Division)
- Spring/Summer 2025 – anticipated County BOS approval

Thank You!

Legal Services

Questions?

jrivas@lacera.com

LACERA

May 28, 2024

TO: Trustees, Board of Retirement

FOR: Board of Retirement Meeting on June 5, 2024

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 5, 2024

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
PATRICIA BENITEZ	SHERIFF Dept.#SH	05-31-2024	35 YRS 10½ MOS
THOMAS R. BROOKS JR	SHERIFF Dept.#SH	05-31-2024	32 YRS 06½ MOS
SHEILA P. BROWN	SHERIFF Dept.#SH	05-31-2024	36 YRS 10½ MOS
BILL E. FRESCAS	L A COUNTY FIRE DEPT Dept.#FR	02-07-2024	35 YRS 05½ MOS
DARYLL L. HARKLESS	SHERIFF Dept.#SH	05-30-2024	21 YRS 07 MOS
NICHOLAS S. HUL	SHERIFF Dept.#SH	06-30-2024	23 YRS 03 MOS
BRANDON G. LENHART	DISTRICT ATTORNEY Dept.#DA	05-31-2024	34 YRS 05½ MOS
RICHARD W. MCKAIG	SHERIFF Dept.#SH	07-15-2024	27 YRS 04½ MOS
GUILLERMO J. MORALES	SHERIFF Dept.#SH	04-17-2024	36 YRS 08 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
ROBERT B. SANCHEZ	SHERIFF Dept.#SH	04-30-2024	32 YRS 11 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
KIM O. ADAMS	AUDITOR - CONTROLLER Dept.#AU	04-27-2024	41 YRS 02 MOS
ALBERT ALFONSO	AGRICULTURAL COMM./WTS & MEAS. Dept.#AW	05-31-2024	23 YRS ½ MOS
LAILA AMINI	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-29-2024	25 YRS 00 MOS
EVANGELINE U. ANCHETA	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-02-2024	07 YRS 05½ MOS
LORENZO W. ARNOLD	PROBATION DEPARTMENT Dept.#PB	06-29-2024	37 YRS 07 MOS
CLAUDIO R. AYESTAS	CHILDREN & FAMILY SERVICES Dept.#CH	04-17-2024	12 YRS 01 MOS
DIANA BABAKHANI	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	05-31-2024	23 YRS 08½ MOS
DAMENA A. BAHIRU	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-30-2024	32 YRS 00 MOS
LEE A. BAROCAS	PARKS AND RECREATION Dept.#PK	05-31-2024	24 YRS 01½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
CECILIA BARRAZA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-31-2024	34 YRS 01 MOS
YOLANDA A. BEAVERS	SHERIFF Dept.#SH	07-11-2024	33 YRS 10½ MOS
APRIL L. BLACKWOOD	PUBLIC DEFENDER Dept.#PD	05-31-2024	27 YRS 03½ MOS
JOSE MARIA P. CAMPOS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-29-2024	25 YRS 00 MOS
GUADALUPE CANCHOLA	PARKS AND RECREATION Dept.#PK	06-28-2024	27 YRS 00 MOS
MARIA CARRILLO	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-15-2024	25 YRS 03½ MOS
MARCOS A. CHAVEZ	PROBATION DEPARTMENT Dept.#PB	05-01-2024	29 YRS 01 MOS
MARIA E. CHAVEZ	MENTAL HEALTH Dept.#MH	08-15-2024	10 YRS 02½ MOS
YOLANDA N. CONCHA	CHILD SUPPORT SERVICES Dept.#CD	05-16-2024	22 YRS 03½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
JENNIFER J. COOPER	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-31-2024	25 YRS ½ MOS
RAFAEL A. CORDERO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2024	24 YRS 08½ MOS
DAVID CORTES	MENTAL HEALTH Dept.#MH	04-30-2024	26 YRS 01 MOS
LETICIA CUEVAS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-25-2024	30 YRS 11 MOS
TONY L. DANCY	SHERIFF Dept.#SH	05-11-2024	52 YRS 05½ MOS
THIEN DANG	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-06-2024	25 YRS ½ MOS
HECTOR DELGADILLO	INTERNAL SERVICES Dept.#IS	04-30-2024	32 YRS 07 MOS
GLORIA DELGADILLO	CHILD SUPPORT SERVICES Dept.#CD	05-07-2024	32 YRS 06½ MOS
CONNIE DENG	HEALTH SERVICES ADMINISTRATION Dept.#HS	06-29-2024	14 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
CELERINA A. DIMAANO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-31-2024	08 YRS 03½ MOS
DANILO M. DIZON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-31-2024	25 YRS 03½ MOS
IMELDA DIZON	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	07-31-2024	25 YRS ½ MOS
SYLVIA M. DOMINGUEZ	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-27-2024	26 YRS 05½ MOS
DANIEL DOMINGUEZ	SHERIFF Dept.#SH	05-01-2024	10 YRS 06½ MOS
BRIAN W. DONNELLY	ASSESSOR Dept.#AS	05-31-2024	39 YRS ½ MOS
DONNIE R. DORSEY	CHILDREN & FAMILY SERVICES Dept.#CH	05-13-2024	18 YRS 07 MOS
JUANA J. DUARTE	CHILD SUPPORT SERVICES Dept.#CD	06-29-2024	41 YRS 07 MOS
JOSE M. FLORES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-29-2024	19 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
JACKIE L. FLYNN	CHILD SUPPORT SERVICES Dept.#CD	05-31-2024	13 YRS 06 MOS
DENISE FOWLKES	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-29-2024	25 YRS 00 MOS
LESLIE J. FOXVOG	DEPARTMENT OF HUMAN RESOURCES Dept.#HM	06-28-2024	39 YRS 03 MOS
CAROL U. FUJITAKI	DISTRICT ATTORNEY Dept.#DA	05-31-2024	19 YRS ½ MOS
MARILOU A. GALANO	MENTAL HEALTH Dept.#MH	05-31-2024	33 YRS 03½ MOS
JODIE M. GARCIA-DIB	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-22-2024	18 YRS 07½ MOS
PHILLIP GLAVIANO	DISTRICT ATTORNEY Dept.#DA	06-29-2024	36 YRS 01 MOS
JUANA A. GONZALES	PARKS AND RECREATION Dept.#PK	04-17-2024	25 YRS 09 MOS
ERIC L. GRAVITT	SHERIFF Dept.#SH	05-15-2024	18 YRS 06 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
RONALD A. GRAYS	INTERNAL SERVICES Dept.#IS	04-27-2024	29 YRS 02 MOS
JILL M. GRIMM	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-03-2024	41 YRS 07½ MOS
ADAM HERNANDEZ	PUBLIC WORKS Dept.#PW	04-30-2024	25 YRS 00 MOS
GABRIELA HERNANDEZ	AMBULATORY CARE NETWORK Dept.#HN	06-28-2024	25 YRS 00 MOS
YANIRA HERNANDEZ	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-28-2024	32 YRS 10 MOS
MICHAEL F. IGE	PUBLIC WORKS Dept.#PW	05-31-2024	21 YRS 00 MOS
WAYNE JACKSON	PROBATION DEPARTMENT Dept.#PB	06-30-2024	35 YRS 00 MOS
MARK A. JENKINS	PROBATION DEPARTMENT Dept.#PB	06-29-2024	35 YRS 11 MOS
CHERI L. JIMENEZ	PARKS AND RECREATION Dept.#PK	06-29-2024	25 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
JOSE L. JUAREZ	PROBATION DEPARTMENT Dept.#PB	05-31-2024	35 YRS 09½ MOS
WENDY T. KAZAHAYA	INTERNAL SERVICES Dept.#IS	04-26-2024	30 YRS 07½ MOS
DARYL LANDRY	PUBLIC LIBRARY Dept.#PL	06-27-2024	47 YRS 11 MOS
ROBERT LE DOUX	PUBLIC WORKS Dept.#PW	06-30-2024	36 YRS 05 MOS
SILVIA LEDEZMA	PROBATION DEPARTMENT Dept.#PB	05-08-2024	39 YRS 06½ MOS
JUNG B. LEE	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-29-2024	43 YRS 09 MOS
ROGER J. LEWIS	HEALTH SERVICES ADMINISTRATION Dept.#HS	06-30-2024	36 YRS 11 MOS
BARBARA S. LILLEY	AGING DEPARTMENT Dept.#AG	06-29-2024	29 YRS 10 MOS
CHARLES MALONE	PROBATION DEPARTMENT Dept.#PB	06-29-2024	38 YRS 09 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
JOYCE MARTIN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-29-2024	09 YRS 09 MOS
IRMA A. MARTINEZ	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-31-2024	08 YRS 11½ MOS
LEONOR M. MEDINA	CHILDREN & FAMILY SERVICES Dept.#CH	05-29-2024	10 YRS 06 MOS
ALFRED J. MENDEZ	PROBATION DEPARTMENT Dept.#PB	05-31-2024	36 YRS 08½ MOS
MARTI G. MENEZ	AMBULATORY CARE NETWORK Dept.#HN	04-30-2024	26 YRS 03 MOS
STACY E. MITCHELL	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-29-2024	43 YRS 06 MOS
FERNANDO R. MONTES	L A COUNTY FIRE DEPT Dept.#FR	06-29-2024	10 YRS 03 MOS
LATONYA T. NELSON	PROBATION DEPARTMENT Dept.#PB	05-31-2024	38 YRS 08½ MOS
HENG S. NGOV	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-30-2024	34 YRS 01 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
GERALDINE NIBLETT	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-16-2024	34 YRS 02 MOS
HEIDI M. OBLANDER	CHILD SUPPORT SERVICES Dept.#CD	06-29-2024	45 YRS ½ MOS
MARIAM OHANIAN	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	06-01-2024	25 YRS 02 MOS
SUN W. PARK	CHILDREN & FAMILY SERVICES Dept.#CH	06-28-2024	18 YRS 02 MOS
CYNTHIA J. PARKER STUAR	SHERIFF Dept.#SH	06-30-2024	36 YRS 09 MOS
ANTISHUN PARRISH	RANCHO LOS AMIGOS HOSPITAL Dept.#HR	05-10-2024	16 YRS ½ MOS
GRISELDA PEREZ	CHILDREN & FAMILY SERVICES Dept.#CH	05-06-2024	36 YRS 07½ MOS
ELENA H. PEREZ	SHERIFF Dept.#SH	06-28-2024	37 YRS 03 MOS
FERNANDIS O. PRIDE	PROBATION DEPARTMENT Dept.#PB	04-30-2024	25 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
SAMUEL D. QUEZADA	PUBLIC WORKS Dept.#PW	05-31-2024	36 YRS 01½ MOS
CATHERINE RABENA	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	06-29-2024	30 YRS 05 MOS
VICTORIA REYES	SUPERIOR COURT/COUNTY CLERK Dept.#SC	05-13-2024	24 YRS 01½ MOS
NANCY RODEHEFFER	L A COUNTY FIRE DEPT Dept.#FR	06-29-2024	20 YRS 00 MOS
MANUEL SALAS	PROBATION DEPARTMENT Dept.#PB	05-31-2024	41 YRS 03½ MOS
WALTER SALGUERO	PUBLIC HEALTH PROGRAM Dept.#PH	05-31-2024	25 YRS 03½ MOS
ALMA SALGUERO	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-14-2024	22 YRS 02½ MOS
ROCHELLE D. SELLERS	SHERIFF Dept.#SH	05-31-2024	17 YRS 02½ MOS
CHRISTINE SPOONER	CHILDREN & FAMILY SERVICES Dept.#CH	06-29-2024	36 YRS 02 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
LAWANDA R. STUART	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	05-27-2024	30 YRS 05 MOS
NIM-CHI Y. TANG	PUBLIC WORKS Dept.#PW	06-30-2024	37 YRS 06 MOS
KATHLEEN THOMAS	CHILDREN & FAMILY SERVICES Dept.#CH	05-31-2024	37 YRS 03½ MOS
MARY JANE M. TOLENTINO	CORRECTIONAL HEALTH Dept.#HC	04-30-2024	19 YRS 01 MOS
WENDI E. TOVEY	MENTAL HEALTH Dept.#MH	05-31-2024	35 YRS 04½ MOS
MYRNA TUYOR	COASTAL CLUSTER-HARBOR/UCLA MC Dept.#HH	05-31-2024	16 YRS 01½ MOS
PATIENCE E. UVIASE	CORRECTIONAL HEALTH Dept.#HC	07-31-2024	05 YRS 08 MOS
ENRIQUE VALENZUELA	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-23-2024	26 YRS 01½ MOS
SONIA VALOVIS-FRAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	06-29-2024	26 YRS 00 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

NAME	DEPARTMENT	RETIRED	SERVICE
KATHRYN J. VANNAH	SHERIFF Dept.#SH	05-31-2024	18 YRS 01½ MOS
ROBERT W. VAUGHN	CHILDREN & FAMILY SERVICES Dept.#CH	04-30-2024	27 YRS 08 MOS
PRAVIN VORA	L A COUNTY FIRE DEPT Dept.#FR	05-02-2024	24 YRS 03½ MOS
PAMELA D. WALTON	AMBULATORY CARE NETWORK Dept.#HN	05-28-2024	38 YRS 00 MOS
MICHAEL R. WILLIAMS	COMMUNITY HEALTH PROGRAMS Dept.#HU	06-28-2024	06 YRS 11 MOS
JANICE W. WOODS	PUBLIC HEALTH PROGRAM Dept.#PH	05-31-2024	16 YRS 02 MOS
FREDY M. ZEGARRA	SFV CLUSTER-OLIVE VIEW/UCLA MC Dept.#HO	04-27-2024	34 YRS 01 MOS
BRICE M. ZIPSER	SHERIFF Dept.#SH	06-30-2024	26 YRS 03 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

SAFETY SURVIVOR APPLICATIONS

NAME	DEPARTMENT	RETIRED	SERVICE
KAREN M. CASTANEDA	SHERIFF Dept.#SH	01-03-2024	22 YRS 07½ MOS
WIFE of DANILO R CASTANEDA JR dec'd on 01-02-2024, Sect. #31781.1			
AGUSTIN D. SANTOS JR	SHERIFF Dept.#SH	06-27-2023	06 YRS 09 MOS
SPOUSE of NICOLE O AVILA dec'd on 06-26-2023, Sect. #31781.3			

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL SURVIVOR APPLICATIONS

NAME	DEPARTMENT	RETIRED	SERVICE
KATHERINE CARDENAS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	10-05-2002	11 YRS 06 MOS
DAUGHTER of FRANK CARDENAS dec'd on 10-04-2002, Sect. #31781.3			
KENNETH JOHNSON	HEALTH SERVICES ADMINISTRATION Dept.#HS	12-11-2023	32 YRS 08 MOS
HUSBAND of SHERRY L JOHNSON dec'd on 12-10-2023, Sect. #31781.3			

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
MITCHELL L. BECKLOFF	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-05-2024	06 YRS 01 MOS
JOSEPH J. BELLO	PUBLIC WORKS Dept.#PW	03-30-2024	46 YRS 06 MOS
PAUL V. BLACK	AGRICULTURAL COMM./WTS & MEAS. Dept.#AW	03-15-2024	14 YRS 05 MOS
COLETTE N. CHAVEZ	PROBATION DEPARTMENT Dept.#PB	05-22-2024	19 YRS 11½ MOS
YOLANDA DAVIS	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	05-01-2024	14 YRS 09 MOS
ROBERT N. ERVAIS	COUNTY COUNSEL Dept.#CC	03-31-2024	00 YRS 09 MOS
ELIZABETH G. GONZALEZ	LACERA Dept.#NL	04-30-2024	18 YRS 04 MOS
ERMA D. GOUDEAU	INTERNAL SERVICES Dept.#IS	03-01-2020	26 YRS ½ MOS
DEREK A. HENDERSON	PUBLIC WORKS Dept.#PW	02-19-2024	10 YRS 08 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
TRUBY L. HOKE JR	PROBATION DEPARTMENT Dept.#PB	05-05-2024	14 YRS 03½ MOS
DEBORAH A. HOROWITZ	PUBLIC DEFENDER Dept.#PD	04-07-2024	33 YRS 09 MOS
GREG S. KABEALO	DISTRICT ATTORNEY Dept.#DA	05-01-2024	16 YRS 07 MOS
JOHN S. MELCOMBE	ASSESSOR Dept.#AS	05-03-2024	24 YRS ½ MOS
NANCY A. METCALF	MENTAL HEALTH Dept.#MH	05-08-2024	10 YRS 03 MOS
DAWN K. NARITOKU	CALIFORNIA CHILDREN'S SERVICES Dept.#PS	04-08-2024	14 YRS 03 MOS
RANDAL R. ORTIZ	CHILD SUPPORT SERVICES Dept.#CD	03-22-2024	02 YRS 09 MOS
BARBARA A. PEDRAZA	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	04-30-2024	39 YRS 07½ MOS
ANNA F. RAMIREZ	PUBLIC DEFENDER Dept.#PD	05-03-2024	28 YRS 01½ MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024

BENEFIT APPROVAL LIST

GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

NAME	DEPARTMENT	RETIRED	SERVICE
STEVEN RYAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	04-30-2024	10 YRS 09 MOS
STEPHANIE A. SAUTER	PUBLIC DEFENDER Dept.#PD	05-01-2024	05 YRS 06 MOS
HARVEY A. SILBERMAN	SUPERIOR COURT/COUNTY CLERK Dept.#SC	03-27-2024	04 YRS 04 MOS
CARLOS A. VEGA-MATOS	PUBLIC HEALTH PROGRAM Dept.#PH	04-12-2024	11 YRS 11½ MOS
MICHELLE WILLIAMS	NORTHEAST CLUSTER (LAC+USC) Dept.#HG	06-27-2024	16 YRS 06 MOS
LIREN ZHANG	DEPT OF PUBLIC SOCIAL SERVICES Dept.#SS	04-26-2024	07 YRS 04 MOS

BOARD OF RETIREMENT MEETING OF JUNE 5, 2024, RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST APPROVED ON MAY 1, 2024

GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
WILLIAM A SUMNER III	SHERIFF	RESCISSION OF RETIREMENT
THOMAS M THOMPSON	L A COUNTY FIRE DEPT	CHANGE OF DATE TO May 30, 2024

GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT

NAME	DEPARTMENT	UPDATE
VALERIANO E AVINA	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO May 29, 2024
JANETTE THOMPSON	PUBLIC HEALTH PROGRAM	CHANGE OF DATE TO June 3, 2024
MIGUEL A GARCIA	PUBLIC WORKS	CHANGE OF DATE TO March 28, 2024
TIMOTHY J VALLEZ	PROBATION DEPARTMENT	CHANGE OF DATE TO April 16, 2024
ESTHER M ROJAS	PROBATION DEPARTMENT	RESCISSION OF RETIREMENT
GLADYS VARGAS	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO June 3, 2024
PHILIP S YAU	MENTAL HEALTH	RESCISSION OF RETIREMENT
ROUBINA AZIZIAN	DEPT OF PUBLIC SOCIAL SERVICES	CHANGE OF DATE TO June 28, 2024
DARLENE F STEVENSON	CHILDREN & FAMILY SERVICES	RESCISSION OF RETIREMENT

May 22, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

SUBJECT: **APPEAL(S) FOR THE BOARD OF RETIREMENT'S MEETING OF JUNE 5, 2024**

IT IS RECOMMENDED that the Board of Retirement grant the appeal(s) and request(s) for administrative hearing received from the following member(s), and direct the Disability Retirement Services Manager to refer each case to a referee:

5416B	Gina R. Heredia	Michael Treger	Deny SCD - Ineligible
5326B	Deborah L. Morgan	In Pro Per	Deny SCD
5421B	Ingrid L. Martinez	In Pro Per	Deny SCD
5328B	Rosario M. Ramirez	In Pro Per	Deny SCD – Grant NSCD With Option of Earlier Effective Date

TLC:kw

LACERA

May 14, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

FOR: June 5, 2024, Board of Retirement meeting

SUBJECT: SERVICE PROVIDER INVOICE APPROVAL REQUEST – NOAM Z. DRAZIN, M.D.

On January 1, 2015, the Board of Retirement adopted a policy whereby staff is authorized to approve and pay vendor invoices up to a cumulative amount of $15,000.00 per vendor. Invoices from vendors exceeding $15,000.00 per case shall be submitted to the Board of Retirement for approval prior to payment.

Dr. Noam Z. Drazin has completed his in-person exam and record review for the application of Raymond A. Mendoza and is requesting payment of the attached invoice, which will exceed the vendor's cumulative amount for this case. This was an extensive case with 11.676 inches of record review. The previous invoice amount of $13,872.69 was paid and the outstanding balance is $8,335.08.

IT IS THEREFORE RECOMMENDED THAT the Board approve the service provider invoice for Noam Z. Drazin, M.D.

TC:rl

Confidential Attachment

LACERA

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

LACERA

May 14, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

FOR: June 5, 2024, Board of Retirement meeting

SUBJECT: SERVICE PROVIDER INVOICE APPROVAL REQUEST, MARK GANJIANPOUR, M.D.

On January 1, 2015, the Board of Retirement adopted a policy whereby staff is authorized to approve and pay vendor invoices up to a cumulative amount of $15,000.00 per vendor. Invoices from vendors exceeding $15,000.00 per case shall be submitted to the Board of Retirement for approval prior to payment.

Dr. Mark Ganjianpour completed his initial report and record review for the application of Randolph Hardeman and is requesting approval for payment of the attached invoice. This was an extensive case with 29 hours of record review.The total outstanding balance is $15,619.03.

IT IS THEREFORE RECOMMENDED THAT the Board approve the service provider invoice for Mark Ganjianpour, M.D.

TC:rl

Confidential Attachment

LACERA

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

LACERA

May 14, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

FOR: June 5, 2024, Board of Retirement meeting

SUBJECT: SERVICE PROVIDER INVOICE APPROVAL REQUEST, REFEREE JOHN L. ROSENTHAL

On January 1, 2015, the Board of Retirement adopted a policy whereby staff is authorized to approve and pay vendor invoices up to a cumulative amount of $15,000.00 per vendor. Invoices from vendors exceeding $15,000.00 per case shall be submitted to the Board of Retirement for approval prior to payment.

On May 3, 2024, Referee John L. Rosenthal completed his Final Proposed Findings of Fact and Recommended Decision for the application of Sandra Corral and is requesting approval for payment of the attached invoice. This was an extensive case with 150.5 hours of hearing officer fees.The total outstanding balance is $30,100.00.

IT IS THEREFORE RECOMMENDED THAT the Board approve the service provider invoice for John L. Rosenthal.

TC:rl

Confidential Attachment

LACERA

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

LACERA

May 9, 2024

TO: Each Trustee,
Board of Retirement
Board of Investments

FROM: Joint Organizational Governance Committee
Vivian Gray (BOR), Chair
Patrick Jones (BOI), Vice Chair
Trevor Faye (BOI)
Debbie Martin (BOI)
Shawn Kehoe (BOR)
Les Robbins (BOR)
JP Harris (BOR)

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: Approval of Fiscal Year 2024-25 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits (OPEB) Trust Budgets

RECOMMENDATION

That the Board of Retirement (BOR) and the Board of Investments (BOI) adopt the LACERA Fiscal Year (FY) 2024-25 Proposed Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits (OPEB) Trust Budgets.

SUMMARY

LACERA's Administrative, Retiree Healthcare Benefits Program and OPEB Trust operating budgets represent the organization's fiscal plan in support of the work we will do in FY 2024-25 toward achieving our mission – To produce, protect and provide the promised benefits to our members. For FY 2024-25, the Administrative Budget, which supports the operating costs to administer pension plan benefits and is funded from investment earnings, totals approximately $140 million. The Retiree Healthcare Benefits Program Budget, which supports the operating costs to administer retiree healthcare benefits to eligible members and is funded from an administrative fee paid by plan sponsors and participants, totals approximately $13.6 million. The OPEB Trust Budget, which supports the operating costs to manage and grow the fund assets set aside by trust participants (Los Angeles County, Superior Court and LACERA) to pre-fund retiree health

dental and death benefits, totals $1.1 million. LACERA's Board of Investments is the trustee and investment manager for the OPEB Trust Fund.

The attached FY 2024-25 presentation materials provide a summary. The complete budget details are found in the attached FY 2024-25 Administrative, Retiree Healthcare, and OPEB Trust Budgets (Budget Book).

Attachments: FY 2024-25 Budget Presentation
FY 2024-25 Proposed Administrative, Retiree Healthcare and OPEB Trust Budgets (Budget Book)
LACERA Budget Policy – Approved June 2023

Fiscal Year 2024-25
Proposed Budget Presentation

Administrative, Retiree Healthcare Benefits & OPEB Trust Budgets

Fiscal Year 2024-25 Preliminary Budget

AGENDA

- Background – Legal authority, budget policies, budget process
- Strategic Priorities & Initiatives
- FY 2023-24 Accomplishments
- Administrative Budget
  - Assumptions & Structure
  - Summary of Changes
  - Proposed Staffing Changes
- Retiree Healthcare Benefits Program Budget
- OPEB Trust Budget
- Questions & Discussion
- Appendix: FY 2024-25 Strategic Workplans

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 and approving costs required in the Boards' prudent fiduciary judgment to serve the paramount duty to 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 31580.2(b) excludes computer technology expenditures from the appropriation limit
- Govt Code 31596.1 excludes specific non-administrative expenses from the appropriation limit

Surplus Unappropriated Balance

Unappropriated Funds

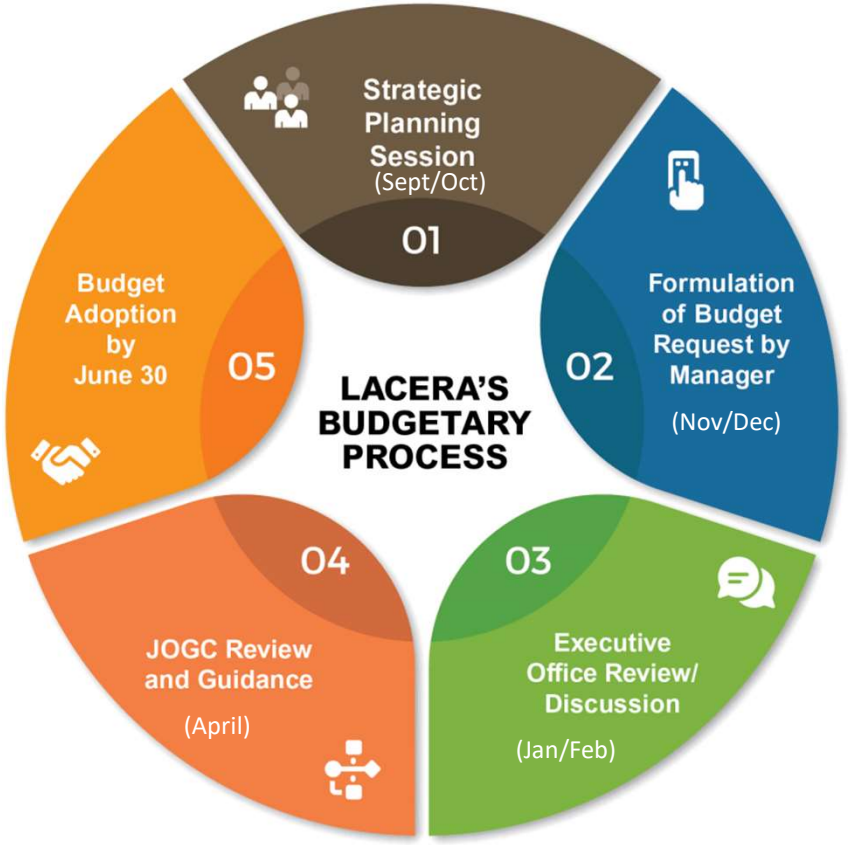
- Represents the balance of available appropriation after Administrative Costs
- 2024-25 = Approximately $50 million

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



LACERA's Operating Budgets – FY 2024-25

Administrative

$140.0 Million

- Provides resources necessary to administer the promised pension benefits
- Funded exclusively from investment returns (per CERL)
- Costs are capped at 0.21% (21 basis points) of Actuarial Accrued Liability (per CERL)

Retiree Healthcare Benefits Program

$13.6 Million

- Provides resources necessary to administer the retiree healthcare benefits to eligible members
- Funded from $8 per member/plan/month administrative fee paid by plan sponsor or member
- Healthcare premium costs are passed through and paid by plan sponsors on a pay as you go basis
- Pension Trust Assets may not be used to support Retiree Healthcare

OPEB Trust

$1.1 Million

- Master trust established in 2012 to pre-fund liability for retiree health, dental and death benefits
- BOI is responsible for the investment policy and managing both the fund and the trust
- Trust Owners are LA County, Superior Court & LACERA only
- Not currently used to pay premiums – Goal to use investment earning to pay benefits

Pension Plan Funding

C + I = B + E

Contributions + Investment Earnings = Benefits + Expenses

100% of LACERA's Administrative Budget (E) is funded from Investment Earnings (I)

BOR Strategic Priorities

BOR Strategic Priorities

Superior Member Experience

Innovate and continuously improve the member experience

Innovation through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

Investing in People

Attract, motivate, hire, and retain a highly engaged and skilled workforce

Enterprise Risk Management and Compliance

Adopt and implement enterprise-risk and compliance framework aimed at mitigating risk and vulnerabilities

Fiscal Durability

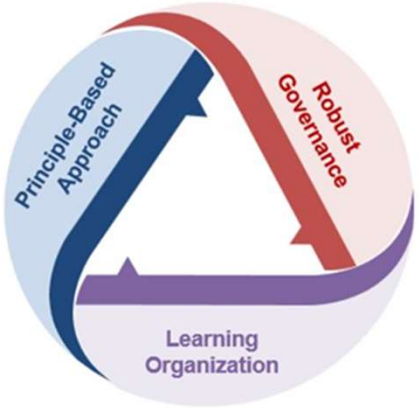
Exercise care and prudence in managing our resources and fund assets

Align Strategic Priorities to Objectives

BOI Strategic Initiatives

Execute Strategic Asset Allocation

Dynamic Investment Program



Strategic Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
- Strengthen Influence on Fees and Cost of Capital
- T.I.D.E. Towards Inclusion, Diversity, and Equity

Mission: To produce, protect and provide the promised benefits to our members

Prior Year Accomplishments

Members • Technology • People • Risk & Compliance • Fiscal Durability

FY 2023-24 Accomplishments

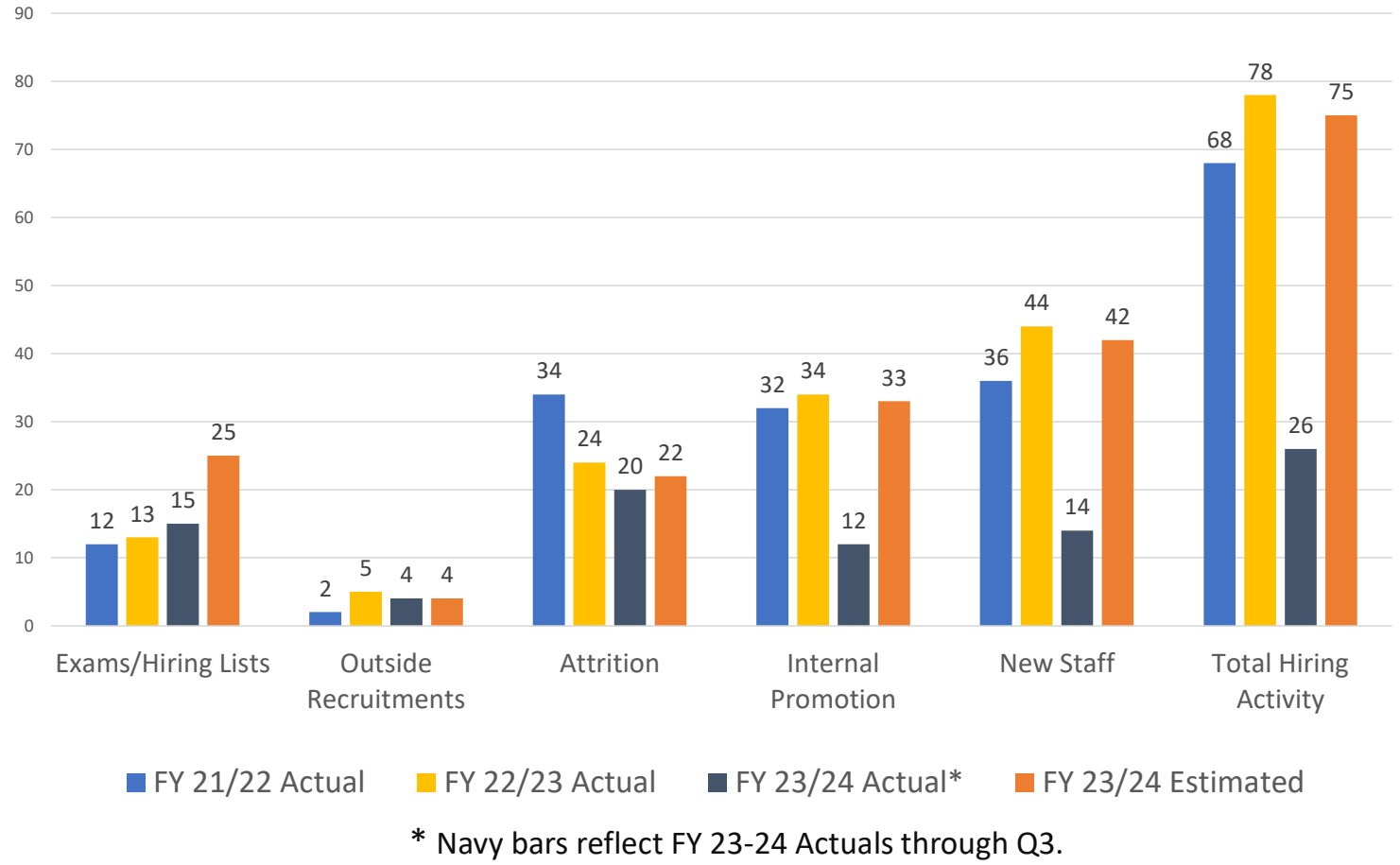
- BOR Strategic Plan Workplans
- Implemented Principle-Based Approach to Investing
- Investment Returns Above Policy Benchmarks
- Update & Revise Actuarial Funding Policy
- Completed Renovation of 7th Floor
- Improved Disaster Recovery (Cloud Migration)
- Data Lake/ CEO Dashboards

FY 2023-24 Accomplishments

- **Multi-factor Authentication for Incoming Member Calls**
- **Sol Case Management Phase I**
  - Disability Litigation
  - Disability Retirement Services
  - First Payment (by 6/30/24)
- **My LACERA Enhancements**
  - Homepage Redesign
  - Online Retirement Election
  - Rehired Retiree Dashboard
  - Retiree Healthcare Data
- **Improved Administrative Controls**
  - Budget & Vendor Management Systems

FY 2023-24 Accomplishments

HR Key Performance Indicators - 3 Year Trend



* Navy bars reflect FY 23-24 Actuals through Q3.

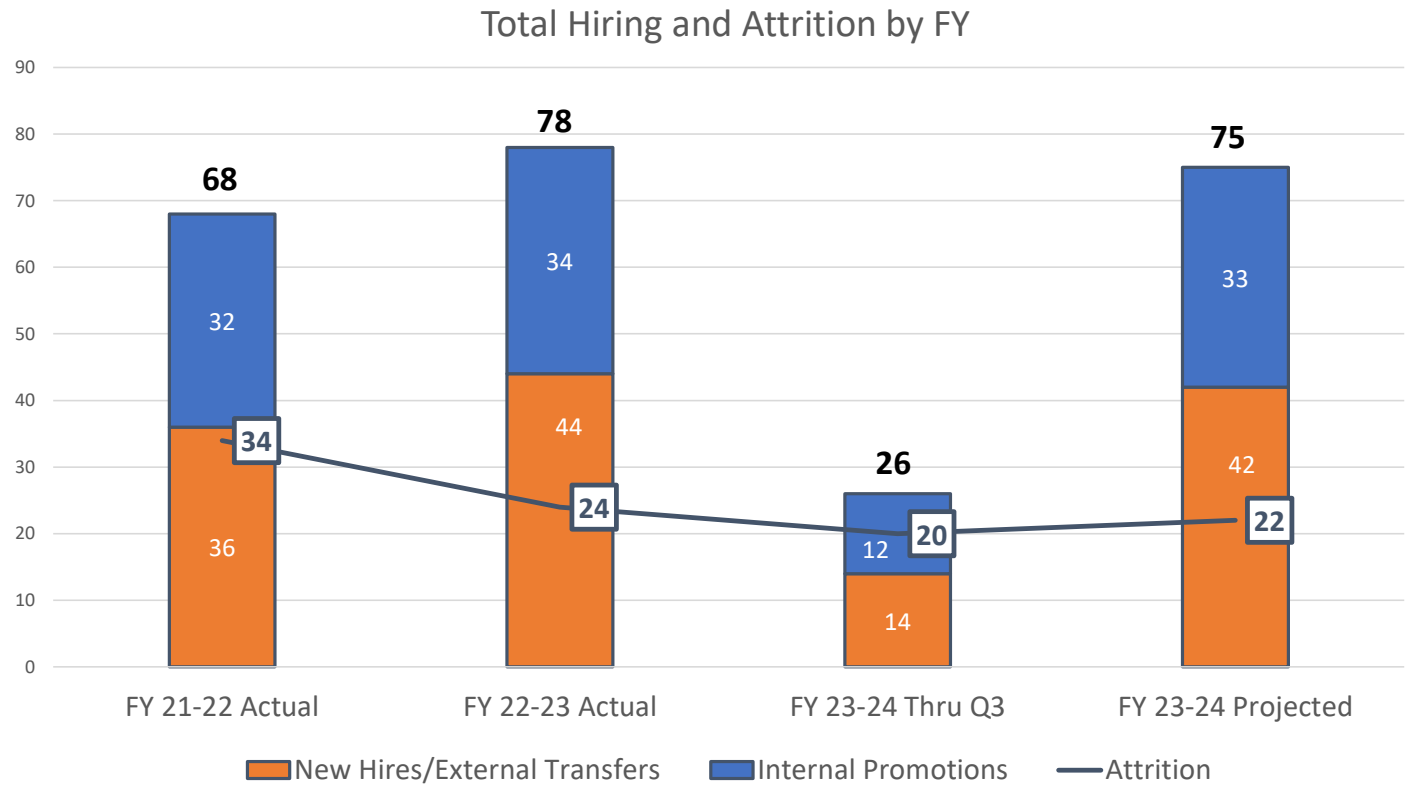
FY 2023-24 Accomplishments

Exam Metrics - 3 Year Trend

Fiscal Year	# Exams		# Applicants	# Hired	
	Open	Promo		External	Promo
2021 – 2022	6	5	889	21	49
2022 – 2023	11	1	1701	47	7
2023 – 2024	15	5	3800	9	7

FY 2023-24 Accomplishments

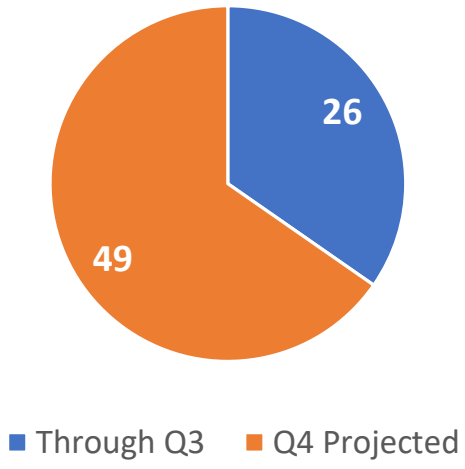
Staffing Key Performance Indicators - 3 Year Trend



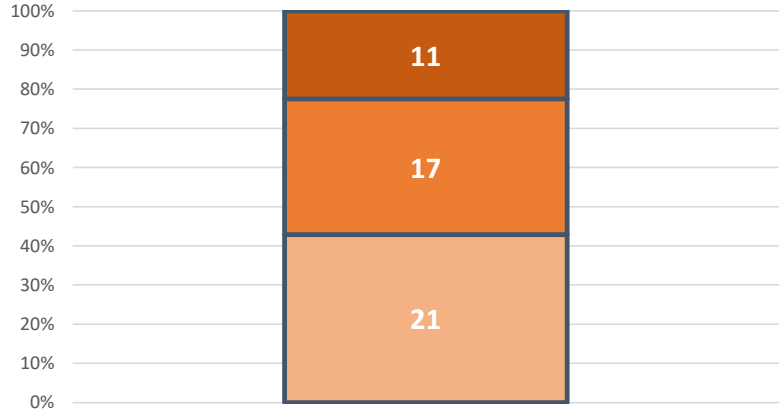
FY 2023-24 Accomplishments

Breakdown of FY 23-24 Projected Hiring

FY 23-24 Projected Total Hires - 75



FY 23-24 Q4 Projected Hiring - 49



21 Retirement Benefits Specialists (RBS) I Trainees will promote to RBS II

17 New RBS I Trainees will begin Core Training

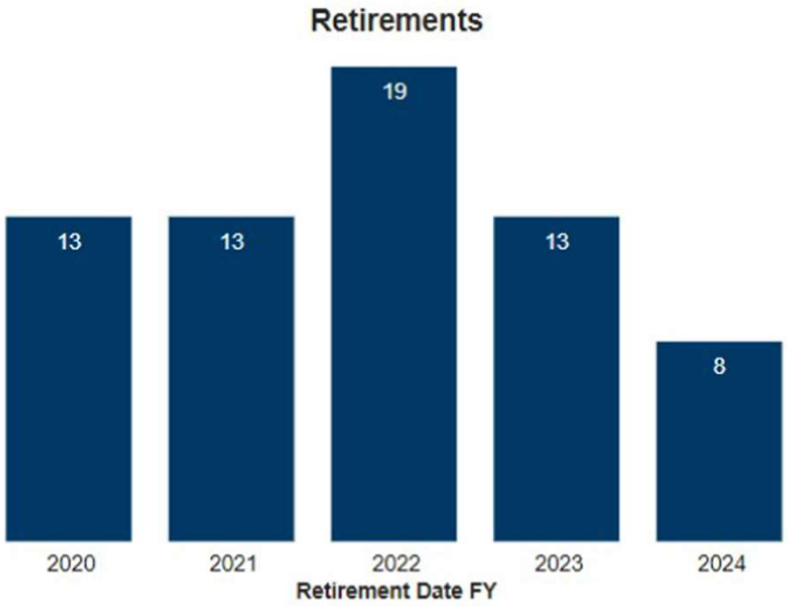
11 Other positions will be filled throughout LACERA

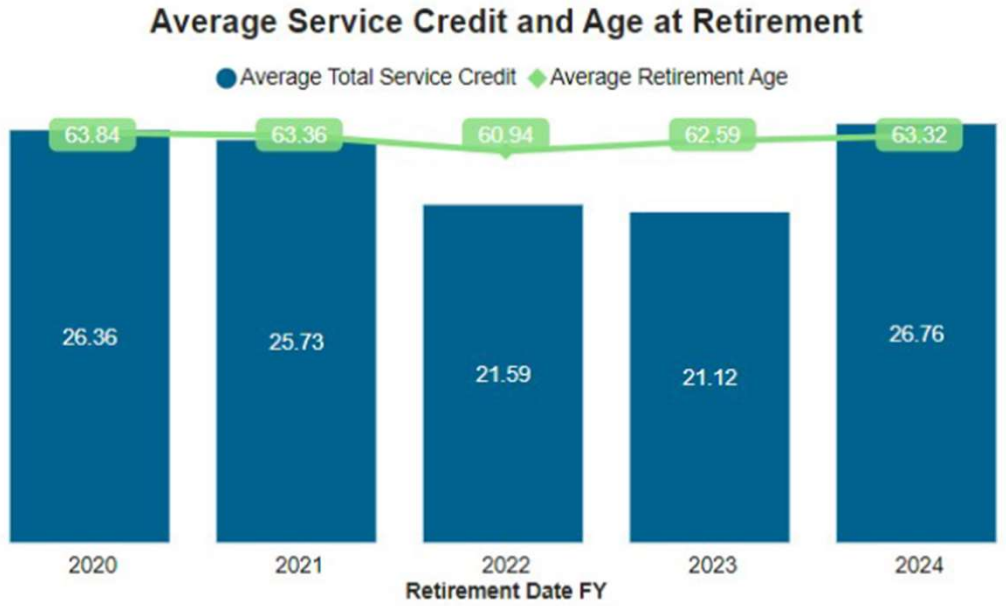
FY 2023-24 Accomplishments

Staffing Key Performance Indicators - 3 Year Trend

- LACERA Increased HR staff capacity resulting in more opportunities to hire and promote staff
- The impact of 10 new hiring lists in Q4 will result in more hiring and promotions in early FY 24-25

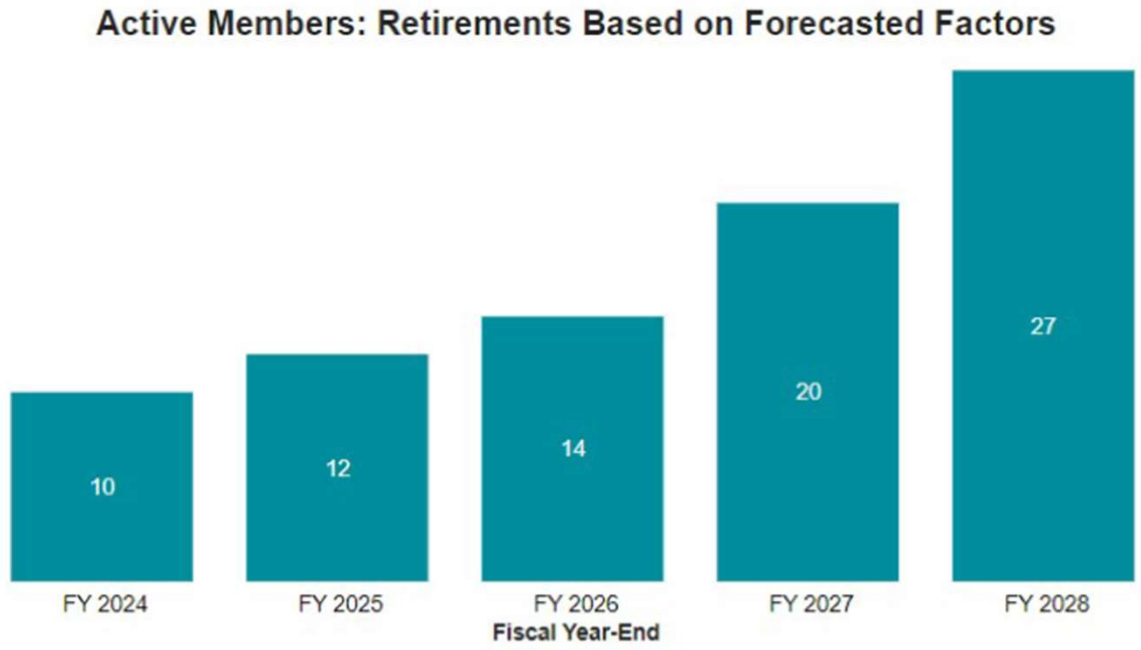
Historical Retirement – LACERA Staff Members





FY 2023-24 Accomplishments

Anticipated Retirement – LACERA



- Forecasted Retirement Age: 63.3
- Forecasted Retirement Service Credit: 26.7

ADMINISTRATIVE BUDGET

LACERA Budget Book – Overview of Details

Division Narrative First Page – Summary

- Description of Division's Purpose
- 3 Year History of Positions – Bar Graph
- 3 Year History of Total Budget - Bar Graph
- Summary of Significant Changes from Previous Year

Next Pages - Greater Detail

- Status of FY 2023-24 Projects & Initiatives
- FY 2024-25 Strategic Goals & Objectives
- Narrative Summary of Budgetary Changes
- Organizational Chart – including changes
- Budget Summary by Account Category
- Budgeted Positions
- History of Expenditures

FY 2024-25 Budget Assumptions

Incremental/Activity Based Budget Process

- LACERA's budget is based on the prior year base budget with a focus on changes to core costs and activities

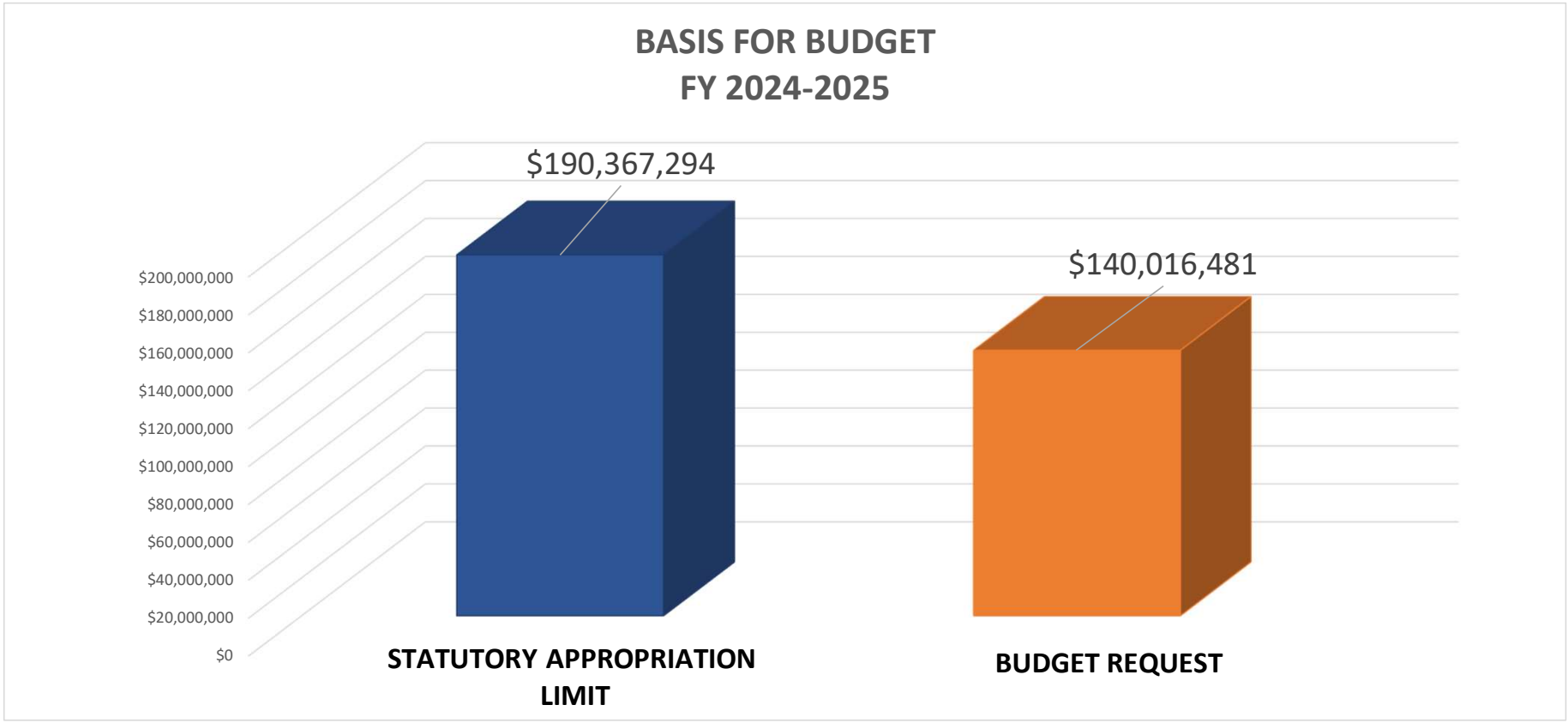
Salaries & Employee Benefits

- Filled positions are based on current actual salaries plus salary step/ merit increases where eligible
- Vacant positions are based on Step 1 salary & funded based on the Hiring Plan for the classification (0, 6, 9 or 12 months)
- Current MOU expires December 31, 2024 – No COLAs beyond January 1, 2025, were included
- Benefit costs (consistent w/LA County) – Estimated 65% of Salaries
- Retirement Benefit Specialist (RBS) Core Training Class – Overhires (11) to ensure steady consistent staffing – Cost to be absorbed by salary savings due to assumed attrition
- New positions only added when supported by planned hiring activity & availability of Ordinance

Services & Supplies

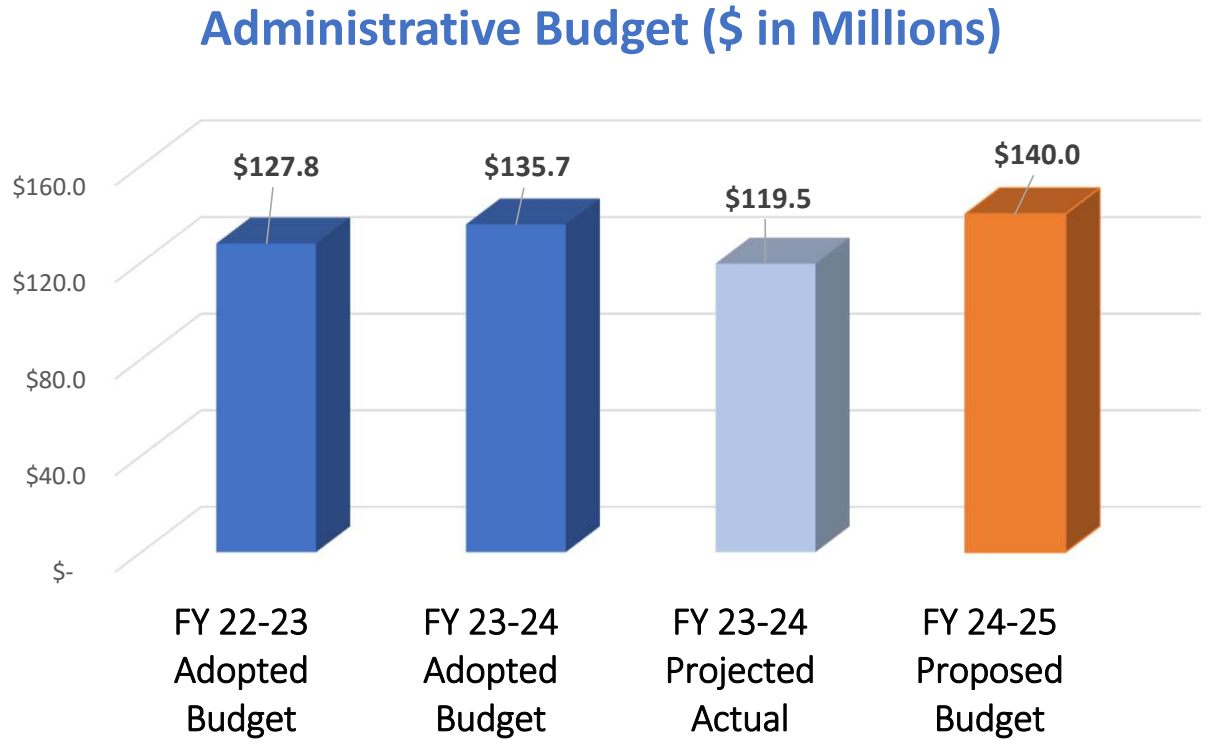
- Historical expenditures adjusted for inflation and/or change in use
- One-time expenditures removed or adjusted

FY 2024-25 Administrative Budget

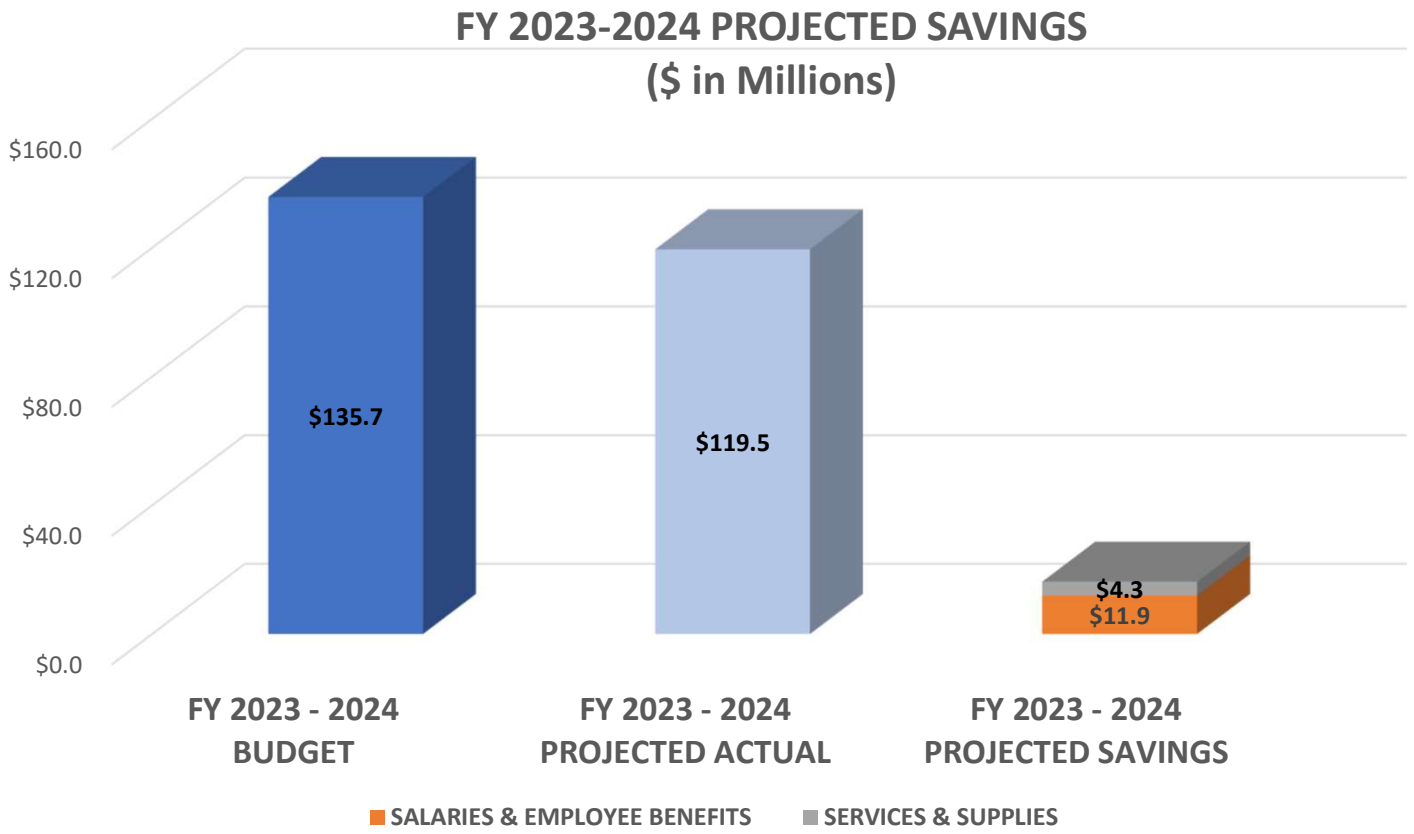


FY 2024-25 Administrative Budget

3 Year Budget Trend



FY 2023-24 Projected Savings



LACERA

Fiscal Year 2024-25

Administrative Budget Request Summary

ADMINISTRATIVE BUDGET	BUDGET FY 2023 - 24	BUDGET FY 2024 - 25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$103,071,874	$105,092,781	$2,020,907	2.0%
SERVICES & SUPPLIES	$32,676,100	$34,923,700	$2,247,600	6.9%
OPERATING BUDGET TOTAL	**$135,747,974**	**$140,016,481**	**$4,268,507**	**3.1%**

FY 2023-24 Budget to Projected Actuals by Category

ADMINISTRATIVE BUDGET	BUDGET FY 2023 - 24	YTD ACTUAL 01/31/24	FULL YEAR PROJECTION	BUDGET FY 2024 - 25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$103,071,874	$45,436,133	$91,130,900	$105,092,781	$2,020,907	2.0%
SERVICES & SUPPLIES	$32,676,100	$15,406,980	$28,377,900	$34,923,700	$2,247,600	6.9%
OPERATING BUDGET TOTAL	**$135,747,974**	**$60,843,113**	**$119,508,800**	**$140,016,481**	**$4,268,507**	**3.1%**

FY 2023-24 Budget to Projected Actuals by Division

DIVISION	BUDGET REQUEST FY 2023-24	YTD ACTUAL 01/31/24	FULL YEAR PROJECTION	BUDGET REQUEST FY 2024-25	VARIANCE	% CHANGE
Administrative Services	$16,108,407	$8,128,312	$13,243,200	$16,946,279	$837,872	5.2%
Benefits	12,449,401	6,440,313	13,036,200	12,838,241	388,840	3.1%
Board of Retirement	303,500	63,209	270,900	341,500	38,000	12.5%
Board of Investments	551,000	231,066	471,700	556,000	5,000	0.9%
Communications	4,117,688	1,473,959	3,127,200	3,752,475	(365,213)	-8.9%
Disability Litigation	2,561,141	1,255,209	2,552,800	2,504,711	(56,430)	-2.2%
Disability Retirement	11,797,091	5,285,457	10,316,500	11,620,273	(176,818)	-1.5%
Ethics & Compliance Office	182,700	11,500	79,000	219,400	36,700	20.1%
Executive Office	5,276,414	2,423,147	4,902,200	4,039,504	(1,236,910)	-23.4%
Financial & Accounting Services	5,688,738	2,534,075	5,008,200	5,658,426	(30,312)	-0.5%
Human Resources	6,743,589	2,296,491	4,543,700	6,470,103	(273,486)	-4.1%
Information Security Office	0	0	0	1,590,829	1,590,829	0.0%
Internal Audit	3,613,148	1,518,115	3,013,900	3,294,298	(318,850)	-8.8%
Investment Office	18,223,968	8,184,657	16,575,800	19,377,272	1,153,304	6.3%
Legal Services	9,815,031	4,086,596	7,844,300	10,387,249	572,218	5.8%
Member Services	11,063,298	5,222,526	10,576,900	12,020,576	957,278	8.7%
Quality Assurance	3,383,333	1,444,007	2,989,500	3,320,272	(63,061)	-1.9%
Systems	23,869,524	10,244,475	20,956,800	25,079,073	1,209,549	5.1%
TOTAL	**$135,747,974**	**$60,843,113**	**$119,508,800**	**$140,016,481**	**$4,268,507**	**3.1%**

FY 2024-25 Salaries & Employee Benefits

Summary of Significant Changes Across LACERA

- 6 New Permanent Positions
- Full-Year Funding for Vacant Positions Expected to be Filled
- Non-Discretionary Salary Increases (Salary Step, Merit)
- Reduced Reliance on Temporary Staff – 25.8% reduction
- Reduced Employer Pension Contributions

Summary of Requested Position Changes

FY 2024-25

Classification	No.	Change	Division Requesting	Program/Purpose
Supervising Administrative Asst. II	1	Add	Administrative Services	Vendor Management
Administrative Analyst III	2	Add	Administrative Services	Vendor Management
Receptionist (vacant)	-1	Delete	Administrative Services	Obsolete
Accountant I	1	Add	FASD	Reconciliation Unit
Accountant I	1	Add	FASD	Disbursements Unit
Accountant I	1	Add	FASD	Financial Reporting Unit
Financial Analyst I (vacant)	-1	Delete	Investments	Portfolio Analytics
Financial Analyst II	1	Add	Investments	Portfolio Analytics
Legal Analyst	1	Add	Legal Services	Investments
Legislative Affairs Officer	--	Transfer	From Legal Services to Executive Office	Legislative Analysis

Summary of Vacant Positions

DIVISION	PROPOSED BUDGETED POSITIONS FY 2023-24	VACANCY (AS OF 03/31/24)	%	PROPOSED BUDGETED POSITIONS FY 2024-25*
Administrative Services	**42**	17	40%	**44**
Benefits	**79**	1	1%	**79**
Communications	**14**	6	43%	**14**
Disability Litigation	**7**	0	0%	**7**
Disability Retirement Services	**44**	8	18%	**44**
Ethics & Compliance Office	**1**	1	100%	**1**
Executive	**9**	1	11%	**10**
Financial Accounting Services	**30**	4	13%	**33**
Human Resources	**21**	6	29%	**21**
Information Security Office	**5**	4	80%	**5**
Internal Audit	**11**	3	27%	**11**
Investments	**46**	8	17%	**46**
Legal Services Ø	**28**	10	36%	**28**
Member Services	**79**	11	14%	**79**
Quality Assurance	**19**	5	26%	**19**
Systems	**62**	21	34%	**62**
LACERA Pension Plan Total	**497**	**106**	**21%**	**503**

* Based on hiring plan recruitment calendar

Budget Impact of Requested Position Changes

FY 2024-25

DIVISION	#	POSTION TITLE	FULL YEAR SALARY	FULL YEAR TOTAL EMPLOYEE BENEFITS	FULL YEAR BUDGET IMPACT
Administrative Services	1.0	Supervising Administrative Assistant II	$105,034	$68,272	$173,306
	2.0	Administrative Services Analyst III	$156,661	$101,830	$258,491
	(1.0)	Receptionist	($43,819)	($28,482)	($72,301)
Financial & Accounting Services	3.0	Accountant	$207,226	$134,697	$341,922
Investment Office	1.0	Finance Analyst II	$139,772	$90,852	$230,623
	(1.0)	Finance Analyst I	($96,588)	($62,782)	($159,370)
Legal Services	1.0	Legal Analyst	$83,311	$54,152	$137,462
Total	**6.0**		**$551,597**	**$358,538**	**$910,134**

* Based on hiring plan recruitment calendar

Vendor Management Program Staffing

Implementing Strategic Objective 5.1

Current State	• Decentralized vendor management program • Each division has one or more contract administrators • Poses numerous compliance challenges/risks
Proposed Program	• Centralized vendor management team in Administrative Services • Support 15 Divisions with vendor engagement, due diligence, solicitations, selection, risk assessment and mitigation, contract negotiation, onboarding, monitoring, and offboarding
Staffing Needs	• 1 Supervising Administrative Assistant II • 2 Administrative Services Analyst IIIs • Reassess and provide for future staffing needs FY 25-26

Financial & Accounting Services Staffing

3 New permanent Accountant I positions proposed

Reporting & Compliance Unit

Unit responsible for financial statements & reporting
- New position to support internal compliance
- Implementation of RHC Tier 3, if successfully negotiated
- Implementation of GASB Statement 101 (compensated absences)

Reconciliations Unit

- Payment recovery & overpayment monitoring – workload increases
- Support for upcoming member prepaid debit card program
- Support RHC plan structure changes

Disbursements Unit

Unit processes member payroll and other checks
- New position allows for balanced workload & staff dev. opportunities
- Allow for the implementation of modernization efforts (travel, ERP)
- Reduce dependence on temporary staff

Legal Services Staffing

Investments	One new permanent Legal Analyst position is requested and one Legal Secretary is administratively transferred within the Legal Services Office to address growth in workload
Legislative Analysis	The Legislative Affairs Officer position is being administratively transferred to the Executive Office
Future State	Assess the structure and staffing levels within the Legal Services Office and identify solutions to better prepare for succession and LACERA's future legal support needs

Ethics & Compliance Unit

Implementing Strategic Objective 4.1

Past

- Director of Compliance position approved by BOR/BOI in FY 21-22
- Board of Supervisors (BOS) has not approved the position
- Funding for outside legal counsel included in Legal Services Office

Present

- BOR/BOI approved the Ethics & Compliance program to be headed by a Chief Ethics & Compliance Officer (subject to BOS)
- Segregated funding and budget from Legal Services

Future State

- Complete CECO job description & salary (to JOGC)
- Baseline risk assessment for LACERA
- Implement Governance, Risk & Compliance software
- Assess and provide for future staffing needs

FY 2024-25 Services & Supplies

Summary of Significant Changes Across LACERA

- Computer Services & Support - $2,228,400
- Educational Expenses- $365,600
- Transportation & Travel – $93,600
- Outside Legal Fees & Services - $240,000
- Office Supplies & Equipment – ($373,300)
- Equipment Maintenance – ($305,000)

Computer Services & Support

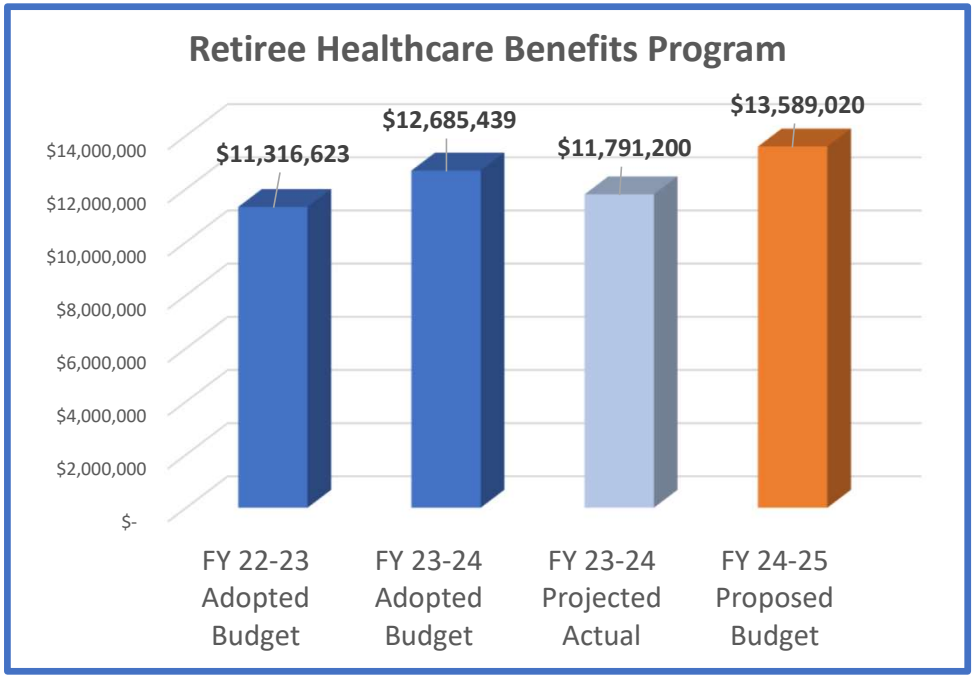
Highlights for FY 2024-25

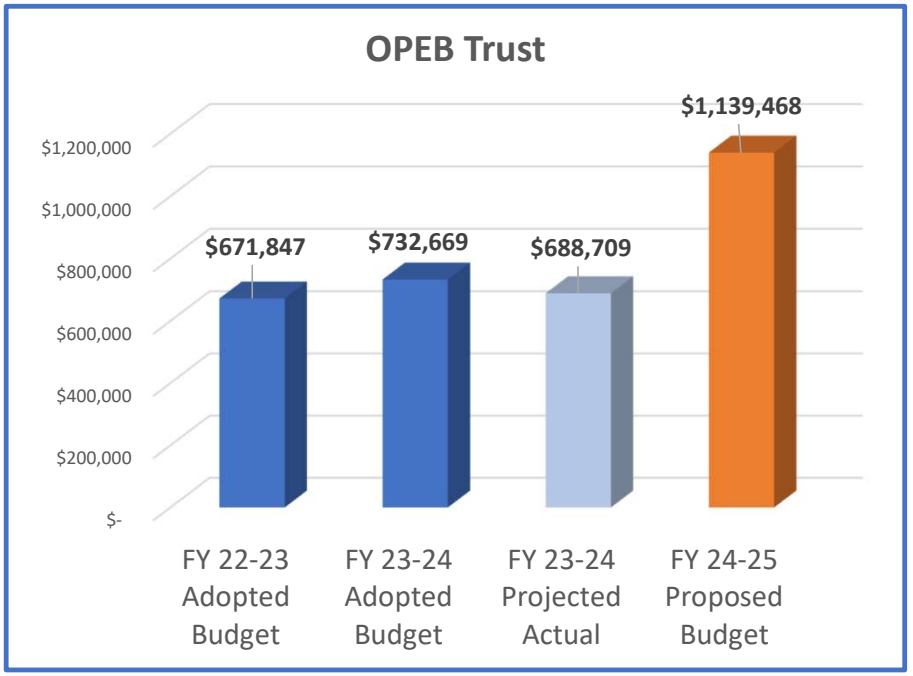
- Division Software New
  - Secure Access Service Edge Solution - $235,000
  - Member Identity Verification Solution - $220,000
  - Facilities Management Solution - $150,000
  - Benefits Death Verification System Upgrade- $100,000
  - Digital Mailroom - $100,000
  - Human Resources Recruitment Module (NeoGOV)- $71,000
- Enterprise Software - New
  - Member Experience Communication Project - $600,000
  - Member Case Management Solution Phase II - $500,000
  - Enterprise Knowledge Management Solution - $250,000

RHCBP & OPEB TRUST BUDGETS

Retiree Healthcare & OPEB Trust

Three Year Budget Trend





LACERA

Fiscal Year 2024-25

Retiree Healthcare Benefits Program
Budget Request Summary

RHCBP BUDGET	BUDGET FY 2023 - 24	BUDGET FY 2024 - 25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$5,752,105	$6,519,686	$767,581	13.3%
SERVICES & SUPPLIES	$6,933,333	$7,069,334	$136,001	2.0%
OPERATING BUDGET TOTAL	**$12,685,439**	**$13,589,020**	**$903,581**	**7.1%**

Reminder: Pension plan assets may not be used to support the RHCBP

2023-24 RHCBP Budget to Projected Actual

RHCBP BUDGET	BUDGET FY 2023 - 24	YTD ACTUAL 01/31/24	FULL YEAR PROJECTION	BUDGET FY 2024 - 25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$5,752,105	$2,692,672	$5,435,500	$6,519,686	$767,581	13.3%
SERVICES & SUPPLIES	$6,933,333	$3,692,845	$6,355,700	$7,069,334	$136,001	2.0%
OPERATING BUDGET TOTAL	**$12,685,439**	**$6,385,516**	**$11,791,200**	**$13,589,020**	**$903,581**	**7.1%**

RHCBP 2024-25 BUDGET

Summary of Significant Changes

- Increase in Variable Benefits Due to New Staff Eligibility
- Salary Step and Merit Increases
- Increase in Departmental Overhead Costs
- Member Verification (Social Security Admin)
- Outside Legal Costs
- Reduction of One-Time Professional Services Costs

LACERA

Fiscal Year 2024-25

Other Post Employment Benefits (OPEB) Trust
Budget Request Summary

OPEB TRUST BUDGET	BUDGET FY 2023-24	BUDGET FY 2024-25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$521,881	$825,111	$303,230	58.1%
SERVICES & SUPPLIES	$210,788	$314,357	$103,569	49.1%
OPEB TRUST BUDGET TOTAL	**$732,669**	**$1,139,468***	**$406,800**	**55.5%**

* Represents 0.048% of the Trust's Actuarial Value of Assets as of 6/30/22

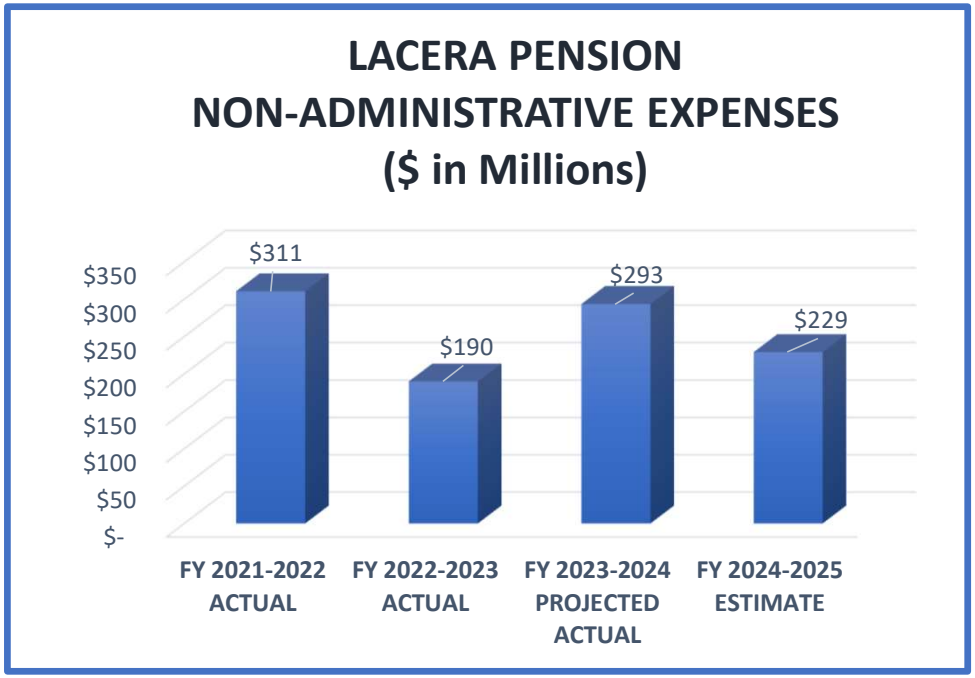
2023-24 OPEB Trust Budget to Projected Actual

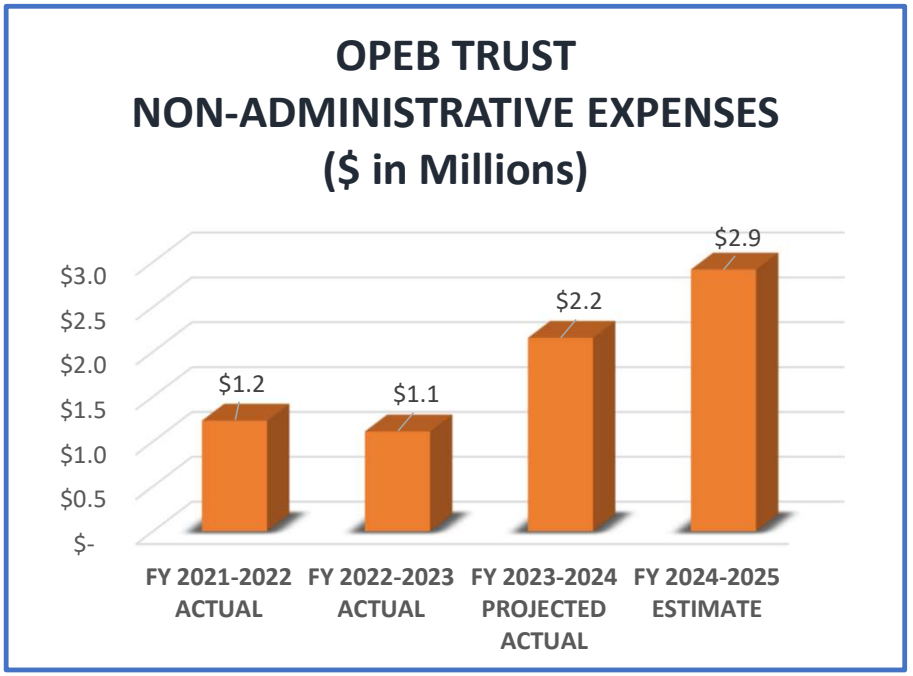
OPEB TRUST BUDGET	BUDGET FY 2023 - 24	YTD ACTUAL 01/31/24	FULL YEAR PROJECTION	BUDGET FY 2024 - 25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$521,881	$304,430	$490,568	$825,111	$303,230	58.1%
SERVICES & SUPPLIES	$210,788	$122,960	$198,141	$314,357	$103,569	49.1%
OPERATING BUDGET TOTAL	**$732,669**	**$427,390**	**$688,709**	**$1,139,468**	**$406,800**	**55.5%**

Non-Administrative Expenses

Non-Administrative Expenses

Three Year Trend & FY 24-25 Estimate





THANK YOU!

QUESTIONS?

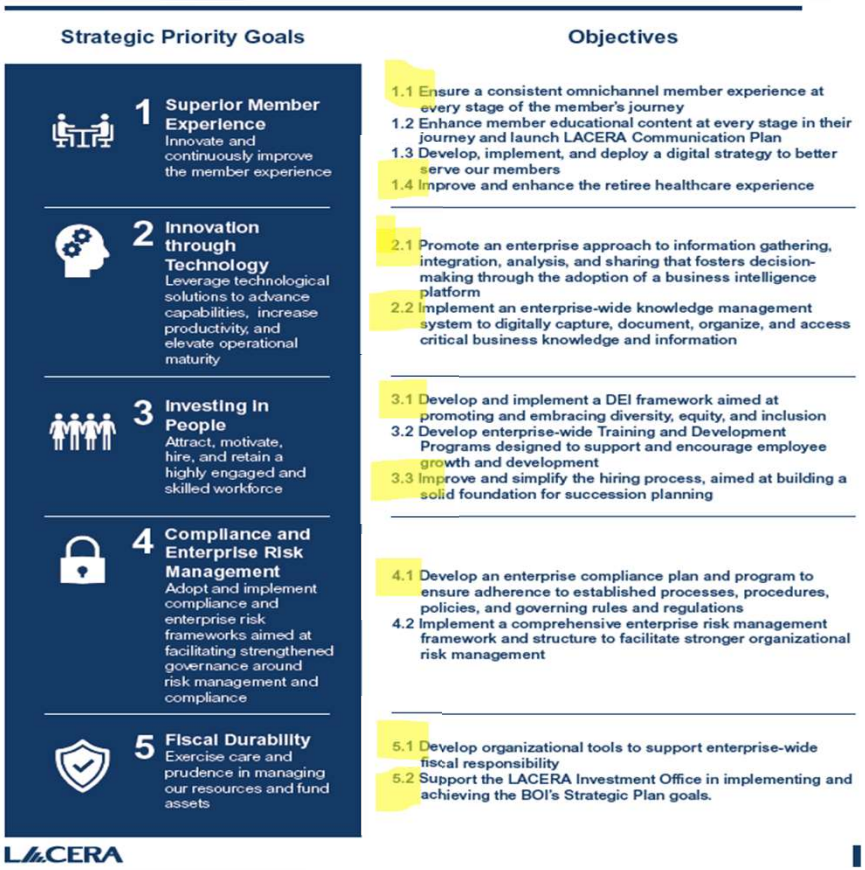
Appendix
FY 2024-25 Strategic Workplans

Members • Technology • People • Risk & Compliance • Fiscal Durability

LACERA Strategic Priorities and Objectives

BOR approved the Strategic Plan on July 6, 2023.

Board of Retirement



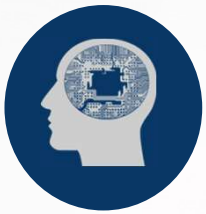
Strategic Priority Goals	Objectives
1 Superior Member Experience Innovate and continuously improve the member experience	1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey 1.2 Enhance member educational content at every stage in their journey and launch LACERA Communication Plan 1.3 Develop, implement, and deploy a digital strategy to better serve our members 1.4 Improve and enhance the retiree healthcare experience
2 Innovation through Technology Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity	2.1 Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform 2.2 Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information
3 Investing in People Attract, motivate, hire, and retain a highly engaged and skilled workforce	3.1 Develop and implement a DEI framework aimed at promoting and embracing diversity, equity, and inclusion 3.2 Develop enterprise-wide Training and Development Programs designed to support and encourage employee growth and development 3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning
4 Compliance and Enterprise Risk Management Adopt and implement compliance and enterprise risk frameworks aimed at facilitating strengthened governance around risk management and compliance	4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations 4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management
5 Fiscal Durability Exercise care and prudence in managing our resources and fund assets	5.1 Develop organizational tools to support enterprise-wide fiscal responsibility 5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals.

LACERA

Our Focus and Commitment

Superior Member Experience

Objective 1.1 Member Journey
LEAD: Tatiana Bayer
Executive Sponsor: JJ Popowich
Objective 1.4 Retiree Healthcare
LEAD: Tionna Fredericks
Executive Sponsor: JJ Popowich



Innovation Through Technology

Objective 2.1 Business Intelligence
LEAD: Kathy Delino
Executive Sponsor: Luis Lugo
Objective 2.2 Knowledge Management
LEAD: Eugenia Der
Executive Sponsor: JJ Popowich

Investing in People

Objective 3.1 D.E.I
LEAD: Jasmine Bath
Executive Sponsor: Laura Guglielmo
Objective 3.3 Simplify and Improve Hiring
LEAD: Carly Ntoya
Executive Sponsor: Laura Guglielmo

The nine strategic objectives serve as our focus this year, along with other strategic initiatives already underway.

Compliance and Enterprise Risk

Objective 4.1 Build Ethics and Compliance Program
LEAD: Steve Rice and Allison Barrett
Executive Sponsor: Luis Lugo

Fiscal Durability

Objective 5.1 Improve Organizational Tools and Controls to Support Fiscal Responsibility
LEAD: Ricki Contreras
Executive Sponsor: Laura Guglielmo
Objective 5.2 Review and Revise Funding Policy
LEAD: Vache Mahseredjian
Executive Sponsor: Luis Lugo

WORKPLAN - Strategic Objective 1.1

Strategic Goal: **Superior Member Experience**

Strategic Objective: **1.1 – Ensure an omni-channel experience at every stage of a member journey.**

Executive Sponsor and Leads: **JJ Popowich; Tatiana Bayer (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Determine the member's journey methodology	★	10/2023	01/12/2024
3	Member Experience Council Charter	●	10/2023	06/30/2024
4	Internal Communication Plan (BOR, OOC, Executive Team, and Staff)	●	10/2023	06/01/2024
5	Identify and define Member Journeys	◆	TBD	07/01/2024
6	Create tools to review and track progress on objective/initiatives	◆	TBD	06/30/2026
7	Identify the channels of service required for each member journey	◆	TBD	06/30/2026
8	Establish goals and KPI's for each member journey	◆	TBD	10/31/2026
9	Assess the consistency and service quality across each channel	◆	TBD	12/31/2026
10	Identify member interaction pain points and opportunities for improvement	◆	TBD	12/31/2026
11	Identify Budget Needs	◆	TBD	12/31/2026

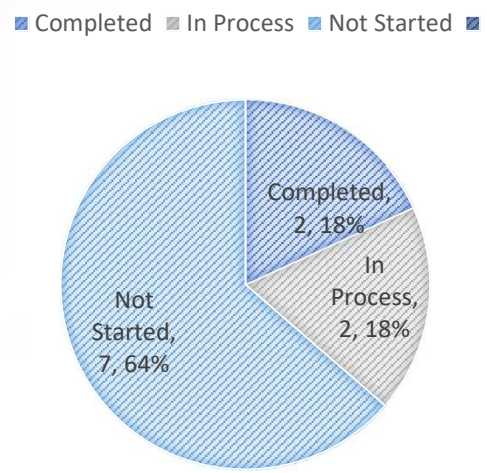
Legend

On Schedule ● Complete ★

Delayed/Stopped ▲

Not Started ◆

Milestone Tracker



WORKPLAN - Strategic Objective 1.4

Strategic Goal: **Superior Member Experience**
Strategic Objective: **1.4 – Improving the Retiree Healthcare (RHC) experience.**
Executive Sponsor and Lead: **JJ Popowich; Tionna Fredericks (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Build core team and schedule meeting cadence	★	10/2023	01/04/2024
2	Set-up team's collaboration timeline	★	10/2023	01/12/2024
3	Discuss ideas and opportunities for improving the Retiree RHC experience	★	10/2023	06/30/2024
4	Approval of Strategic Outline objective	★	10/2023	06/01/2024
5	Identify, Define, and Document Retiree Healthcare Roadmap	●	01/2024	12/31//2024
6	Coordinate communication plan with internal and stakeholders	◆	TBD	12/31/2024
7	Identify and implement automation opportunities i.e. SSA Data Exchange	◆	TBD	12/31/2025
8	Develop actionable KPI's to measure retiree and member satisfaction	◆	TBD	
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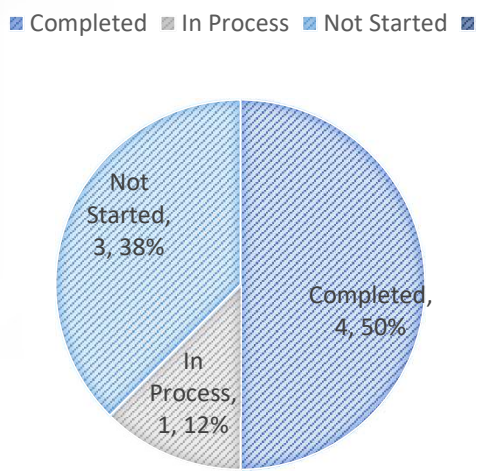
11				

Legend

On Schedule ● Complete ★
Delayed/Stopped ▲
Not Started ◆

Milestone Tracker



WORKPLAN - Strategic Objective 2.1

Strategic Goal: **Innovation Through Technology**
Strategic Objective: **2.1 – Implement Enterprise Business Intelligence Solution**
Executive Sponsor: **Luis Lugo; Kathy Delino (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Develop objective scope and goals	★	10/2023	01/01/2024
2	Communication Plan, Communicate objective goals to various stakeholders	●	01/2024	06/30/2024
3	Centralize Data Governance- Establish Data Management Team	◆	TBD	12/31/2024
4	Publish Dashboards for Enterprise/Member Data (Explore Enterprise Solution)	◆	TBD	12/31/2026
5	Replace reporting requests with on-demand dashboards	◆	TBD	07/01/2024
6				
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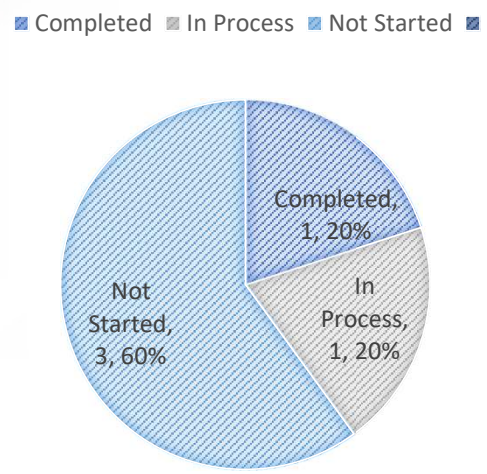
Legend

On Schedule ●
Delayed/Stopped ▲
Not Started ◆
Complete ★

Milestone Tracker



WORKPLAN - Strategic Objective 2.2

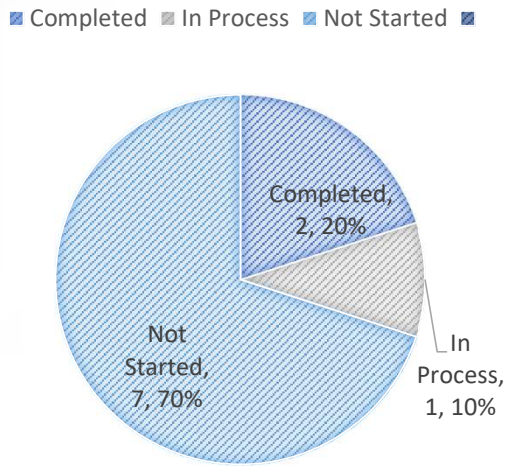
Strategic Goal: **Innovation Through Technology**
Strategic Objective: **2.2 – Implement Enterprise Knowledge Management System**
Executive Sponsor: **JJ Popowich; Eugenia Der (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Project Approval by the IT Coordination Council	★	10/2023	03/31/2024
3	Communication Plan- Educate and Engage stakeholders on Knowledge Mgmt.	●	10/2023	07/01/2024
4	RFP for taxonomy consultant and selection of consultant	◆	03/2024	12/31/2024
5	Complete assessment of organizational needs and specifications	◆	TBD	03/31/2025
6	Update and reconcile data and knowledge	◆	TBD	06/30/2025
7	Select vendor and product	◆	TBD	06/30/2026
8	Project Launch	◆	TBD	07/31/2026
9	Create and adopt knowledge playbook/policy/guidelines	◆	TBD	12/31/2028
10	Project Completion	◆	TBD	12/31/2028
11				

Legend

On Schedule ● Complete ★
Delayed/Stopped ▲
Not Started ◆

Milestone Tracker



WORKPLAN - Strategic Objective 3.1

Strategic Goal: **Investing in People**

Strategic Objective: **3.1 – Develop and implement framework aimed at promoting D.E.I.**

Executive Sponsor: **Laura Guglielmo; Jasmine Bath (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Communication Plan – IDEA (Inclusion, Diversity, Equity, and Accessibility)	●	10/2023	07/26/2024
3	Assemble a staff driven IDEA Council	★	TBD	07/26/2024
4	Prepare Charter for IDEA Council	◆	TBD	07/26/2024
5	Identify scope of work for Diversity, Equity, Inclusion, Belonging, and Accessibility (DEIBA) Advisor	◆	TBD	08/25/2024
6	Interview and hire DEIBA advisor	◆	TBD	09/25/2024
7	Collect data from staff, members, vendors, and business partners re: DEIBA	◆	TBD	11/24/2024
8	Develop topical library for internal and external users	◆	TBD	02/25/2025
9	Post IDEA initiative and educational content within LACERA Connect	◆	TBD	02/25/2025
10	Identify external business partners/vendors	◆	TBD	02/25/2025
11	Develop Organizational Training Plan re: DEIBA	◆	TBD	03/25/2025
12	Review KPI's and assess LACERA policy and procedures through DEIBA lens	◆	TBD	05/25/2025

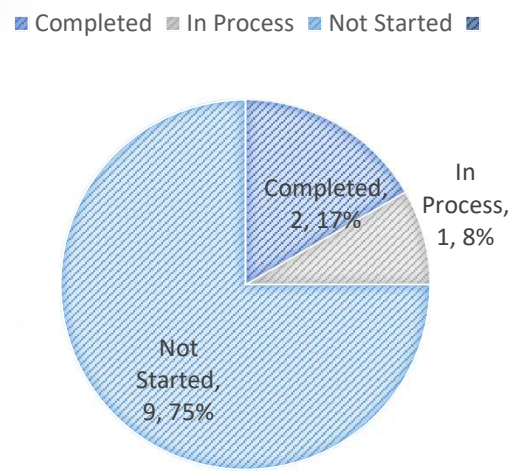
Legend

On Schedule ● Complete ★

Delayed/Stopped ▲

Not Started ◆

Milestone Tracker



WORKPLAN - Strategic Objective 3.3

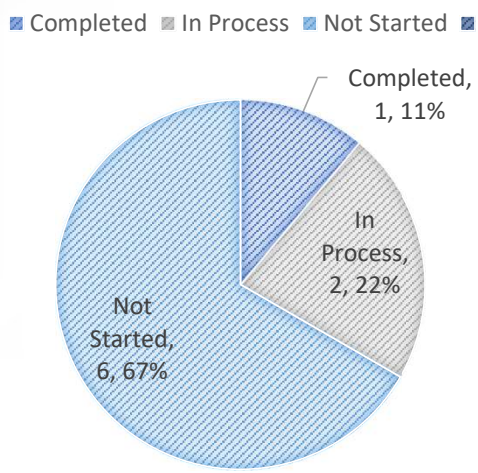
Strategic Goal: **Investing in People**
Strategic Objective: **3.3 – Improve and simplify hiring process**
Executive Sponsor: **Laura Guglielmo; Carly Ntoya (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Labor Agreement for performance management changes	◆	TBD	06/30/2024
3	Explore opportunities to simplify LACERA Hiring Playbook	●	TBD	09/30/2024
4	Revise and publish employee handbook and orientation	●	10/2023	06/30/2024
5	Revise rater training	◆	TBD	12/31/2024
6	Expand use of NEOGOV for performance management	◆	TBD	06/30/2026
7	Achieve an organizational vacancy rate of 15% (determine internal KPI)	◆	TBD	12/31/2024
8	Enhance recruitment and applicant communication in NeoGov	◆	TBD	12/31/2024
9	Implement use of a job analysis tool to use and create competency-based assessment	◆	TBD	03/31/2025
10				
11				

Legend

On Schedule ● Complete ★
Delayed/Stopped ▲
Not Started ◆

Milestone Tracker



WORKPLAN - Strategic Objective 4.1

Strategic Goal: **Compliance and Enterprise Risk**

Strategic Objective: **4.1 – Develop and implement an Enterprise Ethics and Compliance Program.**

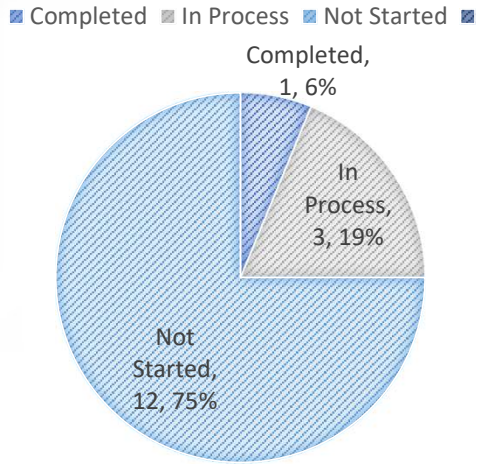
Executive Sponsor: **Luis Lugo; Steven Rice and Allison Barrett (Leads)**

#	Objective Milestones	Status	Start	Expected Completion
1	Ethics Compliance Program (ECP) Communication campaign	★	10/2023	Ongoing
2	Approval of ECP Charter (BOR, OOC, JOGC, Audit Committee, Boards)	●	10/2023	07/03/2024
3	Update and obtain approval of updated ACRE Charter	●	10/2023	07/03/2024
4	Chief Ethics and Compliance Officer (CECO) job description and class spec.	●	10/2023	09/01/2024
5	Ethics and Compliance Orientation for MAC, SAC, and staff	◆	TBD	09/01/2024
6	Complete inventory of all Policies, Procedures, and Charters	◆	TBD	10/01/2024
7	ECP First Year Workplan	◆	TBD	10/01/2024
8	Update LACERA Code of Ethical Conduct	◆	TBD	10/01/2024
9	ECP Training Program Plan	◆	TBD	10/01/2024
10	Determine critical risk areas and Scope of Program Oversight	◆	TBD	11/01/2024
11	County Approval of CECO position	◆	TBD	12/01/2024
12	PPC Management Software Solution/Compliance GRC solution (GRC 360)	◆	TBD	12/01/2024

Legend

On Schedule ●
Delayed/Stopped ▲
Not Started ◆
Complete ★

Milestone Tracker



WORKPLAN - Strategic Objective 4.1

Strategic Goal: **Compliance and Enterprise Risk**

Strategic Objective: **4.1 – Develop and implement an Enterprise Ethics and Compliance Program.**

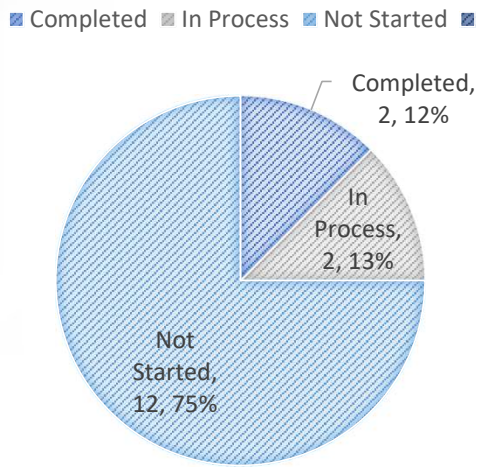
Executive Sponsor: **Luis Lugo; Steven Rice and Allison Barrett (Leads)**

#	Objective Milestones	Status	Start	Expected Completion
13	Initial/Baseline Divisional EC Risk Assessments and Ethical Culture Measurement	◆	TBD	12/21/2024
14	Development of recruitment process for ECO staff	◆	TBD	01/01/2025
15	Recruit/Hire CECO staff	◆	TBD	03/01/2025
16	Recruit/Hire ECO staff	◆	TBD	09/01/2025

Legend

- On Schedule ●
- Delayed/Stopped ▲
- Not Started ◆
- Complete ★

Milestone Tracker



WORKPLAN - Strategic Objective 5.1

Strategic Goal: **Fiscal Durability**

Strategic Objective: **5.1 – Develop organizational tools and mindset to support fiscal responsibility**

Executive Sponsor: **Laura Guglielmo; Ricki Contreras (Lead)**

Legend

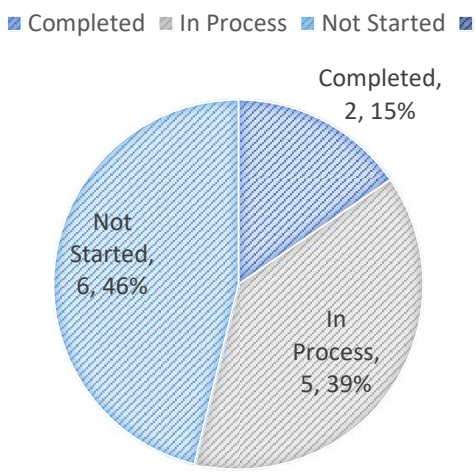
On Schedule ● Complete ★

Delayed/Stopped ▲

Not Started ◆

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives	★	10/2023	01/01/2024
2	Finalize Certify AP Implementation	★	10/2023	02/28/2024
3	Finalize Budget software (Questica) Implementation/Complete full budget cycle	●	10/2023	06/30/2024
4	Finalize Contract/Vendor solution (Cobblestone) implementation/Train Users	●	10/2023	06/30/2024
5	Design and Implement Centralized Vendor Mgmt. Program	●	10/2023	07/01/2024
6	Update Procurement Policy	●	10/2023	07/01/2024
7	Create Non-Administrative Budget in Questica	●	TBD	12/31/2024
8	Design and Assess Scope of ERP & Timing of Acquisition – Consultant Only	◆	TBD	06/30/2025
9	Design and Deliver a Comprehensive Financial Training for Managers	◆	TBD	06/30/2025
10	Design and Deliver Basic Financial Training for Staff	◆	TBD	06/30/2025
11	Implement Travel Module for Certify AP or equivalent	◆	TBD	06/30/2025
12	Automate the budget book publishing	◆	TBD	06/30/2025
13	Design and Deliver a Comprehensive Financial Training for Supervisors (1-30/2026)	◆	TBD	1/30/2026

Milestone Tracker



WORKPLAN - Strategic Objective 5.2

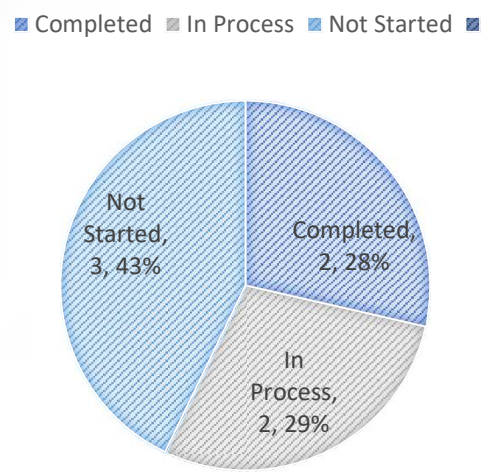
Strategic Goal: **Fiscal Durability**
Strategic Objective: **5.2 – Update and revise LACERA Actuarial Funding Policy**
Executive Sponsor: **Luis Lugo; Vache Mahseredjian (Lead)**

#	Objective Milestones	Status	Start	Expected Completion
1	Create team to define objective goals and initiatives. Investment team in collaboration with FASD and Legal led jumpstart during 2023 BOI offsite	★	09/2023	01/01/2024
2	Review of existing policy and discussion of desirable elements	★	10/2023	12/01/2023
3	Schedule meetings among workgroup to develop draft of new policy	●	10/2023	03/21/2024
4	FASD and LACERA Actuary (Milliman) to draft separate interest crediting proc.	●	01/2024	04/30/2024
5	Seek approval of funding policy and interest crediting by LACERA ECC	◆	TBD	05/24/2024
6	Prepare cover memo and presentation for June BOI meeting	◆	TBD	05/31/2024
7	Recommend adoption of new policy at BOI Meeting	◆	TBD	06/12/2024

Legend

On Schedule ● Complete ★
Delayed/Stopped ▲
Not Started ◆

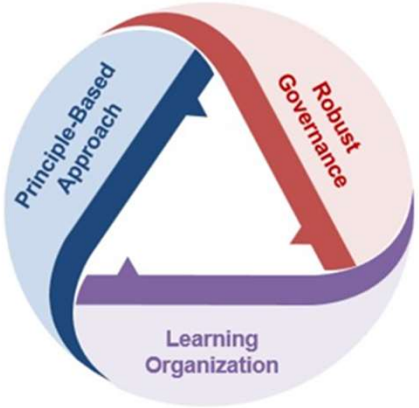
Milestone Tracker



BOI Strategic Initiatives

Execute Strategic Asset Allocation

Dynamic Investment Program

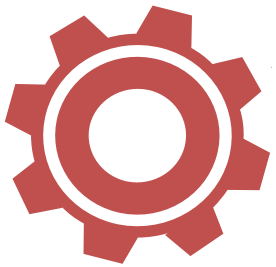


Strategic Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
- Strengthen Influence on Fees and Cost of Capital
- T.I.D.E. Towards Inclusion, Diversity, and Equity

Mission: To produce, protect and provide the promised benefits to our members

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

Progress:

- Evolved LACERA's policies, governance, and investment making decision structure
- Completed hire of deputy chief investment officer
- Implemented a digital platform to evaluate questionnaires and other diligence materials
- Completed operational due diligence review covering investment processes and controls
- Increased influence and reduced operational risk via single-investor vehicles
- Established annual private markets valuation reconciliation process

Aspirations:

- Optimize presentation and quality of information available to the Board
- Consider OPEB structure evolutions
- Search for a consolidated public and private markets investment analytics platform
- Explore technological opportunities and maximize value from adoption
- Elevate operational due diligence function, including hiring a dedicated professional

Strategic Initiatives

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

Progress:

- BOI increased delegated authority improving LACERA's investment competitiveness
- Advanced OPEB Trust strategic asset allocation: approved investment beliefs and public markets passive investment manager search, completed first private markets investment
- Documented investment processes, increasing department-wide consistency and accountability
- Deployed co-investment and secondary capital across several asset categories
- Hedging and overlays implemented to dynamically balanced asset category targets
- Active monitoring and quarterly portfolio-wide discussion of risk management
- Launched new manager intake portal

Aspirations:

- Continue cultivating a dynamic investment program
- Further optimize internal staff investment committees and due diligence practices
- Continue to refine rebalancing practices
- Adopt complexity where well-rewarded and limit unrewarded complexity
- Organize effective educational sessions and orientations

Strategic Initiatives

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

Progress:

- Updated Corporate Governance and Stewardship Principles
- Increased proxy voting authority to about 96% of equity portfolio by value in past five years
- Expanded ESG in real assets with restated Responsible Contractor Policy (RCP) and Global Real Estate Sustainability Benchmark (GRESB) affiliations
- Incorporated analytics to model financial impacts from climate change and energy transition for climate-aware strategic asset allocation modeling
- Expanded engagements on board diversity, climate, investor voting rights, public policy

Aspirations:

- Update climate modeling to inform Board's 2024 strategic asset allocation decision
- Expand ESG and climate reporting and data coverage in private asset classes
- Integrate GRESB and RCP in entire Real Assets
- Assume voting rights in OPEB separate account structure
- Amplify progress and leadership in governance and ESG initiatives

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

Progress:

- Re-negotiated terms for several legacy mandates improving future outcomes
- Made co-investments across asset categories to drive fee savings
- Established dedicated managed accounts to enable broad term negotiations
- Instituted annual total Fund fee analysis and review, including BOI reporting
- Invested with early-stage emerging managers while achieving future capacity rights and revenue sharing agreements where possible

Aspirations:

- Continue being “term-makers” as opposed to “term-takers” on fee, legal, and other terms
- Foster creativity when designing terms and account structures to both limit risks and enhance expected return outcomes
- Communicate progress towards optimizing implementation costs through improved expense and fee analytics and reporting

Strategic Initiatives

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

Progress:

- Focused on career development for existing team and onboarding new hires
- Engaged strategic private equity partners on portfolio board recruitment and DEI practices
- Continued increase in manager reporting responsiveness, granularity, and candor
- Reviewed Real Assets managers' responsible contracting provisions, including DEI practices
- Expanded allocation opportunities for emerging managers
- Formally affiliated to CFA Institute DEI Code
- Supported expanding due diligence and standardized templates at industry associations to facilitate DEI reporting availability and reliability in financial services industry

Aspirations:

- Be an employer of choice at all levels from internships through management
- Inspire LACERA's managers to adopt DEI programs to increase risk-adjusted returns
- Utilize wider data sets to inform manager DEI benchmarking and progress
- Integrate takeaways from private equity portfolio company board DEI review into fund underwriting and monitoring
- Continue to enhance insights on firm ownership demographics, where available

LACERA

Los Angeles County Employees Retirement Association

ADMINISTRATIVE, RETIREE HEALTHCARE BENEFITS, AND OPEB TRUST BUDGETS

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Salaries and Employee Benefits

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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 to our members.

