

AGENDA

REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., AUGUST 14, 2014

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE MINUTES

- A. Approval of the Minutes of the Regular Meeting of
July 10, 2014

IV. OTHER COMMUNICATIONS

A. For Information

1. Awards
2. June 2014 All Stars
3. Chief Executive Officer's Report
(Memo dated August 5, 2014)

V. PUBLIC COMMENT

VI. NON-CONSENT AGENDA

- A. Recommendation as submitted by the CEO Performance Committee:
That the Board approve the CEO Performance Committee's salary
recommendation for LACERA's Chief Executive Officer.
(Memo dated August 4, 2014)

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VI. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by the Travel Policy Committee: That your Board adopt the revised “Educational and Travel Policy.” (Memo dated July 23, 2014) (Supplemental Memo from Les Robbins – Memo dated August 5, 2014)
- C. Recommendation as submitted by the Audit Committee: That the Board 1) Approve an extension of the term of the Agreement with Brown Armstrong to include the fiscal years ending June 30, 2015 and 2016 as per the Brown Armstrong proposal; and 2) Authorize the Chief Executive Officer or his designee to sign all documents necessary or appropriate to consummate the Agreement extension as approved by the LACERA Legal Office. (Memo dated August 5, 2014)
- D. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Board adopt a “Watch” position on Assembly Bill 837 which would exempt specified judges from PEPRA Requirements. (Memo dated August 5, 2014)

VII. GOOD OF THE ORDER

(For information purposes only)

VIII. EXECUTIVE SESSION

- A. Conference with Legal Counsel - Pending Litigation (Pursuant to Subdivision (d) of California Government Code Section 54956.9)
 - 1. One Case
- B. Public Employee Performance Evaluation (Pursuant to Government Code Section 54957)
 - 1. Performance Evaluation
Title: Chief Executive Officer

IX. ADJOURNMENT

Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Retirement Members at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday.

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 REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., AUGUST 14, 2014

PRESENT: Yves Chery, Chair
Alan Bernstein, Vice Chair
William de la Garza, Secretary
Marvin Adams
Vivian H. Gray
Shawn R. Kehoe
David L. Muir (Alternate Retired)
Ronald A. Okum
Mark Saladino

ABSENT: William R. Pryor (Alternate Member)
Les Robbins

STAFF ADVISORS AND PARTICIPANTS

Robert Hill, Assistant Executive Officer
JJ Popowich, Assistant Executive Office
Robb Van Der Volgen, Chief Counsel
John Nogales, Director of Human Resources
Richard Bendall, Chief, Internal Audit

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I. CALL TO ORDER

The meeting was called to order by Chair Chery at 9:00 a.m., in the Board Room of Gateway Plaza. Chair Chery also mentioned that Mr. Robbins would not be present since he is on vacation.

II. PLEDGE OF ALLEGIANCE

Ms. Gray led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of July 10, 2014

Ms. Gray made a motion, Mr. Adams seconded, to approve the minutes of the regular meeting of July 10, 2014.

IV. OTHER COMMUNICATIONS

A. For Information

1. Awards

Mr. Hill presented Elvia Gonzalez with an award for her 40 Years of Service.

In addition, Mr. Hill thanked and recognized the following group of trainees who successfully completed their Core Benefits Training Program and are now in their respective divisions. Certificates of Completion were presented to Antonio Ramos, Valerie Quiroz, Shonita Peterson, Maggie Luong, Lisa Leong, Henry Gonsalves, Jr., and Wendy Bernabe. Mr. Hill also thanked Supervisors Alfred Tirado and Joshua Wong for doing an amazing job working with the trainees.

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IV. OTHER COMMUNICATIONS (Continued)

2. June 2014 All Stars

Mr. Popowich announced the eight winners for the month of June; Cynthia LeShay, Calvin Chow, Elsy Gutierrez, Yoichi Fujiki, Miriam DeLeon, Linda Ghazarian, Hernan Barrientos, and Laura Garcia for the Employee Recognition Program. Valery Ptacek was the winner of LACERA's Web Watcher Award. Barry Lew, Justin Lewis, Henry Gonsalves and Penelope Rodriguez were the winners of LACERA's RideShare Program.

