

AGENDA

MEETING OF THE INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE and BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

**300 North Lake Avenue, Suite 810
Pasadena, CA 91101**

March 15, 2012 - 9:00 A.M.**

COMMITTEE MEMBERS:

Les Robbins, Chair
Simon S. Russin, Vice Chair
Marvin Adams
William de la Garza
Shawn R. Kehoe, Alternate

- I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT
- II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 9, 2012
- III. ACTION ITEMS
 - A. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on Assembly Bill 1519 relating to Board member education. (Memorandum dated March 6, 2012)
 - B. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1542 relating to cost of living increases for Orange County service. (Memorandum dated February 27, 2012)
 - C. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1633 which places a cap on retirement benefits. (Memorandum dated February 27, 2012)

III. ACTION ITEMS (Continued)

- D. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Assembly Bill 1639 which prohibits the calculation of pension benefits based on compensation levels that exceed federal limits. (Memorandum dated February 28, 2012)
- E. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Watch” position on Assembly Bill 1815 which would prohibit membership in OCERS for new members of the Orange County Board of Supervisors. (Memorandum dated March 5, 2012)
- F. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a “Support” position on Assembly Bill 2664 which would allow for use and acceptance of electronic signatures. (Memorandum dated March 5, 2012)

IV. FOR INFORMATION

- A. Senate Bill 31 – Revolving Door Restrictions
Cynthia Lau, Legislative Affairs Officer
- B. Staff Activities Report for February, 2012
- C. CIGNA & Anthem Blue Cross Claims Experience
- D. Federal Legislation
- Weekly Highlights – February 27, 2012
 - Weekly Highlights – February 21, 2012
 - Weekly Highlights – February 13, 2012
 - Weekly Highlights – February 6, 2012

V. MISCELLANEOUS

VI. PUBLIC COMMENT

VII. GOOD OF THE ORDER

(For discussion purposes only)

VIII. ADJOURNMENT

March 15, 2012

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***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

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

Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday.

Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626)-564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.

MINUTES OF THE MEETING OF THE
INSURANCE, BENEFITS & LEGISLATIVE COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

MARCH 15, 2012, 12:45 P.M. – 1:20 P.M.

COMMITTEE MEMBERS

PRESENT: Les Robbins, Chair
Simon S. Russin, Vice Chair
Marvin Adams
William de la Garza

ABSENT: Shawn R. Kehoe, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Sadonya Antebi
Yves Chery
Ed C. Morris

STAFF, ADVISORS, PARTICIPANTS

Cassandra Smith Cynthia Lau
Leilani Ignacio Robb Van Der Volgen

Mercer Human Resource Consulting

Clay Levister

The meeting was called to order by Chairman Robbins at 12:45 p.m.

I. APPOINTMENT OF VOTING MEMBER(S) IN THE EVENT ONE
OR MORE REGULAR COMMITTEE MEMBERS ARE ABSENT

All regular members of the Committee were present.

II. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 9, 2012

A motion was made by Mr. Russin, seconded by Mr. Adams, to approve the minutes of the regular meeting of February 9, 2012. The motion passed unanimously.

III. ACTION ITEMS

- A. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on Assembly Bill 1519 relating to Board member education. (Memorandum dated March 6, 2012)

A motion was made by Mr. Russin, seconded by Mr. Adams, to approve the recommendation. The motion passed unanimously.

- B. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1542 relating to cost of living increases for Orange County service. (Memorandum dated February 27, 2012)

A motion was made by Mr. Russin, seconded by Mr. Adams, to approve the recommendation. The motion passed unanimously.

- C. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1633 which places a cap on retirement benefits. (Memorandum dated February 27, 2012)

A motion was made by Mr. Russin, seconded by Mr. Adams, to adopt an "Oppose" position on Assembly Bill 1633. The motion failed, with Mr. Russin voting yes.

A motion was made by Mr. Adams, seconded by Mr. Robbins, to adopt a "Watch" position on Assembly Bill 1633. The motion passed, with Mr. Russin voting no.

III. ACTION ITEMS (Continued)

- D. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1639 which prohibits the calculation of pension benefits based on compensation levels that exceed federal limits. (Memorandum dated February 28, 2012)

A motion was made by Mr. de la Garza, seconded by Mr. Adams, to approve the recommendation. The motion passed unanimously.

- E. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Watch" position on Assembly Bill 1815 which would prohibit membership in OCERS for new members of the Orange County Board of Supervisors. (Memorandum dated March 5, 2012)

A motion was made by Mr. de la Garza, seconded by Mr. Adams, to approve the recommendation. The motion passed unanimously.

- F. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Committee recommend the Board of Retirement adopt a "Support" position on Assembly Bill 2664 which would allow for use and acceptance of electronic signatures. (Memorandum dated March 5, 2012)

A motion was made by Mr. de la Garza, seconded by Mr. Russin, to approve the recommendation. The motion passed unanimously.

IV. FOR INFORMATION

- A. Senate Bill 31 – Revolving Door Restrictions
Cynthia Lau, Legislative Affairs Officer

The Political Reform Act of 1974 includes "revolving door" restrictions that prohibit designated former local government officials from representing, for compensation, an individual in a matter pending before the former official's agency. The restriction applies for a period of one year after leaving employment. Senate Bill 31 corrects an omission in existing law that allows certain local government officials to lobby their former agencies immediately after leaving office.

IV. FOR INFORMATION (Continued)

This bill is unlikely to have an impact on LACERA as a prior bill, chaptered in 2009, places two-year revolving door restrictions on public pension boards, administrators, and designated staff under CERL Section 31528. The provisions of Section 31528 would continue to be viewed as controlling with regard to Board members, as compared to this proposed amendment to the Political Reform Act of 1974.

B. Staff Activities Report for February, 2012

The staff activities report was discussed.

C. CIGNA & Anthem Blue Cross Claims Experience

The CIGNA & Anthem Blue Cross Claims Experience reports through January 2012 were discussed.

D. Federal Legislation

- Weekly Highlights – February 27, 2012
- Weekly Highlights – February 21, 2012
- Weekly Highlights – February 13, 2012
- Weekly Highlights – February 6, 2012

Submitted for information only.

V. MISCELLANEOUS

VI. PUBLIC COMMENT

VII. GOOD OF THE ORDER

(For discussion purposes only)

VIII. ADJOURNMENT

The meeting adjourned at 1:20 p.m.

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**