The proposed Administrative Budget for FY 2024-25 represents the fiscal plan for implementing LACERA's administrative and operational objectives toward achieving our mission to produce, protect and provide the promised benefits to our members. This proposed budget reflects the Strategic Priorities and Strategic Initiatives outlined in the Board of Retirement's adopted 2023-28 Strategic Plan and the Board of Investments Strategic Plan.

BOR Strategic Priorities

- Superior Member Experience
- Innovation Through Technology
- Investing In People
- Enterprise Risk Management and Compliance
- Fiscal Durability

BOI 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.

Together, the BOR and BOI ensure LACERA's resources are allocated appropriately and prudently managed, consistent with their fiduciary duties to our members.

Board of Retirement's Strategic Priorities

Superior Member Experience

LACERA remains committed to innovating and continuously improving the member experience, from the beginning of their career through the legacy they leave their survivors. We call this the "member lifecycle" and the member experience is defined by the many "member journeys" that reflect different stages for their lifecycle. Each member journey is defined by every interactive touchpoint they have with LACERA throughout that journey. We recognize that LACERA's membership is diverse, with different needs and

preferences that often change at different stages of their lifetime. Our approach to service must be nimble enough to meet their individual needs today and into the future.

Our current focus is augmenting our highly personalized service by building an educational, digital, customized, and member-centered framework for every stage of the member journey with the long-term goal of enabling members to conveniently access our benefit and healthcare enrollment services 24/7 and confidently retire in the palm of their hand.

In FY 2023-24, LACERA created a Member Experience Council, a team of subject matter experts from all member-facing groups and key internal business partners, to identify all the various member journeys. This group is actively working on their formal charter and outlining their roles and responsibilities, which will be considered and approved by the Ethics and Compliance Committee (ECC), and developing their internal communication plan.

In FY 2024-25, LACERA plans to expand on this foundational work by identifying and defining member journeys and identifying, defining, and documenting the retiree healthcare roadmap. The group will continue to map individual journeys, determine how we can improve the member experience, and track the member experience performance to ensure we continually focus on making these journeys a superior member experience.

Innovation Through Technology

LACERA is committed to leveraging technological solutions to advance capabilities, increase productivity, and elevate our operational maturity. Information technology (IT) tools, when well designed and implemented, support the effective and efficient accomplishment of an organization's goals, objectives, and strategies. LACERA's strategic objectives over the next five years will work toward maturing and adapting LACERA IT architecture and applications infrastructure.

Our current focus centers on data and knowledge—specifically, developing an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform. Additionally, we intend to implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information.

The Systems Division plays a critical role in successfully implementing all of LACERA's strategic priorities and initiatives. New technology solutions to business problems are vetted through the Information Technology Coordination Committee (ITCC). Once approved and budgeted, the Project Management Office leads the implementation with subject matter experts in the impacted operating divisions, and then transitions the ongoing support and maintenance to either the Infrastructure Group or the Business Solutions Group. A detailed summary of planned IT projects for FY 2024-25 can be found immediately following this summary.

Investing in People

LACERA recognizes that the key to its success lies in its people. Our overarching goal is to make LACERA the employer of choice by offering a workplace culture that values and encourages staff development, actively implements equity and inclusion in our policies and practices, pays fair wages, values employees' ideas, and provides staff the tools and resources necessary for individual and collective success.

In FY 2023-24, LACERA is on track to administer exams to promulgate 25 new lists, onboard 40 new permanent staff in 10 of 15 divisions throughout the organization, and provide internships for seven students. Hiring includes a new core training class of 21 RBS Is (expected to start in June), while promotions will include 28 existing staff (including 17 new RBS IIs who will graduate from the core training).

Additionally, the following major projects worked on in FY 2023-24 support the Investing in People strategic priority:

- *Hiring Manager Playbook*: Human Resources developed a guide for LACERA managers responsible for hiring decisions (hiring managers). The guide helps managers to communicate: employment laws and rules (such as civil service rules) that LACERA follows to ensure fair and equal employment, choices hiring managers may have in how they go about filling vacant positions, and the set of procedures to follow to ensure compliance with applicable employment laws and rules that LACERA is subject to. The *Hiring Manager Playbook* is available for staff and manager reference on LACERA Connect, our staff intranet site, and is now being used consistently across the organization. The *Hiring Playbook* is intended to be a living document and will be amended as needed to reflect opportunities to streamline processes and procedures while still safeguarding LACERA's commitment to civil service and equal employment opportunities for all.
- Leadership Pipeline: LACERA managers (MAC Team) developed and documented a succession-planning tool known as the Leadership Pipeline. The Leadership Pipeline is a transparent set of guidelines for all employees, tailored to LACERA's unique expectations at all staffing levels. This document will be socialized with staff; made accessible to all on LACERA Connect, our staff intranet site; and used by managers as part of their staff development responsibilities and to consistently communicate expectations and standards.
- IDEA Initiative: At the suggestion of staff, LACERA has rebranded our enterprise-wide diversity, equity, and inclusion (DEI) program, formerly known as LEAD, as IDEA (Inclusion, Diversity, Equity, and Accessibility). Although the framework remains the same and touches on the employee experience, member experience, and business partners and community partners, the old acronym was challenging to remember. In addition, staff felt it was important to add accessibility and belonging as fundamental to the initiative.

In FY 2024-25, LACERA will continue focusing on reducing our vacancy rate through increased hiring; increasing staff training and development; and maturing our workplace culture. Implementing our hiring plan priorities is expected to result in a reduction of staff vacancies from 21 percent to 15 percent. We will continue to explore opportunities to simplify our *Hiring Playbook*, revise our rater training, enhance recruitment and application communication through technology, and implement a more efficient job analysis tool used to create competency-based assessments. We will focus on better supporting existing staff by revising and publishing an updated employee handbook, improving and expanding our use of performance management tools, increasing and expanding staff training and development opportunities, reviewing our policies and procedures through a DEI lens to identify and seek to remove artificial barriers, and soliciting and obtaining employee feedback to support their sense of belonging within the organization.

Enterprise Risk Management and Compliance

LACERA will enhance and elevate our risk governance structure through the establishment of formal compliance and enterprise risk management (ERM) programs that will facilitate management's compliance and risk management efforts. These efforts are continuous because risks constantly change.

In FY 2024-25, LACERA plans to focus on foundational actions towards implementing a centralized Ethics and Compliance Program (ECP). The purpose of the ECP is to promote a strong and engaged culture of ethical conduct and compliance with laws, regulations, policies, and procedures in order to meet our fiduciary duty to LACERA members, reduce risk, and improve business operations. The FY 2024-25 workplan includes:

- Ongoing communication to socialize the goals and objectives of the ECP;
- Develop and obtain approval from the Board of Retirement and Board of Investments for a program charter;
- Compile an inventory of all LACERA policies and procedures;
- Update LACERA's Code of Ethical Conduct and develop a training program to support and reinforce expectations;
- Identify the critical risk areas and the program oversight structure required;
- Obtain County approval for the Chief Ethics and Compliance Officer (CECO) position and staffing structure;
- Recruit and onboard a CECO; and
- Identify how the program will assess and measure success by evaluating the current baseline and key performance indicators.

Fiscal Durability

LACERA has two equally critical responsibilities when it comes to managing resources and fund assets. We must:

- Ensure prudent and durable fiscal management of LACERA's budget and resources expended to administer the benefits, and
- Ensure the Board of Investments' strategic initiatives to manage LACERA's investment portfolio are implemented and supported to maximize the performance of our funds.

These responsibilities are necessary to ensure the long-term viability of the fund and intergenerational equity for future members, balanced with keeping employer and member contribution rates low and services provided to our members high.

In FY 2023-24, LACERA implemented its first automated budget system, Questica Budget (QB), replacing its decades-old manual practices that were inefficient and lacked real-time reporting and transparency. This new system was used to develop this FY 2024-25 Budget and is being used by LACERA managers to monitor and manage their FY 2023-24 budgetary resources. LACERA also implemented an automated accounts payable system (AP Certify) and is finalizing implementation of an enterprise contract lifecycle management system (Cobblestone).

In addition, staff have begun the critical work of updating and revising LACERA's Actuarial Funding Policy, incorporating LACERA's Investment Policy Statement. The Actuarial Funding Policy guides the BOI in determining the employer and member contribution rates toward achieving a 100 percent funding ratio. Staff anticipates bringing the proposed new Actuarial Funding Policy to the BOI by June 2024.

In FY 2024-25 LACERA will continue developing and promoting organizational tools and a mindset of supporting enterprise-wide fiscal responsibility. Specific projects include:

- Designing and implementing a centralized Vendor Management Program within the Administrative Services Division, which will leverage the use of AP Certify, Cobblestone, and QB, and improve compliance with LACERA's fiscal and purchasing policies
- Beginning the process of identifying future needs for an enterprise resource planning tool to replace our aging financial system and implementation requirements
- Designing and delivering basic financial training for all staff
- Creating a non-administrative budget in QB and automating the budget book publishing
- Implementing an automated travel module to better support trustee and staff travel needs

LACERA will also continue to support the BOI's strategic initiatives discussed below.

Board of Investments' Strategic Initiatives

Implementation of the Board of Investments' Strategic Initiatives is key to ensuring the plan's long-term fiscal durability and moving toward our vision to be a best-in-class

investor. While the Investments Office has primary responsibility for these initiatives, they are supported by the Executive Office, Legal Services Office, and the Business Services Group (Human Resources, Financial and Accounting Services, Systems, and Administrative Services).

Enhance Operational Effectiveness

Our objective is to maximize the efficiency of our resources (internal, external, human, and technological) and mitigate varied investment and enterprise risks, to improve future outcomes. Investments Office staff continue to optimize presentation and quality of information available to the Board of Investments; are considering Other Post Employment Benefits (OPEB) structure evolutions; are searching for a consolidated public and private markets investment analysis platform, as well as other technological improvements; and plan to elevate LACERA's operational due diligence function.

Optimize Investment Model

Our objective is to leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns. In FY 2024-25, the Investments Office will continue cultivating a dynamic investment program; further optimize internal staff investment committees and due diligence practices; continue to refine rebalancing practices; adopt complexity where well-rewarded and limit unrewarded complexity; and organize effective educational sessions and orientations.

Maximize Stewardship and Ownership Rights

Our objective is to steward our investments, including legal rights associated with them, in a manner that safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy. The Investments Office plans to update climate modeling to inform the Board's 2024 strategic asset allocation decision; expand environmental, social, and governance (ESG) factors, climate reporting, and data coverage in private asset classes; integrate global real estate sustainability benchmarks (GRESBs) and the Responsible Contractor Policy in entire real assets; assume voting rights in the OPEB separate account structure; and amplify progress and leadership in governance and ESG initiatives.

Strengthen Influence on Fees and Cost of Capital

Our objective is 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. We plan to work toward this by continuing to be "term-makers" as opposed to "term-takers" on fees, legal, and other terms; foster creativity when designing terms and account structures to both limit risks and enhance expected return outcomes; and communicate progress toward optimizing implementation costs through improved expense and fee analytics and reporting.

Although under the County Employees Retirement Law of 1937 (CERL) investment fees are not included in the administrative budget, the expenditures are noted in the Non-Administrative Expense section of the FY 2024-25 Proposed Budget documents.

LACERA T.I.D.E. (Towards Inclusion, Diversity, and Equity)

Our objective is to improve outcomes through comprehensive, total fund efforts that encourage constructive, inclusive, and equitable talent management with our investment partners, industry, and internally. We plan to work toward becoming an employer of choice at all levels, from internships to management; inspire LACERA's investment managers to adopt DEI programs to increase risk-adjusted returns; utilize wider data sets to inform manager DEI benchmarking progress; integrate takeaways from private equity/ portfolio company board DEI reviews into fund underwriting and monitoring; and continue to enhance insights on firm ownership demographics, where available. While complementary, LACERA T.I.D.E. is distinct from the Board of Retirement's DEI initiative, IDEA, in that it focuses on investment staff and partnerships.

Conclusion

The FY 2024-25 Proposed Budget reflects the resources necessary to effectively and efficiently administer the retirement programs to fulfill LACERA's mission. Once Trustees review this fiscal plan and are satisfied that it is prudent, we anticipate they will approve and adopt the FY 2024-25 Budget.

Summary of Technology Modernization Projects for FY 2024-25

Project Title	Description	Benefit/Goal	FY 24/25 Budget	Phase	Estimated Completion Date
Member Experience Communication Project (MECP)	LACERA seeks to modernize our existing telecommunications infrastructure for servicing our members. This funding is requested to support LACERA's telecommunications strategy 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. Initial funding for this project was requested during the FY 2023-24 budget to support both the Pasadena office and Member Service Contact Center; however, the member servicing portion was deferred to focus on updates to the corporate telecommunications infrastructure.	The goal is to establish a modern member contact center that provides efficient customer service, omnichannel support, and an enhanced customer experience. The benefits will be enhanced service quality, reduced costs, and improved member satisfaction.	$600,000	Phase 1 of 1	06/30/25
Member Case Management System: Phase 2	Case management continues to be a top priority for LACERA in the upcoming fiscal year. During FY 2023-24, LACERA will complete implementation of Phase 1 of the project, which includes the Disability Retirement, Disability Appeals, and First Payment processes. The estimate in this current fiscal year is for continuous enhancements to the implemented Phase 1 processes as those workflows mature and to begin implementation of Phase 2. Phase 2 will focus on the insurance enrollment and member appeals resolution processes, which include legal review, insurance appeals and escalation, insurance enrollment, and administrative appeals and escalation. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources.	The goal is to track and manage insurance enrollment, administrative appeals, and escalation cases. The benefits will be more efficient processing, greater automation, and improved member satisfaction.	$500,000	Phase 2 of 5	06/30/25
Enterprise Knowledgebase Solution	To support LACERA's strategic objective of Innovation Through Technology, the organization seeks to implement an enterprise knowledge management solution that stores and organizes the knowledge and information of the organization into a single robust solution. We currently maintain this critical enterprise content in multiple formats and on disparate systems. This project will improve the efficiency of processes and operations by reducing the time and effort required to access and use relevant knowledge and information, preserve intellectual assets by capturing and storing knowledge of subject matter experts or retirees, and support learning and development of staff by providing a resource to acquire and update their knowledge and skills.	The goals are to establish a centralized repository and workflow for business rules, procedures, and operating instructions. The benefits will be consistent and transparent development, review, publication, and adoption of business rules. This new system will also allow us to retire older disparate systems: the Benefits Wiki, KBase, Member Services Operating Instructions, and Benefits Index.	$250,000	Phase 1 of 1	06/30/25

Summary of Technology Modernization Projects for FY 2024-25

Project Title	Description	Benefit/Goal	FY 24/25 Budget	Phase	Estimated Completion Date
Secure Access Service Edge (SASE) Solution	To support LACERA's strategic objective of Innovation Through Technology, the Systems Division and Information Security Office seek to implement an SASE solution that will enable the organization to better support our remote and hybrid workforce automatically by connecting them to nearby cloud gateways for better performance. This project will replace the organization's current Netskope solution with a more simplified system that is easier to manage and troubleshoot and provides consistent, secure access to all applications, while allowing the engineering and information security teams to have full visibility and inspection across all network ports and protocols.	The goal is to replace our Netskope solution with a system that is less complex, easier to troubleshoot, and provides consistent secure access to all applications. The benefits are smooth and secure access for our end users, whether they are in the office or working remotely.	$235,000	Phase 1 of 1	06/30/25
Member Identity Verification Solution	To support LACERA's strategic objective of Superior Member Service and as part of our commitment to protecting the promised benefits, the organization seeks to improve our member identity verification processes. This project will ensure the organization can leverage identity verification and/or authentication services that adhere to the highest standards of data privacy and protection while enhancing the user experience and member satisfaction, reducing operational costs, and improving compliance and security requirements.	The goal is to ensure that LACERA is using the identity verification and/or authentication services that adhere to the highest standards of data privacy and protection. The benefits include continued compliance with security requirements while enhancing member experience and satisfaction.	$220,000	Phase 1 of 1	06/30/25
Facilities Management Solution	The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace the current tediously manual and labor-intensive processes. The new system will seek to implement automation to ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve facilities-type requests. The same amount for this project was requested during the FY 2023-24 budget; however, this project was deferred due to resource constraints and the need to focus on higher priority initiatives.	The goal is to provide automation, process improvement, transparency, and metrics for LACERA's facilities management process.	$150,000	Phase 1 of 1	06/30/25
Teams Room Conversion	The Systems Division is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. This project is being implemented in three phases, with Phases 1 and 2 completed during the FY 2023-24 budget. Funding for Phase 3 is being carried forward from the FY 2023-24 budget, and once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA's flexible hybrid work environment.	The goal is to facilitate collaboration for LACERA's hybrid workforce. The benefits include enhanced collaboration and inclusivity, efficient meeting execution, and increased productivity.	$125,000	Phases 3 of 3	06/30/25

Summary of Technology Modernization Projects for FY 2024-25

Project Title	Description	Benefit/Goal	FY 24/25 Budget	Phase	Estimated Completion Date
Benefits PBI Upgrade	To support LACERA's strategic objective of Superior Member Service, the Benefits Division seeks to replace its current end-of-life member/beneficiary research system. The new system will ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary, to fulfill our fiduciary responsibilities and pay out the owed benefits. The same amount for this project was requested during the FY 2023-24 budget; however, this project was deferred due to resource constraints and in lieu of the vendor extending support in the current system.	The goal is to reduce the risk of benefit overpayments to deceased members and more efficiently locate beneficiaries who are owed death benefits.	$100,000	Phase 1 of 1	06/30/25
Digital Mailroom	LACERA seeks a virtual mailroom to ensure business continuity by providing efficient and secure management of incoming mail. The virtual mailroom would use an outsourced solution to provide uninterrupted document processing and remote accessibility. During FY 2024-25, LACERA would like to complete a pilot project for the digital mailroom to ensure that the solution would be effective and provide business continuity and seamless disaster recovery.	The goal for the virtual mailroom is to provide uninterrupted document processing and remote accessibility. The benefits include business continuity and productivity enhancements.	$100,000	Phase 1 of 1	06/30/25
Human Resources Recruitment Module (Neogov)	LACERA seeks to expand our use of Neogov to include the "Attract" talent acquisition modules, expand the use of the "Perform" modules to include performance evaluations for represented staff members, and add the use of the "Learn" module as an organization learning management system.	The goals of the expanded use of Neogov are to enhance candidate relationship management and to streamline the recruitment process. The benefits will include simplified sourcing of candidates, automating outreach to applicants, organizing candidates skills for efficient follow-up, and providing actionable insights for employee development.	$71,000	Phase 1 of 1	06/30/25
Policy, Governance Risk and Compliance (GRC), and Audit Solution	LACERA seeks to implement a comprehensive Governance Risk and Compliance (GRC) solution that includes the following modules: Policy Management, IT Governance Risk and Compliance, Enterprise Risk Management, Ethics and Compliance, and Audit.	The goals of the project include the ability to identify and assess risks, predict and prevent losses, comply with industry standards, and provide transparent information sharing. The benefits include greater efficiency, increased transparency, and overall organizational accountability.	$70,000	Phase 1 of 1	06/30/25

Mission

To produce, protect, and provide the promised benefits to our members

Vision

Empowering our members to enjoy a healthy and secure retirement

Values

Accountability Collaboration Inclusivity
Innovation Integrity Transparency

Organizational Chart

Members

Board of Retirement

Board of Investments

Santos H. Kreimann
Chief Executive Officer
Executive Office

Richard Bendall*
Chief, Internal Audit
Internal Audit

Jonathan Grabel
Chief Investment Officer
Investments

Luis A. Lugo
Deputy Chief Executive Officer
Executive Office

Steven Rice
Chief Counsel
Legal Services

Jude Perez
Deputy Chief Investment Officer
Investments

JJ Popowich
Assistant Executive Officer
Executive Office

Chaitanya Errande
Information Security Officer
Executive Office

Laura Guglielmo
Assistant Executive Officer
Executive Office

Cassandra Smith
Director, Retiree Healthcare
Retiree Healthcare Benefits Program

Vincent Lim
Chief Counsel
Disability Litigation

Tatiana Bayer
Division Manager
Member Services

Louis Gittens
Division Manager
Benefit Services

Ricki Contreras
Division Manager
Administrative Services

Ted Granger
Chief Financial Officer
Financial and Accounting Services

Tamara Caldwell
Division Manager
Disability Retirement

Cynthia Martinez
Chief, Communications

Carly Ntoya
Director, Human Resources

Kathy Delino
Chief Information Technology Officer
Information Systems

Bernardo Buenaflor
Chief, Quality Assurance

* Reports functionally to the Audit Committee and administratively to the CEO

Board of Retirement

Mission Statement

To produce, protect, and provide the promised benefits to our members

The Board

Composed of nine trustees and two alternates:

- Two trustees elected by active general members
- One regular and one alternate trustee elected by retired members
- One regular and one alternate trustee elected by safety members
- Four trustees appointed by the Los Angeles County Board of Supervisors
- One ex-officio trustee (the County Treasurer and Tax Collector)
- One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

Responsibilities

Overall management of LACERA is vested in the Board of Retirement. The Board is responsible for the administration of the retirement system and the Retiree Healthcare Benefits Program (OPEB Program). Its duties also include the review and processing of disability retirement applications.

Shawn R. Kehoe
Chair
Elected by Safety Members

Les Robbins
Vice Chair
Elected by Retired Members

Ronald Okum
Secretary
Appointed by Board of Supervisors

Nancy M. Durazo
Elected by General Members

Elizabeth B. Ginsberg
Treasurer and Tax Collector
Ex-Officio Member

Vivian H. Gray
Elected by General Members

Jason E. Green
Elected by Safety Members

James P. Harris
Elected by Retired Members

Wayne Moore
Appointed by Board of Supervisors

David Ryu
Appointed by Board of Supervisors

Antonio Sanchez
Appointed by Board of Supervisors

Board of Investments

Mission Statement

To produce, protect, and provide the promised benefits to our members

The Board

Composed of nine trustees:

- Four trustees appointed by the Los Angeles County Board of Supervisors
- Four elected trustees
  - Two elected by active general members
  - One elected by retired members
  - One elected by safety members
- One ex-officio trustee (the County Treasurer and Tax Collector)
- One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

Responsibilities

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment of the retirement fund.

Patrick L. Jones
Chair
Appointed by Board of Supervisors

David E. Ryu
Vice Chair
Appointed by Board of Supervisors

Jason E. Green
Secretary
Elected by Safety Members

Trevor Fay
Appointed by Board of Supervisors

Mike Gatto
Appointed by Board of Supervisors

Elizabeth B. Ginsberg
Treasurer and Tax Collector
Ex-Officio Member

Debbie Martin
Elected by Retired Members

Nicole Mi
Elected by General Members

Vacant
Elected by General Members

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 to our members and beneficiaries.

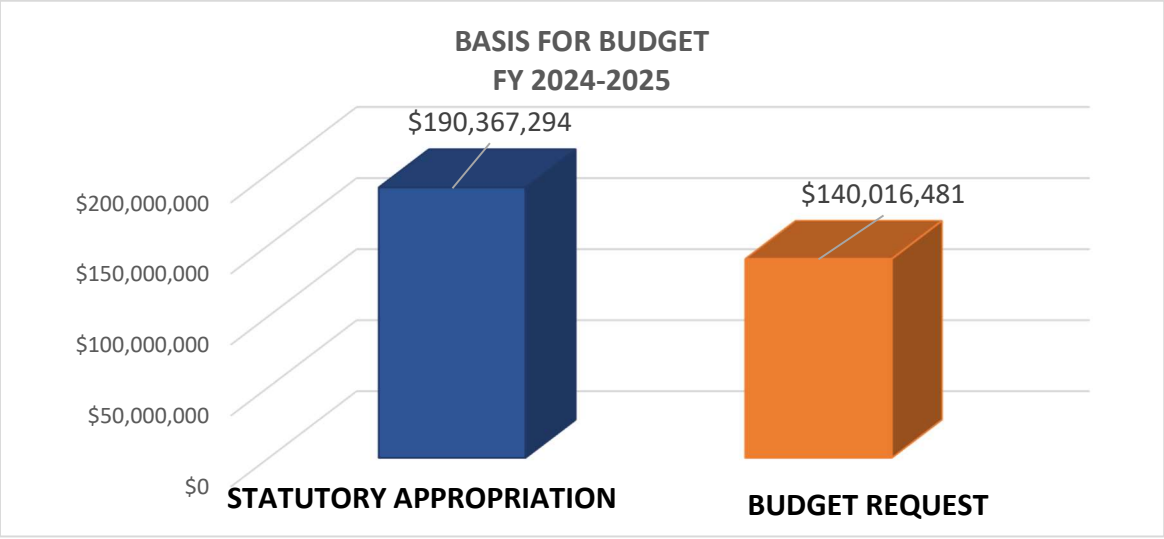
The budget is made up of three operating funds: the Administrative Fund, the Retiree Healthcare Benefits Program Fund, and the Other Post-Employment Benefits (OPEB) Trust Fund.

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 actuarial accrued 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 2024-25 is $190,367,294. The proposed budget for FY 2024-25 totals $140,016,481, $50,350,813 below the statutory appropriation limit. Further, CERL requires that the administrative budget be funded from investment earnings of the plan.



JOGC Oversight

In addition to the statutory codes, the budget is also guided by LACERA's Joint Organizational 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 Investments ("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 Investments for review and independent adoption before June 30.

Budgetary Control and Financial Forecasting

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.

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, a mid-year review of that plan helps to ensure the enterprise is on track. During the mid-year budget review process, the Boards may 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.

Chief Executive Officer (CEO) Authority

In FY 2022-23, the Boards adopted a new Budget Policy that, among other things, granted the CEO 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. Such changes shall be communicated to the Boards as part of the regular budget control reporting. The CEO may not increase total appropriations or add position authority without the approval of the Boards.

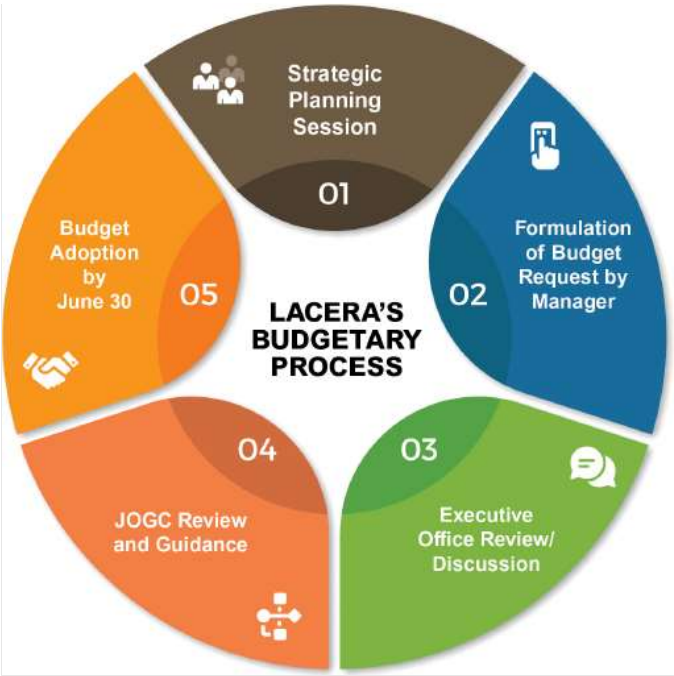
Retiree Healthcare Benefits Program

LACERA's Retiree Healthcare Benefits Program provides healthcare benefits to our membership on behalf the plan sponsors. 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 five 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.

The budget is a fiscal plan that supports the organization's planned activities and goals for the upcoming year. The first stage of the budget is to review the strategic plan priorities and work plans for the coming fiscal year. From October to November, the management team begins to formulate their budget requests to support those activities. 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.

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 stage includes presenting the preliminary budget to the JOGC for review, discussion, and guidance. The JOGC meeting is open to the public and all Trustees are invited to participate in the discussion. Staff incorporates changes requested by the JOGC and prepares the final proposed budget on behalf of the JOGC for consideration by the Board of Retirement and Board of Investments.

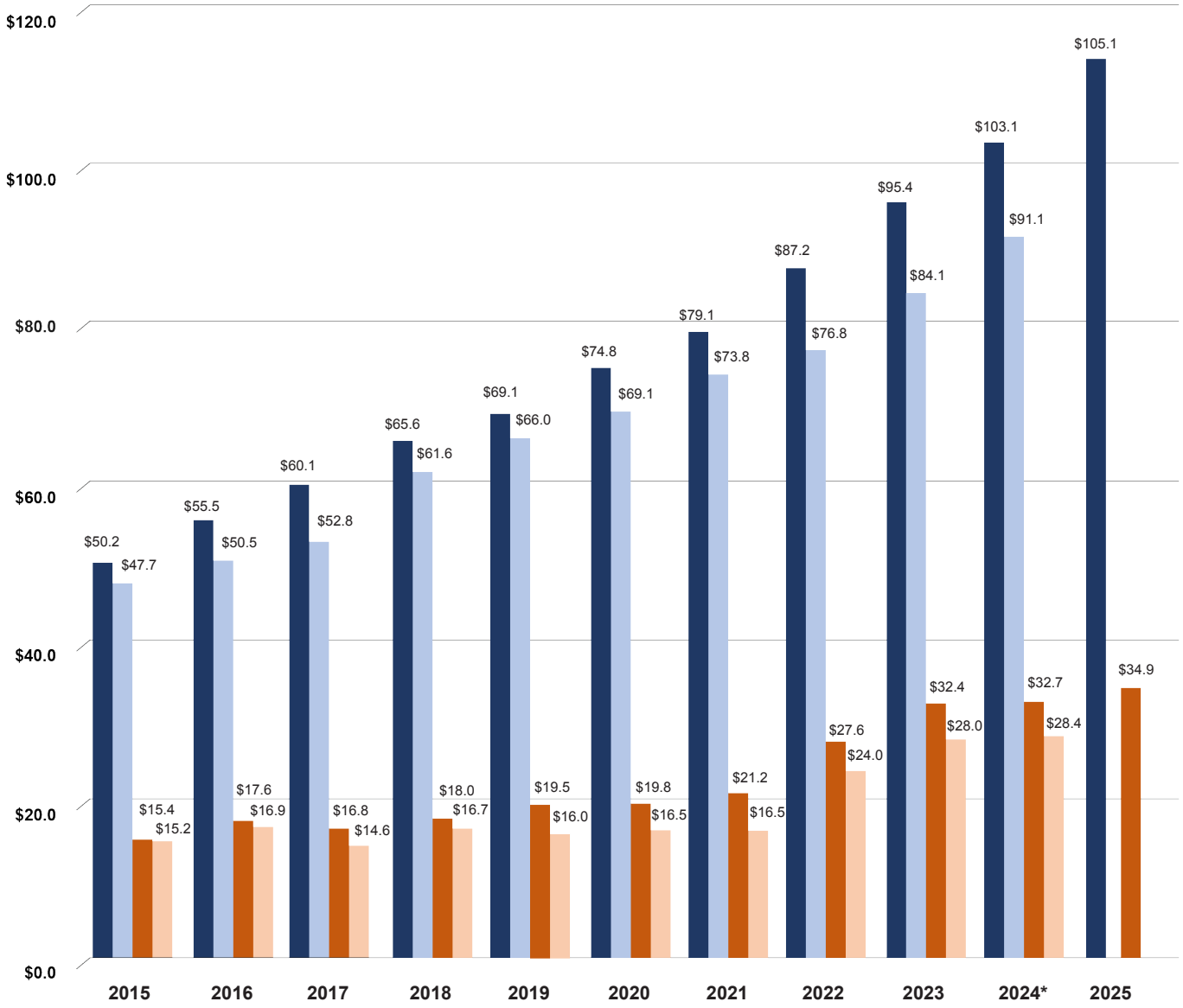
Lastly, the JOGC's proposed budget is submitted for approval at the meetings of each Board in June. Each year the budget must be adopted by June 30 to take effect on July 1.

HISTORY: BUDGET EXPENDITURES

Salaries and Employee Benefits & Services and Supplies

2015-2025

($ in Millions)



* The Actual Expenditures for the budget year ending 2024 are projected based on YTD figures through 01/31/2024.

Salaries and Employee Benefits Approved Budget

Salaries and Employee Benefits Actual Expenditures

Services and Supplies Approved Budget

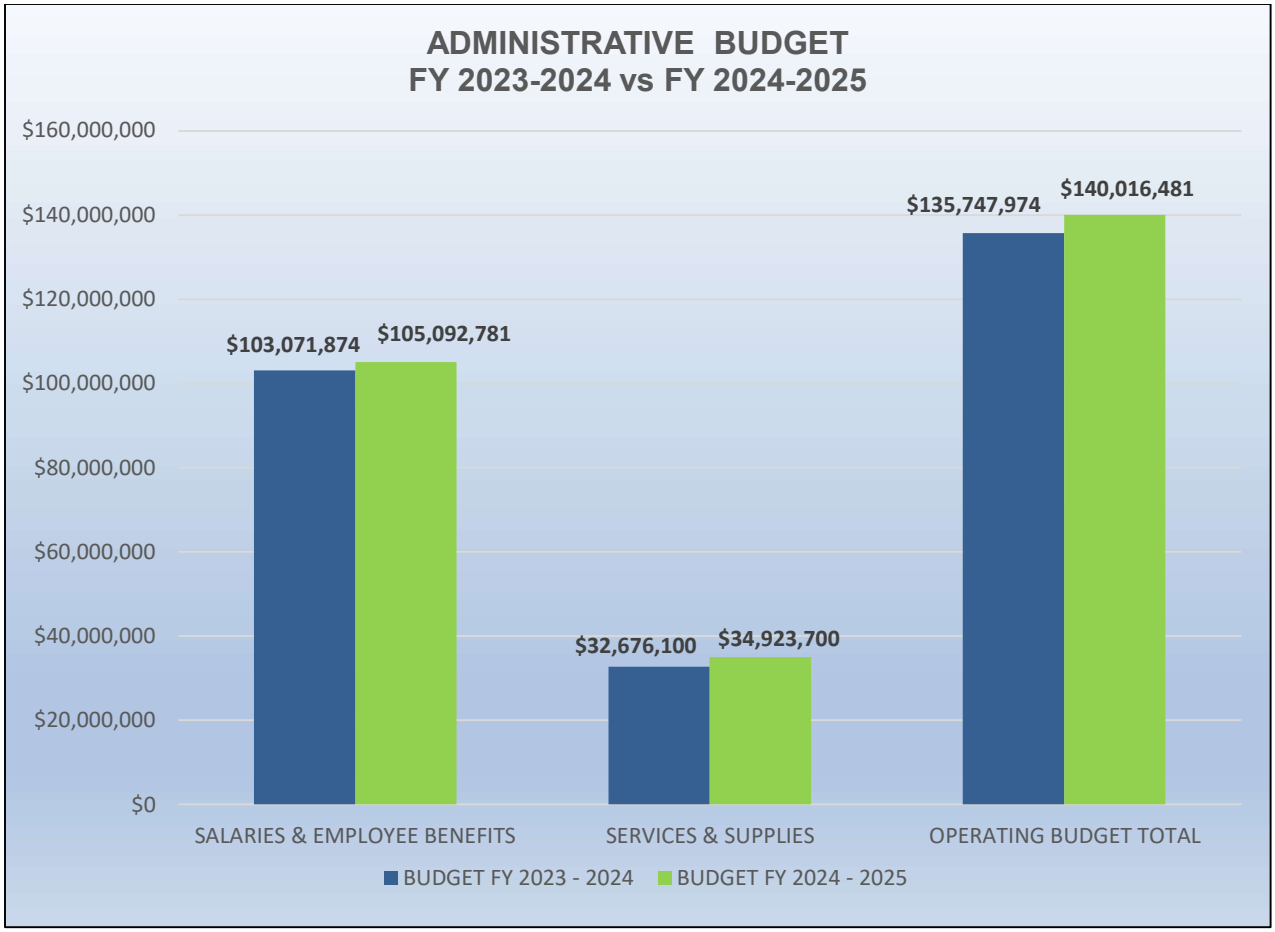
Services and Supplies Actual Expenditures

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 2024-25 is $140,016,481. This represents a 3.1 percent increase from the prior year budget.

ADMINISTRATIVE BUDGET	BUDGET FY 2023-24	BUDGET FY 2024-25	VARIANCE	% CHANGE
SALARIES & EMPLOYEE BENEFITS	$103,071,874	$105,092,781	$2,020,907	2.0%
SERVICES & SUPPLIES	$32,676,100	$34,923,700	$2,247,600	6.9%
OPERATING BUDGET TOTAL	**$135,747,974**	**$140,016,481**	**$4,268,507**	**3.1%**



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

For additional details see the divisional tabs.

DIVISION	BUDGET REQUEST FY 2023-24	BUDGET REQUEST FY 2024-25	VARIANCE	% CHANGE
Administrative Services	$16,108,407	$16,946,279	$837,872	5.2%
Benefits	12,449,401	12,838,241	388,840	3.1%
Board of Retirement	303,500	341,500	38,000	12.5%
Board of Investments	551,000	556,000	5,000	0.9%
Communications	4,117,688	3,752,475	(365,213)	-8.9%
Disability Litigation	2,561,141	2,504,711	(56,430)	-2.2%
Disability Retirement	11,797,091	11,620,273	(176,818)	-1.5%
Ethics & Compliance Office	182,700	219,400	36,700	20.1%
Executive Office	5,276,414	4,039,504	(1,236,910)	-23.4%
Financial & Accounting Services	5,688,738	5,658,426	(30,312)	-0.5%
Human Resources	6,743,589	6,470,103	(273,486)	-4.1%
Information Security Office	0	1,590,829	1,590,829	0.0%
Internal Audit	3,613,148	3,294,298	(318,850)	-8.8%
Investment Office	18,223,968	19,377,272	1,153,304	6.3%
Legal Services	9,815,031	10,387,249	572,218	5.8%
Member Services	11,063,298	12,020,576	957,278	8.7%
Quality Assurance	3,383,333	3,320,272	(63,061)	-1.9%
Systems	23,869,524	25,079,073	1,209,549	5.1%
TOTAL	**$135,747,974**	**$140,016,481**	**$4,268,507**	**3.1%**

Salaries and Employee Benefits Summary

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 2023-24	BUDGET REQUEST FY 2024-25	VARIANCE	% CHANGE
SALARIES & OTHER PAY				
Permanent / County Temporary	$55,823,026	$59,820,943	$3,997,917	7.2%
Agency Temporary	5,683,700	4,219,800	(1,463,900)	-25.8%
LACERA Intern Program	288,000	336,000	48,000	16.7%
Stipends	65,000	65,000	0	0.0%
Overtime	1,150,900	1,388,700	237,800	20.7%
Bilingual Bonus	22,800	20,400	(2,400)	-10.5%
Transportation Allowance	28,800	36,000	7,200	25.0%
Rideshare Allowance	70,300	70,300	0	0.0%
Sick Leave Buyback	68,800	68,800	0	0.0%
TOTAL SALARIES & OTHER PAY	**$63,201,326**	**$66,025,943**	**$2,824,617**	**4.5%**
VARIABLE BENEFITS				
Retirement	13,294,641	11,694,440	(1,600,201)	-12.0%
FICA Contribution	1,060,986	867,404	(193,582)	-18.2%
County Subsidy–Insurance	3,651,760	3,651,760	0	0.0%
Options Plan	4,515,725	5,821,379	1,305,654	28.9%
Life Insurance	22,003	26,217	4,214	19.1%
Health Insurance Temps	626,306	375,682	(250,624)	-40.0%
Flexible Benefit Plan	18,805	18,805	0	0.0%
Thrift Plan/Horizons	2,251,400	2,392,838	141,438	6.3%
Savings Plan	1,527,202	1,546,989	19,787	1.3%
Pension Savings Plan	59,193	59,193	0	0.0%
Megaflex	7,264,514	6,574,702	(689,812)	-9.5%
TOTAL VARIABLE BENEFITS	**$34,292,535**	**$33,029,408**	**($1,263,127)**	**-3.7%**
OPEB CONTRIBUTION	**$1,989,012**	**$2,366,430**	**$377,418**	**19.0%**
OTHER BENEFITS	**$3,588,999**	**$3,671,000**	**$82,001**	**2.3%**
TOTAL EMPLOYEE BENEFITS	**$39,870,546**	**$39,066,838**	**($803,708)**	**-2.0%**
TOTAL SALARIES & EMPLOYEE BENEFITS	**$103,071,874**	**$105,092,781**	**$2,020,907**	**2.0%**

Assumptions

The following assumptions were used in developing the budgets:

- LACERA utilizes an incremental-based budget process with the prior year resources as the "budget base" adjusted to reflect changes to activities or costs.
- Salaries are budgeted based on projected yearly costs by position. Filled positions assume salary-step and/or merit increases where eligible.
- 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. The number of months funded are based on LACERA's hiring plan and are clearly identified in each division's tab. Vacant positions as of January 2024 that are expected to be filled by June 30, 2024 are budgeted for the full year.
- The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.
- Variable benefits costs are adjusted consistent with Los Angeles County negotiated fringe benefit rates.
- To ensure steady and consistent trained staffing levels in our member-facing divisions, and to accommodate an annual specialist basic training program, LACERA will over-hire 11 Retirement Benefits Specialists I. These over-hires are not funded in the budget. Instead, salary savings generated from assumed attrition will be used to support the staffing.
- New positions are included only when they can be supported by planned hiring activity and availability of Los Angeles County Ordinance position authority.

Explanation of S&EB Costs

The proposed budget for S&EB totals $105,092,781, an increase of approximately $2.0 million or 2.0 percent. A breakdown of the significant changes impacting S&EB costs are detailed below.

Staffing Changes
A net increase of six permanent positions are requested for FY 2024-25, bringing LACERA's budgeted authority (excluding the Retiree Healthcare Program) from 497 to 503, as outlined below.

Summary of Position Changes

DIVISION	#	POSTION TITLE	FULL YEAR SALARY	FULL YEAR TOTAL EMPLOYEE BENEFITS	FULL YEAR BUDGET IMPACT
Administrative Services	1.0	Supervising Administrative Assistant II	$105,034	$68,272	$173,306
	2.0	Administrative Services Analyst III	$156,661	$101,830	$258,491
	(1.0)	Receptionist	($43,819)	($28,482)	($72,301)
Financial & Accounting Services	3.0	Accountant	$207,226	$134,697	$341,922
Investment Office	1.0	Finance Analyst II	$139,772	$90,852	$230,623
	(1.0)	Finance Analyst I	($96,588)	($62,782)	($159,370)
Legal Services	1.0	Legal Analyst	$83,311	$54,152	$137,462
Total	**6.0**		**$551,597**	**$358,538**	**$910,134**

**Based on the hiring plan*

Permanent/County Temporary Salaries

Funding for Permanent/County Temporary Salaries is increasing by approximately $4.0 million or 7.2 percent. The six new positions account for a portion of this increase, but other factors include full-year funding for previously unfunded or partially funded vacant positions, salary-step and merit increases, and the last six months of negotiated cost-of-living adjustment (COLA) increases through December 31, 2024. No future COLAs beyond that date were included in the proposed budget.

Agency Temporary Salaries

Funding for Agency Temporary Salaries is reduced by approximately $1.5 million, or 26 percent, from FY 2023-24, reflecting LACERA's planned hiring. Tremendous effort is underway to permanently fill LACERA's critical vacancies with highly qualified professionals, allowing for substantive reductions in this line item.

Intern Program

Internships are part of LACERA's diversity, equity, and inclusion strategies. Our intent is to provide underrepresented students with opportunities to learn about LACERA and how we fulfill our mission to produce, protect and provide the promised benefits to our members by offering short-term employment and mentorship. They are provided hands-on experience that increases their professional preparedness.

For FY 2024-25, LACERA hopes to welcome 15 Interns to work on special projects across the organization as outlined below:

Division	No.	Project Description
Administrative Services	1	Records management
Communications	1	Social media platform rollout
Information Security Office	1	Knowledge management and information security program projects
Executive Office	1	Communications projects
Investments Office	4*	Performance attribution, market research, and investment analysis
Legal Office	2	Legal projects (law students)
Quality Assurance	1	Data consolidation/CEM benchmarking report
Systems	3	Workflow automation, onsite data center, and data lake
Retiree Healthcare	1	Automation of quality metrics
Total	**15**	

** Two funded through LACERA and two funded through outside organizations*

At LACERA, internships are paid with the intention to ensure access to these opportunities. The FY 2024-25 Administrative Budget includes $336,000 to fund 13 Interns; two additional Interns for the Investments Division will be funded through outside organizations that seek to encourage individuals of diverse and underrepresented backgrounds.

Employee Benefits

Total employee benefits are projected to total $39,066,838, a decrease of approximately $800,000 or 2.0 percent. Total variable benefits decrease by a net of nearly $1.3 million, while Other Post-Employment Benefits (OPEB) contributions and other benefits increased by approximately $500,000. Within variable benefits, retirement costs decreased by approximately $1.6 million. This represents the employer portion of pension benefits that LACERA pays for its own employees, and the reduction is tied to the higher percentage of employees who are in the PEPRA plan (Plan G).

Total Budgeted Positions

Based on the proposal of a net increase of six permanent positions, LACERA's total budgeted positions count will be 503.

DIVISION	BUDGETED POSITIONS FY 2023-2024	CHANGE	BUDGETED POSITIONS FY 2024-2025
ADMINISTRATIVE SERVICES	42	2	44
BENEFITS DIVISION	79	0	79
COMMUNICATIONS	14	0	14
DISABILITY LITIGATION	7	0	7
DISABILITY RETIREMENT	44	0	44
ETHICS AND COMPLIANCE OFFICE	1	0	1
EXECUTIVE OFFICE	9	1	10
FINANCIAL & ACCOUNTING	30	3	33
HUMAN RESOURCES	21	0	21
INFORMATION SECURITY OFFICE	5	0	5
INTERNAL AUDIT SERVICES	11	0	11
INVESTMENT OFFICE	46	0	46
LEGAL SERVICES	28	0	28
MEMBER SERVICES	79	0	79
QUALITY ASSURANCE	19	0	19
SYSTEMS	62	0	62
TOTAL	**497**	**6**	**503**

Ordinance Positions

Ordinance positions reflect the employment authority by classification ratified by the Los Angeles County Board of Supervisors for LACERA. Not all positions outlined in LACERA's Ordinance are funded in the budget. Each year, the Board of Retirement and the Board of Investments adopt a budget, which includes funding for a specified number of positions. Most of these positions are funded for a full year; positions that are anticipated to be vacant at the beginning of the fiscal year are generally funded for less than 12 months. Historically, LACERA has maintained a higher number of Ordinance positions than budgeted to allow flexibility in filling positions within specific classifications. Each time a position is filled, it must be applied against an authorized position identified in the Ordinance, and funding must be available within the budget. Additionally, when the Boards authorize new positions as part of the budget, they cannot be immediately filled if there is not sufficient authority within the Ordinance, and it typically takes the Board of Supervisors several months to add new positions to LACERA's Ordinance. For this reason, LACERA management is not requesting any new positions in the FY 2024-25 Budget that are not already included in existing Ordinance. However, some positions, such as the Chief Ethics and Compliance Officer, are currently pending.

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 to our members. 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 management teams have agreed on a plan, the staffing requests are approved in the budget proposal presented to the Boards. The vacant position chart below shows that there are 106 vacant positions as of March 31, 2024. However, LACERA anticipates hiring or promoting 49 staff in the fourth quarter of FY 2023-24, of which at least half will be new staff members.

Given the high vacancy rate, LACERA management did not include any new positions unless the classification had a current or planned hiring list and where sufficient position authority was currently available in the Ordinance.

Vacant Positions Summary

DIVISION	BUDGETED POSITIONS FY 2023-24	VACANCY (AS OF 03/31/24)	%	BUDGETED POSITIONS FY 2024-25*
Administrative Services	**42**	17	40%	**44**
Benefits	**79**	1	1%	**79**
Communications	**14**	6	43%	**14**
Disability Litigation	**7**	0	0%	**7**
Disability Retirement Services	**44**	8	18%	**44**
Ethics & Compliance Office	**1**	1	100%	**1**
Executive	**9**	1	11%	**10**
Financial Accounting Services	**30**	4	13%	**33**
Human Resources	**21**	6	29%	**21**
Information Security Office	**5**	4	80%	**5**
Internal Audit	**11**	3	27%	**11**
Investments	**46**	8	17%	**46**
Legal Services Ø	**28**	10	36%	**28**
Member Services	**79**	11	14%	**79**
Quality Assurance	**19**	5	26%	**19**
Systems	**62**	21	34%	**62**
LACERA Total	**497**	**106**	**21%**	**503**

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

Hiring Plan

LACERA's Human Resources (HR) Division is working toward our goal of simplifying and improving our hiring process and developed a *Hiring Manager Playbook* to document our current hiring policies and procedures. HR also expanded its staffing capacity in FY 2023-24. As a result, they are on track to promulgate 25 hiring lists by the end of the fiscal year, double the number of lists created in FY 2022-23. Once lists are created, hiring managers interview and select candidates to fill specific vacancies. When new staff are considered, they must undergo an extensive background process. As a result, we expect to see a significant increase in the number of new staff hired and internal promotions, with 49 such actions in the fourth quarter of FY 2023-24 alone.

Services and Supplies (S&S)

The FY 2024-25 Services and Supplies (S&S) budget is $34,923,700, an increase of $2,247,600, or 6.9 percent. S&S costs are reflective of the daily operational needs of the organization and are primarily based on historical expenditures adjusted for inflation. Reductions or additions for one-time expenditures are also applied. Significant or noteworthy increases or decreases are explained below:

- Computer Services & Support expenses are expected to increase by $2,228,400 or 42.2 percent, however of this amount, $455,000 was moved from Office Supplies and Equipment related to existing divisional IT supplies and equipment. Four new accounts were created under Computer Services & Support to allow us to segregate new and existing IT needs for both divisions and enterprise-wide. LACERA continues to invest heavily in new IT software, which is also included in this account. Please refer to the detail on page 8 for additional detail.

- Educational Expenses are expected to increase by approximately $365,000 or 25.4 percent due to inflationary costs for educational conferences and a modest increase in the number of educational conferences for staff and trustees.

- Transportation & Travel expenses increased by $93,600, or 11.4 percent, reflecting inflationary increases as well as a modest increase for staff and trustee education-related travel.

- Equipment Maintenance costs are expected to decrease by $305,000, or 41.6 percent, primarily due the completion of the uninterruptible power supply upgrade, key card reader upgrade, and audio visual upgrades

- Legal Fees & Services are expected to increase by $240,000, or 11.5 percent based on current use trends.

Services & Supplies Summary

S&S CATEGORY	BUDGET REQUEST FY 2023-24	BUDGET REQUEST FY 2024-25	VARIANCE	% CHANGE
Auto Expenses	$52,800	$51,300	($1,500)	-2.8%
Communications	570,000	440,000	(130,000)	-22.8%
Transportation & Travel	818,700	912,300	93,600	11.4%
Postage	1,143,700	1,179,000	35,300	3.1%
Stationery & Forms	982,700	1,022,500	39,800	4.1%
Office Supplies & Equipment	1,103,900	730,600	(373,300)	-33.8%
Insurance	1,374,700	1,460,200	85,500	6.2%
Equipment Maintenance	733,300	428,300	(305,000)	-41.6%
Equipment Rents & Leases	250,000	260,000	10,000	4.0%
Building Costs	7,800,000	7,800,000	0	0.0%
Parking Fees	482,000	517,000	35,000	7.3%
Professional & Specialized Services	4,500,600	4,585,100	84,500	1.9%
Bank Services	200,000	200,000	0	0.0%
Legal Fees & Services	2,093,000	2,333,000	240,000	11.5%
Disability Fees & Services	3,090,300	3,090,300	0	0.0%
Computer Services & Support	5,279,600	7,508,000	2,228,400	42.2%
Educational Expenses	1,441,800	1,807,400	365,600	25.4%
Miscellaneous	759,000	598,700	(160,300)	-21.1%
TOTAL	**$32,676,100**	**$34,923,700**	**$2,247,600**	**6.9%**

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS
CATEGORY SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Gross Salaries	$59,820,943	$55,823,026	$25,750,038	$52,271,200	($3,551,826)	-6.4%	$3,997,917	7.2%
Salary Differential	-	-	-	-	-	-	-	-
Permanent Salaries	**$59,820,943**	$55,823,026	$25,750,038	$52,271,200	($3,551,826)	-6.4%	$3,997,917	7.2%
Outside Agency Temporary Staffing	**4,219,800**	5,683,700	2,824,928	4,788,200	(895,500)	-15.8%	(1,463,900)	-25.8%
LACERA Intern Program	**336,000**	288,000	6,016	12,300	(275,700)	-95.7%	48,000	16.7%
Variable Benefits								
Retirement	11,694,440	13,294,641	5,376,908	10,915,900	(2,378,741)	-17.9%	(1,600,201)	-12.0%
FICA Contribution	867,404	1,060,986	429,672	873,000	(187,986)	-17.7%	(193,582)	-18.2%
County Subsidy - Insurance	3,651,760	3,651,760	1,110,331	2,254,600	(1,397,160)	-38.3%	0	0.0%
Options Plan	5,821,379	4,515,725	2,153,510	4,372,000	(143,725)	-3.2%	1,305,654	28.9%
Life Insurance	26,217	22,003	11,579	24,000	1,997	9.1%	4,214	19.1%
Health Insurance Temps	375,682	626,306	117,593	238,800	(387,506)	-61.9%	(250,624)	-40.0%
Flexible Benefit Plan	18,805	18,805	7,135	14,500	(4,305)	-22.9%	0	0.0%
Thrift Plan/Horizons	2,392,838	2,251,400	764,954	1,553,500	(697,900)	-31.0%	141,438	6.3%
Savings Plan	1,546,989	1,527,202	525,658	1,067,800	(459,402)	-30.1%	19,787	1.3%
Pension Savings Plan	59,193	59,193	13,163	26,800	(32,393)	-54.7%	0	0.0%
Megaflex	6,574,702	7,264,514	2,746,758	5,576,800	(1,687,714)	-23.2%	(689,812)	-9.5%
Total	**33,029,408**	34,292,535	13,257,263	26,917,700	(7,374,835)	-21.5%	(1,263,127)	-3.7%
Other Benefits	**3,671,000**	3,588,999	1,456,576	2,957,800	(631,199)	-17.6%	82,001	2.3%
OPEB Contribution	**2,366,430**	1,989,012	1,023,806	2,079,000	89,988	4.5%	377,418	19.0%
Stipends	**65,000**	65,000	19,582	39,800	(25,200)	-38.8%	0	0.0%
Overtime	**1,388,700**	1,150,900	993,869	1,926,800	775,900	67.4%	237,800	20.7%
Bilingual Bonus	**20,400**	22,800	7,150	14,200	(8,600)	-37.7%	(2,400)	-10.5%
Sickleave Buyback	**68,800**	68,800	75,561	84,200	15,400	22.4%	0	0.0%
Rideshare Allowance	**70,300**	70,300	1,845	3,700	(66,600)	-94.7%	0	0.0%
Transportation Allowance	**36,000**	28,800	19,500	36,000	7,200	25.0%	7,200	25.0%
S&EB TOTAL	**$105,092,781**	**$103,071,874**	**$45,436,133**	**$91,130,900**	**($11,940,974)**	**-11.6%**	**$2,020,907**	**2.0%**

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS
DIVISION SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Administrative Services	**$6,040,479**	$5,512,307	$1,972,838	$3,949,300	($1,563,007)	-28.4%	$528,172	9.6%
Benefits	**12,720,941**	12,363,301	6,431,999	12,995,800	632,499	5.1%	357,640	2.9%
Communications	**2,118,875**	2,600,188	955,790	1,927,000	(673,188)	-25.9%	(481,313)	-18.5%
Disability Litigation	**2,451,211**	2,510,041	1,237,026	2,509,600	(441)	-0.02%	(58,830)	-2.3%
Disability Retirement	**8,241,073**	8,428,091	3,849,439	7,780,700	(647,391)	-7.7%	(187,018)	-2.2%
Ethics and Compliance Office	**$127,400**	90,700	0	0	(90,700)	-100.0%	36,700	40.5%
Executive Office	**3,224,904**	4,604,614	2,245,168	4,371,900	(232,714)	-5.1%	(1,379,710)	-30.0%
Financial & Accounting Services	**5,405,426**	5,435,438	2,405,152	4,781,400	(654,038)	-12.0%	(30,012)	-0.6%
Human Resources	**4,206,103**	4,403,989	1,374,759	2,674,000	(1,729,989)	-39.3%	(197,886)	-4.5%
Information Security Office	**1,118,129**	0	0	0	0	0.0%	1,118,129	0.0%
Internal Audit	**2,545,098**	2,888,948	1,260,877	2,560,100	(328,848)	-11.4%	(343,850)	-11.9%
Investment Office	**19,027,772**	17,875,468	8,044,147	16,328,500	(1,546,968)	-8.7%	1,152,304	6.4%
Legal Services	**7,904,049**	7,341,731	2,714,546	5,470,200	(1,871,531)	-25.5%	562,318	7.7%
Member Services	**11,942,576**	11,034,098	5,208,590	10,550,100	(483,998)	-4.4%	908,478	8.2%
Quality Assurance	**3,234,172**	3,301,233	1,438,762	2,921,300	(379,933)	-11.5%	(67,061)	-2.0%
Systems Division	**14,784,573**	14,681,724	6,297,041	12,311,000	(2,370,724)	-16.1%	102,849	0.7%
S&EB TOTAL	**$105,092,781**	**$103,071,874**	**$45,436,133**	**$91,130,900**	**($11,940,974)**	**-11.6%**	**$2,020,907**	**2.0%**

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

AGENCY TEMPORARY STAFFING
DIVISION SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Administrative Services	**$280,500**	$457,800	$149,712	$256,700	($201,100)	-43.9%	($177,300)	-38.7%
Benefits	**0**	62,200	10,879	62,200	0	0.0%	(62,200)	-100.0%
Communications	**276,400**	331,000	44,536	76,400	(254,600)	-76.9%	(54,600)	-16.5%
Disability Litigation	**0**	0	0	0	0	0.0%	0	0.0%
Disability Retirement	**407,300**	138,100	103,717	177,900	39,800	28.8%	269,200	194.9%
Ethics & Compliance Office	**0**	0	0	0	0	0.0%	0	0.0%
Executive Office	**0**	645,200	497,450	825,000	179,800	27.9%	(645,200)	-100.0%
Financial & Accounting Services	**482,500**	776,700	297,706	510,400	(266,300)	-34.3%	(294,200)	-37.9%
Human Resources	**50,500**	139,000	122,900	140,000	1,000	0.7%	(88,500)	-63.7%
Information Security Office	**170,000**	0	0	0	0	0.0%	170,000	0.0%
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	**116,700**	179,400	129,859	222,700	43,300	24.1%	(62,700)	-34.9%
Member Services	**295,800**	72,600	16,149	27,700	(44,900)	-61.8%	223,200	307.4%
Quality Assurance	**0**	0	0	0	0	0.0%	0	0.0%
Systems Division	**2,140,100**	2,881,700	1,452,019	2,489,200	(392,500)	-13.6%	(741,600)	-25.7%
TOTAL	**$4,219,800**	**$5,683,700**	**$2,824,928**	**$4,788,200**	**($895,500)**	**-15.8%**	**($1,463,900)**	**-25.8%**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		FYE 2024		FYE 2025
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Administrative Services	$587,000	$456,645	$473,400	$282,409	$457,800	$256,700	$280,500
Benefits	71,900	69,194	154,900	92,043	62,200	62,200	0
Communications	79,600	1,213	56,200	41,983	331,000	76,400	276,400
Disability Litigation	0	0	9,800	0	0	0	0
Disability Retirement	143,000	43,941	129,000	52,858	138,100	177,900	407,300
Ethics & Compliance Office	0	0	0	0	0	0	0
Executive Office	0	0	1,129,700	1,077,533	645,200	825,000	0
Financial & Accounting Services	729,400	473,724	778,100	485,257	776,700	510,400	482,500
Human Resources	47,700	36,327	144,300	137,617	139,000	140,000	50,500
Information Security Office	0	0	0	0	0	0	170,000
Internal Audit	0	0	0	0	0	0	0
Investment Office	0	0	0	0	0	0	0
Legal Services	150,000	103,549	196,600	132,911	179,400	222,700	116,700
Member Services	0	0	37,000	0	72,600	27,700	295,800
Quality Assurance	0	0	0	0	0	0	0
Systems	2,193,100	3,899,919	4,576,300	2,941,429	2,881,700	2,489,200	2,140,100
GRAND TOTAL	**$4,001,700**	**$5,084,512**	**$7,685,300**	**$5,244,040**	**$5,683,700**	**$4,788,200**	**$4,219,800**

*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

OVERTIME REQUEST
DIVISION SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Admininstrative Services	**$47,300**	$35,700	$5,074	$10,300	($25,400)	-71.1%	$11,600	32.5%
Benefits	**562,900**	426,400	459,680	850,000	423,600	99.3%	136,500	32.0%
Communications	**4,500**	4,500	645	1,400	(3,100)	-68.9%	0	0.0%
Disability Litigation	**2,900**	2,800	491	1,000	(1,800)	-64.3%	100	3.6%
Disability Retirement	**140,800**	103,600	108,522	220,400	116,800	112.7%	37,200	35.9%
Ethics & Compliance Office	**0**	0	0	0	0	0.0%	0	0.0%
Executive Office	**28,400**	27,600	20,140	40,900	13,300	48.2%	800	2.9%
Financial & Accounting Services	**62,800**	64,700	36,777	74,700	10,000	15.5%	(1,900)	-2.9%
Human Resources	**6,500**	4,700	11,817	16,000	11,300	240.4%	1,800	38.3%
Information Security Office	**0**	0	0	0	0	0.0%	0	0.0%
Internal Audit	**5,500**	5,300	0	0	(5,300)	-100.0%	200	3.8%
Investment Office	**800**	800	0	0	(800)	-100.0%	0	0.0%
Legal Services	**20,300**	19,900	16,174	32,900	13,000	65.3%	400	2.0%
Member Services	**264,900**	214,200	197,234	400,400	186,200	86.9%	50,700	23.7%
Quality Assurance	**11,900**	11,500	1,260	2,600	(8,900)	-77.4%	400	3.5%
Systems Division	**229,200**	229,200	136,054	276,200	47,000	20.5%	0	0.0%
TOTAL	**$1,388,700**	**$1,150,900**	**$993,869**	**$1,926,800**	**$775,900**	**67.4%**	**$237,800**	**20.7%**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

OVERTIME
HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		FYE 2024		FYE 2025
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Administrative Services	$50,000	$5,833	$49,400	$9,935	$35,700	$10,300	$47,300
Benefits	398,000	451,675	398,100	580,501	426,400	850,000	562,900
Communications	4,100	3,403	4,800	2,721	4,500	1,400	4,500
Disability Litigation	0	0	6,600	1,058	2,800	1,000	2,900
Disability Retirement	16,100	43,275	165,300	120,189	103,600	220,400	140,800
Ethics & Compliance Office	0	0	0	0	0	0	0
Executive Office	25,600	472	25,600	17,850	27,600	40,900	28,400
Financial & Accounting Services	67,900	40,904	65,300	45,783	64,700	74,700	62,800
Human Resources	2,900	1,310	3,800	18,840	4,700	16,000	6,500
Information Security Office	0	0	0	0	0	0	0
Internal Audit	4,900	986	5,000	928	5,300	0	5,500
Investment Office	1,000	0	1,000	0	800	0	800
Legal Services	30,000	20,897	18,400	20,668	19,900	32,900	20,300
Member Services	133,800	221,062	174,000	268,449	214,200	400,400	264,900
Quality Assurance	21,300	264	21,500	803	11,500	2,600	11,900
Systems	133,300	171,708	150,000	215,349	229,200	276,200	229,200
GRAND TOTAL	**$888,900**	**$961,790**	**$1,088,800**	**$1,303,073**	**$1,150,900**	**$1,926,800**	**$1,388,700**

*All amounts rounded to the nearest dollar.

LACERA

BUDGET REQUEST INFORMATION

VACANT POSITIONS
SUMMARY

DIVISION	BUDGETED POSITIONS FY 2023-2024	VACANCY (AS OF 03/31/24)	%	BUDGETED POSITIONS FY 2024-2025*	VACANCY	%
Administrative Services	**42**	17	40%	**44**	19	43%
Benefits	**79**	1	1%	**79**	1	1%
Communications	**14**	6	43%	**14**	6	43%
Disability Litigation	**7**	0	0%	**7**	0	0%
Disability Retirement Services	**44**	8	18%	**44**	8	18%
Ethics & Compliance Office	**1**	1	100%	**1**	1	100%
Executive	**9**	1	11%	**10**	1	10%
Financial Accounting Services	**30**	4	13%	**33**	7	21%
Human Resources	**21**	6	29%	**21**	6	29%
Information Security Office	**5**	4	80%	**5**	4	80%
Internal Audit	**11**	3	27%	**11**	3	27%
Investments	**46**	8	17%	**46**	8	17%
Legal Services Ø	**28**	10	36%	**28**	10	36%
Member Services	**79**	11	14%	**79**	11	14%
Quality Assurance	**19**	5	26%	**19**	5	26%
Systems	**62**	21	34%	**62**	21	34%
LACERA Total	**497**	**106**	**21%**	**503**	**111**	**22%**

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

LACERA

FISCAL YEAR 2024-2025

SERVICES AND SUPPLIES
CATEGORY SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Auto Expense	**$51,300**	$52,800	$26,242	$33,100	($19,700)	-37.3%	($1,500)	-2.8%
Communications	**440,000**	570,000	203,974	495,200	(74,800)	-13.1%	(130,000)	-22.8%
Transportation and Travel	**912,300**	818,700	239,771	573,500	(245,200)	-29.9%	93,600	11.4%
Postage	**1,179,000**	1,143,700	519,772	1,035,000	(108,700)	-9.5%	35,300	3.1%
Stationery and Forms	**1,022,500**	982,700	301,420	777,100	(205,600)	-20.9%	39,800	4.1%
Office Supplies and Equipment	**730,600**	1,103,900	270,184	978,400	(125,500)	-11.4%	(373,300)	-33.8%
Insurance	**1,460,200**	1,374,700	1,217,452	1,220,600	(154,100)	-11.2%	85,500	6.2%
Equipment Maintenance	**428,300**	733,300	339,458	666,500	(66,800)	-9.1%	(305,000)	-41.6%
Equipment Rents and Leases	**260,000**	250,000	128,817	221,000	(29,000)	-11.6%	10,000	4.0%
Building Costs	**7,800,000**	7,800,000	4,058,727	6,862,600	(937,400)	-12.0%	0	0.0%
Parking Fees	**517,000**	482,000	308,897	529,600	47,600	9.9%	35,000	7.3%
Professional and Spec. Srvcs.	**4,585,100**	4,500,600	1,435,507	3,538,100	(962,500)	-21.4%	84,500	1.9%
Bank Services	**200,000**	200,000	114,271	195,900	(4,100)	-2.1%	0	0.0%
Legal Fees and Services	**2,333,000**	2,093,000	1,120,633	1,985,200	(107,800)	-5.2%	240,000	11.5%
Disability Fees and Services	**3,090,300**	3,090,300	1,285,158	2,273,300	(817,000)	-26.4%	0	0.0%
Computer Services and Support	**7,508,000**	5,279,600	2,995,448	5,095,000	(184,600)	-3.5%	2,228,400	42.2%
Educational Expense	**1,807,400**	1,441,800	408,341	1,088,300	(353,500)	-24.5%	365,600	25.4%
Miscellaneous	**598,700**	759,000	432,907	809,500	50,500	6.7%	(160,300)	-21.1%
S&S TOTAL	**$34,923,700**	**$32,676,100**	**$15,406,980**	**$28,377,900**	**($4,298,200)**	**-13.2%**	**$2,247,600**	**6.9%**

*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

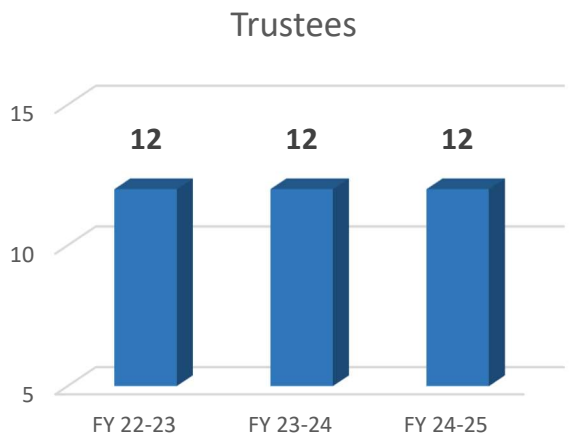
SERVICES AND SUPPLIES
DIVISION SUMMARY

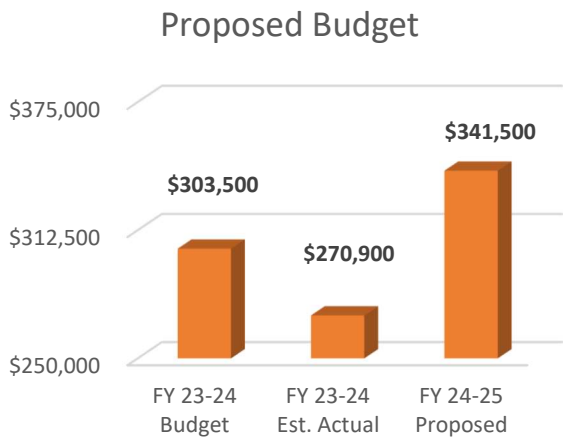
		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Administrative Services	**$10,905,800**	$10,596,100	$6,155,475	$9,293,900	($1,302,200)	-12.3%	$309,700	2.9%
Benefits	**117,300**	86,100	8,314	40,400	(45,700)	-53.1%	31,200	36.2%
Board of Retirement	**341,500**	303,500	63,209	270,900	(32,600)	-10.7%	38,000	12.5%
Board of Investment	**556,000**	551,000	231,066	471,700	(79,300)	-14.4%	5,000	0.9%
Communications	**1,633,600**	1,517,500	518,169	1,200,200	(317,300)	-20.9%	116,100	7.7%
Disability Litigation	**53,500**	51,100	18,182	43,200	(7,900)	-15.5%	2,400	4.7%
Disability Retirement	**3,379,200**	3,369,000	1,436,018	2,535,800	(833,200)	-24.7%	10,200	0.3%
Ethics and Compliance Office	**92,000**	92,000	11,500	79,000	(13,000)	-14.1%	0	0.0%
Executive Office	**814,600**	671,800	177,979	530,300	(141,500)	-21.1%	142,800	21.3%
Financial & Accounting Services	**253,000**	253,300	128,924	226,800	(26,500)	-10.5%	(300)	-0.1%
Human Resources	**2,264,000**	2,339,600	921,732	1,869,700	(469,900)	-20.1%	(75,600)	-3.2%
Information Security Office	**472,700**	0	0	0	0	0.0%	472,700	0.0%
Internal Audit	**749,200**	724,200	257,238	453,800	(270,400)	-37.3%	25,000	3.5%
Investment Office	**349,500**	348,500	140,510	247,300	(101,200)	-29.0%	1,000	0.3%
Legal Services	**2,483,200**	2,473,300	1,372,050	2,374,100	(99,200)	-4.0%	9,900	0.4%
Member Services	**78,000**	29,200	13,937	26,800	(2,400)	-8.2%	48,800	167.1%
Quality Assurance	**86,100**	82,100	5,245	68,200	(13,900)	-16.9%	4,000	4.9%
Systems	**10,294,500**	9,187,800	3,947,434	8,645,800	(542,000)	-5.9%	1,106,700	12.0%
S&S TOTAL	**$34,923,700**	**$32,676,100**	**$15,406,980**	**$28,377,900**	**($4,298,200)**	**-13.2%**	**$2,247,600**	**6.9%**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Board of Retirement is responsible for the strategic direction of the association and the administration of the retirement system and retiree healthcare benefits 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 trustees. Four are appointed by the Los Angeles County Board of Supervisors; two are elected by general active members; one trustee and one alternate trustee are elected by safety members; and one trustee and one alternate trustee are elected by retired members. The law requires the County Treasurer and Tax Collector to serve as an ex-officio trustee. The Deputy County Treasurer and Tax Collector serves as the acting ex-officio trustee in the absence of the ex-officio trustee when needed.





Summary of Significant Changes:

Description	Position Changes	Amount
• Board Off-Site		$38,000

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The Board of Retirement supports LACERA's 2023-28 Strategic Plan, providing broad direction to Chief Executive Officer.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Board of Retirement does not have one-time expenditures for FY 2024-25 that need to be removed.

Services and Supplies Adjustments

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

Board Offsite Meeting Expense – The Board offsite budget request increased by $38,000 to $150,000.

LACERA

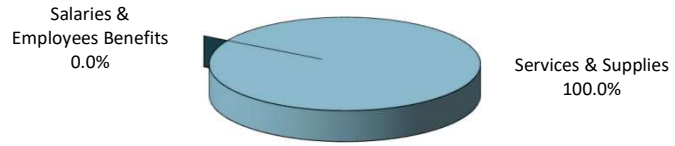
FISCAL YEAR 2024-2025

BUDGET SUMMARY

BOARD OF RETIREMENT

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$0**	$0	$0	$0	$0	0.0%	$0	0.0%
Services & Supplies	**341,500**	303,500	63,209	270,900	(32,600)	-10.7%	38,000	12.5%
OPERATING BUDGET	**$341,500**	$303,500	$63,209	$270,900	($32,600)	-10.7%	$38,000	12.5%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$93,500**	$93,500	$37,156	$63,800	($29,700)	-31.8%	$0	0.0%
EDUCATIONAL EXPENSES	**86,000**	86,000	20,795	86,000	0	0.0%	0	0.0%
MISCELLANEOUS	**162,000**	124,000	5,258	121,100	(2,900)	-2.3%	38,000	30.6%
TOTAL	**$341,500**	$303,500	$63,209	$270,900	($32,600)	-10.7%	$38,000	12.5%

*All amounts rounded to the nearest dollar.

BOARD OF RETIREMENT

BUDGET REQUEST INFORMATION

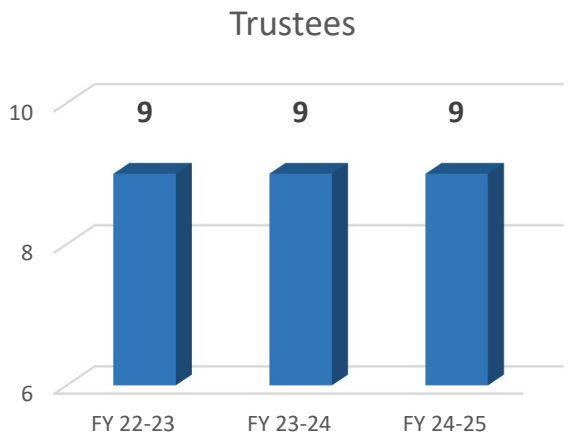
HISTORY OF EXPENDITURES

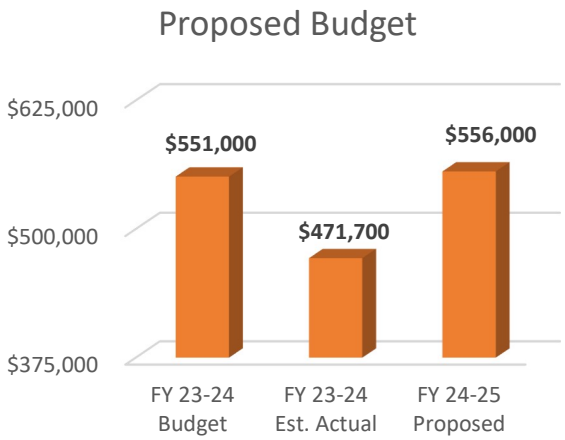
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SERVICES & SUPPLIES					
Transportation & Travel	93,500	52,121	93,500	63,800	93,500
Educational Expenses	86,000	57,989	86,000	86,000	86,000
Miscellaneous	112,000	88,386	124,000	121,100	162,000
TOTAL OPERATING BUDGET	**$291,500**	**$198,496**	**$303,500**	**$270,900**	**$341,500**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Board of Investments is responsible for establishing LACERA's investments policies and objectives, as well as exercising authority and control over the investment management of the Pension Fund. The Board must exercise its duties with care, skill, prudence and diligence. The Board is composed of nine trustees. Four trustees are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; one is elected by safety members; and one is elected by retired members. The law requires the County Treasurer and Tax Collector serve as an ex-officio trustee. The Deputy County Treasurer and Tax Collector serves as the acting ex-officio trustee sitting in for the ex-officio trustee as needed.





Summary of Significant Changes:

Description	Position Changes	Amount
• Food/Beverages	--	$5,000

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The Board of Investments supports LACERA's Investments Strategic Plan, providing broad direction to the Chief Investment Officer and Chief Executive Officer.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Board of Investment does not have one-time expenditures for FY 2024-25 that need to be removed.

Services and Supplies Adjustments

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

Food/Beverages

The Food/Beverages budget request increased by $5,000 to $17,000.

LACERA

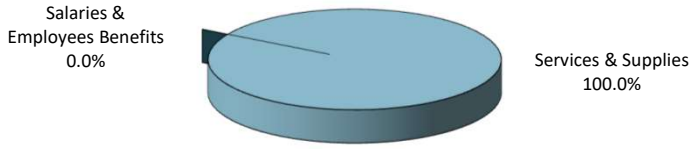
FISCAL YEAR 2024-2025

BUDGET SUMMARY

BOARD OF INVESTMENTS

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$0**	$0	$0	$0	$0	0.0%	$0	0.0%
Services & Supplies	**556,000**	551,000	231,066	471,700	(79,300)	-14.4%	5,000	0.9%
OPERATING BUDGET	**$556,000**	$551,000	$231,066	$471,700	($79,300)	-14.4%	$5,000	0.9%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

BOARD OF INVESTMENTS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 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 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$246,000**	$246,000	$96,581	$220,000	($26,000)	-10.6%	$0	0.0%
EDUCATIONAL EXPENSES	**200,000**	200,000	62,387	172,000	(28,000)	-14.0%	0	0.0%
MISCELLANEOUS	**110,000**	105,000	72,097	79,700	(25,300)	-24.1%	5,000	4.8%
TOTAL	**$556,000**	$551,000	$231,066	$471,700	($79,300)	-14.4%	$5,000	0.9%

*All amounts rounded to the nearest dollar.

BOARD OF INVESTMENT

BUDGET REQUEST INFORMATION

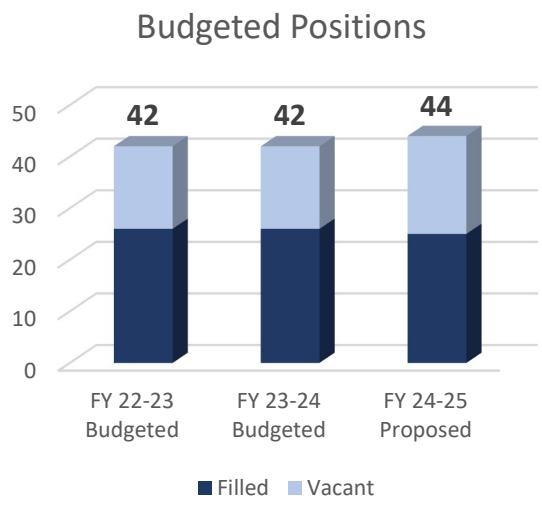
HISTORY OF EXPENDITURES

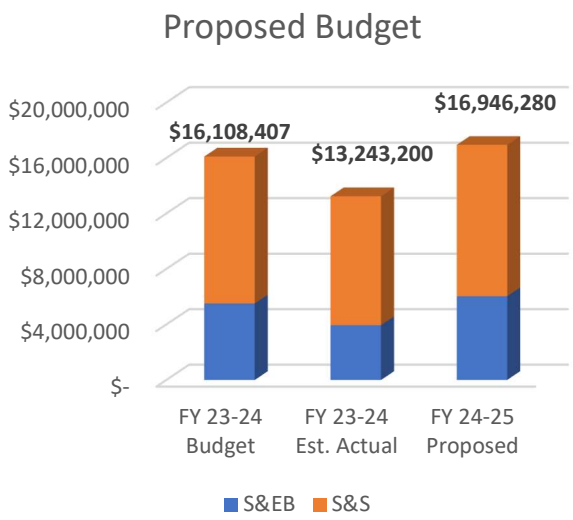
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SERVICES & SUPPLIES					
Transportation & Travel	242,000	158,306	246,000	220,000	246,000
Educational Expenses	150,000	147,119	200,000	172,000	200,000
Miscellaneous	106,000	80,079	105,000	79,700	110,000
TOTAL OPERATING BUDGET	**$498,000**	**$385,504**	**$551,000**	**$471,700**	**$556,000**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Administrative Services Division provides the operational infrastructure that supports all divisions in administering LACERA's programs and services. Specific services include budget development and monitoring; procurement; contract compliance; document processing; records management; facilities management; and risk management, including business continuity, insurance, and health and safety.





Summary of Significant Changes:

Description	Position Changes	Amount
• Creation of Vendor Management Section Add three positions: 1 SAA II, 2 ASA IIIs	3	$261,695
• Deletion of Receptionist	(1)	($43,819)
• Reduction in Agency Temp Staffing		($177,300)
• Consultant for Facilities Master Plan		$150,000
• Transfer of Security Services: Sheriff		$32,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

Renovation of Seventh Floor, Systems/FASD

As reported last fiscal year, the Systems Division and Financial and Accounting Services Division (FASD) space had not been renovated in 20 years. To make the renovation timelier, the entire seventh floor was renovated simultaneously. This was a huge undertaking, but we are pleased to inform you that we have completed this project.

Automated Budget System

As reported last fiscal year, the Administrative Services Division (ASD) has never had an automated budget development or control system, relying upon Excel spreadsheets and manual processes. After conducting an extensive needs assessment and releasing a Request for Proposal (RFP), Questica was selected as the budget software provider. The implementation plan was introduced at the end of the calendar year 2022, and regular meetings between Questica and LACERA subject matter experts have moved the software implementation along. We planned to use the new system to develop the FY 2024-2025 budget, and we are pleased to inform you that we are on target.

Enterprise Contract Lifecycle Management System (ECLM)

As reported last fiscal year, this system will replace our current contract management database with an enterprise-wide solution that includes automated workflows and reporting capabilities and will integrate with new and existing technology solutions. The vendor selected for the ECLM system is Cobblestone. We previously met with the vendor to outline the deployment plan and expected the system to be fully functional by the summer of 2023. We experienced unexpected delays and plan to soft launch the ECLM prior to the end of the 2023-24 fiscal year. End-user training will be ongoing through the end of the fiscal year.

Procurement/Accounts Payable/Travel System

As reported last fiscal year, the ASD, FASD, and Systems Division have collaborated to automate, simplify, and improve our procurement and accounts payable approval and workflow processes. This software processes electronic payment methods, including automating requisitions and invoicing. We anticipated this system would roll out in phases, starting with Procurement and Accounts Payable, followed by the Expense phase by the summer of 2023. Although we experienced unexpected delays, we are pleased to inform you that that implementation occurred in January 2024.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The ASD goals and objectives are to provide the operational infrastructure that supports the divisions in administering LACERA programs and services. ASD plays a leading role in LACERA's Fiscal Durability Strategic Priority, ensuring that resources are utilized appropriately and judiciously. Some of these fiscal elements involve improvements in:

- Financial and budgeting systems that support LACERA's ability to make, monitor, and ensure prudent and strategic expenditure decisions.
- Systems, technologies and processes that can simplify and improve staff efficiency and effectiveness.
- Developing and reinforcing a fiscal prudent mindset.
- Ensure LACERA's staff and management responsible for financial operations have appropriate training and qualifications.

Specific functions include:

- Budget Development and Monitoring
- Business Continuity Management
- Business Insurance Management
- Contract Management and Compliance
- Document Processing/Mailroom Services
- Facilities Management/Renovations
- Health and Safety Services
- Purchasing and Procurement Services
- Records and Information Management
- Rideshare Administration
- Risk Management

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investment for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

Administrative Services is requesting the following changes:

Addition	Removal
1 Supervising Administrative Assistant II 2 Administrative Services Analyst IIIs	1 Receptionist

LACERA presently operates a decentralized vendor management program. Each division has one or more contract administrators responsible for ensuring compliance with LACERA's applicable laws, rules, and standards, including data privacy and security. The current structure poses numerous challenges: inconsistent practices, limited risk visibility, and ineffective performance management, to name a few. With the recent adoption of a strategic plan that prioritizes risk mitigation, compliance, and the creation of internal controls and tools to ensure fiscal durability, a centralized vendor management program is foundational to executing our objectives.

This section would support 15 divisions with vendor management, including vendor engagement, due diligence, solicitations, risk assessment and mitigation, selection, contract negotiation, onboarding, monitoring, and offboarding of LACERA vendors. LACERA currently manages approximately 450 contracts on an ongoing basis, with contract administrators in each division. Based on our experience, we can anticipate 100 solicitations annually, which results in 100 new/renewed contracts annually. Our average annual contract close-out rate is 60. For FY 2023 we processed nearly 3,100 payment requests related to contracts. Due to the diversity of the needs of each division and the complexity of the work involved, ASD management is requesting the addition of one (1) Supervising Administrative Assistant II and two (2) Administrative Services Analyst IIIs to support a centralized Vendor Management Section in ASD. The Supervising Administrative Assistant II will oversee procurement and contracts.