3. Chief Executive Officer's Report (Memo dated August 5, 2014)

Mr. Hill shared that approximately thirty thousand letters will be mailed out next week to various subgroups of members requesting them to pay LACERA for contributions relating to the MOU Retroactive Salary Increase Project, which was negotiated by Los Angeles County and the Unions resulting in retroactive salary increases. LACERA undertook the responsibility of gathering the data and calculating each employee's back contribution since the County's new eHR payroll system was unable to calculate and collect those back contributions. Staff has been fully trained to respond to questions regarding this matter.

V. PUBLIC COMMENT

Sara Hersh spoke on behalf of her client, Reza Arshadnia, regarding the denial of his medical reimbursement from Anthem Blue Cross.

VI. NON-CONSENT AGENDA

- A. Recommendation as submitted by the CEO Performance Committee: That the Board approve the CEO Performance Committee's salary recommendation for LACERA's Chief Executive Officer. (Memo dated August 4, 2014)

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

Mr. Kehoe made a motion, Mr. Okum seconded, to approve the recommendation. The motion failed with Messrs. Saladino, Adams, Chair Chery, and Ms. Gray voting no; and Messrs. Bernstein, Kehoe, de la Garza, and Okum voting yes.

A substitute motion was made by Mr. Kehoe, Mr. Okum seconded, to move this Item over to the next meeting. The motion passed unanimously.

- B. Recommendation as submitted by the Travel Policy Committee: That your Board adopt the revised "Educational and Travel Policy." (Memo dated July 23, 2014) (Supplemental Memo from Les Robbins – Memo dated August 5, 2014)

Mr. Van Der Volgen was present to answer questions from the Board.

Mr. Kehoe made a motion, Mr. Okum seconded, to accept the Board of Investments (BOI) actions of August 13, 2014.

Ms. Gray made a substitute motion, Chair Chery seconded, to exempt CALAPRS and SACRS to Section 705.07. The makers of the motion withdrew their motion.

VI. NON-CONSENT AGENDA (Continued)

Mr. Kehoe amended his motion, Mr. Okum seconded, to include the BOI's actions and refer Ms. Gray's request, pertaining to Section 705.07, to the Travel Committee. The motion passed unanimously.

- C. Recommendation as submitted by the Audit Committee: That the Board
1) Approve an extension of the term of the Agreement with Brown Armstrong to include the fiscal years ending June 30, 2015 and 2016 as per the Brown Armstrong proposal; and 2) Authorize the Chief Executive Officer or his designee to sign all documents necessary or appropriate to consummate the Agreement extension as approved by the LACERA Legal Office.
(Memo dated August 5, 2014)

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

Mr. Bernstein made a motion, Ms. Gray seconded, to approve the recommendation. The motion passed unanimously.

- D. Recommendation as submitted by Cynthia Lau, Legislative Affairs Officer: That the Board adopt a "Watch" position on Assembly Bill 837 which would exempt specified judges from PEPRAs Requirements.
(Memo dated August 5, 2014)

Mr. Van Der Volgen was present to answer questions from the Board.

Mr. Kehoe made a motion, Mr. de la Garza seconded, to approve the recommendation. The motion passed unanimously.

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

Members of the Board and staff congratulated Messrs. Muir, de la Garza, Chair Chery and Ms. Sandoval for being elected to their respective Boards.

VIII. EXECUTIVE SESSION

A. Conference with Legal Counsel - Pending Litigation (Pursuant to Subdivision (d) of California Government Code Section 54956.9)

1. Case One

The Board met in Closed Session pursuant to Government Code Section 54956.5 to confer with counsel regarding one case, at which time the Board gave direction to counsel concerning that case.

B. Public Employee Performance Evaluation (Pursuant to Government Code Section 54957)

1. Performance Evaluation
Title: Chief Executive Officer

The Board also met in Closed Session pursuant to Government Code Section 54957 to discuss and give direction to staff regarding the performance of the Chief Executive Officer.

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Green Folder Information (Information distributed in each Board
Members Green Folder at the beginning of the meeting)

1. LACERA Legislative Report -Bills Amending CERL/PEPRA
(Dated August 8, 2014)
2. LACERA Legislative Report - Other (Dated August 8, 2014)
3. Education and Travel Policy Reimbursement Schedule A – Amendments by
the Board of Investments (Dated August 2014)

IX. ADJOURNMENT

There being no further business to come before the Board, the meeting was
adjourned at 10:45 a.m.

WILLIAM DE LA GARZA, SECRETARY

YVES CHERY, CHAIR