

AGENDA

MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE and BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

**300 NORTH LAKE AVENUE, SUITE 810
PASADENA, CA 91101**

THURSDAY, DECEMBER 11, 2014 - 9:00 A.M.**

COMMITTEE MEMBERS:

Shawn R. Kehoe, Chair
William de la Garza, Vice Chair
Marvin Adams
Yves Chery
Ronald Okum, Alternate

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of November 6, 2014

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Committee recommend the Board of Retirement:

1. Approve reassigning employees participating in the LACERA Management Appraisal and Performance Plan Program Tier I to Tier II, with the exception of the Chief Executive Officer.
2. Approve reassigning Legal and Disability Litigation Division counsel positions participating in the LACERA Standardized Salary Schedule to the LACERA Management Appraisal and Performance Plan Program Tier II.
3. Direct staff to prepare LACERA salary structure tables for Tier II positions.
4. Direct staff to prepare and submit to the Board of Supervisors necessary ordinance language to implement these changes.

(Memorandum dated December 2, 2014)

December 11, 2014

Page 2

IV. FOR INFORMATION

A. LACERA Operations Briefing
Robert Hill/JJ Popowich

B. Overpayment & Forgery Receivables (Period Ending September 30, 2014)
Susana Seeckts/Angel Calvo/David Bayha

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

***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.

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MINUTES OF THE MEETING OF THE
OPERATIONS OVERSIGHT COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

THURSDAY, DECEMBER 11, 2014, 12:40 P.M. – 1:15 P.M.

COMMITTEE MEMBERS

PRESENT: Shawn R. Kehoe, Chair
William de la Garza, Vice Chair
Marvin Adams
Yves Chery
Ronald Okum, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
Vivian H. Gray
David L. Muir
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

Robert Hill	David Bayha
JJ Popowich	Angel Calvo
Richard Bendall	Susana Seeckts

The meeting was called to order by Chair Kehoe at 12:40 p.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of November 6, 2014

Mr. Chery requested the motion on Action Item III-A be amended as follows:

From: "Mr. Chery made a motion, Mr. Adams seconded, to hold this item over to the next meeting due to the absence of Mr. Kehoe. The motion passed unanimously."

To: "Mr. Chery made a motion, Mr. Adams seconded, to hold this item over to the next meeting **to permit Mr. Kehoe the opportunity to address this issue, as he was instrumental in requesting the changes.** The motion passed unanimously."
(Changes indicated in bold)

Mr. Okum made a motion, Mr. Chery seconded, to approve the minutes of the special meeting of November 6, 2014, as amended. The motion passed with Mr. Kehoe abstaining.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Committee recommend the Board of Retirement:

1. Approve reassigning employees participating in the LACERA Management Appraisal and Performance Plan Program Tier I to Tier II, with the exception of the Chief Executive Officer.
2. Approve reassigning Legal and Disability Litigation Division counsel positions participating in the LACERA Standardized Salary Schedule to the LACERA Management Appraisal and Performance Plan Program Tier II.
3. Direct staff to prepare LACERA salary structure tables for Tier II positions.
4. Direct staff to prepare and submit to the Board of Supervisors necessary ordinance language to implement these changes.

(Memorandum dated October 22, 2014)

III. ACTION ITEMS (Continued)

Mr. Adams made a motion, Mr. Okum seconded, to approve the recommendation. The motion passed unanimously.

IV. FOR INFORMATION

A. LACERA Operations Briefing
Robert Hill/JJ Popowich

Mr. Popowich presented the monthly briefing on LACERA's operations. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- MOU Retroactive Salary Adjustments Collections to Date

B. Overpayment & Forgery Receivables (Period Ending September 30, 2014)
Susana Seeckts/Angel Calvo/David Bayha

Susana Seeckts, Angel Calvo, and David Bayha presented the status report on overpayment and forgery receivables for the six month period ending September 30, 2014. There are currently 512 overpayment and forgery cases. During the past six months the total amount of overpayments has increased 89% to \$1.8 million.

Overpayments are broken out into three categories:

- Death related as a result of late death notification
The number of cases in this category has decreased, while the dollar amount has increased. Although federal privacy requirements make it more difficult to obtain death related data, staff continues to be proactive in searching out this information.

The Committee directed staff to get involved with other pension organizations to research potential remedies to access reported death information.

- Incorrect computation
The number and amount of cases in this category has increased due to additional cases discovered during an audit conducted by Internal Audit. Process improvements have been implemented, with updated training carried out at the staff level.

IV. FOR INFORMATION (Continued)

- Miscellaneous

This category continues to decrease as cases are better identified and categorized to promote proper accountability. This allows supervisors to quickly identify and address the need for corrective action, minimizing future errors.

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

The meeting adjourned at 1:15 p.m.

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