Additionally, ASD is deleting the receptionist position as the role and duties have been moved to the Member Services Center.

Temporary Staffing

ASD's proposed budget for Agency Temporary staff is $280,500 for FY 2024-25. This is an estimated 40 percent decrease in allocated funds for temporary staff, as ASD anticipates filling nine vacancies by the end of FY 2024.

ASD currently has 42 budgeted positions, with 13 vacancies in the following functional areas: Budget, Contracts, Facilities, Records Management, and Document Processing.

Human Resources anticipates opening an exam for the Administrative Services Analyst (ASA) series and the Intermediate Typist Clerk positions prior to the end of the 2023-24

fiscal year, which will fill nine of our current vacancies in Budget, Contracts, Facilities, Records Management, and the Document Processing Center (DPC).

Reorganization and a centralized vendor management section are also being proposed (proposed FY 2024-25 org chart attached), which may expand the hiring of two additional ASA IIIs. The above-referenced exam would allow for immediate hiring of the proposed ASA IIIs.

While our goal remains to hire permanent staff to fill the remaining vacancies, the continued use of temporary staff is a practical solution we continue to employ. If vacancies are not filled, ASD will request additional funding for temporary staffing in the mid-year budget.

Overtime Needs

We expect overtime to be necessary for FY 2024-25 during periods of heightened activity related to budget preparation, facilities maintenance, repairs and modifications, and special projects and for the DPC staff during the March Rush. The amount of overtime will be reduced due to technological changes in processing members' Medicare Part B Premium documents. However, the overall budget will increase slightly as ASD staff continue supporting several technological projects outlined above as subject matter experts. Overtime will be essential for staff to continue to support these projects while fulfilling their current duties.

Interns

In response to our organization's growing need for efficient records management, the Records and Information Management Unit seeks a highly motivated, detail-oriented, meticulous intern to spearhead a comprehensive records management project. This role will involve conducting a thorough organization-wide inventory of business records and utilizing advanced data analysis techniques to extract valuable insights. The intern will play a pivotal role in assessing the current state of our records and formulate recommendations for updating the Records Retention Schedule and ensuring compliance with industry regulations. This hands-on experience will give the intern valuable records management skills and significantly enhance our overall organizational efficiency and information governance. The funding for Interns is budgeted in Human Resources and is not reflected in the Administrative Services Budget.

Rehired Retirees

Administrative Services is not requesting any rehired retiree assistance in FY 2024-2025.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Administrative Services has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

Consulting and Contracting Services
This year, ASD will embark on a strategic facility planning process to align our short- and long-term facility plans with our anticipated future needs. This planning process is essential as we envision LACERA's future state as a $100 billion fund. We are requesting $150,000 for this service and the development of a five- to 10-year facilities master plan.

Renovation
The renovation budget will remain flat in anticipation of executing the facilities master plan.

Security Services
One more notable change is the consolidation of administration for security services with the movement of the Security Services–Sheriff account from Human Resources to the Administrative Services budget. The allocated funds for this line item are $32,000.

Administrative Services' S&S budget for FY 2024-25 will essentially remain flat compared to the FY 2023-24 adopted budget.

ADMINISTRATIVE SERVICES DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 42.0
2023-2024 Hiring Plan: 42.0

2024-2025 Bud. Pos.: 44.0
2024-2025 Hiring Plan: 44.0

1.0 Division Manager
Ricki Contreras

1.0 Senior Administrative Assistant

~~1.0 Receptionist~~

Budget Development & Vendor Management

1.0 Admin. Serv. Officer
Martin Sandoval

Budget Unit

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

Vendor Management

+ 1.0 Supv. Admin. Assist. II

Procurement

3.0 Procurement Asst. II
2.0 Procurement & Supply Clerk

Contract

+ 2.0 Admin. Serv. Analyst III
1.0 Admin. Serv. Analyst II

Risk Management, Document and Records Management

1.0 Admin. Serv. Officer
Vacant

Risk Management

1.0 Supv. Admin. Assist. II

Business Continuity

1.0 Admin. Serv. Analyst II

Facilities Management

1.0 Admin. Serv. Analyst III
1.0 Admin. Serv. Analyst II

Health & Safety

1.0 Admin. Serv. Analyst II

Document and Records Management

1.0 Supv. Admin. Assist. II

Records Management

1.0 Admin. Serv. Analyst II

Document Processing Center

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

+ Added position
– Deleted position
* Classification study for the position requested.

LACERA

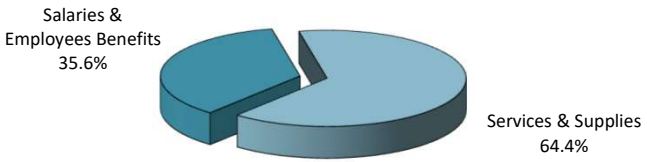
FISCAL YEAR 2024-2025

BUDGET SUMMARY

ADMINISTRATIVE SERVICES DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$6,040,479**	$5,512,307	$1,972,838	$3,949,300	($1,563,007)	-28.4%	$528,172	9.6%
Services & Supplies	**10,905,800**	10,596,100	6,155,475	9,293,900	(1,302,200)	-12.3%	309,700	2.9%
OPERATING BUDGET	**$16,946,279**	$16,108,407	$8,128,312	$13,243,200	($2,865,207)	-17.8%	$837,872	5.2%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

ADMINISTRATIVE SERVICES DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$3,425,263**	$2,813,145	$1,083,726	$2,200,000	($613,145)	-21.8%	$612,118	21.8%
Total Agency Temp Salaries	**280,500**	457,800	149,712	256,700	(201,100)	-43.9%	(177,300)	-38.7%
Employee Benefits (Variable)	**1,928,832**	1,911,226	600,671	1,219,900	(691,326)	-36.2%	17,605	0.9%
Employee Benefits (Other)	**208,726**	180,309	71,603	145,400	(34,909)	-19.4%	28,417	15.8%
OPEB Contribution	**135,659**	99,927	51,433	104,500	4,573	4.6%	35,733	35.8%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**47,300**	35,700	5,074	10,300	(25,400)	-71.1%	11,600	32.5%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**7,300**	7,300	8,774	8,800	1,500	20.5%	0	0.0%
Rideshare Allowance	**6,900**	6,900	1,845	3,700	(3,200)	-46.4%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$6,040,479**	$5,512,307	$1,972,838	$3,949,300	($1,563,007)	-28.4%	$528,172	9.6%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$6,040,479**	$5,512,307	$1,972,838	$3,949,300	($1,563,007)	-28.4%	$528,172	9.6%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

ADMINISTRATIVE SERVICES DIVISION

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0773	DIVISION MANAGER, LACERA	1	LS12
0410	ADMINISTRATIVE SERVICES OFFICER, LACERA	1	LS09
0423	SUPERVISING ADMIN ASSIST II, LACERA	2	110A
0421	ADMINISTRATIVE SERVICES ANALYST III	1	101D
0420	ADMINISTRATIVE SERVICES ANALYST II	3	097D
0472	DOCUMENT PROCESSING COORDINATOR	2	087C
0471	DOCUMENT PROCESSING ASSISTANT, LACERA	7	084C
0464	PROCUREMENT ASSISTANT II, LACERA	3	091H
0448	WORD PROCESSOR II, LACERA	1	086B
0467	PROCUREMENT & SUPPLY CLERK, LACERA	2	085A
0461	MESSENGER DRIVER, LACERA	2	078D
	Total Filled Positions =	**25**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0410	ADMINISTRATIVE SERVICES OFFICER, LACERA	1	LS09
0423	SUPERVISING ADMIN ASSIST II, LACERA	2	110A
0421	ADMINISTRATIVE SERVICES ANALYST III	4	101D
0420	ADMINISTRATIVE SERVICES ANALYST II	3	097D
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
0419	ADMINISTRATIVE SERVICES ANALYST I	1	087L
0472	DOCUMENT PROCESSING COORDINATOR	1	087C
0471	DOCUMENT PROCESSING ASSISTANT, LACERA	4	084C
0445	INTERMEDIATE TYPIST-CLERK, LACERA	2	078K
	Total Vacant Positions =	**19**	
	TOTAL POSITIONS =	**44**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

ADMINISTRATIVE SERVICES DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
AUTO EXPENSE	**$33,000**	$33,500	$20,543	$21,600	($11,900)	-35.5%	($500)	-1.5%
TRANSPORTATION & TRAVEL	**31,600**	17,600	0	5,300	(12,300)	-69.9%	14,000	79.5%
POSTAGE	**350,000**	351,500	350,000	350,000	(1,500)	-0.4%	(1,500)	-0.4%
STATIONERY & FORMS	**1,000**	1,000	0	1,000	0	0.0%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**320,500**	298,000	127,649	220,100	(77,900)	-26.1%	22,500	7.6%
INSURANCE	**1,460,200**	1,374,700	1,217,452	1,220,600	(154,100)	-11.2%	85,500	6.2%
EQUIPMENT MAINTENANCE	**3,300**	3,300	1,345	3,700	400	12.1%	0	0.0%
EQUIPMENT RENTS & LEASES	**260,000**	250,000	128,817	221,000	(29,000)	-11.6%	10,000	4.0%
BUILDING COSTS	**7,800,000**	7,800,000	4,058,727	6,862,600	(937,400)	-12.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**583,000**	429,000	244,761	352,800	(76,200)	-17.8%	154,000	35.9%
EDUCATIONAL EXPENSES	**49,200**	25,500	1,122	25,500	0	0.0%	23,700	92.9%
MISCELLANEOUS	**14,000**	12,000	5,058	9,700	(2,300)	-19.2%	2,000	16.7%
TOTAL	**$10,905,800**	**$10,596,100**	**$6,155,475**	**$9,293,900**	**($1,302,200)**	**-12.3%**	**$309,700**	**2.9%**

*All amounts rounded to the nearest dollar.

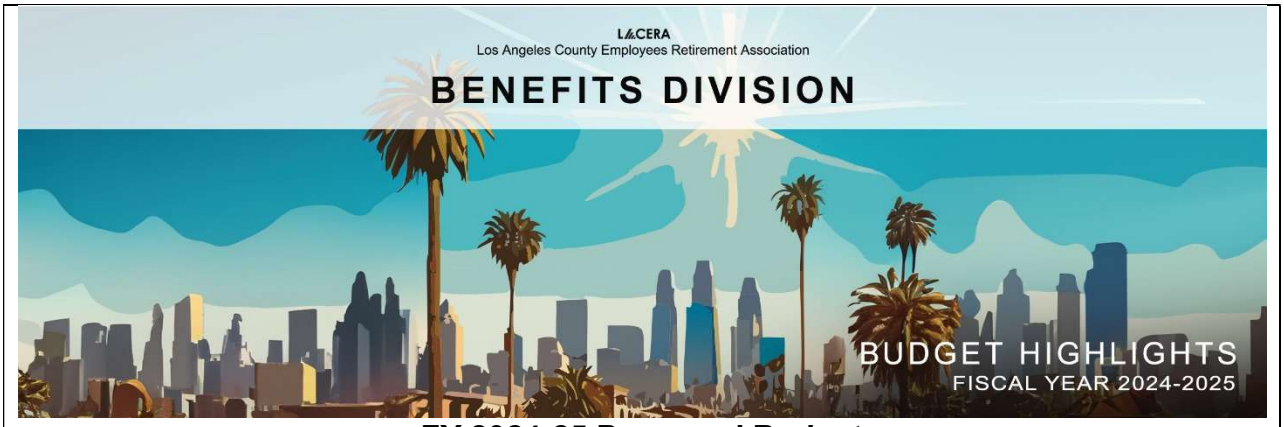
ADMINISTRATIVE SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

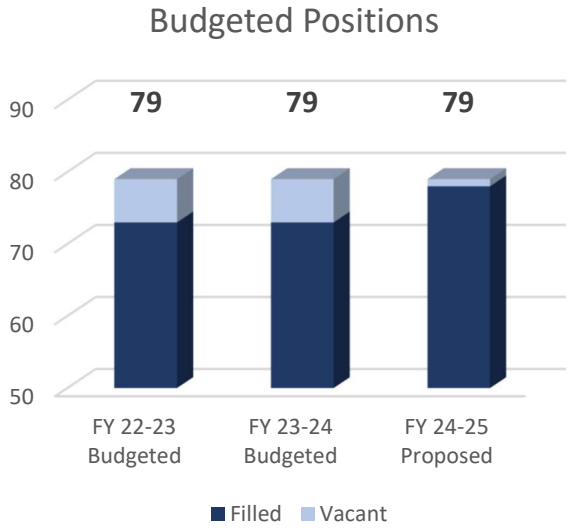
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$2,223,984	$2,030,036	$2,813,145	$2,200,000	$3,425,263
Total Agency Temp Salaries	473,400	282,409	457,800	256,700	280,500
Employee Benefits (Variable)	1,426,725	1,137,500	1,911,226	1,219,900	1,928,832
Employee Benefits (Other)	166,766	150,922	180,309	145,400	208,726
OPEB Contribution	88,501	87,935	99,927	104,500	135,659
OPEB Contribution (Budget Surplus)	0	88,501	0	0	0
Stipends	0	0	0	0	0
Overtime	49,400	9,935	35,700	10,300	47,300
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	7,300	7,799	7,300	8,800	7,300
Rideshare Allowance	6,900	4,540	6,900	3,700	6,900
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Auto Expenses	111,500	(47,904)	33,500	21,600	33,000
Transportation & Travel	8,000	2,369	17,600	5,300	31,600
Postage	331,400	331,423	351,500	350,000	350,000
Stationery & Forms	3,800	0	1,000	1,000	1,000
Office Supplies & Equipment	327,000	177,905	298,000	220,100	320,500
Insurance	1,120,600	976,329	1,374,700	1,220,600	1,460,200
Equipment Maintenance	3,300	2,443	3,300	3,700	3,300
Equipment Rents & Leases	287,000	199,499	250,000	221,000	260,000
Building Costs	7,961,300	6,124,765	7,800,000	6,862,600	7,800,000
Professional & Specialized Services	366,000	308,326	429,000	352,800	583,000
Educational Expenses	13,500	8,558	25,500	25,500	49,200
Miscellaneous	13,500	11,047	12,000	9,700	14,000
TOTAL OPERATING BUDGET	**$14,989,876**	**$11,894,337**	**$16,108,407**	**$13,243,200**	**$16,946,279**

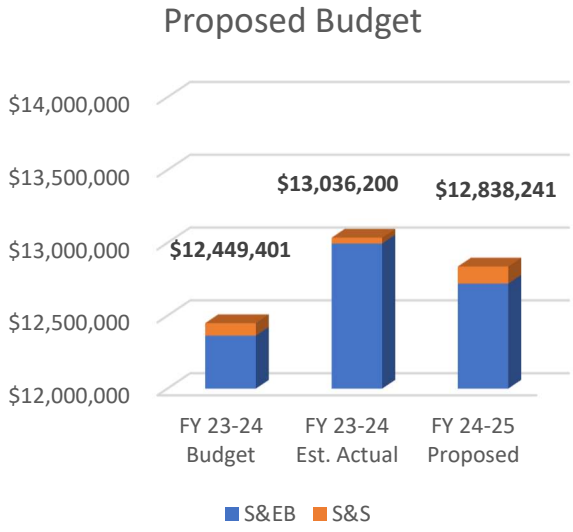
*All amounts rounded to the nearest dollar.



FY 2024-25 Proposed Budget

The Benefits Division is responsible for accurately and consistently calculating the member's promised pension benefit, collecting the required contributions to fund those benefits, and safeguarding, or protecting, the members' accounts. This work is done in compliance with CERL, PEPRA, Board of Retirement regulations, and organizational policies and values. The Benefits Division is made up of four sections to perform this mission-critical work: Core Benefits Services; Special Benefits Services; Account Integrity Services; and the Process Management Group.





Summary of Significant Changes:

Description	Position Changes	Amount
• Remove agency temp staffing		($62,000)
• Increase Travel		$7,400
• Increase Pension Benefit Information		$5,000
• Increase Registration Fees		$18,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

- Guide and provide consultation regarding the automation of Temporary Time purchases
- Guide and provide consultation regarding the automated calculation of Final Average Compensation (FAC) for PEPRA members
- Design and implement the process to reduce LACERA's risk regarding retirees who work part-time up to 960 hours
- Redesign LACERA's Recovery of Underpaid Contributions and Overpaid Benefits to conform with industry best practices and improve the member experience
- Clarify the Supplemental Disability process to address situations where members are not assigned an alternate position prior to the granting of the disability
- Work with Systems to create a process where staff can generate Previous Service contracts through Workspace without the use of the Excel templates

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The following objectives support the Strategic Plan priorities of the Superior Member Experience and Investing in People. These goals will help improve the member experience by increasing our flexibility to respond to changes, while developing future leaders as they learn how to build better trust and accountability, develop cohesive teams, and collaborate on behalf of our members:

- Increase opportunities for staff to network and gain industry knowledge by attending outside training and conferences
- Work with an outside consultant to help Benefits managers and supervisors build cohesive and collaborative teams and work with the entire division to foster a culture of trust and accountability

This upcoming fiscal year, we will increase the number of industry-related conferences and trainings as well as the number of staff who attend them. Supervisors will be invited to represent LACERA at industry events. In addition to SACRS and CALAPRS Benefits Roundtables, leaders within the division will attend Public Plan Policy: Pensions II training provided by the International Foundation of Employee Benefit Plans (IFEBP), Cost Effective Measurement (CEM), and the National Conference on Public Employee Retirement Systems (NCPERS). (NCPERS offers a variety of conferences. Benefits will attend the one titled Annual Conference and Exhibitions [ACE]).

In addition to increasing participation in industry events, we would like to transform the culture of the Benefits Division by working with an outside consultant. We will begin by working with the leadership team (supervisors and above) to further develop their skills and abilities to become better leaders. We will also focus on the whole division, so the entire team grows together, allowing the leadership team to immediately apply what they learn and receive feedback as part of the training process.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

No additional permanent staffing is requested in FY 2024-25.

Other adjustments to permanent staff may be required. We will revisit this during the Mid-Year Amendment or for FY 2025-26.

Temporary Staffing

LACERA plans to offer a Core Benefits Training class beginning in late FY 2023-24 to ensure a steady inflow of new, fully trained Retirement Benefits Specialist to support the Benefits and Member Services Division. These trainees are County Temporary until they successfully complete the training program.

The Benefits Division does not anticipate any use of agency temporary staffing in FY 2024-25, resulting in a decrease of $62,000

Overtime Needs

The Benefits Division anticipates the need for approximately 8,600 hours of overtime at an approximate cost of $563,000 in FY 2024-25. This is the same amount of overtime budgeted in FY 2023-24 and is required to ensure we provide a Superior Member Experience through the delivery of timely and accurate responses to member requests.

Interns

The Benefits Division does not anticipate any use of interns in FY 2024-25.

Rehired Retirees

The Benefits Division does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Benefits Division has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

Travel and Registration Fees

Funding totaling $12,600 for staff travel is requested for FY 2024-25, an increase of $7,400. This funding is required for staff development and will allow approximately 11 staff members to participate in a variety of industry educational conferences. Additionally, staff will participate in a virtual conferences as well. Registration fees are increasing from $31,000 to $49,000 for staff attending educational conferences offered both in person and virtually.

Pension Benefit Information (PBI)

Benefits requests death verification from Pension Benefit Information (PBI) for retirees, allowing us to prevent overpayments and locate beneficiaries in a timely manner. This year, to improve our survivor experience, we would like PBI to verify the status of deferred and inactive members with funds on deposit. Learning of these deaths as soon as possible increases the likelihood of successfully reaching out and paying the appropriate beneficiaries. Therefore, we are requesting an increase in the budget for this service from $15,000 to $20,000.

Miscellaneous

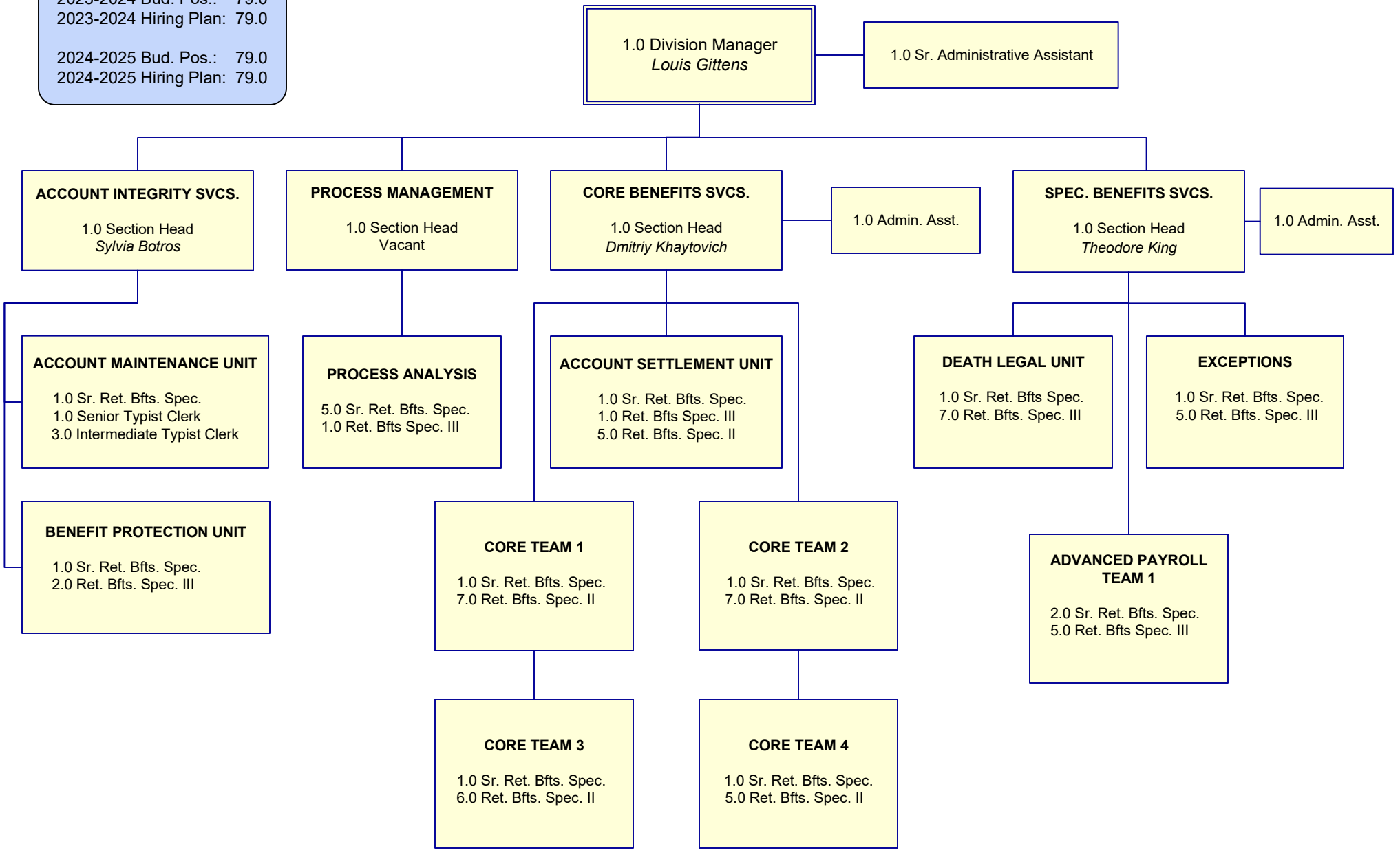
Historically, we celebrate staff's accomplishments at the end of the year with a division-wide lunch. It is a time for the entire division to come together and for the organization to show its appreciation to staff for their dedication and service. Existing funds are insufficient to cover the costs for the number of Benefits Division staff. Therefore, we will need to increase the budget in this area from $800 to $1,600.

BENEFITS DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 79.0
2023-2024 Hiring Plan: 79.0

2024-2025 Bud. Pos.: 79.0
2024-2025 Hiring Plan: 79.0



LACERA

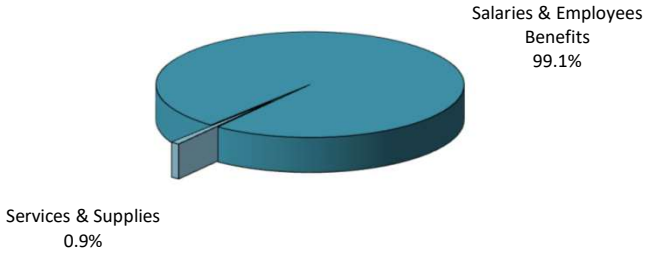
FISCAL YEAR 2024-2025

BUDGET SUMMARY

BENEFITS DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$12,720,941**	$12,363,301	$6,431,999	$12,995,800	$632,499	5.1%	$357,640	2.9%
Services & Supplies	**117,300**	86,100	8,314	40,400	(45,700)	-53.1%	31,200	36.2%
OPERATING BUDGET	**$12,838,241**	$12,449,401	$6,440,313	$13,036,200	$586,799	4.7%	$388,840	3.1%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

BENEFITS DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$7,118,357**	$6,799,486	$3,716,641	$7,544,800	$745,314	11.0%	$318,871	4.7%
Total Agency Temp Salaries	**0**	62,200	10,879	62,200	0	0.0%	(62,200)	-100.0%
Employee Benefits (Variable)	**4,292,096**	4,365,974	1,923,673	3,905,600	(460,374)	-10.5%	(73,878)	-1.7%
Employee Benefits (Other)	**433,766**	435,814	174,492	354,300	(81,514)	-18.7%	(2,048)	-0.5%
OPEB Contribution	**281,922**	241,527	124,315	252,400	10,873	4.5%	40,395	16.7%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**562,900**	426,400	459,680	850,000	423,600	99.3%	136,500	32.0%
Bilingual Bonus	**3,600**	3,600	1,950	3,600	0	0.0%	0	0.0%
Sick Leave Buyback	**12,000**	12,000	20,368	22,900	10,900	90.8%	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	**$12,720,941**	$12,363,301	$6,431,999	$12,995,800	$632,499	5.1%	$357,640	2.9%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$12,720,941**	$12,363,301	$6,431,999	$12,995,800	$632,499	5.1%	$357,640	2.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2023-2024

SALARIES

BENEFITS DIVISION

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0773	DIVISION MANAGER, LACERA	1	LS12
0772	SECTION HEAD, LACERA	3	LS9
1312	SENIOR RETIREMENT BENEFITS SPECIALIST	15	105B
1311	RETIREMENT BENEFITS SPECIALIST III	22	099H
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
1310	RETIREMENT BENEFITS SPECIALIST II	30	093B
0438	ADMINISTRATIVE ASSISTANT, LACERA	2	087K
0446	SENIOR TYPIST-CLERK, LACERA	1	082J
0445	INTERMEDIATE TYPIST-CLERK, LACERA	3	078K
	Total Filled Positions =	**78**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0772	SECTION HEAD, LACERA	1	LS9
	Total Vacant Positions =	**1**	
	TOTAL POSITIONS =	**79**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

BENEFITS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$14,700**	$7,300	$2,071	$6,000	($1,300)	-17.8%	$7,400	101.4%
OFFICE SUPPLIES & EQUIPMENT	**3,400**	3,400	593	1,100	(2,300)	-67.6%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**46,000**	41,000	5,190	16,300	(24,700)	-60.2%	5,000	12.2%
EDUCATIONAL EXPENSES	**51,600**	33,600	460	16,200	(17,400)	-51.8%	18,000	53.6%
MISCELLANEOUS	**1,600**	800	0	800	0	0.0%	800	100.0%
TOTAL	**$117,300**	**$86,100**	**$8,314**	**$40,400**	**($45,700)**	**-53.1%**	**$31,200**	**36.2%**

*All amounts rounded to the nearest dollar.

BENEFITS DIVISION

BUDGET REQUEST INFORMATION

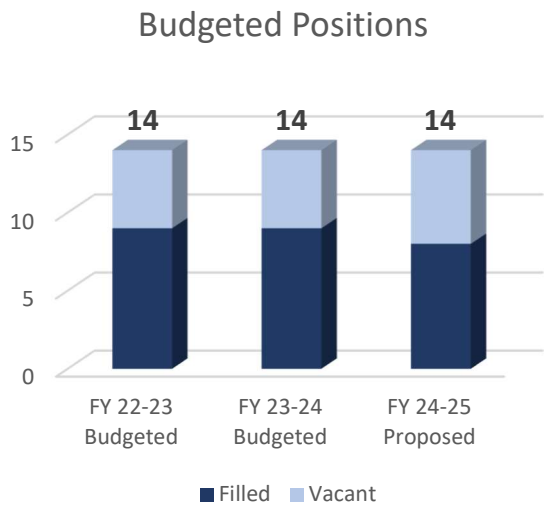
HISTORY OF EXPENDITURES

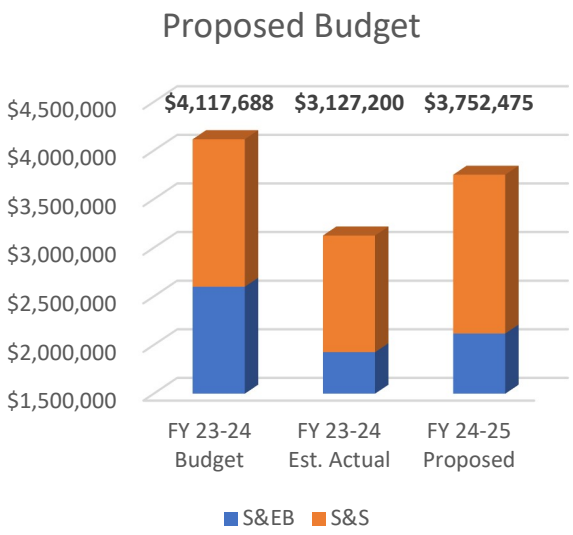
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$6,706,995	$6,787,742	$6,799,486	$7,544,800	$7,118,357
Total Agency Temp Salaries	154,900	92,043	$62,200	62,200	0
Employee Benefits (Variable)	4,019,322	3,396,311	$4,365,974	3,905,600	4,292,096
Employee Benefits (Other)	423,908	389,069	$435,814	354,300	433,766
OPEB Contribution	224,962	223,523	$241,527	252,400	281,922
OPEB Contribution (Budget Surplus)	0	224,962	0	0	0
Stipends	0	0	0	0	0
Overtime	398,100	580,501	$426,400	850,000	562,900
Bilingual Bonus	3,600	3,600	$3,600	3,600	3,600
Sick Leave Buyback	12,000	12,891	$12,000	22,900	12,000
Rideshare Allowance	16,300	0	$16,300	0	16,300
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	6,500	5,501	$7,300	6,000	14,700
Office Supplies & Equipment	3,400	1,881	$3,400	1,100	3,400
Professional & Spec. Srvcs.	41,000	31,874	$41,000	16,300	46,000
Educational Expenses	7,600	7,345	$33,600	16,200	51,600
Miscellaneous	800	800	$800	800	1,600
TOTAL OPERATING BUDGET	**$12,019,386**	**$11,758,043**	**$12,449,401**	**$13,036,200**	**$12,838,241**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

Communications Division's mission is to strategically envision, create, and distribute essential information and high-quality products for our members, stakeholders, and internal audiences, while consistently advancing our technological tools and outreach methods.





Summary of Significant Changes:

Description	Position Changes	Amount
• Newsletter Postage		$12,000
• Annual Benefit Statement Postage		$24,800
• New Hire Welcome Pkg		$ 5,000
• Retiree Check Inserts		$10,500
• Misc. Video Production		$20,000
• Board Elections (Print & Mail)		$30,000
• Board Member Scrolls (Trustee Award Materials)		$ 5,000
• Premium Items (Promo Items)		$10,000
• Strategic Planning Initiative		$10,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

Communications Division maintained its regular schedule of requisite annual projects, continued to move prioritized projects forward to help achieve the Boards' existing strategic goals, and provided support for the strategic planning process.

Additional major projects that we are managing or supporting that will carry into 2024 or that are currently prioritized for 2024 are the strategic planning implementation phase, My LACERA campaign, Annual Retirement Benefits Statement (ABS) redesign, Pre-Retirement Guide redesign, retirement enhancements, and Retirement Options and Medicare 101 videos.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

A few of our immediate goals, objectives and/or one-time projects for the 2024-2025 fiscal year are listed below.

- **Update plan books:** The member plan books should serve as the definitive source for all plan information. Since they are a supportive component for the Superior Member Experience priority, we want to redesign and update the plan books as one of the central media components of the omnichannel experience and enhanced educational content.
- **Complete Retirement University; begin production on revised My LACERA and Board Elections videos; increase overall video production:** Communications Division continues to increase video production due to growing demand for this format for internal and member-facing communications; our understanding of our member's need for various modes of learning materials/media; and as a part of the omnichannel experience.
- **Increase use of technological tools and online platforms**
    - *Build interactive e-learning/informational videos with specialized software*: For educational long-format videos, we want to build a more interactive experience for the member, incorporating questions and learning activities to enhance the video experience overall while increasing engagement and improving comprehension and retention.
    - *Incorporate Knowledge Base software*: We want enhance lacera.com with a more helpful, interactive home page through the creation of a knowledge base interface that guides the member to what they're specifically looking for.
- **Support LACERA's social media goals and strategy:** Using social media to communicate to our members will round out the omnichannel experience, and provide opportunities for digital engagement and promotion of LACERA's online resources. We anticipate adding new goals based on the development of the strategic plan initiatives, and reassessing or reprioritizing current projects to align with the organization's direction.

Training and Development Goals for 2024

Educational enrichment is instrumental for staff members in improving and modernizing their skillsets as well as maintaining enthusiasm for their craft. For 2024, the budget reflects Communications' goals to:

- Provide training for staff members in team-building, collaboration, and job-specific areas
- Join and participate in the California Association of Public Information Officials (CAPIO), including CAPIO training webinars and the annual conference (two staff members)
- Participate in the HOW marketing and technology conference (two staff members)

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

No proposed changes are requested for this fiscal year. We will continue to work with HR to fill the vacant positions for one Public Information Officer, one Senior Writer, two Senior Media Artists, two Writer IIs, and one Staff Assistant I.

Temporary Staffing

We are requesting three agency temporary staff members: one Senior Media Artist for one year, one Writer II for six months, and one Staff Assistant I for one year. These temporary positions are needed to backfill vacant positions to assist with work overflow.

Overtime Needs

Communications is requesting Overtime for various staff positions to be available when urgent requests arise that require the staff member to work beyond the normal hours to complete a task. Overtime may also be needed throughout the year when multiple major and unanticipated projects have the same deadline and the staff member needs the additional hours to complete the project(s). There are no changes to the number of Overtime hours.

Interns

Communications is not requesting interns in FY 2024-25.

Rehired Retirees

Communications is not requesting rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Communications does not have one-time expenditures for FY 2024-25 that need to be removed.

Services and Supplies Adjustments

Listed below are some S&S adjustments that Communications would like to highlight for FY 2024-25:

Postage

- Due to a 4 percent postage rate increase, we are requesting a slight increase in 2024 postage costs.
- *Pathways* and *Spotlight* postage costs have increased from $215,000 to $227,000.
- The Annual Benefit Statement mailing postage cost has increased from $97,200 to $122,000.

Stationery and Forms

Increases in distribution and/or production costs for LACERA communications components account for an overall increase, as detailed in the line items below:

- The New Hire Welcome Package cost has increased from $10,000 to $15,000 due to increased usage.
- The Retiree Check Inserts cost has increased from $3,500 to $14,000. There is an increase in cost for including inserts in the retiree check mailings to reach our members, resulting in a proposed $10,500 increase.
- Board Elections (Print & Mail): $30,000
- Trustee Awards Materials: $5,000
- Strategic Planning Initiative: $10,000

Professional and Specialized Services

- Requests for videos to support our communications to members has increased, and although we have an internal source to produce videos, we are unable to keep

up with the demand and are continuing to use an outsourced video production service. The Misc. Video Production cost has increased from $30,000 to $50,000. An increase request of $20,000 has been proposed to cover this need.

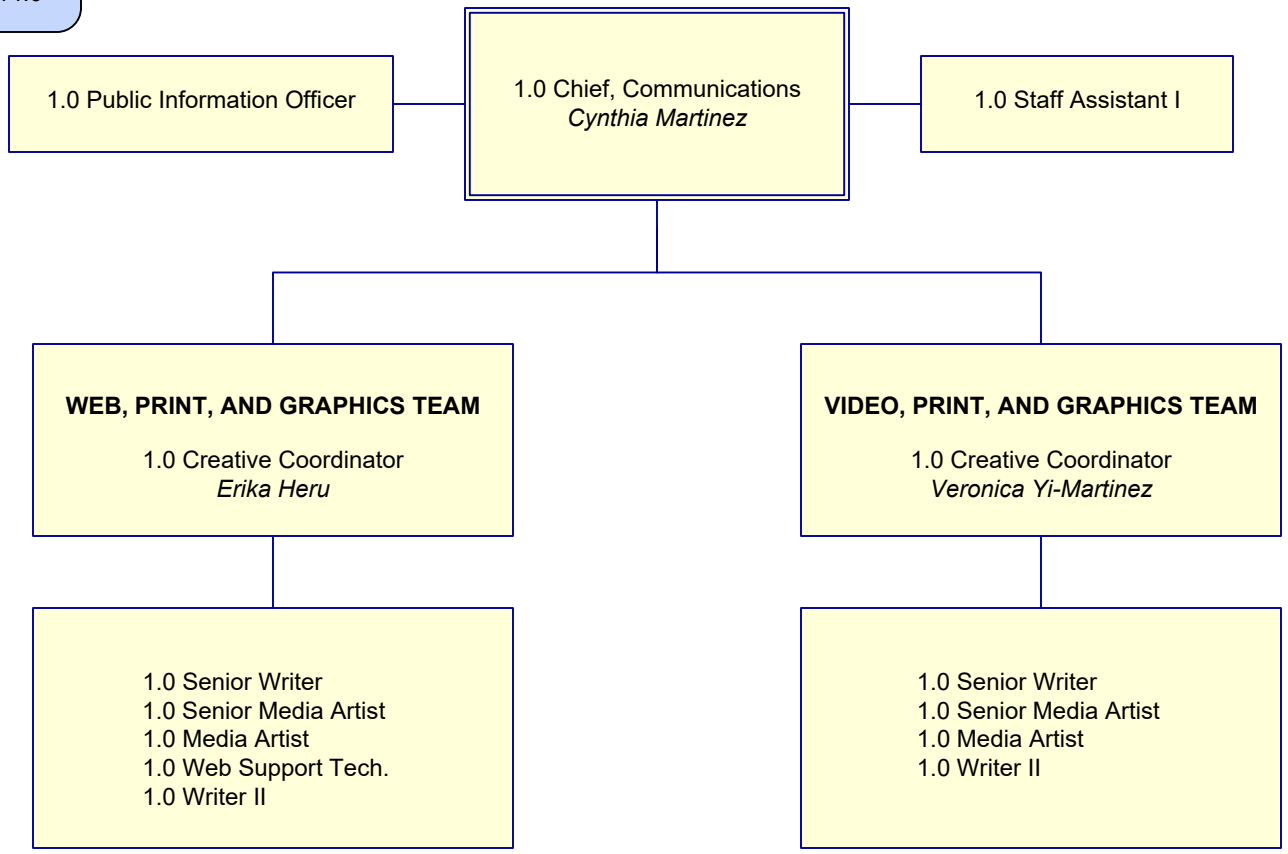
- Promotional Items: $10,000

COMMUNICATIONS

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 14.0
2023-2024 Hiring Plan: 14.0

2024-2025 Bud. Pos.: 14.0
2024-2025 Hiring Plan: 14.0



LACERA

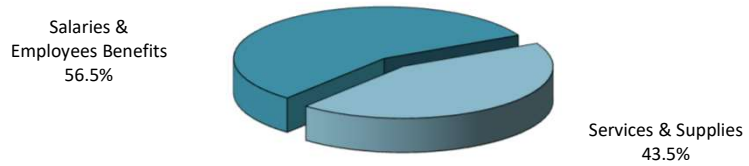
FISCAL YEAR 2024-2025

BUDGET SUMMARY

COMMUNICATIONS

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$2,118,875**	$2,600,188	$955,790	$1,927,000	($673,188)	-25.9%	($481,313)	-18.5%
Services & Supplies	**1,633,600**	1,517,500	518,169	1,200,200	(317,300)	-20.9%	116,100	7.7%
OPERATING BUDGET	**$3,752,475**	$4,117,688	$1,473,959	$3,127,200	($990,488)	-24.1%	($365,213)	-8.9%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES & EMPLOYEE BENEFITS SUMMARY

COMMUNICATIONS

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,078,612**	$1,263,940	$556,457	$1,129,700	($134,240)	-10.6%	($185,328)	-14.7%
Total Agency Temp Salaries	**276,400**	331,000	44,536	76,400	(254,600)	-76.9%	(54,600)	-16.5%
LACERA Intern Program	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**646,418**	870,339	298,872	607,100	(263,239)	-30.2%	(223,921)	-25.7%
Employee Benefits (Other)	**65,726**	81,012	32,171	65,400	(15,612)	-19.3%	(15,286)	-18.9%
OPEB Contribution	**42,718**	44,897	23,109	47,000	2,103	4.7%	(2,179)	-4.9%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**4,500**	4,500	645	1,400	(3,100)	-68.9%	0	0.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**3,500**	3,500	0	0	(3,500)	-100.0%	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	**$2,118,875**	$2,600,188	$955,790	$1,927,000	($673,188)	-25.9%	($481,313)	-18.5%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$2,118,875**	$2,600,188	$955,790	$1,927,000	($673,188)	-25.9%	($481,313)	-18.5%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

COMMUNICATIONS

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0794	CHIEF, COMMUNICATIONS, LACERA	1	LS10
0779	CREATIVE COORDINATOR, LACERA	2	111A
0784	SENIOR WRITER, LACERA	1	108L
0807	SENIOR MEDIA ARTIST, LACERA	1	106J
0789	MEDIA ARTIST, LACERA	2	103D
0787	WEB SUPPORT TECHNICIAN, LACERA	1	099F
	Total Filled Positions =	8	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0784	SENIOR WRITER, LACERA	1	108L
0465	PUBLIC INFORMATION OFFICER, LACERA	1	107K
0807	SENIOR MEDIA ARTIST, LACERA	1	106J
0786	WRITER II, LACERA	2	099F
0426	STAFF ASSISTANT I, LACERA	1	089A
	Total Vacant Positions =	6	
	TOTAL POSITIONS =	14	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES AND SUPPLIES

COMMUNICATIONS

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 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 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$17,600**	$17,600	$0	$10,700	($6,900)	-39.2%	$0	0.0%
POSTAGE	**379,000**	342,200	169,772	285,000	(57,200)	-16.7%	36,800	10.8%
STATIONERY & FORMS	**1,021,500**	981,700	301,420	776,100	(205,600)	-20.9%	39,800	4.1%
OFFICE SUPPLIES & EQUIPMENT	**10,000**	6,000	9,667	18,000	12,000	200.0%	4,000	66.7%
PROFESSIONAL & SPEC. SRVCS.	**175,000**	140,000	34,156	98,000	(42,000)	-30.0%	35,000	25.0%
EDUCATIONAL EXPENSES	**29,900**	29,400	2,643	11,500	(17,900)	-60.9%	500	1.7%
MISCELLANEOUS	**600**	600	510	900	300	50.0%	0	0.0%
TOTAL	**$1,633,600**	**$1,517,500**	**$518,169**	**$1,200,200**	**($317,300)**	**-20.9%**	**$116,100**	**7.7%**

*All amounts rounded to the nearest dollar.

COMMUNICATIONS

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

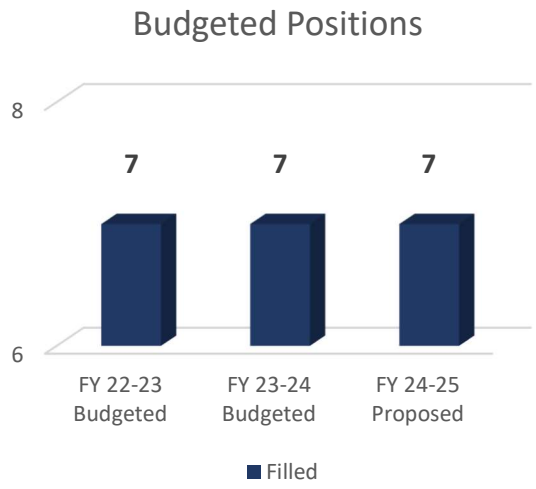
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$1,242,896	$1,057,213	$1,263,940	$1,129,700	$1,078,612
Total Agency Temp Salaries	56,200	41,983	331,000	76,400	276,400
Employee Benefits (Variable)	740,334	549,060	870,339	607,100	646,418
Employee Benefits (Other)	78,556	71,350	81,012	65,400	65,726
OPEB Contribution	41,689	41,422	44,897	47,000	42,718
OPEB Contribution (Budget Surplus)	0	41,689	0	0	0
Stipends	0	0	0	0	0
Overtime	4,800	2,721	4,500	1,400	4,500
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	3,500	1,207	3,500	0	3,500
Rideshare Allowance	1,000	0	1,000	0	1,000
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	4,500	3,053	17,600	10,700	17,600
Postage	348,000	377,486	342,200	285,000	379,000
Stationery & Forms	804,500	664,082	981,700	776,100	1,021,500
Office Supplies & Equipment	6,000	14,465	6,000	18,000	10,000
Professional & Specialized Services	47,000	33,346	140,000	98,000	175,000
Computer Services & Support	14,000	7,331	0	0	0
Educational Expenses	29,400	2,539	29,400	11,500	29,900
Miscellaneous	600	426	600	900	600
TOTAL OPERATING BUDGET	**$3,422,975**	**$2,909,373**	**$4,117,688**	**$3,127,200**	**$3,752,475**

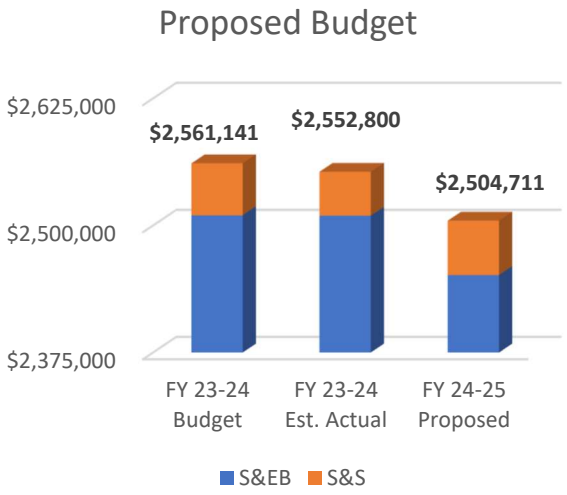
*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Disability Litigation Office is a distinct legal division, separate and independent from the Legal Office, that represents LACERA at the administrative level in disputed applications for disability retirement pensions, applications for service-connected survivors' allowances, and felony forfeitures.

The DLO is comprised of seven staff: one Chief Counsel, three Senior Staff Counsels, and three Senior Legal Secretaries. The Chief Counsel reports to the Chief Executive Officer.





Summary of Significant Changes

Description	Position Changes	Amount
For FY 2024-25, there are no significant changes to the DLO budget. The budget remains status quo with minor adjustments to existing accounts		

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

The Disability Litigation Office (DLO) has been working to develop and implement a case management system (Sol) to digitize and automate the disability litigation process. During the 2024-25 fiscal year, the Sol project will near completion as it is out of testing and is currently being utilized for live cases and appeals by both Disability Retirement Services and the Disability Litigation Office.

With Sol, the DLO has been able to convert all open cases into digital files. Staff can actively manage the files through Sol which includes documenting communications, reviewing digitized records, organizing exhibits electronically, and drafting letters/pleadings with auto-population of data from the Sol database.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The DLO looks forward to working with its internal business partners in the ongoing move toward a fully electronic operation to make our business operations and processes more efficient and to enhance employee productivity. We will continue to serve as active participants and subject matter experts in the development and implementation of Sol; and to wholeheartedly engage in LACERA-wide committees for the advancement of our organization as a whole.

The DLO team is actively involved in the implementation of LACERA's strategic plan. Five DLO members are currently team members on three different strategic objectives:

- Strategic Objective 2.2, Enterprise Knowledge Management System: 1-Senior Staff Counsel as Project Lead, 1-Senior Staff Counsel as team member, 1-Senior Legal Secretary as scribe
- Strategic Objective 3.1, IDEA Initiative: 1-Chief Counsel as team member, 1-Senior Staff Counsel as team member
- Strategic Objective 4.1, Enterprise Ethics and Compliance Plan: 1-Senior Staff Counsel as Project Co-Lead

The DLO is also fully committed to developing our staff with ongoing training in support of their long-term career goals. As part of Strategic Objective 4.1, it is anticipated that the Senior Staff Counsel on that team will be participating in ethics and compliance training in the next fiscal year. The Senior Legal Secretaries have received hands-on training to learn the budget process and they have been actively involved in the project management process of the Sol case management system.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

There are currently seven budgeted full-time positions in the DLO. No additional staff positions are requested currently.

Temporary Staffing

The DLO does not anticipate any use of temporary staffing in the next fiscal year.

Overtime Needs

For FY 2024-25, the DLO has budgeted 40 hours of overtime for Senior Legal Secretaries, as there is additional work necessary to finalize the SoI case management system. Although the SoI project is close to completion, as it becomes more operational, additional meetings and testing may be needed to fix bugs and edit functionality.

Interns

The DLO anticipates sharing legal interns with the Legal Office in the same manner as FY 2023-24.

Rehired Retirees

The DLO does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

DLO has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

For FY 2024-25, there are no significant changes to the DLO budget. The budget remains status quo with only slight adjustments to existing accounts as detailed below:

Auto Mileage & Transportation – Decreases $200 from $1,000 to $800

Travel – Increases $400 from $6,100 to $6,500

Special Orders – Decreases $300 from $1,800 to $1,500

Memberships – Decreases $500 from $3,500 to $3,000

Registration Fees – Increases $2,000 from $3,000 to $5,000

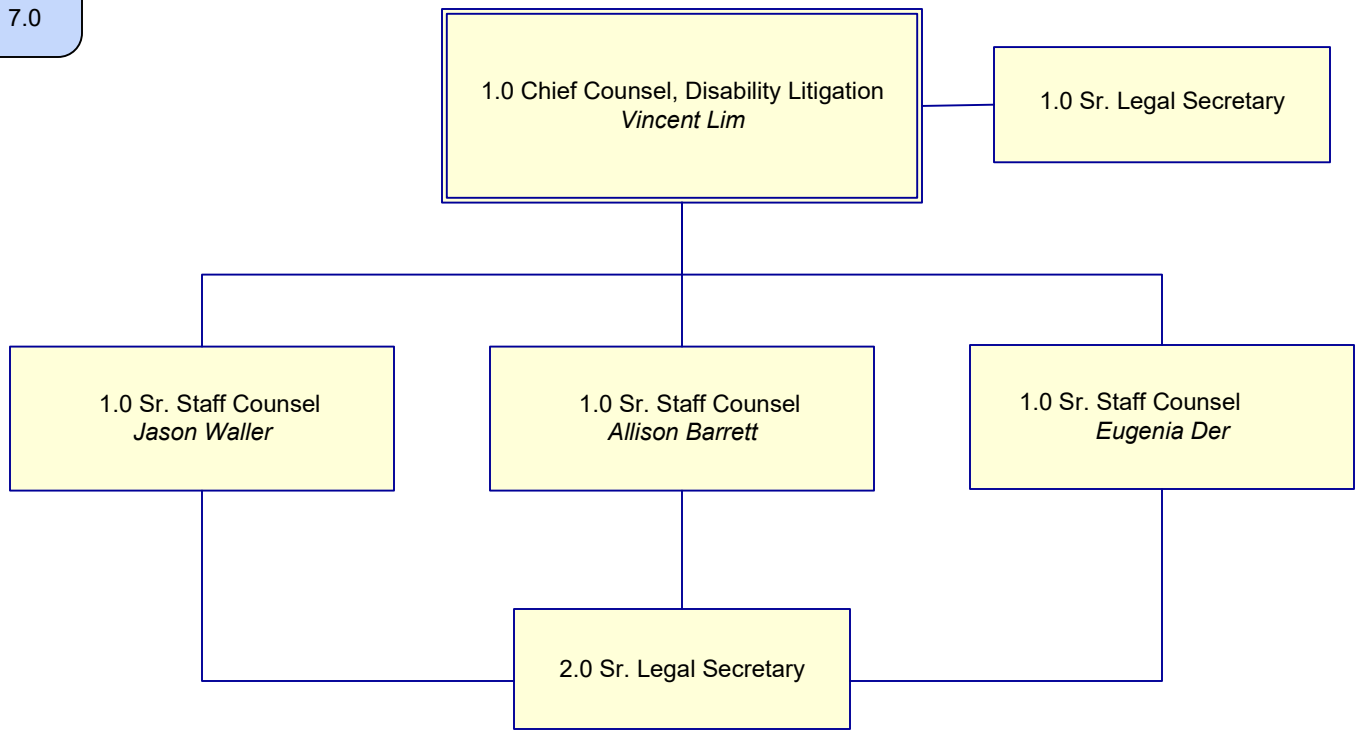
Educational Materials – Increases $1,000 from $30,000 to $31,000

DISABILITY LITIGATION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 7.0
2023-2024 Hiring Plan: 7.0

2024-2025 Bud. Pos.: 7.0
2024-2025 Hiring Plan: 7.0



LACERA

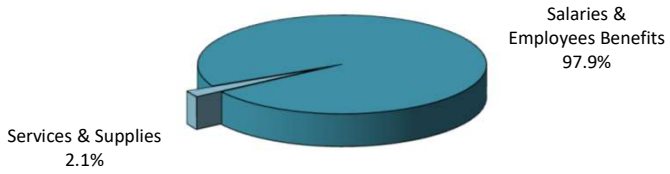
FISCAL YEAR 2024-2025

BUDGET SUMMARY

DISABILITY LITIGATION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$2,451,211**	$2,510,041	$1,237,026	$2,509,600	($441)	-0.02%	($58,830)	-2.3%
Services & Supplies	**53,500**	51,100	18,182	43,200	(7,900)	-15.5%	2,400	4.7%
OPERATING BUDGET	**$2,504,711**	$2,561,141	$1,255,209	$2,552,800	($8,341)	-0.3%	($56,430)	-2.2%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY LITIGATION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,467,993**	$1,461,729	$767,700	$1,556,500	$94,771	6.5%	$6,264	0.4%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**831,822**	898,999	404,905	822,200	(76,799)	-8.5%	(67,177)	-7.5%
Employee Benefits (Other)	**89,455**	93,690	37,205	75,600	(18,090)	-19.3%	(4,235)	-4.5%
OPEB Contribution	**58,141**	51,923	26,725	54,300	2,377	4.6%	6,218	12.0%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**2,900**	2,800	491	1,000	(1,800)	-64.3%	100	3.6%
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	**$2,451,211**	$2,510,041	$1,237,026	$2,509,600	($441)	-0.02%	($58,830)	-2.3%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$2,451,211**	$2,510,041	$1,237,026	$2,509,600	($441)	-0.02%	($58,830)	-2.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

DISABILITY LITIGATION

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
9215	CHIEF COUNSEL, DISABILITY LITIGATION, LACERA	1	LS18
9213	SENIOR STAFF COUNSEL, LACERA	3	LS16
0441	SENIOR LEGAL SECRETARY, LACERA	3	102J
	Total Filled Positions =	**7**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
	Total Vacant Positions =	**0**	
	TOTAL POSITIONS =	**7**	

Non-Represented positions shown in black.

Represented positions shown in blue.

Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY LITIGATION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
AUTO EXPENSE	**$2,400**	$2,400	$934	$1,700	($700)	-29.2%	$0	0.0%
TRANSPORTATION & TRAVEL	**7,300**	7,100	0	7,000	(100)	-1.4%	200	2.8%
OFFICE SUPPLIES & EQUIPMENT	**1,500**	1,800	0	600	(1,200)	-66.7%	(300)	-16.7%
LEGAL FEES & SERVICES	**3,000**	3,000	0	3,000	0	0.0%	0	0.0%
EDUCATIONAL EXPENSES	**39,000**	36,500	17,248	30,600	(5,900)	-16.2%	2,500	6.8%
MISCELLANEOUS	**300**	300	0	300	0	0.0%	0	0.0%
TOTAL	**$53,500**	**$51,100**	**$18,182**	**$43,200**	**($7,900)**	**-15.5%**	**$2,400**	**4.7%**

*All amounts rounded to the nearest dollar.

DISABILITY LITIGATION

BUDGET REQUEST INFORMATION

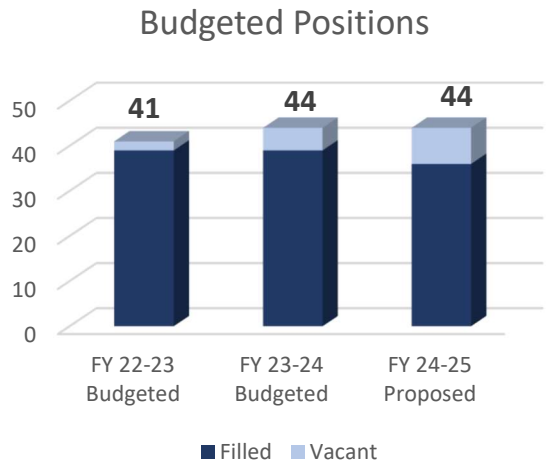
HISTORY OF EXPENDITURES

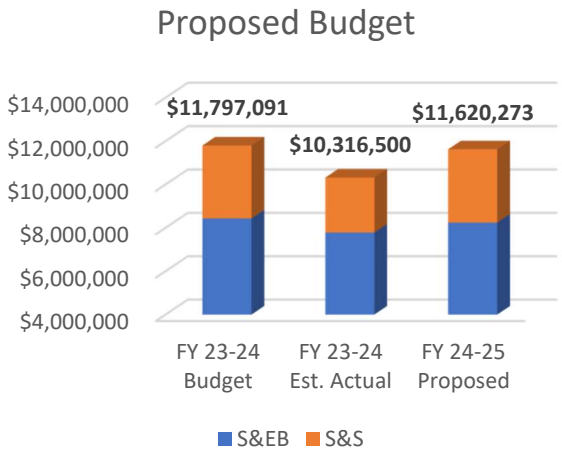
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$1,371,867	$1,433,087	$1,461,729	$1,556,500	$1,467,993
Total Agency Temp Salaries	9,800	0	0	0	0
Employee Benefits (Variable)	832,028	742,907	898,999	822,200	831,822
Employee Benefits (Other)	86,707	78,217	93,690	75,600	89,455
OPEB Contribution	46,014	45,720	51,923	54,300	58,141
OPEB Contribution (Budget Surplus)	0	46,014	0	0	0
Stipends	0	0	0	0	0
Overtime	6,600	1,058	2,800	1,000	2,900
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	900	0	900	0	900
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Auto Expenses	2,900	575	2,400	1,700	2,400
Transportation & Travel	6,500	2,026	7,100	7,000	7,300
Office Supplies & Equipment	2,000	351	1,800	600	1,500
Legal Fees & Services	5,500	0	3,000	3,000	3,000
Educational Expenses	36,500	32,293	36,500	30,600	39,000
Miscellaneous	500	0	300	300	300
TOTAL OPERATING BUDGET	**$2,407,817**	**$2,382,248**	**$2,561,141**	**$2,552,800**	**$2,504,711**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Disability Retirement Services Division (DRS) evaluates and investigates disability retirement applications submitted by active, retired, and deferred LACERA members; survivors; and County departments. Staff presents recommendations to the Board of Retirement, the governing board responsible for adjudicating disability retirement applications. Staff also facilitates the administration of the disability appeals process and serves as the Clerk of the Board and Custodian of Record for all disability retirement files. Other operational responsibilities and functions of the DRS include contracting professional services for the investigation and appeals processes, including panel physicians, referees, copy services, court reporters, job analysts, investigative services, and outside legal counsel.





Summary of Significant Changes:

Description	Position Changes	Amount
• Increase in Agency Temp Staffing		$269,200
• Increase in Overtime		$37,200
• Increase in Registration Fees		$10,000

STATUS OF FY 23-24 PROJECTS AND INITIATIVES

SoI Case Management System (SoI)

The SoI case management system was officially launched on September 25, 2023. SoI is a software tool designed to effectively manage the entire lifecycle of disability retirement cases using automation, streamlined workflows, and improved access to data. DRS has two supervisors and several staff members dedicated to developing and implementing SoI. Since its launch, we have experienced several advantages of SoI. These benefits include improved data accuracy, information consolidation, better supervisory oversight, and streamlined pre- and post-board agenda processing. SoI has also enhanced business process tracking, enabling staff to access detailed and high-level views of the work being performed, pending to-do items, and a library of templates used to generate and prefill information from SoI's database.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The future state of LACERA and our focus on superior member experience, related journeys, and omnichannel approach includes a robust self-service option on My LACERA. DRS continues to promote the use of the online disability retirement application and make enhancements that enrich the member’s experience. DRS is excited to leverage the use of technology to engage our membership in the most meaningful and effective way and explore additional technologies such as artificial intelligence (AI), robotic process automation (RPA), and optical character recognition (OCR).

DRS acknowledges the significance of investing in the growth and development of its staff through training and planning for future leadership positions. Our focus will be on creating career paths for administrative support and supervisory staff, and we have already established a new classification titled "Disability Retirement Support Specialist I" to further this drive. Additionally, we will provide training opportunities for administrative staff to enhance their investigative and case management skills, thus building a pool of competent candidates who can compete and fill future vacancies at the disability retirement specialist and division manager level.

As part of our commitment to personal and professional growth, we encourage our staff to participate in various training programs throughout the year. We use platforms like Udemy to provide tailored training, and our staff also attend different training programs offered by the Los Angeles County Training Academy, CALAPRS, and SACRS to enhance their skills and knowledge. We understand the importance of having a solid succession and training plan, especially since one-third of our leadership and investigative staff will become eligible for retirement in the next decade.

DRS is planning to reorganize its division over the next two fiscal years. The goal is to create a Member Care and Administrative Operations Section and consolidate the core business functions of case processing and agenda management under a section called Investigations and Agenda Management. This will require additional leadership and oversight to ensure the integrity of processes and the quality of case management.

Creating these two sections will bring two fundamental benefits. Firstly, we can process more cases and reduce processing time, leading to an enhanced member experience. Secondly, we will invest in our people by creating additional leadership opportunities within the division. This will also introduce a clear career path to the division manager position, which is currently not available. DRS will work closely with Human Resources to further analyze and develop the proper organizational structure to achieve this.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

There are currently forty-four (44) budgeted full-time positions in the DRS. No additional staff positions are requested currently.

Temporary Staffing

The Disability Retirement Services Division requests four Staff Assistant II positions for a period of 12 months each to provide administrative support at a total estimated cost of $407,300, an increase of $269,200 from FY 2023-24.

Overtime Needs

Funds totaling $140,800, an increase of $37,200 from last FY is requested for overtime. There continues to be an upward trend in disability retirement applications received annually. Over the last fiscal year, we received 871 disability retirement applications, a 12 percent increase compared to the previous year's 778 applications. Our staff submitted 682 cases to the Board of Retirement last year. Overtime is required to maintain the continuity of work to meet the division’s goals.

Interns

The Disability Retirement Services Division does not anticipate onboarding interns during FY 2024-25.

Rehired Retirees

The Disability Retirement Services Division does not anticipate employing any rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Disability Retirement Services Division has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

Registration Fees

As part of our commitment to personal and professional growth, aligned with LACERA's objective of Investing in People, DRS requests a $10,000 budget increase for staff training in FY 2024-25 for a total of $20,000. The training will focus on strategic thinking and root-cause analysis. Strategic thinking is thinking beyond the immediate, considering multiple perspectives, and making informed decisions that align with long-term goals. In leadership, strategic thinking is essential for navigating complex challenges, fostering innovation, and driving future success.

Miscellaneous

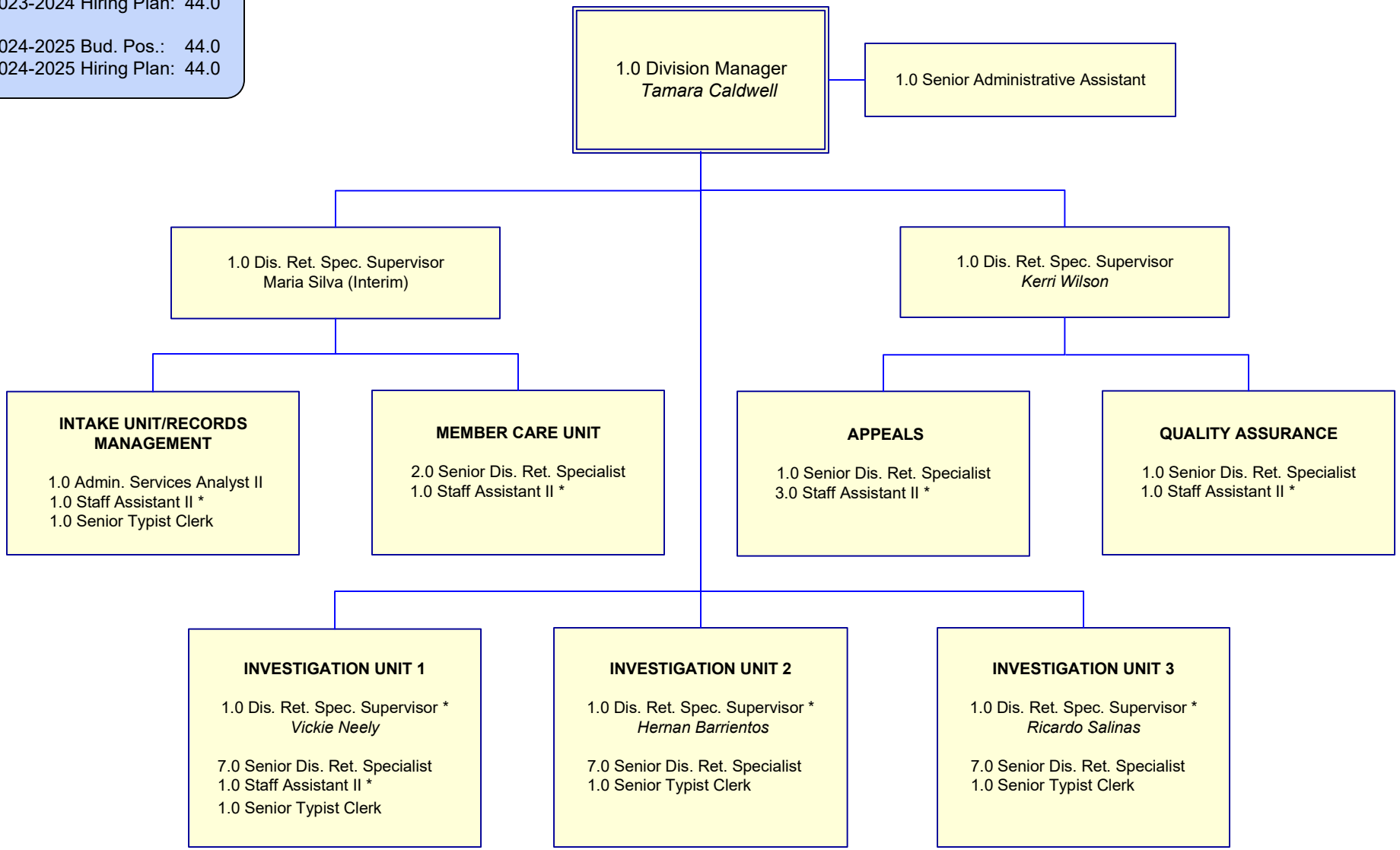
Funding totaling $500 is requested for Miscellaneous expenses, an increase of $200. These funds are typically used for staff teambuilding activities.

DISABILITY RETIREMENT

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 44.0
2023-2024 Hiring Plan: 44.0

2024-2025 Bud. Pos.: 44.0
2024-2025 Hiring Plan: 44.0



* Classification and/or compensation study requested.

LACERA

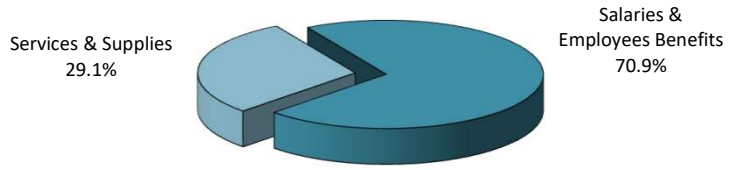
FISCAL YEAR 2024-2025

BUDGET SUMMARY

DISABILITY RETIREMENT

	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$8,241,073**	$8,428,091	$3,849,439	$7,780,700	($647,391)	-7.68%	($187,018)	-2.2%
Services & Supplies	**3,379,200**	3,369,000	1,436,018	2,535,800	(833,200)	-24.7%	10,200	0.3%
OPERATING BUDGET	**$11,620,273**	$11,797,091	$5,285,457	$10,316,500	($1,480,591)	-12.6%	($176,818)	-1.5%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

DISABILITY RETIREMENT

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$4,545,563**	$4,579,337	$2,169,933	$4,405,000	($174,337)	-3.8%	($33,774)	-0.7%
Total Agency Temp Salaries	**407,300**	138,100	103,717	177,900	39,800	28.8%	269,200	194.9%
Employee Benefits (Variable)	**2,679,885**	3,140,376	1,263,880	2,566,100	(574,276)	-18.3%	(460,491)	-14.7%
Employee Benefits (Other)	**276,995**	293,514	116,958	237,500	(56,014)	-19.1%	(16,519)	-5.6%
OPEB Contribution	**180,030**	162,664	83,724	170,000	7,336	4.5%	17,366	10.7%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**140,800**	103,600	108,522	220,400	116,800	112.7%	37,200	35.9%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**6,000**	6,000	2,706	3,800	(2,200)	-36.7%	0	0.0%
Rideshare Allowance	**4,500**	4,500	0	0	(4,500)	-100.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$8,241,073**	$8,428,091	$3,849,439	$7,780,700	($647,391)	-7.7%	($187,018)	-2.2%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$8,241,073**	$8,428,091	$3,849,439	$7,780,700	($647,391)	-7.7%	($187,018)	-2.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24 with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

DISABILITY RETIREMENT

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0773	DIVISION MANAGER, LACERA	1	LS12
1643	DISABILITY RETIREMENT SPECIALIST SUPERVISOR, LACERA	5	110B
1632	SENIOR DISABILITY RETIREMENT SPECIALIST, LACERA	18	106B
0420	ADMINISTRATIVE SERVICES ANALYST II	1	097D
0427	STAFF ASSISTANT II, LACERA	6	096A
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
0446	SENIOR TYPIST-CLERK, LACERA	4	082J
	Total Filled Positions =	**36**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
1632	SENIOR DISABILITY RETIREMENT SPECIALIST, LACERA	7	106B
0427	STAFF ASSISTANT II, LACERA	1	096A
	Total Vacant Positions =	**8**	
	TOTAL POSITIONS =	**44**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

DISABILITY RETIREMENT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$7,700**	$7,700	$1,668	$5,500	($2,200)	-28.6%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**5,000**	5,000	149	1,000	(4,000)	-80.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**235,000**	235,000	142,127	243,800	8,800	3.7%	0	0.0%
LEGAL FEES & SERVICES	**20,000**	20,000	4,670	8,100	(11,900)	-59.5%	0	0.0%
DISABILITY FEES & SERVICES	**3,090,300**	3,090,300	1,285,158	2,273,300	(817,000)	-26.4%	0	0.0%
EDUCATIONAL EXPENSES	**20,700**	10,700	1,616	3,100	(7,600)	-71.0%	10,000	93.5%
MISCELLANEOUS	**500**	300	630	1,000	700	233.3%	200	66.7%
TOTAL	**$3,379,200**	$3,369,000	$1,436,018	$2,535,800	($833,200)	-24.7%	$10,200	0.3%

*All amounts rounded to the nearest dollar.

DISABILITY RETIREMENT

BUDGET REQUEST INFORMATION

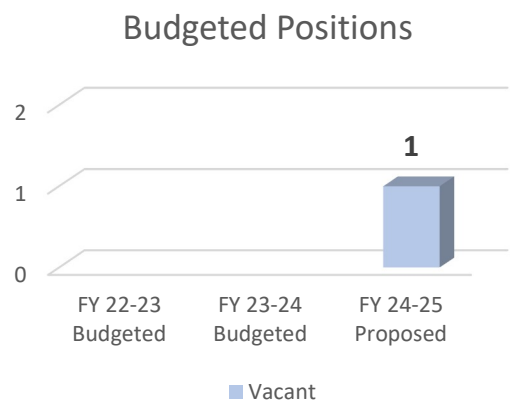
HISTORY OF EXPENDITURES

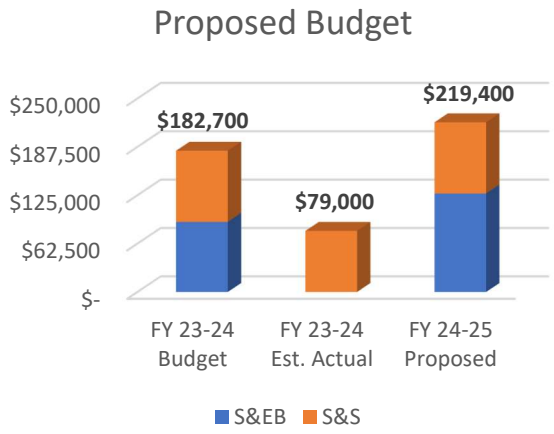
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$4,134,839	$4,223,905	$4,579,337	$4,405,000	$4,545,563
Total Agency Temp Salaries	129,000	52,858	138,100	177,900	407,300
Employee Benefits (Variable)	2,675,028	2,376,485	3,140,376	2,566,100	2,679,885
Employee Benefits (Other)	261,338	236,719	293,514	237,500	276,995
OPEB Contribution	138,688	137,801	162,664	170,000	180,030
OPEB Contribution (Budget Surplus)	0	138,688	0	0	0
Stipends	0	0	0	0	0
Overtime	165,300	120,189	103,600	220,400	140,800
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	6,000	2,810	6,000	3,800	6,000
Rideshare Allowance	4,500	0	4,500	0	4,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	8,000	5,110	7,700	5,500	7,700
Office Supplies & Equipment	5,800	580	5,000	1,000	5,000
Professional & Specialized Services	230,000	250,684	235,000	243,800	235,000
Legal Fees & Services	25,000	5,260	20,000	8,100	20,000
Disability Fees & Services	3,145,300	3,052,189	3,090,300	2,273,300	3,090,300
Educational Expenses	10,700	2,005	10,700	3,100	20,700
Miscellaneous	300	525	300	1,000	500
TOTAL OPERATING BUDGET	**$10,939,793**	**$10,605,809**	**$11,797,091**	**$10,316,500**	**$11,620,273**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

To implement a strategic priority, a new Ethics and Compliance Program is proposed to begin operations in FY 2024-25. The role of the Ethics and Compliance Program is to enhance LACERA's ethical culture and establish dedicated resources to foster compliance with laws, regulations, policies, and procedures, and provide assessment, monitoring, investigation, training, and other services to mitigate ethics and compliance risks in the organization.





Summary of Significant Changes:

Description	Position Changes	Amount
• Chief Ethics and Compliance Officer*	1	$93,300
• Outside Legal Counsel	-	$20,000
• Educational Materials	-	$45,000
• Travel and Registration Expenses	-	$15,500
• Memberships	-	$8,000
• Mileage and Transportation	-	$3,500

*Note: The Boards approved a Director of Compliance position in FY 2021-22, which has not yet been approved by the Board of Supervisors. Staff now recommends the position classification be amended to Chief Ethics and Compliance Officer to convey its reporting lines and importance within the organization.

PROPOSED REPORTING STRUCTURE

The Chief Ethics and Compliance Officer will report functionally to the Audit Committee and the CEO and will also provide reporting to the Board of Retirement and Board of Investments to further the fiduciary duty of the Audit Committee, Boards, and the CEO to provide oversight of ethics and compliance and respond to red flags in these areas.

The proposed Ethics and Compliance Office will be administratively housed within the Legal Services Office. However, all staffing and expenses will be tracked and reported separately to ensure, consistent with best practices, that the Ethics and Compliance Program is adequately resourced and is independent.

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

The Ethics and Compliance Program is a goal in the Board of Retirement's 2023-28 Strategic Plan, and substantial progress is being made in preparation for implementing the program. An ethics and compliance counsel and advisor will be engaged to provide professional expertise. The Staff Policy Committee was renamed as the Ethics and Compliance Committee to provide a broad-based staff resource to support the program. The proposed Ethics and Compliance Program Charter is working its way through the Boards' governance structure. Staff is pursuing Governance, Risk, and Compliance (GRC) software as a tool for the Ethics and Compliance Program and policy management, as well as other areas of LACERA's risk management system and review. Education and training resources on ethics and compliance have been purchased and are already available to staff.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The successful implementation of a fully formed and effective Ethics and Compliance Program is essential to achieve the Board of Retirement's Strategic Priority 4, and to mature the entire organization in management of ethics and compliance risks. Additional foundational steps will include: Chief Ethics and Compliance Officer job description and salary; baseline risk assessment; baseline ethical culture assessment; implementation of GRC software for compliance, ethics, policy management, and privacy; and transition of the Chief Ethics and Compliance Officer into the organization. In addition to the Chief position, it is expected that the Ethics and Compliance Office will require two deputies and one analyst to develop the Office's expertise across the organization's functions and to support the work of that Office. The timing, need for, and duties of these positions will be assessed by the Chief-Ethics and Compliance Officer after that position is filled.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects up to six months of cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during fiscal year 2024-25.

Adjustments to Permanent Staffing

The previously approved Director of Compliance position in the Legal Services Office is proposed to be changed to Chief-Ethics and Compliance Officer, to reflect the anticipated duties of the position as head of LACERA's Ethics and Compliance Program and its position, reporting lines, and responsibilities in the organization. The position classification description, job duties, and salary still need to be approved by the County Board of Supervisors.

Funding totaling $93,300 is included to reflect six months of funding. However, this amount is subject to change based on the actual salary authorized and the date of onboarding.

Temporary Staffing

Temporary staffing is not anticipated for this program in FY 2024-25.

Overtime Needs

Overtime is not anticipated for this program in FY 2024-25

Interns

No interns are requested for this program in FY 2024-25.

Rehired Retirees

The Ethics and Compliance Office is not requesting any rehired retiree assistance in FY 2024-2025.

SUMMARY OF PROPOSED BUDGETARY CHANGES – SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Ethics and Compliance Office has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

The following services and supplies are proposed in support of this program in FY 2024-25:

Mileage and Transportation

Funding totaling $3,500 is requested to support anticipated auto mileage associated with the Chief Ethics and Compliance Officer position for business meetings and attendance at training and other events.

Travel

Funding totaling $8,000 is requested to ensure the Chief Ethics and Compliance Officer can participate in training and development opportunities.

Outside Legal Counsel

Funding totaling $20,000 is requested for outside ethics and compliance counsel to support the development and implementation of LACERA's Ethics and Compliance Program.

Memberships

Funding totaling $8,000 is requested for memberships to support the Chief Ethics and Compliance Officer's professional development and participation in ethics and compliance-related organizations.

Registration Fees

Funding totaling $7,500 is requested to ensure the Chief Ethics and Compliance Officer can participate in training and development opportunities.

Educational Materials

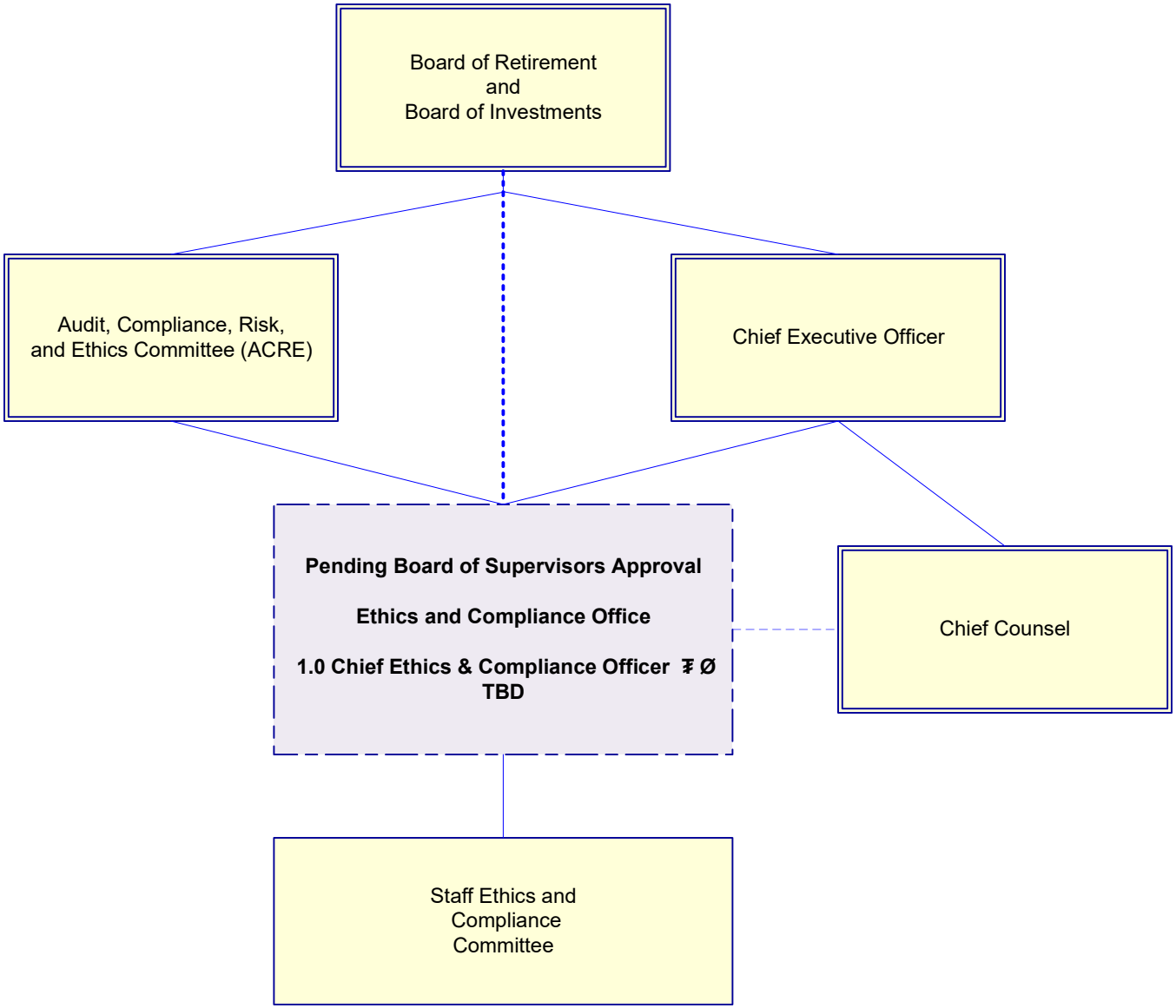
Funding totaling $45,000 is requested to ensure the Chief Ethics and Compliance Officer has the educational and professional materials and subscriptions needed to successfully implement LACERA's Ethics and Compliance Program.

ETHICS AND COMPLIANCE OFFICE

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 1.0
2023-2024 Hiring Plan: 1.0

2024-2025 Bud. Pos.: 1.0
2024-2025 Hiring Plan: 1.0



— — — Administrative
——— Functional
……. Advisory
₮ Title changed from Ethics & Compliance Officer to Chief Ethics & Compliance Officer
Ø Not yet approved by Board of Supervisors

LACERA

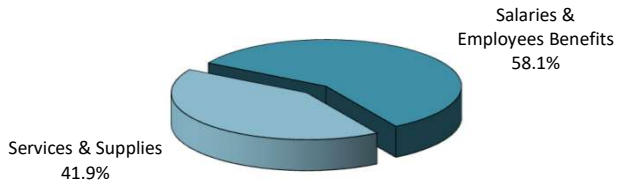
FISCAL YEAR 2024-2025

BUDGET SUMMARY

ETHICS AND COMPLIANCE OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$127,400**	$90,700	$0	$0	($90,700)	-100.0%	$36,700	40.5%
Services & Supplies	**92,000**	92,000	11,500	79,000	(13,000)	-14.1%	0	0.0%
OPERATING BUDGET	**$219,400**	$182,700	$11,500	$79,000	($103,700)	-56.8%	$36,700	20.1%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

ETHICS AND COMPLIANCE OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$93,330**	$90,700	$0	$0	($90,700)	-100.0%	$2,630	2.9%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**24,686**	0	0	0	0	0.0%	24,686	0.0%
Employee Benefits (Other)	**5,687**	0	0	0	0	0.0%	5,687	0.0%
OPEB Contribution	**3,696**	0	0	0	0	0.0%	3,696	0.0%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**0**	0	0	0	0	0.0%	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	**0**	0	0	0	0	0.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$127,400**	$90,700	$0	$0	($90,700)	-100.0%	$36,700	40.5%
Salary Differential	**0**	0	-	-	-	-	-	-
TOTAL S&EB	**$127,400**	$90,700	$0	$0	($90,700)	-100.0%	$36,700	40.5%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

ETHICS AND COMPLIANCE OFFICE

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
	Total Filled Positions =	**0**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
9999	CHIEF, ETHICS & COMPLIANCE OFFICER	1	LS16
	Total Vacant Positions =	**1**	
	TOTAL POSITIONS =	**1**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

ETHICS AND COMPLIANCE OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 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 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$11,500**	$11,500	$0	$4,500	($7,000)	-60.9%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**0**	0	0	0	$0	0.0%	$0	0.0%
LEGAL FEES & SERVICES	**20,000**	20,000	0	20,000	$0	0.0%	$0	0.0%
EDUCATIONAL EXPENSES	**60,500**	60,500	11,500	54,500	(6,000)	-9.9%	0	0.0%
MISCELLANEOUS	**0**	0	0	0	0	0.0%	0	0.0%
TOTAL	**$92,000**	$92,000	$11,500	$79,000	($13,000)	-14.1%	$0	0.0%

*All amounts rounded to the nearest dollar.

ETHICS AND COMPLIANCE OFFICE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

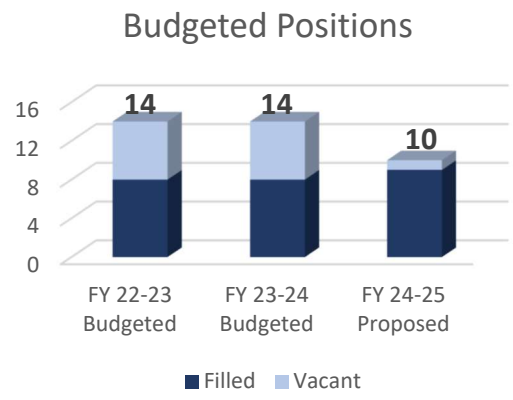
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$0	$0	$90,700	$0	$93,330
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	0	0	0	0	24,686
Employee Benefits (Other)	0	0	0	0	5,687
OPEB Contribution	0	0	0	0	3,696
OPEB Contribution (Budget Surplus)	0	0	0	0	0
Stipends	0	0	0	0	0
Overtime	0	0	0	0	0
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	0	0	0	0	0
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES	0	0			
Auto Expenses	0	0	0	0	0
Transportation & Travel	0	0	11,500	4,500	11,500
Office Supplies & Equipment	0	0	0	0	0
Legal Fees & Services	0	0	20,000	20,000	20,000
Educational Expenses	0	0	60,500	54,500	60,500
Miscellaneous	0	0	0	0	0
TOTAL OPERATING BUDGET	**$0**	**$0**	**$182,700**	**$79,000**	**$219,400**

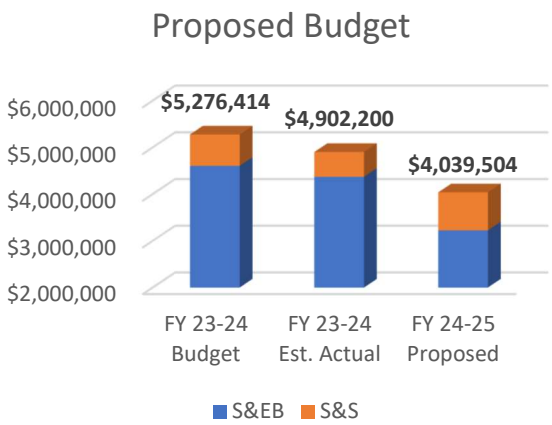
*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Executive Office directs and coordinates the efforts of every LACERA organizational unit toward the effective realization of LACERA's mission, as articulated through policies adopted through the Boards of Retirement and Investments and through administrative policies and procedures under the purview of the Chief Executive Officer.

LACERA's Information Security Office is part of the Executive Office to maintain its independence from the Systems Division. The Information Security Officer reports to the Deputy Chief Executive Officer. Costs are reported separately for improved transparency. See the attached narrative and summary.





Summary of Significant Changes:

Description	Position Changes	Amount
• Transfer of Legislative Affairs Officer	1	$156,000
• Transfer Legislative Consulting from Legal		$280,000
• Travel & Training – Executive Staff		$6,600
• Food & Beverages		$4,500
• Reduction in vehicle related costs - Gas & License Fees		($2,500)

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

Throughout FY 2023-24, the Executive Office continued its focus on foundational issues by developing and supporting hiring plans to fill critical vacant positions and embracing technology to improve and enhance our processes and procedures.

Despite record hiring and milestone technology improvements discussed in more detail in the Human Resources and Systems Division, respectively, the most significant accomplishment of the Executive Office in FY 2024 was the adoption of the BOR Strategic Plan. After adoption, the Executive Office facilitated a MAC and SAC retreat to develop the implementation roadmap, ensuring that LACERA will be moving forward with a shared purpose and vision in service to our members. The roadmap helped identify the organization's short- and long-term capacity, and which strategic initiatives would begin now. For each of the initial strategic initiatives, leads were identified and teams were assembled to build the FY 2024-25 workplans, which will be shared with the Board of Retirement in April 2024. The resources required for achieving those initiatives are being incorporated into the FY 2024-25 Budget request for BOR and BOI approval.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The Executive Office supports and is fundamentally responsible for implementing the Board of Retirement's Strategic Plan and supports the Investment Office in their implementation of the Board of Investments' Strategic Plan. The Executive Management Team sponsors the strategic priorities and monitors progress toward achieving our mission of producing, protecting, and providing the promised benefits to our members; our vision of empowering our members to enjoy a healthy and secure retirement, and modeling our values of accountability, collaboration, inclusivity, innovation, integrity, and transparency.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Funding is also provided for the CEO's split-dollar life insurance policy, which is part of his negotiated compensation.

Lastly, funding associated with the transfer of the Legislative Affairs Officer from the Legal Office to the Executive Office is provided.

Adjustments to Permanent Staffing

The Legislative Affairs Officer position is transferred from the Legal Services Office to the Executive Office as outlined in the organization chart.

Temporary Staffing

No temporary staffing is requested for the Executive Office.

Overtime Needs

Overtime funds are provided for the support staff within the Executive Office. Total hours are not changing from prior years, but the cost is adjusted to reflect salary rate increases.

Interns

Funding is included in the Human Resources budget for one intern position to work in the Executive Office this summer.

Rehired Retirees

The Executive Office does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

License Fees

A reduction of $500 is included to reflect the removal of the vehicle assigned to the Deputy Chief Executive Officer.

Gas

A reduction of $2,000 is included to reflect the removal of the vehicle assigned to the Deputy Chief Executive Officer.

Services and Supplies Adjustments

Travel

An increase of $4,300 is requested for Executive Office staff members to attend educational and professional conferences. These expenditures are in alignment with LACERA's Strategic Priority 3, Investing in People, ensuring that management stays abreast of industry best practices and professional growth in order to better support Trustees, staff, and members.

Legislative Consulting

Funding totaling $280,000 is required. The legislative analysis function has been administratively transferred from the Legal Office to the Executive Office. There is no change to the budgetary amount. The Legal Office budget reflects a corresponding decrease of the same amount.

Registration Fees

An increase of registration fees totaling $2,300 is requested to reflect increased cost trends for educational and professional conferences. These expenditures support LACERA's Strategic Priority 3, Investing in People.

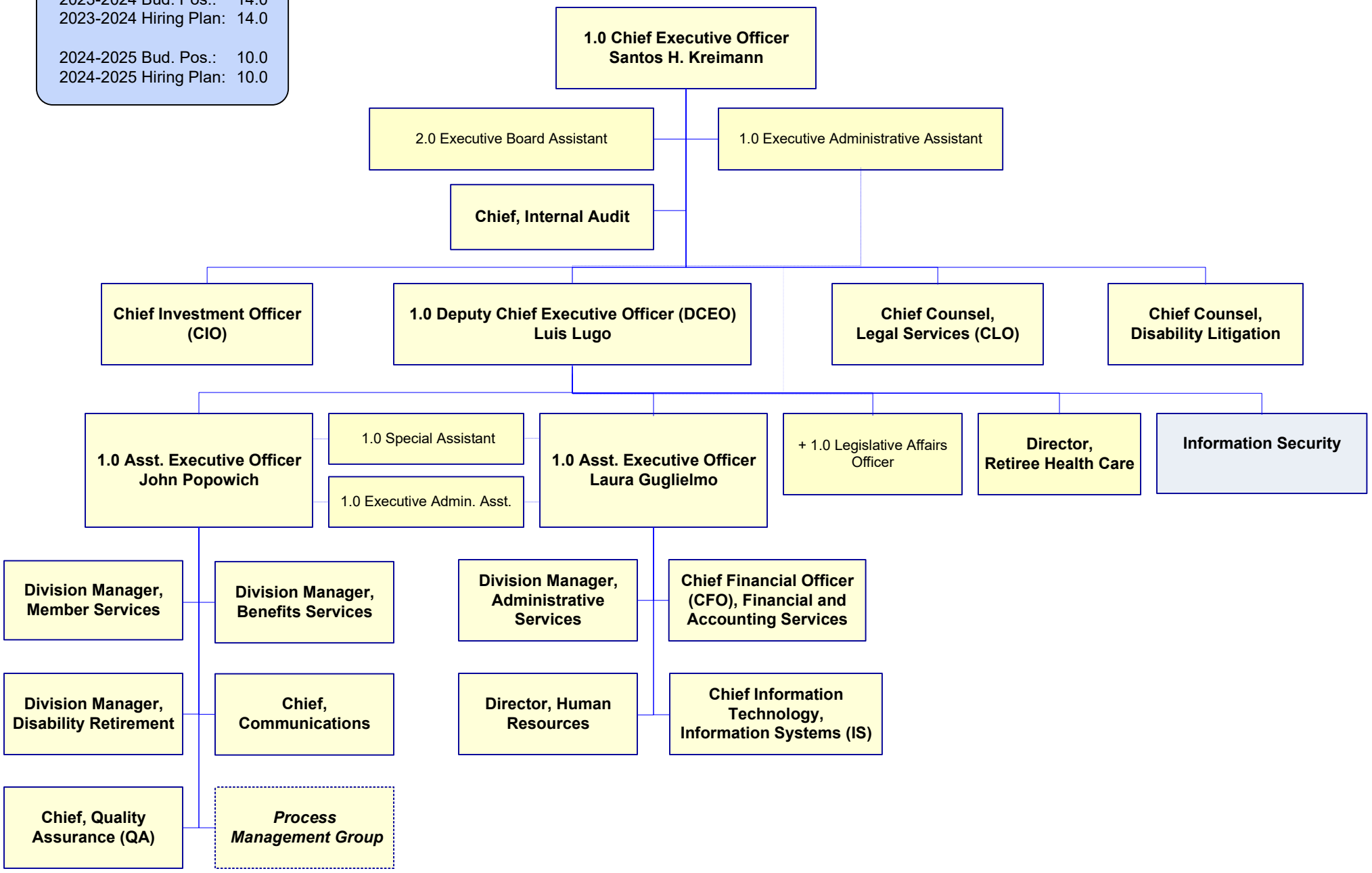
Food and Beverages

An increase of $4,500 reflects the anticipated rate of expenditures.

EXECUTIVE OFFICE

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.:	14.0
2023-2024 Hiring Plan:	14.0
2024-2025 Bud. Pos.:	10.0
2024-2025 Hiring Plan:	10.0



\+ Added position

Added new division "Process Management Group" (pending)

LACERA

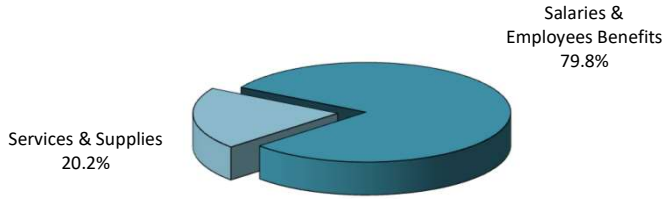
FISCAL YEAR 2024-2025

BUDGET SUMMARY

EXECUTIVE OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$3,224,904**	$4,604,614	$2,245,168	$4,371,900	($232,714)	-5.1%	($1,379,710)	-30.0%
Services & Supplies	**814,600**	671,800	177,979	530,300	(141,500)	-21.1%	142,800	21.3%
OPERATING BUDGET	**$4,039,504**	$5,276,414	$2,423,147	$4,902,200	($374,214)	-7.1%	($1,236,910)	-23.4%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

EXECUTIVE OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,818,887**	$2,211,154	$1,014,130	$2,058,700	($152,454)	-6.9%	($392,267)	-17.7%
Total Agency Temp Salaries	**0**	645,200	497,450	825,000	179,800	27.9%	(645,200)	-100.0%
Employee Benefits (Variable)	**1,083,942**	1,418,875	561,226	1,139,600	(279,275)	-19.7%	(334,933)	-23.6%
Employee Benefits (Other)	**140,837**	142,186	84,282	171,100	28,914	20.3%	(1,349)	-0.9%
OPEB Contribution	**72,038**	78,799	40,558	82,400	3,601	4.6%	(6,761)	-8.6%
Stipends	**65,000**	65,000	19,581	39,800	(25,200)	-38.8%	0	0.0%
Overtime	**28,400**	27,600	20,140	40,900	13,300	48.2%	800	2.9%
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	**14,400**	14,400	7,800	14,400	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$3,224,904**	$4,604,614	$2,245,168	$4,371,900	($232,714)	-5.1%	($1,379,710)	-30.0%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$3,224,904**	$4,604,614	$2,245,168	$4,371,900	($232,714)	-5.1%	($1,379,710)	-30.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

EXECUTIVE OFFICE

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0776	CHIEF EXECUTIVE OFFICER, LACERA	1	LR20
0770	DEPUTY CHIEF EXECUTIVE OFFICER, LACERA	1	LR18
0792	ASSISTANT EXECUTIVE OFFICER, LACERA (UC)	2	LS16
0795	LEGISLATIVE AFFAIRS OFFICER, LACERA	1	116J
0475	EXECUTIVE BOARD ASSISTANT, LACERA	2	108F
0442	EXECUTIVE ADMINISTRATIVE ASSISTANT, LACERA	2	105C
	Total Filled Positions =	**9**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0775	SPECIAL ASSISTANT, LACERA	1	LS12
	Total Vacant Positions =	**1**	
	TOTAL POSITIONS =	**10**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

EXECUTIVE OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
AUTO EXPENSE	**$10,500**	$13,000	$3,287	$5,900	($7,100)	-54.6%	($2,500)	-19.2%
TRANSPORTATION & TRAVEL	**68,100**	49,800	6,817	27,000	(22,800)	-45.8%	18,300	36.7%
OFFICE SUPPLIES & EQUIPMENT	**3,000**	3,000	5,468	9,400	6,400	213.3%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**635,000**	517,000	133,314	421,900	(95,100)	-18.4%	118,000	22.8%
EDUCATIONAL EXPENSES	**83,000**	78,500	22,729	55,000	(23,500)	-29.9%	4,500	5.7%
MISCELLANEOUS	**15,000**	10,500	6,364	11,100	600	5.7%	4,500	42.9%
TOTAL	**$814,600**	$671,800	$177,979	$530,300	($141,500)	-21.1%	$142,800	21.3%

*All amounts rounded to the nearest dollar.

EXECUTIVE OFFICE

BUDGET REQUEST INFORMATION

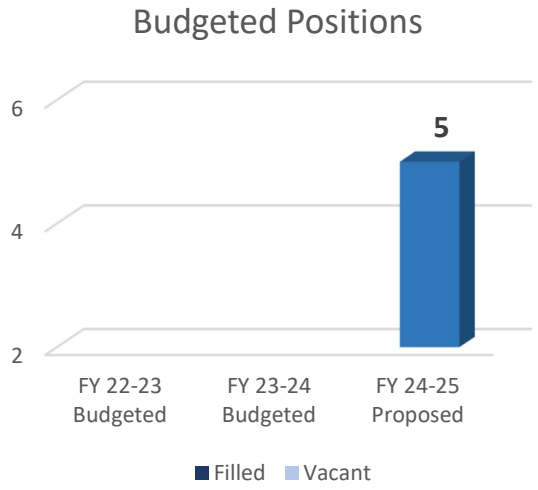
HISTORY OF EXPENDITURES

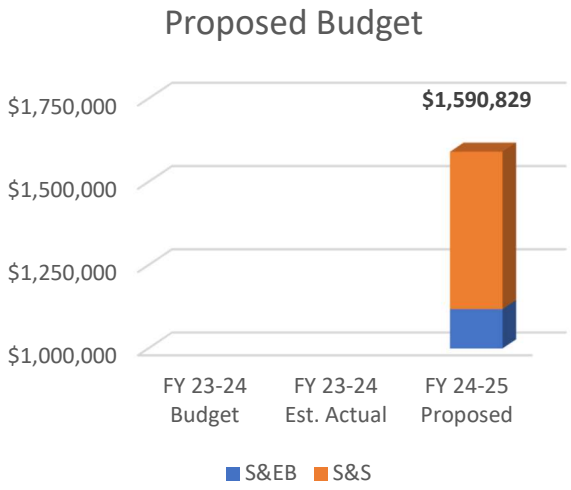
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	1,939,134	1,757,755	$2,211,154	$2,058,700	$1,818,887
Total Agency Temp Salaries	1,129,700	1,077,533	645,200	825,000	0
Employee Benefits (Variable)	1,106,359	953,964	1,418,875	1,139,600	1,083,942
Employee Benefits (Other)	130,567	117,782	142,186	171,100	140,837
OPEB Contribution	69,290	68,847	78,799	82,400	72,038
OPEB Contribution (Budget Surplus)	-	69,290	0	0	0
Stipends	65,000	47,574	65,000	39,800	65,000
Overtime	25,600	17,850	27,600	40,900	28,400
Bilingual Bonus	-	-	0	0	0
Sick Leave Buyback	-	-	0	0	0
Rideshare Allowance	1,400	-	1,400	0	1,400
Transportation Allowance	-	15,600	14,400	14,400	14,400
SERVICES & SUPPLIES					
Auto Expenses	12,300	7,813	13,000	5,900	10,500
Transportation & Travel	22,000	10,093	49,800	27,000	68,100
Office Supplies & Equipment	3,500	782	3,000	9,400	3,000
Professional & Specialized Services	834,800	593,599	517,000	421,900	635,000
Educational Expenses	44,000	44,949	78,500	55,000	83,000
Miscellaneous	10,500	5,301	10,500	11,100	15,000
TOTAL OPERATING BUDGET	**$5,394,151**	**$4,788,732**	**$5,276,414**	**$4,902,200**	**$4,039,504**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Information Security Office (ISO) is responsible for enterprise-wide cyber security, ensuring reasonable controls are in place to allow for both efficient and secure business operations in fulfillment of LACERA's mission. The ISO coordinates with the Systems Division but operates independently and is structurally part of the Executive Office to ensure appropriate checks and balances.





Summary of Significant Changes:

Description	Position Changes	Amount
• E-Discovery Solution	-	$127,500
(Software for Legal Services)	-	
• Penetration Testing	-	$100,000
• Internet Monitoring Services	-	$40,000
• Travel & Training	-	$28,200
• Memberships		$15,000

The budgeted resources for the ISO were embedded in the Executive Office in FY 2023-24. As part of our commitment to transparency, and to highlight the critical importance of LACERA's cybersecurity program, resources dedicated to the ISO are now independently identified in FY 2024-25.

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

For this period, the ISO has worked on the following projects and initiatives:

- Establishing the framework of the Information Security Governance Program, with focus on the Written Information Security Program (WISP), formation of the Information Security Committee (ISC), and the GRC solution to support the program
- Evaluating existing technologies to cover the following:
    - Need for various technologies that were not fully implemented
    - Elimination of technologies that are deemed not current and redundant
    - Recommendations for replacement technologies
- Recommending and implementing an eDiscovery solution to facilitate an easier discovery process that is reliable and provides users access to their archive email. A vendor has been chosen for this project.
- Implementing an identity monitoring system.
- Upgrading our Security Operations Center (SOC) to ensure actions are taken to protect LACERA and our members. ITCC has approved this project.
- Hiring permanent staff to replace the temporary staff in ISO.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The ISO's projects have been aligned with LACERA's strategic goals and objectives. The following is a list of objectives and the projects and goals to be achieved:

Superior Member Experience

Objective 1.4: Enhance the Retiree Healthcare Experience. We are in the process of searching for and implementing a tool that provides a secure method for members to log in and, in addition, facilitates authentication for off-grid members.

Innovation Through Technology

Objective 2.1: Implement Enterprise Business-Intelligence. Complete the implementation of the SOC to ensure security is maintained 24/7 and begin implementing automated ways to respond to events and incidents. We will also be investigating replacements of any deprecated technologies.

Investing in People

Objective 3.1: Improve and Simplify Hiring (Fill Vacancies). We will be working on hiring permanent employees and providing everyone on the team the appropriate training and a career path within ISO.

Compliance and Enterprise Risk

Objective 4.1: Develop Enterprise Compliance and Ethics Program. We will be working to mature the Information Security Program and to implement the IT GRC solution as part of the GRC program.

Fiscal Durability

Objective 5.1: Develop Organizational Tools and Controls to Support Fiscal Responsibility. We will be helping to mature the Vendor Risk Management Program, in coordination with the Vendor Management Team, to ensure that we conduct periodic information security reviews on vendors and fourth party entities that house LACERA's data or are part of our business processes.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

Full year funding is provided for four positions within the Information Security Office that were partially funded in FY 2024, with a corresponding reduction in Agency Temporary salaries.

Temporary Staffing

Full-year Agency Temporary funding is provided for one Data Systems Coordinator position within the Information Security Office.

Overtime Needs

The Information Security Office does not anticipate any overtime for FY 2024-25.

Interns

Funding is included in the Human Resources budget for one intern position to work throughout the year in the Information Security Office. The intern will be working on the knowledge management and the implementation of the information security program (IT GRC) projects.

Rehired Retirees

The Information Security Office does anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Information Security Office has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

Travel

Funding totaling $14,000 is provided for the Information Security Office to attend educational and professional conferences. These expenditures are in alignment with LACERA's Strategic Priority 3, Investing in People, ensuring that staff members stay abreast of industry best practices and professional growth.

Security Assessment

Funding totaling $240,000 is provided for the Information Security Office to ensure LACERA's cybersecurity, an increase of $140,000 from the previous year. This funding includes an annual penetration test to be conducted by an external third party ($120,000), regular internal penetration tests ($80,000), and internet monitoring services for Trustees and Executives and to remove any false posts for LACERA ($40,000). These tools are aligned with LACERA's Strategic Priority 4, Enterprise Compliance and Risk Management.

Software Subscriptions

Funding totaling $189,500 is provided for the Information Security Office to better protect LACERA. This amount includes an increase of $127,500 for a new e-discovery solution for Legal Services. These expenditures are in support of LACERA's Strategic Priority 4, Enterprise Compliance and Risk Management.

Memberships

$15,000 is added for new staff in the Information Security Office to participate in the Financial Services Information Sharing and Analysis Center (FS-ISAC), the Center for Internet Security (CIS) and Cloud Security Alliance (CSA). These memberships support LACERA's Strategic Priorities 3 (Investing in People) and 4 (Enterprise Compliance and Risk Management).

Registration Fees

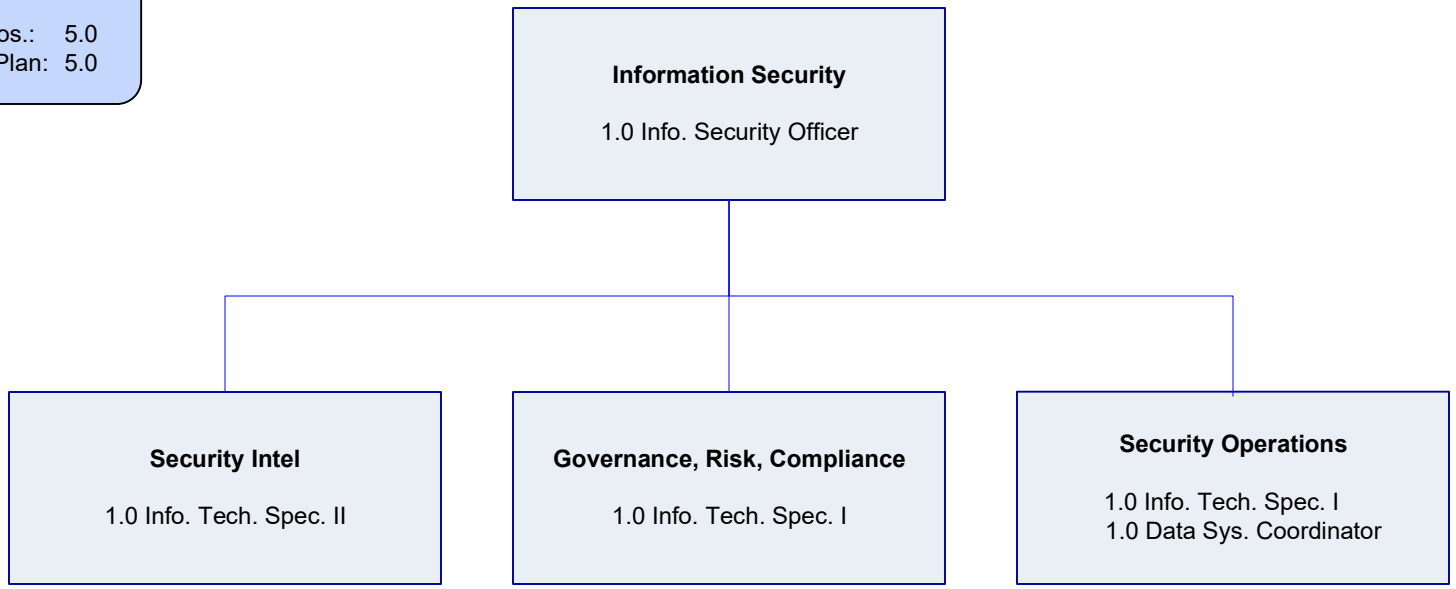
Registration fees totaling $12,000 are provided for professional and educational conferences for the Information Security Office staff. These expenditures support LACERA's Strategic Priority 4, Investing in People.

INFORMATION SECURITY OFFICE

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 5.0
2023-2024 Hiring Plan: 5.0

2024-2025 Bud. Pos.: 5.0
2024-2025 Hiring Plan: 5.0



LACERA

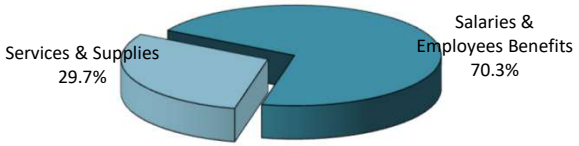
FISCAL YEAR 2024-2025

BUDGET SUMMARY

INFORMATION SECURITY OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$1,118,129**	$0	$0	$0	$0	0.0%	$1,118,129	0.0%
Services & Supplies	**472,700**	0	0	0	0	0.0%	472,700	0.0%
OPERATING BUDGET	**$1,590,829**	$0	$0	$0	$0	0.0%	$1,590,829	0.0%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

INFORMATION SECURITY OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$660,598**	$0	$0	$0	$0	0.0%	$660,598	0.0%
Total Agency Temp Salaries	**170,000**	0	0	0	0	0.0%	170,000	0.0%
Employee Benefits (Variable)	**221,113**	0	0	0	0	0.0%	221,113	0.0%
Employee Benefits (Other)	**40,255**	0	0	0	0	0.0%	40,255	0.0%
OPEB Contribution	**26,163**	0	0	0	0	0.0%	26,163	0.0%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**0**	0	0	0	0	0.0%	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	**0**	0	0	0	0	0.0%	0	0.0%
Transportation Allowance	**0**	0	0	0	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$1,118,129**	$0	$0	$0	$0	0.0%	$1,118,129	0.0%
Less Salary Savings & Differential	**0**	0	-	-	-	-	-	-
TOTAL S&EB	**$1,118,129**	$0	$0	$0	$0	0.0%	$1,118,129	0.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

INFORMATION SECURITY OFFICE

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0806	INFORMATION SECURITY OFFICER, LACERA	1	LS12
	Total Filled Positions =	**1**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0802	INFORMATION TECHNOLOGY SPECIALIST II, LACERA	1	127C
0801	INFORMATION TECHNOLOGY SPECIALIST I, LACERA	2	122A
0469	DATA SYSTEMS COORDINATOR, LACERA	1	114K
	Total Vacant Positions =	**4**	
	TOTAL POSITIONS =	**5**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

INFORMATION SECURITY OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 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 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$16,200**	$0	$0	$0	$0	0.0%	$16,200	0.0%
OFFICE SUPPLIES & EQUIPMENT	**0**	0	0	0	0	0.0%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**429,500**	0	0	0	0	0.0%	429,500	0.0%
EDUCATIONAL EXPENSES	**27,000**	0	0	0	0	0.0%	27,000	0.0%
MISCELLANEOUS	**0**	0	0	0	0	0.0%	0	0.0%
TOTAL	**$472,700**	$0	$0	$0	$0	0.0%	$472,700	0.0%

*All amounts rounded to the nearest dollar.

INFORMATION SECURITY OFFICE

BUDGET REQUEST INFORMATION

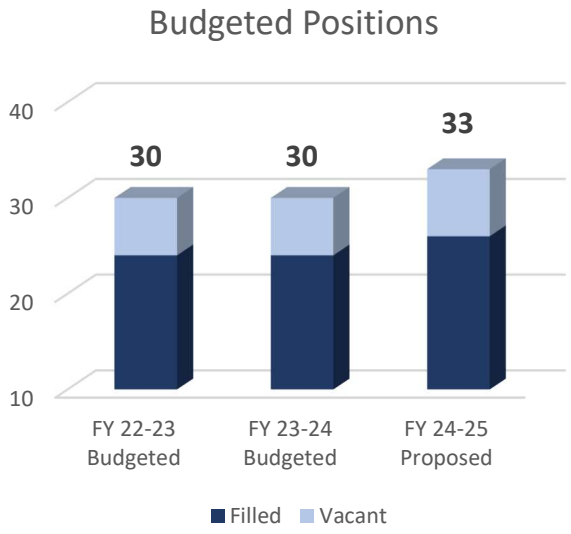
HISTORY OF EXPENDITURES

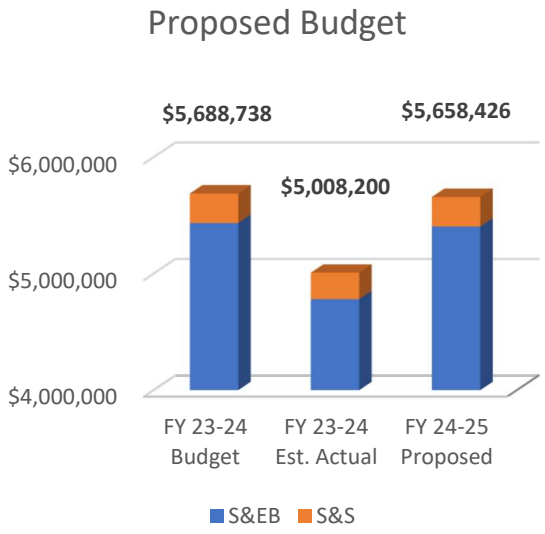
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$0	$0	$0	$0	$660,598
Total Agency Temp Salaries	0	0	0	0	170,000
Employee Benefits (Variable)	0	0	0	0	221,113
Employee Benefits (Other)	0	0	0	0	40,255
OPEB Contribution	0	0	0	0	26,163
OPEB Contribution (Budget Surplus)	0	0	0	0	0
Stipends	0	0	0	0	0
Overtime	0	0	0	0	0
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	0	0	0	0	0
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES	0	0	0	0	
Transportation & Travel	0	0	0	0	16,200
Office Supplies & Equipment	0	0	0	0	0
Professional & Specialized Services	0	0	0	0	429,500
Educational Expenses	0	0	0	0	27,000
Miscellaneous	0	0	0	0	0
TOTAL OPERATING BUDGET	**$0**	**$0**	**$0**	**$0**	**$1,590,829**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Financial and Accounting Services Division (FASD) is responsible for conducting LACERA's general and investment financial transactions, financial reporting, and coordinating actuarial consulting and reporting in compliance with regulatory and statutory mandates. FASD's guardianship of LACERA's assets and timely, accurate financial reporting supports LACERA's mission and values.





Summary of Significant Changes:

Description	Position Changes	Amount
• Add Accountant, LACERA positions	3	$207,226

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

FASD provides accounting and financial services to the organization through our General ("business") Accounting and Investment Accounting sections. Our significant objectives are to complete financial transactions, prepare annual financial statements, and deliver financial and actuarial reports in accordance with statutory deadlines. We also conduct and participate with other divisions in completing strategic initiatives and special projects. The following is a status of non-routine projects that have been completed or are in-progress and expected to be completed during FY 2023-24.

- **Accounts Payable (AP) Policy***:* The AP Policy was completed in the summer of 2023, in conjunction with Administrative Services to address a low-risk audit finding identified by Internal Audit.

- **Automated Accounts Payable Software Implementation***:* FASD partnered with the Systems and Administrative Services divisions to implement the Certify AP automated accounts payable software tool, updating our process to provide a paperless workflow, online approvals, and electronic payments to vendors.

- **Vendor Management System Software Implementation***:* FASD participated with the Systems and Administrative Services Divisions to implement the Cobblestone contract management system software tool. It will also be used as LACERA's vendor management system and will transmit vendor data to the general ledger.

- **Actuarial Consulting and Auditing Services RFP***:* FASD partnered with Internal Audit and the Investments Office on the Request for Proposal (RFP) for LACERA's actuarial consultant and actuarial auditor relationships. Staff is conducting the review and selection process, which is scheduled to be completed by end of the fiscal year.

- **Retiree Healthcare Lifetime Maximum Benefit***:* FASD partnered with the Executive Office, Retiree Healthcare Division, and Los Angeles County Chief Executive Office to determine approaches to eliminate the Lifetime Maximum Benefit (LMB) from the LACERA retiree healthcare medical insurance plans. The regularly held discussions involve external legal counsel and actuarial consultants, and consider several possible outcomes that will require implementation in the upcoming fiscal years.

- **OPEB Trust Investment Structure Changes***:* The Board of Investments approved a recommendation to invest OPEB Trust portfolio assets into private markets, which are mainly composed of private equity, hedge funds, and private real estate asset classes. FASD partnered with the Investments Office and State Street Bank to modify the OPEB Trust investment structure. LACERA invested and reported private equity and real assets investments on the OPEB Trust's September 2023 financial statements as part of the implementation process.

The following is a status of routine annual projects that have been completed or are in-progress during the FY 2023-24.

Routine Annual Projects (required by law or accounting standards)	**Completed / Anticipated**
▪ 2023 Annual Audit and Financial Statements	October 2023
▪ 2023 Financial Reports o Annual Comprehensive Financial Report (ACFR) o Popular Annual Financial Report (PAFR)	December 2023
▪ 2023 Pension Valuation Report	December 2023
▪ 2023 GASB 68 Pension, Employer Financial Statement Reporting	March 2024
▪ 2023 OPEB Trust, Employer Statement of Fiduciary Net Position	March 2024
▪ 2024 Employer and Employee Contribution Rate Implementation	May 2024
▪ 2023 GASB 75 OPEB, Employer Financial Statement Reporting	June 2024
▪ 2024 Pension Risk Assessment Report	June 2024
▪ 2023 OPEB Valuation Report	August 2024
▪ 2023 Regulatory Reports, federal and state	Quarterly and Calendar Year-End

FY 24-2025 STRATEGIC GOALS AND OBJECTIVES

Project Goals and Objectives

In addition to FASD's required annual projects referenced above, the non-routine projects listed below align with LACERA's Strategic Priority 5: Fiscal Durability, to exercise care and prudence in managing our resources and fund assets.

Strategic Plan Objective 5.2 says that LACERA will implement and support the LACERA Investments Office in achieving the BOI's Strategic Plan goals. Consistent with this objective, FASD will partner with the Investments Office in revising two Board policies by summer 2024:

- LACERA's Retirement Benefit Funding Policy (Funding Policy)
- Interest Crediting Policy

FASD will also continue to support LACERA's custodian bank, State Street Bank, in the transition of their wire transfer systems from Cash Manager to the eCash Flow Module.

Objective 5.1 also states that LACERA will develop organizational tools to support enterprise-wide fiscal responsibility. FASD, as part of a cross-functional team, will begin working on establishing the requirements for identifying and implementing a new Enterprise Resource Plan (ERP) system that aligns with this objective, as a new software

tool can be used to better manage several different processes, including accounting and human resources.

A summary of all non-routine projects is outlined below:

Non-Routine Projects	Anticipated
▪ Retirement Benefit Funding Policy	Summer 2024
▪ Member Debit Card Program	December 2024
▪ Retiree Healthcare Lifetime Maximum Benefit	Ongoing
▪ State Street Bank, Cash Manager to eCash Flow Module	Ongoing
▪ Enterprise Resource Planning (ERP) Tool, Preliminary Assessment	TBD

Training Goals and Objectives

Budgeted funds allocated to staff training and development align with LACERA's Strategic Priority 3: Investing in People, to recruit, motivate, hire, and retain a highly engaged and skilled workforce. LACERA is committed to providing staff with training to meet the requirements for those with certifications and to enhance the skills and knowledge of staff.

FASD managers and supervisors continuously evaluate and define staff training needs. Currently, 27 percent of FASD staff members hold a Certified Public Accountant (CPA) license. CPAs must attend qualifying training courses to meet the California State Board of Accountancy continuing professional education (CPE) reporting requirements of 20 to 40 hours every year.

All other staff are encouraged to obtain at least 10 hours of accounting-related training annually to keep current with changes in the accounting profession. Staff may attend relevant courses that cover topics such as: pension funding financial reporting, Governmental Accounting Standards Board (GASB) pronouncements, government accounting, other financial accounting courses, or ethics and fraud topics. In addition, FASD requires new and recently promoted staff members to attend the required training.

LACERA offers staff a variety of training resources, including webinars and online workshops; one or multiday in-person local conferences; and some educational and networking conferences that require travel outside of the Los Angeles area.

FASD leverages training and registration funding provided for represented staff via the negotiated Memorandum of Understanding (MOU). We are maintaining a budget of $7,000 for training and registration, which includes funding for a CPA review course (including materials) for one staff member who is studying for the CPA exam.

In addition, FASD is requesting $26,000 for travel-related expenses (air fare, hotel, ground transportation, and per diem) so staff can attend offsite conferences and networking events throughout the country, a decrease of $300 from FY 2023-24.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

We are requesting three new Accountant positions be added to FASD's organizational structure in the General Accounting Section, increasing our total budgeted positions from 30 to 33, at an estimated salary cost of $207,226 annually.

Reporting and Compliance Unit (RCU)
We are requesting to add one additional Accountant position to the Reporting and Compliance Unit. This new position will provide the Unit with an additional staff member to:

- Support building the internal compliance functions of the Unit,
- Be responsible for FASD's role in supporting the Legal Office Ethics and Compliance Officer and the enterprise-wide Ethics and Compliance Program,
- Coordinate and implement any changes to the Retiree Healthcare Program that the County of Los Angeles is currently considering, and
- Assist in implementing new GASB Statement No. 101, *Compensated Absences,* effective for LACERA's June 30, 2025 financial statements.

The RCU is responsible for completing recurring financial statement and actuarial reporting projects that demand year-round management. The RCU also assists FASD management and the Executive Office on various ad-hoc requests and special projects. These tasks have demanded the RCU's current resources, and new compliance and policy development functions have not yet been fully developed. This additional position will help expand the role of the unit.

Reconciliation Unit
We are requesting to add one additional Accountant position to the Reconciliation Unit. This new position will provide a staff member dedicated to the payment recovery duties and overpayment monitoring functions, which were included in the previous structure but changed due to FASD's focus on actuarial consulting assignments.

Overpayment cases have increased 312 percent from about 450 to 1,400 over the last decade and, correspondingly, the Reconciliation Unit's daily accounting activities have increased 225 percent over the last two decades.

The additional Accountant position requested for the Reconciliation Unit will focus on the core and potential additional duties of the Unit, which include:

- Dedicated personnel for payment recovery duties, which will use a new payment recovery monitoring system that will be implemented in the upcoming fiscal year
- Additional responsibilities to seek and recover overpayments, and account for appropriate interest as part of the revised Recovery Policy
- Process future workloads, including support for the Member Prepaid Card Program
- Provide support for the Retiree Healthcare Division for any upcoming plan structure changes to the OPEB Program and OPEB Trust

During FY 2023-24, FASD utilized a temporary staff member, in addition to the staff permanently assigned, to complete the Reconciliation Unit's workload. The unit was able to absorb multiple special projects that involved member check mailing delays and the FiServ data breach with State Street Bank.

Disbursements Unit
We are requesting to add one additional Accountant position to the Disbursements Unit. This new position will allow the unit to balance the workload, provide opportunity to establish succession planning, and provide for process improvement and cross-training over multiple workstreams. By adding this Accountant, staff will be able to analyze different work processes to reallocate amongst a larger team and distribute workloads. The Disbursements Unit has traditionally had a high workload volume, wide scope of work, and conducts processes that are significant to the organization (e.g., payment processing and tax filings). Some processes continue to be done based on legacy methods and procedures.

The new Accountant will provide the capacity for each staff member to work with the Senior Accountant and the Accounting Officer I on special projects to modernize the unit through analyzing workstreams, identifying improvements, and carrying out the implementation. Areas identified for additional focus include:

- Continue supporting member-facing operations by keeping the daily member check printing schedule to expedite benefit payments
- Transitioning the Corporate Credit Card Program from its independent platform to utilize the same workflow and platform as the newly implemented automated AP system
- Improving the travel booking and expense approval and workflow processes, including the implementation of a new system
- Partnering with Systems to link Workspace and the ERP system to transform transactions into accounting feeds
- Supporting the Retiree Healthcare Division and any upcoming changes to the OPEB Program

In FY 2023-24, FASD utilized a temporary staff, in addition to the staff permanently assigned, to assist with the workload of the Disbursements Unit.

LACERA has grown in volume and complexity over the last two decades as shown in the table below. However, our staffing levels have not necessarily increased proportionally:

LACERA	20-Years Ago	Today	Approximate Growth
Fiduciary Net Position (Net Assets)	$26 billion	$77 billion	196%
Membership	141,000	190,000	35%
Operating Budget	$43 million	$135 million	214%
LACERA Staff	250	500	100%
ACFR Pages	96	176	83%
Governmental Accounting Standards Board (GASB) Pronouncements	34	102	200%
OPEB Program Employer Reporting	1	7	700%
General Accounting Section Staff	**11**	**15**	**36%***

*There have been changes to the organizational structure within the General Accounting Section, such as moving existing staff from one unit to another, as well as reassigning one Accountant from the Investment Accounting Section to address a consultant's recommendation. One new budgeted position, Accounting Officer II, has been added to the General Accounting Section in the last 20 years. The new position was then reclassified to an Accountant as recommended in the Classification Study. For this FY 2023-24, we have been using two temporary staff to meet the current workload demands. These temporary staff are assigned to our Reconciliation and Disbursements Unit in addition to our budgeted positions, all of which are currently filled.

Additional staffing will allow us to fill resource gaps and better absorb any additional projects and strategic initiatives. We believe the core accounting and reporting responsibilities of the Division have been taken care of but the administrative and tactical efforts to improve processes can be better addressed.

Temporary Staffing

Over the past three fiscal years, FASD's budget has included eight to 10 temporary staff positions to help with chronic vacancies. For FY 2024-25, six temporary positions are requested as follows:

- Three at the Accountant level, in the General Accounting Section
- Two at the Accountant level in the Investment Accounting Section
- One Senior Administrative Assistant

Although vacancies levels have been reduced dramatically, we currently have four vacant staff positions filled with temporary staff. Upon Board of Supervisors approval of the Classification Study, estimated in April 2024, Human Resources will need to open a series of exams to for the newly created classifications. The temporary staff requested are needed to complete the current workload assigned to vacant positions until these exams can be completed and permanent staffing placed. The new classification of Investment Accountant is expected to help attract staff with the required experience for these more specialized and technical positions. Once filled, we expect to reduce the use of temporary staff further, while maintaining some flexibility to account for unanticipated staff attrition.

Overtime Needs

The overtime budget of $62,800 reflects a decrease of $1,900 due to improved staffing levels and operational efficiency.

Overtime is used every year to manage the additional workload related to the annual financial statement preparation and external audit process, which is the basis for preparing LACERA's Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR). In addition, staff incur overtime when preparing memos and materials to meet Board deadlines for presenting actuarial and financial reports. The overtime budget also allows for additional workload due to unforeseen special projects.

Interns

FASD does not anticipate any use of interns in FY 2024-25.

Rehired Retirees

FASD does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

FASD has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

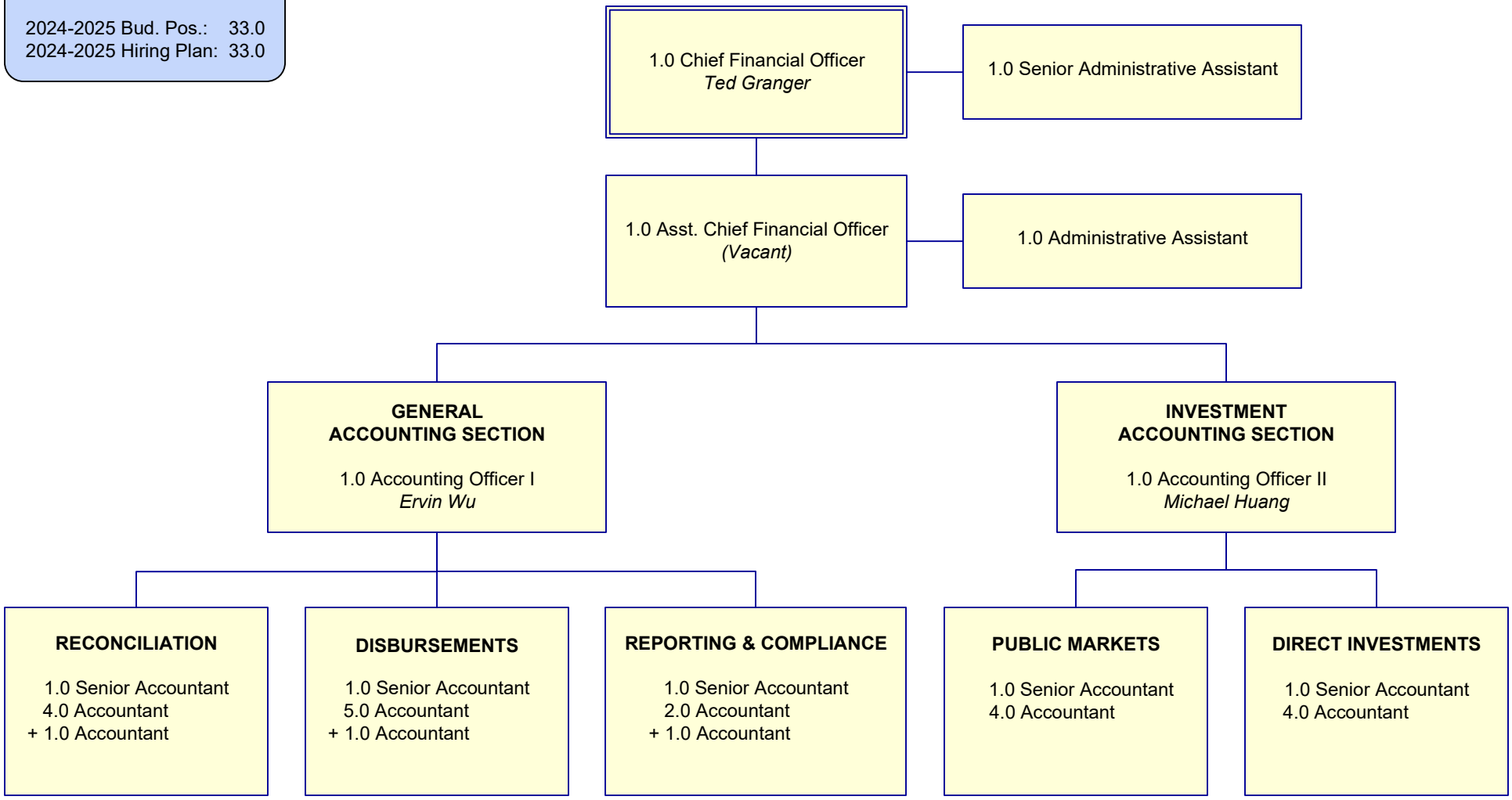
For FY 2024-25, there are no significant changes to the FASD services and supplies budget. The budget remains status quo with only a slight decrease in travel to reflect the anticipated cost for staff travel for training.

FINANCIAL AND ACCOUNTING SERVICES DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 30.0
2023-2024 Hiring Plan: 30.0

2024-2025 Bud. Pos.: 33.0
2024-2025 Hiring Plan: 33.0



+ Added position
* Classification study for all Accounting positions finalized and approved by LACERA Board of Retirement on 12/7/22 and Board of Investments on 12/14/22 (Pending Board of Supervisors' approval).

LACERA

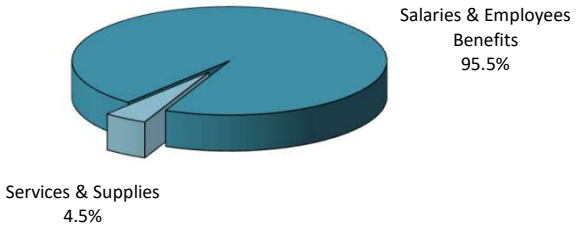
FISCAL YEAR 2024-2025

BUDGET SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$5,405,426**	$5,435,438	$2,405,152	$4,781,400	($654,038)	-12.0%	($30,012)	-0.6%
Services & Supplies	**253,000**	253,300	128,924	226,800	(26,500)	-10.5%	(300)	-0.1%
OPERATING BUDGET	**$5,658,426**	$5,688,738	$2,534,075	$5,008,200	($680,538)	-12.0%	($30,312)	-0.5%

2024 -2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$3,017,068**	$2,752,536	$1,300,481	$2,640,000	($112,536)	-4.1%	$264,532	9.6%
Total Agency Temp Salaries	**482,500**	776,700	297,706	510,400	(266,300)	-34.3%	(294,200)	-37.9%
Employee Benefits (Variable)	**1,527,291**	1,547,804	641,947	1,303,500	(244,304)	-15.8%	(20,513)	-1.3%
Employee Benefits (Other)	**179,562**	176,424	70,460	143,100	(33,324)	-18.9%	3,138	1.8%
OPEB Contribution	**116,704**	97,774	50,325	102,200	4,426	4.5%	18,930	19.4%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**62,800**	64,700	36,777	74,700	10,000	15.5%	(1,900)	-2.9%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**12,000**	12,000	7,455	7,500	(4,500)	-37.5%	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	**$5,405,426**	$5,435,438	$2,405,152	$4,781,400	($654,038)	-12.0%	($30,012)	-0.6%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$5,405,426**	$5,435,438	$2,405,152	$4,781,400	($654,038)	-12.0%	($30,012)	-0.6%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

FINANCIAL AND ACCOUNTING SERVICES

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0800	CHIEF FINANCIAL OFFICER, LACERA	1	LS12
0418	ACCOUNTING OFFICER II, LACERA	1	108L
0417	ACCOUNTING OFFICER I, LACERA	1	105D
0416	SENIOR ACCOUNTANT, LACERA	5	100K
0415	ACCOUNTANT, LACERA	17	096H
0438	ADMINISTRATIVE ASSISTANT, LACERA	1	087K
	Total Filled Positions =	**26**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0799	ASSISTANT CHIEF FINANCIAL OFFICER, LACERA	1	LS10
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
0415	ACCOUNTANT, LACERA	5	096H
	Total Vacant Positions =	**7**	
	TOTAL POSITIONS =	**33**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$29,000**	$29,300	$5,912	$14,500	($14,800)	-50.5%	($300)	-1.0%
OFFICE SUPPLIES & EQUIPMENT	**6,000**	6,000	451	800	(5,200)	-86.7%	0	0.0%
BANK SERVICES	**200,000**	200,000	114,271	195,900	(4,100)	-2.1%	0	0.0%
EDUCATIONAL EXPENSES	**16,000**	16,000	8,040	13,600	(2,400)	-15.0%	0	0.0%
MISCELLANEOUS	**2,000**	2,000	250	2,000	0	0.0%	0	0.0%
TOTAL	**$253,000**	**$253,300**	**$128,924**	**$226,800**	**($26,500)**	**-10.5%**	**($300)**	**-0.1%**

*All amounts rounded to the nearest dollar.

FINANCIAL AND ACCOUNTING SERVICES

BUDGET REQUEST INFORMATION

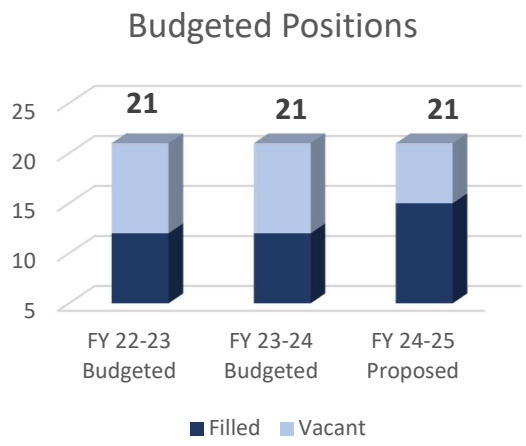
HISTORY OF EXPENDITURES

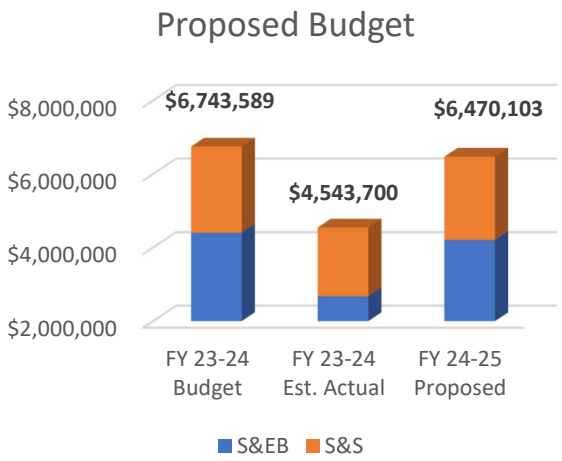
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$2,220,717	$2,113,087	$2,752,536	$2,640,000	$3,017,068
Total Agency Temp Salaries	778,100	485,257	776,700	510,400	482,500
Employee Benefits (Variable)	1,366,535	1,077,192	1,547,804	1,303,500	1,527,291
Employee Benefits (Other)	148,317	135,473	176,424	143,100	179,562
OPEB Contribution	78,710	78,207	97,774	102,200	116,704
OPEB Contribution (Budget Surplus)	0	78,710	0	0	0
Stipends	0	0	0	0	0
Overtime	65,300	45,783	64,700	74,700	62,800
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	12,000	6,200	12,000	7,500	12,000
Rideshare Allowance	7,500	80	7,500	0	7,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	21,800	7,473	29,300	14,500	29,000
Office Supplies & Equipment	5,000	2,338	6,000	800	6,000
Bank Services	200,500	177,789	200,000	195,900	200,000
Educational Expenses	19,000	10,205	16,000	13,600	16,000
Miscellaneous	3,000	0	2,000	2,000	2,000
TOTAL OPERATING BUDGET	**$4,926,478**	**$4,217,794**	**$5,688,738**	**$5,008,200**	**$5,658,426**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

The Human Resources (HR) Division is responsible for providing high quality human resource programs and services to all LACERA employees, supervisors, and managers consistent with LACERA's values of accountability, collaboration, inclusivity, innovation, integrity, and transparency. Our work includes 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, leave management, and disability compliance management.





Summary of Significant Changes:

Description	Position Changes	Amount
• Agency Temporary		($88,500)
• Organizational Programs		($150,000)
• Departmental Training		$170,000
• Computer Services and Support		$100,000
• Recruitment		($215,000)
• Security Services – Sheriff transferred to Administrative Services		($16,000)

The Impact Team was carved out in the Human Resources organizational chart using existing positions. The two-Analyst group is tasked with special projects, administering organization-wide policy-based programs, expediting special requests, and assisting with the execution of the strategic plan. Since these duties don't clearly fall within the other established units, the Impact Team stands alone.

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

HR continues to work toward decreasing the 20 percent vacancy rate by facilitating the hiring of new staff members. From July 2023 to March 2024, the division promulgated 16 eligible lists/registers. In that same period, there were 27 hiring actions—11 promotions and 16 new hires. By executing the hiring plan, HR directly supports all divisions in decreasing their individual vacancy rates. Additionally, the hiring and promotion of staff members supports the "Investing in People" strategic priority goal. These accomplishments directly support LACERA's goal to "attract, motivate, hire, and retain a highly engaged and skilled workforce."

In response to LACERA's approved strategic plan, HR staff members completed virtual and in-person professional development focused on job analysis methodology, labor relations, compensation strategies, workforce development, and culture-improving programs.

This year HR facilitated the implementation of two outstanding classification studies for the Document Processing, Staff Assistant, and Disability Retirement classification families. With the implementation of these the classification study recommendations, LACERA has no pending classification studies outstanding.

HR completed two projects led by the Systems Division Project Management Office. HR completed scanning personnel records for LACERA's out-of-service and active staff members in December 2023 and implemented the HR Service Delivery Model in Service Now in October 2023. Through the end of FY 2023-24, HR will expand the use of its current systems to improve and simplify the hiring and onboarding processes, attract competitive candidates, and provide an improved applicant experience. These items are part of the strategic plan Objective 3.3 workplan.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The budget reflects a proposed increase for HR staff members to travel to and attend in-person professional development. New and existing staff members will need to complete platform-specific training as the division expands the use of platforms that support an enhanced applicant experience, more streamlined performance management, and new-hire onboarding. New staff members may also need to refresh skills to maximize

performance and impact at LACERA. There is a foundational list of training for staff members in each of HR's three units that new staff members must complete within the first year of hire, and existing staff members may need to take as a refresher. The increase related to professional development is reflected in the Registration Fees budget.

During the next fiscal year HR will implement various strategies, systems/platform, and programs in support of strategic plan's Objective 3.3. We are calling this an *improved candidate experience* consistent with the language used in the "Superior Member Experience" strategic priority goal related to an improved member experience and retiree healthcare experience. Specific revisions and improvements will be made to the processes that occur from the time a division wants to fill a vacancy through the end of a new staff member's probationary period.

In addition to the workplan related to Objective 3.3, during FY 23-2024 HR will begin to execute the workplan associated with Objective 3.2, related to training and development programs. Although the workplan will not begin until 2025, we anticipate new programs and initiatives to encourage employee growth and development. As LACERA grows into a $100 billion fund, staff members must also grow. Mentoring, the Leadership Pipeline, professional coaching, supervisory and management educational tracks, and an improved performance evaluation mechanism will support employee growth.

HR efforts that will start in FY 2024 and will continue through FY 2025 include completion and implementation of the Investments job family classification study, Retiree Healthcare classification study, and labor negotiations. Of course, there will also be a sustained effort to continue decreasing the organization's vacancy rate.

Through FY 2025, LACERA will roll out the IDEA initiative—a comprehensive diversity, equity, inclusion, accessibility and belonging (DEIAB) program. For the first time, the education and training related to DEIAB have been added to the HR budget. The training component is part of the implementation of the DEIAB program, as specified in strategic Objective 3.1. The increase related to DEIAB is reflected in the Departmental Training budget.

From July through December 2024, LACERA will be engaged in the collective bargaining process with SEIU to negotiate successor agreements for bargaining units 850 and 851. This is a major undertaking that directly impacts approximately half of LACERA's staff members. As always, the goal is to agree on a clear and fair contract.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of

Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

HR is not requesting any adjustments to permanent staff for FY 2024-25.

Temporary Staffing

HR completed the personnel file scanning project in December 2023 with the use of two Senior Human Resources Assistant temporary staff members. With the completion of the project, the temporary staff is no longer needed. Additionally, HR used an agency temporary staff member to replace a permanent staff member who was on long-term leave. Since the permanent staff member returned to work in December 2023, a replacement is no longer needed. Therefore, there is a decrease in the HR's temporary staffing budget from $139,000 to $50,500. (The FY 2024-25 budget should only include funding for one Sr. HR Assistant for six months.)

Overtime Needs

HR requests overtime funds for overtime-earning staff members. These funds are in anticipation of completing time-sensitive functions related to payroll, assignment processing, onboarding, and tight deadlines for high-priority recruitments.

Interns

Human Resources Division is requesting one Intern to work in the Employee and Organizational Development Unit. The Intern will work on completing remaining work on organization-wide career paths and support Objective 3.2 programs.

The HR budget includes the overall Intern budget. The Intern program is part of LACERA's DEIAB, TIDE, and succession planning programs—all parts of the "Investing In People" strategic priority. LACERA is requesting 15 Interns for use throughout the organization to work on the following special projects:

- Administrative Services: one intern to assist with a comprehensive records management project
- Communications: one intern to outline a specified social media platform rollout
- Information Security Office: one intern to work on knowledge management and the implementation of the security program projects
- Executive Office: one intern to assist with communications projects
- Investment Office: two budgeted interns and two additional interns to assist with performance attribution, market research, and investment analysis
- Legal Office: two law student interns

- Quality Assurance: one intern to assist with data consolidation in association with the annual CEM benchmarking report
- Systems: three interns to assist in Business Solutions, Infrastructure, and Project Management; and projects in workflow automation, the on-site data center, and the data lake
- Retiree Healthcare: one intern to assist in automating quality metrics.

Overall, these projects will provide students with paid, hands-on experience that increases their professional preparedness.

Rehired Retirees

HR is not requesting the use of any retired rehires in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

One-time expenses related to the use of executive recruiters have been removed. A discussion is needed regarding the removal of NeoGov-related expenses from the HR budget to the Systems budget.

Services and Supplies Adjustments

Organization Programs

Organizational Programs is decreasing from $200,000 to $50,000. The $150,000 decrease is due to the expired Fulgent contract.

Department Training

Departmental Training is increasing from $250,000 to $420,000. An anticipated $100,000 increase is due to Executive/Management coaching being paid centrally from HR instead of from the division's budget. Payment for three coaching engagements starting in FY 2024 will be due in FY 2025. Additionally, there is an increase of $70,000 for DEIAB training and consulting services.

Computer Services and Support

Computer Services and Support will now include a consolidated cost of NeoGov (GovernmentJobs.com) services that was previously distributed across the Misc Software Packages and Recruitment budget. This, in addition to other miscellaneous software (e.g., County LMS maintenance and support, Udemy), results in an amount of $150,000.

Recruitment

A Recruitment decrease from $465,000 to $250,000 is in anticipation of moving the costs of NeoGov to Misc Software Packages, as described above. At this time, there are no

anticipated executive recruitment engagements for FY 2024-25, as LACERA HR decreases its reliance on outside recruiters. The budget will be used for advertising and payment for online exams.

Security Services: Sheriff

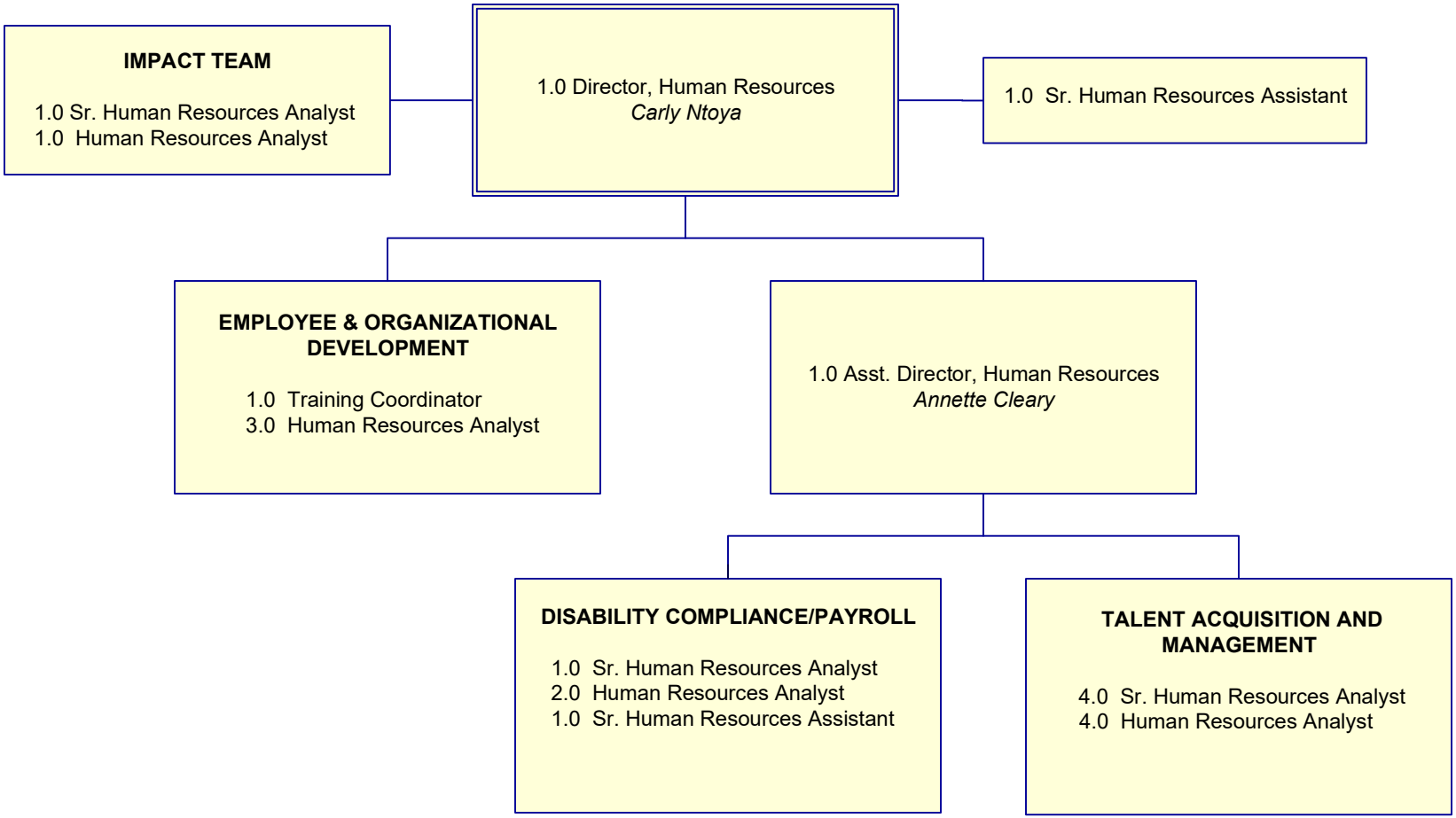
The Security Services: Sheriff budget has been removed from the HR budget and transferred to the Administrative Services budget.

HUMAN RESOURCES

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 21.0
2023-2024 Hiring Plan: 21.0

2024-2025 Bud. Pos.: 21.0
2024-2025 Hiring Plan: 21.0



LACERA

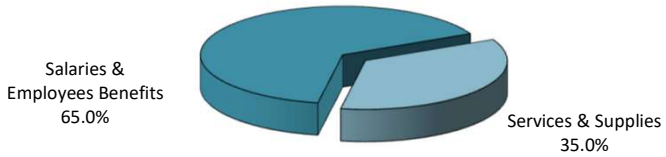
FISCAL YEAR 2024-2025

BUDGET SUMMARY

HUMAN RESOURCES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$4,206,103**	$4,403,989	$1,374,759	$2,674,000	($1,729,989)	-39.3%	($197,886)	-4.5%
Services & Supplies	**2,264,000**	2,339,600	921,732	1,869,700	(469,900)	-20.1%	(75,600)	-3.2%
OPERATING BUDGET	**$6,470,103**	$6,743,589	$2,296,491	$4,543,700	($2,199,889)	-32.6%	($273,486)	-4.1%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

HUMAN RESOURCES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$2,267,708**	$2,200,574	$692,452	$1,405,700	($794,874)	-36.1%	$67,134	3.1%
Total Agency Temp Salaries	**50,500**	139,000	122,900	140,000	1,000	0.7%	(88,500)	-63.7%
LACERA Intern Program	**336,000**	288,000	6,016	12,300	(275,700)	-95.7%	48,000	16.7%
Employee Benefits (Variable)	**1,315,694**	1,550,802	445,329	904,500	(646,302)	-41.7%	(235,108)	-15.2%
Employee Benefits (Other)	**138,187**	141,046	56,011	113,800	(27,246)	-19.3%	(2,859)	-2.0%
OPEB Contribution	**89,813**	78,167	40,233	81,700	3,533	4.5%	11,646	14.9%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**6,500**	4,700	11,817	16,000	11,300	240.4%	1,800	38.3%
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	**$4,206,103**	$4,403,989	$1,374,759	$2,674,000	($1,729,989)	-39.3%	($197,886)	-4.5%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$4,206,103**	$4,403,989	$1,374,759	$2,674,000	($1,729,989)	-39.3%	($197,886)	-4.5%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

HUMAN RESOURCES

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0425	DIRECTOR, HUMAN RESOURCES, LACERA	1	LS12
0437	ASSISTANT DIRECTOR, HUMAN RESOURCES, LACERA	1	LS10
0436	SENIOR HUMAN RESOURCES ANALYST, LACERA	5	106F
1886	TRAINING COORDINATOR, LACERA	1	106E
0434	HUMAN RESOURCES ANALYST, LACERA	5	102F
0435	SENIOR HUMAN RESOURCES ASSISTANT, LACERA	2	095H
	Total Filled Positions =	**15**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0435	SENIOR HUMAN RESOURCES ANALYST, LACERA	1	106F
0436	HUMAN RESOURCES ANALYST, LACERA	5	102F
	Total Vacant Positions =	**6**	
	TOTAL POSITIONS =	**21**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

HUMAN RESOURCES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$16,200**	$10,800	$943	$5,500	($5,300)	-49.1%	$5,400	50.0%
OFFICE SUPPLIES & EQUIPMENT	**3,000**	3,000	659	3,000	0	0.0%	0	0.0%
PARKING FEES	**517,000**	482,000	308,897	529,600	47,600	9.9%	35,000	7.3%
PROFESSIONAL & SPEC. SRVCS.	**577,300**	788,300	174,278	426,100	(362,200)	-45.9%	(211,000)	-26.8%
COMPUTER SERVICES & SUPPORT	**150,000**	50,000	9,718	25,000	(25,000)	-50.0%	100,000	200.0%
EDUCATIONAL EXPENSES	**719,000**	509,000	89,429	307,000	(202,000)	-39.7%	210,000	41.3%
MISCELLANEOUS	**281,500**	496,500	337,807	573,500	77,000	15.5%	(215,000)	-43.3%
TOTAL	**$2,264,000**	$2,339,600	$921,732	$1,869,700	($469,900)	-20.1%	($75,600)	-3.2%

*All amounts rounded to the nearest dollar.

HUMAN RESOURCES

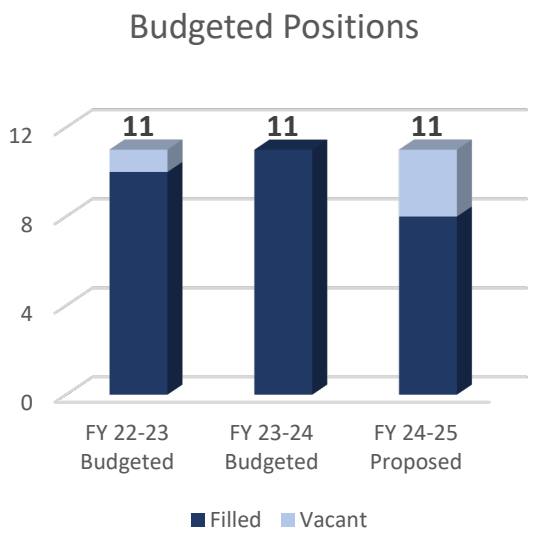
BUDGET REQUEST INFORMATION

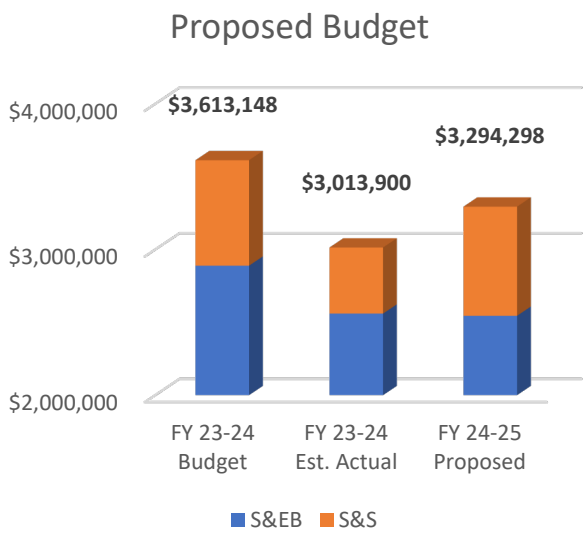
HISTORY OF EXPENDITURES

	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$1,797,569	$1,268,276	$2,200,574	$1,405,700	$2,267,708
Total Agency Temp Salaries	144,300	137,617	139,000	140,000	50,500
LACERA Intern Program	288,000	7,646	288,000	12,300	336,000
Employee Benefits (Variable)	1,199,476	784,243	1,550,802	904,500	1,315,694
Employee Benefits (Other)	123,142	111,084	141,046	113,800	138,187
OPEB Contribution	65,350	64,932	78,167	81,700	89,813
OPEB Contribution (Budget Surplus)	0	65,350	0	0	0
Stipends	0	0	0	0	0
Overtime	3,800	18,840	4,700	16,000	6,500
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	1,700	0	1,700	0	1,700
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	9,400	6,021	10,800	5,500	16,200
Office Supplies & Equipment	7,000	3,533	3,000	3,000	3,000
Parking Fees	437,000	456,055	482,000	529,600	517,000
Professional & Specialized Services	675,800	329,238	788,300	426,100	577,300
Computer Services & Support	55,000	75,175	50,000	25,000	150,000
Educational Expenses	509,000	96,019	509,000	307,000	719,000
Miscellaneous	523,000	474,245	496,500	573,500	281,500
TOTAL OPERATING BUDGET	**$5,839,537**	**$3,898,275**	**$6,743,589**	**$4,543,700**	**$6,470,103**

*All amounts rounded to the nearest dollar.

The Internal Audit (IA) Division enhances and protects LACERA's values by providing independent risk-based and objective assurance, consulting, and advisory services designed to add value and improve LACERA's operations. Internal Audit helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes. Work is performed in conformance with the Institute of Internal Auditors (IIA) standards. Internal Audit communicates engagement results, findings, and recommendations regularly to the Audit Committee of the Boards.





Summary of Significant Changes

Description	Position Changes	Amount
• Audit Committee Consultant		$25,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

Completion of the 2023-24 fiscal year Audit Plan, including the following significant engagements:

- Consulting on Records and Information (RIM)
- Consulting on Internal Controls over Financial Reporting – Cash and Treasury
- Audit of Replacement Benefit Plan (415(b))
- Audit of Procurement of Goods
- Review of One Meeting
- Consulting on Organizational Culture
- Collaborated with the Investments Office on the RFP for the actuarial consultant and auditor
- Collaborated with various stakeholders across the organization on the RFP for organizational governance software
- Obtained IIA COSO Enterprise Risk Management (ERM) Certificate for CAE and Principals

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

1. **Develop Internal Audit's Strategic Plan,** which will align with LACERA's overall strategic plan
2. **Complete the FY 2024-25 Audit Plan,** which will align with LACERA's overall strategic plan
3. **Fill vacancies,** aligned with the Investing in People strategic priority. It is essential that Internal Audit's vacancies are filled so that we can address our strategic goals and objectives.
4. **Complete Training and Development requirements,** aligned with the Investing in People strategic priority, which is budgeted against our Education Expenses. Internal Audit requires each staff member to obtain 40 continuing education hours per fiscal year. Internal Audit will use the IIA's Competency Framework to assess each staff member's competencies and divisional competencies, which will determine specific training during the year.
5. **Develop the foundation for Compliance and Enterprise Risk Management (ERM)**

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of

Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

There are currently eleven budgeted full-time positions in Internal Audit. No additional staff positions are requested currently.

Temporary Staffing

Internal Audit plans to fill all open budget positions. If unsuccessful by the second quarter of the fiscal year, we will consider adding a budget for temporary staffing through the mid-year budget process.

Overtime Needs

Internal Audit requested 40 hours each of overtime for the Senior Administrative Assistant and Internal Auditor positions. The overtime is necessary for the timely completion of Audit Committee meeting materials.

Interns

Internal Audit does not anticipate any use of interns in FY 2024-25.

Rehired Retirees

Internal Audit does not anticipate any use of rehired retirees in FY 2024-25.

If there are remaining vacancies, Internal Audit will consider this option.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Internal Audit does not have one-time expenditures that need to be removed in the FY 2024-25.

Services and Supplies Adjustments

Audit Committee Consultant

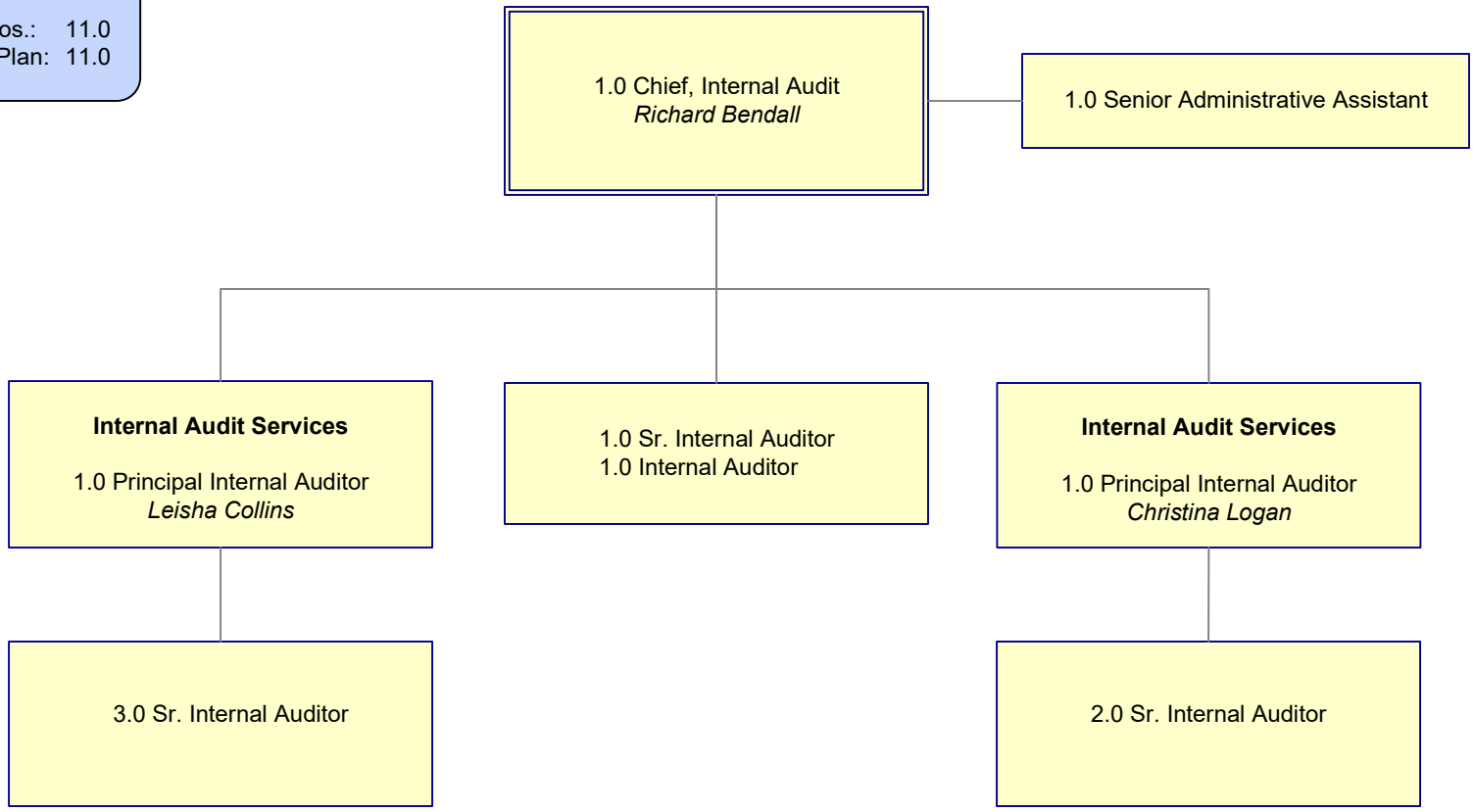
Internal Audit is requesting an additional $25,000 for the Audit Committee consultant, for a total of $50,000. Staff anticipates expanding the use of the consultant based on additional expertise in compliance and enterprise risk management.

INTERNAL AUDIT

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 11.0
2023-2024 Hiring Plan: 11.0

2024-2025 Bud. Pos.: 11.0
2024-2025 Hiring Plan: 11.0



LACERA

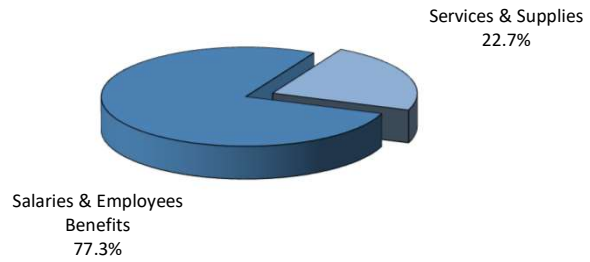
FISCAL YEAR 2024-2025

BUDGET SUMMARY

INTERNAL AUDIT

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$2,545,098**	$2,888,948	$1,260,877	$2,560,100	($328,848)	-11.4%	($343,850)	-11.9%
Services & Supplies	**749,200**	724,200	257,238	453,800	($270,400)	-37.3%	25,000	3.5%
OPERATING BUDGET	**$3,294,298**	$3,613,148	$1,518,115	$3,013,900	($599,248)	-16.6%	($318,850)	-8.8%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

INTERNAL AUDIT

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,557,081**	$1,652,147	$772,246	$1,567,700	($84,447)	-5.1%	($95,067)	-5.8%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**824,465**	1,065,420	416,373	845,600	(219,820)	-20.6%	(240,955)	-22.6%
Employee Benefits (Other)	**94,884**	105,895	42,052	85,400	(20,495)	-19.4%	(11,011)	-10.4%
OPEB Contribution	**61,669**	58,686	30,206	61,400	2,714	4.6%	2,982	5.1%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**5,500**	5,300	0	0	(5,300)	-100.0%	200	3.8%
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	**$2,545,098**	$2,888,948	$1,260,877	$2,560,100	($328,848)	-11.4%	($343,850)	-11.9%
Salary Differential	**-**	-	-	-	-	-	-	-
TOTAL S&EB	**$2,545,098**	$2,888,948	$1,260,877	$2,560,100	($328,848)	-11.4%	($343,850)	-11.9%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

INTERNAL AUDIT

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0774	CHIEF, INTERNAL AUDIT, LACERA	1	LS12
0762	PRINCIPAL INTERNAL AUDITOR, LACERA	2	118J
0763	SENIOR INTERNAL AUDITOR, LACERA	4	112F
0439	SENIOR SECRETARY, LACERA	1	094B
	Total Filled Positions =	**8**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0763	SENIOR INTERNAL AUDITOR, LACERA	2	112F
0764	INTERNAL AUDITOR, LACERA	1	106C
	Total Vacant Positions =	**3**	
	TOTAL POSITIONS =	**11**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

INTERNAL AUDIT

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
TRANSPORTATION & TRAVEL	**$17,000**	$17,000	$6,297	$13,000	($4,000)	-23.5%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**1,200**	1,200	129	500	(700)	-58.3%	0	0.0%
PROFESSIONAL & SPEC. SRVCS.	**700,000**	675,000	239,528	421,300	(253,700)	-37.6%	25,000	3.7%
EDUCATIONAL EXPENSES	**30,500**	30,500	11,284	18,500	(12,000)	-39.3%	0	0.0%
MISCELLANEOUS	**500**	500	0	500	0	0.0%	0	0.0%
TOTAL	**$749,200**	$724,200	$257,238	$453,800	($270,400)	-37.3%	$25,000	3.5%

*All amounts rounded to the nearest dollar.

INTERNAL AUDIT

BUDGET REQUEST INFORMATION

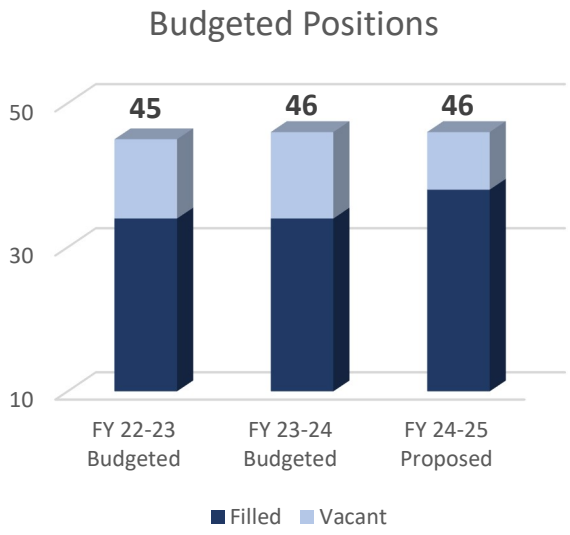
HISTORY OF EXPENDITURES

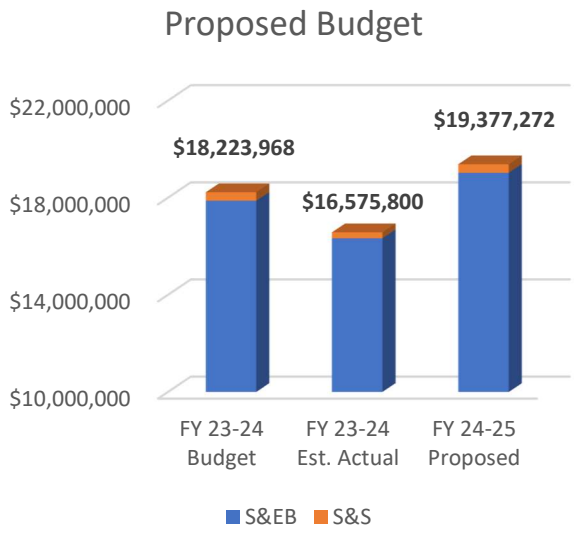
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$1,590,417	$1,529,699	$1,652,147	$1,567,700	$1,557,081
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	1,003,252	832,350	1,065,420	845,600	824,465
Employee Benefits (Other)	93,962	84,761	105,895	85,400	94,884
OPEB Contribution	49,864	49,546	58,686	61,400	61,669
OPEB Contribution (Budget Surplus)	0	49,864	0	0	0
Stipends	0	0	0	0	0
Overtime	5,000	928	5,300	0	5,500
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	1,500	0	1,500	0	1,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	17,000	5,759	17,000	13,000	17,000
Office Supplies & Equipment	1,500	388	1,200	500	1,200
Professional & Spec. Srvcs.	675,000	438,980	675,000	421,300	700,000
Educational Expenses	30,500	26,185	30,500	18,500	30,500
Miscellaneous	500	0	500	500	500
TOTAL OPERATING BUDGET	**$3,468,495**	**$3,018,459**	**$3,613,148**	**$3,013,900**	**$3,294,298**

*All amounts rounded to the nearest dollar.

FY 2024-2025 Proposed Budget

The Investments Office is responsible for prudently investing the trust assets to achieve the highest risk-adjusted return in accordance with the policies and decisions of the Board of Investments. This work includes developing and recommending prudent investment policies and risk management strategies to assist LACERA in achieving the return objectives established by the Board of Investments and implementing and monitoring Board-approved programs and policies, while balancing liquidity needs to ensure timely payment of promised benefits to our members.





Summary of Significant Changes

Description	Position Changes	Amount
• Add 1.0 Finance Analyst II	1	$139,772
• Delete 1.0 Finance Analyst I	(1)	($96,588)

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

In the 2023-24 fiscal year, the division's major accomplishments included the successful ongoing implementation of LACERA's strategic asset allocation and the advancement of the Board's strategic initiatives. This involved optimizing asset returns through structure reviews, monitoring of investments, and enhanced due diligence on new and existing mandates, including operational due diligence. The division continued to integrate ESG and DEI considerations into its total portfolio approach while managing risks to achieve optimal returns. Key initiatives executed included the implementation of the 2021 strategic asset allocation, enhancement of emerging manager programs, and optimization of the OPEB Master Trust. The division also focused on improving risk and performance reporting, deepening the LACERA T.I.D.E. initiative, and fostering cross-asset category collaboration to strengthen investment knowledge and adapt to the challenging macroeconomic environment. The ongoing and future focus includes enhancing operational capabilities, optimizing the investment model, influencing fees, and improving outcomes through ESG and DEI efforts.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

Through the Board of Investment's approved strategic plan, "Towards Best-In-Class Investor 2024 Strategic Initiatives and Work Plan," the Investments Office focuses on five key strategic initiatives to execute on strategic asset allocation:

1) Enhance Operational Effectiveness

2) Optimize Investment Model

3) Maximize Stewardship and Ownership Rights

4) Strengthen Influence on Fees and Cost of Capital

5) Promote T.I.D.E. (Towards Inclusion, Diversity, and Equity)

These initiatives aim to improve investment outcomes through careful asset allocation, risk mitigation, and liquidity optimization. The approach emphasizes a principle-based investment strategy, strong governance, effective operations, and the promotion of diversity, equity, and inclusion through LACERA T.I.D.E. This comprehensive strategy aims to safeguard and grow the assets of LACERA members, adapting to an evolving investment landscape by maintaining a dynamic investment program.

The Investments Office places a strong emphasis on training and employee development. This commitment is underscored by allocating an adequate budget for these initiatives. The goal is to ensure that employees have access to the necessary resources and opportunities to enhance their skills and competencies. This includes training on applications, attendance at industry conferences, industry designations, and executive coaching. This investment in staff development is pivotal for adapting to the evolving investment landscape and maintaining a high level of expertise within the team.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

As we approach the FY 2025, it's important to highlight the consistent and stable approach adopted by the Investments Office. This period is characterized by a steadfast adherence to established financial strategies and operational methodologies, ensuring the continued success and sustainability of our investment objectives. Despite the dynamic nature of financial markets, our office remains committed to maintaining this steady course, ensuring that no significant changes are anticipated in our overall fiscal management and investment strategies for the upcoming year.

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

There was one change to staffing that will impact the budget. The Investments Office upgraded a Finance Analyst I position to a Finance Analyst II position within the Portfolio Analytics group. This is justified by the evolving complexity and increased responsibilities in LACERA's portfolio analysis operations. As LACERA's investment strategies and market analysis become more sophisticated, the role demands a higher level of expertise, analytical skill, and experience. The Finance Analyst II will bring deeper analytical capabilities, lead more complex projects, and provide enhanced insights for decision-making. This elevation aligns with the Board of Investments' strategic goal of enhancing analytical capabilities to support more informed investment decisions, reflecting LACERA's commitment to continual improvement and sophistication in the Fund's portfolio management.

Also, for the FY 2024-25, the Investments Office will focus on filling current vacancies. The Investments Office has 46 budgeted positions and is currently running at a 22 percent vacancy rate. After the vacancy rate is reduced, an effort will be made to align the organizational structure to better meet the objectives of the portfolio.

Temporary Staffing

Investment Office does not anticipate any use of Temporary Staffing in FY 2024-25.

Overtime Needs

For the upcoming FY 2024-25, the Investments Office has decided to retain the existing overtime budget allocation. This decision, despite the lack of necessity for overtime in the previous year, is a strategic measure to ensure preparedness for any unforeseen demands or urgent requirements that may arise. The dynamic nature of investment operations often presents unexpected scenarios requiring immediate attention. By maintaining our overtime budget, we equip ourselves with the flexibility to respond swiftly and effectively to any such exigencies, thereby safeguarding our operational efficiency and investment goals.

Interns

Funding for interns is provided in the Human Resources Division's Budget.

In alignment with the objectives of LACERA T.I.D.E., the Investments Division is committed to continuing its internship program to further our goals in diversity, equity, and inclusion, as well as recruitment. For the FY 2024-25, there will be internship opportunities, offering four positions. This will allow us to provide more students with valuable experience in areas such as performance attribution, market research, and investment analysis. Importantly, this year, the budgetary impact is mitigated as two of these internships are generously sponsored by external organizations committed to diversity and inclusion, reflecting a collaborative effort towards our shared objectives.

Rehired Retirees

The Investments Office does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Investment Office does not have one-time expenditures that need to be removed in the FY 2024-25.

Services and Supplies Adjustments

Miscellaneous

For the FY 2024-25, we propose an increase of $1,000 in the budget for miscellaneous supplies in the Investments Office. This adjustment is primarily due to the transition back to regular office operations, post-pandemic. During the remote working period, expenditure on miscellaneous supplies was significantly reduced. However, with the return to in-office work, there is a renewed need for these supplies, aligning more closely with pre-pandemic levels.

INVESTMENT OFFICE

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 46.0
2023-2024 Hiring Plan: 46.0

2024-2025 Bud. Pos.: 46.0
2024-2025 Hiring Plan: 46.0

1.0 Chief Investment Officer
Jonathan Grabel

1.0 Deputy Chief Investment Officer
Jude Perez

1.0 Executive Administrative Assistant

REAL ASSETS AND INFLATION HEDGES

PIO for REAL ASSETS and INFLATION HEDGES

1.0 Principal Investment Officer

Jim Rice

2.0 Sr. Investment Officer
5.0 Finance Analyst III
4.0 Finance Analyst II
1.0 Finance Analyst I
1.0 Sr. Admin. Assist.

GROWTH ASSETS

PIO for GROWTH ASSETS

1.0 Principal Investment Officer

Christopher Wagner

2.0 Sr. Investment Officer
5.0 Finance Analyst III
4.0 Finance Analyst II
1.0 Sr. Admin. Assist.

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.

DIRECT INVESTMENT

PIO for DIRECT INVESTMENTS

1.0 Principal Investment Officer

Vacant

PORTFOLIO ANALYTICS

PIO for PORTFOLIO ANALYTICS

1.0 Principal Investment Officer

Esmeralda del Bosque

1.0 Finance Analyst III
1.0 Finance Analyst II
\+ 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

\+ Added position
– Deleted position

LACERA

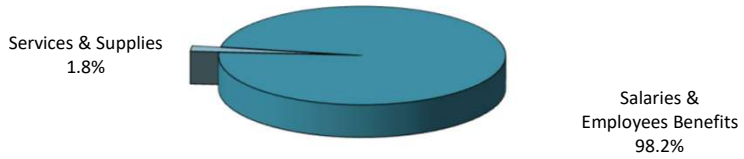
FISCAL YEAR 2024-2025

BUDGET SUMMARY

INVESTMENT OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$19,027,772**	$17,875,468	$8,044,147	$16,328,500	($1,546,968)	-8.65%	$1,152,304	6.4%
Services & Supplies	**349,500**	348,500	140,510	247,300	(101,200)	-29.0%	1,000	0.3%
OPERATING BUDGET	**$19,377,272**	$18,223,968	$8,184,657	$16,575,800	($1,648,168)	-9.0%	$1,153,304	6.3%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

INVESTMENT OFFICE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$11,643,125**	$10,865,804	$5,268,351	$10,694,800	($171,004)	-1.6%	$777,321	7.2%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**6,193,834**	5,907,050	2,292,718	4,654,400	(1,252,650)	-21.2%	286,784	4.9%
Employee Benefits (Other)	**709,489**	696,446	276,567	561,500	(134,946)	-19.4%	13,043	1.9%
OPEB Contribution	**461,125**	385,968	198,711	403,400	17,432	4.5%	75,157	19.5%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**800**	800	0	0	(800)	-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	**14,400**	14,400	7,800	14,400	0	0.0%	0	0.0%
ADJUSTED GROSS S&EB	**$19,027,772**	$17,875,468	$8,044,147	$16,328,500	($1,546,968)	-8.7%	$1,152,304	6.4%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$19,027,772**	$17,875,468	$8,044,147	$16,328,500	($1,546,968)	-8.7%	$1,152,304	6.4%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

INVESTMENT OFFICE

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0493	CHIEF INVESTMENT OFFICER, LACERA (UC)	1	LR28
0494	DEPUTY, CHIEF INVESTMENT OFFICER, LACERA (UC)	1	LR24
0495	PRINCIPAL INVESTMENT OFFICER, LACERA	2	LR23
0496	PRINCIPAL INVESTMENT OFFICER, LACERA (UC)	3	LR23
0492	SENIOR INVESTMENT OFFICER, LACERA	1	LR20
0769	FINANCE ANALYST III, LACERA	13	LR16
0768	FINANCE ANALYST II, LACERA	12	LR12
0767	FINANCE ANALYST I, LACERA	2	109A
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	3	094B
	Total Filled Positions =	**38**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0496	PRINCIPAL INVESTMENT OFFICER, LACERA (UC)	1	LR23
0492	SENIOR INVESTMENT OFFICER, LACERA	4	LR20
0769	FINANCE ANALYST III, LACERA	2	LR16
0442	EXECUTIVE ADMINISTRATIVE ASSISTANT, LACERA	1	102C
	Total Vacant Positions =	**8**	
	TOTAL POSITIONS =	**46**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

INVESTMENT OFFICE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**219,000**	219,000	59,727	130,000	(89,000)	-40.6%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**3,500**	3,500	86	500	(3,000)	-85.7%	0	0.0%
EDUCATIONAL EXPENSES	**125,000**	125,000	78,944	113,800	(11,200)	-9.0%	0	0.0%
MISCELLANEOUS	**2,000**	1,000	1,753	3,000	2,000	200.0%	1,000	100.0%
TOTAL	**$349,500**	$348,500	$140,510	$247,300	($101,200)	-29.0%	$1,000	0.3%

*All amounts rounded to the nearest dollar.

INVESTMENT OFFICE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

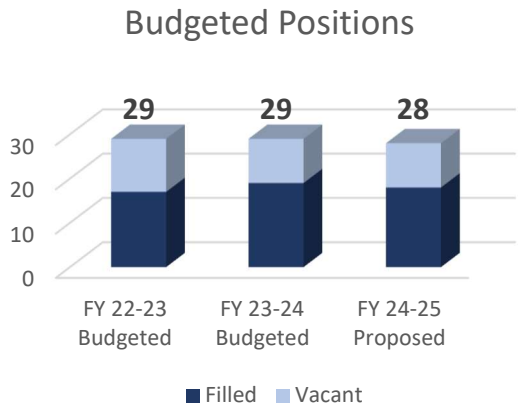
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$9,730,713	$9,126,350	$10,865,804	$10,694,800	$11,643,125
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	6,277,477	4,130,984	5,907,050	4,654,400	6,193,834
Employee Benefits (Other)	652,582	588,681	696,446	561,500	709,489
OPEB Contribution	346,317	344,025	385,968	403,400	461,125
OPEB Contribution (Budget Surplus)	0	346,317	0	0	0
Stipends	0	0	0	0	0
Overtime	1,000	0	800	0	800
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	5,000	0	5,000	0	5,000
Transportation Allowance	7,200	7,200	14,400	14,400	14,400
SERVICES & SUPPLIES					
Auto Expense	2,400	0	0	0	0
Transportation & Travel	175,000	105,780	219,000	130,000	219,000
Office Supplies & Equipment	3,500	159	3,500	500	3,500
Educational Expenses	140,000	93,613	125,000	113,800	125,000
Miscellaneous	1,000	3,625	1,000	3,000	2,000
TOTAL OPERATING BUDGET	**$17,342,188**	**$14,746,733**	**$18,223,968**	**$16,575,800**	**$19,377,272**

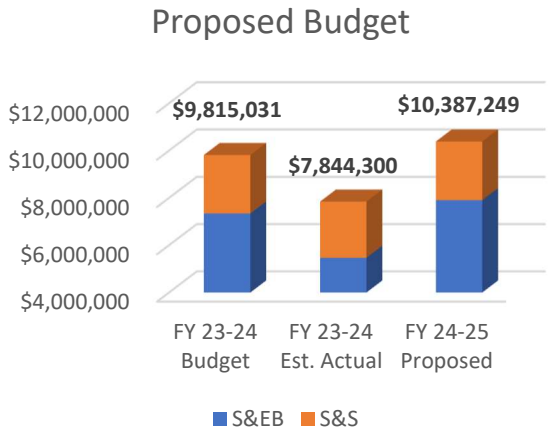
*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

Legal Services provides comprehensive legal services to LACERA and its Boards and staff. These services are provided through the Chief Counsel and four sections within the office (Benefits, Disability, Investments and Commercial Contracts, and Litigation and Employment). The Office also provides legal support in organizational governance and conflicts.

Legal Services will also provide administrative support to the new Ethics and Compliance Program expected to begin operations in FY 2024-25. (See Ethics and Compliance Office narrative.)





Summary of Significant Changes:

Description	Position Changes	Amount
• Legal Analyst for Investments	1	$83,311
• Legislative Affairs Officer	(1)	($156,000)
• Legislative Consulting Fees	-	($280,000)
• Outside Legal Counsel Fees	-	$200,000
• Litigation Support Costs	-	$40,000
• Travel & Registration Fees	-	$28,800
• Educational Materials		$11,000

NOTE: The Boards authorized a Director of Compliance in FY 2021-2022 but in standing up a new Ethics and Compliance Program, the position is more appropriately titled Chief Ethics & Compliance Officer. See also Ethics & Compliance Office narrative.

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

Legal Services plays a crucial role in supporting the administrative, pension and healthcare benefits, and investment activities of LACERA. The following outlines significant projects and initiatives that the Office has engaged in during FY 2023-24:

- The Ethics and Compliance Program is a goal in the Board of Retirement's 2023-2028 Strategic Plan and substantial progress is being made in preparing to implement the Program. An ethics and compliance advisor/counsel was engaged to provide professional expertise. The staff Policy Committee was renamed as the Ethics and Compliance Committee to provide a broad-based staff resource to support the Program. The proposed Ethics and Compliance Program Charter is working its way through the Boards' governance structure for approval. Staff is pursuing Governance, Risk, and Compliance (GRC) software as a tool for the Ethics and Compliance Program and policy management, as well as other areas of LACERA's risk management system. Education and training resources on ethics and compliance were purchased and are available to staff.
- The appeal in the County litigation has been briefed and is pending oral argument. Four amicus briefs were filed in support of LACERA from RELAC, the Coalition of County Unions, the Alameda County Employees Retirement Association, and the Santa Barbara County Employees Retirement Association. The management of LACERA's outside counsel, including strategic discussions, review of legal briefs, and coordination of amicus, required a great deal of time and effort. A decision in the Court of Appeal is expected by summer 2024.
- The elimination of the Lifetime Maximum Benefits in certain RHC Program policies is being diligently pursued through a LACERA–County Working Group. The Legal Services actively participates in this group, along with the Executive Office and other LACERA staff. Progress has been made.
- The Legal Services participated in managing the successful IRS compliance letter regarding Required Minimum Distributions for members reaching the mandatory beginning age of distributions.
- Attorney vacancies were reduced in both the Benefits and Investment Sections of the Legal Services with the hiring of Senior Staff Counsels in both areas. Recruitment of Staff Counsels for Benefits and Investments is actively underway. The addition of the new attorneys has and will continue to enhance the Legal Services ability to support Board initiatives as well as the Executive Office and other LACERA divisions.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

Legal Services will undergo positive transitions in FY 2024-25 that will improve service as vacancies are filled and new personnel, with their skills and talents, are integrated into the Office's service to the Boards, management, and staff. The following outline provides planned activities in support of the Board of Retirement's and the Board of Investments' Strategic Plans:

- Successful implementation of a fully formed and effective Ethics and Compliance Program. Additional foundational steps will include: education and training regarding ethics and compliance; the Chief Ethics and Compliance Officer job description and salary; baseline risk and ethical culture assessment; implementation of GRC software; and assisting in the transition of the Chief Ethics and Compliance Officer into the organization. In addition to the Chief position, It is expected that the Ethics and Compliance Office will require two deputies and one analyst to support the work of that Office. The timing and need for and duties of these positions will be assessed by the Chief Ethics and Compliance Officer after that position is filled. (See also Ethics and Compliance Office narrative.)
- Continued effort in pursuing recognition and implementation of the Boards' independent legal authority to determine needed classifications and salaries without interference by the County of Los Angeles, including legal work following issuance of the Court of Appeal decision in the County litigation.
- Elimination of the Lifetime Maximum Benefit for affected retired members and assistance in implementation of the solution to the issue.
- Pursue implementation of LACERA's IDEA initiative with respect to organizational diversity, equity, inclusion, accessibility, and belonging in all aspects of LACERA's business.
- Filling any remaining Legal Services vacancies. Given the volume and complexity of the legal issues facing LACERA across the entire organization, there is increasing need for sophisticated lawyers, legal analysts, and secretaries in Legal Services. To meet these needs, Legal Services will continue to take the time and effort required to recruit the most experienced and skilled professionals in the market. A review of salaries is also needed to ensure that LACERA can attract and retain excellent talent; this is supported by input from LACERA's recruiters and from candidates themselves.
- Identifying and obtaining approval for a new organizational structure for Legal Services that takes into consideration appropriate spans of control, succession planning, opportunities for staff professional growth, and appropriate classification and compensation reflecting Legal Services' unique role in supporting LACERA as an investing organization as well as a provider of pension and healthcare benefits. This will include, but may not be limited to, assessing the management reporting structure to consider a new Deputy Chief Counsel in addition to the two Principal Staff Counsel positions currently pending approval from the Board of Supervisors. Currently, the Chief Counsel provides supervision and direction to seven Senior Staff Counsel positions and directly assists in handling high-level, complex legal and governance matters. The demand for the Chief Counsel's services has increased with the growing size of the organization and the complexity of the legal landscape and legal issues facing LACERA. Staff will complete its assessment and bring any recommendations to the Joint Organizational Governance Committee (JOGC), Board of Retirement, and Board of Investments. Upon Board approval, the recommendations will then be brought to the County Chief Executive Officer

(CEO) and Board of Supervisors (BOS) for approval. Any changes to positions or salaries approved by the BOS will then be incorporated into the FY 2025-26 Budget request, unless the process can be completed more quickly. In that circumstance, staff may return requesting a mid-year adjustment to the FY 2024-25 Budget.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

One new Legal Analyst position is requested to support the investment work within Legal Services. The volume and complexity of investments transactions has grown, creating unrealistic and unreasonable workload demands on support staff. One Legal Secretary is also being internally reassigned to the Investments unit.

One Legislative Affairs Officer has been transferred from Legal Services to the Executive Office.

Although no additional positions are requested as part of the FY 2024-25 Budget, Legal Services will be assessing its organizational structure and bringing forth recommendations to more appropriately align the management and address succession planning and opportunities for staff career development to the JOGC, BOR, and BOI. Upon BOR and BOI approval, LACERA's plan for our Legal Services Office will be brought to the County's Chief Executive Officer and to the Board of Supervisors for approval. It is anticipated any new positions associated with this review will be ready for Board consideration for the 2025-26 Budget, but staff may report back mid-year should progress move more quickly.

Temporary Staffing

Temporary staffing is needed in FY 2024-25 to provide ongoing resources to account for vacancies in permanent legal analyst and attorney staff positions and to address pressing deadlines for investment transactions, member service, and other important needs of the organization.

Overtime Needs

Overtime is needed to complete important investments as required and to assist in urgent needs in other sections of Legal Services.

Interns

Funding for interns are provided in the Human Resources Division's budget. As in FY 2023-24, the Legal Services Office intends to have two law student interns in FY 2024-25. This program is important for recruiting purposes and also to introduce students to the importance of public pensions.

Rehired Retirees

The Legal Services Office is not requesting any rehired retiree assistance in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Legal Services Office has no anticipated one-time expenditures for FY 2024-25.

Services and Supplies Adjustments

Services and supplies are increased to account for the support needs of new attorneys and other staff joining the Legal Services Office, as detailed below.

Automotive Maintenance and Repair

Funding totaling $3,000 is requested for automotive maintenance and repair, an increase of $1,000 from FY 2023-24. This increase reflects the age and condition of the LACERA vehicle assigned to the Chief Counsel.

Gasoline

Funding totaling $2,000 is requested for gasoline, an increase of $500 from FY 2023-24. This increase is based on estimated use and inflation.

Mileage and Transportation

Funding totaling $6,000 is requested for staff mileage and transportation, an increase of $2,400 from FY 2023-24. This increase reflects anticipated costs associated with more staff participating in local training and development opportunities.

Travel

Funding totaling $35,000 is requested for staff travel, an increase of $16,800 from FY 2023-24. Travel is primarily associated with staff training and development but may also include due diligence. This increase reflects the travel needs of the fully staffed Legal Services Office.

Special Order Equipment

Funding totaling $7,500 is requested for special order equipment, an increase of $2,500 from FY 2023-24. This increase reflects the anticipated needs of the new Attorneys who have recently joined the Legal Services Office.

Legislative Consulting Analyst Fees

The legislative analysis and consulting function has been moved from the Legal Services Office to the Executive Office. No changes from the prior year budget are requested; Funding totaling $280,000 for these services is transferred to the Executive Office.

Outside Legal Counsel Fees

Funding totaling $2.2 million is requested for outside legal counsel fees. This represents a net increase of $200,000 from the FY 2023-24 Budget. Outside Legal Counsel are used for special circumstances where staff counsel either do not have the special expertise and/or where a conflict of interest may exist. This increase reflects the anticipated legal support required to address costs of miscellaneous non-employment litigation, general fiduciary counsel advice, tax counsel advice, and employment investigation and litigation expenses. This estimate does not include costs of settling employment cases.

Litigation Support

Funding totaling $50,000 is requested for litigation support costs, an increase of $40,000 from FY 2023-24. Litigation support costs are expected fees and services associated with major litigation and are billed separately from outside legal counsel fees. Mediation costs are also included in this category. The proposed increase reflects anticipated costs associated with the County case, as well as well as expected mediations.

Memberships

Funding totaling $20,000 is requested for professional memberships for staff. This request represents an increase of $2,000 from FY 2023-24 and reflects the anticipated needs for new Attorneys who have recently joined Legal Services.

Registration Fees

Funding totaling $30,000 is requested for registration fees to support the training and professional development of staff. This request represents an increase of $12,000 from FY 2023-24, and is based on the needs for the new Attorneys who have recently joined Legal Services.

Educational Materials

Funding totaling $85,000 is requested for educational materials for staff. This request represents an increase of $11,000 from FY 2023-2024 to address the needs of the new Attorneys who have recently joined Legal Services.

Miscellaneous

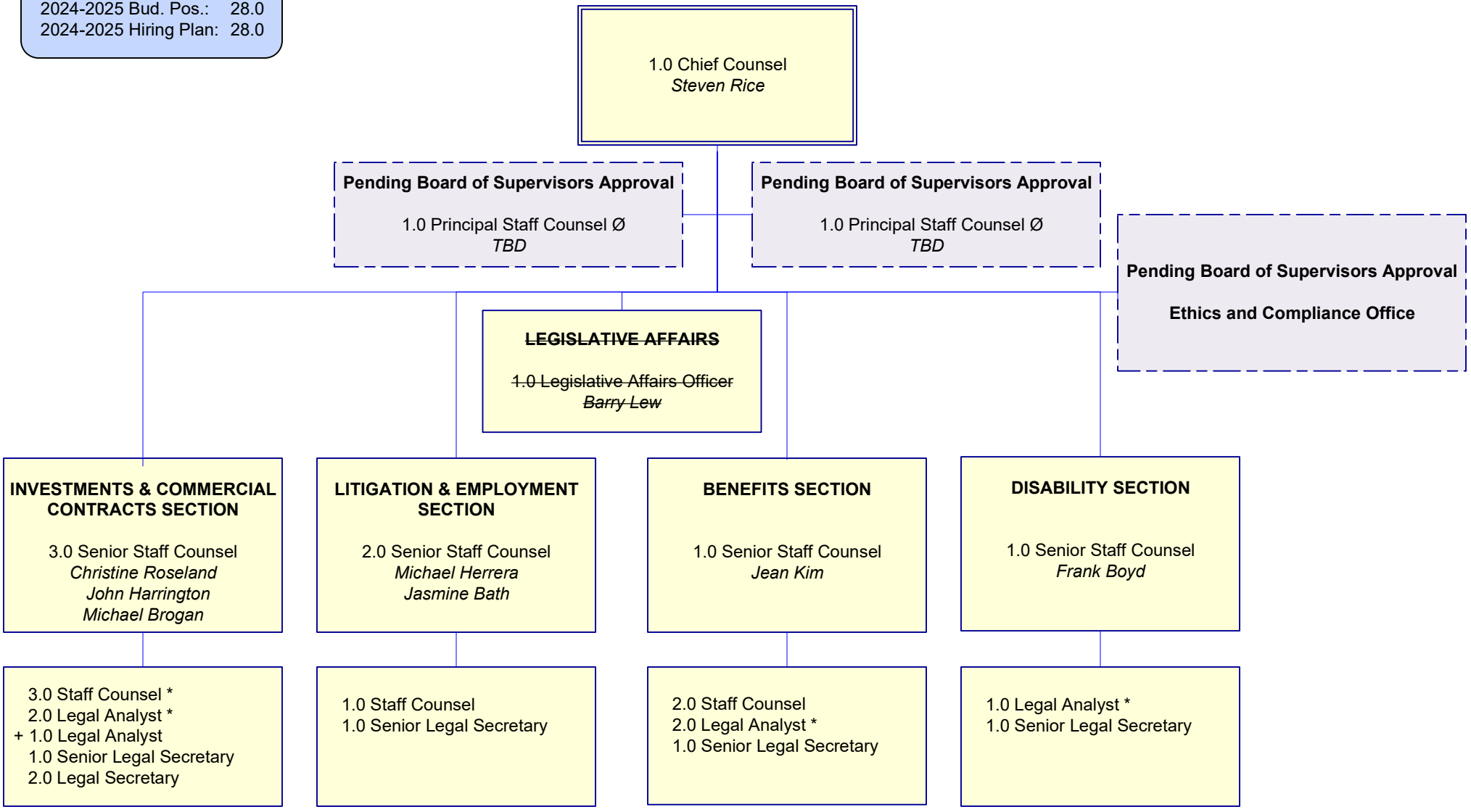
Funding totaling $4,000 is requested for miscellaneous costs, an increase of $1,700 from FY 2023-2024. This funding is provided to support team building and connectivity among the Legal Services staff.

LEGAL SERVICES

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 29.0
2023-2024 Hiring Plan: 27.0

2024-2025 Bud. Pos.: 28.0
2024-2025 Hiring Plan: 28.0



\+ Added position
– Deleted position
* Classification study for the position requested
~~Ŧ~~ Title changed from Ethics & Compliance Officer to Chief Ethics & Compliance Officer
Ø Not yet approved by Board of Supervisors (1.0 Principal Staff Counsel in Investments & Litigation Team, 1.0 Principal Staff Counsel in Benefits & Disability Team, and 1.0 Chief Ethics & Compliance Officer in Legal Services)

LACERA

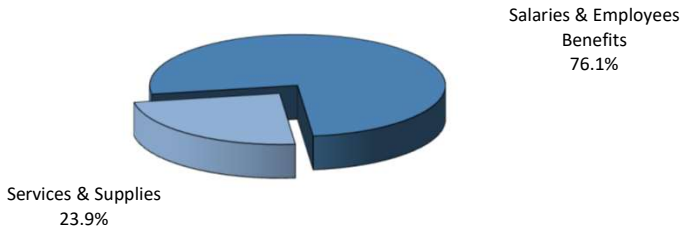
FISCAL YEAR 2024-2025

BUDGET SUMMARY

LEGAL SERVICES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$7,904,049**	$7,341,731	$2,714,546	$5,470,200	($1,871,531)	-25.5%	$562,318	7.7%
Services & Supplies	**2,483,200**	2,473,300	1,372,050	2,374,100	(99,200)	-4.0%	9,900	0.4%
OPERATING BUDGET	**$10,387,249**	$9,815,031	$4,086,596	$7,844,300	($1,970,731)	-20.1%	$572,218	5.8%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

LEGAL SERVICES

	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$4,767,153**	$4,138,231	$1,542,768	$3,131,900	(1,006,331)	-24.3%	$628,922	15.2%
Total Agency Temp Salaries	**116,700**	179,400	129,859	222,700	43,300	24.1%	(62,700)	-34.9%
Employee Benefits (Variable)	**2,518,096**	2,568,864	836,766	1,699,000	(869,864)	-33.9%	(50,768)	-2.0%
Employee Benefits (Other)	**290,496**	276,951	109,980	223,300	(53,651)	-19.4%	13,545	4.9%
OPEB Contribution	**188,805**	153,485	79,000	160,400	6,915	4.5%	35,320	23.0%
Stipends	**0**	0		0	0	0.0%	0	0.0%
Overtime	**20,300**	19,900	16,174	32,900	13,000	65.3%	400	2.0%
Bilingual Bonus	**0**	2,400	0	0	(2,400)	-100.0%	(2,400)	-100.0%
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	**$7,904,049**	$7,341,731	$2,714,546	$5,470,200	($1,871,531)	-25.5%	$562,318	7.7%
Salary Differential	**-**	-	-	-			-	
TOTAL S&EB	**$7,904,049**	$7,341,731	$2,714,546	$5,470,200	($1,871,531)	-25.5%	$562,318	7.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

LEGAL SERVICES

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
9216	CHIEF COUNSEL, LACERA	1	LS19
9213	SENIOR STAFF COUNSEL, LACERA	7	LS16
9212	STAFF COUNSEL, LACERA	2	LS12
9235	LEGAL ANALYST, LACERA	4	103G
0441	SENIOR LEGAL SECRETARY, LACERA	1	102J
0440	LEGAL SECRETARY, LACERA	2	098D
	Total Filled Positions =	**17**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
9999	PRINCIPAL STAFF COUNSEL	2	LS17
9212	STAFF COUNSEL, LACERA	4	LS12
9235	LEGAL ANALYST, LACERA	2	103G
0441	SENIOR LEGAL SECRETARY, LACERA	3	102J
	Total Vacant Positions =	**11**	
	TOTAL POSITIONS =	**28**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

LEGAL SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 PROJECTION	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION OVER/(UNDER) BUDGET	COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION % CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
AUTO EXPENSE	**$5,400**	$3,900	$1,478	$3,900	$0	0.0%	$1,500	38.5%
TRANSPORTATION & TRAVEL	**$41,000**	21,800	9,605	19,400	(2,400)	-11.0%	19,200	88.1%
OFFICE SUPPLIES & EQUIPMENT	**$7,500**	5,000	925	2,000	(3,000)	-60.0%	2,500	50.0%
PROFESSIONAL & SPEC. SRVCS.	**$300**	280,300	181,455	280,800	500	0.2%	(280,000)	-99.9%
LEGAL FEES & SERVICES	**$2,290,000**	2,050,000	1,115,963	1,954,100	(95,900)	-4.7%	240,000	11.7%
EDUCATIONAL EXPENSES	**$135,000**	110,000	61,350	111,600	1,600	1.5%	25,000	22.7%
MISCELLANEOUS	**4,000**	2,300	1,274	2,300	0	0.0%	1,700	73.9%
TOTAL	**$2,483,200**	$2,473,300	$1,372,050	$2,374,100	($99,200)	-4.0%	$9,900	0.4%

*All amounts rounded to the nearest dollar.

LEGAL SERVICES

BUDGET REQUEST INFORMATION

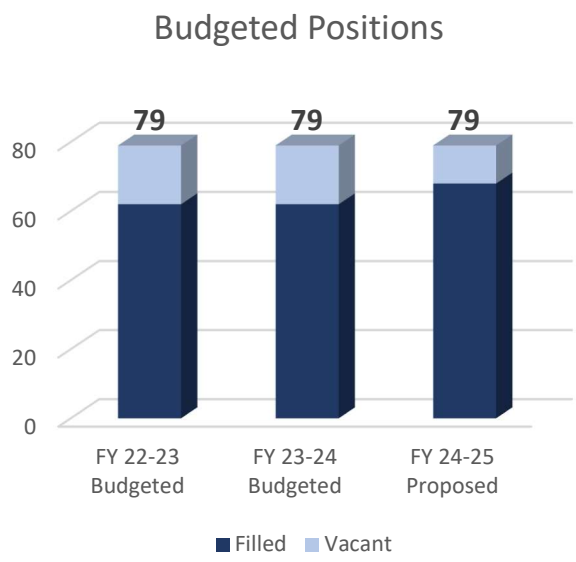
HISTORY OF EXPENDITURES

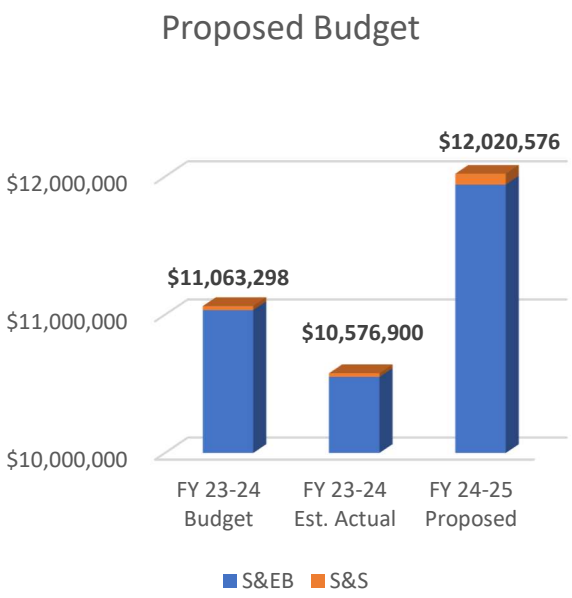
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$3,853,589	$3,233,961	$4,138,231	$3,131,900	$4,767,153
Total Agency Temp Salaries	196,600	132,911	179,400	222,700	116,700
Employee Benefits (Variable)	2,555,301	1,705,027	2,568,864	1,699,000	2,518,096
Employee Benefits (Other)	261,912	236,266	276,951	223,300	290,496
OPEB Contribution	138,993	138,104	153,485	160,400	188,805
OPEB Contribution (Budget Surplus)	0	138,993	0	0	0
Stipends	0	0	0	0	0
Overtime	18,400	20,668	19,900	32,900	20,300
Bilingual Bonus	2,400	0	2,400	0	0
Sick Leave Buyback	0	0	0	0	0
Rideshare Allowance	2,500	0	2,500	0	2,500
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Auto Expenses	4,400	1,067	3,900	3,900	5,400
Transportation & Travel	17,800	11,103	21,800	19,400	41,000
Office Supplies & Equipment	6,000	1,772	5,000	2,000	7,500
Professional & Specialized Services	252,300	156,729	280,300	280,800	300
Legal Fees & Services	3,040,500	3,550,049	2,050,000	1,954,100	2,290,000
Educational Expenses	104,500	104,577	110,000	111,600	135,000
Miscellaneous	2,000	756	2,300	2,300	4,000
TOTAL OPERATING BUDGET	**$10,457,195**	**$9,431,984**	**$9,815,031**	**$7,844,300**	**$10,387,249**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

Member Services is dedicated providing a Superior Member Experience across all channels. We provide full-service support—from assisting members with My LACERA technical issues and general account maintenance to providing in-depth retirement counseling through phone, in-person, virtual, and online channels to assisting survivors when a member passes away. We are committed to providing service while also educating members so they can understand and access the benefits available to them.





Summary of Significant Changes:

Description	Position Changes	Amount
• Travel		$9,000
• Special Orders (Outreach promotional items)		$10,000
• Registration Fees		$51,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

The Member Services Division's focus continues to be improving and streamlining our capabilities for delivering high-quality services to our members and beneficiaries, reducing call wait times, and expanding our virtual and in-person appointments. As part of our engagement with Strategic Planning Priority 1: Superior Member Experience, Member Services is building a Member Experience Council, initiating the development of member journeys, and identifying all the tasks needed to accomplish our goals in alignment with the Strategic Plan.

We began developing our standardized omnichannel retirement counseling model alongside our Benefits Division, working with Systems to roll out the online retirement application. This is the pilot program that will guide us in building dependable, consistent, and accurate interactions with members through any channel the member chooses.

Our Call Center multifactor authentication (MFA) was rolled out in November 2023. The benefits of having MFA are to protect member accounts by adding a multiple layer of security to access My LACERA, while reducing the need for members to type in answers to security questions and allowing them to reset their own passwords at any time.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

Our focus will continue to be building a strong and effective Superior Member Experience by collaborating with subject matter experts to map the member's journey, seek and incorporate member feedback, and develop all tasks and needs for each specific journey that a LACERA member will have—from the start of their County career to pre-retirement decisions, life-changing events, post-retirement, and death journeys. We remain focused on creating an omnichannel experience that is highly responsive and efficient. We continue looking for opportunities to develop online tools for members' self-service needs and provide different options for our members to reach out to us.

Both Strategic Plan goals of 1) ensuring a consistent omnichannel member experience at every stage of the member's journey and 2) improving and enhancing the retiree healthcare experience will continue to be worked simultaneously, as Member Services has already begun integrating healthcare in the standardized retirement planning counseling session. The knowledge gained by our Member Services staff will ensure that our members are receiving proper information and instructions, and it will also continue to help staff identify when a more advanced discussion is needed and should be managed by our partners in the Retiree Healthcare Division. It is our goal to train our Call Center staff on the basic Retiree Healthcare benefits to align their knowledge with our Member Services Center staff (Outreach).

We are also working closely with our Disability Retirement Services Division to ensure that the pre-retirement counseling for members applying for disability retirement and salary supplement benefits provides them all the knowledge they need to make an informed decision.

We are also invested in developing our AI-assisted Secure Validation with the goal of allowing callers to validate their identity prior to reaching a specialist. This process will streamline and reduce the total average handling time by specialists. To be in line with providing an omnichannel member experience, those who wish to be validated in person by the specialist will continue to have that option.

We plan to improve our Member Experience Communication Platform, which will enhance member interaction capabilities in our Call Center and allow us to evaluate AI-assisted chat support on our website. The RFP process is already underway. ,.

Another Member Services goal is to develop a training curriculum targeting the unique and diverse needs of our units and staff. Planning for succession at all staff levels is guiding us to review and analyze our staff skills and personal goals so we can invest and develop our team. This is in alignment with our other Strategic Plan priority of Investing in People.

As we continue our Strategic Plan priorities, we'll continue to focus on our Superior Member Experience; develop and enhance the omnichannel member experience, journeys, and educational content; standardize counseling, procedures, and communications; and work on the development, implementation, and deployment of a digital strategy to better serve our members.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024 and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

No new permanent positions are requested at this time. Our current Core Benefits class (FY 2023-24) is expected to graduate in May 2024, and we will be using those graduates to fill Retirement Benefits Specialist II vacancies in our Call Center and Member Services Center. A new training class will also begin near the end of FY 2023-24, which will help ensure a continuous pipeline of trained staff as staff promote and retire in the future.

As progress continues on filling our critical vacancies, staff will assess the current staffing levels to ensure they are adequate for the current and future needs of the organization.

Temporary Staffing

Member Services currently has one agency temporary staff member filling the Senior Administrative Assistant position and seeks to add one additional temporary staff member to support workforce management for our Call Center and Member Services Center.

Overtime Needs

Member Services is requesting a 20 percent increase in staffing hours in the overtime budget for FY 2023-24 to:

- Cover calls and in-person and virtual appointments that go beyond staff's working hours, in keeping with our focus on quality service to our members
- Continue to assist with the Benefits Division's backlog projects
- Assist with the development of the strategic planning goals, standardized journeys, staff training, and omnichannel commitment to members
- Prepare for the March Rush

In addition, due to the Core Benefits class, there is a constant need for live monitoring and review of mock calls, and the hiring process can be time consuming and prevent staff members from performing their regular duties during working hours.

Interns

Member Services is not requesting any intern positions.

Rehired Retirees

Member Services is not requesting any rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Member Services does not have one-time expenditures for FY 2024-25 that need to be removed.

Services and Supplies Adjustments

Travel and Registration Fees

The Services and Supplies budget requests are in line with previous years and based on actual and historical expenditure trends. We will need to increase our budget for travel, conferences, and training, as our goal is to continue to invest in staff development. We plan to continue attending SACRS, CALAPRS, CEBS, and ICMI conferences, as well as IFEPB, NCPERS, and other relevant conferences for our business needs. We will also be seeking conferences and training related to workforce management. A training curriculum is being developed with HR to allow our staff to gain knowledge and improve

morale. We are also looking into the supervisors' and managers' current training needs to ensure they have attended the Los Angeles County training academy courses and are able to attend refresher courses and other relevant training.

Special Orders/Minor Equipment

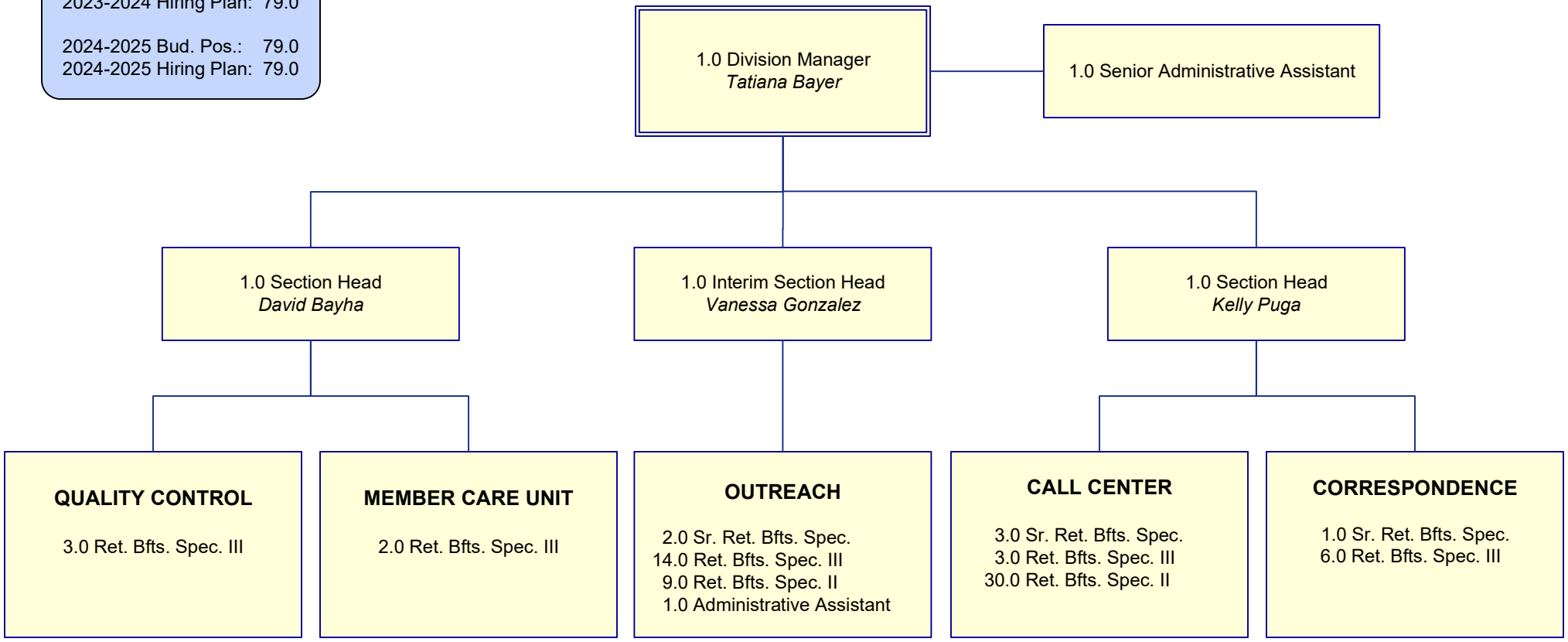
We are requesting $10,000 in Special Orders/Minor Equipment, including Outreach promotional items. As we look to increase our in-person field events, we believe it is beneficial to offer LACERA-branded promotional items as a way to encourage members to seek education about their benefits. Most of our peers provide these types of promotional items at their events.

MEMBER SERVICES DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 79.0
2023-2024 Hiring Plan: 79.0

2024-2025 Bud. Pos.: 79.0
2024-2025 Hiring Plan: 79.0



LACERA

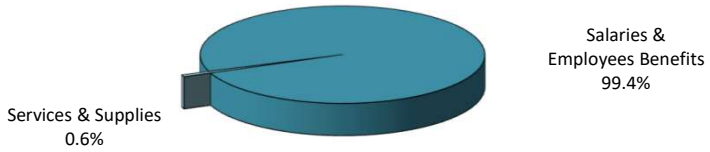
FISCAL YEAR 2024-2025

BUDGET SUMMARY

MEMBER SERVICES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$11,942,576**	$11,034,098	$5,208,590	$10,550,100	($483,998)	-4.4%	$908,478	8.2%
Services & Supplies	**78,000**	29,200	13,937	26,800	(2,400)	-8.2%	48,800	167.1%
OPERATING BUDGET	**$12,020,576**	$11,063,298	$5,222,526	$10,576,900	($486,398)	-4.4%	$957,278	8.7%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

MEMBER SERVICES

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$6,674,163**	$6,158,776	$3,131,656	$6,357,300	$198,524	3.2%	$515,387	8.4%
Total Agency Temp Salaries	**295,800**	72,600	16,149	27,700	(44,900)	-61.8%	223,200	307.4%
Employee Benefits (Variable)	**3,994,893**	3,925,974	1,565,238	3,177,700	(748,274)	-19.1%	68,919	1.8%
Employee Benefits (Other)	**406,694**	399,401	159,707	324,300	(75,101)	-18.8%	7,293	1.8%
OPEB Contribution	**264,326**	221,347	113,928	231,300	9,953	4.5%	42,979	19.4%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**264,900**	214,200	197,234	400,400	186,200	86.9%	50,700	23.7%
Bilingual Bonus	**16,800**	16,800	5,200	10,600	(6,200)	-36.9%	0	0.0%
Sick Leave Buyback	**15,000**	15,000	19,477	20,800	5,800	38.7%	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	**$11,942,576**	$11,034,098	$5,208,590	$10,550,100	($483,998)	-4.4%	$908,478	8.2%
Salary Differential **	**-**	-	-	-	-		-	
TOTAL S&EB	**$11,942,576**	$11,034,098	$5,208,590	$10,550,100	($483,998)	-4.4%	$908,478	8.2%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

MEMBER SERVICES

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0773	DIVISION MANAGER, LACERA	1	LS12
0772	SECTION HEAD, LACERA	3	LS09
1312	SENIOR RETIREMENT BENEFITS SPECIALIST	4	105B
1311	RETIREMENT BENEFITS SPECIALIST III	26	099H
1310	RETIREMENT BENEFITS SPECIALIST II	34	093B
	Total Filled Positions =	**68**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
1312	SENIOR RETIREMENT BENEFITS SPECIALIST	2	105B
1311	RETIREMENT BENEFITS SPECIALIST III	2	099H
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
1310	RETIREMENT BENEFITS SPECIALIST II	5	093B
0438	ADMINISTRATIVE ASSISTANT, LACERA	1	087K
	Total Vacant Positions =	**11**	
	TOTAL POSITIONS =	**79**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

MEMBER SERVICES

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
			YTD		OVER/(UNDER)			
		BUDGET	(01-31-24)	PROJECTION	BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$13,300**	$11,500	$6,476	$11,200	($300)	-2.6%	$1,800	15.7%
OFFICE SUPPLIES & EQUIPMENT	**10,000**	4,000	3,422	6,900	2,900	72.5%	6,000	150.0%
EDUCATIONAL EXPENSES	**52,200**	11,200	2,789	6,000	(5,200)	-46.4%	41,000	366.1%
MISCELLANEOUS	**2,500**	2,500	1,250	2,700	200	8.0%	0	0.0%
TOTAL	**$78,000**	**$29,200**	**$13,937**	**$26,800**	**($2,400)**	**-8.2%**	**$48,800**	**167.1%**

*All amounts rounded to the nearest dollar.

MEMBER SERVICES

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$5,973,287	$5,442,189	$6,158,776	$6,357,300	$6,674,163
Total Agency Temp Salaries	37,000	0	72,600	27,700	295,800
Employee Benefits (Variable)	3,639,900	2,703,061	3,925,974	3,177,700	3,994,893
Employee Benefits (Other)	383,245	350,820	399,401	324,300	406,694
OPEB Contribution	203,383	202,082	221,347	231,300	264,326
OPEB Contribution (Budget Surplus)	0	203,383	0	0	0
Stipends	0	0	0	0	0
Overtime	174,000	268,449	214,200	400,400	264,900
Bilingual Bonus	16,800	9,500	16,800	10,600	16,800
Sick Leave Buyback	15,000	17,636	15,000	20,800	15,000
Rideshare Allowance	10,000	0	10,000	0	10,000
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	8,000	7,533	11,500	11,200	13,300
Office Supplies & Equipment	5,000	1,650	4,000	6,900	10,000
Educational Expenses	11,300	1,365	11,200	6,000	52,200
Miscellaneous	2,500	893	2,500	2,700	2,500
TOTAL OPERATING BUDGET	**$10,479,414**	**$9,208,561**	**$11,063,298**	**$10,576,900**	**$12,020,576**

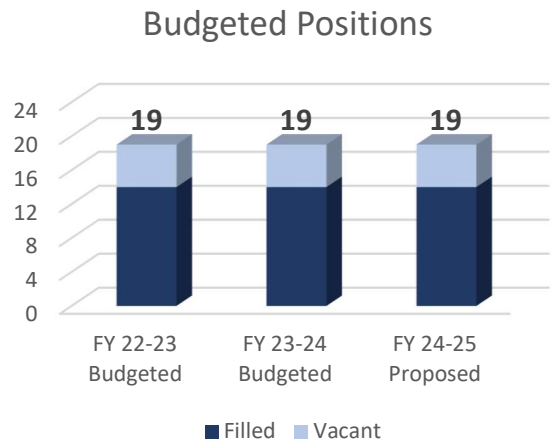
*All amounts rounded to the nearest dollar.

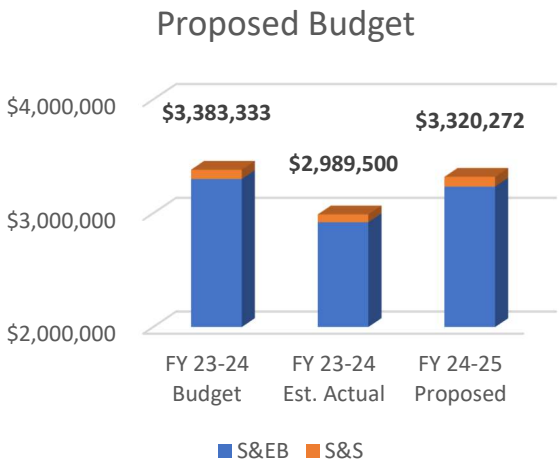
FY 2024-2025 Proposed Budget

The Quality Assurance Division (QA) performs three main functions on behalf of 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
- Special projects as assigned by the Executive Office and consistent with QA's independent quality assurance function

The Quality Assurance Division reports to the Assistant Executive Officer (AEO) who oversees the MOG.





Summary of Significant Changes

Description	Position Changes	Amount
Cost Effective Management (CEM)	---	$4,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

The Quality Assurance Division worked on the following initiatives during the 2023-24 fiscal year:

- Redesigned the Core Benefits Training Program for new Retirement Benefit Specialists to prepare the new hires to perform both Core Benefits Division processes and Call Center processes. The new program has been renamed the Specialist Basic Training Program and will graduate its first batch of trainees in April 2024.
- The Quality Assurance Division continues to participate in MOG special projects, of which the following are most noteworthy from the 2023-24 fiscal year:
    - Alameda Court Decision
    - PEPRA FAC reporting
    - Temporary Time reporting
    - Account Settlements Process Redesign

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

QA will continue to expand its audits coverage of Member Services processes through Call Monitoring and Member Surveys. QA also hopes to expand its audit scope to include more processes, especially advanced processes normally handled by Retirement Benefit Specialist IIIs and Senior Retirement Benefit Specialists.

QA will continue to enhance the training provided to MOG staff through the greater use of advanced technology like online learning, multimedia tools, and artificial intelligence. QA hopes to expand the training content to include more processes, especially advanced processes normally handled by Retirement Benefit Specialist IIIs and Senior Retirement Benefit Specialists.

The QA Division looks forward to implementing a formal standardized training program for QA Staff based on the dual pillars of:

- Benefits-specific legal and institutional knowledge and
- IIA training for Audit professionals

QA will collaborate with the MOG Divisions on ongoing and new special projects, such as the implementation of LACERA's updated Collections Policy, implementation of the Case Management System throughout the MOG, and collaborative process improvement projects between LACERA and L.A. County.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

Historically, the most qualified candidates for Quality Auditor positions are highly experienced Retirement Benefit Specialists from the Benefits and Member Services divisions. To avoid exacerbating an existing staffing shortage in the Benefits and Member Services divisions, LACERA has elected to fill the three vacant Senior Quality Auditor Positions and two vacant Quality Auditor II positions after sufficient numbers of vacancies in the Benefits and Member Services Divisions are filled with adequately trained staff, which normally takes a year from the date of hire. Accordingly, we anticipate that the QA Division staff vacancies will not be filled before the second half of the FY 2024-25, if not later. All salary and employee benefit costs, as well as services and supply costs related to these vacancies, will also be postponed until these positions are filled. If these positions are filled sooner than expected, we may request a mid-year adjustment to impacted budget items.

Temporary Staffing

The Quality Assurance Division does not intend to request agency temporary staff for the fiscal year 2024-2025.

Overtime Needs

A total of $11,900 in Overtime is requested for a Staff Assistant II (100 hours, or $6,100) and a Senior Administrative Assistant (100 hours, or $5,800) to support the following:

1) Assist with peak season work (e.g., audits and surge in training needs)

2) Anticipated special projects (e.g., database cleanup, implementation of major business rules changes, etc.)

3) CEM survey

Interns

Funding for interns is provided in the Human Resources Division's Budget. The Quality Assurance Division provides coordination and data consolidation services in association with the compilation of the annual CEM (Cost Effective Management) Benchmarking report. This process currently uses Microsoft Excel worksheets and a manual workflow that requires participants from across LACERA's divisions to spend at least 120 hours across several months, under strict deadlines, to extract, compute and transmit to QA, and ultimately CEM, a wide range of statistical data. QA wishes to assign a qualified intern to develop an application, probably using Sharepoint and Microsoft Power Platform applications, which will help manage this process more efficiently while increasing the value of the resulting data through improved analytics and data visualization tools. Depending on the qualifications of the selected intern, this project may require six to nine months. The cost for the LACERA intern program resides in the HR Division budget and the intern's work will most likely be overseen by the Systems Division.

Rehired Retirees

The Quality Assurance Division does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Quality Assurance Division does not have one-time expenditures that need to be removed in the FY 2024-25.

Services and Supplies Adjustments

There are no significant changes requested in the Services and Supplies budget. If vacant positions are filled sooner than anticipated, QA may request a mid-year adjustment to increase related costs, such as training, memberships, and services and supplies.

Cost Effective Management (CEM)

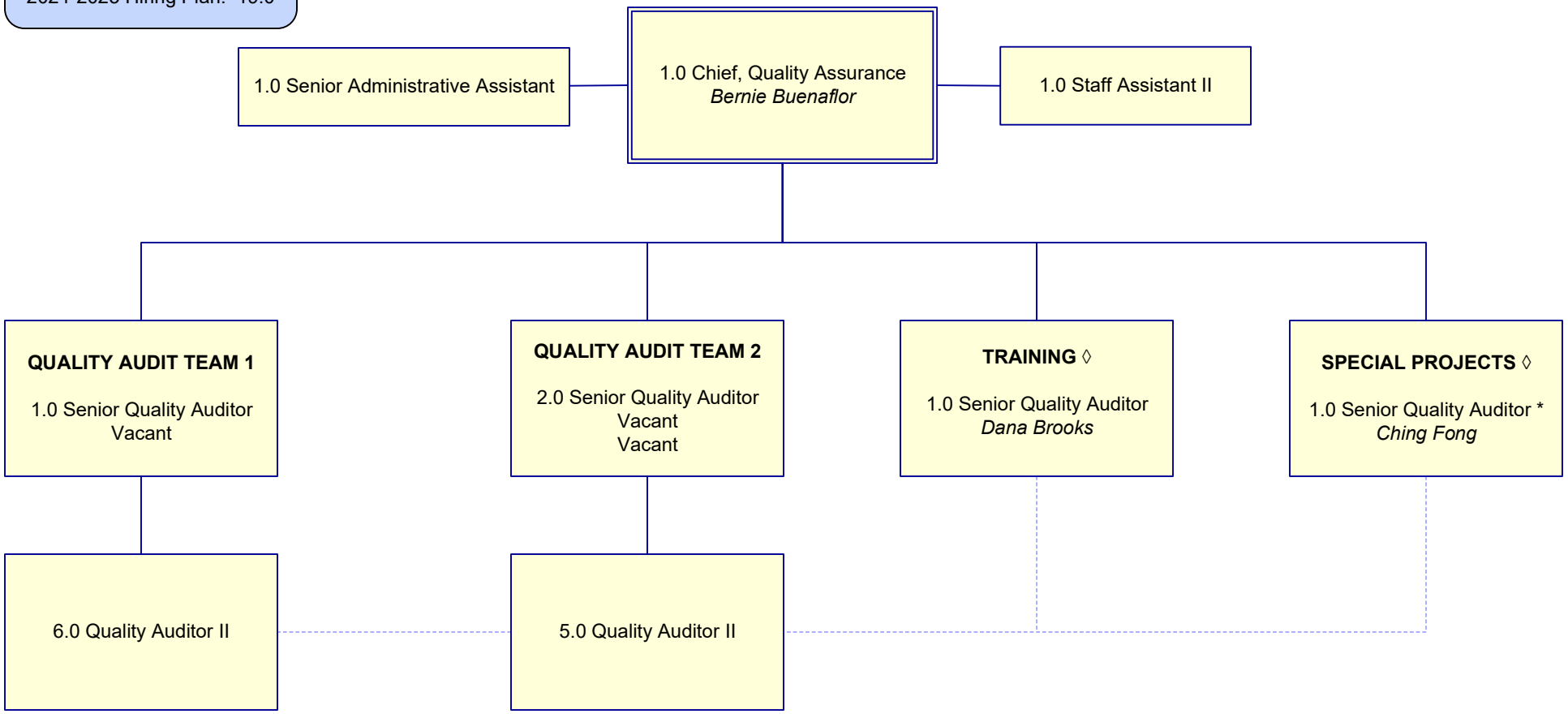
The Cost Effective Management (CEM) Benchmarking report cost increased from $55,000 to $59,000 for FY 2024-25 as reflected in the current contract.

QUALITY ASSURANCE DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 19.0
2023-2024 Hiring Plan: 19.0

2024-2025 Bud. Pos.: 19.0
2024-2025 Hiring Plan: 19.0



* Classification study for the position requested.
◊ 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.

LACERA

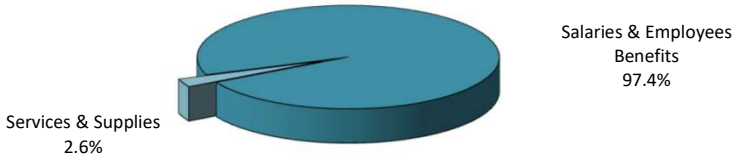
FISCAL YEAR 2024-2025

BUDGET SUMMARY

QUALITY ASSURANCE

	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$3,234,172**	$3,301,233	$1,438,762	$2,921,300	($379,933)	-11.5%	($67,061)	-2.0%
Services & Supplies	**86,100**	82,100	5,245	68,200	(13,900)	-16.9%	4,000	4.9%
OPERATING BUDGET	**$3,320,272**	$3,383,333	$1,444,007	$2,989,500	($393,833)	-11.6%	($63,061)	-1.9%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

QUALITY ASSURANCE

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$1,965,306**	$1,885,279	$865,903	$1,757,800	($127,479)	-6.8%	$80,027	4.2%
Total Agency Temp Salaries	**0**	0	0	0	0	0.0%	0	0.0%
Employee Benefits (Variable)	**1,056,170**	1,213,449	489,144	993,400	(220,049)	-18.1%	(157,279)	-13.0%
Employee Benefits (Other)	**119,760**	120,837	47,986	97,500	(23,337)	-19.3%	(1,077)	-0.9%
OPEB Contribution	**77,837**	66,968	34,469	70,000	3,032	4.5%	10,869	16.2%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**11,900**	11,500	1,260	2,600	(8,900)	-77.4%	400	3.5%
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	**$3,234,172**	$3,301,233	$1,438,762	$2,921,300	($379,933)	-11.5%	($67,061)	-2.0%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$3,234,172**	$3,301,233	$1,438,762	$2,921,300	($379,933)	-11.5%	($67,061)	-2.0%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

QUALITY ASSURANCE

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0780	CHIEF, QUALITY ASSURANCE	1	LS12
0798	SENIOR QUALITY AUDITOR	2	109H
0797	QUALITY AUDITOR II	9	104F
0439	SENIOR ADMINISTRATIVE ASSISTANT	1	094B
0427	STAFF ASSISTANT II	1	096A
	Total Filled Positions =	**14**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0798	SENIOR QUALITY AUDITOR	3	109H
0797	QUALITY AUDITOR II	2	104F
	Total Vacant Positions =	**5**	
	TOTAL POSITIONS =	**19**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

QUALITY ASSURANCE

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
			YTD		OVER/(UNDER)		OVER/(UNDER)	
		BUDGET	(01-31-24)	PROJECTION	BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$9,600**	$9,600	$0	$3,600	($6,000)	-62.5%	$0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**1,000**	1,000	290	500	(500)	-50.0%	0	0.0%
PROFESSIONAL & SPECIALIZED SERVICES	**59,000**	55,000	0	55,000	0	0.0%	4,000	7.3%
EDUCATIONAL EXPENSES	**16,300**	16,300	4,955	8,900	(7,400)	-45.4%	0	0.0%
MISCELLANEOUS	**200**	200	0	200	0	0.0%	0	0.0%
TOTAL	**$86,100**	**$82,100**	**$5,245**	**$68,200**	**($13,900)**	**-16.9%**	**$4,000**	**4.9%**

*All amounts rounded to the nearest dollar.

QUALITY ASSURANCE

BUDGET REQUEST INFORMATION

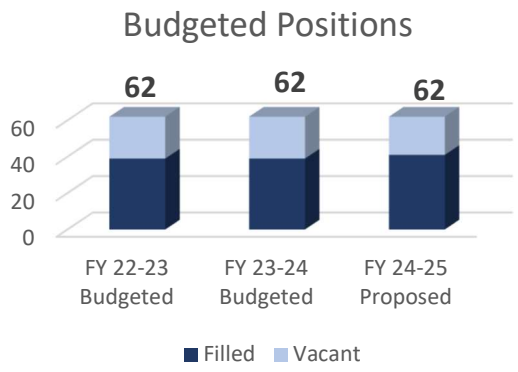
HISTORY OF EXPENDITURES

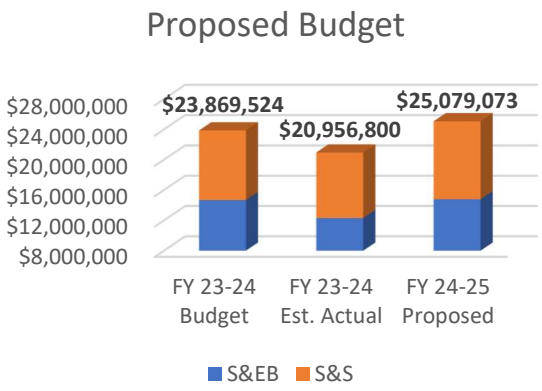
	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$1,607,869	$1,548,769	$1,885,279	$1,757,800	$1,965,306
Total Agency Temp Salaries	0	0	0	0	0
Employee Benefits (Variable)	1,009,017	886,007	1,213,449	993,400	1,056,170
Employee Benefits (Other)	123,397	111,314	120,837	97,500	119,760
OPEB Contribution	65,485	65,066	66,968	70,000	77,837
OPEB Contribution (Budget Surplus)	0	65,485	0	0	0
Stipends	0	0	0	0	0
Overtime	21,500	803	11,500	2,600	11,900
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	1,000	0	1,000	0	1,000
Rideshare Allowance	2,200	0	2,200	0	2,200
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	12,000	2,017	9,600	3,600	9,600
Office Supplies & Equipment	1,000	268	1,000	500	1,000
Professional & Specialized Services	50,000	55,000	55,000	55,000	59,000
Educational Expenses	24,500	4,787	16,300	8,900	16,300
Miscellaneous	400	0	200	200	200
TOTAL OPERATING BUDGET	**$2,918,368**	**$2,739,515**	**$3,383,333**	**$2,989,500**	**$3,320,272**

*All amounts rounded to the nearest dollar.

FY 2024-25 Proposed Budget

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 it's mission. The Division is made up of three primary sections: the Business Solutions Unit, which develops and implements software solutions to support the organization's business needs; the Infrastructure Unit, which implements and supports the organization's and staff's hardware and telecommunications needs; and the Project Management Office, which innovates new technology with subject matter experts to address new business needs and, after initial implementation, passes projects off to the other units for ongoing maintenance and support.





Summary of Significant Changes:

Description	Position Changes	Amount
• Completion of uninterruptible power supply (UPS) upgrade		($150,000)
• Completion of keycard reader upgrades		($100,000)
• Completion of Great Plains integration		($100,000)
• Member Experience Communication Platform (MECP)		$600,000
• Enterprise resource planning consultant		$250,000
• Secure Access Service Edge (SASE) (NetSkope replacement)		$235,000
• Member identity verification solution		$220,000
• Digital Mailroom		$100,000
• Human Resources Recruitment Module (Neogov)		$71,000
• Policy, GRC, and Audit solution		$70,000

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

The Systems Division has continued to modernize LACERA's technology infrastructure and implement automated business solutions for greater efficiency. Our three information technology sections—Business Solutions, Project Management Office, and Infrastructure—are engaged, working effectively, and making an impact on the organization. The following are the projects we have completed so far this year.

Automated Accounts Payable Solution: LACERA implemented Emburse Certify, a new accounts payable system. This system will take the place of the Adobe Sign payment request and special supply request workflow processing. This new system automates the accounts payable, procurement, and purchasing processes and introduces the following improvements:

- Approval workflows
- Digital invoices
- Electronic payments
- Electronic purchase orders
- Expense tracking and management
- Optical character recognition (OCR)
- Policy compliance checks
- Integration with LACERA's general ledger software
- Invoice to purchase orders matching
- Realtime reporting

The Administrative Services, Financial and Accounting Services (FASD), and Systems divisions collaborated to successfully implement this solution in January 2024.

Automated Budget Solution: LACERA implemented Questica Budget, a modern budget management solution, in November 2023. Questica automates and streamlines budget creation and tracking, replacing the outdated email-based communication and spreadsheet-driven approach. This dynamic system offers real-time access to centralized and shared budget and financial data, ensuring efficiency, accuracy, and transparency, which allows for better decision-making. In addition, Questica integrates with other enterprise systems including our general ledger system, Great Plains, and our Enterprise Contract Lifecycle Management System, Cobblestone. The system is operational and was used successfully to develop the FY 2024-25 budget.

Avaya Retirement: LACERA used an on-premises enterprise phone system from Avaya for over a decade. It provided voice and messaging services to LACERA's staff and members. To support a hybrid workforce, LACERA pivoted to using Microsoft Teams for corporate communications and an Amazon Webservices (AWS) call center solution for member communications. In October 2023, LACERA removed the traditional handset phones from LACERA offices and officially decommissioned all Avaya software and hardware. Note: Each division retained one landline phone for emergency use.

Cloud Migration: One of the most significant accomplishments for FY 2023-24 was the completion of our cloud migration project. In September 2021, the Infrastructure and Business Solutions teams began an effort to migrate all mission-critical systems from on-premises software and hardware to hosted solutions. This phased migration was successfully completed in January 2024. We migrated 40 applications to hosted solutions and retired 20 physical servers and 106 virtual servers, reducing our onsite technology footprint from three onsite data centers to one onsite data center.

Data Lake: LACERA has created a data lake to provide a single source of accurate and accessible enterprise data and a process for using this data. LACERA currently leverages multiple systems to create reports for data analysis. These reporting systems follow a traditional reporting process: A user requests information from Systems, and a report is prepared and scheduled for them. While traditional reporting will continue to be supported, the new data lake will facilitate the creation of dashboards to replace most traditional reports and provide data to power users so that they can create their own dashboards. The data lake will continue to expand and will become the cornerstone of LACERA's Business Intelligence Strategic Initiative.

Documentum Retirement: LACERA previously used Documentum, an Enterprise Content Management System that no longer fits our strategic IT architecture. We migrated the data and documents in Documentum in phases to two other document repositories that match our architecture and decommissioned the Documentum hardware and software in October 2023.

Human Resources (HR) Digitization: LACERA has converted all paper Human Resources' personnel, payroll, medical, and classification files to electronic files to allow quick retrieval of documents by a hybrid workforce, shared access to information, and an audit trail of document access. All paper-based human resource records have been scanned, indexed, and securely stored in a hosted solution. This project was completed in November 2023.

Human Resources (HR) Case Management: In October 2023, LACERA implemented Human Resources Service Now (HRSN), a powerful tool to streamline Human Resources operations. The features of this solution include *Case Management*, where incoming HR requests become cases in HRSN, providing more transparency and improved tracking of requests; *Automation*, where routine HR tasks are automated, saving time and reducing the likelihood of errors; *Knowledgebase*, a centralized repository of HR information that promotes employee self-service; and *Data Insights*, analytics and reporting tools that provide insights into HR operations, enabling data-driven decision-making. HRSN went live on October 5, 2023, with three processes: New Hire Checklist, Bonus Requests, and Onboarding/Offboarding. We plan to add more modules to the solution in future phases.

Knowledgebase (KBase) Modernization: In September 2023, LACERA launched a modernized Knowledgebase solution using SharePoint. This new solution used the content of our legacy KBase solution but provides a modern interface, greater search

capabilities, and a hosted solution. This upgraded solution is an interim measure, providing functionality until the Knowledge Management Strategic Initiative team chooses and deploys a permanent enterprise solution.

Microsoft (MS) Teams Rooms Conversions: The Telco team completed the conversion of eight traditional conference rooms to MS Teams rooms. These rooms seamlessly support hybrid meetings on MS Teams for greater collaboration and staff participation.

Multifactor Authentication for Incoming Member Calls: In November 2023, LACERA provided a multifactor authentication solution for the Member Services Call Center, allowing members and payees to authenticate more securely and quickly.

My LACERA Home Page Redesign: In January 2024, LACERA launched a redesigned home page for My LACERA. The new design is customized for each member or payee based on their status and recent interactions with LACERA.

Online Retirement Election: In January 2024, LACERA implemented an online retirement election process to allow members to retire quickly and securely at any time they choose and from almost anywhere in the world.

PPOA Data Exchange: LACERA implemented an automated data exchange process with the Public Peace Officers Association (PPOA) to replace a paper-based, manual process. LACERA is currently reaching out to other associations to implement solutions similar to the one we have in place with PPOA.

Rehired Retiree Process (previously 120-Day Retirees): In January 2024**,** LACERA implemented a process to track the hours worked by rehired retirees to enforce the policy that they cannot exceed 120 days (or 960 hours) in a fiscal year. The project involved getting a new data feed from the Los Angeles Auditor/Controller, implementing automated correspondence with rehired retirees, adding rehired retiree data to Workspace, and displaying rehired retiree work hours on the My LACERA dashboard.

Retiree Healthcare Data on My LACERA: In January 2024, LACERA enhanced the Retiree Healthcare data displayed on My LACERA to include more detailed plan descriptions, Medicare Part B Reimbursement amounts, and dependent information.

Seventh Floor Remodel: The Infrastructure team supported the seventh floor remodel project from inception to completion. As staff members from FASD, the Information Security Office, and Systems Division moved back to the seventh floor in December and January, the team set up the monitors, docking stations, and printers for them.

Sol Case Management Phase 1: In May 2022, the BOR approved LACERA's recommended vendor, Eccentex, to partner with LACERA to develop our case management system. Eccentex was selected after an extensive review of 13 vendor proposals received from our RFP. The solution that they developed for LACERA is named Sol. The first phase of Sol includes Disability Retirement Services, the Disability Litigation Office, and Benefits' First Payment process. Both the Disability Retirement Services and

the Disability Litigation Office's case management solutions were implemented in October 2023, improving both process efficiency and transparency. We expect the First Payment process to be completed by May 2024.

Windows 11 Upgrade: In September 2023, Windows 11 was pushed to all LACERA devices that are managed by Intune.

Uninterruptible Power Supply (UPS) Replacement: In November 2023, LACERA replaced the UPS that supports LACERA's boardroom and onsite data center.

We also have the following projects in progress and expect to complete them during FY 2023-24:

CEO Dashboard: In April 2024, the CEO Report that is included in the Board of Retirement agenda package and displayed on LACERA Connect will be replaced by a Power Business Intelligence (Power BI) dashboard generated using data in LACERA's data lake. This new dashboard will automate the creation of the CEO report and eliminate the current tedious, manual process.

Disaster Recovery (DR): In April 2024, LACERA will transfer the responsibility of disaster recovery from the Systems Division Project Management Office to the Information Security Office within the Executive Office. The success of the disaster recovery plan developed and executed by the Project Management Office and supported by both the Infrastructure and Business Solutions teams over the past three years cannot be overstated. When the PMO took on the responsibility of DR, LACERA had not completed a DR drill in six years. Within six months, LACERA executed a successful DR drill of *all systems supporting member operations*. Within the following year, LACERA executed a successful DR drill of *all systems* with the participation of all divisions. The transfer of responsibility will happen during our annual DR drill. Information Security will conduct annual DR drills as well as quarterly tabletop exercises from that point forward. The Systems management team, as well as the Infrastructure and Business Solutions teams, will continue to participate and support the drills and exercises, but Information Security will plan and drive them.

eDiscovery: In October 2023, the Information Technology Coordination Council approved a project to securely capture and archive organizational communications such as email, instant messages, voice messages, and mobile text messages using a new eDiscovery solution. A midyear budget adjustment was made to accommodate the cost of this new solution, which will give the Legal Services autonomy for eDiscovery and public records requests, ensure proper chain of command for eDiscovery, and increase the integrity of LACERA archives. The eDiscovery team is currently reviewing potential vendors. We expect a vendor to be selected and implemented by June 2024.

Enterprise Contract Lifecycle Management (ECLM): LACERA has procured an ECLM solution from Cobblestone. This solution will automate the development, approval, and management of contracts and RFPs at LACERA. This solution will replace a legacy

system that was developed in-house and will give LACERA the opportunity to centralize vendor management. We expect the implementation to be completed in June 2024.

LACERA Incident Response Team (LIRT) Incident Management Solution: In December 2022, the Information Technology Coordination Council approved a LIRT incident management solution project to automate the tracking of LACERA incidents. The LIRT project team decided to leverage a product that is already implemented at LACERA: ServiceNow Information Technology Service Management (ITSM). LACERA is currently meeting with a business partner to customize the incident workflow of ServiceNow ITSM to support LACERA's process. We expect this project to be completed in June 2024.

Policy Management Solution: In September 2022, the Information Technology Coordination Council (ITCC) approved a policy management project to automate the creation, review, approval, and maintenance of LACERA policies as well as track the versions and acknowledgment of policies. Funding for this project was included in the FY 2023-24 budget. While the policy management project team was reviewing possible vendors, they realized that many companies offering policy management solutions also provide an entire suite of governance products that integrate with their solution. The team believes that the policy solution should not be selected in a vacuum, but instead, should be evaluated for its features as well as the additional modules provided by the vendor. The team is currently revising the requirements for the project and will be presenting the change in scope to the ITCC for approval. If approved, the team will issue an invitation to bid (ITB) with the new requirements to vendors. We hope to select a vendor and implement the policy management solution by June 2024.

Sol Case Management Display on My LACERA: In February 2024, members that have cases managed by Sol will be able to see the detailed status of their case on My LACERA. Currently, Disability Retirement and Disability Litigation cases are live in production. We expect First Payment cases to be live in production in May 2024.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

The Systems Division will support LACERA's Strategic Initiatives in FY 2024-25 as outlined below:

1. Superior Member Experience

Enhance the Retiree Healthcare Experience: The Business Solutions team will support the Superior Member Experience initiative by developing a self-serve, online retiree healthcare enrollment process. This process will be simple, user-friendly, and efficient. Clear instructions, an intuitive interface design, real-time feedback, and the ability to easily navigate through the steps will streamline the process and enhance the overall user experience.

Member Experience Communication Platform: The Project Management Office will implement a new Call Center solution that will streamline the authentication process and improve the experience of calling LACERA for members and payees.

Sol Case Management: The Project Management Office will continue with Phase 2 of the case management project by implementing the following processes in Sol: Account Settlement, Disability handoff to First Payment, Death Processing and Seamless Survivor, and Post Process Auditing.

2. Innovation through Technology

Knowledge Management: The Project Management Office will support the Knowledge Management initiative during FY 2024-25 as LACERA seeks to digitally capture, document, organize, and access critical business knowledge and information.

Business Intelligence: The Systems Division will be leading the advancement of LACERA's business intelligence. Our data lake will serve as the foundation for this effort as we implement Power Business Intelligence (BI) dashboards, optical character recognition, and artificial intelligence solutions.

Cloud Optimization: Now that LACERA's cloud migration has been completed, the Systems Division will focus on cloud optimization. We will evaluate resource usage and right size instances, optimize storage, and implement best practices to ensure optimal performance while minimizing expenses. In preparation for this effort, three staff members are upscaling their skills by obtaining Financial Operations (FinOps) certifications to gain expertise in managing cloud costs effectively.

Mainframe Strategy: LACERA currently maintains a batch COBOL system, IRIS, that runs on a mainframe computer. While the Systems Division migrated all online transactions running on the mainframe to a more modern platform and retired 1.5 million lines of COBOL code in 2017, there are still mission-critical batch programs running on our mainframe. During FY 2024-25, the Business Solutions team will develop a three-year strategy for these programs to ensure they are seamlessly migrated to another technology.

3. Investing in People

Staff Training and Development: The Systems Division has prioritized developing technical mastery and building professional relationships for FY 2024-25. Staff will be offered training to further develop their skills, knowledge, and abilities as well as conferences to exchange information with their peers at other associations. With the implementation of new technology, we will also train staff to administer and support the new solutions as needed. While we have leaned heavily on online, virtual training during the pandemic and understand the efficiencies of this training model, we plan to take advantage of in-person opportunities going forward to make sure LACERA is in touch with our peers and is not advancing our technology in isolation.

4. Compliance and Enterprise Risk Management

Governance Automation: The Project Management Office will work with the Legal Services and Internal Audit divisions to select and implement Governance, Risk, and Compliance (GRC) and Audit Management solutions.

5. Fiscal Durability

Enterprise Automation: The Systems Division will support the new implementations of Questica (budget automation), Cobblestone (ECLM), and Certify AP (automated accounts payable) as well as work with FASD to plan for replacing our legacy general ledger system with a modern solution that leverages cloud technology, automation, and advanced analytics.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25

Adjustments to 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.

Systems is not requesting any adjustments to permanent staffing at this time.

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 staff fall into the second category. They are performing work that will be performed by permanent staff members once the 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.

The Human Resources Division is currently recruiting for five IT Specialist II positions. The hiring of these five permanent staff members will allow us to decrease the number of temporary staff members that we employ. To that end, we are decreasing our budget for temporary staffing next year from $2,811,700 to $2,140,100.

LACERA's hiring plan has four additional examps scheduled which will result in filling 13 additional vacancies over the course of FY 2024-25

Overtime Needs

We are requesting the same budget for overtime in FY 2024-25 that we requested in FY 2023-24. This 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
- Development and implementation support for Phase 2 of Sol

Interns

The Systems Division is requesting three interns, one for each of our major information systems sections. The Business Solutions intern will join the Workflow Automation Team to work on optical character recognition (OCR) initiatives and automated testing solutions; the Infrastructure intern will join the engineering team to support and learn about LACERA's onsite data center; and the Project Management Office intern will join the data lake team to help categorize LACERA's enterprise data and implement a data cataloging tool. Our goals for hiring interns are to provide meaningful work to students who are studying Information Technology, obtain energetic resources with a new perspective for short-term projects, and find qualified candidates to permanently join our division.

Funding for interns is provided in the Human Resources Division's Budget.

Rehired Retirees

The Systems Division is requesting two rehired retirees to continue to fill critical, specialized skill gaps until the IT Specialist I positions are filled with permanent staff members.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

The Systems Division has removed the following one-time expenditures totaling $350,000 for FY 2024-25 due to completion of these projects:

Project	Cost
• Completion of uninterruptible power supply (UPS) upgrade	**$150,000**
• Completion of keycard reader upgrades	**$100,000**
• Completion of Great Plains integration	**$100,000**

Services and Supplies Adjustments

The Systems Division has requested four new budget accounts this year to separate the procurement and support of infrastructure software, as well as software solutions developed and supported in-house, from the procurement and subscription costs of Software as a Service (SaaS). The four new budget accounts are:

- Divisional Software (New): This account is for new SaaS solutions that support a specific division.
- Divisional Software (Existing): This account is for existing SaaS solutions that support a specific division.
- Enterprise Software (New): This account is for new SaaS solutions that support more than one division.
- Enterprise Software (Existing): This account is for existing SaaS solutions that support more than one division.

Divisional Software: New

Project	Total Cost	Description
Secure Access Service Edge (SASE) Solution	$235,000	To support LACERA's strategic objective of Innovation Through Technology, the Systems Division and Information Security Office seeks to implement an SASE solution that will enable the organization to better support our remote and hybrid workforce automatically by connecting them to nearby cloud gateways for better performance. This project will replace the organization's current Netskope solution with a more simplified system that is easier to manage and troubleshoot and provides consistent, secure access to all applications, while allowing the engineering and information security teams to have full visibility and inspection across all network ports and protocols.

Member Identity Verification Solution	$220,000	To support LACERA's strategic objective of Superior Member Service and as part of our commitment to protecting the promised benefits, the organization seeks to improve our member identity verification processes. This project will ensure the organization can leverage identity verification and/or authentication services that adhere to the highest standards of data privacy and protection while enhancing the user experience and member satisfaction, reducing operational costs, and improving compliance and security requirements.
Facilities Management Solution	$150,000	The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace the current tediously manual and labor-intensive processes. The new system will seek to implement automation to ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve facilities-type requests. The same amount for this project was requested during the FY 2023-24 budget; however, this project was deferred due to resource constraints and to focus on higher priority initiatives.
Benefits PBI Upgrade	$100,000	To support LACERA's strategic objective of Superior Member Service, the Benefits Division seeks to replace their current end-of-life member/beneficiary research system. The new system will ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary to fullfill our fiduciary responsibilities and pay out the owed benefits. The same amount for this project was requested during the FY 2023-24 budget; however, this project was deferred due to resource constraints and in lieu of the vendor extending support in the current system.

Digital Mailroom	$100,000	LACERA seeks a virtual mailroom to ensure business continuity by providing efficient and secure management of incoming mail. The virtual mailroom would use an outsourced solution to provide uninterrupted document processing and remote accessibility. During FY 2024-25, LACERA would like to complete a pilot project for the digital mailroom to ensure that the solution would be effective and provide business continuity and seamless disaster recovery.
Human Resources Recruitment Module (Neogov)	$71,000	LACERA seeks to expand our use of Neogov to include the "Attract" talent acquisition modules, expand the use of the "Perform" modules to include performance evaluations for represented staff members, and add the "Learn" module as an organization learning management system.

Enterprise Software: New

Project	Total Cost	Description
Member Experience Communication Project (MECP)	$600,000	LACERA seeks to modernize our existing telecommunications infrastructure for servicing our members. This funding is requested to support LACERA's telecommunications strategy 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. Initial funding for this project was requested during the FY 2023-24 budget to support both the Pasadena office and Member Service Contact Center; however, the member servicing portion was deferred to focus on updates to the corporate telecommunications infrastructure.

Member Case Management (Phase 1: Enhancements) (Phase 2: Implementation)	$500,000	Case management continues to be a top priority for LACERA in the upcoming fiscal year. During FY 2023-24, LACERA will complete the implementation of Phase 1 of the project, which includes the Disability Retirement, Disability Appeals, and First Payment processes. The estimate in this current fiscal year is for continuous enhancements to the implemented Phase 1 processes as those workflows mature and to begin implementation of Phase 2. Phase 2 will focus on the insurance enrollment and member appeals resolution processes, which include legal review, insurance appeals and escalation, insurance enrollment, and administrative appeals and escalation. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources.
Enterprise Knowledge Management Solution	$250,000	To support LACERA's strategic objective of Innovation Through Technology, the organization seeks to implement an enterprise knowledge management solution that stores and organizes the knowledge and information of the organization into a single robust solution. We currently maintain this critical enterprise content in multiple formats and on disparate systems. This project will improve the efficiency of processes and operations by reducing the time and effort required to access and use relevant knowledge and information, preserve intellectual assets by capturing and storing knowledge of subject matter experts or retirees and support learning and development of staff by providing a resource to acquire and update their knowledge and skills.
Policy, Governance Risk and Compliance (GRC), and Audit Solution	$70,000	LACERA seeks to implement a comprehensive GRC solution that includes the following modules: Policy Management, IT Governance Risk and Compliance, Enterprise Risk Management, Ethics and Compliance, and Audit.

Audio/Visual Equipment Replacements

Project	Total Cost	Description
Teams Room Conversion	$125,000	The Systems Division is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. This project is being implemented in three phases, with Phases 1 and 2 completed during the FY 2023-24 budget. Funding for Phase 3 is being carried forward from the FY 2023-24 budget, and once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA's flexible hybrid work environment.

SYSTEMS DIVISION

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 62.0
2023-2024 Hiring Plan: 54.0

2024-2025 Bud. Pos.: 62.0
2024-2025 Hiring Plan: 57.0

1.0 Chief, Information Technology ₮
Kathy Delino

1.0 Sr. Administrative Assistant

BUSINESS SOLUTIONS

1.0 Information Tech. Manager II
Ganesh Gopanapalli

PROJECT MANAGEMENT OFFICE

1.0 Information Tech. Manager II
Celso Templo

INFRASTRUCTURE

1.0 Information Tech. Manager II
Summy Voong

OPERATIONS

1.0 Info. Tech. Manager I
1.0 Data Systems Coordinator
1.0 EDP Principal Programmer Analyst
1.0 Data Systems Analyst II
2.0 Data Systems Analyst I

APPLICATION DEVELOPMENT

1.0 Info. Tech. Manager I
1.0 Info. Tech. Specialist I
3.0 Ret. Systems Specialists
1.0 Data Systems Supervisor II
5.0 Data Systems Coordinator
5.0 Data Systems Analyst II
2.0 Data Systems Analyst I

SERVICE DESK

1.0 Data Systems Supervisor II
1.0 Info. Tech. Manager I
4.0 Data Systems Coordinator
3.0 Data Systems Analyst II
1.0 Data Systems Analyst I
1.0 Staff Assistant I

ENGINEERING

1.0 Info. Tech. Manager II
2.0 Info. Tech. Specialist II
1.0 Info. Tech. Specialist I
3.0 Data Systems Coordinator
1.0 Data Systems Analyst I

SYSTEM ADMINISTRATION / ARCHITECTURE

3.0 Info. Tech. Specialist II
2.0 Info. Tech. Specialist I

PROJECT MANAGEMENT

2.0 Info Tech. Specialist I
1.0 Data Systems Supervisor II
1.0 Data Systems Coordinator
2.0 Data Systems Analyst II

TELCO / AV / DATA CENTER MGMT

1.0 Info. Tech. Specialist II
1.0 Data Systems Supervisor II
1.0 Data Systems Coordinator

₮ Title changed from Chief, Information Technology Officer to Chief, Information Technology (Board of Supervisor approved and effective 1/1/2022).

LACERA

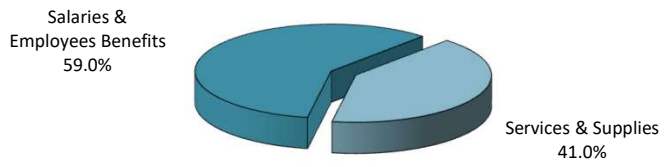
FISCAL YEAR 2024-2025

BUDGET SUMMARY

SYSTEMS DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$14,784,573**	$14,681,724	$6,297,041	$12,311,000	($2,370,724)	-16.1%	$102,849	0.7%
Services & Supplies	**10,294,500**	9,187,800	3,947,434	8,645,800	(542,000)	-5.9%	1,106,700	12.0%
OPERATING BUDGET	**$25,079,073**	$23,869,524	$10,244,475	$20,956,800	($2,912,724)	-12.2%	$1,209,549	5.1%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

LACERA

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

SYSTEMS DIVISION

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$7,720,737**	$6,950,188	$2,867,593	$5,821,300	($1,128,888)	-16.2%	$770,549	11.1%
Total Agency Temp Salaries	**2,140,100**	2,881,700	1,452,019	2,489,200	(392,500)	-13.6%	(741,600)	-25.7%
Employee Benefits (Variable)	**3,890,171**	3,907,382	1,516,520	3,079,100	(828,282)	-21.2%	(17,211)	-0.4%
Employee Benefits (Other)	**470,481**	445,474	177,103	359,600	(85,874)	-19.3%	25,007	5.6%
OPEB Contribution	**305,784**	246,880	127,070	258,000	11,120	4.5%	58,904	23.9%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**229,200**	229,200	136,054	276,200	47,000	20.5%	0	0.0%
Bilingual Bonus	**0**	0	0	0	0	0.0%	0	0.0%
Sick Leave Buyback	**12,000**	12,000	16,782	20,400	8,400	70.0%	0	0.0%
Rideshare Allowance	**8,900**	8,900	0	0	(8,900)	-100.0%	0	0.0%
Transportation Allowance	**7,200**	0	3,900	7,200	7,200	0.0%	7,200	0.0%
ADJUSTED GROSS S&EB	**$14,784,573**	$14,681,724	$6,297,041	$12,311,000	($2,370,724)	-16.1%	$102,849	0.7%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$14,784,573**	$14,681,724	$6,297,041	$12,311,000	($2,370,724)	-16.1%	$102,849	0.7%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

SYSTEMS DIVISION

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0805	CHIEF, INFORMATION TECHNOLOGY, LACERA (UC)	1	LR14
0804	INFORMATION TECHNOLOGY MANAGER II, LACERA	3	LS12
0802	INFORMATION TECHNOLOGY SPECIALIST II, LACERA	2	127C
0460	DATA SYSTEMS SUPERVISOR II, LACERA	2	120F
2644	RETIREMENT SYSTEMS SPECIALIST, LACERA	2	119L
0453	EDP PRINCIPAL PROGRAMMER ANALYST, LACERA	1	119J
0469	DATA SYSTEMS COORDINATOR, LACERA	13	114K
0458	DATA SYSTEMS ANALYST II, LACERA	10	109G
0457	DATA SYSTEMS ANALYST I, LACERA	6	106G
0426	STAFF ASSISTANT I, LACERA	1	089A
	Total Filled Positions =	**41**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0804	INFORMATION TECHNOLOGY MANAGER II, LACERA	1	LS12
0803	INFORMATION TECHNOLOGY MANAGER I, LACERA	3	LS11
0802	INFORMATION TECHNOLOGY SPECIALIST II, LACERA	4	127C
0801	INFORMATION TECHNOLOGY SPECIALIST I, LACERA	6	122A
0460	DATA SYSTEMS SUPERVISOR II, LACERA	2	120F
2644	RETIREMENT SYSTEMS SPECIALIST, LACERA	1	119L
0469	DATA SYSTEMS COORDINATOR, LACERA	2	114K
0458	DATA SYSTEM ANALYST II, LACERA	1	109G
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
	Total Vacant Positions =	**21**	
	TOTAL POSITIONS =	**62**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

LACERA

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

SYSTEMS DIVISION

ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024 BUDGET	CURRENT YEAR 2023-2024 YTD (01-31-24)	CURRENT YEAR 2023-2024 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 2023-2024 BUDGET $ CHANGE	COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET % CHANGE
COMMUNICATIONS	**$440,000**	$570,000	$203,974	$495,200	($74,800)	-13.1%	($130,000)	-22.8%
TRANSPORTATION & TRAVEL	**53,000**	41,600	6,519	26,500	(15,100)	-36.3%	11,400	27.4%
POSTAGE	**450,000**	450,000	0	400,000	(50,000)	-11.1%	0	0.0%
OFFICE SUPPLIES & EQUIPMENT	**355,000**	763,000	120,695	714,000	(49,000)	-6.4%	(408,000)	-53.5%
EQUIPMENT MAINTENANCE	**425,000**	730,000	338,113	662,800	(67,200)	-9.2%	(305,000)	-41.8%
PROFESSIONAL & SPECIALIZED SERVICES	**1,145,000**	1,340,000	280,699	1,222,100	(117,900)	-8.8%	(195,000)	-14.6%
COMPUTER SERVICES & SUPPORT	**7,358,000**	5,229,600	2,985,730	5,070,000	(159,600)	-3.1%	2,128,400	40.7%
EDUCATIONAL EXPENSES	**66,500**	63,100	11,049	54,500	(8,600)	-13.6%	3,400	5.4%
MISCELLANEOUS	**2,000**	500	654	700	200	40.0%	1,500	300.0%
TOTAL	**$10,294,500**	**$9,187,800**	**$3,947,434**	**$8,645,800**	**($542,000)**	**-5.9%**	**$1,106,700**	**12.0%**

*All amounts rounded to the nearest dollar.

** Corrections are anticipated that will result in the projected expenses being consistent with the approved budget.

SYSTEMS DIVISION

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$5,534,330	$5,374,005	$6,950,188	$5,821,300	$7,720,737
Total Agency Temp Salaries	4,576,300	2,941,429	2,881,700	2,489,200	2,140,100
Employee Benefits (Variable)	3,212,254	2,627,666	3,907,382	3,079,100	3,890,171
Employee Benefits (Other)	410,601	370,881	445,474	359,600	470,481
OPEB Contribution	217,901	216,507	246,880	258,000	305,784
OPEB Contribution (Budget Surplus)	0	217,901	0	0	0
Stipends	0	0	0	0	0
Overtime	150,000	215,349	229,200	276,200	229,200
Bilingual Bonus	0	0	0	0	0
Sick Leave Buyback	12,000	17,170	12,000	20,400	12,000
Rideshare Allowance	8,900	0	8,900	0	8,900
Transportation Allowance	0	0	0	7,200	7,200
SERVICES & SUPPLIES					
Communications	535,000	507,934	570,000	495,200	440,000
Transportation & Travel	4,200	7,459	41,600	26,500	53,000
Postage	390,000	0	450,000	400,000	450,000
Office Supplies & Equipment	469,000	792,949	763,000	714,000	355,000
Equipment Maintenance	405,000	415,215	730,000	662,800	425,000
Professional & Specialized Services	1,359,600	1,255,275	1,340,000	1,222,100	1,145,000
Computer Services & Support	5,049,600	4,989,506	5,229,600	5,070,000	7,358,000
Educational Expenses	36,500	16,342	63,100	54,500	66,500
Miscellaneous	500	221	500	700	2,000
TOTAL OPERATING BUDGET	**$22,371,686**	**$19,965,810**	**$23,869,524**	**$20,956,800**	**$25,079,073**

*All amounts rounded to the nearest dollar.

PROJECTED NON-ADMINISTRATIVE EXPENSES
For the Fiscal Year Ended June 30, 2025

	Current Year		Prior Year
	EXPENSES AS OF 12/31/2023	PROJECTED FOR FY 2024-2025	ACTUAL FOR FY 2022-2023
Pension Trust Fund:			
Investment Management Fees			
U.S. Equity	$ 3,347,409	$ 6,694,818	$ 5,768,839
Non-U.S. Equity	11,045,073	22,090,146	20,573,332
Fixed Income	7,694,694	15,389,387	(10,278,771)
Cash and Short-Term	144,822	289,645	269,176
Mortgage Loan Services	11,299	22,598	24,559
Private Equity	4,629,591	9,380,091	8,711,127
Real Assets	2,261,130	4,522,260	3,606,854
Real Estate	9,710,122	25,448,081	23,259,141
Hedge Funds	680,214	1,360,429	778,342
Commodities	1,048,713	2,097,427	2,408,892
Total Investment Management Fees	**40,573,068**	**87,294,882**	**55,121,491**
Other Investment Expenses			
Consultants			
General Investment Portfolio-Meketa Investment Group	126,175	504,700	497,350
Private Equity	512,500	975,000	803,931
Real Estate	97,313	388,788	390,141
Other Consulting Fees	364,042	728,083	935,125
	1,100,029	**2,596,571**	**2,626,547**
Custodians			
Investment Custodian and Banking Fees	1,702,208	2,769,706	3,489,685
Mortgages	1,250	5,000	5,000
	1,703,458	**2,774,706**	**3,494,685**
Performance and Other Fees	**69,458,428**	**132,646,122**	**124,849,824**
Investment Management Data Services	**1,067,545**	**2,206,035**	**1,543,032**
Investment Legal Counsel	**925,270**	**1,427,000**	**1,848,254**
Total Other Investment Expenses	**74,254,729**	**141,650,434**	**134,362,342**
Total Management Fees and Other Investment Expenses	**$ 114,827,797**	**$ 228,945,316**	**$ 189,483,833**
Actuarial Consulting Services	**207,473**	**296,000**	**457,778**
Total Pension Fund Non-Administrative Expenses	**$ 115,035,270**	**$ 229,241,316**	**$ 189,941,611**
Retiree Health Care (RHC) Program Funds:			
Fixed Income Management Fees	$ 55,752	$ 111,505	$ 104,498
Short-Term Management Fees	3,392	6,783	13,157
Custodian Fees	15,000	30,000	30,000
Total RHC Program Non-Administrative Expenses	**$ 74,144**	**$ 148,288**	**$ 147,655**
Other Post Employment Benefits (OPEB) Trust Fund:			
Enhanced Cash Management Fees	$ 13,322	$ 26,645	$ 22,416
Commodities Management Fees	101,937	203,875	153,718
Global Equity Management Fees	252,895	350,646	244,370
Fixed Income Management Fees	281,941	399,894	258,716
Real Estate Management Fees	120,768	177,880	130,224
Private Assets Management Fees	-	1,470,500	-
General Investment Portfolio Consultant	43,775	87,550	86,273
Custodian Fees	51,098	200,294	216,618
Total OPEB Trust Non-Administrative Expenses	**$ 865,737**	**$ 2,917,284**	**$ 1,112,334**

LACERA

Board of Retirement 2023-2028 Strategic Plan

Los Angeles County Employees Retirement Association

Board of Retirement

Thank you to the Board of Retirement Trustees for their service and guidance in shaping LACERA's strategic priorities and objectives.

Shawn R. Kehoe
Chair
Elected by Safety Members

Alan J. Bernstein
Vice Chair
Appointed by Board of Supervisors

Vivian H. Gray
Secretary
Elected by General Members

Elizabeth B. Ginsberg
Chief Deputy County Treasurer And Tax Collector
*Acting Ex-Officio Trustee**

Jason E. Green
Elected by Safety Members

Elizabeth Greenwood
Appointed by Board of Supervisors

James P. Harris
Elected by Retired Members

Keith Knox
County Treasurer and Tax Collector
Ex-Officio Trustee

Ronald Okum
Appointed by Board of Supervisors

Les Robbins
Elected by Retired Members

Antonio Sanchez
Appointed by Board of Supervisors

Herman B. Santos
Elected by General Members

We also want to recognize the following former Board of Retirement Trustees: Wayne Moore, William Pryor, and Gina Zapanta.

** When ex-officio trustee is absent*

A Message From the CEO

I'm pleased to present the LACERA 2023-2028 Strategic Plan on behalf of the Board of Retirement. This plan covers the strategic priorities, goals, and objectives that we will implement during the next five years. It is the result of an extensive and broadly inclusive process of review, recommendations, discussion, and collaboration among LACERA's Trustees, executive and managerial teams, active and retired members, and employees from all divisions.

First, a little background about how we got here: When I started as CEO at LACERA in November 2019, LACERA divisions were working on several strategic goals that had been set by the Board of Retirement, but a formal strategic planning process had not been conducted for several years.

In March 2020, COVID-19 forced LACERA to close most of its onsite operations, and we pivoted to a largely remote workforce nearly overnight. We were able to quickly transform the organization thanks to the decisive leadership and full support of our Board Trustees; the groundwork already completed on our existing goals; and the dedicated, all-hands-on-deck efforts of the entire LACERA staff. Together we quickly developed, implemented, and adopted new technological tools to conduct our daily operations; interact with members, colleagues, and stakeholders; and continue uninterrupted service.

In early 2022, LACERA reopened for onsite work and in-person service, and we initiated a comprehensive strategic planning process as directed by the Board of Retirement. The multiple phases of the process took place throughout the year, informed by our recent experiences and advancements and incorporating input from our various stakeholders.

In addition to catalyzing our evolution, the pandemic strengthened LACERA's commitment to our mission and our members, whose heroic efforts saved lives and maintained the social fabric during this prolonged public health emergency. Throughout this plan, you will see how our strategic priorities reflect our "member first" commitment—from developing a comprehensive member experience and benefits education program, to ensuring the stability, security, and sustainability of our infrastructure and trusts, to developing and retaining our workforce and fostering internal leadership.

Consistent with our commitment to transparency and accountability, we are publicly sharing this Strategic Plan, which will serve as our road map for enhancing the member experience while strengthening our organization from within. This plan is a living document that will continually evolve to meet shifting challenges and opportunities. Along the way, we will maintain open, responsive relationships with all of our stakeholders and encourage their input.

On behalf of everyone at LACERA, we respect the trust placed in us to serve the employees of L.A. County and other districts. We will honor that trust as we set an ambitious path of constant improvement, building a stronger LACERA for today and the years to come.

Santos H. Kreimann
Chief Executive Officer

Our Strategic Planning Process

Initiation and Assessment Stage

The strategic planning process kicked off in January 2022. LACERA conducted an assessment of our strengths, weaknesses, opportunities, and threats (SWOT assessment) as part of the May 2020 100-Day Management Report. Working with the Board of Retirement, we identified short-term priorities to focus on. This strategic plan is designed to build on that work to date and define the strategic priorities, goals, and objectives for the next five years.

We also incorporated input from recent audits, including the September 2021 Eide Bailly Recruitment Audit and August 2022 Weaver Organizational Maturity Audit.

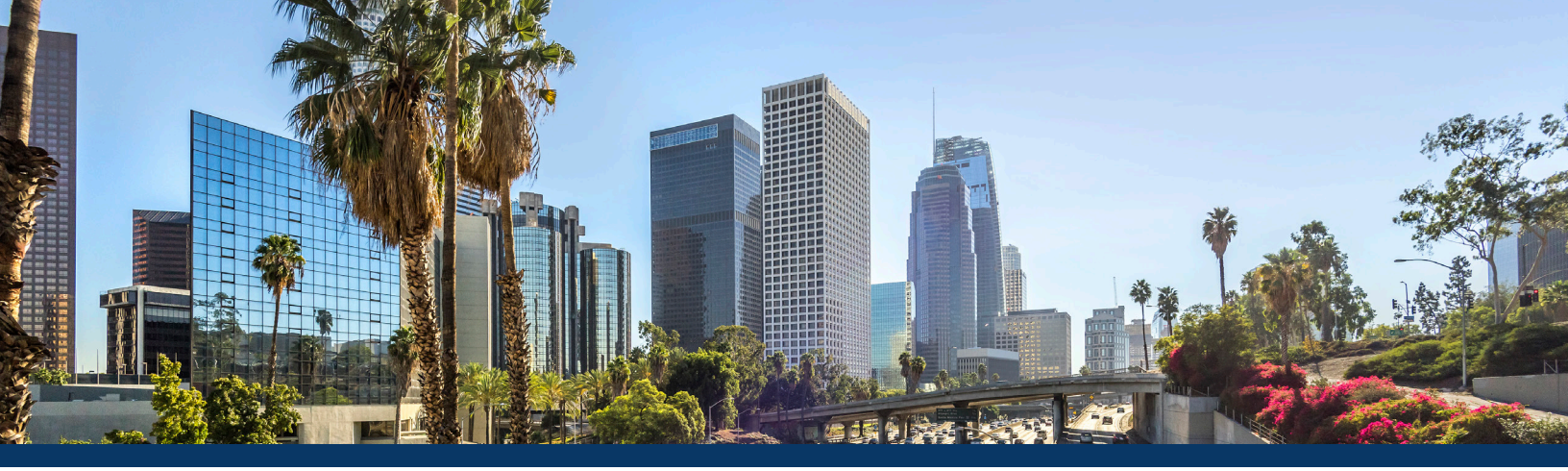
Stakeholder Engagement

Members: To get an accurate picture of our members' expectations and communications preferences as part of the member experience strategic priority, in summer 2022 we surveyed all members to learn about how they want to interface with LACERA in a variety of scenarios. This survey was the first of its kind in LACERA's history. We conducted an extensive print and digital campaign utilizing an omnichannel outreach approach to engage members across all plan types and age groups and provided print and electronic survey options to encourage maximum participation, an approach that proved to be successful based on our high response rate. (See more about the survey results under Gaining Insight on page 9.)

Employees: We held four kick-off meetings so that all LACERA employees could learn about the process. We also surveyed all LACERA employees to solicit their input.

We formed cross-divisional teams of LACERA employees to work on each strategic priority, including what we should do and how we should monitor progress to signal success of desired outcomes.

Trustees: We conducted a strategic-planning kick-off with Trustees. As we honed our options, we surveyed Trustees for their input. We also created an ad hoc committee of Trustees and key staff members to provide guidance during the process. Finally, we devoted a day of our February 2023 Board Offsite Meeting for Trustees to provide feedback and continued progressively refining the plan up to the approval stage.



Who We Are

In 1937, the County of Los Angeles established a pension trust fund to provide defined retirement and death benefits to eligible County employees. In 1938, the Los Angeles County Employees Retirement Association (LACERA) was introduced to administer it.

Today, LACERA is an independent governmental entity, separate and distinct from the County. It is the largest county retirement system in the United States.

LACERA is governed by two Boards:

- The Board of Retirement (BOR) is responsible for the overall management of the retirement system and the LACERA-administered retiree healthcare program.
- The Board of Investments (BOI) is responsible for establishing LACERA's investment policy and objectives; overseeing the management of the fund; overseeing pension actuaries and assumption-setting; and setting employer and employee contribution rates.

Together, the BOR and BOI are primarily responsible for LACERA's budget and personnel (classification and compensation). The Boards have a fiduciary duty to LACERA's stakeholders.

Our Membership

- 187,000 members, including 71,000 benefit recipients[1]
- 54,600 member participants in our retiree healthcare benefit program[2]

Our Funds

- Pension Fund value: $70 billion[1]
- Other Post-Employment Benefits Trust value: $2 billion[1]

[1]2022 Annual Comprehensive Financial Report
[2]March 2023 CEO Report

Our Plan Sponsors

In addition to the County of Los Angeles, LACERA administers and manages the retirement fund for four outside districts: Little Lake Cemetery District, Local Agency Formation Commission (LAFCO), Los Angeles County Office of Education (LACOE), and South Coast Air Quality Management District (SCAQMD).

LACERA's staff of 426 employees deliver retirement pension and healthcare benefits to our members, and oversee the prudent investment of funds.

LACERA's Strategic Plan takes into consideration our diverse stakeholders and audiences.

[1] *County of Los Angeles, Local Agency Formation Commission (LAFCO), Los Angeles County Office of Education (LACOE), South Coast Air Quality Management District (SCAQMD), Little Lake Cemetery District*

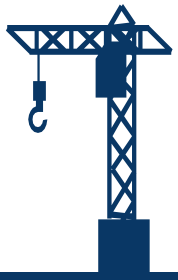
[2] *Service Employees International Union (SEIU) Local 721, Association for Los Angeles Deputy Sheriffs (ALADS), Professional Peace Officers Association (PPOA), Coalition of County Unions, International Association of Fire Fighters (IAFF) Local 1014*

Accomplishments to Date

In our current quest to build a better tomorrow, we have embarked on a number of initiatives to continuously improve our workflows and business processes.

2020

- Built mobile capability
- Deployed MS Teams
- Created Information Security team



2021

- Created Project Management team
- Developed and communicated IT strategy
- Launched new website
- Launched LACERA Connect

2022

- Started development of case management system
- Selected and received approval for new budget system
- Implemented Service Now (Help Desk)
- Created online disability application
- Established Policy Committee

2023

Adopt and launch Strategic Plan

Continuously improving workflows and business processes

Strategic Priorities

Strategic Priority Goals

1 Superior Member Experience

Innovate and continuously improve the member experience

Objectives

1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey
1.2 Enhance member educational content at every stage in their journey and launch LACERA Communication Plan
1.3 Develop, implement, and deploy a digital strategy to better serve our members
1.4 Improve and enhance the retiree healthcare experience

2 Innovation Through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

Objectives

2.1 Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform
2.2 Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information

3 Investing in People

Attract, motivate, hire, and retain a highly engaged and skilled workforce

Objectives

3.1 Develop and implement a framework aimed at promoting and embracing diversity, equity, and inclusion (DEI)
3.2 Develop enterprise-wide training and development programs designed to support and encourage employee growth and development
3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning

4 Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at facilitating strengthened governance around risk management and compliance

Objectives

4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations
4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management

5 Fiscal Durability

Exercise care and prudence in managing our resources and fund assets

Objectives

5.1 Develop organizational tools to support enterprise-wide fiscal responsibility
5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals

Strategic Priority 1: Superior Member Experience

Innovate and continuously improve the member experience

Background

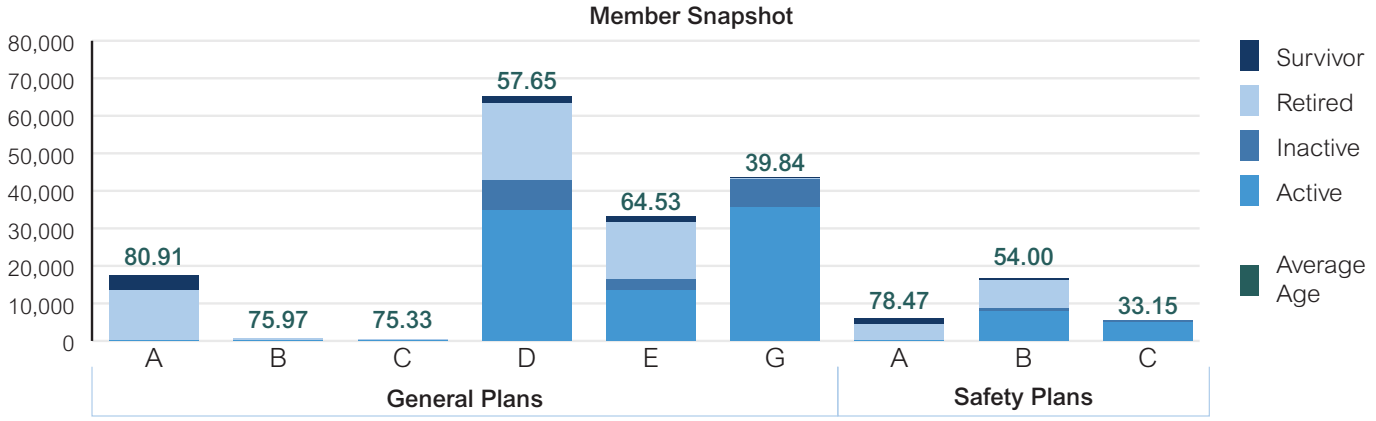
The LACERA member experience is not a one-time occurrence but a lifetime relationship—from the beginning of that member's career through the legacy they leave their survivors. It is defined by every interactive touch-point they have with LACERA, everything they hear about LACERA, and how they feel about LACERA throughout their lives.

From planning for retirement to helping members use their healthcare benefits, LACERA is proud of our long history of providing highly personalized service. Our members' demographics and expectations for service delivery, however, are changing, and are combined with increasing demand for LACERA customer service. In response, we must create innovative solutions for conducting member outreach and guiding our members to consistent, actionable information and modern, interactive tools for self-service.

LACERA has adopted a "member journey" approach that is tailored to the various stages of our members' lives to shape and deliver a superior experience that meets our members' needs.

Understanding Members Is Key

The following graph provides a high-level snapshot of our membership.



Source: March 2023 CEO Report
Data as of 2/15/23; average ages pending verification

Considering our members' ages, generations, and preferences is foundational when conducting outreach and developing a member experience program. For example, we know Gen X and Millennials are highly competent in using computers and mobile apps, are extremely active social media users, and like to choose between self-service and in-person interactions. Other generations (Greatest Generation and Baby Boomers) are increasingly adopting mobile applications and are also active in social media, but they still tend to prefer traditional interaction points, such as mail, email, phone, and in-person service when conducting business transactions.

Strategic Priority 1: Superior Member Experience

Innovate and continuously improve the member experience

Gaining Insight

To develop a sustainable member experience program, we need a deeper understanding of our members' communications preferences, both in general and during specific member journeys.

To gain greater insight, in 2022 we conducted a member survey and directly asked our members about their comfort levels with technology and online self-services, how they want to interact with LACERA in a variety of scenarios, and how they prefer to receive information. We conducted an extensive outreach campaign (including enlisting our L.A. County plan sponsor) and distributed the survey electronically and by mail to get the highest possible response rate and input from active and retired members. The data we collected will be vital as we develop member journeys.

Here are a few key insights from the survey:

- Responses were heavily skewed toward retired members and active members in their mid- to late-career stages.
- Response rates were lower from new hires in Plan G and Safety Plan C, which gives us vital information regarding levels of engagement with LACERA and differences in communication methods for future outreach efforts.
- The majority of respondents still prefer a mailed newsletter for general news and information (62 percent on average and 77 percent for those age 65 and over). In addition, an average of 50 percent of respondents indicated they liked receiving general news and information via email.
- The majority of our survey respondents indicate they use computers, tablets, and smartphones to complete financial transactions.

Among other takeaways, we know we need to conduct extensive outreach to engage with our younger demographic while focusing on an omnichannel approach for interacting with all age groups. An omnichannel approach integrates the various ways that our members can interact with LACERA (virtually, in person, by phone, email, and My LACERA) and the ways LACERA provides information (lacera.com, YouTube, email, print, SMS, My LACERA, and mailed materials). Given our members' high comfort level with receiving digital information and conducting business online for all age groups, we know we are on the right track with expanding our digital footprint and building more online applications as we develop our member journey program.

Strategic Priority 1: Superior Member Experience

Innovate and continuously improve the member experience

Developing Member Journeys

There are multiple journeys a member takes during their life with LACERA. Journeys include a member's life events (e.g., marriage, birth of a child), career and service milestones (e.g, reaching the retirement minimum age for their plan). Each member's journey is unique, but each stage of their journey is defined and mapped so we can ensure that the member has everything they need when they need it and that services are delivered based on their preferences.

The member journey is a highly personalized, high-touch, comprehensive care approach to serving our members.

Developing an in-depth understanding of a member's preferences and needs along their journey is a key component of a sustainable member experience program.

This approach requires:

- A sustainable system to evaluate each journey to ensure a continual superior member experience
- A Member Experience Council to provide coordinated focus to all involved divisions
- Defined member journeys
- Holistic focus on journey development
- Consistent omnichannel service
- A digital strategy for instant, on-demand service
- Measurable results, with consistent dashboard metrics and reports to the Operations Oversight Committee (OOC)

Strategic Priority 1: Superior Member Experience

Innovate and continuously improve the member experience

Objectives

1.1 Ensure a consistent omnichannel member experience at every stage of the member's journey

1.2 Enhance member educational content at every stage in their journey and launch LACERA's Communication Plan

1.3 Develop, implement, and deploy a digital strategy to better serve our members

1.4 Improve and enhance the retiree healthcare experience

CURRENT STATE

Members currently engage in a high-touch customer service model. Some self-help services, such as the online disability application, have been launched.

2023

OUR FOCUS

LACERA will build an educational, digital, customized, and member-centered framework for every stage of the member journey.

2023-2028

DESTINATION

Members may conveniently access our benefit and healthcare enrollment services 24/7 and confidently retire at the palm of their hands.

2028

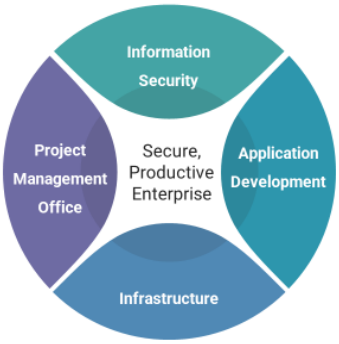
STEPS TO ACHIEVING OUR OBJECTIVES

Strategic Priority 2: Innovation Through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

Background

LACERA's Systems Division and Information Security teams' joint mission is to continually innovate safe, secure, and productive enterprise information technology (IT) solutions that support the LACERA mission and facilitate exceptional service to staff and LACERA members. In its Information Technology and Information Security Strategic Plan (July 2021), LACERA outlined the key components of a secure, productive enterprise.



Identity & Access Management

Ensuring the proper people have the appropriate access to technology resources

End-Point Management

Securing all enterprise access points—mobile phones, laptops, servers, desktops, and tablets

Infrastructure Management

Supporting all hosted and on-premises systems to minimize downtime and maintain business productivity

Data Management

Following best practices to ensure the availability and reliability of enterprise data

Application Development

Implementing modern solutions that support the enterprise

Operations Management

Optimizing change management and incident resolution through a standardized service management methodology

A secure production enterprise provides multiple interwoven benefits by building trust, promoting collaboration, supporting mobility, and providing intelligence data for better decision-making.

Trust

Protecting LACERA's enterprise data and resources

Collaboration

Creating a productive workplace

Mobility

Enabling staff to get things done from anywhere

Intelligence

Providing insights to drive faster, better business decisions

Strategic Priority 2: Innovation Through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

Information technology (IT) is an invaluable tool. When well designed and implemented, it supports effective and efficient accomplishment of an organization's goals, objectives and strategies. LACERA's Information Technology and Information Security Strategic Plan supports the strategic priorities in this Strategic Plan by helping to:

- Improve the member experience, communication, and education to align with the members' journey
- Establish the structure and approach for optimal efficiency, compliance, risk management, and service delivery
- Optimize talent management and staffing planning
- Establish tools and capacity to support evidence-based decision-making
- Provide purpose, guidance, and inspiration for "One LACERA" to succeed in achieving the objectives in this Strategic Plan

Projects In Development

LACERA is currently advancing many new technology-driven projects, such as Phase 1 of the case management system and e-signature implementation. It is rethinking the roles of end-users, business operations, and system maintenance by developing Enterprise Contract Lifecycle Management (ECLM). The system is designed to enable "power users" (who are not IT staff) to develop reports and system functionality to meet their division's specific needs and expectations.

LACERA continues to strive to improve data accuracy through consistent interpretation of laws and rules, refinements of historic data added to our pension administration system since 1990, and formatting of information provided from our members, third parties, plan sponsors, and LACERA divisions.

Future Direction

To achieve our technology vision, LACERA plans to both modify or enhance existing applications and acquire, integrate, and support new ones. Systems' staff will need a different mix of required skill sets, including:

- Project management related to acquisition and implementation of information technologies
- Information security assessments
- System integration
- Database management
- Network planning
- System administration
- Programming in various languages, thereby reducing our dependency on specific vendors' technical coding to make the systems work
- User training and support

Strategic Priority 2: Innovation Through Technology

Leverage technological solutions to advance capabilities, increase productivity, and elevate operational maturity

LACERA is keenly aware that our ideas and needs outstrip our current capacity to undertake all of them. Therefore, through strategic planning, LACERA will:

- Set priorities through our IT Coordination Council (ITCC)
- Evaluate decisions to internally develop versus buy off-the-shelf technology solutions
- Integrate end-users into the successful selection, implementation, and support of new systems so that the technology works for them
- Develop an IT succession plan to ensure we leverage the efficiencies offered by technology and customer and member service enhancements

Objectives

2.1 Promote an enterprise approach to information gathering, integration, analysis, and sharing that fosters decision-making through the adoption of a business intelligence platform

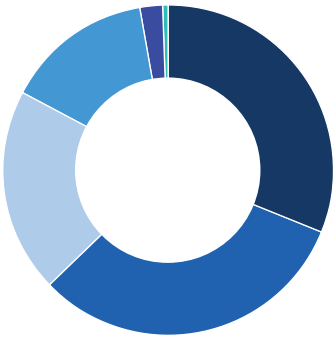
2.2 Implement an enterprise-wide knowledge management system to digitally capture, document, organize, and access critical business knowledge and information

Strategic Priority 3: Investing in People

Recruit, motivate, hire, and retain a highly engaged and skilled workforce

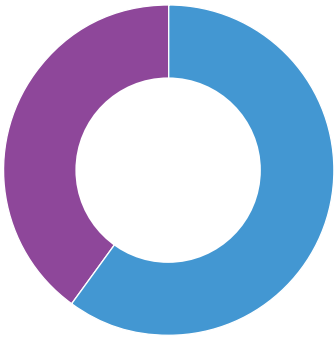
Background

LACERA has a long-standing commitment to diversity, equity, and inclusion (DEI), as reflected in our investment strategies and diverse staff. As of our January 2023 employment records, approximately one-third of our LACERA staff identify as Hispanic, one-third as Asian, and the balance as White, Black, Native American, or two or more races. Approximately 60 percent of our workforce, as reported by the County, identifies as female.



Ethnicity

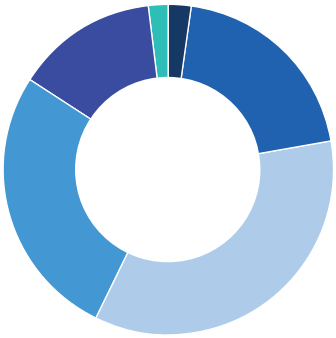
- Hispanic **31%**
- Asian **31%**
- White **20%**
- Black **14%**
- 2 or more **2%**
- Native American **>1%**



Gender

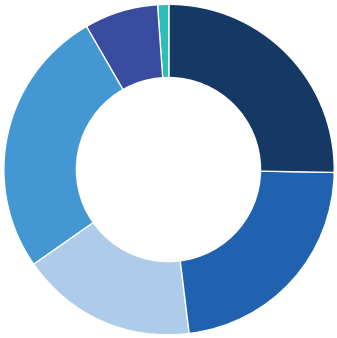
- Female **60%**
- Male **40%**

We have a professionally experienced, stable workforce. More than one-half of our employees are between the ages of 30 and 49, while nearly three-quarters of our staff members have worked at LACERA for five years or longer.



Age

- 20-29 **2%**
- 30-39 **20%**
- 40-49 **35%**
- 50-59 **27%**
- 60-69 **14%**
- 70-79 **2%**



Years of Service

- 0-5 **26%**
- 5-10 **23%**
- 10-15 **17%**
- 15-20 **27%**
- 20-25 **7%**
- 25-36 **1%**

Strategic Priority 3: Investing in People

Recruit, motivate, hire, and retain a highly engaged and skilled workforce

Internal and External DEI Efforts

In March 2021, the Board of Investments approved the Toward Inclusion, Diversity, and Equity (TIDE) initiative, which focused on DEI principles for investments, including internal practices, due diligence, active ownership, capital formation, and industry advocacy.

LACERA has now developed the LEAD initiative (see graphic below) to complement TIDE. The purpose of LEAD is to establish a positive and welcoming work culture, provide our members with exceptional service in an inclusive manner, and engage our business and community partners. We believe LEAD will:

- Build a sense of inclusiveness for employees and aid in recruitment and retention
- Provide superior member service by better understanding our members' unique and diverse needs
- Involve our business partners in delivering better results that meet LACERA's mission
- Engage and support our community in a shared vision for diversity, equity and inclusion

Objective

3.1 Develop and implement a framework aimed at promoting and embracing diversity, equity, and inclusion (DEI)

Lead Effectively

Intergrate the LEAD initiative into our work culture and how we engage with our members and convey the LEAD initiative to our business and community partners.

Ensure Equity

Commit to fair treatment and access to promotional opportunities and member resources.

Achieve Inclusivity

Practice diversity by welcoming, supporting, respecting, and valuing individuals and groups.

Drive Diversity

Seek representation of different and unique identities, characteristics, experiences, and perspectives.

Strategic Priority 3: Investing in People

Recruit, motivate, hire, and retain a highly engaged and skilled workforce

Talent Management: Recruitment, Training, and Retention

Similar to challenges of other organizations today, LACERA faces staffing vacancies with a long lead time to hire, train, and fill. LACERA is working to make the recruitment and hiring processes and procedures more transparent, efficient, and collaborative while complying with the County's civil service requirements. Human Resources (HR) is partnering with LACERA divisions to develop solutions that meet LACERA's and its divisions' hiring goals.

LACERA is also working to strengthen its talent management program for new hires and current staff members, including better onboarding, internal promotional opportunities, mentoring, and training, as well as supervisory, management, and leadership development. At the same time, we need to stay current on and/or develop changes in HR policy, processes, and procedures.

Objectives

3.2 Develop enterprise-wide training and development programs designed to support and encourage employee growth and development

3.3 Improve and simplify the hiring process, aimed at building a solid foundation for succession planning

Strategic Priority 4: Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at mitigating risk and vulnerabilities

Background

According to the Institute of Internal Auditors (IIA) Standards Glossary, risk is "the possibility of an event occurring that will have an impact on the achievement of objectives." Risk is measured in terms of impact and likelihood. LACERA has various kinds of risks, including:

- Operational risks pertaining to internal policies, processes and systems, which can be affected by our employees or triggered by external events, such as the recent COVID-19 pandemic, floods, or earthquakes
- Fiduciary risks emphasizing the importance of acting in the best interest of our members
- Compliance risks relating to adequacy of internal controls to prevent violation of laws, regulations, and policies

Enterprise Risk Management (ERM) encompasses the methods and processes that organizations use to manage risks and seize opportunities related to the achievement of their objectives. LACERA's current risk governance structure includes a variety of organization-wide and divisional efforts and controls, including:

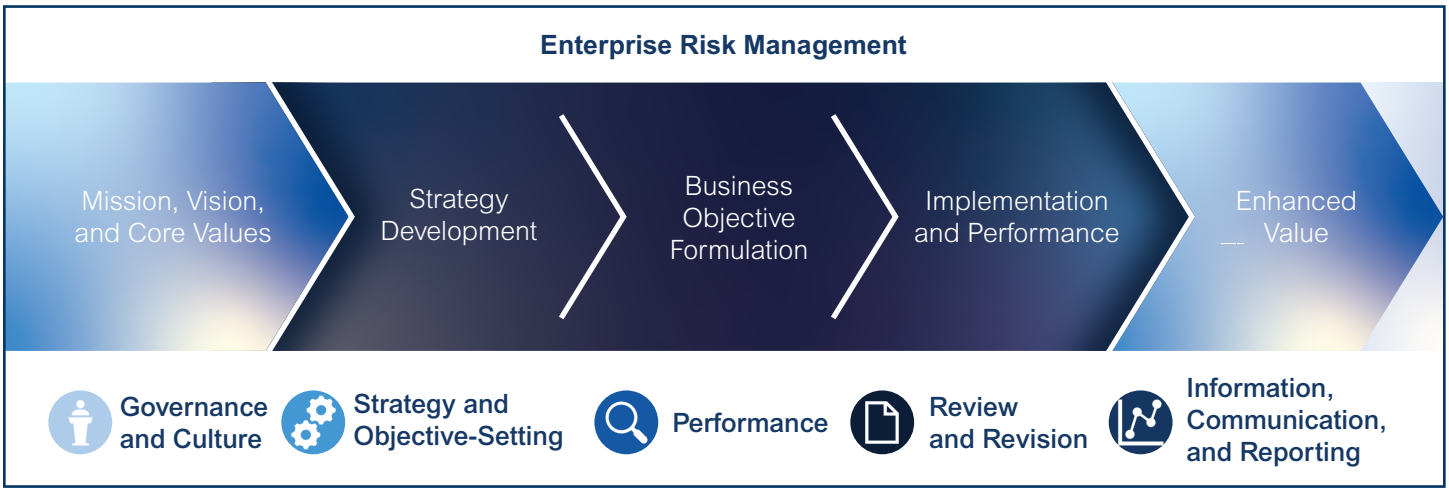
- LACERA Incident Response Team
- Policy Committee
- IT Coordinating Council
- Process Management Group
- Operations Oversight Committee and Board Reporting
- Internal Audit and Audit Committee Reporting
- Business Continuity and Disaster Recovery
- Cyber Liability Insurance

We are currently working on further formalizing the information security program, including the hiring of an Information Security Officer (ISO) and implementing this Strategic Plan.

Strategic Priority 4: Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at mitigating risk and vulnerabilities

LACERA will enhance and elevate our risk governance structure through the establishment of formal compliance and ERM programs that will facilitate management's efforts in regard to compliance and risk management. These efforts are continuous because risks constantly change.



Source: COSO 2017 ERM Framework

Objectives

4.1 Develop an enterprise compliance plan and program to ensure adherence to established processes, procedures, policies, and governing rules and regulations

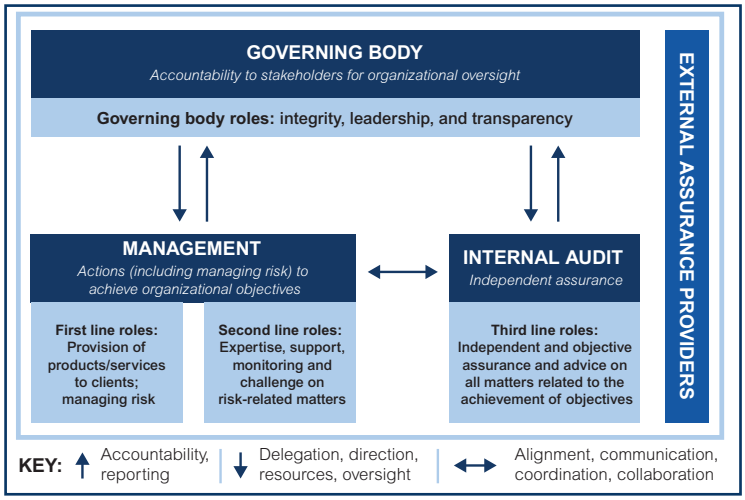
4.2 Implement a comprehensive enterprise risk management framework and structure to facilitate stronger organizational risk management

Strategic Priority 4: Compliance and Enterprise Risk Management

Adopt and implement compliance and enterprise risk frameworks aimed at mitigating risk and vulnerabilities

To achieve these objectives, we will generally follow these seven steps:

1. Form working groups across divisional lines to develop compliance and ERM charters
2. Establish dedicated compliance and risk leadership with accountability, starting with a Compliance and Ethics Officer in the Legal Office and ERM leadership in the Executive Office and Internal Audit Division
3. Identify compliance and risk champions in each division to assist with compliance and risk assessments, registers, and areas for focus
4. Conduct staff training for the organization on compliance and risk management, including new employee orientation supplemented by targeted training in specific compliance/risk areas
5. Develop divisional compliance and risk action plans
6. Integrate the results of compliance and ERM efforts into an organizational structure and plan
7. Monitor, report, and update the compliance and risk assessments, registers, and plans as part of a commitment to continuous improvement



Source: ISO 31000 Framework

CURRENT STATE	OUR FOCUS	DESTINATION
Delivering compliance and enterprise risk management programs in a non-integrated way, lacking a particular framework.	Hire a Compliance and Ethics Officer and implement the Institute of Internal Auditors "Three Lines of Defense Model" in addressing organizational risk and compliance.	Fully implemented integrated, structured, and mature organizational compliance and risk programs.
2023	2023-2028	2028

Strategic Priority 5: Fiscal Durability

Exercise care and prudence in managing our resources and fund assets

Background

LACERA has two equally critical responsibilities when it comes to managing resources and fund assets. We must:

- Ensure prudent and durable fiscal management of LACERA's budget and resources expended to administer the benefits, and
- Ensure the Board of Investments' strategic initiatives to manage LACERA's investment portfolio are implemented and supported to maximize the performance of our funds.

In pursuit of meeting of these responsibilities the following two objectives have been defined to focus our efforts.

Objectives

5.1 Develop organizational tools to support enterprise-wide fiscal responsibility

5.2 Support the LACERA Investment Office in implementing and achieving the BOI's Strategic Plan goals

Strategic Priority 5: Fiscal Durability

Exercise care and prudence in managing our resources and fund assets

Objective 5.1

Develop organizational tools to support enterprise-wide fiscal responsibility

LACERA must be fiscally responsible while fulfilling our commitment to continuously meet member expectations by delivering a superior member experience. Key to this goal is maintaining our dedication to sustainable benefit delivery while employing a cost-conscious approach to efficient utilization of resources.

Some of these fiscal elements involve improvements in:

1. Financial and budgeting systems that support LACERA's ability to make, monitor, and ensure prudent and strategic expenditure decisions
2. Technology, both member facing and internal, that may reduce unnecessary or repetitive work efforts
3. Systems and processes that can be simplified and made end-user friendly to increase staff efficiency and effectiveness
4. Staffing levels that are sufficient to complete our work, meet standards, and reflect anticipated changes from technology

These improvements will enable managers and staff to plan for, manage, and track the impact of the changes that are being implemented in the other parts of the Strategic Plan.

Objective 5.2

Implement and support the LACERA Investment Office in achieving the BOI's Strategic Plan goals

Strategic Priority 5 incorporates the BOI's key strategic investment initiatives and objectives to:

1. Share information with the BOI to promote understanding of the BOI's needs and objectives.
2. Assure availability of the operational resources necessary for the BOI to implement its strategic initiatives.
3. Assist the BOI as needed in achieving its defined priorities as well as being prepared to facilitate the BOI's ability to execute a flexible response to any unforeseen circumstances.

Strategic Plan Participants

This Strategic Plan would not have been possible without the dedication and focus of our leadership and employees in developing the action plans.

Spark Advisory Team

James P. Harris, BOR Trustee
Keith Knox, BOR/BOI Trustee
Antonio Sanchez, BOR Trustee
Herman Santos, BOR/BOI Trustee
Santos H. Kreimann, Chief Executive Officer
Luis Lugo, Deputy Chief Executive Officer
Laura Guglielmo, Assistant Executive Officer
JJ Popowich, Assistant Executive Officer
Jon Grabel, Chief Investment Officer
Steven Rice, Chief Counsel
Carly Ntoya, Human Resources Director
Vache Mahseredjian, Principal Investment Officer
Kathy Delino, Information Systems Manager

Action Planning Teams

Vision

Allison Barrett (DLO)
Iveta Brecko (SYS-PMO)
Stephanie Kawai (PMG)
Persian (Percy) Petrov (MS-MSC-OUT)
Fabio Ramirez (BEN-BPU-AMU)
Martin Sandoval (ADM)
Inga Tadevosyan (INV)
Elizabeth Tirado (LEG)
Letha Williams-Martin (RHC)

Performance Management

Gerald Bucacao (MS-CC-CC)
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Tom Deluca (SYS)
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Louis Gittens (PMG)
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Amy Lim (ADM-DPC)
Maggie Luong (PMG)
Sevan Simonian (BEN-CORE)
Kristina Sun (IA)

Member Experience

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Allan Cochran (MS)
Stephanie Kawai (PMG)
Laura Magallanes (BEN)
Cynthia Martinez (COM)
Maritza Perez (MS-MSC-OUT)
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Workforce/Talent

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David Escamilla (RHC)
Elsy Gutierrez (ADM-DPC)
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Kelly Puga (MS-CC-CC)
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Niki Webb (MS-CC-COR)

Technology

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Justin Chiu (DRS)
John Chuang (BEN-CORE)
Alex Ochoa (PMG)
Aurelia Okafor-Smith (MS-MCU)
Christian Pieratt (RHC)
Celso Templo (SYS)
Valerie Quiroz (MS-CC)
Jason Waller (DLO)

Culture

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Esme Del Bosque (INV)
Vincent Lim (DLO)
Roxanne Martin (ADM-PRO)
Valery Ptacek (MS-CC-COR)
Sarah Robles (DRS)
Ana Ronquillo (HR)
Roberta Van Nortrick (ADM)

Risk / Compliance

Nathan Amick (IA)
Carlos Barrios (BEN)
Tom Cohen (COM)
Renee Copeland (MS-CC-CC)
Laura Gonzalez (DRS)
Barry Lew (Legal)
Christina Logan (IA)
Antonio Ramos (MS-CC-CC)
Gloria Rios (FASD)
Bob Schlotfelt (EXEC-ISO)

Other APTs

Ian Duggan (COM)
John Louie (MS-CC-COR)

Strategic Planning Idea Review and Implementation Team (SPIRIT)

Goal No. 1: Member Journey and Experience

JJ Popowich (EXEC), Facilitator
Frank Boyd (LEG)
Allan Cochran (MS)
Cassandra Smith (RHC)
Fern Billingy (LEG)
Tamara Caldwell (DRS)
Vanessa Gonzalez (MS)
Carlos Barrios (BEN)
Kathy Delino (SYS)
Cynthia Martinez (COM)

Goal No. 2: Embracing Technology

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Leisha Collins (QA)
Ricki Contreras (DRS)
Kathy Delino (SYS)
JJ Popowich (EXEC)
Bob Schlotfelt (EXEC-ISO)
Celso Templo (SYS)
Summy Voong (SYS)

Goal No. 3: Compliance and ERM Responsibility

Steven Rice (LEG), Facilitator
Bernie Buenaflor (QA)
Richard Bendall (IA)
Barry Lew (LEG)
Christina Logan (IA)
Roberta Van Nortrick (ADM)

Goal No. 4: Fiscal Responsibility

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Leisha Collins (QA)
Kaelyn Ung (ADM)
Roberta Van Nortrick (ADM)

Goal No. 5: Human Resources

Luis Lugo (EXEC), Facilitator
Jasmine Bath (LEG)
Laura Guglielmo (EXEC)
Carly Ntoya (HR)

Goal No. 6: Culture

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Jon Grabel (INV)
Luis Lugo (EXEC)
JJ Popowich (EXEC)
Carly Ntoya (HR)
Steven Rice (LEG)
Scott Zdrazil (INV)

Goal No. 7: Accountability and Metrics

Luis Lugo (EXEC), Facilitator
Eugenia Der (DLO)
Louis Gittens (BEN)
Maggie Luong (BEN)

The main purpose of this Strategic Plan is to build a better tomorrow for our members by outlining what we must do internally in terms of technology, staffing, and processes—particularly enterprise risk management, compliance, and fiscal durability—to support both the member services and investment sides of LACERA.

This document does not authorize expenditure of funds or commitment of resources.

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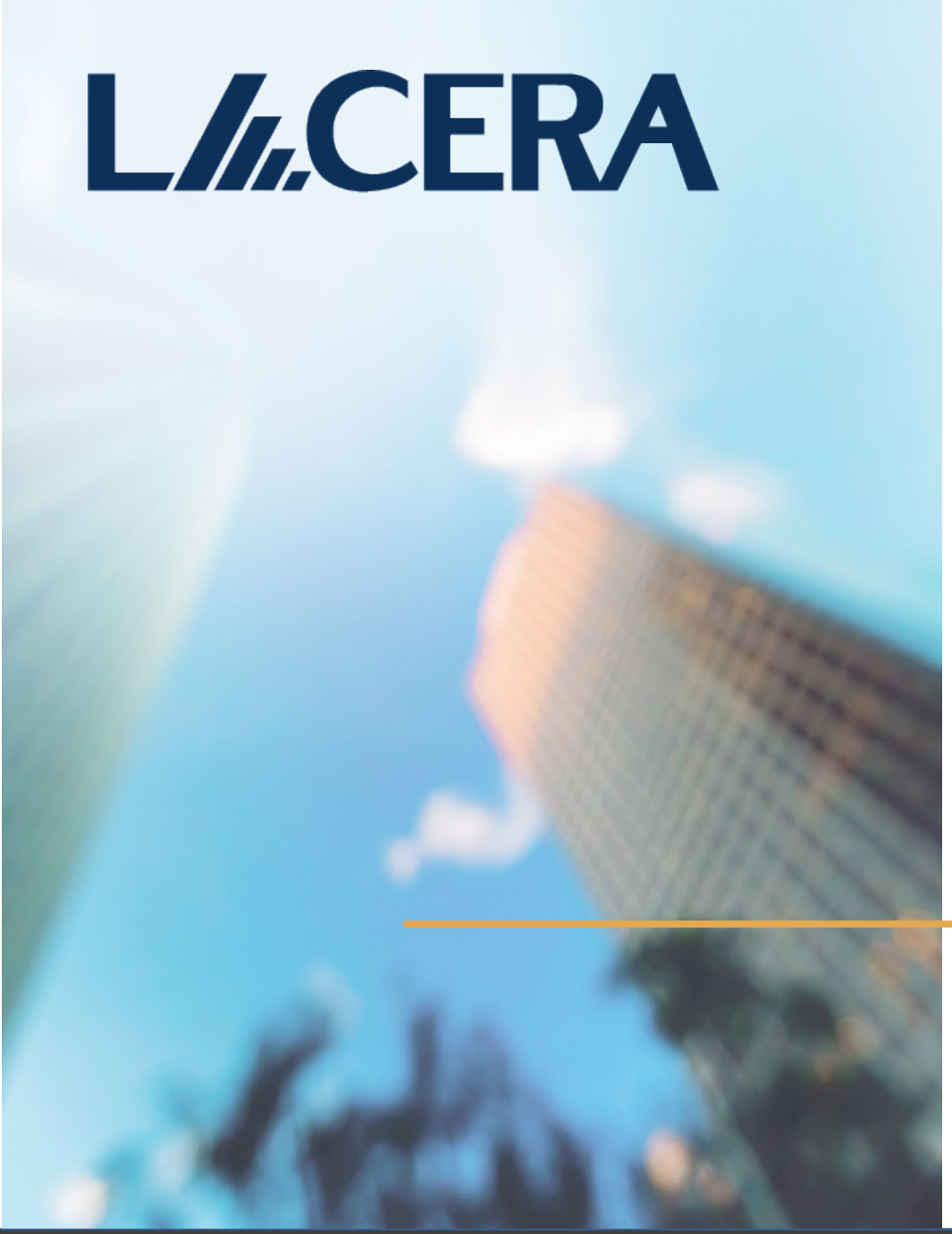


Towards Best-In-Class Investor

2024 Strategic Initiatives and Work Plan

Investments Division

Board of Investments Meeting

January 10, 2024

2024 Work Plan Recommendation and Overview

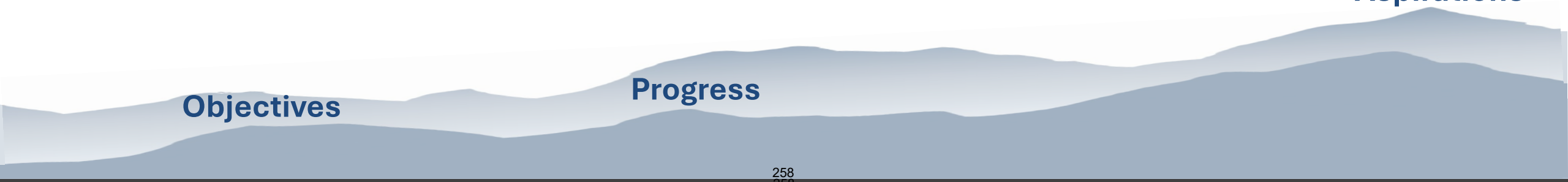
Recommendation

Approve the 2024 BOI Strategic Initiatives and Work Plan

Overview

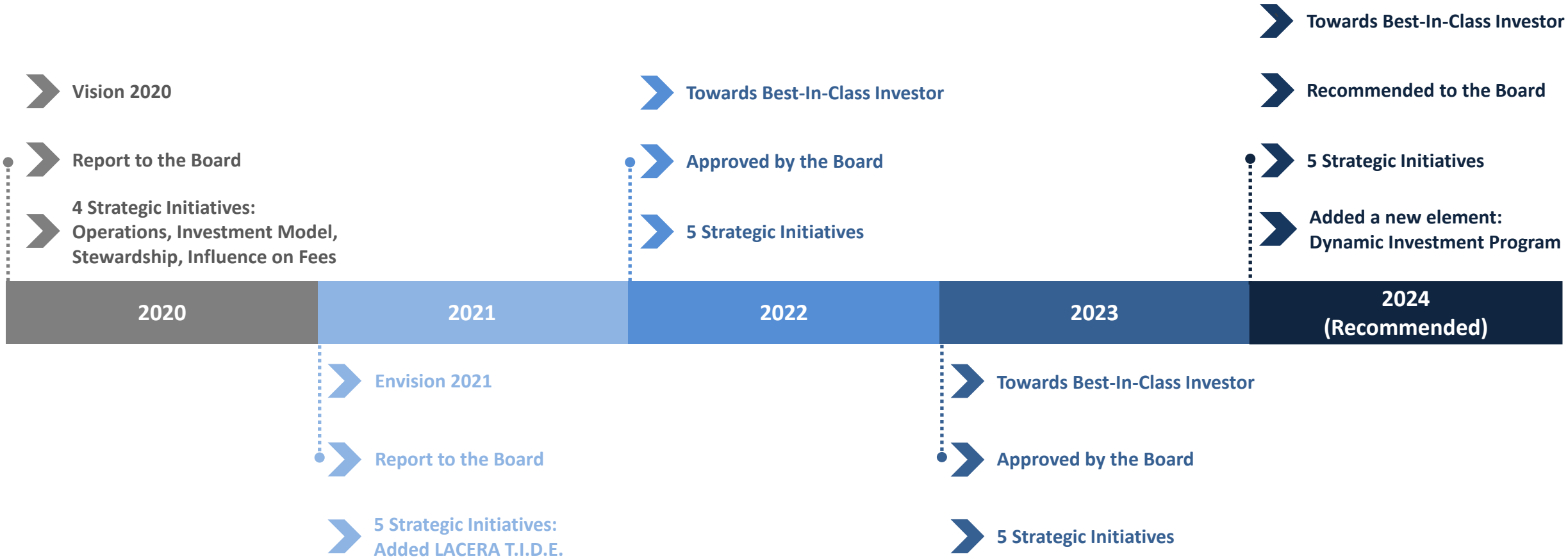
The 2024 Strategic Initiatives and Work Plan aims to:

1. Provide **visibility** into current and upcoming initiatives
2. Reflect and **synthesize** Board-approved projects and input, recent Board meetings, and Offsite discussions into a cohesive action plan
3. **Align** resources and priorities to remain resilient and adaptable to unforeseen circumstances



Strategic Initiatives and Work Plan Timeline

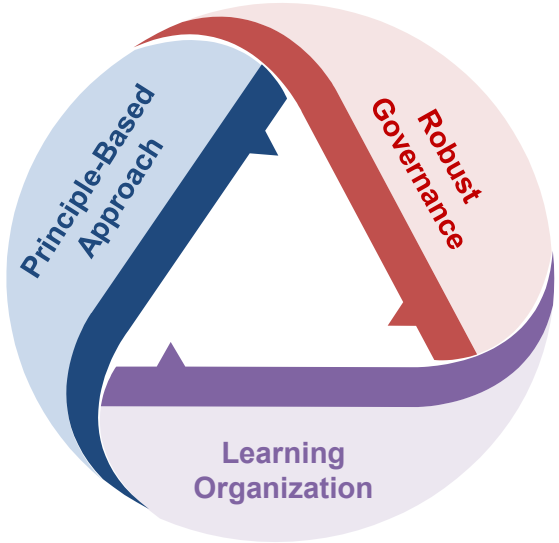
Components of the Strategic Initiatives and Work Plan have been refined over several years with the steady goal of improving portfolio outcomes

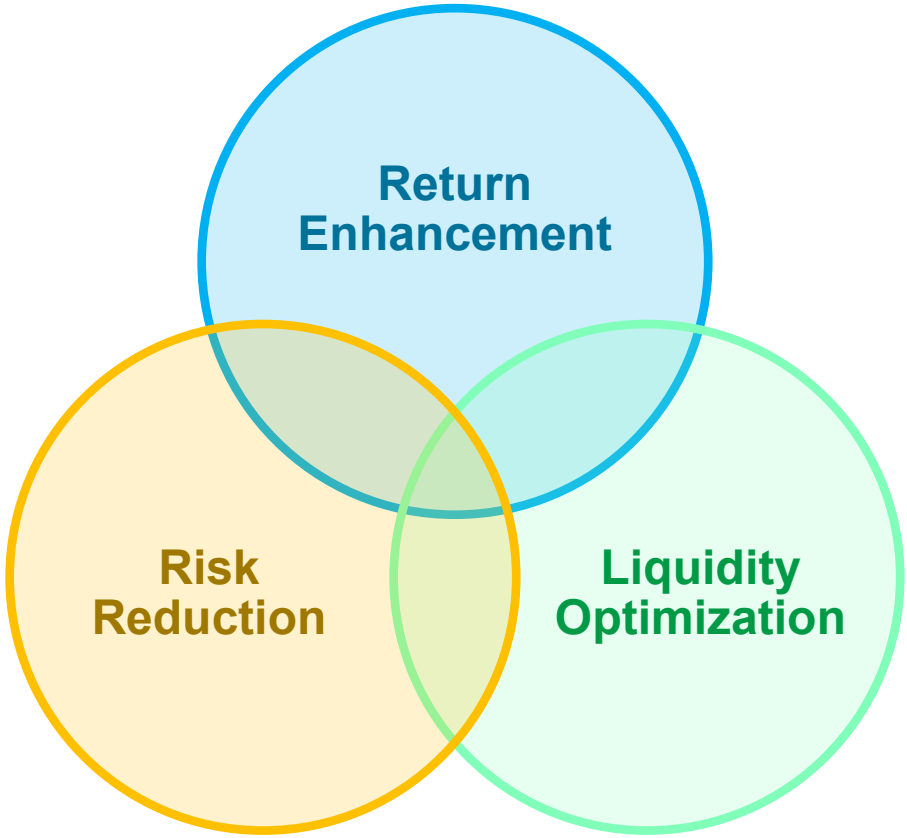


2024 Work Plan: Execute Strategic Asset Allocation Towards Best-In-Class Investor

Execute Strategic Asset Allocation

Dynamic Investment Program





Strategic Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
- Strengthen Influence on Fees and Cost of Capital
- T.I.D.E. Towards Inclusion, Diversity, and Equity

Mission: To produce, protect and provide the promised benefits to our members

Execute Strategic Asset Allocation

Execute Strategic Asset Allocation

Dynamic Investment Program

Strategic Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
- Strengthen Influence on Fees and Cost of Capital
- T.I.D.E. Towards Inclusion, Diversity, and Equity

Mission: To produce, protect and provide the promised benefits to our members

2024 Work Plan: Objectives of the Investment Program

LACERA's Investment Policy Statement emphasizes Produce, Protect, and Provide objectives, mirrored in its Strategic Asset Allocation strategy focusing on Return Enhancement, Risk Mitigation, and Liquidity Optimization

Objectives of the Investment Program

LACERA follows a carefully planned and executed strategic investment program in order to:

I. ***Produce*** *the promised benefits for LACERA members and beneficiaries by achieving the Fund's assumed rate of return on a total return basis over the long-term, consistent with LACERA's mission;*

II. ***Protect*** *the promised benefits on behalf of LACERA members and beneficiaries by mitigating investment risks through Fund diversification and other means, consistent with LACERA's mission; and*

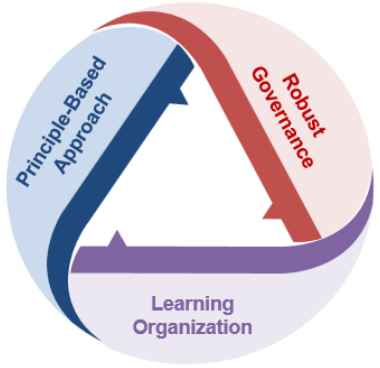
III. ***Provide*** *the promised benefits for LACERA members and beneficiaries, in part by ensuring adequate liquidity, consistent with LACERA's mission*

Execute Strategic Asset Allocation

Mission: To produce, protect and provide the promised benefits to our members

Dynamic Investment Program

Dynamic Investment Program



Execute Strategic Asset Allocation

Strategic Initiatives

- Enhance Operational Effectiveness
- Optimize Investment Model
- Maximize Stewardship and Ownership Rights
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- T.I.D.E. Towards Inclusion, Diversity, and Equity

Mission: To produce, protect and provide the promised benefits to our members

Dynamic Investment Program: Robust Governance

Board-requested governance review in Spring of 2023 led to a comprehensive, multi-stage assessment of LACERA's policies, procedures, and investment decision-making processes and documents

Given LACERA's total Fund size, its leadership, and market position, the Board voted unanimously to elevate governance via delegated authority while simultaneously enhancing its oversight and monitoring capabilities

Delegated Authority Framework[1]

1. Investment Policy Statement
2. Strategic Asset Allocation
3. Asset Class Structure Reviews
4. Staff-Led Sourcing and Due Diligence
5. Internal Committee Approval and Consultant Concurrence
6. CIO Approval
7. Continuous Board Oversight and Monitoring

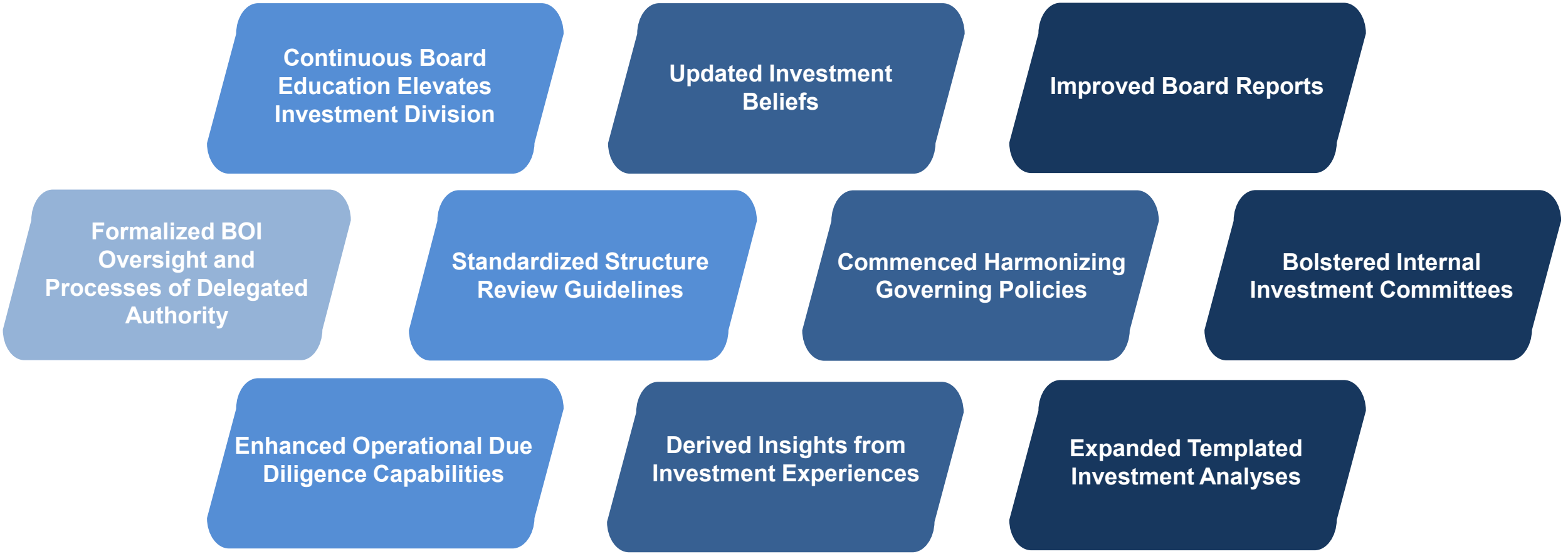
Strategic Initiative Alignment

- Nimble and efficient execution of BOI-approved work plan and SAA
- Elevates Board resources to focus on long-term strategic goals
- Continued exercise of ownership rights over investments
- Timelier negotiations of costs, fees, and terms
- Elevates the role of LACERA T.I.D.E through programmatic BOI updates

[1] *As further articulated in the "Proposed Delegated Authority Framework" Board of Investments presentation meeting report November 8th 2023*

Dynamic Investment Program: Learning Organization

LACERA's dedication to being a learning organization inspires an ongoing pursuit of self-improvement, adaptation, and evolution



Dynamic Investment Program: Principle-Based Approach

LACERA evolved from a rules-based investment approach to a principle-based structure, providing a robust and flexible framework to adapt and evolve to changing macro environment, technological advancements, and workforce composition

Comprehensive Due Diligence
Encompasses ESG, DEI, investment and operational considerations

Portfolio Insights
Increased total Fund risk monitoring, performance reporting, and exposure awareness

Ownership Rights
Ownership rooted in corporate governance and stewardship principles

Functional Asset Categories
Define the role of investments by return, risk, and liquidity considerations

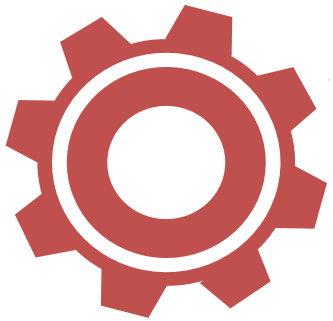
Portfolio and Structure
Principle-based structure reviews guide portfolio objectives, framework, and guidelines

Investment Beliefs
Guiding beliefs set the direction and goals of the investment department

Strategic Initiatives

Mission: To produce, protect and provide the promised benefits to our members

2024 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

Progress:

- Evolved LACERA's policies, governance, and investment making decision structure
- Completed hire of deputy chief investment officer
- Implemented a digital platform to evaluate questionnaires and other diligence materials
- Completed operational due diligence review covering investment processes and controls
- Increased influence and reduced operational risk via single-investor vehicles
- Established annual private markets valuation reconciliation process

Aspirations:

- Optimize presentation and quality of information available to the Board
- Consider OPEB structure evolutions
- Search for a consolidated public and private markets investment analytics platform
- Explore technological opportunities and maximize value from adoption
- Elevate operational due diligence function, including hiring a dedicated professional

2024 Work Plan Strategic Initiatives

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

Progress:

- BOI increased delegated authority improving LACERA's investment competitiveness
- Advanced OPEB Trust strategic asset allocation: approved investment beliefs and public markets passive investment manager search, completed first private markets investment
- Documented investment processes, increasing department-wide consistency and accountability
- Deployed co-investment and secondary capital across several asset categories
- Hedging and overlays implemented to dynamically balanced asset category targets
- Active monitoring and quarterly portfolio-wide discussion of risk management
- Launched new manager intake portal

Aspirations:

- Continue cultivating a dynamic investment program
- Further optimize internal staff investment committees and due diligence practices
- Continue to refine rebalancing practices
- Adopt complexity where well-rewarded and limit unrewarded complexity
- Organize effective educational sessions and orientations

2024 Work Plan Strategic Initiatives

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

Progress:

- Updated Corporate Governance and Stewardship Principles
- Increased proxy voting authority to about 96% of equity portfolio by value in past five years
- Expanded ESG in real assets with restated Responsible Contractor Policy (RCP) and Global Real Estate Sustainability Benchmark (GRESB) affiliations
- Incorporated analytics to model financial impacts from climate change and energy transition for climate-aware strategic asset allocation modeling
- Expanded engagements on board diversity, climate, investor voting rights, public policy

Aspirations:

- Update climate modeling to inform Board's 2024 strategic asset allocation decision
- Expand ESG and climate reporting and data coverage in private asset classes
- Integrate GRESB and RCP in entire Real Assets
- Assume voting rights in OPEB separate account structure
- Amplify progress and leadership in governance and ESG initiatives

2024 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

Progress:

- Re-negotiated terms for several legacy mandates improving future outcomes
- Made co-investments across asset categories to drive fee savings
- Established dedicated managed accounts to enable broad term negotiations
- Instituted annual total Fund fee analysis and review, including BOI reporting
- Invested with early-stage emerging managers while achieving future capacity rights and revenue sharing agreements where possible

Aspirations:

- Continue being “term-makers” as opposed to “term-takers” on fee, legal, and other terms
- Foster creativity when designing terms and account structures to both limit risks and enhance expected return outcomes
- Communicate progress towards optimizing implementation costs through improved expense and fee analytics and reporting

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2024 Work Plan Strategic Initiatives

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

Progress:

- Focused on career development for existing team and onboarding new hires
- Engaged strategic private equity partners on portfolio board recruitment and DEI practices
- Continued increase in manager reporting responsiveness, granularity, and candor
- Reviewed Real Assets managers' responsible contracting provisions, including DEI practices
- Expanded allocation opportunities for emerging managers
- Formally affiliated to CFA Institute DEI Code
- Supported expanding due diligence and standardized templates at industry associations to facilitate DEI reporting availability and reliability in financial services industry

Aspirations:

- Be an employer of choice at all levels from internships through management
- Inspire LACERA's managers to adopt DEI programs to increase risk-adjusted returns
- Utilize wider data sets to inform manager DEI benchmarking and progress
- Integrate takeaways from private equity portfolio company board DEI review into fund underwriting and monitoring
- Continue to enhance insights on firm ownership demographics, where available

Remaining Items

Remaining Presentation Components

1. Tentative 2024 Calendar
2. Board of Investments Reporting
3. 2024 Work Plan Recommendation

Tentative 2024 Calendar

	January 1/10/24	February 2/14/24	March 3/13/24	April 4/10/24	May 5/8/24	June 6/12/24	July 7/10/24	August 8/14/24	September 9/10/24 - 9/11/24	October 10/9/24	November 11/13/24	December 12/11/24
Board of Investments									*BOI Offsite*			
Corporate Governance Committee												
Credit and Risk Mitigation Committee												
Equity: Public/Private Committee												
Real Assets Committee												

Work Plan Calendar Expectations

- Two Committee Meetings per Calendar Year
- Consultant Request for Proposals
- Funding Policy
- BOI Reporting (See Following Slide)
- Investment Guest Speaker(s)
- Board of Investments Offsite
- Asset Category Structure Reviews

Additional meetings or topics would be added on an as-needed basis

Board of Investments Reporting[1]

The Board will receive reporting on total Fund performance, implementation, compliance, and investments decisions executed via delegated authority

Report	Frequency	Report	Frequency
Chief Investment Officer Report	Monthly	Corporate Governance and Stewardship Update	Annually
Chief Investment Officer-Authorized Investments[2]	Monthly	Investment Consultant Performance Reviews	Annually
Performance Reporting[3]	Monthly and Quarterly	LACERA Towards Inclusion Diversity and Equity (TIDE)	Annually
Risk Reporting[3]	Monthly and Quarterly	Overlay and Hedges Report	Annually
Delegated Authority Compliance Monitor	Quarterly	Private Markets Performance Reporting	Annually
General Consultant Performance Report	Quarterly	Proxy Voting Reports and Trendlines	Annually
Manager Scorecards	Quarterly and Annually	Responsible Contractor Compliance Update	Annually
Actuarial Valuation of Retirement Benefits	Annually	Asset Category Structure Reviews	Biennial
Asset Manager (7514.7) Fee Analysis	Annually	Strategic Asset Allocation Review	Three to Five Years
Chief Investment Officer Performance Review	Annually		

[1] Reporting excludes other BOI functions including budgeting, actuarial analyses, and audit reviews
[2] Investments made under delegated authority reported to Board monthly, except if timing conflicts, reports available following month. Months without such investments may occur
[3] The OPEB Master Trust will provide monthly and quarterly reporting

2024 Work Plan Recommendation

Recommendation

Approve the 2024 Strategic Initiatives and Work Plan

Context (If Approved)

Execute Strategic Asset Allocation Towards Best-In-Class Investor

1. The Board of Investments 2024 Work Plan and Strategic Initiatives is a component of LACERA's strategic plan
2. This Work Plan will evolve as circumstances warrant

Aspirations

Progress

Objectives

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Retiree Healthcare Benefits Program

Program Plan

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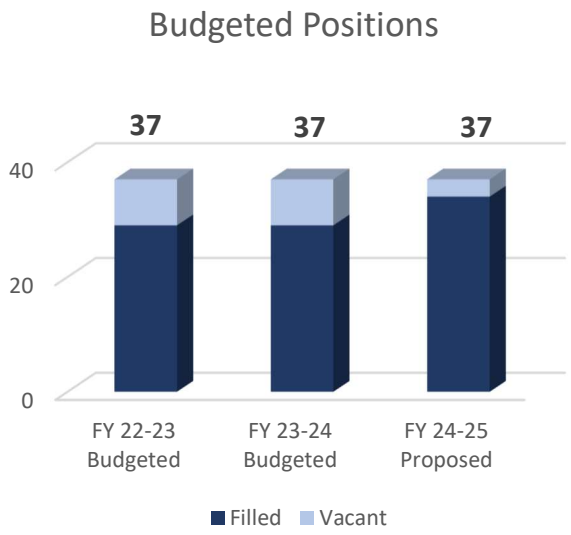
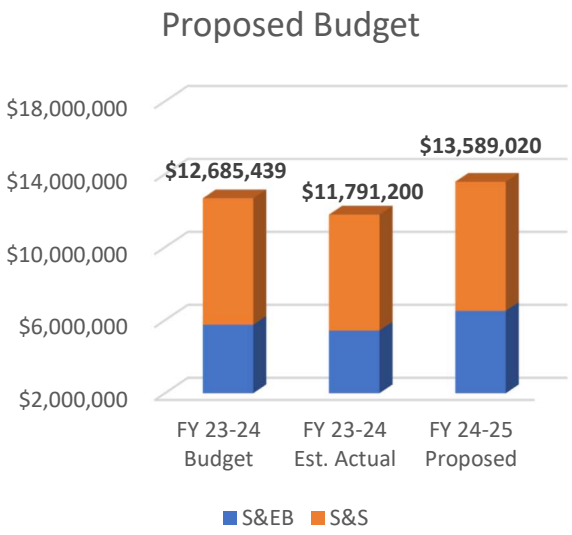
FY 2024-25 Proposed Budget

The Retiree Healthcare Division (RHC) is responsible for administering the Retiree Healthcare Benefits Program for eligible LACERA members, survivors, and their eligible dependents. This activity includes providing a healthcare program of the highest quality at an affordable cost and educating members about their promised healthcare benefits, including how they intersect with federal and state programs such as the Affordable Care Act (ACA), Medicare, and Social Security.





Summary of Significant Changes:

Description	Position Changes	Amount
Outside Legal Counsel		$50,000
Member Verification (SSA)		$90,000
Special Retiree Mailings		$25,000
Removal of Triannual Audit Cost		($279,500)
OPEB Valuation Cost		($54,500)

STATUS OF FY 2023-24 PROJECTS AND INITIATIVES

- **Healthcare enrollment and Medicare 101 video** (supports Superior Member Experience strategic priority): We continue to partner with Communications in creating the healthcare enrollment and Medicare 101 video to be published on the lacera.com website. We anticipate this project will be completed by June 30, 2024.
- **Electronic file submission to carriers** (supports Innovation Through Technology priority): We continue to collaborate with Systems to implement a process for submitting member eligibility files electronically to our health plan carriers, beginning with the Kaiser plan. We anticipate the Kaiser plan submission to be completed by June 2024.
- **RHC dependents' information on member portal** (supports Superior Member Experience priority): We collaborated with Systems to enhance the RHC member information on the member portal by including data points such as dependent information, coverage dates, and health plan enrollments. We anticipate this project will be completed by June 30, 2024.

FY 2024-25 STRATEGIC GOALS AND OBJECTIVES

- **Social Security data exchange** (supports Fiscal Durability priority): This goal will allow LACERA access to Social Security information to help streamline members' and their eligible dependents' enrollment in Medicare Part A and B upon turning age 65 and help decrease staff workload. We anticipate this project will be completed by June 2026.
- **Self-service healthcare enrollment in member portal** (supports Fiscal Durability and Superior Member Experience priorities): The self-service member healthcare enrollment using the member portal will help streamline and automate the enrollment process, helping decrease our workload while enhancing the member experience. We anticipate implementing this goal in FY 2025-26.
- **Automation of Medicare Part B Verification Review** (supports Innovation Through Technology and Superior Member Experience priorities): We are partnering with Systems to automate and streamline the review of incoming Part B verifications received from members by using optical character recognition (OCR) and auto-updating the Part B amounts. This will help decrease our workload tremendously and improve member experience. We anticipate this project will be completed by June 2026.
- **RHC CORE Benefits Training Enhancement** (supports the Investing in People priority)**:** This goal is to enhance the current RHC RBS I/County Temp training by including a refresher course for current staff regarding the RHC Benefits Program as well as enrollments processing to help improve their skills and knowledge. We anticipate a completion date of June 2026.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SALARIES & EMPLOYEE BENEFITS (S&EB)

Non-Discretionary Salary Adjustments

The budget reflects the final six months of negotiated cost-of-living adjustments (COLAs) included in the current Memorandum of Understanding (MOU) covering the period through December 31, 2024, and approved by the Board of Retirement and Board of Investments for all LACERA employees, as well as salary-step progression and merit pay increases for qualified and/or eligible employees and assumed commensurate increases to employee benefits. The budget does not include any changes to salaries or benefits that may be negotiated during FY 2024-25.

Adjustments to Permanent Staffing

We are not proposing any adjustments to our permanent staffing in FY 2024-25.

Temporary Staffing

We are requesting one temporary agency staff at the level of Senior Clerk to assist with the annual Medicare Part B verifications project.

Overtime Needs

We are requesting overtime to manage the workload due to the anticipated high volume of enrollment forms for the March Rush, processing of Medicare Part B premium verifications, and for any unanticipated special projects and special mailings. There are no changes to the number of overtime hours.

Interns

We are requesting one intern who will assist in our collaboration with the Member Operations Group Audit Platform (MOGAP) in standardizing and automating the quality metrics and enrollment forms' verification in the Quality Control Section. The LACERA Intern Program resides in the Human Resources budget; therefore, funding for the intern is included Human Resources budget.

Rehired Retirees

Retiree Healthcare does not anticipate any use of rehired retirees in FY 2024-25.

SUMMARY OF PROPOSED BUDGETARY CHANGES: SERVICES & SUPPLIES (S&S)

Removal of One-Time Expenditures

Audits/OPEB Valuation

Funding totaling $225,000 has been removed for the triennial audit and $54,400 from the

OPEB Valuation. This work was performed in FY 2023-24 and will not be required in FY 2024-25.

Services and Supplies Adjustments

Travel

Funding totaling $24,700, an increase of $1,500 is requested for staff travel. Travel is required for training and development as well as to stay abreast of changes and trends occurring in the healthcare industry.

Special Retiree Mailings

We are requesting $325,000, an increase of $25,000 in our Special Retiree Mailing Account to cover the potential increase in postage and printing costs as well as other unanticipated member special mailings.

Rent

Funding totaling $217,600, an increase of $6,400 is requested for rent.

Audits & OPEB Valuation

We have budgeted $527,000, a decrease of $279,500, to cover the cost of conducting the following program audits for this fiscal year:

OPEB Audit	$123,000
OPEB Valuation Report	$404,000

Internal Audit is adding an SOC 1 Type 2 audit for OPEB data, the OPEB Trust Financial Statement Audit, and the cost of GASB 75 work as relates to the RHCBP for this fiscal year. An external auditor will conduct the OPEB valuation report for this fiscal year. The costs associated with the triennial audit are not require in FY 2024-25 as the triennial audit was performed in FY 2023-24.

Healthcare Consulting
Funding totaling $762,000, an increase of $12,000 is requested for healthcare consulting services. This increase is in line with inflationary adjustments.

Member Verification
New funding totaling $90,000 is requested to cover the cost of Social Security Administration (SSA) member verification services.

Outside Legal Counsel Fees
New funding totaling $50,000 are requested for outside legal counsel to assist in the potential creation of a Tier 3 under consideration by the County and subject to collective bargaining.

FUNDING AND OPERATING EXPENSES

The program must fund the RHCBP's operating expenses, and its operations cannot be subsidized by the 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, an RHCBP administrative fee is included as part of the retiree healthcare medical and dental/vision plan premiums, per member, per plan, per month.

In FY 2022-23, LACERA's Boards increased the annual administrative fee to $10 per member per plan per month because actual costs were projected to rise above $8. However, that fee increase did not account for the significant surplus in the administrative account for the years where actual costs were below the amount collected. For this reason, a $2 per member, per plan, per month credit was applied in FY 2023-24, and the Boards reduced the rate back to $8 for FY 2023-24. For FY 2024-25, the annual administrative fee is recommended to remain at $8.00 per member, per plan, per month. Staff believes sufficient surplus remains to fully cover the actual administrative expenses throughout FY 2024-25 and will recommend an increase to the fee in a future year, possibly as soon as FY 2025-26.

Please note that administrative fees are held in a separate account, where they are collected and used to fund the Retiree Healthcare Division's operating expenses (i.e., the RHC budget). Over time, administrative fees collected have exceeded actual administrative expenses, resulting in an accumulated surplus balance within the account of $13,855,846 as of June 30, 2023. This accumulated surplus funds shortfalls between the actual fees collected and administrative expenditures.

Please see the chart below showing RHC Administrative Fees and Administrative Revenue and Expenses for the last ten years.

RHC ADMINISTRATIVE REVENUE AND EXPENSES FOR THE LAST 10 YEARS

Fiscal Year Ending	Fee	Admin Revenue		Admin Expenses	Over / (Under)	
FYE 2023	$8.00	$10,766,371	[1]	$10,893,224	$126,853	[2]
FYE 2022	$8.00	$10,710,527		$9,236,963	($1,473,564)	
FYE 2021	$8.00	$10,245,895		$8,099,102	($2,146,793)	
FYE 2020	$8.00	$10,076,876		$6,828,067	($3,248,809)	
FYE 2019	$8.00	$9,823,062		$6,118,267	($3,704,794)	
FYE 2018	$8.00	$9,559,745		$5,681,953	($3,877,792)	
FYE 2017	$8.00	$9,631,327		$5,326,190	($4,305,137)	
FYE 2016	$5.00	$5,984,986		$5,279,617	($705,369)	
FYE 2015	$5.00	$5,578,149		$5,424,333	($153,816)	
FYE 2014	$5.00	$5,466,487		$5,006,498	($459,989)	

[1]LACERA billed the RHC Administrative Fee of $10 and collected $8 from the County.

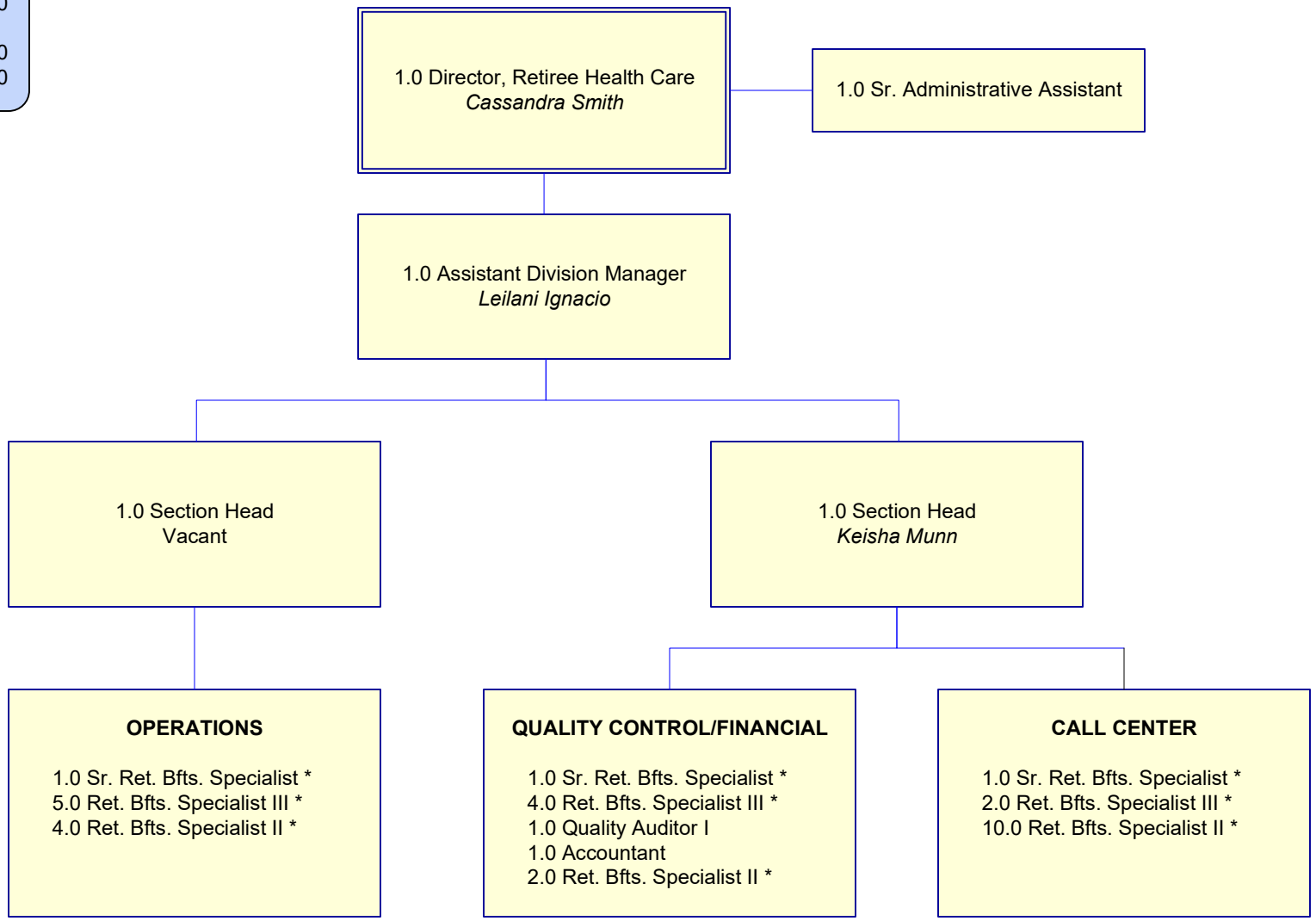
[2]Administrative fee account accumulated surplus of $13.9 million was used to absorb the FYE 2023 over expenditure of $126,853.

RETIREE HEALTH CARE BENEFITS PROGRAM

FISCAL YEAR 2024-2025

2023-2024 Bud. Pos.: 37.0
2023-2024 Hiring Plan: 37.0

2024-2025 Bud. Pos.: 37.0
2024-2025 Hiring Plan: 37.0



* Classification study for the position requested.

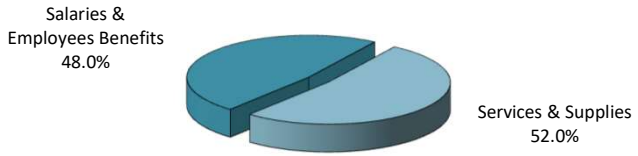
RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2024-2025

BUDGET SUMMARY

	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$6,519,686**	$5,752,105	$2,692,672	$5,435,500	($316,605)	-5.5%	$767,581	13.3%
Services & Supplies	**7,069,334**	6,933,333	3,692,845	6,355,700	(577,633)	-8.3%	136,001	2.0%
OPERATING BUDGET	**$13,589,020**	$12,685,439	$6,385,516	$11,791,200	($894,239)	-7.0%	$903,581	7.1%

2024 - 2025 PROPOSED BUDGET



*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2024-2025

SALARIES AND EMPLOYEE BENEFITS SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Total LACERA Salaries	**$3,322,077**	$3,216,641	$1,717,549	$3,486,700	$270,059	8.4%	$105,436	3.3%
Total Agency Temp Salaries	**71,100**	165,200	66,509	114,100	(51,100)	-30.9%	(94,100)	-57.0%
Employee Benefits (Variable)	**2,838,839**	2,097,973	830,091	1,685,600	(412,373)	-19.7%	740,866	35.3%
OPEB Contribution	**131,570**	118,991	61,194	124,300	5,309	4.5%	12,579	10.6%
Stipends	**0**	0	0	0	0	0.0%	0	0.0%
Overtime	**138,900**	134,900	5,160	10,500	(124,400)	-92.2%	4,000	3.0%
Bilingual Bonus	**3,600**	4,800	1,950	4,000	(800)	-16.7%	(1,200)	-25.0%
Sick Leave Buyback	**10,000**	10,000	10,219	10,300	300	3.0%	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	**$6,519,686**	$5,752,105	$2,692,672	$5,435,500	($316,605)	-5.5%	$767,581	13.3%
Salary Differential	**-**	-	-	-	-		-	
TOTAL S&EB	**$6,519,686**	$5,752,105	$2,692,672	$5,435,500	($316,605)	-5.5%	$767,581	13.3%

*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/24, with the exception of Agency Temp Salaries, which are as of 01/31/24.

LACERA

FISCAL YEAR 2024-2025

BUDGET POSITIONS

RETIREE HEALTHCARE BENEFITS PROGRAM

FILLED POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0793	DIRECTOR, RETIREE HEALTH CARE, LACERA	1	LS14
0771	ASSISTANT DIVISION MANAGER, LACERA	1	LS10
0772	SECTION HEAD, LACERA	1	LS09
1312	SENIOR RETIREMENT BENEFITS SPECIALIST	3	105B
1311	RETIREMENT BENEFITS SPECIALIST III	11	099H
0415	ACCOUNTANT, LACERA	1	096H
0439	SENIOR ADMINISTRATIVE ASSISTANT, LACERA	1	094B
1310	RETIREMENT BENEFITS SPECIALIST II	15	093B
	Total Filled Positions =	**34**	

VACANT POSITIONS

Budget Classification Number	Budget Classification Title	# of Budget Positions	Budget Salary Schedule
0772	SECTION HEAD, LACERA	1	LS09
0796	QUALITY AUDITOR I, LACERA	1	099D
1310	RETIREMENT BENEFITS SPECIALIST II	1	093B
	Total Vacant Positions =	**3**	
	TOTAL POSITIONS =	**37**	

Non-Represented positions shown in black.
Represented positions shown in blue.
Salary schedule as of 01/01/2024.

RETIREE HEALTCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

AGENCY TEMPORARY STAFFING
HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		FYE 2024		FYE 2025
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Retiree Healthcare	$511,700	$251,294	$149,800	$155,507	$165,200	$114,100	$71,100
GRAND TOTAL	**$511,700**	**$251,294**	**$149,800**	**$155,507**	**$165,200**	**$114,100**	**$71,100**

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

OVERTIME
HISTORY OF EXPENDITURES

	FYE 2022		FYE 2023		FYE 2024		FYE 2025
DIVISION	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Projection**	**Budget**
Retiree Healthcare	$118,500	$121,935	$121,800	$140,072	$134,900	$10,500	$138,900
GRAND TOTAL	**$12,834**	**$121,935**	**$121,800**	**$140,072**	**$134,900**	**$10,500**	**$138,900**

*All amounts rounded to the nearest dollar.

RETIREE HEALTHCARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

VACANT POSITIONS
SUMMARY

Division	Budgeted Positions FY 2023-2024	Vacancy (as of 03/31/24)	%	Budgeted Positions FY 2024-2025	Vacancy	%
Retiree Healthcare	37	3	8%	37	3	8%
TOTAL	**37**	**3**	**8%**	**37**	**3**	**8%**

RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2024-2025

SERVICES & SUPPLIES ACCOUNT SUMMARY

		CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
ACCOUNT CLASSIFICATION	PROPOSED BUDGET 2024-2025	BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
TRANSPORTATION & TRAVEL	**$26,200**	$24,700	$16,566	$24,600	($100)	-0.4%	$1,500	6.1%
POSTAGE	**325,000**	300,000	29,747	51,000	(249,000)	-83.0%	25,000	8.3%
OFFICE SUPPLIES & EQUIPMENT	**5,000**	5,000	1,107	1,900	(3,100)	-62.0%	0	0.0%
OPERATIONAL COSTS	**5,243,534**	5,006,533	2,919,204	5,006,500	(33)	0.0%	237,001	4.7%
PROFESSIONAL AND SPECIALIZED SERVICES	**1,379,000**	1,556,500	698,098	1,223,100	(333,400)	-21.4%	(177,500)	-11.4%
BANK SERVICES	**21,500**	21,500	10,707	18,400	(3,100)	-14.4%	0	0.0%
LEGAL FEES AND SERVICES	**50,000**	0	11,215	19,300	19,300	0.0%	50,000	0.0%
EDUCATIONAL EXPENSES	**18,800**	18,800	5,976	10,600	(8,200)	-43.6%	0	0.0%
MISCELLANEOUS	**300**	300	224	300	0	0.0%	0	0.0%
TOTAL	**$7,069,334**	**$6,933,333**	**$3,692,845**	**$6,355,700**	**($577,633)**	**-8.3%**	**$136,001**	**2.0%**

*All amounts rounded to the nearest dollar.

RETIREE HEALTH CARE BENEFITS PROGRAM

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

	FYE 2023		FYE 2024		Proposed
	Budget	Actual	Budget	Projection	Budget
SALARIES & EMPLOYEE BENEFITS					
Total LACERA Salaries	$3,006,805	$3,040,866	$3,216,641	$3,486,700	$3,322,077
Total Agency Temp Salaries	149,800	155,507	165,200	114,100	71,100
Employee Benefits (Variable)	1,775,266	1,463,955	2,097,973	1,685,600	2,838,839
Employee Benefits (Other)	0	0	0	0	0
OPEB Contribution	100,853	100,283	118,991	124,300	131,570
OPEB Contribution (Budget Surplus)	0	100,853	0	0	0
Stipends	0	0	0	0	0
Overtime	121,800	140,072	134,900	10,500	138,900
Bilingual Bonus	4,800	3,600	4,800	4,000	3,600
Sick Leave Buyback	10,000	10,163	10,000	10,300	10,000
Rideshare Allowance	3,600	0	3,600	0	3,600
Transportation Allowance	0	0	0	0	0
SERVICES & SUPPLIES					
Transportation & Travel	24,700	39,409	24,700	24,600	26,200
Postage	300,000	269,969	300,000	51,000	325,000
Office Supplies & Equipment	4,500	836	5,000	1,900	5,000
Operational Cost	4,540,999	4,358,739	5,006,533	5,006,500	5,243,534
Professional & Specialized Services	1,229,400	1,148,352	1,556,500	1,223,100	1,379,000
Bank Services	21,500	18,021	21,500	18,400	21,500
Legal Fees and Services	0	15,684	0	19,300	50,000
Educational Expenses	19,300	26,816	18,800	10,600	18,800
Miscellaneous	300	0	300	300	300
TOTAL OPERATING BUDGET	**$11,313,622**	**$10,893,125**	**$12,685,439**	**$11,791,200**	**$13,589,020**

*All amounts rounded to the nearest dollar.

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Other Post-Employment Benefits (OPEB) Trust

Program Description

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Cost Summary

Cost Summary	4-O

FY 2024-25 Proposed Budget

The County of Los Angeles ("County") established the OPEB Trust for the purpose of pre-funding the Retiree Healthcare Benefits Program ("OPEB Program"). The OPEB Trust serves as a funding tool for the participating employers to hold and invest assets used to pay OPEB Program benefits, such as medical, dental, and vision. LACERA's Board of Investments is responsible for exercising oversight of the investment management for both the Retirement Fund and the OPEB Trust.

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 2012-13, the County of Los Angeles (County) and LACERA established a trust to begin to prefund the program and address its long-term liability. LACERA's Board of Investments is the trustee and investment manager for the trust.

In FY 2016-17, the Superior Court joined the program. Beginning in FY 2017-18, 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 among the County, LACERA, and 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

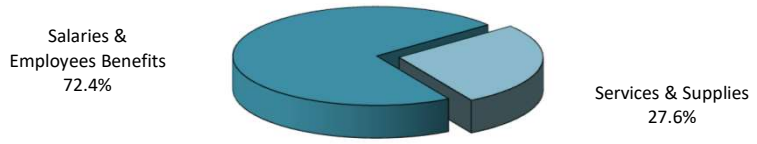
At the close of each fiscal year, the actual costs are reconciled with the budget costs. Variances are either credited or debited to each allocated entity to ensure that each OPEB Trust is appropriately capturing the true operating costs.

OPEB TRUST COST ALLOCATION

FISCAL YEAR 2024-2025

	PROPOSED BUDGET 2024-2025	CURRENT YEAR 2023-2024			COMPARISON OF CURRENT YEAR BUDGET TO PROJECTION		COMPARISON OF PROPOSED BUDGET TO 2023-2024 BUDGET	
		BUDGET	YTD (01-31-24)	PROJECTION	OVER/(UNDER) BUDGET	% CHANGE	$ CHANGE	% CHANGE
Salaries & Employees Benefits	**$825,111**	$521,881	$304,430	$490,568	($31,313)	-6.0%	$303,230	58.1%
Services & Supplies	**$314,357**	210,788	122,960	198,141	(12,647)	-6.0%	103,569	49.1%
OPERATING BUDGET	**$1,139,468**	$732,669	427,390	688,709	(43,960)	-6.0%	$406,800	55.5%

2024 - 2025 PROPOSED BUDGET



LACERA BUDGET POLICY

Responsible Manager: Laura Guglielmo, Assistant Executive Officer

Original Effective Date: 05/20/2009 **Last Updated:** 06/01/2023

Mandatory Review: June 2024 (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 and to support the goals of LACERA's Board of Retirement Strategic Plan and Board of Investments Strategic Plan. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages 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.

2. LEGAL AUTHORITY

Government Code Section 31580.2 of the County Employees Retirement Law (CERL) 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

2. LEGAL AUTHORITY (Continued)

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 and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. Section 31529.1 provides that legal representation within its scope is limited to one-hundredth of 1 percent of system assets in any budget year; investment legal expenses under 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 not be part of the pension system's administrative budget.

3. 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.

4. 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 and LACERA's Board of Retirement Strategic Plan and Board of Investments Strategic Plan.

4. DEFINITIONS (Continued)

Fiscal Year: LACERA's fiscal year begins on July 1st 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.

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

5. POLICY STATEMENT (Continued)

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.

5.1 Administrative Budget

The Administrative Budget reflects the resources needed to achieve the organization's work plan, each Board's Strategic Plan and 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.

5.2 Retiree Healthcare (RHC) Benefits Program Budget

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of the fund's 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 the plan sponsors and participating members 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.

5. POLICY STATEMENT (Continued)

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.

5.3 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. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

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.

6. 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.

6.1 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

6. PROCESS (Continued)

allocation and utilization of resources to meet the organization's Mission, Vision, and Values and each Board's Strategic Plan.

6.2 Criteria

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

- Alignment with each Board's Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to LACERA's 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

6.3 Alignment with Each Board's Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. Each Board's Strategic Plan lays out its strategic goals, objectives, and action plans toward achieving the LACERA'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.

6.4 Annual Budget Development and Approval Calendar

Date	*Activity*
By November 30	• Executive Office and Management will review each Board's 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
By June 30	Board of Retirement and Board of Investment approve final budget

6.5 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 and planning. 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.

6.6 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.

6. PROCESS (Continued)

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."

6.7 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.

6.8 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. Executive Management may also, as part of the mid-year budget

6. PROCESS (Continued)

review, address the progress and status of achieving the Boards' respective Strategic Plan.

6.9 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.

6.10 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.

6.11 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 to 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.

6. PROCESS (Continued)

6.12 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.

7. Audit Committee Oversight of Internal Audit

LACERA's Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization to achieve its Mission, Vision, and Values and each Board's Strategic Plan by improving LACERA's 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.

8. HISTORY (Update will follow approval)

8.1 Approvals

8.1.1 Updated and approved by the Board of Retirement and Board of Investments on June 7, 2023 and June 14, 2023, respectively. Prior versions are superseded and of no effect as of the stated approval date.

8.2 Current Status

Annual review scheduled for June 2024.

8.3 Versions

8.3.1 This policy was last updated on June 1, 2023

8.3.2 This policy was previously approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022

LACERA

May 17, 2024

TO: Trustees – Board of Retirement

FROM: Jean J. Kim
Senior Staff Counsel

DATE: Board of Retirement Meeting of June 5, 2024

SUBJECT: **PENSIONABILITY ANALYSIS UNDER CERL AND PEPRA FOR NEW PAY ITEM**

INTRODUCTION

The Board of Retirement (the "Board") is charged with determining which items of compensation qualify as pensionable earnings includable in a member's retirement allowance. Items of compensation are analyzed as "pensionable" (i) for "legacy members" under the definition of "compensation earnable" as set forth under the County Employees Retirement Law of 1937 (CERL) (California Government Code §31461), and (ii) for "new members" or "PEPRA members" under the definition of "pensionable compensation" as set forth under the California Public Employees' Pension Reform Act of 2013 (PEPRA) (California Government Code §7522.34). A "legacy member" refers to any individual who became a member of LACERA, or a reciprocal system, prior to January 1, 2013; and a "new member" (otherwise referred to as a "PEPRA member") of LACERA is generally defined as anyone who first becomes a member of LACERA on or after January 1, 2013 and was not previously a member of another public retirement system prior to that date. (California Government Code §7522.04(f))

The County of Los Angeles requested determination of one new item of compensation. Based on our review, we have included recommendations regarding inclusion or exclusion of this pay item within the definition of "final compensation" when calculating a member's benefit for both legacy members and PEPRA members. Our analysis of this item is provided as Attachment A.

COMPENSATION EARNABLE

California Government Code §31461 defines "compensation earnable" as follows:

(a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade orclass of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.

(b) "Compensation earnable" does not include, in any case, the following:

(1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:
   (A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.
   (B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.
   (C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.

(2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.

(4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

(c) The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in Salus v. San Diego County Employees Retirement Association (2004) 117 Cal.App.4th 734 and In re Retirement Cases (2003) 110 Cal.App.4th 426.

PENSIONABLE COMPENSATION

With the enactment of PEPRA, new members of LACERA are subject to the definition of "pensionable compensation" in California Government Code §7522.34(a), which states:

> "Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of a member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.

This section provides that any compensation outside of base pay may not be included in final compensation when calculating a member's retirement allowance. However, "base pay" is not defined in the statute. Additionally, this section provides that any compensation not paid to all similarly situated members of the same group or class may not be included. The section goes on to specifically delineate which items of compensation should be excluded.

Subdivision (c) of §7522.34 states:

> "Pensionable compensation" does not include the following:
> (1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
> (2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
> (3) Any one-time or ad hoc payments made to a member.
> (4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.
> (5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
> (6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
> (7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
> (8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.
> (9) Employer contributions to deferred compensation or defined contribution.
> (10) Any bonus paid in addition to the compensation described in subdivision (a).
> (11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).
> (12) Any other form of compensation a public retirement board determines should not be pensionable compensation.

ITEMS OF COMPENSATION

1. <u>On Call – Court Operations Manager – Item No. TBD</u>

   This pay item will provide additional compensation to any Court Operations Manager for working an "on call" shift. Because this "on call" compensation constitutes payment for additional services rendered outside of normal working hours, it should

be excluded from final compensation for purposes of calculating a member's retirement benefit for both (i) legacy members, pursuant to §31461(b)(3) and (ii) PEPRA members, pursuant to §7522.34(c)(6).

Recommendation: Exclude from "compensation earnable" under §31461
Exclude from "pensionable compensation" under §7522.34

CONCLUSION

Consistent with the foregoing, the Resolutions of the Board specifying the pay items that do not constitute "Compensation Earnable" under §31461 and "Pensionable Compensation" under §7522.34, provided as Attachment B, are submitted for approval by the Board.

IT IS THEREFORE RECOMMENDED THAT THE BOARD:

1. Adopt the attached Resolutions No. 2024-BR003 and No. 2024-BR004, to add the pay item at issue to the list of pay items that have been determined to be excluded from the definitions of "Compensation Earnable" and "Pensionable Compensation."

2. Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanisms and procedures to permit LACERA to excludethis item when calculating final compensation.

Reviewed and Approved

Steven P. Rice
Chief Counsel

JJK/et
Attachments

Legal/BOR Memos, FIO, Resolutions/Board Memos

Attachment A

Attachment: Newly Created Pay Codes
reviewed under Sections 31461 (CERL/Legacy) and 7522.34 (PEPRA)

Pay Event	Description	Earnings Code Description	31461 (CERL/Legacy) Reference	7522.34 (PEPRA) Reference	Analysis
Newly Created and EXCLUDED under Sections 31461 and 7522.34					
TBD	**ON CALL - COURT OPERATIONS MANAGER**	This pay event is being created to provide additional compensation to any Court Operations Manager (Item 9832) who is assigned to be on call to supervise the Pretrial Services Team, which performs round-the-clock pretrial services work. The rate of pay is $60 for each 24-hour shift the Court Operations Manager is on call.	(b)(3)	(c)(6) (c)(11)	This form of compensation constitutes payment for additional services rendered outside of normal working hours under Section 31461(b)(3). The recommendation is to EXCLUDE this payment from compensation earnable for LEGACY members. This form of compensation constitutes payment for additional services rendered outside of normal working hours under Section 7522.34(c)(6). It is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.

Attachment B

BEFORE THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF RETIREMENT SPECIFYING ITEMS OF REMUNERATION AS "COMPENSATION EARNABLE"	RESOLUTION NO. 2024-BR003

WHEREAS, LACERA calculates retirement allowances based on a member's "final compensation;"

WHEREAS, LACERA is required to include in the calculation of "final compensation" a member's base pay, and certain other items of remuneration, if such remuneration qualifies as "compensation" under Government Code Section 31460 and "compensation earnable" under Government Code Section 31461;

WHEREAS, on March 4, 1998, the Board of Retirement adopted Resolution No. 98-004 specifying certain items of remuneration payable to employees of the County of Los Angeles which the Board determined qualify as "compensation" under Government Code Section 31460 and "compensation earnable" under Section 31461.

WHEREAS, on August 4, 1999, the Board of Retirement adopted Resolution No. 99-001 specifying an additional item of remuneration qualifies as "compensation" and "compensation earnable" under Government Code Sections 31460 and 31461, respectively.

WHEREAS, the Court's ruling in *Ventura County Deputy Sheriff's Association v. County of Ventura* (1997) 16 Cal. 4th 483 became final on October 1, 1997, and requires LACERA to include in the calculation of retirement allowances various forms of remuneration not formerly included.

WHEREAS, on July 30, 2020, the California Supreme Court filed its decision entitled *Alameda County Deputy Sheriff's Association v. Alameda County Employees Retirement*

Association (2020) 9 Cal.5th 1032 ("*Alameda*"). The *Alameda* decision concludes that all amendments to the definition of compensation earnable in Government Code Section 31461, enacted as a result of the PEPRA and related statutory changes to CERL, effective January 1, 2013 are constitutional. The *Alameda* court also determined that CERL retirement boards have no discretion to include items in compensation earnable that section 31461 requires them to exclude.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The items of remuneration set forth in Attachment 1 do not qualify as "compensation earnable" as defined in Government Code Section 31461, for purposes of calculating a member's retirement allowance.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

_____
Shawn R. Kehoe
Chair, Board of Retirement

Approved as to Form:

_____
Steven P. Rice
Chief Counsel

ATTEST:

_____
Les Robbins
Vice Chair, Board of Retirement

ITEMS OF COUNTY REMUNERATION WHICH DO NOT QUALIFY AS "COMPENSATION," AS DEFINED BY GOVERNMENT CODE SECTION 31460, AND/OR "COMPENSATION EARNABLE," AS DEFINED BY GOVERNMENT CODE SECTION 31461.

EARNINGS NO.	**CODE ITEMS**
036	ESP SEVERANCE
075	UNION HALL HIRING VACATION/HOLIDAY BENEFIT
076	FAMILY LEAVE
090	ENHANCED VOLUNTARY TIME OFF LESS THAN 60 DAYS
091	ENHANCED VOLUNTARY TIME OFF GREATER THAN 60DAYS
094	VACATION IN LIEU OF PAY
095	ENHANCED VOLUNTARY TIME OFF-SUPERIOR COURT
128	MILEAGE EARNINGS
129	PARKING
130	SHORT TERM DISABILITY – 60%
131	SHORT-TERM DISABILITY – 40%
140	SHORT TERM DISABILITY – 60% RDO
141	SHORT TERM DISABILITY – 40% RDO
151	INDUSTRIAL ACCIDENT – 100%
152	INDUSTRIAL ACCIDENT – 100% RDO
153	INDUSTRIAL ACCIDENT – 70%
154	INDUSTRIAL ACCIDENT – 70% RDO
158	LIMITED DUTY INDUSTRIAL ACCIDENT – 100%

159	LIMITED DUTY INDUSTRIAL ACCIDENTS – 70%
209P	CRITICAL SHORTAGE PROBATION
388	PSYCHIATRY JAIL BONUS
407	NEW HIRE BONUS
500	RELOCATE NON-TAXABLE
502	RELOCATION ALLOWANCE
521	IRS PENALTY REIMBURSEMENT
524	ON-CALL FOR COURT APPEARANCE
526	ENVIRONMENTAL EMERGENCY RESPONSE TEAM
527	RELIEF DAM OPERATOR, ON CALL
530	EMS CLASS A LICENSE
531	STANDBY
531CC	STANDBY CRITICAL CARE
531SP	STANDBY AUTH FOR SHERIFF & PUBLIC WORKS DEPTS ONLYBU 411/412
537	HOMELESS ENCAMPMENT DUTIES
542	EMERGENCY WORKPLACE DIFFERENTIAL
543	CALL BACK EXTRA COMPENSATION
547	COVID – 19 APPRECIATION PAYMENT
552	STANDBY – EMERGENCY ROLL OUT PROGRAM
559	MISCELLANEOUS LUMP SUM INCLUDED IN REG. OT

560	RECRUITMENT INCENTIVE PROGRAM
561	HOURS PAID BUT NOT WORKED, CALL-BACK
562	MENTAL HEALTH ALERT & PSYCH MOB RESP TEAMSTANDBY
563	RELIEF DAM OPERATIONS STAND-BY
564	TUITION REIMBURSEMENT
566	QUALIFIED FOR HAZARDOUS MATERIALS OVERTIME CALC.
569	PHYSICIANS LOAN REPAYMENT PROGRAM
570	HOME CARE PROGRAM STANDBY
574	STANDBY – INS WITNESS PROGRAM
590	CONT EDUCATION/EQUIPMENT ALLOWANCE/TRAINING BONUS
591	LICENSE REIMBURSEMENT
598	ELECTION WORKER STIPEND
650	PRESIDING JUDGE 4% BONUS
651	MEAL REIMBURSEMENT – RESIDENTS
652	MEAL REIMBURSEMENT – PLANT ENGINEERS
690	CELLULAR PHONE STIPEND – VOICEMAIL
691	CELLULAR PHONE STIPEND – DATA ONLY
692	CELLULAR PHONE STIPEND – VOICE AND DATA
699W	FLEXIBLE WORK TIME EARNED
701	PAID OVERTIME
702	DOUBLE OVERTIME

703	FLSA COMP TIME EARNED-ACCRUE FLSA PREMIUM
705	COMPENSATORY TIME EARNED
707	FY93 COMPENSATORY TIME EARNED
708	FY93 FLSA COMP TIME EARNED – ACCRUE FLSA PREMIUM
709	FY93 FLSA COMP TIME EARNED OVRD – ACCRUE FLSA PREMIUM
710	DISASTER RELATED PAID OVERTIME
711	DISASTER COMP TIME EARNED (ACCRUED)
712	CONTRACT RELATED PAID OVERTIME
713	ER PHYSICIAN OVERTIME – DAY RATE
714	ER PHYSICIAN OVERTIME – WKDY EVE/WKND HOL DAY
715	ER PHYSICIAN OVERTIME – WKDY NITE/WKND HOL EVENITE
716	GUARANTEED PREMIUM
717	PAID OVERTIME – GUARANTEED ACCRUED FLSA PREMIUM
718	FLSA COMP TIME EARNED – GUARANTEED ACCRUED FLSA PREMIUM
719	FLSA COMP TIME EARNED – GUARANTEED PAID PREMIUM
720	SPECIAL EVENTS OVERTIME
731	PREMIUM OVERTIME – SYSTEM
732	PREMIUM DOUBLE OVERTIME
732D	PREMIUM DOUBLE OVERTIME - MANUAL
733	PREMIUM OVERTIME – MANUAL

735 FY93 ACCRUED FLSA PREMIUM OVERTIME (SYSTEM)

736 FY93 ACCRUED FLSA PREMIUM OVERTIME (MANUAL)

746 CALL BACK ACTUAL

747 CALL BACK GUARANTEED

761 STRAIGHT TIME AND ONE-HALF

775 SECONDARY OVERTIME

776 ALTERNATE OVERTIME

777 SECONDARY ASSIGNMENT OVERTIME

778 OVERTIME – FIRE DEPT. 56 HOUR

779 SECONDARY OVERTIME – FIRE DEPT. 56 HOUR

780 WORKDOWN OVERTIME – FIRE DEPT.

781 OVERTIME – FIRE DEPT. 40 HOUR

782 PLATOON/40/HOUR/DISPATCHER SCHED PREMIUM –SYSTEM

783 DISPATCHER BRIEFING TIME

784 40 HOUR CAMP-GUARANTEED PREMIUM

791 ORDERED OVERTIME

792 UNCOMPENSATED BRIEFING TIME

793 COMPENSATED BRIEFING TIME – SYSTEM

794 COMPENSATED BRIEFING TIME – MANUAL

795 FY93 ORDERED FLSA COMP TIME EARN – ACCR FLSA PREMIUM

796 ORDERED FLSA COMP TIME EARN-ACCR FLSA PREMIUM

799	FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS
901	COMPENSATORY TIME BUYBACK
902	PROTECTED COMPENSATORY TIME BUYBACK
904	ELECTIVE-LEAVE BUYBACK
905	FLSA COMP TIME BUYBACK – PREMIUM
906	FLSA COMP TIME BUYBACK – STRAIGHT
907	FY93 COMPENSATORY TIME BUYBACK
908	FY93 FLSA COMP TIME BUYBACK – PREMIUM
909	FY93 FLSA COMP TIME BUYBACK – STRAIGHT
916	VACATION IN LIEU OF PAY – BUYBACK
917	DISASTER COMP TIME BUYBACK
918	FY93-56 HOUR COMP TIME BUYBACK – FIRE DEPT.
919	ACCRUED PREMIUM BUYBACK – SYSTEM
920	FY93 FLSA COMP TIME BUYBACK – PREMIUM (MANUAL)
951	ESP VACATION PAYOUT
952	FINAL PAY LEAVE PAYOUT (SICK, HOLIDAY, OT)
953	ESP LEAVE PAYOUT
954	VACATION PAYOUT
955	VACATION IN LIEU OF PAY – PAYOUT
957	56-HOUR LEAVE PAYOUT

958	56-HOUR TC VACATION
961	ESP DEFERRED VACATION PAYOUT
962	DEFERRED LEAVE PAYOUT
963	ESP DEFERRED LEAVE PAYOUT
964	DEFERRED VACATION PAYOUT
967	56-HOUR DEFERRED LEAVE PAYOUT
968	56-HOUR DEFERRED VACATION PAYOUT
970	FLSA PREMIUM COMPENSATORY TIME – PAYOUT
971	FY93 COMP TIME PAYOUT (EXCLUDING PREMIUMS)
OP005	PENSIONABLE STANDBY PAY
OP100	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN
OP101	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN
OP102	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN
OP103	CORRECTIVE PAYMENT, ADMINISTATIVE ERROR – SAVINGS PLAN
OP104	PENSION SAVINGS PLAN, BACK AWARD
OP105	PENSION SAVINGS PLAN ERRORS AND OMISSIONS
PA099	ROUNDING ADJUSTMENT
PE803	EXCESS STRAIGHT – FLSA COMP TIME TAKEN
PE804	EXCESS PREMIUM – FLSA COMP TIME TAKEN

PE806 EXCESS STRAIGHT – FY93 FLSA COMP TIME TAKEN

PE807 EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN

PE813 CAPE – EXCESS STRAIGHT – FY93 FLSA COMP TIMETAKEN

PE814 CAPE - EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN

PFA36 FLEX EARNINGS ADVANCE

PK094 VACATION IN LIEU OF PAY

PK096 SUPERIOR COURT VACATION IN LIEU OF PAY

PK801 COMPENSATORY TIME TAKEN

PK802 PROTECTED COMPENSATORY TIME TAKEN

PK803 FLSA COMP TIME TAKEN – STRAIGHT

PK804 FLSA COMP TIME TAKEN – PREMIUM

PK805 FY93 COMPENSATORY TIME TAKEN

PK806 FY93 FLSA COMP TIME TAKEN – STRAIGHT

PK807 FY93 FLSA COMP TIME TAKEN – PREMIUM

PK808 DISASTER COMP TIME TAKEN

PK810 CALL BACK ACCRUE – STRAIGHT TAKEN

PK811 CALL BACK GUARANTEED CTO – BUY BACK

PK812 DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME –USAGE

PK813 CAPE-FY93 FLSA COMP TIME TAKEN – STRAIGHT

PK814 CAPE-FY93 FLSA COMP TIME TAKEN – PREMIUM

PK815 DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE

PK816	DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE
PK818	DFR 1 YR – FLSA PREMIUM OVERTIME USAGE
PK819	DFR 2 YR – FLSA PREMIUM OVERTIME USAGE
PK821	DFR 1 YR – CALL BACK - STRAIGHT USAGE
PKN03	SUPERIOR COURT NON-PENSIONABLE NON-ELECTIVE LEAVE BUY BACK
PKN21	SUPERIOR COURT NON-PENSIONABLE VACATION LEAVE BUY BACK
PO002	ELECTIVE LEAVE TERM PAY OFFSET
PO699	FLEXIBLE WORK SCHEDULE
PO703	STRAIGHT PAY OFFSET – FLSA COMP TIME EARNED – ACCRUE
PO705	STRAIGHT PAY OFFSET – COMPENSATORY TIME EARNED
PO711	STRAIGHT PAY OFFSET – DISASTER COMP TIME EARNEDACC
PO796	STRAIGHT PAY OFFSET – ORDERD FLSA COMP TM EARN –ACCR
PP005	STANDBY PAY - PENSIONABLE
PT002	ELECTIVE LEAVE
PT003	NON-ELECTIVE LEAVE
PT006	DONATED SICK 100% LEAVE – USAGE
PT008	SICK LEAVE EARNED AT MTA/ATTORNEY
PT011	SICK – 100%
PT012	HOLIDAY
PT021	VACATION

PT030	SPECIAL PAID LEAVE
PT031	APPRAISERS LEAVE
PT032	INTERN/RESIDENT LEAVE
PT046	JUDICIAL ASSISTANT SPECIAL PAID LEAVE
PT081	BANK HOLIDAY
PT082	BANK VACATION
PT094	VACATION IN LIEU OF PAY
PT096	SUPERIOR COURT VACATION IN LIEU OF PAY
PT099	REGULAR EARNINGS – MID PAY PERIOD TERMINATION
PT113	SICK PRE-71
PT699	FLEXIBLE WORK TIME EARNED
PT801	COMPENSATORY TIME TAKEN
PT802	PROTECTED COMPENSATORY TIME TAKEN
PT803	FLSA COMP TIME TAKEN – STRAIGHT
PT804	FLSA COMP TIME TAKEN – PREMIUM
PT805	FY93 COMPENSATORY TIME TAKEN
PT806	FY93 FLSA COMP TIME TAKEN – STRAIGHT
PT807	FY93 FLSA COMP TIME TAKEN – PREMIUM
PT808	DISASTER COMP TIME TAKEN
PT810	CALL BACK ACCRUE - STRAIGHT TAKEN
PT811	CALL BACK GUARANTEED CTO – TERMINATION

PT812	DFR 1 YR – NON-FLSA COMPENSATORY STRT TIME – USAGE
PT813	CAPE – FY93 FLSA COMP TIME TAKEN – STRAIGHT
PT814	CAPE – FY93 FLSA COMP TIME TAKEN – PREMIUM
PT815	DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE
PT816	DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE
PT817	YTD – FLSA PREMIUM OVERTIME USAGE
PT818	DFR 1 YR – FLSA PREMIUM OVERTIME USAGE
PT819	DFR 2 YR – FLSA PREMIUM OVERTIME USAGE
PT820	YTD – CALL BACK – STRAIGHT USAGE
PT821	DFR 1 YR – CALL BACK – STRAIGHT USAGE
PTNHT	HOLD CURRENT ACCRL – NON-ELECTIVE LEAVE – TERMINATION USAGE
PTVAT	SUPERIOR COURT, RESERVE VACATION – TERMINATION USAGE
PTVPT	SUPERIOR COURT, PRIOR YR RSRV VACATION – TERMINATION USAGE
RP005	PENSIONABLE STANDBY PAY – OFFSET
NONE	MEGAFLEX INDUSTRIAL ACCIDENT
NONE	COUNTY CAR (IMPUTED INC)
NONE	IMPUTED INCOME (DOMESTIC PARTNER)
NONE	IMPUTED INC (LIFE INSURANCE)
NONE	SECTION 170 OVERTIME
NONE	EARNED SALARY ADVANCE

NONE	VACATION PAY ADVANCE
NONE	56 HOUR OVERTIME
NONE	ADJUSTMENT NON-TAX
NONE	RETRO PAY
NONE	EARNED INCOME CREDIT
NONE	UNDERPAYMENT ADVANCE
NONE	O/S SICK PAY
NONE	RETRO ADVANCE
NONE	T/A MILEAGE
NONE	ADVANCED DISABILITY RETIREMENT
NONE	STD REFUND
NONE	LTD REFUND
NONE	LTDH REFUND
NONE	SIB REFUND
NONE	56 VILOP PAY
NONE	VOLUNTARY DEFERRED PAY
NONE	RETRO FLEX BASE
NONE	NR DEFERRED PAY
NONE	F.MF DEFERRED PAY
NONE	DEF LUMP SUM
NONE	DEFERRED PAY

NONE	VOLUNTARY SEPARATION PLAN
NONE	STOP PAYMENT
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME EARNED
TBD	ANTELOPE VALLEY STIPEND
TBD	SIGNING BONUS
TBD	EQUIPMENT ALLOWANCE NEW HIRE
TBD	STUDENT LOAN REPAYMENT
TBD	FINDER'S FEE
TBD	NATIONAL BOARD CERTIFICATION
TBD	LAW SCHOOL STUDENT LOAN ALLOWANCE
TBD	RECRUITMENT AND RETENTION INTERVAL BONUS
TBD	ON CALL – COURT OPERATIONS MANAGER

BEFORE THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

RESOLUTION OF THE BOARD OF RETIREMENT SPECIFYING ITEMS OF REMUNERATION AS "PENSIONABLE COMPENSATION"	RESOLUTION NO. 2024-BR004

WHEREAS, Government Code Section 7522.34 governs the determination of pensionable compensation for those members who became active members for the first time on or after January 1, 2013, who are subject to the California Public Employees' Pension Reform Act of 2013; and

WHEREAS, LACERA calculates retirement allowances based on a member's final compensation; and

WHEREAS, LACERA is required to include in the calculation of "final compensation," a member's base pay and certain other items of compensation, if such compensation qualifies as "pensionable compensation" under Government Code Section 7522.34; and

WHEREAS, Government Code Section 7522.34 defines "pensionable compensation" as: ". . .the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules"; and

WHEREAS, the Board has analyzed each current pay item and determined whether or not those items should be included in "pensionable compensation"; and

WHEREAS, the Board may find it necessary from time to time to amend its determinations based on changes made by employers, the Legislature, or the Courts;

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. For purposes of calculating a member's retirement allowance, earnings on or after January 1, 2013, for members subject to Government Code Section 7522.32, as set forth in Attachment No. 1 do not qualify as "pensionable compensation" as defined in Section 7522.34.

BOARD OF RETIREMENT,
LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION

_____
Shawn R. Kehoe
Chair, Board of Retirement

Approved as to Form

_____
Steven P. Rice
Chief Counsel

ATTEST:

_____
Les Robbins
Vice Chair, Board of Retirement

ITEMS OF REMUNERATION EARNED ON OR AFTER JANUARY 1, 2013, FOR MEMBERS SUBJECT TO GOVERNMENT CODE SECTION 7522.32, WHICH DO NOT QUALIFY AS “PENSIONABLE COMPENSATION” AS DEFINED IN SECTION 7522.34.

EARNINGS NO.	CODE ITEMS
200	76-INCH MOWER BONUS
201	ACTING DEPARTMENT HEAD
202	ACTING MEDICAL DIRECTOR
203	ADDITIONAL RESPONSIBILITIES
204	AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25%
205	AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50%
209	MANPOWER SHORTAGE RANGE
209P	CRITICAL SHORTAGE PROBATION
210	MEDICAL DIRECTOR'S BONUS - 2.75
211	MEDICAL DIRECTOR'S BONUS - 5.50%
212	MEDICAL DIRECTOR'S BONUS - 8.25%
214	OUT OF CLASS BONUS
215	POST BONUS - ADVANCE/EXECUTIVE
217	POST BONUS – INTERMEDIATE
219	SUPERIOR SUBORDINATE PAY
220	WATCHMAN – CUSTODIAN
221	WELFARE RECIPIENT SUPERVISOR
222	OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT

223	TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES
224	PBP NON-BASE MERIT SALARY ADJUSTMENT
225	EXECUTIVE SECRETARY ADDED SALARY SCHEDULES
227	PBP TO SCHEDULE SALARY ADJUSTMENT
228	ADDITIONAL RESPONSIBILITIES – REPRESENTED
229	TEMPORARY SPECIAL MAP ACHIEVEMENT – FLAT
230	TEMPORARY SPECIAL MAP ACHIEVEMENT – PERCENT
231	TEMPORARY ASSIGNMENT MAP EMPLOYEE – FLAT
240	AGRICULTURAL INSPECTOR BONUS
243	CAREER DEVELOPMENT INTERN BONUS
248	REGIONAL PLANNING AICP CERTIFICATION BONUS
249	AGRICULTURE INSPECTORS AID ROVER BONUS
250	ACCOUNTING CERTIFICATE
251M	POST BONUS MANAGEMENT
252	6TH AND 7TH STEP FINANCIAL SPECIALIST
254	FORENSIC ATTENDANT FIELD TRAINING BONUS
256	ANIMAL CONTROL MGR-BOARD LIAISON BONUS
257	HALF STEP-01
258	HALF STEP-02
263	AUDITOR-CONTROLLER MERIT - ONE SCHEDULE
264	AUDITOR-CONTROLLER MERIT - TWO SCHEDULES

265 AUDITOR-CONTROLLER MERIT - THREE SCHEDULES

266 AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES

267 AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES

268 AUDITOR-CONTROLLER MERIT - SIX SCHEDULES

270 BOARD OF SUPERVISOR SPECIAL ASSIGNMENT

271 ASSESSMENT APPEALS BOARD ASSIGNMENT

272 HEAD BOARD SPECIALIST ADDITIONAL STEPS

273 MAPP TIER II STEP 13

274 MAPP TIER II STEP 14

275 MAPP TIER II STEP 15

276 MAPP TIER II STEP 16

277 MAPP TIER II STEP 17

278 MAPP TIER II STEP 18

281 MAPP TO SCHEDULE FLAT AMOUNT

282 MAPP TO SCHEDULE PERCENTAGE

283 PERM PHYSICIAN TRANSITION RATE – PERCENT

285 COURT CLERK - GREATER SKILLS

291 INTERGOVERNMENTAL RELATIONS

293 LEGISLATIVE REPRESENTATIVE-CAO

295 MANAGEMENT TRAINEE

300 CURATOR BONUS

302 MALIBU OFFICE ASSIGNMENT BONUS

303 ADMINISTRATIVE PROJECTS AND INITIATIVES BONUS

310 LEGISLATIVE ADVOCATE – COUNTY COUNSEL

320 ACCOUNTING CERTIFICATE – DA

321 DISTRICT ATTORNEY – OUT OF CLASS BONUS

322 RECLASSIFIED INVESTIGATOR

323 ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE

332 JOURNEY EMPLOYEES BONUS

334 CUSTODY ASSISTANT DRILL INSTRUCTOR/CUSTODY TRAINING AND STANDARDS BUREAU

335 TRAINING OFFICER

336 PUBLIC RESPONSE DISPATCHER BONUS

338 ELEVATOR ADJUSTOR

340 A OR B MOTOR VEHICLE LICENSE BONUS

342 HAZARDOUS MATERIALS CALARP

343 HAZARDOUS MATERIALS APSA

344 FIRE PREVENTION ENGINEERING ASSISTANT

345 LICENSED PROFESSIONAL ENGINEER/ARCHITECT BONUS

347 WELLNESS/FITNESS FOR LIFE BONUS – 1%

348 WELLNESS/FITNESS FOR LIFE BONUS – 2%

349 WELLNESS/FITNESS FOR LIFE BONUS

356	FIRE SAFETY PERSONNEL BONUS
357	HELICOPTER INSPECTION LICENSE
358	TEMPORARY PROMOTION BONUS
361	TEMPORARY PROMOTION BONUS - NON-SCHEDULE
365	BACHELOR DEGREE BONUS
366	ADVANCED EDUCATIONAL DEGREE BONUS
367	MEDICAL STAFF CREDENTIALING ASSIGNMENTBONUS
368	RN ASSIGNED TO SHERIFFS DEPT
369	RN ADVANCED EDUCATIONAL DEGREE BONUS
370	CLINIC NURSE - STAND BY
371	CLINICAL INSTRUCTOR – GENERAL
372	CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER
373	EMERG MEDICINE - BOARD CERTIFICATION
374	EMERG MEDICINE - BOARD CERT
375	EMERG MEDICINE - BOARD CERTIFICATION 8.25%
376	HIGH DESERT HOSPITAL - PHYSICIAN BONUS
377	JOURNEY EMPLOYEES BONUS
379	SUPERVISING NURSE – ICU
380	SUPVG RAD TECHN - DIAGNOSTIC ULTRASOUND
381	DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS
383	VETERINARY MEDICINE- BOARD CERTIFICATION

384 HIGH DESERT HEALTH ASSIGNMENT BONUS

385 PSYCHIATRY SPECIALTY BONUS

386 PHYSICIAN SPECIALTY BONUS

387 PHARMACIST SPECIALTY ASSIGNMENTS

388 INTEGRATED CORRECTIONAL HEALTH SERVICES (ICHS BONUS)

389 MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION – MORE THAN ONE SPECIALTY

391 COUNTY LIBRARY DIFFICULT TO RECRUIT ASSIGNMENT BONUS

392 LIBRARIAN BONUS

393 OBSTETRICS/LABOR & DELIVERY ASSIGNMENT

394 MEDICAL HUB CLINIC ASSIGNMENT

395 PHYSICIAN SPECIALTY BONUS - 5.75%

396 PHYSICIAN ADDITIONAL COMPENSATION

397 PHYSICIAN FORENSIC PATHOLOGY BONUS

398 HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION

400 DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR

401 DEPUTY MARSHALL - LEVEL I BONUS

402 DEPUTY MARSHALL - LEVEL II BONUS

403 DEPUTY MARSHALL TRAINEE

404 ELECTRONIC RECORDING EQUIPMENT

405 MARSHALL SUPERVISING BONUS

406 DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP

407 NEW HIRE BONUS

408 DEPUTY CLERK III OUT OF CLASS BONUS

409 STENOGRAPHIC SKILLS

410 SUPERVISING DEPUTY CLERK

411 ADVISOR – COURT ADMINISTRATOR AND JUDGES

412 NIGHT SHIFT AND WEEKEND BONUS

413 DEPUTY CLERK IV – GREATER SKILLS

414 RECORDING EQUIPMENT – DEPUTY CLERK IV M.C.

415 SHERIFF DEPARTMENT ASSIGNMENT TO AERO BUREAU AVIONICS SHOP

416 SHERIFF DEPARTMENT WATER SYSTEM BONUS – CHIEF OPERATOR

417 SHERIFF DEPARTMENT WATER SYSTEM BONUS – SHIFT OPERATOR

418 ISD BONUS ASSIGNMENT – ENERGY MANAGEMENT SYSTEM SECTION (SEAS)

424 ABDMI REGISTRY CERTIFICATION BONUS

425 ABDMI BOARD CERTIFICATION BONUS

429 SPECIAL VICTIMS BUREAU

430 ASST. DIRECTOR – PUBLIC SOCIAL SERVICES

432 DEPUTY DISTRICT DIRECTOR TRAINEE

439 CUSTODY TRAINING OFFICER

441 CATALINA ISLAND LIVING – SHERIFF

445 SPECIAL ENFORCEMENT DETAIL/CANINE SERVICES DETAIL (TACTICAL DUTY)

450 SHERIFF OUT OF CLASS BONUS

453 SERGEANT-AT-ARMS BOARD OF SUPERVISOR

456 TRAINING OFFC/INVESTIGATOR/K-9 BONUS

458 ACTING CAPACITY BONUS

461 SHERIFF BUSINESS MACHINE TECHNICIAN

464 STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS

465 REHABILITATION INSPECTOR-PUBLIC WORKS

468 LICENSED LAND SURVEYOR BONUS

469 LICENSED REGISTERED TRAFFIC ENGINEER BONUS

470 BUSINESS LICENSE LIAISON

471 DISPATCH BONUS

472 FIELD RESPONSE RETENTION PAY

473 PILOT/ADVANCED FLIGHT INSTRUCTOR

474 PILOT/BASIC FLIGHT INSTRUCTOR/FIXED-WING PILOT

475 CERTIFICATION BONUS – LACERA

480 SUPERIOR COURT CLERK BONUS

481 COURT REPORTERS REALTIME CERTIFICATION

482 JUDICIAL ASSISTANT BONUS

483	REALTIME WRITING BONUS
484	GEOTECHNICAL LICENSE BONUS
485	SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION
486	PLANS EXAMINER CERTIFICATION REGISTRATION – LICENSE BONUS
488	BUILDING ENGINEERING INSPECTOR BONUS
493	SENIOR PROBATION DIRECTOR-CENTRAL JUVENILE HALL
494	SENIOR PROB DIR-LOS PADRINOS/SAN FERNANDO JUV HALL
495	PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA
498	PROBATION DIRECTOR-CHALLENGER YOUTH CENTER
499	SPECIAL ENFORCEMENT OPERATIONS BONUS
501	BOARD OF RETIREMENT CASE REVIEW
503	UNIFORM ALLOWANCE
504	NIGHT SHIFT DIFFERENTIAL
504MH	NIGHT SHIFT DIFFERENTIAL (DEPARTMENT OF MENTAL HEALTH)
505	CORONER'S INQUEST REPORTER
506	ALLOWANCE IN LIEU OF VEHICLE USE
507	CO-GENERATION MAINTENANCE
508	HENNINGER FLATS WATCHMAN
509	FREEZER WORK
510	DEPARTMENT HEAD MERIT

511	BOARD OF SUPERVISORS PERFORMANCE LUMP SUM
512	FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER
513	MOU LUMP SUM BONUS
514	BACKHOE OPERATOR
515	WEEKEND BONUS
515HS	WEEKEND BONUS (DHS)
516	EXPLOSIVES WORK
517	EVENING SHIFT DIFFERENTIAL
517MH	EVENING SHIFT DIFFERENTIAL (DEPARTMENT OF MENTAL HEALTH)
518	POWER EQUIPMENT REPAIR, SNOW CONDITIONS
519	ENGINEERING EMPLOYEES, HAZARD PAY
520	HOME CARE COMPENSATION
522	CUSTODIAN ACTING AS WATCHMAN
523	HYDROELECTRIC OPERATIONS
525	CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR MNGR
526	ENVIRONMENTAL EMERGENCY RESPONSE TEAM
528	WEBCOM PRESS OPERATOR
529	POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION
530	EMS CLASS A LICENSE
531	STANDBY

531CC	STANDBY CRITICAL CARE
532	ADDITIONAL RESPONSIBILITIES AND EXCEPTIONAL PERFORMANCE
533	POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS
534	POWER PLANT RELIEF ENGINEER
535	CLINIC PHYSICIAN FIRST HOUR
536	CONSULTING SPEC, MD & MNTL HEALTH CONSLT, 1st & 5th
537	HOMELESS ENCAMPMENT DUTIES
538	RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE
539	RN WEEKEND DIFFERENTIAL
540	RELIEF NURSE HOLIDAY DIFFERENTIAL
541	RELIEF NURSE WEEKEND DIFFERENTIAL
542	EMERGENCY WORKPLACE DIFFERENTIAL
544	APPRAISERS LAUNDRY AND DRY-CLEANING ALLOWANCE
545	HEAVY DUTY TOW TRUCK DRIVER
546	SLURRY SEAL TRUCK_DRIVER
547	COVID-19 APPRECIATION
547HS	HERO PAY – DHS
548	LIFEGUARD PARAMEDIC – RELIEF
549	HANDLING HAZARDOUS CHEMICALS
550	INCENTIVE AWARDS FOR MEDI-CAL REIMBRMNTS/ HEALTH SR

551	GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR
552	STANDBY - EMERGENCY ROLL OUT PROGRAM
553	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW
554	PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW
555	SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE
556	HIGH SCALE AND RIGGING OPERATIONS, GENERAL
557	EVENING SHIFT, MED TECH
558	NIGHT SHIFT, MED TECH
560	PHYSICIAN RECRUITMENT PROGRAM
565	PARAMEDIC RECERTIFICATION BONUS
565A	PARAMEDIC RECERTIFICATION BONUS – ELIGIBILITY INDICATOR
567	DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION
568	ASSESSMENT APPEALS BOARD, SESSION 2
568A	ASSESSMENT APPEALS BOARD, SESSION 3
569	PHYSICIAN LOAN PAYMENT PROGRAM
570	HOME CARE PROGRAM STANDYBY
571	CHILDREN'S SOCIAL WORKERS LICENSURE SUPERVISION
572	MOU LUMP SUM BONUS
574	STANDBY – INS WITNESS PROGRAM
575	WASTEWATER PLANT RELIEF BONUS
576	SOLO DAILY EARNINGS

577	INTERPRETER HALF DAY BONUS - SUP CT
578	ER ATTENDING PHYSICIAN - DAY RATE
579	ER ATTENDING PHY/-WKDY EVE/WKND HOLDAY
580	ER ATTENDING PHY/-WKDY NITE/WKND HOLIDAY EVE NITE
581	SWIM PROFICIENCY BONUS
582	INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY
583	INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY
584	PHYSICIAN STIPENDS
585	ISA TREE WORKER CERTIFICATION
586	ISA CERTIFIED ARBORIST CREDENTIAL
587	ISA CERTIFIED QUALIFIED TREE RISK ASSESSOR CREDENTIAL
588	ISA MUNICIPAL SPECIALIST CREDENTIAL
589	MENTAL HEALTH SPECIALITY FIELD BASED BONUS
590	CONT EDUCATION/EQUIPMENT ALLOWANCE/TRAINING BONUS
591	LICENSE REIMBURSEMENT
597	CLINICAL PHARMACIST ASSIGNMENT/RESPONSIBILITIES BONUS
598	ELECTION WORKER STIPEND
600	REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION, SUB-ITEM D
602	SUPERVISING TRANSPORTATN DEPTY PERFORMING DISPATCHER DUTIES
603	AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE

604	REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION
605	CUSTODIAN FLOOR WAXING BONUS
606	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY
606A	FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY – ELIGIBILITY INDICATOR
607	SUPERVISING DEPUTY PROBATION OFFICER (SPDO) ASSIGNED ACTING DIRECTOR IN A CAMP
608	BILINGUAL BONUS
609	REGISTERED NURSE ASSIGNED TO EMERGENCY ROOM
610	ANTELOPE VALLEY FIREFIGHTING CREW
611	TREE TRIMMER SUPERVISOR, POWER OPERATIONS
612	SHOOTING BONUS, EXPERT
613	SHOOTING BONUS, DISTINGUISHED EXPERT
614	SHOOTING BONUS, MARKSMAN
615	SHOOTING BONUS, SHARPSHOOTER
616	ANTELOPE VALLEY QUARTERS, ON FIRE CALL
617	CLINIC NURSE ASSIGNED TO PROBATION CAMP
618	TRANSPORTATION BUS DRIVER, SHERIFF
619	CERTIFIED ACCESS SPECIALIST
620	SAN GABRIEL DAM OPERATOR
621	NURSE RETENTION INCENTIVE
622	ADVANCED APPRAISER CERTIFICATION

624	BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK
625	AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION
627	DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS
628	BILINGUAL BONUS FOR OTHER THAN MONTHLY
628A	BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY INDICATOR
629	MORTUARY ATTENDANT AT LAC+USCMC
630	FIELD ASSIGNMENT BONUS
631	BILINGUAL BONUS-SUB D
632	MENTAL HEALTH WORKERS ASSIGND SHERIFF DETENTN FACL
633	RN ASSIGNED TO EMERGENCY ROOM SUB D
634	SUPERVISING DETENTION SERVICES OFFICER OF THE DAY
635	TRANSPORTATION DEPUTY BUS DRIVER, PROBATION
636	INCIDENTAL EXPENSE ALLOWANCE
637	PROFESSIONAL DEVELOPMENT EXPENSES
638	PROBATION TELECOM EQUIPMENT BONUS
640	CHILDRENS SERVICES ERCP RETENTION
641	SHOOTING BONUS, EXPERT – RESERVE
642	SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE
643	SHOOTING BONUS, MARKSMAN – RESERVE
644	SHOOTING BONUS, SHARPSHOOTER – RESERVE

645	EMERGENCY ROOM PREMIUM PAY/PAT FIN SVCS WKR/PAT RES WKR
646	EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS
647	BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK
648	DEFIBRILLATION AIRWAY BONUS
649	MAMMOGRAPHY BONUS
654	POST BONUS INTERMEDIATE
655	POST BONUS ADVANCED
690	CELLULAR PHONE STIPEND – VOICEMAIL
691	CELLULAR PHONE STIPEND - DATA ONLY
692	CELLULAR PHONE STIPEND - VOICE AND DATA
694	CIVIC CENTER COMMUTER ALLOWANCE
695	DEPARTMENT HEAD TRANSPORTATION ALLOWANCE
696	DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE
700	PENSIONABLE OVERTIME
702	DOUBLE OVERTIME
730	PREMIUM OVERTIME - SYSTEM PENSIONABLE
732	PREMIUM DOUBLE OVERTIME
732D	PREMIUM DOUBLE OVERTIME - MANUAL
PF004	MEGAFLEX PENSIONABLE CONTRIBUTION
PF007	FLEX PENSIONABLE CONTRIBUTION
PF010	CHOICES PENSIONABLE CONTRIBUTION

PF013	OPTIONS PENSIONABLE CONTRIBUTION
PK003	NON-ELECTIVE LEAVE
PK011	SICK - 100%
PK012	HOLIDAY
PK021	VACATION
PK030	SPECIAL PAID LEAVE
PK031	APPRAISERS LEAVE
PK032	INTERN/RESIDENT LEAVE
PK113	SICK PRE-71
PKN03	SUPERIOR COURT NON-PENSIONABLE NON-ELECTIVE LEAVE BUY BACK
PKN21	SUPERIOR COURT NON-PENSIONABLE VACATION LEAVE BUY BACK
PKP11	SICK LEAVE BUY BACK 100%
PKP21	VACATION BUY BACK
PP046	EMPLOYEE SUGGESTION
NONE	REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNITS
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM
NONE	FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME EARNED
NONE	POST, SUPERVISORY BONUS
OP100	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN

OP101	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN
OP102	CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN
OP103	CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN
OP104	PENSION SAVINGS PLAN, BACK AWARD
OP105	PENSION SAVINGS PLAN ERRORS AND OMISSIONS
TBD	ANTELOPE VALLEY STIPEND
TBD	RETENTION BONUS
TBD	RETENTION BONUS 25+YEARS
TBD	FLOATER BONUS
TBD	SIGNING BONUS, ADMINISTRATIVE SUPPORT
TBD	FINDER'S FEE
TBD	SIGNING BONUS
TBD	EQUIPMENT ALLOWANCE NEW HIRE
TBD	STUDENT LOAN REPAYMENT
TBD	CIVIC CENTER STIPEND
TBD	JUDICIAL ASSISTANT BONUS
TBD	PARALEGAL BONUS
TBD	SIGNING BONUS
TBD	RETENTION BONUS

TBD	PEDIATRIC FORENSIC NP
TBD	NATIONAL BOARD CERTIFICATION
TBD	LAW SCHOOL STUDENT LOAN ALLOWANCE
TBD	INTEGRATED CORRECTIONAL HEALTH SERVICES
TBD	RECRUITMENT AND RETENTION INTERVAL BONUS
TBD	DEPARTMENT OF CHILDREN AND FAMILY SERVICES (DCFS) EMERGENCY RESPONSE RETENTION BONUS
TBD	ON CALL – COURT OPERATIONS MANAGER

May 30, 2024

TO: Each Trustee
Board of Retirement

FROM: Francis J. Boyd
Senior Staff Counsel

FOR: June 5, 2024, Board of Retirement Meeting

SUBJECT: PRE-DESIGNATION OF RETIREMENT OPTIONS BY ACTIVE MEMBERS IN ADVANCE OF RETIREMENT

I. Introduction

The Board of Retirement requested staff explore the possibility of allowing active members the ability to pre-designate their retirement options to prevent their survivors/beneficiaries from receiving a retirement allowance that is less than what members would have received had they been retired at the time of death. The purpose of this memorandum is to provide information for the Board's discussion and further instruction to staff.

Attached to this memorandum, solely for the Board of Retirement's review, is a confidential and privileged memorandum from the Board's fiduciary counsel, Nossaman LLP.

II. Summary of Findings

- Neither the County Employees Retirement Law of 1937 (CERL), nor case law interpreting it, expressly allow or prohibit a programmatic pre-authorization program allowing members to pre-designate survivor option elections. The optional survivor benefits are defined by CERL as a part of CERL's benefit-plan design. A retirement system's authority for fund administration does not include changes to plan design.

- While case law suggests that one-off pre-designations would pass judicial scrutiny in very limited circumstances, statutes are clear that CERL's Unmodified Plus and Optional Settlements must be "actuarially equivalent" to the member's retirement benefit (which includes a surviving spouse or minor-child benefit) and cannot place any additional burden on the retirement system. This case law does not provide

support for LACERA to unilaterally permit systemic pre-designations in any circumstances.

- LACERA's actuary has determined that allowing members to pre-designate their retirement options would result in an additional actuarial liability of $87 million and would result in a .1% decrease in LACERA's funded ratio necessitating an increase in the calculated contribution rates for the County of Los Angeles and PEPRA members.

- Information obtained from other CERL systems whose boards have adopted a pre-designation program applicable to their active members' potential nonservice-connected disability retirement, and information obtained from LACERA's actuary, suggest that pre-designation programs that are adopted without incorporating an "actuarial penalty" into the program do not comply with statutory requirements of actuarial equivalence.

- Statutes applicable to the California State Teachers' Retirement System (CalSTRS) permit pre-designation of Optional Settlements, but there is an irrevocable actuarial penalty built into the pre-election. This design element appears to be structured so that the election will remain the "actuarial equivalent" of the benefits provided without a pre-election designation. CERL does not include such a provision.

III. Background

The County Employees Retirement Law of 1937 (CERL) provides for three types of retirement benefits for members:

1) Service retirement;
2) Nonservice-connected disability retirement; and
3) Service-connected disability retirement.

Each of the above retirements provide death benefits for members' designated survivors, including survivor continuances to those with an "insurable interest" in the member's benefit, depending upon whether the member retires or dies before filing an application for retirement.

A. Available Death Benefits

Following are the benefits that LACERA currently provides the survivors and beneficiaries of its members, all of which are provided under CERL:

1. **Service-Retirement Death Benefit**

   a. **"Unmodified" Allowance (LACERA default):** Where a member retires for service, the member receives his or her full retirement allowance without any actuarial reduction.

      Upon the death of the member, eligible survivors (including the member's spouse or minor child) receive 65% of the member's monthly unmodified allowance. (Secs. 31760.1 and 31760.12.)

      If there are no survivors eligible for a continuance upon the member's death, beneficiaries will receive the member's accumulated contributions less any retirement-allowance payments received by the member during the member's lifetime, as well as any additional death benefit afforded to beneficiaries under provisions of CERL Article 12 (Death Benefits). (Secs. 31780-31792.)

   b. **"Unmodified Plus" Allowance:** Upon election of this option, the member receives a reduced retirement allowance in exchange for his or her survivor to receive between 66% and 100% of that reduced allowance upon the death of the member. (Sec. 31760.5(a).)[1] ***This must be actuarially equivalent to the Unmodified option***, and the member's own retirement allowance is reduced in proportion to demographics of the individual whom the member designates to receive the survivor allowance, and in proportion to the percentage of continuing benefit selected. (Section 31760.5(a), (c).)

   c. **Option 1:** In lieu of the Unmodified or Unmodified Plus Allowance, members elect one of four Optional settlements. Option 1 consists of the right to have a reduced retirement allowance paid until the member's death and, if the member dies before receiving annuity payments in the amount of the member's accumulated contributions at retirement, to have the balance at death paid to the member's estate or to the natural person, having an insurable interest in the member's life. ***Option 1 must be the actuarial equivalent of the Unmodified Allowance.*** (Secs. 31760 and 31761.)

   d. **Option 2:** Option 2 provides that the member will receive a reduced retirement allowance during the member's lifetime with 100% of their reduced allowance paid to **a named beneficiary**, having an insurable interest in the member's life, upon death. ***Option 2 must be the actuarial equivalent of the Unmodified Allowance.*** (Secs. 31760 and 31762.)

[1] For Plan E members, this percentage may be between 56% and 100%. The remainder of this memorandum, however, references the 66% floor applicable to all non-Plan E members.

e. **Option 3:** Option 3 provides that the member receives a reduced retirement allowance during the member's lifetime with 50% of their reduced allowance continuing to the member's designated beneficiaries, having an insurable interest in the member's life, upon the death of the member. ***Option 3 must be the actuarial equivalent of the Unmodified Allowance.*** (Secs. 31760 and 31763.)

f. **Option 4:** Option 4 provides that a member will receive a reduced retirement allowance during the member's lifetime with 100% of the reduced allowance continuing to the member's designated beneficiaries **(more than one)**, having an insurable interest in the member's life, upon the death of the member. ***Option 4 must be the actuarial equivalent of the Unmodified Allowance.*** (Secs. 31760 and 31764.)

2. Nonservice-connected Death Benefit for Active Members

If an active member has at least five years of service credit,[2] the following death benefits are payable to the member's named beneficiary and/or eligible survivor:

a. **Basic Death Benefit** (payable to beneficiary or member's estate): Lump-sum payment of the member's accumulated contributions and one month of the member's compensation earnable for each full year of service, up to six months. (Sec. 31781.)

b. **Optional Death Allowance** (payable to an eligible survivor, including the member's spouse or minor child): 65% of the monthly retirement allowance the deceased member would have received had the member retired on the date of death with an unmodified allowance, payable in lieu of Basic Death Benefit. (Sec. 31765.2.)

c. **Combined Benefit** (payable to an eligible survivor, including the member's spouse or minor child): Lump-sum salary death benefit and actuarially reduced monthly Optional Death Allowance, payable in lieu of Basic Death Benefit. (Sec. 31781.3.)

3. Service-Connected Death Benefits for Active Members

If an active member[3] dies in a manner that the Board determines has a "real and measurable" connection to their LACERA-covered employment, the same death benefits as set forth above are available to the member's named beneficiary and/or eligible

[2] Plan E members are not eligible for a nonservice-connected disability retirement.
[3] Plan E members are not eligible for a service-connected disability retirement.

survivor, except that the 65% continuance to the survivor is increased to a 100% continuance of the retirement allowance that member would have received. (Sec. 31787.)

B. *Gorman v. Cranston* permitted a one-off pre-designation in the context of an active member's death in very limited circumstances, but it did not authorize a systematic pre-designation program.

At least two other CERL systems have adopted pre-designation programs which will be discussed in detail below—these programs are premised on retirement systems filing applications for nonservice-connected disability retirement on behalf of members who die while in active service for nonservice-connected causes. The legal memoranda supporting those programs rely heavily on a 1966 California Supreme Court case, *Gorman v. Cranston.*[4]

1. Facts

In *Gorman*, a judge went into surgery from which he was reasonably unlikely to recover. In advance, he filled out a disability-retirement form, signed but not dated, in which he elected to retire. The form had a blank space in which a physician could attest to any disability that may arise. The judge directed his son to date the form, have a doctor attest to his disability, and send it to the Governor and the Chief Justice to effectuate his retirement if he were to become disabled following the surgery. After surgery, the judge fell into a coma and shortly thereafter, he died. After the judge died, , a doctor signed the form attesting to the Judge's disability prior to death, and sent it to the Governor and the Chief Justice.

2. Court's Analysis and Decision

The California Supreme Court held that a valid retirement was effectuated by the judge. The Court focused on three key factors to arrive at its conclusion.

First, text of the Judges' Retirement Law provides that judges may be deemed to have retired before death if they have "execute[d] an application evidencing [their] consent" even if the Governor and Chief Justice have not yet been able to act on such application. (Gov. Code 75060.)

Second, the policy underlying the Judges' Retirement Law is to attract qualified candidates to the judiciary, and this policy would be undermined if candidates were concerned that their spouses would not be provided for if they suddenly died while in office.

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[4] *Gorman v. Cranston* (1966) 64 Cal.2d 441.

Third, the judge conditioned his pre-authorization of retirement on an eventuality—becoming disabled as the result of a particular surgery—over which he had no control, and the retirement application was pre-filled and directed to be filed in the event the judge was to become disabled.

3. Analogies between *Gorman* and CERL

Although this case was not decided under CERL, there are analogies between the analysis provided in *Gorman* and CERL pre-designation programs adopted by the two other CERL systems based on an application for a service-connected disability retirement.

First, the relevant text of CERL pertaining to the timeliness of a disability-retirement application is similar to that discussed in *Gorman.* Government Code section 31722 provides that applications may be made "while the member is in service, within four months after his or her discontinuance of service, within four months after the expiration of any period during which a presumption is extended beyond his or her discontinuance of service, or while, from the date of discontinuance of service to the time of the application, he or she is continuously physically or mentally incapacitated to perform his or her duties." The provision permitting optional retirement allowances likewise provides that option elections may be made at any time "until the first payment of any retirement allowance is made." (Sec. 31760[5].) Therefore, if a CERL retirement system were to submit a nonservice-connected disability retirement application with a pre-designated option election shortly after the member's death during active service, or during the member's period of disability, there would be no timeliness problem under CERL.

Second, a key policy underlying CERL is to attract qualified persons to public service: "one of the primary purposes of offering a pension, as additional compensation, is to induce competent persons to enter and remain in public service."[6] This policy may be undermined by creating doubts as to the financial stability of surviving spouses.

Third, a CERL retirement system could craft a program with the same mechanics as described in *Gorman*. That is, pre-authorization forms could authorize the retirement system to apply for a member's disability retirement only upon that member becoming afflicted with a disability—an eventuality over which the member has no control.

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[5] Section 31760(b) and (c) allow for option elections to be made after the payment of the first retirement benefit in certain circumstances that are extremely unlikely to apply in this context.
[6] *Packer v. Board of Retirement of Los Angeles County Peace Officers' Retirement System* (1950) 35 Cal.2d 212, 215.

4. *Gorman* Did Not Authorize a Systemic Program.

Gorman, however, explicitly notes that it is *not authorizing a systematic program*: the Court approved the pre-authorization at issue in the case because (at least in part) it was not "one in which an all-purpose consent was signed and made ready for any eventuality."[7] There are no indications within *Gorman* as to how the court would have analyzed such a blanket program, but, from this language, it is safe to assume that a blanket program would have been subjected to a different analysis. Therefore, the Board should not overly rely on *Gorman* as the sole basis for establishing a pre-authorization program.

C. CERL requires actuarial equivalence for option elections.

CERL is clear that optional retirement allowances, including the Unmodified Plus option, are limited to the "actuarial equivalent" of the member's retirement benefit plus the default survivor's benefit.

Government Code section 31760 states the following in pertinent part:

> . . . 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 on of the optional settlements specified in this article.

Section 31760 applies to *all* optional retirement allowances, including the Unmodified Plus option (Sec. 31760.5) and Options 2 (Sec. 31762) and 4 (Sec. 31764), which allow for a reduced retirement allowance for the member with the same continuance payable after death to specified person(s) nominated by written delegation.

Section 31456 defines "actuarial equivalent" as "**a benefit of equal value when computed upon the basis of the mortality tables** adopted by the board of supervisors and regular interest thereon." (Emphasis added.) Stated more simply, the actuarially-determined anticipated cost of a member's optional retirement allowance and survivor continuance needs to be *no more than* the actuarially-determined anticipated cost of the member's Unmodified Retirement Allowance plus the surviving spouse continuance. That is, the election needs to be actuarially "cost neutral."

An option-election program would not be cost neutral if it imbedded into LACERA's administration of the retirement system an approach that led to systematic losses that

[7] *Gorman*, 64 Cal.2d at 445–446.

would then need to be paid for by employers through the payments on the Unfunded Actuarial Accrued Liability (UAAL).

1. Courts will enforce retirement associations' responsibilities.

Courts will enforce the financial responsibility provisions of public retirement statutes as written when confronted with systematic programs that deviate from the requirements of those statutes. In *City of San Diego v. San Diego City Employees' Retirement System,*[8] it is made clear that courts will enforce the financial responsibility provisions in public retirement statutes. *San Diego* concerned a provision in which SDCERS members were allowed to purchase up to five years of service credit for periods that those members had not actually worked in any qualifying employment ("air time"). The city charter (which creates the program administered by SDCERS) provision authorizing air time purchases specified that employees are to bear all costs of this program—including costs that would otherwise fall on employers—of those purchases. As a result of city-authorized benefit increases, each air time purchase created a deficit in the SDCERS system, and employees were not bearing all costs of the program. So, SDCERS voted to increase the air time purchase price, but gave members a 60-day window in which they could purchase air time at old rates.

The court held that SDCERS had no authority to authorize that 60-day window after learning that the old price did not comply with the statutory requirement that employees bear all cost of the air time purchase program.

The *San Diego* decision demonstrates that courts will enforce the financial responsibility provisions of public retirement statutes as written when confronted with systematic programs that deviate from the requirements of those statutes. The *San Diego* decision stands as a counterweight to the *Gorman* decision.

Gutierrez v. Board of Retirement of Los Angeles County Employees Retirement Assn.[9] is a CERL decision emphasizing that it is the role of the Legislature to design the pension plan and for the retirement association to administer the plan as written. In Gutierrez, a member died several years after being granted a nonservice-connected disability retirement. His widow then received 60% of the allowance her husband received. Sometime after the member's death, the survivor learned that her husband's illness and death were related to his job and requested a service-connected disability retirement. LACERA denied her request because Section 31722 does not permit a late application for one kind of disability retirement after another kind has been granted and has no "delayed discovery" provision. Nor does it permit a new or changed application for survivors benefits of one kind when the decedent was already receiving the other kind of

[8] *City of San Diego v. San Diego City Employees' Retirement System* (2010) 186 Cal.App.4th 69.
[9] *Gutierrez v. Board of Retirement of Los Angeles County Employees Retirement Assn.* (1998) 62 Cal.App.4th 745.

disability benefit. The trial court, however, granted the widow's petition, finding that LACERA should have made available some sort of "equitable" procedure to at least permit the survivor to apply for service-connected survivor benefits once she discovered that her husband's disability was service connected. The court of appeal disagreed and stated:

> "Whatever merit there might be to the trial court's finding that it would be 'equitable' to read [an exemption into CERL], *it is not the job of the courts to expand the scope of retirement benefits created by the Legislature and spelled out in a detailed statutory scheme*."[10]

2. LACERA's actuary has determined that allowing members to predesignate their retirement options would increase fund liabilities and result in an increase in the calculated contribution rates for the County of Los Angeles and PEPRA members.

Milliman, LACERA's actuary, has prepared a report estimating the financial impact on LACERA if all members in active service were to predesignate an Unmodified Plus Allowance for a nonservice-connected disability for purposes of determining the survivor benefit of a nonservice-connected death. A copy of their May 24, 2024 report is attached.

According to their report, allowing members to predesignate an Unmodified Plus Allowance would result in a .1% decrease in LACERA's funded ratio or $87 million dollars. Therefore, it would be necessary to increase the contribution rate for the County, General Plan G, and Safety Plan C members. The calculation of member contribution rates for Legacy members is not affected by death benefits—even though funding for Legacy members is not affected, actuarial equivalence under Section 31760 requires that the lifetime allowance paid to the member **and** the continuance allowance paid to the survivor are actuarially equivalent to what would have been paid to each party under an Unmodified Allowance retirement. This cannot be computed in a pre-designation plan that becomes effective upon the member's death because no allowance will ever be paid to the member.

The following chart reflects the contribution changes based on LACERA's June 30, 2023, actuarial valuation:

[10] *Id.* at 749, Emphasis added.

Funded Metrics	June 30, 2023 Valuation Results	Valuation with Pre-Designation	Increase / (Decrease)
Funded Ratio	79.9%	79.8%	(0.1%)
Actuarial Accrued Liability ($millions)	$90,651	$90,738	$87
County Contribution Rate	25.88%	26.06%	0.18%
Annual County Contribution	$2,552 million	$2,570 million	$18 million
Gen. Plan G Member Contribution Rate	9.28%	9.32%	0.04%
Safety Plan C Member Contribution Rate	14.97%	15.01%	0.04%

Milliman's report was based on the following assumptions:

- Members will not be charged for electing the pre-designation option.
- Members who do not have an eligible survivor are not eligible for the pre-designation option.
- All members with an eligible survivor will elect the pre-designation option and select the Unmodified-Plus option.
- The increase in the Unfunded Actuarial Accrued Liability (which is equal to the increase in the Actuarial Accrued Liability as there is no change in assets) will be amortized over a 10-year period in the calculation of the employer contribution rate.

D. A pre-designation retirement option for active members is a change in plan design that requires legislative authorization rather than an administrative action as to which a retirement system has authority.

Given the above projected impact on Unfunded Actuarial Accrued Liability that will result from a pre-election program, implementation of such a program would require express authorization from the Legislature given the actuarial equivalence requirements for all CERL optional retirement allowances.

The Supreme Court has been clear and consistent in defining the limitations on retirement systems' authority—the systems are to administer the plan, not design it, and may not grant benefits beyond those authorized by statute. In *Alameda County Deputy Sheriff's*

Association,[11] the California Supreme Court emphasized: "The task of a county retirement board is not to design the county's pension plan but to implement the design enacted by the Legislature through CERL."

As discussed earlier, in *City of San Diego v. San Diego City Employees' Retirement System*, the court stated: "The scope of the board's power as to benefits is limited to administering the benefits set by the [plan designer]."[12]

Because a retirement system's authority for fund administration does not include changes to plan design, corrective legislation should be a plan-sponsor issue.

1. A 1991 bill seeking legislation for a pre-designation retirement option for active members did not pass.

In 1991, California Assembly Bill 2106 sought to implement a retirement option which stated the following in pertinent part:

> If any member dies in service after five years of service and is survived by a spouse, that spouse may elect, in lieu of the death benefit in Section 31781 or the life annuity provided in Section 31781.1, to receive the same retirement allowance as that to which he or she would have been entitled had the deceased member been eligible for a disability retirement benefit on the day of the member's death, had selected Optional Settlement 2, and had named the spouse as beneficiary.

Assembly Bill 2106, a copy of which is attached, failed to pass. It is unclear whether similar legislation would be successful today.

2. Legislation that includes built-in costs.

Legislation for a program that includes built-in costs borne by all members who elect to pre-designate their option election more than a period of time before retirement would be permissible. Under the authority cited above, such a change requires legislative action and cannot be done under a retirement system's administrative authority. CalSTRS has legislatively adopted such a program.

In CalSTRS, members may elect one of several retirement options (analogous to CERL's Unmodified Plus and Optional Settlements) before retirement. (Ed. Code § 24307.) If that preretirement election remains in effect at the time of retirement, the member will receive

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[11] *Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032, 1066.
[12] *San Diego v. San Diego City Employees' Retirement System* (2010) 186 Cal.App.4th 69, 80.

a reduced retirement allowance modified by a periodically calculated "option factor." (Ed. Code § 24307(d).) Retirement allowances will be modified by the option factor as of the date of the preretirement election, or as of the date of retirement, whichever option factor is greater. (Ed. Code § 24307.5.) This design aims to neutralize the actuarial impact that would otherwise be associated with pre-election.

3. Legislation that exempts the actuarial equivalence requirements

As another option, the Legislature, not a retirement system under existing law, could enact a pre-election program that is explicitly exempted from actuarial equivalence requirements. Under this scenario, Unmodified Plus and Optional Settlements would still be required to aim for actuarial equivalency to the default allowances, but the actuarial burden associated with *pre-electing* these options would be legislatively authorized.

In either case, the Legislature would have to specify to whom a pre-election program would apply. By definition, such a program could not apply to already-retired members, as CERL does not generally allow already-retired members to change their retirement option election. (Sec. 31760(a).) The Legislature's choice would be between allowing all future active *retirees* to pre-elect Unmodified Plus or an Optional Settlement or limiting the program to current active members. Likewise, in either case, the Legislature could enact a pre-election program for all CERL systems, to LACERA only, or it could enact a county-optional program that would require adoption by the respective county boards of supervisors.

4. Other system's pre-designation plans

Two other systems have adopted plans allowing active members to predesignate their retirement options. It is our understanding that these systems have adopted similar policies which operate in the following manner:

- The active member files a written authorization with the retirement association while in service that authorizes the association to file a nonservice-connected disability retirement application on the member's behalf if and when the member is permanently incapacitated from an injury or other medical condition that leads to death. The pre-designation plans are predicated on the assumption that no one dies instantly and that it takes the human body three to five minutes to be declared medically dead even after suffering a fatal injury such as a gunshot wound to the head. The application is said to spring into effect when there is reason to believe that the member is permanently incapacitated from the performance of their duties but before death. In some instances, the application would spring into effect moments before the member dies.

- At the time the member provides the above-described authorization, the member is allowed to pre-elect either Optional Settlement 2 (Sec. 31762) or an Optional Settlement 4 (Sec. 31764).

- Board Determination: Once the conditional authorization is triggered by the active member's incapacity and the association files the nonservice-connected disability retirement application, the Board must adjudicate and determine whether the member was permanently incapacitated prior to death.

These pre-designation plans were adopted with board and plan sponsor approval. One system's actuary determined that the pre-designation plan would increase the employer's contribution rate 0.13% and the employee contribution rate 0.03%.

The Legal Office does not have information regarding the contribution rates related to the other system's pre-designation plan.

5. The pre-designation plans adopted by two other systems do not address the actuarial equivalence requirement for CERL's optional settlements.

As explained above, the two other systems allow active members to predesignate either Optional Settlement 2 (Sec. 31762) or Optional Settlement 4 (Sec. 31764). Each provides lifetime monthly allowances to a member's designated beneficiary (Optional Settlement 2) or multiple designated beneficiaries (Optional Settlement 4).

Though these pre-designation plans address the funding issues by increasing the contribution rates paid by the plan sponsor and employee, the plans do not address the actuarial requirements for Optional Settlement 2 and Optional Settlement 4.

It is important to understand that "actuarial equivalence" relates to the amount of the benefits that are to be paid, not the funding of the benefit.

Recall that Section 31760 states:

> . . . a member or retired member, in lieu of the retirement allowance **for the member's life alone** [i.e., a single life benefit], 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. (Emphasis added.)

The underscored and bolded language above is key to understanding the benefit entitled. That is, it's comparing a single life benefit with the "lesser retirement allowance" paid to the member, plus the optional survivor allowance to calculate actuarial equivalence "as of the date of retirement." That calculation cannot be performed for a

pre-designation because the date of retirement has not been established. And the adverse selection issue implicated by pre-designation options makes true actuarial equivalence impossible in a pre-designation context (without the penalty imposed that the CalSTRS statute provides).

IV. Duty to Counsel Members

LACERA's fiduciary duty to members includes an affirmative duty to "fully and fairly describe the plan and its various options and procedures."[13]

If LACERA were to adopt a pre-election program, it would need to alert eligible members. This notice would likely need to be provided through individual written communications to active members considering the significance of this potential increase in benefit options.

LACERA currently publishes robust member guidance as to the Unmodified, Unmodified Plus, and Optional Settlement retirement allowances. If a pre-election program is adopted, comparably robust counseling on that program would also need to be integrated into these portions of LACERA publications. Further, if LACERA implements a pre-election program pursuant to legislation that reduces member allowances in exchange for pre-election (as the CalSTRS program does), LACERA guidance must be clear on this point.
A program of this nature would likely lead to increased costs for counseling members. Members considering this option will want to go through retirement counseling, run estimates, and understand the choices they are making. Additionally, it is foreseeable that members will want to reconsider the pre-designation as they are nearing normal retirement age. While LACERA can mitigate some of these costs through future automation in some cases, additional costs must be considered.

V. Conclusion

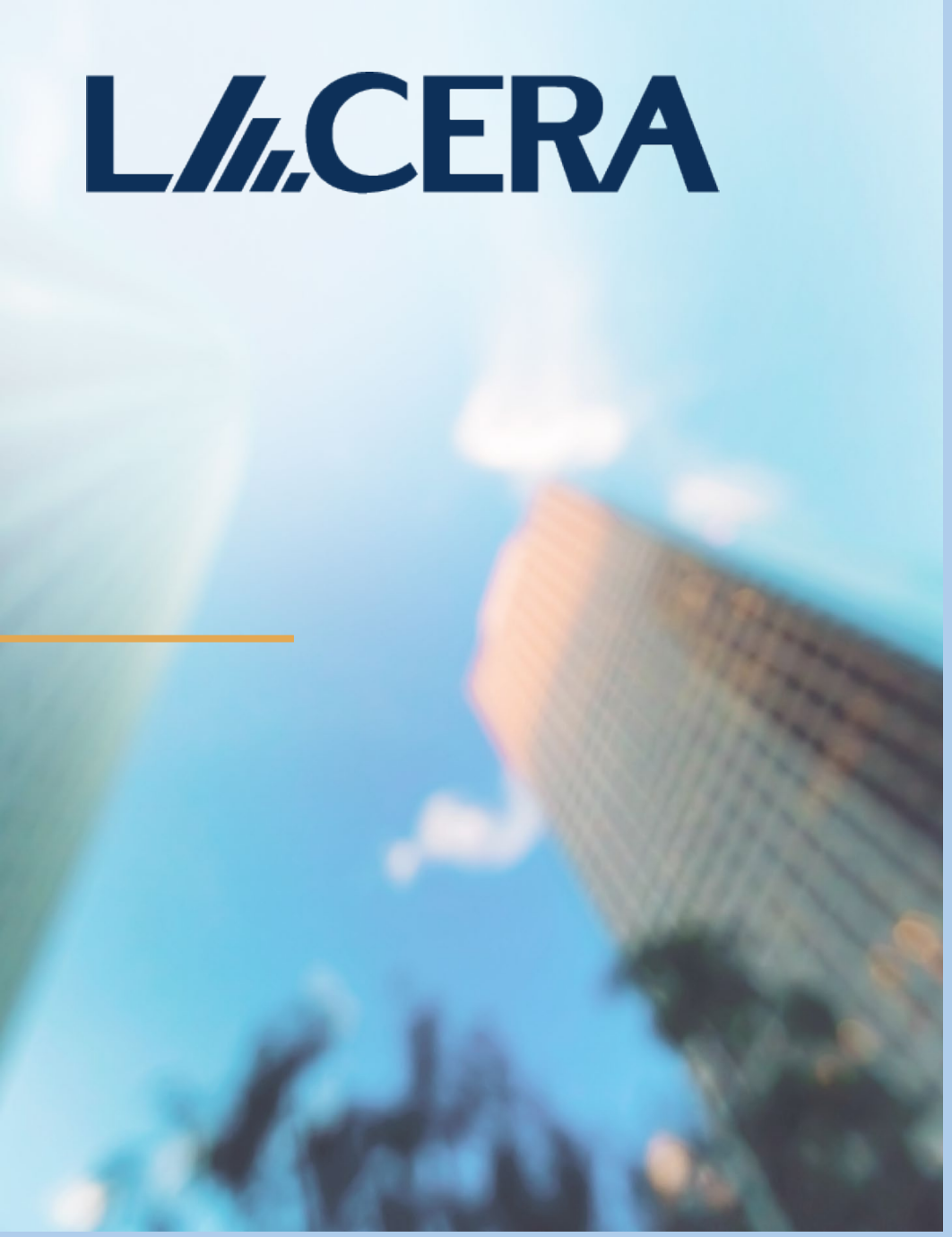
The above analysis is being provided to facilitate discussion about the direction the Board may want to take in considering pre-designation retirement options for our active members. Based on the actuarial report provided by Milliman and CERL's actuarial equivalence requirements for all optional retirement plans, it is the Legal Office's opinion that any pre-designation retirement option adopted by the Board would require legislation. Because a retirement system's authority for fund administration does not include changes to plan design, corrective legislation should be a plan-sponsor issue.

Reviewed and approved.

Steven P. Rice, Chief Counsel

Attachments
FJB

[13] *Hittle v. Santa Barbara County Employees Retirement Assn.* (1985) 39 Cal.3d 374, 392.



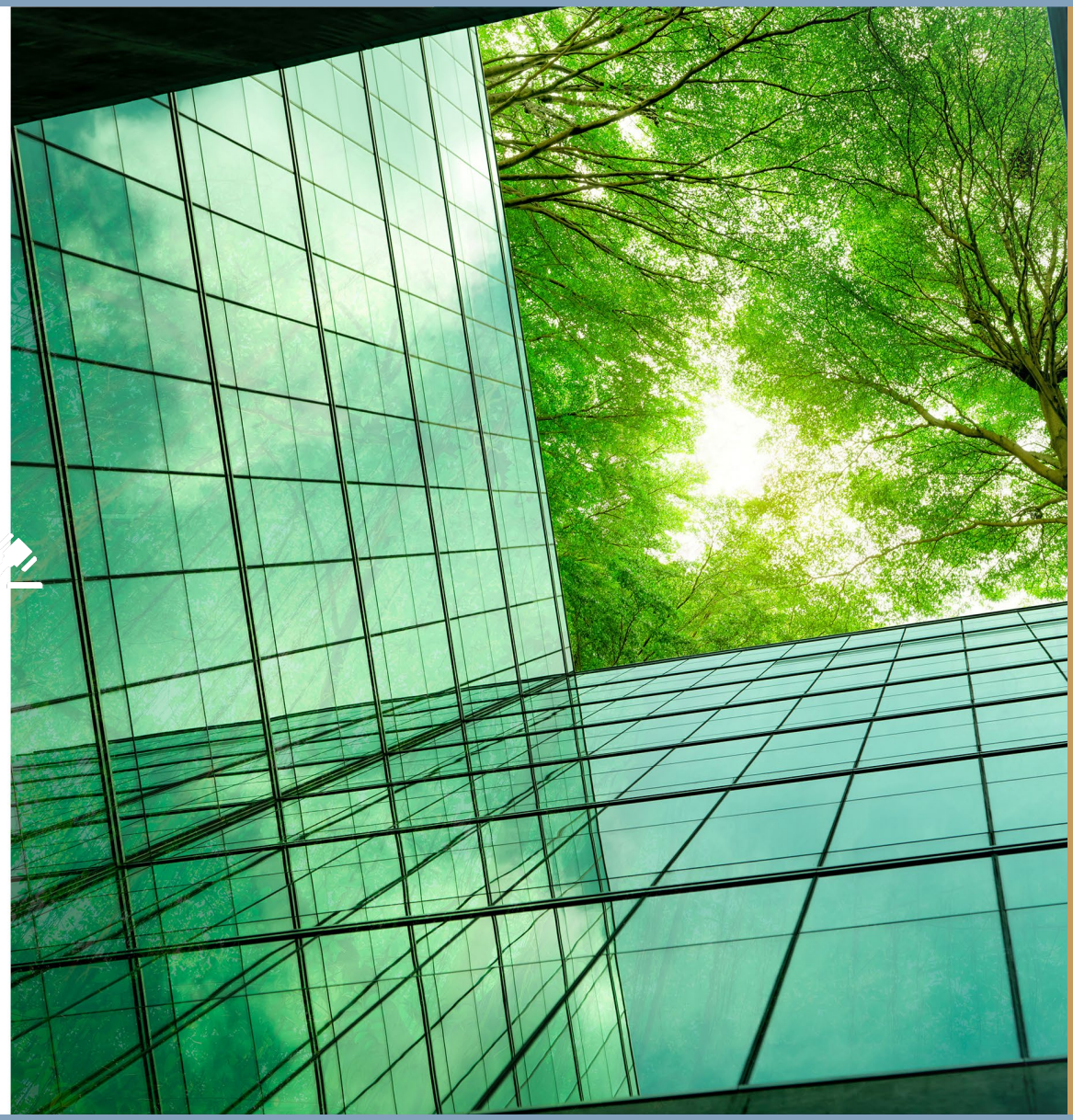
Pre-designation of Retirement Options by Active Members in Advance of Retirement

Frank Boyd, Sr. Staff Counsel

Purpose

We will discuss:

- **The Board of Retirement's Role as Administrator of the Pension Plan**
- **Pre-designation Options' Actuarial-Equivalence Requirements**
- **Legislative Options for Pre-Designation**



The Board of Retirement's Role is to Administer the Retirement Plan

"The task of a county retirement board is not to design the county's pension plan but to implement the design enacted by the Legislature through CERL."

Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association (2020) 9 Cal.5th 1032, 1066.

"The scope of the board's power as to benefits is limited to administering the benefits set by the [plan designer]."

San Diego v. San Diego City Employees' Retirement System (2010) 186 Cal.App.4th 69, 80.

Unmodified Retirement Allowance
LACERA Default

Retired member receives full retirement allowance without actuarial reduction.

Upon member's death, eligible survivors (including spouse or minor child) receive 65% of the member's monthly unmodified allowance.

(Secs. 31760.1 and 31760.12.)

Unmodified Plus Retirement Allowance

Retired Member receives a reduced retirement allowance and upon death the survivor receives 100% of member's reduced retirement allowance.
(Sec. 31760.5(a).)

Must be actuarially equivalent to the Unmodified option, and the member's own retirement allowance is reduced in proportion to demographics of the individual whom the member designates to receive the survivor allowance, and in proportion to the percentage of continuing benefit selected.
(Secs. 31760.1 and 31760.5(a), (c).)

Option 1

Retired member receives a reduced retirement allowance. If the member dies before receiving in annuity payments the amount of the member's accumulated contributions at retirement, the balance at death is paid to the member's estate or to the natural person, having an insurable interest in the member's life.

Option 1 must be the actuarial equivalent of the Unmodified Allowance. (Secs. 31760 and 31761.)

Option 2

Retired member receives a reduced retirement allowance during the member's lifetime with 100% of their reduced allowance paid to **a named beneficiary**, having an insurable interest in the member's life, upon death.

Option 2 must be the actuarial equivalent of the Unmodified Allowance. (Secs. 31760 and 31762.)

Option 3

Retired member receives a reduced retirement allowance during the member's lifetime with 50% of their reduced allowance continuing to **named beneficiaries**, having an insurable interest in the member's life, upon death.

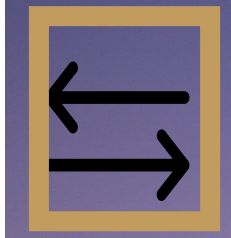
Option 3 must be the actuarial equivalent of the Unmodified Allowance. (Secs. 31760 and 31763.)

Option 4

Retired member receives a reduced retirement allowance during the member's lifetime with 100% of their reduced allowance paid to member's designated beneficiaries **(more than one)**, having an insurable interest in the member's life.

Option 4 must be the actuarial equivalent of the Unmodified Allowance. (Secs. 31760 and 31764.)

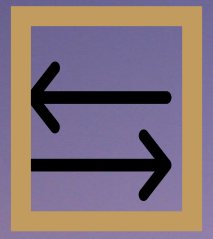
CERL's Unmodified Plus and Optional Settlements Must Be Actuarially Equivalent



Government Code section 31760(a) ". . . a member or retired member, **in lieu of the retirement allowance for the member's life alone** [i.e., a single life benefit], may elect to have the **actuarial equivalent of their retirement allowance as of the date of the retirement** *applied to a* ***lesser retirement allowance payable throughout the life*** in accordance with one of the optional settlements specified in this article."

Section 31760(a)

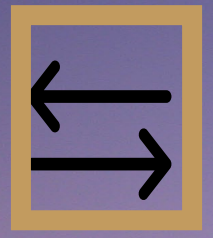
Instead of receiving 100% of the member's retirement allowance for life



Member receives actuarial equivalent of their retirement allowance <u>as of the date of the retirement</u>

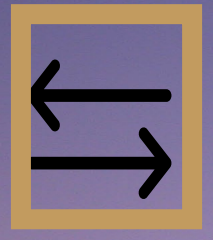
*"[A]pplied to a **lesser retirement allowance payable throughout the life*** in accordance with one of the optional settlements specified in this article."

Section 31456: Actuarial Equivalent



"'Actuarial equivalent' means a benefit of equal value when computed upon the basis of the mortality tables adopted by the board of supervisors and regular interests thereon."

Section 31760: Actuarial Equivalent



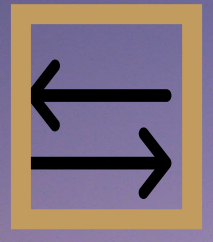
The actuarially-determined anticipated cost of a member's optional retirement allowance and survivor needs to be no more than the actuarially-determined anticipated cost of the member's Unmodified Retirement Allowance *plus* the surviving spouse continuance.

The election needs to be actuarily "cost neutral."

(*Chaidez v. Board of Administration etc.* (2014) 223 Cal.App.4th 1425, 1431.)

Section 31760: Actuarial Equivalent

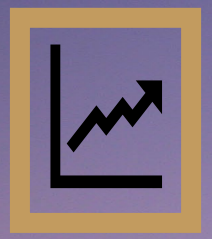
"Actuarial equivalence" relates to the amount of the benefit paid, not the funding of the benefit.



It compares a single benefit with the "lesser retirement allowance" paid to the member, plus the optional survivor allowance to calculate actuarial equivalence "as of the date of retirement."

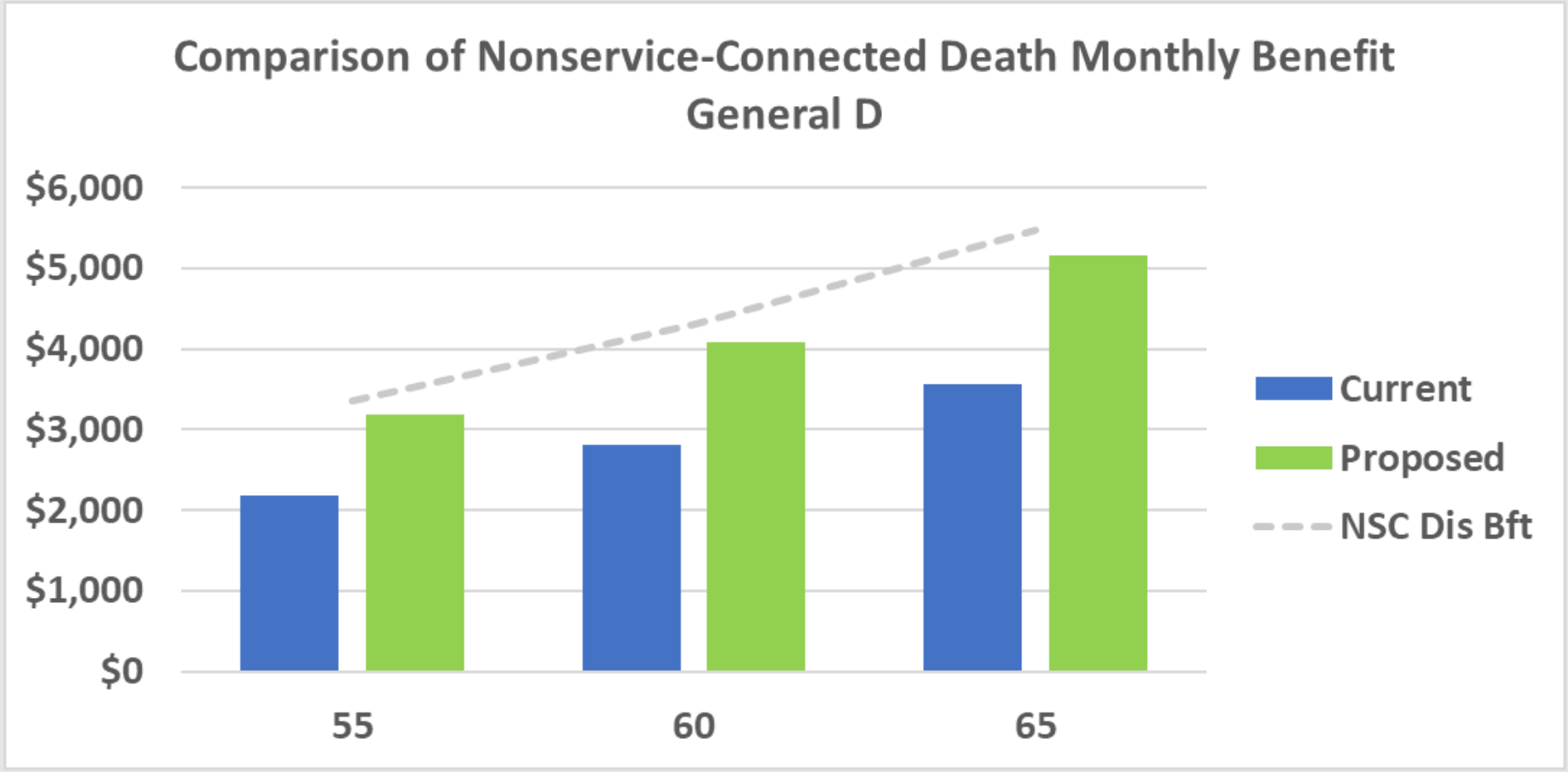
This calculation cannot be performed for a pre-designation because the date of retirement has not been established.

Milliman's Actuary Report



The following four slides, outlining the financial impact if all members in active service were to pre-designate an Unmodified Plus Allowance, were prepared by LACERA's actuary, Milliman.

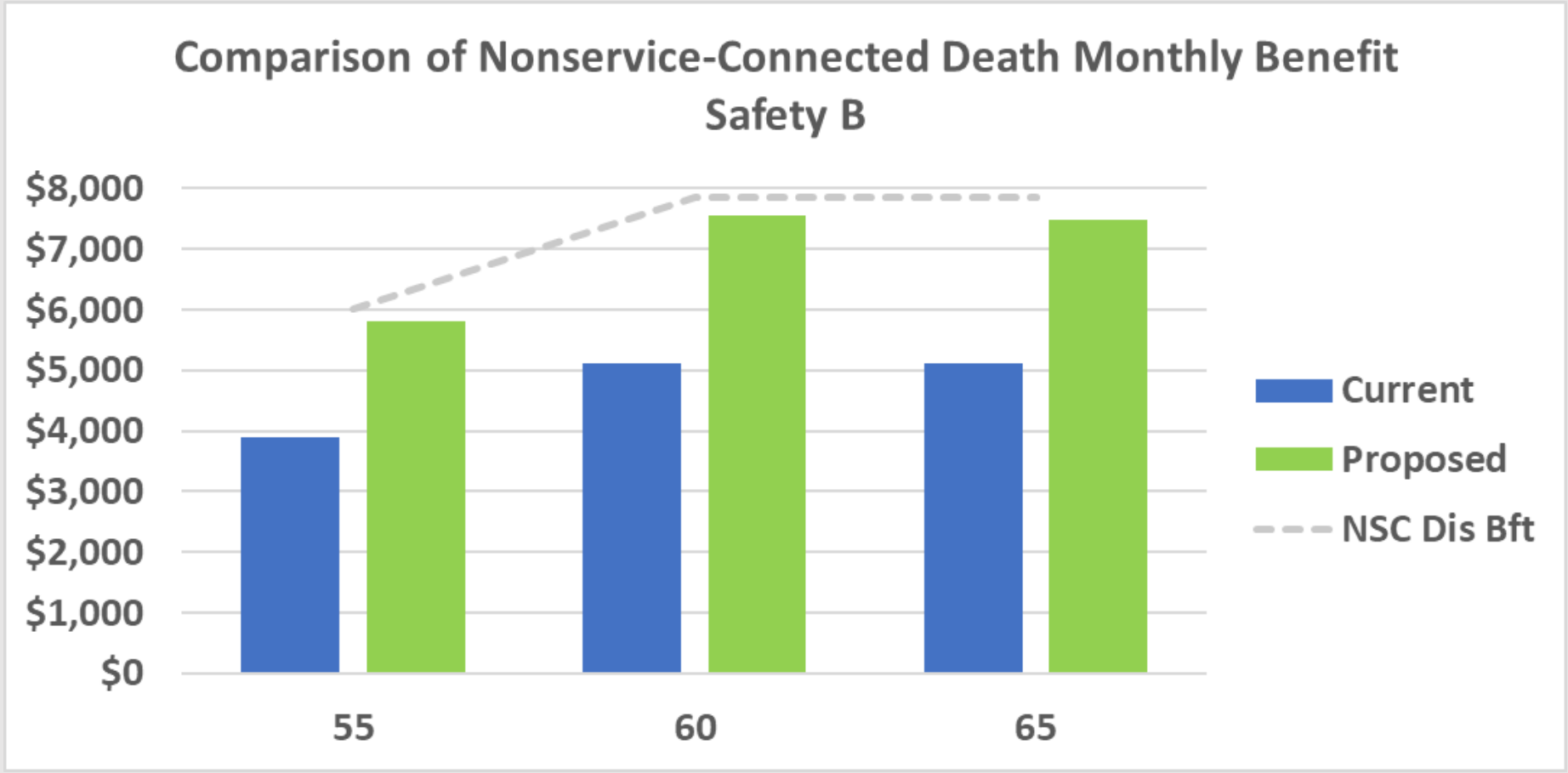
Example of Potential Impact of Change on Benefit Amount – General Members



Example is based on a General Plan D member with 25 years of service earning $9,000 per month in final year before death. It assumes eligible survivor is same age as member and member pre-designates option of Unmodified-Plus with 100% Continuance for the Proposed option.

Milliman

Example of Potential Impact of Change on Benefit Amount – Safety Members



Example is based on a Safety Plan B member with 25 years of service earning $12,000 per month in final year before death. It assumes eligible survivor is same age as member and member pre-designates option of Unmodified-Plus with 100% Continuance for the Proposed option.

The Safety B age factor is maxed out at age 60, so the age 60 and age 65 factors are the same and so is the nonservice-connected benefit. The proposed death-benefit amount (green bar) is slightly lower at age 55 than at age 60 (older age equals higher costs of the insurance the continuance provides and therefore more reduction).

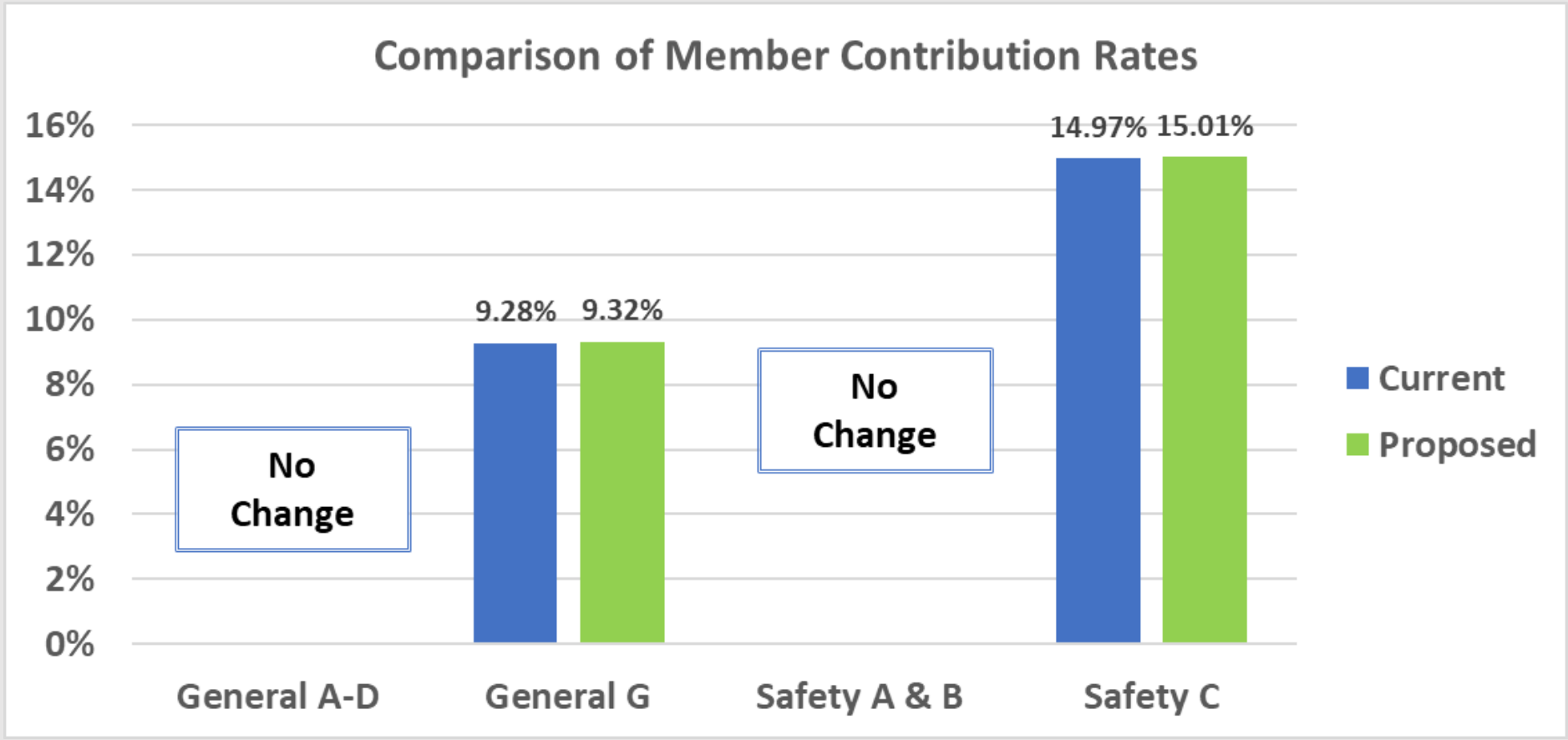
Milliman

Estimated Financial Impact – Employers

Funding Metrics	June 30, 2023 Valuation Results	Valuation with Pre-Desigation	Increase / (Decrease)
Funded Ratio	79.9%	79.8%	(0.1%)
Actuarial Accrued Liability ($millions)	$90,651	$90,738	$87
Employer Contribution Rate	25.88%	26.06%	0.18%
Annual Employer Contribution Amount ($millions)	$2,552	$2,570	$18

Increase in employer contribution rate is made up of a 0.06% increase in the employer normal cost rate which is an on-going increase. There is an additional 0.12% increase due to the increase in the Unfunded Actuarial Accrued Liability which is amortized over a 10-year period, so that portion is a temporary increase.

Estimated Financial Impact – Contributory Plan Members



Estimated $ Impact

General G: For typical General Plan G member earning $7,000 per month, the 0.04% increase is equivalent to an additional $2.80 per month contribution

Safety G: For typical Safety Plan C member earning $9,000 per month, the 0.04% increase is equivalent to an additional $3.60 per month contribution

Note: General Plan E is non-contributory, and the plan does not provide pre-retirement death or disability benefits, so Plan E members would not be affected by the proposed change.

Built-in-Cost Plan

Like CalSTRS' plan, members would be able to elect one of the CERL options before retirement.

If that preretirement election remains in effect at the time of retirement, the member will receive a reduced retirement allowance modified by a periodically calculated "option factor." Retirement allowances will be modified by the option factor as of the date of the preretirement election, or as of the date of retirement, whichever option factor is greater.

This design aims to neutralize the actuarial impact that would otherwise be associated with pre-election.

Exempt Actuarial Equivalence Requirements

Legislature, not a retirement system under existing law, could enact a pre-election program that is explicitly exempted from actuarial equivalence requirements.

Unmodified Plus and Optional Settlements would still be required to aim for actuarial equivalency to the default allowances, but the actuarial burden associated with *pre-electing* these options would be legislatively authorized.

PRIOR LEGISLATION ATTEMPT FAILED TO PASS

In 1991, California Assembly Bill 2106 sought to implement a retirement option which stated the following in pertinent part:

> If any member dies in service after five years of service and is survived by a spouse, that spouse may elect, in lieu of the death benefit in Section 31781 or the life annuity provided in Section 31781.1, to receive the same retirement allowance as that to which he or she would have been entitled had the deceased member been eligible for a disability retirement benefit on the day of the member's death, had selected Optional Settlement 2, and had named the spouse as beneficiary.

Gorman v. Cranston

(1966) 64 Cal.2d 441.

Involved Judge's Retirement Law, not CERL.

Judge signed an undated retirement election form prior to surgery and directed his son to date and effectuate it if he were to become disabled after surgery. Judge fell into coma following surgery. Doctor signed the form attesting to incapacity and submitted to the Governor and Chief Justice.

The California Supreme Court held that the one-off pre-designation was a valid, but it did not authorize a systematic pre-designation program.

Gorman v. Cranston

(1966) 64 Cal.2d 441.

Analogies between *Gorman* and CERL:

- Application timeliness issues in *Gorman* are similar to Gov. Code Sec. 31722.
- Judge's Retirement Law and CERL are both designed to attract public service.
- A CERL system could craft a pre-designation program similar to *Gorman*

BUT *Gorman* did not authorize a systemic program. The Court approved the narrow pre-authorization at issue in the case because (at least in part) it was not "one in which an all-purpose consent was signed and made ready for any eventuality."

Other Systems' Pre-Designation Plans

- **Application:** Active members pre-elect Optional Settlements 2 (Sec. 31762) or 4 (Sec. 31764) while in service and authorize the association to file a nonservice-connected disability retirement application on their behalf when there is reason to believe that the member is permanently incapacitated prior to death—this could happen moments before the member dies.

- **Board Determination:** After the above application is filed, Board determines whether the member was permanently incapacitated prior to death.

- **Funding:** These plans increase the employer and the employee contribution rates and were adopted with board and plan sponsor approval.

Other Systems' Pre-Designation Plans

Pre-designation plans adopted by other systems do not address the actuarial equivalence requirement for CERL's optional settlements.

Section 31760 requires that all Optional Settlements, including Optional Settlement 2 (Sec. 31762) and Optional Settlement 4 (Sec. 31764) be actuarial equivalent. Section 31760 explains:

> ". . . a member or retired member, in lieu of the retirement allowance **for the member's life alone** [i.e., a single life benefit], 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." (Emphasis added.)

Other Systems' Pre-Designation Plans

Actuarial equivalence under Section 31760:

1) Compares the single-life benefit;

2) With the "lesser retirement allowance" paid to the member;

3) **Plus** the optional survivor allowance to calculate actuarial equivalence **"as of the date of retirement."**

That calculation cannot be performed for a pre-designation because the date of retirement has not been established.

The adverse selection issue implicated by pre-designation options makes true actuarial equivalence impossible in a pre-designation context (without the penalty imposed that the CalSTRS statute provides).

SUMMARY OF FINDINGS

- The optional survivor benefits are defined by CERL, as a part of CERL's benefit-plan design.
- Retirement system's authority for fund administration does not include changes to plan design.
- Corrective legislation should be a plan-sponsor issue.
- Corrective legislation in 1991 failed to pass.

THANK
YOU

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May 24, 2024

Board of Retirement
Los Angeles County Employees Retirement Association
300 North Lake Avenue, Suite 820
Pasadena, CA 91101-4199

Re: Analysis of Financial Impact of Disability Pre-designation

Dear Trustees of the Board:

As requested, we have estimated the financial impact on LACERA of allowing members in active service to select an optional form of payment (pre-designate) for the nonservice-connected disability for purposes of determining the survivor benefit of a nonservice-connected death.

Background

Currently, eligible survivors of active contributory plan members who die while still actively employed receive a default benefit equal to 65% of the benefit calculated under a nonservice-connected disability retirement if the death is determined to be nonservice-connected. This results in a lower benefit to the eligible spouse than if the member had retired for nonservice-connected disability and elected payment under the Unmodified-Plus option (100% continuance to eligible survivor) and then died the next day.

If the member is able to pre-designate an option for nonservice-connected disability retirement (for purposes of determining the nonservice-connected death benefit), it seems likely that members would select the Unmodified-Plus as it provides the greatest benefit upon death. This would increase nonservice-connected death benefit amounts and therefore would result in an increase in the calculated contribution rates for the employers and PEPRA members. Note that the calculation of member contribution rates for Legacy members is not affected by death benefits.

We estimate that ultimately about 0.2% of the active member population will ultimately die while in active employment with a survivor who is eligible for a nonservice-connected annuity death benefit and therefore would benefit from the potential change described above.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Results

We have estimated the potential impact on key LACERA metrics of providing disability pre-designation to all active members, as shown in the following table:

Funding Metrics	June 30, 2023 Valuation Results	Valuation with Pre-Desigation	Increase / (Decrease)
Funded Ratio	79.9%	79.8%	(0.1%)
Actuarial Accrued Liability ($millions)	$90,651	$90,738	$87
Employer Contribution Rate[1]	25.88%	26.06%	0.18%
Annual Employer Contribution Amount ($millions)	$2,552	$2,570	$18
General Plan G Member Contribution Rate	9.28%	9.32%	0.04%
Safety Plan C Member Contribution Rate	14.97%	15.01%	0.04%

1. *Increase in employer contribution rate is made up of a 0.06% increase in the employer normal cost rate which is an on-going increase. There is an additional 0.12% increase due the increase in the Unfunded Actuarial Accrued Liability which is amortized over a 10-year period, so that portion is a temporary increase..*

Results are estimated based on the June 30, 2023 actuarial valuation. In addition to the valuation assumptions, we made the following assumptions specific to the pre-designation election:

- The members will not be directly charged for electing the pre-designation option. However, the increased value of the proposed feature would increase the total Normal Cost rate, which would result in slightly higher member contribution rates for the PEPRA plans whose members pay half the total Normal Cost rate. Legacy member rates would not be affected.
- Members who do not have an eligible survivor are not eligible for the pre-designation option.
- Members are only allowed to elect this option while they are actively employed and in a contributory LACERA plan.
- All members with an eligible survivor will elect the pre-designation option and select the Unmodified-Plus option with a 100% continuance. To the extent members do not elect the option, the estimated cost would be expected to be less.
- The increase in the Unfunded Actuarial Accrued Liability (which is equal to the increase in the Actuarial Accrued Liability as there is no change in assets) will be amortized over a 10-year period in the calculation of the employer contribution rate.

Alternative Approach

Note that this analysis estimates the financial impact if active members were able to pre-designate without any cost to them. An alternative approach would be to charge the members an actuarially equivalent amount if they were to elect this option. There are a number of possible approaches to this. One option would be to apply a small reduction to the member's disability or service retirement benefit if they elected to pre-designate but did not die while in active service. If this type of approach were to be considered, the administrative complexity and any legal questions should first be considered.

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Risk Discussion

The results of any actuarial valuation or study are based on a set of assumptions. Although we believe the assumptions used in this analysis provide a reasonable estimate of future expectations, the ultimate cost of adding a disability pre-designation election is highly dependent on how closely actual experience follows the assumptions. It is almost certain that actual future experience will be different than assumed in this study; therefore, the ultimate cost of adding this benefit feature may be significantly different than shown in this letter.

Examples of factors that can have a significant impact on the study results are:

- Demographic experience (primarily mortality, but also termination, disability, retirement from employment, etc.)
- Investment return
- Payroll variation

Variations in future mortality and investment return assumptions are most likely to have the greatest impact on the ultimate cost of adding a disability pre-designation election.

The calculations included in this letter are subject to the same risk factors as discussed in the June 30, 2023 actuarial valuation and in the Risk Assessment report based on the June 30, 2022 actuarial valuation. Please refer to those reports for additional details on the primary risks to LACERA.

Certification

Except as noted elsewhere in this letter, all data, methods and assumptions are the same as described and used in the June 30, 2023 actuarial valuation report. In preparing this letter, we relied, without audit, on information (some oral and some in writing) supplied by LACERA's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

Actuarial computations presented in this letter are for purposes of estimating the financial impact of a change to LACERA's benefit provisions. These calculations have been made on a basis consistent with our understanding of that program. Determinations for purposes other than described may be significantly different from the results contained in this letter. Accordingly, additional determinations may be needed for other purposes.

The valuation results were developed using models employing standard actuarial techniques. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice. Reliance on other experts is reflected in Milliman's capital market assumptions, and in Milliman's expected return model maintained by Milliman investment consultants.

Future actuarial measurements may differ significantly from the current measurements presented in this letter due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

Milliman's work is prepared solely for the internal business use of LACERA. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third-party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exceptions:

(a) LACERA may provide a copy of Milliman's work, in its entirety, to LACERA's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit LACERA.

(b) LACERA may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law.

No third-party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal, investment, or accounting counsel.

The signing actuaries are independent of the plan sponsors. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

If you have any further questions regarding this letter, please let us know.

Sincerely,

Nick Collier, ASA, EA, MAAA
Consulting Actuary

Craig Glyde, ASA, EA, MAAA
Consulting Actuary

NC/CG/va

cc: Tatiana Bayer
Frank Boyd
Tamara Caldwell
Ricki Contreras
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This work product was prepared solely for LACERA for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends that third parties be aided by their own actuary or other qualified professional when reviewing the Milliman work product.

1991 Bill Text CA A.B. 2106

Enrolled, March 8, 1991

Reporter
1991 Bill Text CA A.B. 2106

THE STATE OF CALIFORNIA BILL TEXT > CALIFORNIA 1991-92 REGULAR SESSION > ASSEMBLY BILL 2106

Synopsis

An act to add Sections 31781.32 and 31781.35 to the Government Code, relating to public employees.

DIGEST:

LEGISLATIVE COUNSEL'S DIGEST

AB 2106, Campbell. Public employees: spousal benefits.

Under the County Employees Retirement Law of 1937, the spouse of a vested member of a county retirement association may elect to receive a death benefit or life annuity upon the death of that member, or if the member has applied for disability retirement before death, the spouse may receive the same benefit as that to which the member would have been entitled.

This bill would, in addition, authorize the spouse of a vested member to receive, upon the death of the member, the same disability retirement benefit to which the member would have been entitled had the member been eligible for the benefit on the day of death, had selected a specified option, and had named the spouse as beneficiary. It would specify that these provisions would not apply to any minor children.

This bill would specify that its provisions would not become operative in any county until the time that the board of supervisors made its provisions applicable in the county by resolution.

By requiring counties to enter into collective bargaining negotiations to implement its provisions, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates which do not exceed $ 1,000,000 statewide and other procedures for claims whose statewide costs exceed $ 1,000,000.

This bill would provide that, if the Commission on State Mandates determines that this bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to those statutory procedures and, if the statewide cost does not exceed $ 1,000,000, shall be made from the State Mandates Claims Fund.

Text

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

SECTION 1. Section 31781.32 is added to the Government Code, to read:

31781.32. (a) If any member dies in service after five years of service and is survived by a spouse, that spouse may elect, in lieu of the death benefit in Section 31781 or the life annuity provided in Section 31781.1, to receive the same retirement allowance as that to which he or she would have been entitled had the deceased member been eligible for a disability retirement benefit on the day of the member's death, had selected Optional Settlement 2, and had named the spouse as beneficiary.

(b) Notwithstanding Section 31760.11, in the event there is no surviving spouse, this section does not apply to any minor children.

(c) This section shall not be operative in any county until the time that the board of supervisors shall, by resolution adopted by majority vote, make this section applicable in the county.

SEC. 2. Section 31781.35 is added to the Government Code, to read:

31781.35. (a) Notwithstanding Sections 31781.1 and 31781.3, if any member subject to Section 31751 dies in service after 10 years of service and is survived by a spouse, that spouse may elect, in lieu of the death benefit in Section 31781.01 or the life annuity provided in Section 31765.11, to receive the same retirement allowance as that to which he or she would have been entitled had the deceased member been eligible for a disability retirement benefit on the day of the member's death, had selected Optional Settlement 2, and had named the spouse as beneficiary.

(b) Notwithstanding Section 31760.11, in the event there is no surviving spouse, this section does not apply to any minor children.

(c) This section applies only in a county of the ninth class, as defined by Sections 28020 and 28030, as amended by Chapter 1204 of the Statutes of 1971.

(d) This section shall not be operative in the county until the time that the board of supervisors shall, by resolution adopted by majority vote, make this section applicable in the county.

SEC. 3. Notwithstanding *Section 17610 of the Government Code*, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with *Section 17500) of Division 4 of Title 2 of the Government Code*. If the statewide cost of the claim for reimbursement does not exceed one million dollars ($ 1,000,000), reimbursement shall be made from the State Mandates Claims Fund. Notwithstanding *Section 17580 of the Government Code*, unless otherwise specified in this act, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.

Approved _____, 1988

_____

Governor

History

ASSEMBLY BILL NO. 2106

PASSED THE ASSEMBLY MAY 28, 1991

_____

CHIEF CLERK OF THE ASSEMBLY

PASSED THE SENATE AUGUST 26, 1991

_____

SECRETARY OF THE SENATE

THIS BILL WAS RECEIVED BY THE GOVERNOR THIS _____

DAY OF _____, 1988, AT _____ O'CLOCK _____M.

_____

PRIVATE SECRETARY OF THE GOVERNOR

CHAPTER _____

Sponsor(s)

Campbell

THE STATE OF CALIFORNIA BILL TEXT
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End of Document

NOSSAMAN LLP | Memorandum

CONFIDENTIAL AND PRIVILEGED
ATTORNEY-CLIENT PRIVILEGE
ATTORNEY WORK PRODUCT

TO: Each Trustee
LACERA Board of Retirement

FROM: Ashley K. Dunning
Michelle McCarthy
Alex Westerfield
LACERA Fiduciary Counsel

DATE: May 21, 2024

RE: Fiduciary Counsel advice on LACERA Legal Office's memorandum for the June 5, 2024 Board of Retirement Meeting on "pre-designation of retirement options by active members in advance of retirement"
501573-0002

---

1. ISSUE

LACERA has explored the possibility of allowing active members to pre-authorize LACERA to file applications for non-service-connected disability retirement on members' behalf should such members die during active membership, and to predesignate Unmodified Plus or Optional Settlements pursuant to Government Code sections 31760.5, 31762, and 31764 of the County Employees Retirement Law of 1937 ("CERL") ("Active Death Optional Settlement Pre-Designation Program").

LACERA's legal office has prepared and provided the Board of Retirement ("Board") with a comprehensive non-confidential legal memorandum exploring legal bases for, and potential barriers to, implementing an Active Death Optional Settlement Pre-Designation Program ("Legal Office's Memorandum"). As stated therein, "Based on the actuarial report provided by Milliman and CERL's actuarial equivalence requirements for all optional retirement plans, it is the Legal Office's opinion that any pre-designation retirement option adopted by the Board would require legislation." LACERA staff has asked that we advise the Board regarding this issue and conclusion. We set forth our attorney-client privileged conclusions below.

2. CONCLUSIONS

A. Plan Design and Related Legislative Considerations

We agree with the analysis and conclusions in the Legal Office's Memorandum with respect to an Active Death Optional Settlement Pre-Designation Program. In short, and to avoid undue duplication, we summarize that conclusion here: The creation and implementation of a *programmatic* means by which LACERA provides designated survivor(s) of active members who die prior to service retirement with a 100% retirement allowance continuance, rather than the 65% continuance that otherwise would be provided under CERL, constitutes a *modification*

of the LACERA plan design, and thereby creates a *new* survivor benefit that is not the "actuarial equivalent" of the unmodified benefit that is currently authorized by CERL.[1]

Further, as discussed in the Legal Office's Memorandum, the California Supreme Court has been clear and consistent in defining the limitations on retirement systems' authority: the systems are to administer the plan, not design it, and may not grant benefits beyond those authorized by statute. (E.g., *Alameda County Deputy Sheriff's Association v. Alameda County Employees' Retirement Association* (2020) 9 Cal.5th 1032, 1066 ["The task of a county retirement board is not to design the county's pension plan but to implement the design enacted by the Legislature through CERL."]; *City of San Diego v. San Diego City Employees' Retirement System* (2010) 186 Cal.App.4th 69, 80 ["The scope of the board's power as to benefits is limited to administering the benefits set by the [plan designer]."]

Legislative authorization could take several forms. As one option, the Legislature could enact a pre-election regime, similar to the one governing California State Teachers' Retirement System ("CalSTRS"). In CalSTRS, members may elect one of several retirement options (analogous to CERL's Unmodified Plus and Optional Settlements) before retirement. (Ed. Code § 24307.) If that preretirement election remains in effect at the time of retirement, the member will receive a reduced retirement allowance modified by a periodically calculated "option factor." (Ed. Code § 24307(d).) Retirement allowances will be modified by the option factor as of the date of the preretirement election, or as of the date of retirement, whichever option factor is greater. (Ed. Code § 24307.5.) We understand that this design aims to neutralize the actuarial impact that would otherwise be associated with pre-election.

As another option, the Legislature could simply enact a pre-election program that is explicitly exempted from actuarial equivalence requirements. Under this scenario, Unmodified Plus and Optional Settlements would still be required to aim for actuarial equivalency to the default allowances, but the actuarial burden associated with *pre-electing* these options would be legislatively authorized.

In either case, the Legislature would have to specify to whom a pre-election program would apply. By definition such a program could not apply to already-retired members, as CERL does not generally allow already-retired members to change their retirement option election. (Gov. Code § 31760(a).) The Legislature's choice would thus be between allowing all future *retirees* (e.g., current active and deferred members) to pre-elect Unmodified Plus or an Optional Settlement or limiting the program to current and future active members (as anticipated by the Active Death Optional Settlement Pre-Designation Program). Likewise, in either case, the Legislature could enact a pre-election program for all CERL systems, to LACERA only, or it could enact a county-optional program that would require adoption by the respective county boards of supervisors.

---

[1] We note that in addition to the reasons set forth in Legal Office's Memorandum, our conclusion that the implementation of a pre-designation program constitutes a modification to LACERA's plan design is also based on the fact that in order to elect optional settlements 2 through 4, the member's beneficiary must be a person "having an insurable interest in [the member's] life, as [the member] nominates by written designation duly executed and filed with the board at the time of [the member's] retirement." (Gov. Code § 31762-31764.) Thus, CERL explicitly requires that in order for optional settlement 2, 3, or 4 to be elected, the beneficiary must have an insurable interest in the life of the member, **and** the designation form must be signed by the member and filed with the board, **at the time of the member's retirement.**

Finally, we note that the issue of whether new benefits should, or should not, be provided to LACERA members is not an *administrative*, or therefore *fiduciary*, function of the Board. Rather, it is a *plan design*, or *settlor*, function. Accordingly, a legitimate question arises as to whether LACERA, and its Board of Retirement, itself should initiate this effort rather than the Board of Supervisors of Los Angeles County.

B. Member Counseling Considerations

LACERA's fiduciary duty to members includes an affirmative duty to "fully and fairly describe the plan and its various options and procedures." (*Hittle v. Santa Barbara County Employees Retirement Assn.* (1985) 39 Cal.3d 374, 392. ["Ordinarily when an employee becomes a member of a pension plan he is provided with a booklet or other materials describing the plan in some detail."])

If LACERA were to adopt a legislatively authorized pre-designation program, it would have a duty to alert eligible members, that is, at minimum, all of LACERA's current active members (i.e., approximately 97,000 people, as reported in LACERA's 2023 ACFR) to the existence of this program and to describe its mechanics.[2] Such notice would likely need to be provided through individual written communications to such members, in light of the significance of this potential increase in benefit options. LACERA currently publishes robust member guidance as to the Unmodified, Unmodified Plus, and Optional Settlement retirement allowances.

If a pre-election program is legislatively authorized, and then adopted, comparably robust counseling on that program would also need to be integrated into these portions of LACERA publications. (CalSTRS, for instance, integrates guidance on its pre-election program into its guidance on options generally: https://www.calstrs.com/electing-an-option.) Further, if LACERA implements a pre-election program pursuant to legislation that reduces member allowances in exchange for pre-election (as the CalSTRS program does), LACERA guidance must be clear on this point.

Prior to initiating any such counseling efforts, we recommend that the legality of the program be clearly established. As discussed above, that legality is most prudently addressed through the enactment of clear, and on-point, legislation.

[2] Here, we assume that a pre-election program would be made available only to all future retirees who are currently active members. Thus, all current active members would need to be notified.

LACERA

FOR INFORMATION ONLY

May 21, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Barry W. Lew
Legislative Affairs Officer

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring. Bills from 2023 that were enacted or are dead are no longer being monitored. Bills on which LACERA has adopted a position are highlighted in yellow.

Reviewed and Approved:

Luis Lugo, Deputy Chief Executive Officer

Attachments
LACERA Legislative Report Index
LACERA Legislative Report

cc: Santos H. Kreimann
Luis Lugo
JJ Popowich
Laura Guglielmo
Steven P. Rice
Jon Grabel
Scott Zdrazil
Tony Roda, Williams & Jensen
Naomi Padron, MKP Government Relations

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1.

California Assembly Bill 148 (2023-2024)

CA A 148 | Budget | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Budget & Fiscal Review Committee

State Employment: State Bargaining Units: Agreements

Provides that existing law provides that a provision of a memorandum of understanding reached between the State employer and a recognized employee organization representing State civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act. Approves provisions of agreements entered into by the State employer and State Bargaining Units 1, 3, 4, 5, 11, 12, 13, 14, 15, 17, 19, 20, and 21. Appropriates funds.

Code:

An act ~~relating to the Budget Act of 2023.~~ to amend Sections 7522.34, 19829.9851, 19829.9852, 19829.9853, 19878.5, and 22944.5 of, and to add Sections 19829.9854, 20677.61, 20677.92, 20677.93, 20677.94, and 22871.10 to, the Government Code, relating to public employment, and making an appropriation therefor, to take effect immediately, bill related to the budget.

Status:

Sep 13, 2023: Re-referred to SENATE Committee on BUDGET AND FISCAL REVIEW.

+ Show full status history

PUBLIC_RETIREMENT

Commentary:

Comment:

Apr 23, 2024 - 12:01 P.M. (PDT)

Amends PEPRA section 7522.34 as it relates to state employees.

2.

California Assembly Bill 817 (2023-2024)

CA A 817 | Blanca Pacheco (D-064) | Pending | Fiscal Committee (No) | Urgency Clause (No) | Senate Local Government Committee

Open Meetings: Teleconferencing: Subsidiary Body

Provides that the Ralph M. Brown Act requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings. Provides that existing law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency. Authorizes, until specified date, a subsidiary body to use alternative teleconferencing provisions and imposes requirements for notice, agenda, and public participation.

Code:

An act to add and repeal Section 54953.05 ~~to~~ of the Government Code, relating to local government.

Status:

May 1, 2024: To SENATE Committees on LOCAL GOVERNMENT and JUDICIARY.

+ Show full status history

Hearing Dates:

05/29/2024 Local Government

BROWN_ACT

No tags, commentary, or attachment applied

3.

California Assembly Bill 1246 (2023-2024)

CA A 1246 | Stephanie Nguyen (D-010) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Third Reading File

Public Employees' Retirement System Optional Settlement

Provides that existing law permits a member of the Public Employees' Retirement System to elect from among several other optional settlements for the purpose of structuring their retirement allowance. Permits a member who elected to receive a specified optional settlement at retirement, if the member's former spouse was named as beneficiary and a legal judgment awards only a portion of the interest in the retirement system to the member, to elect to add their new spouse as the beneficiary.

Code:

An act to amend Sections ~~21462 and 21481~~ 21462, 21481, and 75523 of the Government Code, relating to retirement.

Status:

May 20, 2024: In SENATE. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Senate Third Reading File

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

4.

California Assembly Bill 1997 (2023-2024)

CA A 1997 | Tina McKinnor (D-061) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Third Reading File

Teachers' Retirement Law

Relates to the State Teachers' Retirement System. Requires the Teachers' Retirement Board to determine a date when STRS has the capacity to implement the specified changes and to post the date on the STRS internet website no later than the specified date. Relates to the Teachers' Retirement Fund. Appropriates funds.

Code:

An act to amend and repeal Section 22119.2 of, to amend, repeal, and add Sections 22104.8, 22115, 22119.3, 22119.5, 22121, 22170, 22317.5, 22701, and 22905 of, and to add Sections 22156.07, 22156.08, and 22324.5 to, the Education Code, relating to retirement, and making an appropriation therefor.

Status:

May 20, 2024: In ASSEMBLY. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

5.

California Assembly Bill 2153 (2023-2024)

CA A 2153 | Josh Lowenthal (D-069) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Judiciary Committee

California Public Records Act: Public Agency Employees

Requires each agency, upon receipt of a request for a copy of, or the inspection of, any personnel, medical, or similar records of a public agency employee or any record that would disclose a public agency employee's personal identity in connection with the performance of that employee's work duties, to promptly and prior to the release of the records, provide written notice of the request to that public agency employee.

Code:

```
An act to amend Section 7922.535 of the Government Code, relating to public records.
```

Status:

Feb 20, 2024: To ASSEMBLY Committee on JUDICIARY.

+ Show full status history

PUBLIC_RECORDS_ACT

No tags, commentary, or attachment applied

6.

California Assembly Bill 2183 (2023-2024)

CA A 2183 | Reginald B. Jones-Sawyer (D-057) | Pending | Fiscal Committee (No) | Urgency Clause (No) | ASSEMBLY

Public Employees' Retirement Benefits: Compensation

Makes a nonsubstantive change to a provision of the California Public Employees' Pension Reform Act of 2013 (PEPRA).

Code:

An act to amend Section 7522.32 of the Government Code, relating to public employees' retirement.

Status:

Feb 7, 2024: INTRODUCED.

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

7.

California Assembly Bill 2283 (2023-2024)

CA A 2283 | Blanca Pacheco (D-064) | Pending | Fiscal Committee (No) | Urgency Clause (Yes) | SENATE

Civil Actions: Electronic Service

Provides that existing law authorizes the service of documents in a civil action by electronic means pursuant to rules adopted by the Judicial Council. Provides that existing law requires a court to electronically transmit documents to a party who is subject to mandatory electronic service, or who has consented to accept electronic service. Extends the deadline for courts to comply with the requirement. Clarifies that court electronic transmittal of documents constitutes service. Declares urgency of bill.

Code:

An act to amend Section 1010.6 of the Code of Civil Procedure, relating to civil ~~actions.~~ actions, and declaring the urgency thereof, to take effect immediately.

Status:

May 20, 2024: In ASSEMBLY. Read third time, urgency clause adopted. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

8.

California Assembly Bill 2284 (2023-2024)

CA A 2284 | Timothy S. Grayson (D-015) | Pending | Fiscal Committee (No) | Urgency Clause (No) | Assembly Third Reading File

County Employees' Retirement: Compensation

Relates to the County Employees Retirement Law of 1937 and the California Public Employees' Pension Reform Act of 2013. Authorizes a retirement system, to the extent it has not defined grade, to define grade to mean a number of employees considered together because they share similarities in job duties, schedules, unit recruitment requirements, work location, collective bargaining unit, or other logical work-related group or class.

Code:

```
An act to amend Section 31461 of the Government Code, relating to retirement.
```

Status:

May 20, 2024: In ASSEMBLY. Read third time and amended. To third reading.

May 20, 2024: In ASSEMBLY. ASSEMBLY Rule 69(b) suspended.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

9.

California Assembly Bill 2301 (2023-2024)

CA A 2301 | Stephanie Nguyen (D-010) and 6 Co-sponsors | Pending | Fiscal Committee (No) | Urgency Clause (Yes) | Senate Labor, Public Employment and Retirement...

Sacramento Area Sewer District Pension Protection Act

Enacts the Sacramento Area Sewer District Pension Protection Act of 2024. Provides that the sewer district would assume the rights, obligations, and status previously occupied by the County of Sacramento with regard to the portion of the county safety plan, which is that portion of the county's defined benefit plan attributed to retirement system members and beneficiaries of the Sacramento Area Sewer District to, among other things, the replacement benefits program.

Code:

```
An act to add Article 4.6 (commencing with Section 31574) to Chapter 3 of Part 3 of Division 4
of Title 3 of the Government Code, relating to public employee retirement, and declaring the
urgency thereof, to take effect immediately.
```

Status:

May 1, 2024: To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

+ Show full status history

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

10.

California Assembly Bill 2302 (2023-2024)

CA A 2302 | Dawn Addis (D-030) | Pending | Fiscal Committee (No) | Urgency Clause (No) | ASSEMBLY

Open Meetings: Local Agencies: Teleconferences

Relates to existing law which imposes prescribed restrictions on remote participation by a member of a legislative body of a local agency under alternative teleconferencing provisions. Revises the limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Code:

```
An act to amend Section 54953 of the Government Code, relating to local government.
```

Status:

May 9, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

BROWN_ACT

No tags, commentary, or attachment applied

11.

California Assembly Bill 2335 (2023-2024)

CA A 2335 | Tina McKinnor (D-061) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | SENATE

Public Employment: Compensation and Classification

Expands the purpose of the State Civil Service Act to include that the compensation relationship between State civil positions with comparable duties and responsibilities is maintained.

Code:

An act to amend Sections ~~8248,~~ 18500, 19797, 19826, and 19827.2 of the Government Code, relating to public employment.

Status:

May 21, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

12.

California Assembly Bill 2350 (2023-2024)

CA A 2350 | Josh Hoover (R-007) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | SENATE

Open Meetings: School Boards: Emergencies: Notification

Authorizes a school board holding an emergency meeting to fulfill the premeeting notification requirement by email instead of by telephone. Provides that if the internet and telephone services are not functioning, the bill would similarly waive the premeeting notification requirement and require the postmeeting notification.

Code:

```
An act to amend Section 54956.5 of the Government Code, relating to open meetings.
```

Status:

May 16, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

BROWN_ACT

No tags, commentary, or attachment applied

13.

California Assembly Bill 2362 (2023-2024)

CA A 2362 | Tom Lackey (R-034) | Pending | Fiscal Committee (No) | Urgency Clause (No) | Assembly Public Employment and Retirement...

County Fire Service Retirement Law: Report

Requires the County Foresters, Firewardens, and County Fire Protection District Firemen's Retirement Board to report to the board of supervisors on or before February 1 each year.

Code:

An act to amend Section 32266 of the Government Code, relating to public retirement.

Status:

Feb 26, 2024: To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

+ Show full status history

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

14.

California Assembly Bill 2421 (2023-2024)

CA A 2421 | Evan Low (D-026) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Third Reading File

Employer-Employee Relations: Confidential Communication

Prohibits a local public agency employer, a state employer, a public school employer, a higher education employer, or the district from questioning any employee or employee representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's representation.

Code:

An act to amend Sections 3506.5, 3519, 3543.5, and 3571 of the Government Code, and to amend Section 28858 of the Public Utilities Code, relating to employer-employee relations.

Status:

May 20, 2024: In ASSEMBLY. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

15.

California Assembly Bill 2455 (2023-2024)

CA A 2455 | Jesse Gabriel (D-046) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | SENATE

Whistleblower Protection: State and Local Government

Relates to the California Whistleblower Protection Act. Provides that existing law authorizes a city, county, or city and county auditor or controller who is elected to office to maintain a whistleblower hotline to receive calls from persons who have information regarding specified conduct by local government employees. Authorizes a city, county, or city and county auditor or controller to identify a designee within the office responsible for the maintenance of the whistleblower hotline.

Code:

```
An act to amend Sections 8547.2, 8547.5, 8547.7, 8547.8, and 53087.6 of the Government Code,
                          relating to whistleblower protection.
```

Status:

May 9, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

16.

California Assembly Bill 2474 (2023-2024)

CA A 2474 | Tom Lackey (R-034) | Pending | Fiscal Committee (No) | Urgency Clause (No) |
Senate Labor, Public Employment and Retirement...

Retirement: County Employees Retirement Law of 1937

Authorizes the board of retirement for the County of Los Angeles to permit a person entitled to receive benefit payments to have them deposited into a prepaid account. Requires the retirement system for the County of Los Angeles, no later than the specified date, to submit a report to specified legislative committees that includes certain information regarding the implementation of these provisions.

Code:

An act to amend Sections 31452.6, ~~31590,~~ 31680.2, 31680.3, and 31680.6 of, ~~and~~ to add Section 31680.9 to, and to add and repeal Sections 31452.61 and 31590.2 of, the Government Code, relating to retirement.

Status:

May 8, 2024: To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.
+ Show full status history

PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

Sponsor

17.

California Assembly Bill 2489 (2023-2024)

CA A 2489 | Christopher Ward (D-078) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Appropriations Committee

Local Agencies: Contracts for Special Services

Requires a county board of supervisors or a representative, at least a specified number of months before beginning a procurement process to contract with persons for special services that are currently, or were previously, performed by employees of the county represented by an employee organization, to notify, in writing, the exclusive employee representative of the workforce affected. Provides that this notice requirement does not apply in the event of an emergency.

Code:

An act to amend Sections 31000, 31000.4, 37103, and 53060 of the Government Code, relating to local government.

Status:

May 16, 2024: In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

May 16, 2024: In ASSEMBLY. Joint Rule 62(a) suspended.

+ Show full status history

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

18.

California Assembly Bill 2557 (2023-2024)

CA A 2557 | Liz Ortega (D-020) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Third Reading File

Local Agencies: Contracts for Special Services

Requires each person who enters into a specified contract for special services with the board of supervisors to submit semiannual performance reports every specified number of days, to the board of supervisors and the exclusive representative of the employee organization.

Code:

An act to add Sections 31000.01, 31000.4.5, 37103.1, and 53060.01 to the Government Code, relating to local agencies.

Status:

May 20, 2024: In ASSEMBLY. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

19.

California Assembly Bill 2561 (2023-2024)

CA A 2561 | Tina McKinnor (D-061) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Third Reading File

Local Public Employees: Vacant Positions

Provides that the Meyers-Milias-Brown Act authorizes local public employees to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of labor relations. Requires each public agency with bargaining unit vacancy rates exceeding a specified percent for more than a specified number of days to meet and confer with a representative of the recognized employee organization to implement a plan to fill all vacant positions.

Code:

An act to ~~amend Section 11546 of~~ add Section 3502.3 to the Government Code, relating to ~~state government administration.~~ public employment.

Status:

May 20, 2024: In ASSEMBLY. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Third Reading File

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

20.

California Assembly Bill 2631 (2023-2024)

CA A 2631 | Mike Fong (D-049) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Third Reading File

Local Agencies: Ethics Training

Requires the Fair Political Practices Commission, in consultation with the Attorney General, to create, maintain, and make available to local agency officials an ethics training course.

Code:

An act to amend Section 53235 of the Government Code, relating to local government.

Status:

May 21, 2024: In ASSEMBLY. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Second Reading File

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

21.

California Assembly Bill 2715 (2023-2024)

CA A 2715 | Tasha Boerner (D-077) | Pending | Fiscal Committee (No) | Urgency Clause (No) | SENATE

Ralph M. Brown Act: Closed Sessions

Provides that existing law authorizes a legislative body to hold a closed session with specified individuals on, among other things, matters posing a threat to the security of essential public services. Authorizes a legislative body to hold a closed session with other law enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information relating to cybersecurity.

Code:

```
An act to amend Section 54957 of the Government Code, relating to local government.
```

Status:

May 16, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

BROWN_ACT

No tags, commentary, or attachment applied

22.

California Assembly Bill 2770 (2023-2024)

CA A 2770 | Public Employment and Retirement | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Labor, Public Employment and Retirement...

Public Employees Retirement

Relates to the Teachers Retirement System. Provides that existing law authorizes a member to request to purchase additional service credit and to redeposit accumulated retirement contributions returned to the member. Provides that existing law requires additional regular interest to be added to the contributions if the member is not employed to perform creditable service subject to coverage by the Defined Benefit Program on the date of the request to purchase additional credit. Revises interest calculation.

Code:

An act to amend Sections 22801, 23200, 23201, 23202, 24600, and 26004 of the Education Code, and to amend Sections 31628, 31720.91, 31783.5, 75521, 75553, 75570, and 75571.5 of the Government Code, relating to public employees' retirement.

Status:

May 8, 2024: To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

+ Show full status history

PUBLIC_RETIREMENT

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

23.

California Assembly Bill 3025 (2023-2024)

CA A 3025 | Avelino Valencia (D-068) and 2 Co-sponsors | Pending | Fiscal Committee (No) | Urgency Clause (No) | SENATE

County Employees' Retirement: Disallowed Compensation

Relates to the County Employees Retirement Law. Requires the retirement system, for a retired member, survivor, or beneficiary whose final compensation was predicated upon a disallowed compensation, to credit the employer contributions made on the disallowed compensation against future contributions, to the benefit of the employer that reported the disallowed compensation, to return any member contributions paid by, or on behalf of, that member, to the member directly, and to permanently adjust the benefit.

Code:

```
An act to add Section 31541.2 to the Government Code, relating to county employees' retirement.
```

Status:

May 20, 2024: In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE.

+ Show full status history

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

24.

California Senate Bill 252 (2023-2024)

CA S 252 | Lena A. Gonzalez (D-033) and 3 Co-sponsors | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Public Employment and Retirement...

Public Retirement Systems: Fossil Fuels: Divestment

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. Requires the boards to liquidate investments in a fossil fuel company on or before specified date. Suspends, temporarily, the liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.

Code:

```
An act to amend Section 16642 of, and to add Section 7513.76 to, the Government Code, relating
                                to public retirement systems.
```

Status:

June 8, 2023: To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

+ Show full status history

PUBLIC_INVESTMENT

No tags, commentary, or attachment applied

25.

California Senate Bill 537 (2023-2024)

CA S 537 | Josh Becker (D-013) | Pending | Fiscal Committee (No) | Urgency Clause (Yes) | Assembly Inactive File

Open Meetings: Multijurisdictional

Relates to the Ralph M. Brown Act. Expand the circumstances of just cause to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely. Requires the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website after a teleconference meeting.

Code:

An act to amend Section 54953 of, and to add and repeal Section 54953.4 of, the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

Status:

Sep 14, 2023: In ASSEMBLY. To Inactive File.

+ Show full status history

Hearing Dates:

05/21/2024 Assembly Inactive File

BROWN_ACT

No tags, commentary, or attachment applied

26.

California Senate Bill 962 (2023-2024)

CA S 962 | Steve Padilla (D-018) | Pending | Fiscal Committee (No) | Urgency Clause (Yes) | Senate Third Reading File

San Diego Unified Port District: Public Employee

Provides that the California Public Employees' Pension Reform Act permits a public employer to adopt a new defined benefit formula that is not consistent with PEPRA, if that formula is determined and certified by the chief actuary and the board of that employer's retirement system to not have a greater risk or greater cost to the sponsoring employer than the defined benefit formula required by PEPRA. Approves a specified defined benefit formula applicable to employees of the San Diego Unified Port District.

Code:

An act relating to the public employee pension benefits, and declaring the urgency thereof, to take effect immediately.

Status:

May 21, 2024: In SENATE. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Senate Second Reading File

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

27.

California Senate Bill 1034 (2023-2024)

CA S 1034 | Kelly Seyarto (R-032) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Assembly Judiciary Committee

California Public Records Act: State of Emergency

Revises the unusual circumstances under which the time limit for an agency to determine whether a records request seeks copies of disclosable public records in the possession of the agency, and to notify the person of the determination, may be extended to include the need to search for, collect, appropriately examine, and copy records during a state of emergency when the emergency has affected the agency's ability to timely respond to requests, with specified exceptions.

Code:

```
An act to amend Section 7922.535 of the Government Code, relating to public records.
```

Status:

May 6, 2024: To ASSEMBLY Committee on JUDICIARY.

+ Show full status history

PUBLIC_RECORDS_ACT

No tags, commentary, or attachment applied

28.

California Senate Bill 1189 (2023-2024)

CA S 1189 | Monique Limon (D-019) | Pending | Fiscal Committee (No) | Urgency Clause (No) | Assembly Public Employment and Retirement...

County Employees Retirement Law of 1937

Authorizes a board of retirement to appoint a chief technology officer.

Code:

```
An act to amend Section 31522.10 of the Government Code, relating to retirement.
```

Status:

May 6, 2024: To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

+ Show full status history

RETIREMENT_PERSONNEL

No tags, commentary, or attachment applied

29.

California Senate Bill 1240 (2023-2024)

CA S 1240 | Marie Alvarado-Gil (D-004) | Pending | Fiscal Committee (Yes) | Urgency Clause (Yes) | Assembly Public Employment and Retirement...

Public Employees Retirement System: Contracting

Relates to the Public Employees' Retirement System. Authorizes a successor agency for the El Dorado County Fire Protection District and the Diamond Springs-El Dorado Fire Protection District to provide employees the defined benefit plan or formula that those employees received from their respective employer prior to the annexation.

Code:

```
An act to add Section 20508.3 to the Government Code, relating to public employees' retirement,
                and declaring the urgency thereof, to take effect immediately.
```

Status:

May 8, 2024: In ASSEMBLY. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

May 8, 2024: From ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT with author's amendments.

+ Show full status history

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

30.

California Senate Bill 1260 (2023-2024)

CA S 1260 | Roger W. Niello (R-006) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Transportation Committee

High-Speed Rail: Independent Review: High-Speed Rail

Provides that the High-Speed Rail Act creates the High-Speed Rail Authority to develop and implement a high-speed train system in the State. Provides that existing law creates the High-Speed Rail Authority Office of the Inspector General. Requires the Inspector to conduct an independent review of the economic and financial justification for the high-speed rail project, including a review and assessment of a specified benefit-cost analysis submitted by the Authority to the U.S. Department of Transportation.

Code:

An act to add Section ~~2704.79 to the Streets and Highways Code,~~ 187039 to the Public Utilities Code, relating to high-speed rail.

Status:

Apr 23, 2024: In SENATE Committee on TRANSPORTATION: Failed passage.

+ Show full status history

RETIREMENT_PERSONNEL

No tags, commentary, or attachment applied

31.

California Senate Bill 1379 (2023-2024)

CA S 1379 | Bill Dodd (D-003) | Pending | Fiscal Committee (Yes) | Urgency Clause (Yes) | Senate Third Reading File

Public Employees' Retirement Law: Reinstatement

Provides that under the Public Employees' Retirement System and the California Public Employees' Pension Reform Act, a retired member is generally subject to a specified hour limit of employment within a year for specified employers without reinstating in the system. Creates an exception from the limit by a retired person for the Solano County Sheriff's Department to perform functions regularly performed by a deputy sheriff, evidence technician, or communications operator, subject to certain requirements.

Code:

An act to amend, repeal, and add Sections ~~7522.56, 21221,~~ 7522.56 and 21224 of the Government Code, relating to public retirement, and declaring the urgency thereof, to take effect immediately.

Status:

May 14, 2024: In SENATE. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Senate Third Reading File

PUBLIC_EMPLOYMENT

No tags, commentary, or attachment applied

32.

California Senate Bill 1441 (2023-2024)

CA S 1441 | Ben Allen (D-024) | Pending | Fiscal Committee (Yes) | Urgency Clause (No) | Senate Third Reading File

Examination of Petitions: Time Limitations

Provides that existing law authorizes the proponents of a petition found to be insufficient or their designated representative to examine the petition. Requires the examination to conclude no later than a specified number of days. Requires the proponent to reimburse all costs incurred by the county elections official due to the examination. Provides that the State Constitution requires the State to reimburse local agencies and school districts for certain costs. Provides that no reimbursement is required.

Code:

```
An act to amend Section 7924.110 of the Government Code, relating to petitions.
```

Status:

May 14, 2024: In SENATE. Read second time. To third reading.

+ Show full status history

Hearing Dates:

05/21/2024 Senate Third Reading File

PUBLIC_RECORDS_ACT

No tags, commentary, or attachment applied

33.

California Proposition TBD (2024)

CA 2024 6 | State ID: 1935. (21-0042A1) | Eligible for Ballot: 02/02/2023 | Qualification: 02/02/2023 | Election: 11/05/2024

Taxpayer Protection and Government Accountability Act

Requires, for new or increased state taxes currently enacted by two-thirds vote of Legislature, a statewide election and majority voter approval. Limits voters' ability to pass voter-proposed local special taxes by raising vote requirement to two-thirds. Eliminates voters' ability to advise how to spend revenues from proposed general tax on same ballot as the proposed tax. Expands definition of taxes.

BALLOT_INITIATIVES

No tags, commentary, or attachment applied

34.

United States House Bill 82 (2023-2024)

US H 82 | Garret Graves (R-LA 06) and 319 Co-sponsors | Pending | House Ways and Means Committee

Pension Offset and Windfall Elimination Repeal

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

Status:

Jan 9, 2023: To HOUSE Committee on WAYS AND MEANS.

Jan 9, 2023: INTRODUCED.

+ Show full status history

Related:

US H 4583 |

US S 597 |

US S 2280

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

35.

United States House Bill 957 (2023-2024)

US H 957 | Abigail A. Spanberger (D-VA 07) and 16 Co-sponsors | Pending | House Ways and Means Committee

Internal Revenue Code Retirement Plan Exclusion

Amends the Internal Revenue Code of 1986 to increase the amount excluded from gross income by reason of distributions from governmental retirement plans for health and long-term care insurance for public safety officers.

Status:

Feb 9, 2023: To HOUSE Committee on WAYS AND MEANS.

Feb 9, 2023: INTRODUCED.

+ Show full status history

HEALTHCARE

Tags:

Staff_Recommendation: Watch

IBLC_Recommendation: Watch

BOR_Position: Watch

36.

United States House Bill 4260 (2023-2024)

US H 4260 | Richard E. Neal (D-MA 01) and 103 Co-sponsors | Pending | House Ways and Means Committee

Equitable Social Security Formula

Amends specified title 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:

June 21, 2023: To HOUSE Committee on WAYS AND MEANS.

June 21, 2023: INTRODUCED.

+ Show full status history

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

37.

United States House Bill 5241 (2023-2024)

US H 5241 | Gregory F. Murphy (R-NC 03) and 6 Co-sponsors | Pending | House Ways and Means Committee

Governmental Pension Plans

Amends the Internal Revenue Code of 1986 to provide that governmental pension plans may include certain firefighters, emergency medical technicians, and paramedics.

Status:

Aug 18, 2023: To HOUSE Committee on WAYS AND MEANS.

Aug 18, 2023: To HOUSE Committee on EDUCATION AND THE WORKFORCE.

Aug 18, 2023: INTRODUCED.

+ Show full status history

PUBLIC_RETIREMENT

No tags, commentary, or attachment applied

38.

United States House Bill 5342 (2023-2024)

US H 5342 | Jodey Cook Arrington (R-TX 19) and 34 Co-sponsors | Pending |
House Ways and Means Committee

Windfall Elimination Provision Replacement

Amends title II of the Social Security Act to replace the windfall elimination provision with a formula equalizing benefits for certain individuals with noncovered employment.

Status:

Sep 5, 2023: To HOUSE Committee on WAYS AND MEANS.

Sep 5, 2023: INTRODUCED.

+ Show full status history

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

39.

United States Senate Bill 597 (2023-2024)

US S 597 | Sherrod Brown (D-OH) and 52 Co-sponsors | Pending | Senate Finance Committee

Government Pension Offset Repeal

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

Status:

Mar 1, 2023: To SENATE Committee on FINANCE.

Mar 1, 2023: In SENATE. Read second time.

Mar 1, 2023: INTRODUCED.

+ Show full status history

Related:

US H 82 |

US H 4583 |

US S 2280

SOCIAL_SECURITY

Tags:

Staff_Recommendation: Support

IBLC_Recommendation: Support

BOR_Position: Support

LACERA

FOR INFORMATION ONLY

May 17, 2024

TO: Trustees – Board of Retirement

FROM: Jean J. Kim
Senior Staff Counsel

DATE: Board of Retirement Meeting of June 5, 2024

SUBJECT: **REPORT OF REVISED PAY ITEM**

This memorandum addresses an existing pay item, for which a pensionability determination has previously been made by the Board of Retirement (the "Board"). Because this pay item has been modified since the previous determination, we have conducted another review, as explained below.

ITEMS OF COMPENSATION

The Board is charged with determining which items of compensation qualify as pensionable earnings includable in a member's retirement allowance. Items of compensation are analyzed as "pensionable" (i) for "legacy members" under the definition of "compensation earnable" as set forth under the County Employees Retirement Law of 1937 (CERL) (California Government Code §31461), and (ii) for "new members" or "PEPRA members" under the definition of "pensionable compensation" as set forth under the California Public Employees' Pension Reform Act of 2013 (PEPRA) (California Government Code §7522.34). A "legacy member" refers to any individual who became a member of LACERA, or a reciprocal system, prior to January 1, 2013; and a "new member" (otherwise referred to as a "PEPRA member") of LACERA is generally defined as anyone who first becomes a member of LACERA on or after January 1, 2013 and was not previously a member of another public retirement system prior to that date. (California Government Code §7522.04(f))

For the pay item at issue, the Board has already made determinations of pensionability under both CERL, for legacy members, and PEPRA, for PEPRA members. However, as this pay item has been modified, staff reviewed the revised pay item to ensure that the prior legal analysis and determination of pensionability was still applicable. A summary of this revised pay item, with the changes in bold, is attached as Attachment A and the applicable original analysis of pensionability for this pay item is attached as Attachment B.

Specifically, the pay item at issue has been modified solely to add a new eligible class of employees who may receive the pay item. Because this change does not impact the original analysis of pensionability for this item, the original underlying analysis and determination by the Board remain relevant and applicable to the revised pay item.

Therefore, no additional determination by the Board is necessary.

Reviewed and Approved

Steven P. Rice
Chief Counsel

JJK/et
Attachment

Legal/BOR Memos, FIO, Resolutions/FIO Board Memos

Attachment A

Revised Pay Codes
reviewed under Sections 31461 (CERL/Legacy) and 7522.34 (PEPRA)

Pay Event	Description	Earnings Code Description	Original Analysis (BOR Date)
INCLUDED under Section 31461 and EXCLUDED under 7522.34			
251M	**POST BONUS - MANAGEMENT**	This pay event is being **revised to add a newly eligible nonrepresented Safety classification** pursuant to County Code Section 6.10.105E. Effective July 1, 2023, any person who is employed in one of the following positions who possesses a POST Management Certificate or who meets all of the following conditions shall qualify for a Management Bonus: - Possesses or is eligible to possess a POST Management Certificate; - Possesses a minimum of 2-years' law enforcement experience as a permanent manager (Lieutenant) or higher with the County of Los Angeles; - Successfully completed a POST certified Management Course; and - Completed a minimum of 60 semester units, an accredited degree (AA, BA, MA), or 1,200 POST certified training hours. The amount of the bonus shall be one standard salary level, or 0.2500%, for persons employed in the following positions: <u>Bargaining Unit 612</u> 2719 – Lieutenant 2894 – Lieutenant, DA **<u>Nonrepresented Safety Classes (County Code Section 6.10.105E)</u>** 2721 – Captain 2896 – Captain, DA 2723 – Commander 9968 – Division Chief, Sheriff (UC) **9969 – Assistant Sheriff (UC)** 9970 – Undersheriff (UC) 9977 – Detective (UC) 9978 – Detective (UC) 9979 – Detective (UC) 9980 – Detective (UC)	9/6/2023

Attachment B

Original Analysis of Pay Code 251M (Reviewed by BOR on 9/6/2023)

Attachment: Newly Created Pay Codes
reviewed under Sections 31461 (CERL/Legacy) and 7522.34 (PEPRA)

Event	Description	Earnings Code Description	31461 (CERL/Legacy) Reference	7522.34 (PEPRA) Reference	Analysis
Newly Created and INCLUDED under Section 31461 and EXCLUDED under 7522.34					
251M	POST BONUS MANAGEMENT	Effective July 1, 2023, any person who is employed in one of the following positions who possesses a POST Management Certificate or who meets all of the following conditions shall qualify for a Management Bonus: - Possess or is eligible to possess a POST Management Certificate; - Possesses a minimum of 2-years law enforcement experience as a permanent manager (lieutenant) or higher with the County of Los Angeles; - Successfully completed a POST certified Management Course; and - Completed a minimum of 60 semester units, an accredited degree (AA, BA, MA), or 1,200 POST certified training hours. The amount of the bonus shall be one standard salary level, or 0.2500%, for persons employed in the following positions: **Bargaining Unit 612** 2719 – Lieutenant 2894 – Lieutenant, DA **Nonrepresented Safety Classes (County Code Section 6.10.105E)** 2721 – Captain 2896 – Captain, DA 2723 – Commander 9980 – Detective (UC) 9968 – Division Chief, Sheriff (UC) 9970 – Undersheriff (UC) 9977 – Detective (UC) 9978 – Detective (UC) 9979 – Detective (UC)	(a)	(c)(10) (c)(11)	This bonus is available to all similarly situated members in the same grade or class in Bargaining Unit 612 and nonrepresented employees specified in County Code Section 6.10.105E who meet the eligibility criteria for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members. This bonus is paid in addition to the normal rate of base pay and is excluded as pensionable compensation under Section 7522.34 (c)(10). It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.

LACERA

FOR INFORMATION ONLY

May 24, 2024

TO: Each Trustee
Board of Retirement

FROM: Tamara Caldwell, Division Manager
Disability Retirement Services

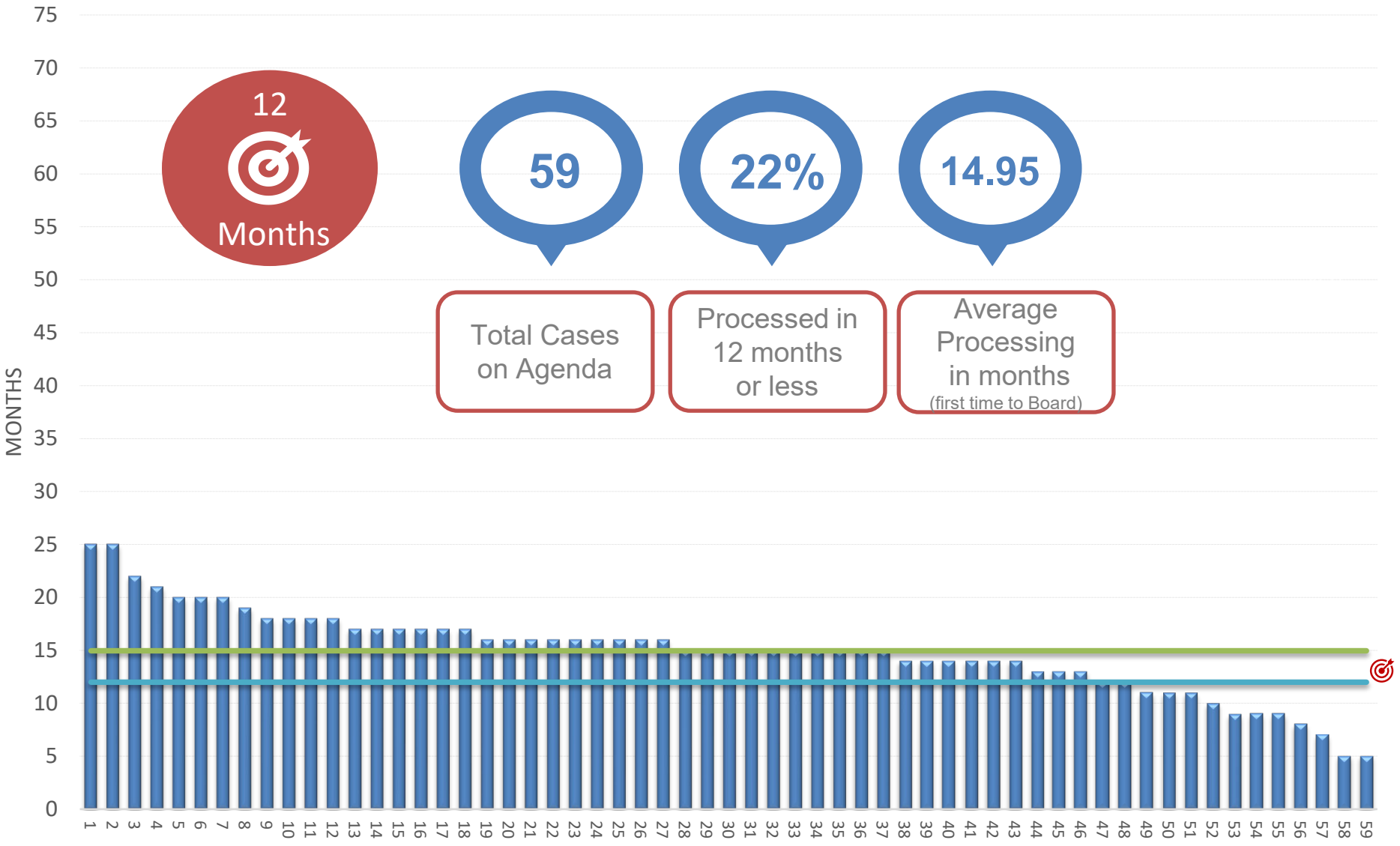
FOR: June 5, 2024 Board of Retirement Meeting

SUBJECT: **Disability Retirement 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 5, 2024, Disability Retirement Applications Agenda.

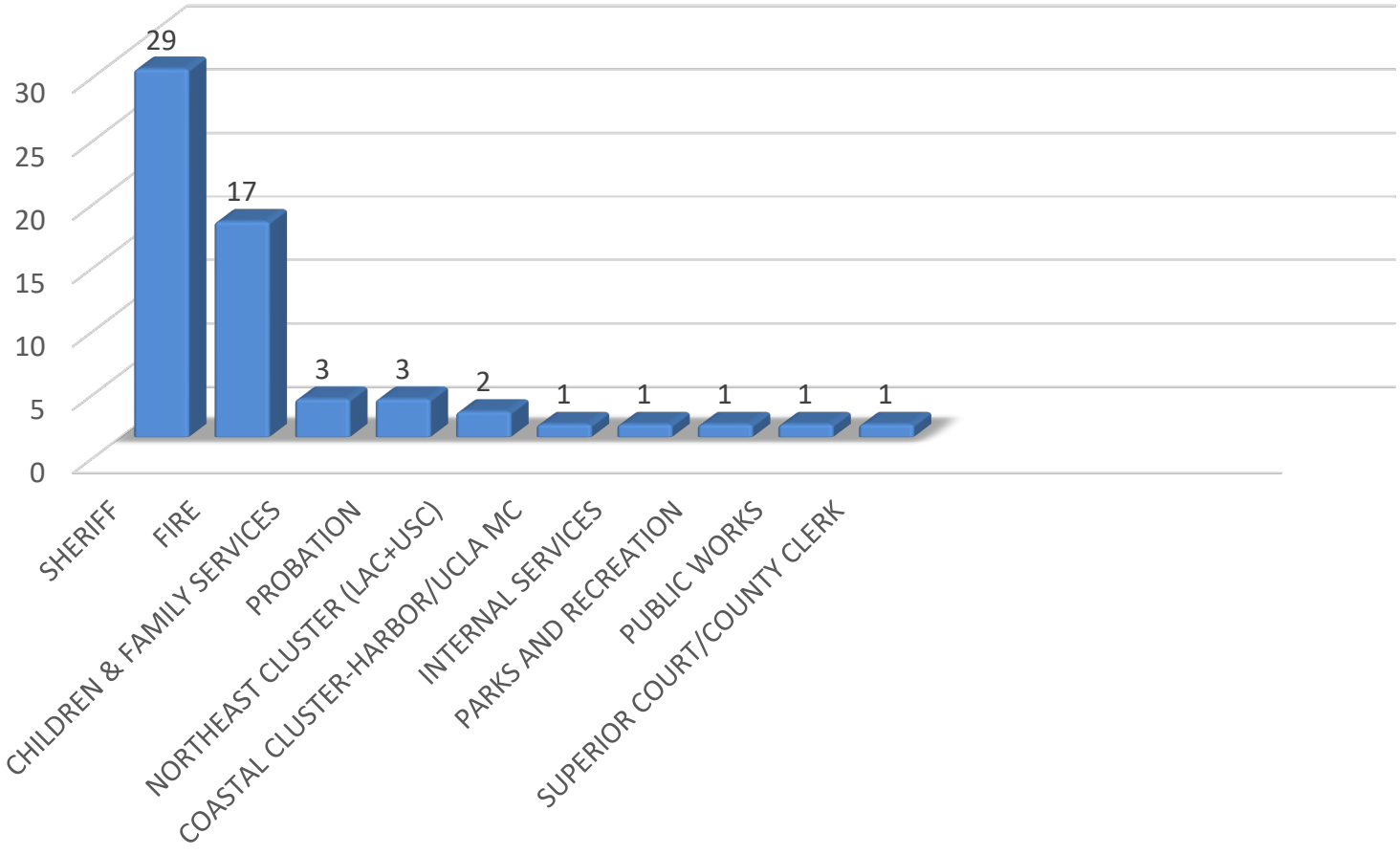
Consent & Non-Consent Calendar	
Number of Applications	59
Average Processing Time (in Months)	14.95
Revised/Held Over Calendar	
Number of Applications	-
Processing Time Per Case (in Months)	-

DISABILITY RETIREMENT SERVICES
Application Processing Time

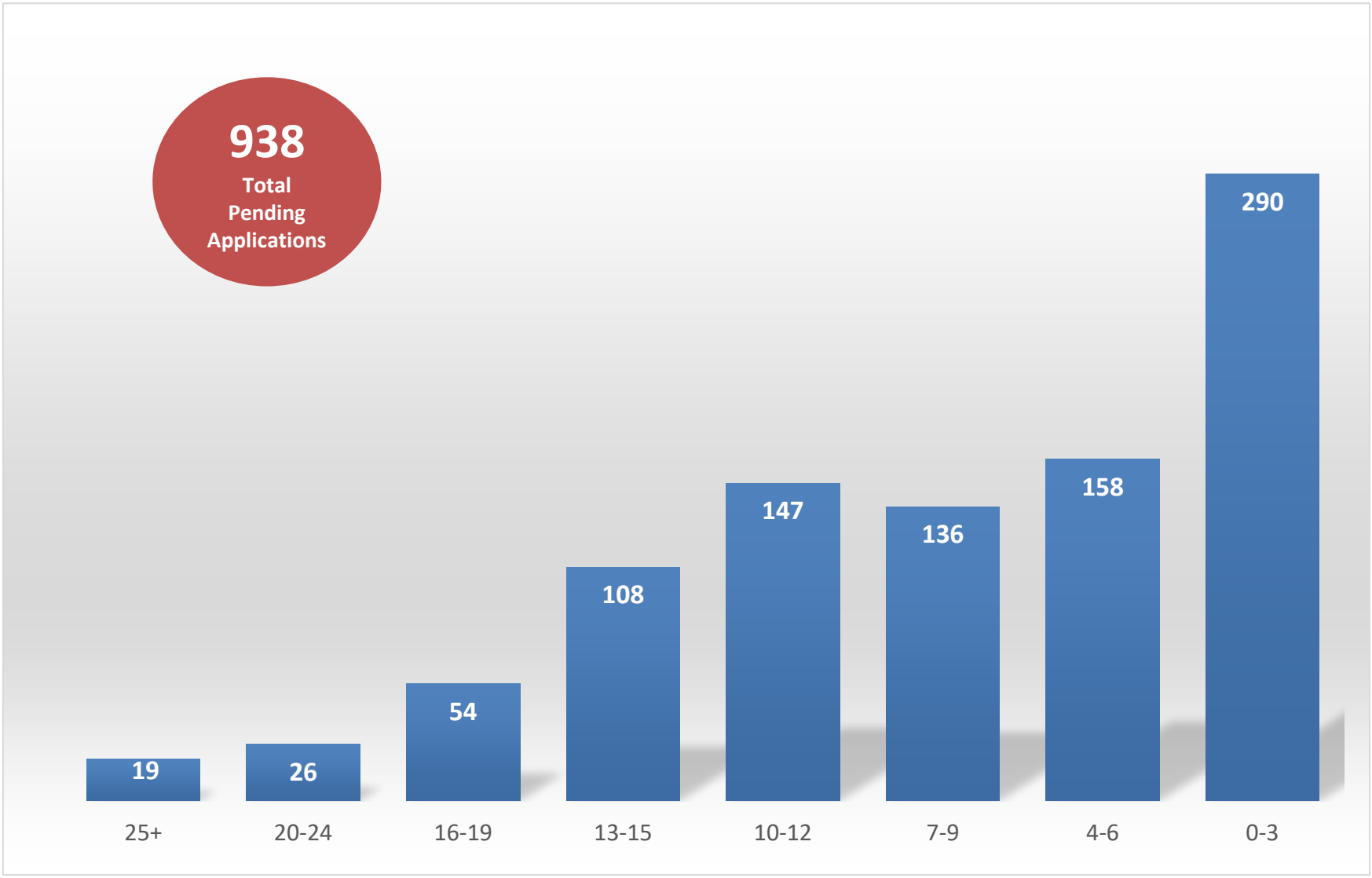


DISABILITY RETIREMENT SERVICES

Total Applications by Department on June 5, 2024 Agenda



DISABILITY RETIREMENT SERVICES
Pending Applications/Months



As of May 24, 2024

*Cases on the June 5, 2024 agenda are not included

Disability Retirement Services

Applications by Department

Department	# of Applications	% of Inventory
SHERIFF	443	47.33%
FIRE	154	16.45%
PROBATION DEPARTMENT	120	12.82%
DEPT OF PUBLIC SOCIAL SERVICES	35	3.74%
CHILDREN & FAMILY SERVICES	24	2.56%
NORTHEAST CLUSTER (LAC+USC)	16	1.71%
PUBLIC HEALTH PROGRAM	16	1.71%
DISTRICT ATTORNEY	14	1.50%
MENTAL HEALTH	14	1.50%
PUBLIC WORKS	12	1.28%
SUPERIOR COURT/COUNTY CLERK	11	1.18%
COASTAL CLUSTER-HARBOR/UCLA MC	9	0.96%
CORRECTIONAL HEALTH	9	0.96%
HEALTH SERVICES ADMINISTRATION	8	0.85%
PUBLIC DEFENDER	6	0.64%
RANCHO LOS AMIGOS HOSPITAL	6	0.64%
INTERNAL SERVICES	5	0.53%
SFV CLUSTER-OLIVE VIEW/UCLA MC	5	0.53%
AMBULATORY CARE NETWORK	4	0.43%
ASSESSOR	3	0.32%
COUNTY COUNSEL	3	0.32%
PARKS AND RECREATION	3	0.32%
ANIMAL CONTROL	2	0.21%
CHIEF EXECUTIVE OFFICE	2	0.21%
MEDICAL EXAMINER-CORONER	2	0.21%
ALTERNATE PUBLIC DEFENDER	1	0.11%
ARTS AND CULTURE	1	0.11%
AUDITOR - CONTROLLER	1	0.11%
CHILD SUPPORT SERVICES	1	0.11%
DEPARTMENT OF HUMAN RESOURCES	1	0.11%
JUVENILE COURT HEALTH SERVICES	1	0.11%
PUBLIC LIBRARY	1	0.11%
REGIONAL PLANNING	1	0.11%
REG-RECORDER/COUNTY CLERK	1	0.11%
TREASURER AND TAX COLLECTOR	1	0.11%
Grand Total	**938**	**100.00%**

FOR INFORMATION ONLY

May 24, 2024

TO: Each Trustee
Board of Retirement
Board of Investments

FROM: Ted Granger TG
Chief Financial Officer

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: **MONTHLY TRUSTEE TRAVEL & EDUCATION REPORT – APRIL 2024**

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 2024.

Trustees attend monthly Board and Committee meetings at LACERA's office which are considered administrative meetings per the Trustee Travel Policy. In order to streamline report volume and information, these regular meetings are excluded from the monthly travel reports but are included in the quarterly travel expenditure reports.

Staff travel and education reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/SC/SE/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Contreras

LACERA

TRUSTEE TRAVEL AND EDUCATION REPORT

FOR FISCAL YEAR 2023 - 2024

APRIL 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Alan Bernstein				
A	1	Edu - PREA's 33rd Annual Institutional Investor Conference - Boston MA	10/18/2023 - 10/20/2023	Attended
B	-	Edu - NACD DE&I Deep Dive: A Road Map for Becoming an Inclusion-Focused Board - Laguna Beach CA	08/22/2023 - 08/23/2023	Attended
Trevor Fay				
A	1	Edu - 2024 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/15/2024 - 04/19/2024	Attended
B	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
Mike Gatto				
A	1	Edu - PPI 2024 Winter Roundtable - Napa CA	03/06/2024 - 03/07/2024	Attended
Vivian Gray				
A	1	Edu - Prosper Africa U.S. Institutional Investors Delegation Trip & GEBF Thought Leadership Conference - Johannesburg and Cape Town South Africa	09/30/2023 - 10/06/2023	Attended
	2	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	3	Edu - NIRS 15th Annual Retirement Policy Conference - Washington, DC	02/26/2024 - 02/27/2024	Attended
B	-	Admin - SACRS Board of Directors and Committee Meeting - San Mateo CA	08/07/2023 - 08/08/2023	Attended
	-	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended
	-	Admin - TLF Trustee Peer Coaching Program - Boston MA	10/26/2023 - 10/27/2023	Attended
	-	Admin - CALAPRS Intermediate Course in Retirement Plan Administration - Burbank CA	11/01/2023 - 11/03/2023	Attended
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
	-	Admin - NASP New York Symposium - New York City NY	11/14/2023 - 11/15/2023	Attended
	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
	-	Admin - SACRS Board of Directors and Committee Meeting - Santa Barbara CA	03/25/2024 - 03/26/2024	Attended
X	-	Edu - Pension Bridge Private Credit Conference - San Diego CA	02/26/2024 - 02/27/2024	Canceled
David Green				
A	1	Edu - 2023 SuperInvestor International - Zürich Switzerland	11/14/2023 - 11/17/2023	Attended
Jason Green				
A	1	Edu - 2023 SuperInvestor International - Zürich Switzerland	11/14/2023 - 11/17/2023	Attended
B	-	Edu - CII 2023 Fall Conference | Next Frontier in Governance - Long Beach CA	09/11/2023 - 09/13/2023	Attended
James Harris				
B	-	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended

LACERA

TRUSTEE TRAVEL AND EDUCATION REPORT

FOR FISCAL YEAR 2023 - 2024

APRIL 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Onyx Jones				
X	-	Edu - NCPERS 2023 Fall Conference - Las Vegas NV	10/21/2023 - 10/25/2023	Canceled
Patrick Jones				
A	1	Edu - 2023 Investment Diversity Advisory Council (IDAC) Global Summit - Chicago IL	09/19/2023 - 09/20/2023	Attended
	2	Edu - NCPERS 2023 Fall Conference - Las Vegas NV	10/21/2023 - 10/25/2023	Attended
	3	Edu - 2024 Infrastructure Investor Global Summit - Berlin, Germany	03/18/2024 - 03/21/2024	Attended
	4	Edu - 2024 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/15/2024 - 04/19/2024	Attended
B	-	Edu - PPI 2023 Summer Roundtable - San Francisco CA	07/19/2023 - 07/21/2023	Attended
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
	-	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
	-	Edu - PPI 2024 Winter Roundtable - Napa CA	03/06/2024 - 03/07/2024	Attended
Shawn Kehoe				
B	-	Admin - Professional Peace Officers Association (PPOA) Offsite - Carlsbad CA	01/27/2024 - 01/27/2024	Attended
Keith Knox				
A	1	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan	10/22/2023 - 10/27/2023	Attended
B	-	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended
Debbie Martin				
X	-	Edu - 2024 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/15/2024 - 04/19/2024	Canceled
Nicole Mi				
A	1	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	2	Edu - PPI 2024 Leadership Lab - Napa CA	03/05/2024 - 03/06/2024	Attended
	3	Edu - CALAPRS Advanced Principles of Pension Governance for Trustees - Pasadena CA	03/27/2024 - 03/29/2024	Attended
	4	Edu - 2024 Wharton Investment Strategies and Portfolio Management - Philadelphia PA	04/15/2024 - 04/19/2024	Attended
B	-	Edu - UCLA Anderson Business School - The Global Economy Monthly Courses - Los Angeles CA	01/07/2024 - 03/03/2024	Attended
	-	Edu - UCLA Anderson Business School - Decoding Today's Financial Markets Weekly Courses - Los Angeles CA	01/09/2024 - 03/12/2024	Attended
	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
C	-	Edu - PPI 2024 Winter Roundtable - Napa CA	03/06/2024 - 03/07/2024	Attended

LACERA

TRUSTEE TRAVEL AND EDUCATION REPORT
FOR FISCAL YEAR 2023 - 2024
APRIL 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Wayne Moore				
A	1	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
B	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
Les Robbins				
B	-	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended
Gina Sanchez				
A	1	Edu - 2023 Investment Diversity Advisory Council (IDAC) Global Summit - Chicago IL	09/19/2023 - 09/20/2023	Attended
	2	Edu - Midwest and West Coast Investor Insight Summit - Chicago IL	10/05/2023 - 10/06/2023	Attended
	3	Edu - 2023 LAVCA Week Conference - New York City NY	10/10/2023 - 10/13/2023	Attended
	4	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan	10/22/2023 - 10/27/2023	Attended
B	-	Edu - PPI 2023 Summer Roundtable - San Francisco CA	07/19/2023 - 07/21/2023	Attended
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Herman Santos				
A	1	Edu - 2023 LAVCA Week Conference - New York City NY	10/10/2023 - 10/13/2023	Attended
	2	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan	10/22/2023 - 10/27/2023	Attended
	3	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	4	Edu - NIRS 15th Annual Retirement Policy Conference - Washington, DC	02/26/2024 - 02/27/2024	Attended
B	-	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
X	-	Edu - 2024 PREA’s Spring Conference - Nashville TN	03/21/2024 - 03/22/2024	Canceled

Category Legend:

A - Pre-Approved/Board Approved Educational Conferences
B - 1) Board Approved Administrative Meetings and 2) Pre-Approved Educational Conferences in CA where total cost is no more than $3,000 provided that a Trustee may not incur over $15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year 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.

LACERA

FOR INFORMATION ONLY

May 24, 2024

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger
Chief Financial Officer

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: **FY 2023-2024 3RD QUARTER STAFF TRAVEL REPORT**

Attached for your information for trips between July 1, 2023 and March 31, 2024 (1) Staff Travel Report and (2) Q1 (Calendar Year) FPPC Form 801 Travel and Other Payments Paid by Third Parties.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/SC/SE/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Contreras

LACERA

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Benefits				
Sylvia Botros	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Louis Gittens	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Dmitriy Khaytovich	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Disability Retirement Services				
Tamara Caldwell	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Danny Hang	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Executive Offices				
Laura Guglielmo	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Canceled
Santos Kreimann	1	Admin - RELAC Annual Luncheon - Alhambra CA	08/10/2023 - 08/10/2023	Attended
	2	Admin/Edu - CALAPRS Administrators Institute 2023 - Carmel CA	09/27/2023 - 09/29/2023	Attended
	3	Edu - NCPERS 2023 Fall Conference - Las Vegas NV	10/21/2023 - 10/25/2023	Attended
	4	Admin - Nossaman's 2023 Pensions, Benefits & Investments Fiduciaries' Forum - Los Angeles CA	10/30/2023 - 10/30/2023	Attended
	5	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
	6	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	7	Admin - CIGNA Health Care National Accounts Forum - Tucson AZ	02/12/2024 - 02/14/2024	Attended
	8	Admin - State Legislative Meetings - Sacramento CA	03/19/2024 - 03/20/2024	Attended
Luis Lugo	1	Admin - Anthem Blue Cross Due Diligence - Rancho Cardova CA	09/28/2023 - 09/28/2023	Attended
	2	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Canceled
	3	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Canceled
	4	Admin - State Legislative Meetings - Sacramento CA	03/19/2024 - 03/20/2024	Attended
John Popowich	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Financial & Accounting Services				
Vickie Chew	1	Edu - 2023 P2F2 Conference - Denver CO	10/08/2023 - 10/11/2023	Attended
Ted Granger	1	Admin - LACERA Management Offsite Meeting - La Canada Flintridge CA	10/18/2023 - 10/18/2023	Attended
Diana Huang	1	Edu - 2023 P2F2 Conference - Denver CO	10/08/2023 - 10/11/2023	Attended
Ngoc Vu	1	Edu - 2023 P2F2 Conference - Denver CO	10/08/2023 - 10/11/2023	Attended
Edward Wong	1	Edu - 2023 P2F2 Conference - Denver CO	10/08/2023 - 10/11/2023	Attended
Ervin Wu	1	Admin - LACERA Management Offsite Meeting - La Canada Flintridge CA	10/18/2023 - 10/18/2023	Attended

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Human Resources				
Annette Cleary	1	Edu - Southern California Public Labor Relations Council (SCPLRC) Annual Conference - Lakewood CA	02/15/2024 - 02/15/2024	Attended
Carly Ntoya	1	Edu - Association for Talent Development OrgDev Conference - Las Vegas NV	10/11/2023 - 10/13/2023	Attended
Roberta Van Nortrick	1	Edu - SCCE Annual Conference - Chicago IL	10/03/2023 - 10/05/2023	Attended
Internal Audit				
Richard Bendall	1	Admin - 12th Annual ERM Pension Peer Group Hybrid Forum - Sacramento CA	10/09/2023 - 10/13/2023	Attended
Leisha Collins	1	Edu - Invest in Yourself SACRS Public Pension Investment Management Program - Berkeley CA	07/16/2023 - 07/19/2023	Attended
	2	Edu - APPFA Professional Development Conference 2023 - Phoenix AZ	11/05/2023 - 11/08/2023	Attended
	3	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Christina Logan	1	Edu - Invest in Yourself SACRS Public Pension Investment Management Program - Berkeley CA	07/16/2023 - 07/19/2023	Attended
	2	Admin - 12th Annual ERM Pension Peer Group Hybrid Forum - Sacramento CA	10/09/2023 - 10/13/2023	Attended
George Lunde	1	Edu - APPFA Professional Development Conference 2023 - Phoenix AZ	11/05/2023 - 11/08/2023	Attended
Investments				
Didier Acevedo	1	Admin - Conduct onsite with Innovation Endeavors - Palo Alto CA	07/26/2023 - 07/26/2023	Attended
	2	Admin - Great Hill Partners AGM - Boston MA	09/26/2023 - 09/27/2023	Attended
	3	Admin - Advisory Committee and guest speaker at Accelerate Investor's 2023 Midwest + West Coast Investor Insights Summit - Chicago IL	10/05/2023 - 10/06/2023	Attended
	4	Edu - CFA Society Los Angeles Portfolio Conference - Los Angeles CA	10/26/2023 - 10/26/2023	Canceled
	5	Edu - 4th Annual Private Markets Secondaries Meeting - Santa Monica CA	02/12/2024 - 02/13/2024	Attended
Amit Aggarwal	1	Admin - Due diligence meetings for Commercial Broker RFP's - Los Angeles CA	09/15/2023 - 09/19/2023	Attended
	2	Edu - PREA's 33rd Annual Institutional Investor Conference and meet with Bain Capital Real Estate Advisers - Boston MA	10/18/2023 - 10/20/2023	Attended
	3	Admin - AEW Value Investors Asia III, LP LPAC meetings and site tours of properties - Tokyo Japan and Osaka Japan	11/06/2023 - 11/10/2023	Attended
	4	Admin - CBRE US Core Partners meeting and 2023 Client Symposium - Washington DC	11/27/2023 - 11/29/2023	Attended
	5	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
Josiah Bezet	1	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended

LACERA

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Jason Choi	1	Admin/Edu - Visiting existing credit and hedge fund managers as ongoing diligence as well as prospective credit managers on Oct 24. Attend the Private Credit Forum for educational purposes on Oct 25 - New York City NY	10/23/2023 - 10/26/2023	Attended
	2	Admin - Visiting existing credit and hedge fund managers as well as a prospective credit manager - Chicago IL and Dallas TX	11/14/2023 - 11/15/2023	Attended
	3	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended
Noah Damsky	1	Admin - Conduct due diligence on Blackstone open ended fund - Long Beach CA	08/16/2023 - 08/16/2023	Attended
	2	Admin - Conduct due diligence on Copenhagen Infrastructure Partners - Los Angeles CA	08/17/2023 - 08/17/2023	Attended
Esmeralda Del Bosque	1	Admin - Advisory Committee and guest speaker at Accelerate Investor's 2023 Midwest + West Coast Investor Insights Summit - Chicago IL	10/05/2023 - 10/06/2023	Attended
Terra Elijah	1	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
Soniah Ginoyan	1	Edu - MSCI Institutional Investor Conference - Sacramento CA	10/24/2023 - 10/25/2023	Attended
Jon Grabel	1	Admin - National Institute of Public Finance 2023 - Los Angeles CA	07/18/2023 - 07/18/2023	Attended
	2	Admin - NASP CIO Roundtable - Philadelphia PA	07/25/2023 - 07/25/2023	Canceled
	3	Admin - 2nd Annual GWI Partners SoCal Regional Summer Social - Los Angeles CA	08/01/2023 - 08/01/2023	Attended
	4	Admin - CII 2023 Fall Conference | Next Frontier in Governance - Long Beach CA	09/11/2023 - 09/13/2023	Attended
	5	Admin - Fiduciary Investors Symposium - Stanford CA	09/19/2023 - 09/21/2023	Canceled
	6	Admin - Women in Institutional Investments Network Annual Luncheon - Investing in a Political World - Los Angeles CA	10/12/2023 - 10/12/2023	Attended
	7	Admin - AAAIM ELEVATE National Conference - New York City NY	10/16/2023 - 10/18/2023	Attended
	8	Edu - CFA Portfolio - Los Angeles CA	10/26/2023 - 10/26/2023	Attended
	9	Admin - Nossaman's 2023 Pensions, Benefits & Investments Fiduciaries' Forum - Los Angeles CA	10/30/2023 - 10/30/2023	Attended
	10	Admin - SuperReturn North America 2023 - New York City NY	11/06/2023 - 11/07/2023	Canceled
	11	Admin - CFALA Senior Investments Professionals Roundtable - Los Angeles CA	12/08/2023 - 12/08/2023	Attended
	12	Admin - CII 2024 Spring Conference - Washington, DC	03/04/2024 - 03/06/2024	Attended
	13	Admin - CFA Institute Thrive: Enhancing Outcomes through Collective Intelligence - Boston MA	03/05/2024 - 03/06/2024	Canceled
	14	Admin - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended
	15	Admin - CAIA Allocator Advisory Council - Los Angeles CA	03/18/2024 - 03/18/2024	Attended

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Jon Grabel	16	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Canceled
Pushpam Jain	1	Admin - Conduct due diligence on current (DWS, TIAA Nuveen) and potential (Campbell Lutyens Infra Team, UBS Emerging Markets Debt, CIBC Emerging Markets Debt) managers - Chicago Northbrook and Evanston IL	10/03/2023 - 10/04/2023	Attended
Dale Johnson	1	Edu - CII 2024 Spring Conference - Washington, DC	03/04/2024 - 03/06/2024	Attended
Daniel Joye	1	Admin - Institutional Investor Public Funds Roundtable - Newport RI	07/25/2023 - 07/27/2023	Attended
	2	Admin - Conduct due diligence on Blackstone open ended fund - Long Beach CA	08/16/2023 - 08/16/2023	Attended
	3	Admin - Conduct due diligence on Copenhagen Infrastructure Partners - Los Angeles CA	08/17/2023 - 08/17/2023	Attended
	4	Admin - Partners' Retreat for Allocator Leaders (The Peer-to-Peer Retreat) - Beverly Hills CA	11/15/2023 - 11/15/2023	Attended
	5	Admin - Partners Group Annual General Meetings and LPAC - Miami FL	03/12/2024 - 03/15/2024	Attended
	6	Admin - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended
	7	Admin - Axium Annual General Meeting and LPAC - Montreal, Canada	03/27/2024 - 03/28/2024	Attended
Derek Kong	1	Edu - TIDE Spark 2023 - Dana Point CA	07/13/2023 - 07/13/2023	Canceled
	2	Admin - Onsite diligence for existing managers (Triton and GHO) and potential manager (Pollen Street) - London UK	10/30/2023 - 11/03/2023	Attended
	3	Edu - 4th Annual Private Markets Secondaries Meeting - Santa Monica CA	02/12/2024 - 02/13/2024	Canceled
Cheryl Lu	1	Admin - China Consulate General to apply for Visa to conduct LACERA business in The Republic of China - Los Angeles CA	07/18/2023 - 07/18/2023	Attended
	2	Admin - Accel-KKR AGM and LPAC - Menlo Park CA	09/19/2023 - 09/20/2023	Attended
	3	Admin - Conduct due diligence meetings with potential Japan managers (Integral, Aspirant, Sunrise CLSA, J-Star, Advantage Partners, NSSK and Mercuria) and onsite diligence for MBK Fund VI (existing manager) - Tokyo Japan and Seoul South Korea	09/25/2023 - 10/03/2023	Attended
	4	Admin - AGM/LPAC for MBK and Lilly Asia Venture and meet with potential managers - Seoul South Korea and Shanghai China	11/11/2023 - 11/17/2023	Attended
	5	Admin - Lilly Asia Ventures' Due Diligence Day and meet with existing managers - Palo Alto CA	01/11/2024 - 01/12/2024	Attended
	6	Edu - 4th Annual Private Markets Secondaries Meeting - Santa Monica CA	02/12/2024 - 02/13/2024	Attended
	7	Edu - Women's Private Equity Summit - Phoenix AZ	03/03/2024 - 03/06/2024	Attended
Vache Mahseredjian	1	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
Quoc Nguyen	1	Admin - Conduct due diligence for existing managers and DMA platform manager (Innocap) and prospective manager. Visiting Innocap's NY and Montreal locations, existing credit/hedge fund managers, and prospective credit/hedge fund managers. - New York City NY and Montreal Toronto Canada	11/27/2023 - 12/01/2023	Attended
	2	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended
Jude Perez	1	Edu - MSCI Institutional Investor Conference - Sacramento CA	10/24/2023 - 10/25/2023	Attended
	2	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
	3	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
Krista Powell	1	Admin/Edu - Visiting existing credit and hedge fund managers as ongoing diligence as well as prospective credit managers on Oct 24. Attend the Private Credit Forum for educational purposes on Oct 25 - New York City NY	10/23/2023 - 10/26/2023	Attended
	2	Admin - Visiting existing credit and hedge fund managers as well as a prospective credit manager - Chicago IL and Dallas TX	11/14/2023 - 11/15/2023	Attended
	3	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Canceled
Jim Rice	1	Admin - Due diligence meetings for Commercial Broker RFP's - Los Angeles CA	09/15/2023 - 09/19/2023	Attended
	2	Admin - Meeting with Tony Avila to discuss Rise Koreatown - Los Angeles CA	10/30/2023 - 10/30/2023	Attended
	3	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
	4	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA	03/20/2024 - 03/21/2024	Attended
Cindy Rivera	1	Edu - StepStone 360 Conference - New York City NY	10/18/2023 - 10/19/2023	Attended
	2	Admin - Meeting with Tony Avila to discuss Rise Koreatown - Los Angeles CA	10/30/2023 - 10/30/2023	Attended
	3	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
Michael Romero	1	Admin - Due diligence meetings for Commercial Broker RFP's - Los Angeles CA	09/15/2023 - 09/19/2023	Attended
	2	Admin - Lion Properties Fund Advisory Council Meeting. Due diligence visits on existing LACERA to be conducted for the following: Platform at Union City ($137M) and Montebello Industrial ($92M) during this same travel - Denver CO	10/25/2023 - 10/27/2023	Attended
	3	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA	02/29/2024 - 02/29/2024	Attended
David Simpson	1	Admin - Vinci Annual General Meeting (AGM) and Limited Partner Advisory Committee (LPAC) meeting. Due diligence meetings with existing manager (Australis Partner) and potential managers (Aqua Capital, IG4, Elevar Equity, Wayra Brazil) - New York City NY	10/10/2023 - 10/13/2023	Attended

STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Investments				
David Simpson	2	Edu - 2023 LAVCA Week Conference - New York City NY	10/10/2023 - 10/13/2023	Attended
	3	Admin - Annual General Meetings for One Rock, Riverside, and Siris and Limited Partner Advisory Committee for One Rock and Siris Conduct due diligence meetings with Vinci Partners and prospective manager, Mill Point. - New York City NY	11/13/2023 - 11/17/2023	Canceled
	4	Admin - Update meeting with a potential manager, Clayton, Dubilier & Rice - Santa Monica CA	03/14/2024 - 03/14/2024	Attended
Kathryn Ton	1	Edu - Invest in Yourself SACRS Public Pension Investment Management Program - Berkeley CA	07/16/2023 - 07/19/2023	Canceled
Mel Tsao	1	Admin - ILPA Legal Document Course - Chicago IL	07/16/2023 - 07/19/2023	Attended
Scott Zdrazil	1	Edu - CII 2023 Fall Conference | Next Frontier in Governance - Long Beach CA	09/11/2023 - 09/13/2023	Attended
	2	Admin - Stanford Institutional Investor Forum - Palo Alto CA	11/01/2023 - 11/02/2023	Attended
	3	Admin - Participate in Corporate Directors Forum Board Diversity Dialogue - San Diego CA	02/15/2024 - 02/15/2024	Attended
	4	Admin - Speak at CFA Institute DEI Conference - Boston MA	03/04/2024 - 03/06/2024	Attended
	5	Admin - Speak at Broadridge Institutional Investor Corporate Governance Forum and Roundtable - Pasadena CA	03/14/2024 - 03/14/2024	Attended
Legal Services				
Jasmine Bath	1	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	07/17/2023 - 07/19/2023	Attended
Frank Boyd	1	Admin - Nossaman's 2023 Pensions, Benefits & Investments Fiduciaries' Forum - Los Angeles CA	10/30/2023 - 10/30/2023	Attended
	2	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Michael Herrera	1	Admin - Bernstein Litowitz Berger & Grossmann (BLB&G) Institutional Investor Forum - New York City NY	11/14/2023 - 11/18/2023	Attended
Jean Kim	1	Edu - NAPPA Winter Seminar - Washington, DC	02/21/2024 - 02/23/2024	Attended
Barry Lew	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Canceled
	2	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	3	Admin - State Legislative Meetings - Sacramento CA	03/19/2024 - 03/20/2024	Attended
Steven Rice	1	Admin - Nossaman's 2023 Pensions, Benefits & Investments Fiduciaries' Forum - Los Angeles CA	10/30/2023 - 10/30/2023	Canceled
Christine Roseland	1	Edu - ALTSLA 2024 - Los Angeles CA	03/18/2024 - 03/20/2024	Attended
Elaine Salon	1	Edu - CALAPRS Management Leadership Academy 2023 Session #3 - Pasadena CA	07/17/2023 - 07/19/2023	Attended

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STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Member Services				
Gerald Bucacao	1	Edu - ICMI Contact Center Expo - Orlando FL	10/16/2023 - 10/19/2023	Attended
Renee Copeland	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Stephanie Kawai	1	Admin - CALAPRS Intermediate Course in Retirement Plan Administration - Burbank CA	11/01/2023 - 11/03/2023	Attended
	2	Edu - CALAPRS Advanced Course in Retirement Plan Administration - Burbank CA	12/06/2023 - 12/08/2023	Attended
Kelly Puga	1	Edu - ICMI Contact Center Expo - Orlando FL	10/16/2023 - 10/19/2023	Attended
Valerie Quiroz	1	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA	11/07/2023 - 11/10/2023	Attended
Fabio Ramirez	1	Edu - CALAPRS Management Leadership Academy 2023 - Pasadena CA	07/17/2023 - 07/19/2023	Attended
Retiree Healthcare				
Janet Chan	1	Admin - Anthem Blue Cross Due Diligence - Rancho Cardova CA	09/28/2023 - 09/28/2023	Attended
Tionna Fredericks	1	Edu - IFEBP 69th Annual Employee Benefit Plans Conference - Boston MA	10/01/2023 - 10/04/2023	Attended
	2	Edu - IFEPB Collection Procedures Institute - Santa Monica CA	11/06/2023 - 11/07/2023	Attended
Leilani Ignacio	1	Admin - Anthem Blue Cross Due Diligence - Rancho Cardova CA	09/28/2023 - 09/28/2023	Attended
	2	Edu - IFEBP 69th Annual Employee Benefit Plans Conference - Boston MA	10/01/2023 - 10/04/2023	Canceled
	3	Admin - IFEBP Health Care Management Conference 2024 - Rancho Mirage CA	03/04/2024 - 03/05/2024	Attended
Kathy Migita	1	Edu - CVS Health 2023 Care Management Client Summit - Greensboro NC	09/19/2023 - 09/21/2023	Attended
	2	Admin - Anthem Blue Cross Due Diligence - Rancho Cardova CA	09/28/2023 - 09/28/2023	Attended
	3	Edu - IFEBP 69th Annual Employee Benefit Plans Conference - Boston MA	10/01/2023 - 10/04/2023	Canceled
	4	Admin - Kaiser Permanente - Diligence Meeting - Washington DC	11/06/2023 - 11/08/2023	Attended
	5	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	6	Edu - CIGNA Health Care National Accounts Forum - Tucson AZ	02/12/2024 - 02/14/2024	Attended
	7	Edu - AHIP 2024 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Baltimore MD	03/12/2024 - 03/14/2024	Attended
Cassandra Smith	1	Edu - CVS Health 2023 Care Management Client Summit - Greensboro NC	09/19/2023 - 09/21/2023	Attended
	2	Admin - Anthem Blue Cross Due Diligence - Rancho Cardova CA	09/28/2023 - 09/28/2023	Attended
	3	Edu - IFEBP 69th Annual Employee Benefit Plans Conference - Boston MA	10/01/2023 - 10/04/2023	Attended

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STAFF TRAVEL REPORT
FOR FISCAL YEAR 2023 - 2024
MARCH 2024

Attendee		Purpose of Travel - Location	Event Dates	Travel Status
Retiree Healthcare				
Cassandra Smith	4	Admin - Kaiser Permanente - Diligence Meeting - Washington DC	11/06/2023 - 11/08/2023	Attended
	5	Edu - NCPERS 2024 Legislative Conference - Washington DC	01/22/2024 - 01/24/2024	Attended
	6	Edu - CIGNA Health Care National Accounts Forum - Tucson AZ	02/12/2024 - 02/14/2024	Attended
	7	Edu - AHIP 2024 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Baltimore MD	03/12/2024 - 03/14/2024	Attended
Letha Williams-Martin	1	Edu - IFEBP 69th Annual Employee Benefit Plans Conference - Boston MA	10/01/2023 - 10/04/2023	Attended
Systems				
Iveta Brecko	1	Edu - PMI Global Summit 2023 - Atlanta GA	10/25/2023 - 10/28/2023	Attended
Monica Bustamante	1	Edu - Adobe Summit 2024 - Las Vegas NV	03/25/2024 - 03/28/2024	Attended
Kathy Delino	1	Edu - Gartner Data & Analytics Summit 2024 - Orlando FL	03/11/2024 - 03/13/2024	Attended
Lynn Francisco	1	Edu - IBM TechXchange Conference 2023 - Las Vegas NV	09/12/2023 - 09/14/2023	Attended
Ganesh Gopanapalli	1	Edu - Gartner Data & Analytics Summit 2024 - Orlando FL	03/11/2024 - 03/13/2024	Attended
Sandy Pang	1	Edu - IBM TechXchange Conference 2023 - Las Vegas NV	09/12/2023 - 09/14/2023	Attended
Penelope Rodriguez	1	Edu - Adobe Summit 2024 - Las Vegas NV	03/25/2024 - 03/28/2024	Attended
Gina Shaferman	1	Edu - IBM TechXchange Conference 2023 - Las Vegas NV	09/12/2023 - 09/14/2023	Attended
Celso Templo	1	Edu - PMI Global Summit 2023 - Atlanta GA	10/25/2023 - 10/28/2023	Attended

CY 2024 Q1 FPPC FORM 801 STAFF TRAVEL EXPENSES

	2. Donor Name and Address				3. Payment Infomration														
	Name				3.1(a) Travel Payment										3.2 Payment Description	3.3 Officials who used payment in Section 3.1			
Item Number	Individual	Other	Entity's Business Activity	Address	Location	Dates	Transportation Provider	Type	Name of Lodging Facility	Lodging Expenses	Meal Expenses	Transportation Expenses	Other Expenses	Total Expenses		Last Name	First Name	Position/Title	Department/ Division
1	N/A	Partners Group Direct Infrastructure IV (USD) A, L.P.	Infrastructure Investment	1200 Entrepreneurial Drive, Broomfield, CO 80021	Miami, FL	March 12-15, 2024	American Airlines	Air	Coral Reef at Key Biscayne	$934.04	N/A	$565.64	$165.99	$1,665.67	Payment is for travel to attend Partnership's Advisory Board meeting. Per LACERA's contract with the Partnership, reasonable out-of-pocket travel expenses related to attending the meeting are covered by the fund.	Joye	Daniel	Finance Analyst III	Investments
2	N/A	Axium Infrastructure	Infrastructure Investment	2020, Robert-Bourassa Blvd., Suite 2500 Montréal Québec H3A 2A5 Canada	Montréal Québec, Canada	March 27-28, 2024	Uber	Ground (Car)	N/A	N/A	N/A	$45.17	N/A	$45.17	Payment is for travel to attend Partnership Advisory Committee Annual Meeting. Per LACERA's contracts with Axium Infrastructure funds, all reasonable out-of-pocket travel expenses related to attending the meeting are covered by the funds.	Joye	Daniel	Finance Analyst III	Investments

LACERA

FOR INFORMATION ONLY

May 24, 2024

TO: Trustees
Board of Retirement
Board of Investments

FROM: Ted Granger TG
Chief Financial Officer

FOR: June 5, 2024 Board of Retirement Meeting
June 12, 2024 Board of Investments Meeting

SUBJECT: **FY 2023-2024 3RD QUARTER TRUSTEE TRAVEL & EDUCATION EXPENDITURE REPORTS**

Attached for your review:

(1) Trustee Travel & Education Expenditure Report which includes reimbursement for events between July 1, 2023 and March 31, 2024 excluding Regular Board and Committee Meetings.

(2) Regular Board and Committee Meetings Expenditure Report for accumulated lodging and mileage reimbursed for events between July 1, 2023 and March 31, 2024.

(3) The Trustee Cancellation & Credit Expenditures Report which includes credits and expenses associated with trip cancellations for FY 2020-2021, 2021-2022 and through the 3rd Quarter of FY 2023-2024. No credits remain for FY 2022-2023.

REVIEWED AND APPROVED:

Santos H. Kreimann
Chief Executive Officer

TG/EW/SC/SE/gj

Attachments

c: L. Lugo
J. Popowich
L. Guglielmo
J. Grabel
S. Rice
R. Contreras

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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 - PREA's 33rd Annual Institutional Investor Conference - Boston MA - 10/18/2023 - 10/20/2023	Attended	$5,405.56	$150.00	$1,399.75	$3,363.81	$0.00	$0.00	$0.00	$0.00	$0.00	$184.00	$49.00
B	-	Edu - NACD DE&I Deep Dive: A Road Map for Becoming an Inclusion-Focused Board - Laguna Beach CA - 08/22/2023 - 08/23/2023	Attended	$784.14	$0.00	$549.65	$0.00	$0.00	$112.49	$0.00	$25.00	$0.00	$87.00	$10.00
		Totals for Alan Bernstein:		$6,189.70	$150.00	$1,949.40	$3,363.81	$259.00	$112.49	$0.00	$25.00	$0.00	$271.00	$59.00
Mike Gatto														
A	1	Edu - PPI 2024 Winter Roundtable - Napa CA - 03/06/2024 - 03/07/2024	Attended	$3,421.49	$1,500.00	$830.09	$475.16	$0.00	$61.10	$0.00	$64.00	$0.00	$202.00	$20.00
		Totals for Mike Gatto:		$3,421.49	$1,500.00	$830.09	$475.16	$269.14	$61.10	$0.00	$64.00	$0.00	$202.00	$20.00
Vivian Gray														
A	1	Edu - Prosper Africa U.S. Institutional Investors Delegation Trip & GEBF Thought Leadership Conference - Johannesburg and Cape Town South Africa - 09/30/2023 - 10/06/2023	Attended	$11,770.72	$0.00	$1,121.07	$10,049.65	$0.00	$0.00	$0.00	$0.00	$0.00	$456.00	$144.00
	2	Edu - NCPERS 2024 Legislative Conference - Washington DC - 01/22/2024 - 01/24/2024	Attended	$4,869.40	$550.00	$1,386.76	$2,617.80	$0.00	$0.00	$0.00	$0.00	$0.00	$218.00	$25.00
	3	Edu - NIRS 15th Annual Retirement Policy Conference - Washington, DC - 02/26/2024 - 02/27/2024	Attended	$1,784.87	$750.00	$623.82	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$148.00	$15.00
B	-	Admin - SACRS Board of Directors and Committee Meeting - San Mateo CA - 08/07/2023 - 08/08/2023	Attended	$1,758.96	$0.00	$820.68	$547.96	$0.00	$0.00	$0.00	$45.00	$0.00	$126.00	$20.00
	-	Admin - RELAC Annual Luncheon - Alhambra CA - 08/10/2023 - 08/10/2023	Attended	$26.20	$0.00	$0.00	$0.00	$0.00	$26.20	$0.00	$0.00	$0.00	$0.00	$0.00

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3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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														
B	-	Admin - TLF Trustee Peer Coaching Program - Boston MA - 10/26/2023 - 10/27/2023	Attended	$3,712.48	$0.00	$732.48	$2,820.80	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA - 11/07/2023 - 11/10/2023	Attended	$1,641.29	$120.00	$1,014.24	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$97.00	$15.00
	-	Admin - NASP New York Symposium - New York City NY - 11/14/2023 - 11/15/2023	Attended	$3,210.45	$0.00	$719.64	$2,367.81	$0.00	$0.00	$0.00	$0.00	$0.00	$108.00	$15.00
	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/20/2024 - 03/21/2024	Attended	$1,379.22	$295.00	$966.22	$0.00	$0.00	$0.00	$0.00	$118.00	$0.00	$0.00	$0.00
	-	Admin - SACRS Board of Directors and Committee Meeting - Santa Barbara CA - 03/25/2024 - 03/26/2024	Attended	$1,130.73	$0.00	$794.30	$0.00	$0.00	$127.43	$0.00	$90.00	$0.00	$104.00	$15.00
		Totals for Vivian Gray:		$31,284.32	$1,715.00	$8,179.21	$18,404.02	$1,073.46	$153.63	$0.00	$253.00	$0.00	$1,257.00	$249.00
Jason Green														
A	1	Edu - 2023 SuperInvestor International - Zürich Switzerland - 11/14/2023 - 11/17/2023	Attended	$9,354.87	$204.79	$1,700.15	$5,964.71	$0.00	$0.00	$0.00	$245.00	$0.00	$672.00	$210.00
B	-	Edu - CII 2023 Fall Conference | Next Frontier in Governance - Long Beach CA - 09/11/2023 - 09/13/2023	Attended	$616.55	$0.00	$578.55	$0.00	$0.00	$0.00	$0.00	$38.00	$0.00	$0.00	$0.00
		Totals for Jason Green:		$9,971.42	$204.79	$2,278.70	$5,964.71	$358.22	$0.00	$0.00	$283.00	$0.00	$672.00	$210.00

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3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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														
A	1	Edu - 2023 SuperInvestor International - Zürich Switzerland - 11/14/2023 - 11/17/2023	Attended	$9,672.54	$204.78	$1,702.97	$6,504.45	$0.00	$22.60	$0.00	$0.00	$0.00	$776.00	$210.00
		Totals for David Green:		$9,672.54	$204.78	$1,702.97	$6,504.45	$251.74	$22.60	$0.00	$0.00	$0.00	$776.00	$210.00
Patrick Jones														
A	1	Edu - 2023 Investment Diversity Advisory Council (IDAC) Global Summit - Chicago IL - 09/19/2023 - 09/20/2023	Attended	$4,396.95	$2,500.00	$982.56	$501.80	$0.00	$0.00	$0.00	$0.00	$0.00	$92.00	$15.00
	2	Edu - NCPERS 2023 Fall Conference - Las Vegas NV - 10/21/2023 - 10/25/2023	Attended	$4,148.34	$1,605.00	$1,326.54	$482.80	$196.21	$0.00	$0.00	$0.00	$196.21	$242.00	$30.00
	3	Edu - 2024 Infrastructure Investor Global Summit - Berlin, Germany - 03/18/2024 - 03/21/2024	Attended	$19,862.87	$7,071.17	$1,835.86	$10,044.70	$0.00	$0.00	$0.00	$0.00	$0.00	$484.00	$162.00
B	-	Edu - PPI 2023 Summer Roundtable - San Francisco CA - 07/19/2023 - 07/21/2023	Attended	$2,021.18	$1,200.00	$214.00	$322.80	$0.00	$0.00	$0.00	$0.00	$0.00	$18.00	$5.00
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA - 11/07/2023 - 11/10/2023	Attended	$1,152.63	$120.00	$781.54	$0.00	$0.00	$182.09	$0.00	$0.00	$0.00	$64.00	$5.00
	-	Edu - Los Angeles Black Heritage Real Estate Tour - Los Angeles CA - 02/29/2024 - 02/29/2024	Attended	$86.43	$0.00	$0.00	$0.00	$86.43	$0.00	$0.00	$0.00	$86.43	$0.00	$0.00
	-	Edu - PPI 2024 Winter Roundtable - Napa CA - 03/06/2024 - 03/07/2024	Attended	$2,853.45	$1,500.00	$643.87	$335.20	$0.00	$0.00	$0.00	$0.00	$0.00	$36.00	$5.00
		Totals for Patrick Jones:		$34,521.85	$13,996.17	$5,784.37	$11,687.30	$1,431.28	$182.09	$0.00	$0.00	$282.64	$936.00	$222.00

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3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Onyx Jones														
X	-	Edu - NCPERS 2023 Fall Conference - Las Vegas NV - 10/21/2023 - 10/25/2023	Canceled	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Onyx Jones:		$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Shawn Kehoe														
B	-	Admin - Professional Peace Officers Association (PPOA) Offsite - Carlsbad CA - 01/27/2024 - 01/27/2024	Attended	$109.88	$0.00	$0.00	$0.00	$0.00	$109.88	$0.00	$0.00	$0.00	$0.00	$0.00
		Totals for Shawn Kehoe:		$109.88	$0.00	$0.00	$0.00	$0.00	$109.88	$0.00	$0.00	$0.00	$0.00	$0.00
Keith Knox														
A	1	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan - 10/22/2023 - 10/27/2023	Attended	$13,395.57	$5,308.00	$2,171.69	$4,920.95	$0.00	$0.00	$0.00	$0.00	$0.00	$293.00	$138.00
		Totals for Keith Knox:		$13,395.57	$5,308.00	$2,171.69	$4,920.95	$563.93	$0.00	$0.00	$0.00	$0.00	$293.00	$138.00
Nicole Mi														
A	1	Edu - NCPERS 2024 Legislative Conference - Washington DC - 01/22/2024 - 01/24/2024	Attended	$4,810.40	$950.00	$1,733.46	$1,671.33	$0.00	$73.30	$0.00	$0.00	$0.00	$294.00	$30.00
	2	Edu - PPI 2024 Leadership Lab - Napa CA - 03/05/2024 - 03/06/2024	Attended	$2,277.10	$1,725.00	$0.00	$197.00	$0.00	$0.00	$0.00	$0.00	$0.00	$65.00	$12.50
	3	Edu - CALAPRS Advanced Principles of Pension Governance for Trustees - Pasadena CA - 03/27/2024 - 03/29/2024	Attended	$3,346.30	$3,250.00	$0.00	$0.00	$0.00	$73.30	$0.00	$0.00	$0.00	$18.00	$5.00
B	-	Edu - UCLA Anderson Business School - The Global Economy Monthly Courses- Los Angeles CA - 01/07/2024 - 03/03/2024	Attended	$1,846.76	$0.00	$1,404.47	$0.00	$0.00	$220.29	$0.00	$105.00	$0.00	$102.00	$15.00

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Nicole Mi														
B	-	Edu - UCLA Anderson Business School - Decoding Today's Financial Markets Weekly Courses - Los Angeles CA - 01/09/2024 - 03/12/2024	Attended	$2,384.16	$0.00	$1,537.00	$0.00	$0.00	$367.16	$0.00	$175.00	$0.00	$255.00	$50.00
	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/20/2024 - 03/21/2024	Attended	$980.31	$295.00	$483.11	$0.00	$0.00	$81.20	$0.00	$59.00	$0.00	$52.00	$10.00
C	-	Edu - PPI 2024 Winter Roundtable - Napa CA - 03/06/2024 - 03/07/2024	Attended	$3,929.57	$1,725.00	$1,043.68	$446.20	$0.00	$0.00	$0.00	$0.00	$0.00	$65.00	$12.50
		Totals for Nicole Mi:		$19,574.60	$7,945.00	$6,201.72	$2,314.53	$973.10	$815.25	$0.00	$339.00	$0.00	$851.00	$135.00
Wayne Moore														
A	1	Edu - NCPERS 2024 Legislative Conference - Washington DC - 01/22/2024 - 01/24/2024	Attended	$4,088.23	$550.00	$1,408.76	$1,746.20	$0.00	$16.75	$0.00	$0.00	$0.00	$182.00	$78.00
B	-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/20/2024 - 03/21/2024	Attended	$1,348.31	$295.00	$966.22	$0.00	$0.00	$31.09	$0.00	$46.00	$0.00	$0.00	$10.00
		Totals for Wayne Moore:		$5,436.54	$845.00	$2,374.98	$1,746.20	$106.52	$47.84	$0.00	$46.00	$0.00	$182.00	$88.00
Gina Sanchez														
A	1	Edu - 2023 Investment Diversity Advisory Council (IDAC) Global Summit - Chicago IL - 09/19/2023 - 09/20/2023	Attended	$4,136.04	$2,500.00	$725.92	$337.80	$0.00	$0.00	$0.00	$0.00	$0.00	$184.00	$15.00
	2	Edu - Midwest and West Coast Investor Insight Summit - Chicago IL - 10/05/2023 - 10/06/2023	Attended	$1,231.56	$125.00	$0.00	$797.80	$0.00	$0.00	$0.00	$0.00	$0.00	$54.00	$5.00

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

Cat		Purpose of Travel - Location - Travel Dates	Travel Status	Total Expense	Registration	Lodging	Airfare	Ground Transp.	Mileage	Porterage	Parking	Meals	Per Diem	Misc.
Gina Sanchez														
A	3	Edu - 2023 LAVCA Week Conference - New York City NY - 10/10/2023 - 10/13/2023	Attended	$5,319.82	$500.00	$1,362.87	$2,896.80	$0.00	$0.00	$0.00	$0.00	$0.00	$148.00	$15.00
	4	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan - 10/22/2023 - 10/27/2023	Attended	$14,601.09	$5,308.00	$2,368.64	$5,701.35	$0.00	$0.00	$0.00	$0.00	$0.00	$397.00	$138.00
B	-	Edu - PPI 2023 Summer Roundtable - San Francisco CA - 07/19/2023 - 07/21/2023	Attended	$2,474.47	$1,200.00	$806.30	$316.75	$0.00	$0.00	$0.00	$0.00	$0.00	$38.00	$5.00
	-	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA - 11/07/2023 - 11/10/2023	Attended	$970.89	$120.00	$507.12	$0.00	$0.00	$218.77	$0.00	$0.00	$0.00	$110.00	$15.00
		Totals for Gina Sanchez:		$28,733.87	$9,753.00	$5,770.85	$10,050.50	$1,816.75	$218.77	$0.00	$0.00	$0.00	$931.00	$193.00
Herman Santos														
A	1	Edu - 2023 LAVCA Week Conference - New York City NY - 10/10/2023 - 10/13/2023	Attended	$6,025.86	$500.00	$3,120.05	$1,410.91	$0.00	$125.89	$0.00	$140.76	$0.00	$404.00	$30.00
	2	Edu - 2023 PPI Executive Seminar and Asia Roundtable - Tokyo Japan - 10/22/2023 - 10/27/2023	Attended	$18,180.05	$5,308.00	$2,368.64	$8,518.15	$0.00	$128.12	$0.00	$134.96	$0.00	$736.00	$321.53
	3	Edu - NCPERS 2024 Legislative Conference - Washington DC - 01/22/2024 - 01/24/2024	Attended	$4,639.73	$750.00	$1,698.67	$1,412.81	$0.00	$122.07	$0.00	$133.56	$0.00	$328.00	$30.00
	4	Edu - NIRS 15th Annual Retirement Policy Conference - Washington, DC - 02/26/2024 - 02/27/2024	Attended	$5,049.75	$750.00	$1,711.41	$2,062.80	$47.13	$121.94	$0.00	$80.47	$0.00	$256.00	$20.00

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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													
B -	Edu - SACRS 2023 Fall Conference - Rancho Mirage CA - 11/07/2023 - 11/10/2023	Attended	$627.12	$120.00	$507.12	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
-	Admin - LACERA vs Los Angeles County - Los Angeles CA - 12/06/2022 - 12/06/2022	Attended	$110.04	$0.00	$0.00	$0.00	$0.00	$110.04	$0.00	$0.00	$0.00	$0.00	$0.00
-	Edu - 2024 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/20/2024 - 03/21/2024	Attended	$1,092.04	$125.00	$609.94	$0.00	$170.00	$128.10	$0.00	$59.00	$170.00	$0.00	$0.00
	Totals for Herman Santos:		$35,724.59	$7,553.00	$10,015.83	$13,930.21	$1,123.52	$614.22	$0.00	$468.28	$170.00	$1,468.00	$381.53
Cnt: 23	**Grand Totals:**		$198,036.37	$49,174.74	$47,259.81	$79,361.84	$8,226.66	$2,337.87	$0.00	$1,478.28	$452.64	$7,839.00	$1,905.53

Category Legend:

A - Pre-Approved/Board Approved Educational Conferences
B - 1) Board Approved Administrative Meetings and 2) Pre-Approved Educational Conferences in CA where total cost is no more than $3,000 provided that a Trustee may not incur over $15,000 for all expenses of attending all such Educational Conferences and Administrative Meetings in a fiscal year 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.

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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													
	FYTD Lodging/Mileage (M):				$0.00			$146.72					
Trevor Fay													
	FYTD Lodging/Mileage (M):				$0.00			$174.74					
Mike Gatto													
	FYTD Lodging/Mileage (M):				$647.35			$228.67					
Vivian Gray													
	FYTD Lodging/Mileage (M):				$0.00			$157.20					
Jason Green													
	FYTD Lodging/Mileage (M):				$0.00			$1,738.44					
David Green													
	FYTD Lodging/Mileage (M):				$0.00			$110.83					
Patrick Jones													
	FYTD Lodging/Mileage (M):				$0.00			$581.87					
Onyx Jones													
	FYTD Lodging/Mileage (M):				$0.00			$310.47					
Shawn Kehoe													
	FYTD Lodging/Mileage (M):				$2,129.34			$0.00					

LACERA

3RD QUARTER TRUSTEE
TRAVEL AND EDUCATION EXPENDITURE REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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													
	FYTD Lodging/Mileage (M):				$0.00			$66.02					
Debbie Martin													
	FYTD Lodging/Mileage (M):				$0.00			$343.93					
Nicole Mi													
	FYTD Lodging/Mileage (M):				$1,551.21			$274.95					
Les Robbins													
	FYTD Lodging/Mileage (M):				$0.00			$237.44					
David Ryu													
	FYTD Lodging/Mileage (M):				$0.00			$252.49					
Gina Sanchez													
	FYTD Lodging/Mileage (M):				$0.00			$568.15					
Herman Santos													
	FYTD Lodging/Mileage (M):				$4,596.62			$2,958.36					
	Total of FYTD Lodging/Mileage (M):				$8,924.52			$8,150.28					

Category Legend:

M - Regular Board and Committee Meetings

LACERA

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	**12/31/2025**	$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

LACERA

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	**Yes**	$0.00		$0.00		$0.00
Attendee Totals:		$375.02	$375.02	$0.00	$0.00	$0.00		$0.00		$0.00		$0.00
David Green												
Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	$387.13	$0.00	$0.00	$387.13	$0.00	**Yes**	$0.00		$0.00		$0.00
Attendee Totals:		$387.13	$0.00	$0.00	$387.13	$0.00		$0.00		$0.00		$0.00
Patrick Jones												
Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham NC - 09/23/2021 - 09/25/2021 - 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 - 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
Keith Knox												
Edu - 2022 Milken Institute Global Conference - Los Angeles CA - 05/01/2022 - 05/04/2022 - Canceled	X	$1,646.94	$0.00	$1,646.94	$0.00	$0.00	**Yes**	$0.00		$0.00		$0.00
Attendee Totals:		$1,646.94	$0.00	$1,646.94	$0.00	$0.00		$0.00		$0.00		$0.00
Les Robbins												
Edu - AHIP Health Conference - Las Vegas NV - 06/21/2022 - 06/23/2022 - Canceled	X	$919.28	$400.00	$519.28	$0.00	$0.00	**Yes**	$0.00		$97.96	**12/31/2040**	$0.00
Attendee Totals:		$919.28	$400.00	$519.28	$0.00	$0.00		$0.00		$97.96		$0.00

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
Gina Sanchez												
Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled	X	$282.80	$0.00	$0.00	$282.80	$0.00		$0.00		$0.00		$0.00
Attendee Totals:		$282.80	$0.00	$0.00	$282.80	$0.00		$0.00		$0.00		$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
Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022 - Cancelled	Z	$0.00	$0.00	$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:		$3,760.12	$900.01	$2,190.18	$669.93	$0.00		$0.00		$97.96		$0.00

Category Legend:

X - Canceled events for which expenses have been incurred.
Z - Trip was Canceled - Balance of $0.00

LACERA

TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT
FOR FISCAL YEAR 2024
FOR EVENTS DURING JULY 2023 - MARCH 2024

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
Vivian Gray												
Edu - NCPERS 2023 Fall Conference - Las Vegas NV - 10/21/2023 - 10/25/2023 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		
Edu - Kayne Anderson 2023 Investor Conference - Beverly Hills CA - 10/25/2023 - 10/26/2023 - Canceled	Z	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00		$0.00		
Edu - Pension Bridge Private Credit Conference - San Diego CA - 02/26/2024 - 02/27/2024 - Canceled	Z	$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		
James Harris												
Edu - SACRS 2023 Fall Conference - Rancho Mirage CA - 11/07/2023 - 11/10/2023 - Canceled	Z	$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		
Onyx Jones												
Edu - NCPERS 2023 Fall Conference - Las Vegas NV - 10/21/2023 - 10/25/2023 - Canceled	X	$0.00	$0.00	$0.00	$0.00	$0.00		$1,605.00	**12/31/2024**	$0.00		
Attendee Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$1,605.00		$0.00		
Herman Santos												
Edu - 2024 PREA's Spring Conference - Nashville TN - 03/21/2024 - 03/22/2024 - Canceled	Z	$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		
Grand Totals:		$0.00	$0.00	$0.00	$0.00	$0.00		$1,605.00		$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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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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