

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF RETIREMENT
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

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

9:00 A.M., THURSDAY, JANUARY 15, 2015

PRESENT: Shawn R. Kehoe, Chair
Alan Bernstein, Vice Chair
William de la Garza, Secretary
Anthony Bravo
Yves Chery
Vivian H. Gray
David L. Muir (Alternate Retired)
Ronald A. Okum
William R. Pryor (Alternate Member)
Les Robbins

ABSENT: Joseph Kelly (Ex Officio)

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer
Robert Hill, Assistant Executive Officer
JJ Popowich, Assistant Executive Officer
Robb Van Der Volgen, Chief Counsel
John Nogales, Director, Human Resources

STAFF ADVISORS AND PARTICIPANTS (Continued)

Dr. Vito Campese, Medical Advisor

Jorja Frank, Senior Staff Counsel

Tamara Caldwell, Acting Division Manager
Disability Retirement Services

Vickie Neely, Specialist Supervisor
Disability Retirement Services

Debbie Semnanian, Specialist Supervisor
Disability Retirement Services

Cassandra Smith, Division Manager
Retiree Healthcare Division

Eugenia W. Der, Senior Staff Counsel

Frank Boyd, Senior Staff Counsel

Fern M. Billingsy, Senior Staff Counsel

Thomas Wicke, Attorney at Law
Lewis, Marenstein, Wicke & Sherwin, LLP

Brian Anderson, Milliman

I. ELECTION OF OFFICERS
(Election of Chair, Vice Chair, Secretary, and Audit Committee Member)

The election of officers was conducted by Secretary de la Garza:

A) Chair of the Board

Mr. Kehoe was nominated to the position of Chair of the Board of Retirement by
Mr. Chery.

I. ELECTION OF OFFICERS (Continued)
(Election of Chair, Vice Chair, Secretary, and Audit Committee Member)

Hearing no other nominations the nominations were closed on a motion by Mr. Chery, seconded by Mr. Bernstein.

Secretary de la Garza announced that Mr. Kehoe was elected to the position of Chair of the Board of Retirement.

B) Vice Chair of the Board

Mr. Bernstein was nominated to the position of Vice Chair of the Board of Retirement by Mr. Okum.

Hearing no other nominations the nominations were closed on a motion by Mr. Okum, seconded by Mr. Kehoe.

Secretary de la Garza announced that Mr. Bernstein was elected to the position of Vice Chair of the Board of Retirement.

C) Secretary of the Board

Mr. de la Garza was nominated to the position of Secretary of the Board of Retirement by Ms. Gray.

Hearing no other nominations the nominations were closed on a motion by Ms. Gray, seconded by Mr. Chery.

Secretary de la Garza announced that he was elected to the position of Secretary of the Board of Retirement.

I. ELECTION OF OFFICERS (Continued)
(Election of Chair, Vice Chair, Secretary, and Audit Committee Member)

D) Audit Committee Member

Mr. Kelly was nominated to the position of Audit Committee Member by Mr.

Kehoe.

Hearing no other nominations the nominations were closed on a motion by Mr.

Kehoe, seconded by Mr. Chery.

Secretary de la Garza announced that Mr. Kelly was elected to the position of
Audit Committee Member.

II. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:03 a.m., in the Board Room of
Gateway Plaza.

III. PLEDGE OF ALLEGIANCE

Mr. Bernstein led staff in the Pledge of Allegiance.

IV. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of December 3, 2014

A motion was made by Mr. de la Garza, seconded by Mr. Okum, to approve the minutes of the regular meeting of December 3, 2014. The motion passed unanimously.

IV. APPROVAL OF MINUTES (Continued)

B. Approval of the Minutes of the Regular Meeting of December 11, 2014

Mr. Kelly requested that the December 3, 2014 minutes be amended as follows:

Mr. Kelly as present, and Page 12 correction to VII. Closed Session Item C.2.

A motion was made by Mr. Chery, seconded by Mr. Okum, to approve the minutes of the regular meeting of December 3 and December 11, 2014. The motion passed unanimously.

V. OTHER COMMUNICATIONS

A. For Information

1. November 2014 All Stars

Mr. Hill announced the eight winners for the month of November;

Allen Stewart, Renee Copeland, Alfred Tirado, Dmitriy Kaytovich, Brittany Bonifacio, Louis Gittens, Neil Nakashima, and Kofi Rogers for the Employee Recognition Program.

Victor Leal was the winner of LACERA's Web Watcher Award. Dana Brooks, James Beasley, Flora Zhu, and Allen Molina were the winners of LACERA's RideShare Program.

2. Awards

Mr. Rademacher held over the 35 year service award presentation to Linda Martin until the next meeting on February 12, 2015.

V. OTHER COMMUNICATIONS (Continued)

A. For Information

3. Chief Executive Officer's Report
(Memo dated January 6, 2015)

Mr. Rademacher provided a brief overview of his Chief Executive Officer's Report with a quick update on what transpired at the previous Board of Investments meeting.

(Board of Investments minutes are available to view on LACERA's Website

www.lacera.com.)

Mr. Rademacher asked Vincent Lim to make a staffing announcement regarding the Disability Litigation Division. Mr. Lim announced Allison Barrett has been selected to fill the vacancy created by Frank Boyd's move to Legal.

Mr. Rademacher announced that the Board of Investments also elected new Officers for 2015.

Mr. Rademacher recognized Ching Fong, Jeff Shevlowitz and Veronica De La Torre for achieving their Certified Employee Benefits Certificates.

Mr. Rademacher shared member correspondence from the Bickley Family of Shell Knoff, MO, thanking LACERA for the unexpected extra money they received in December. Mr. Rademacher thanked the Retiree Healthcare Team and the Systems Division for the quick implementation of the Retiree Healthcare Program's Premium Holiday for December 2014 resulting from the Early Retiree Reinsurance Program, that

V. OTHER COMMUNICATIONS (Continued)

A. For Information

was funded by the ACA, to assist plans with paying for healthcare coverage for retirees age 55 to 64.

Mr. Rademacher provided a friendly reminder that the Board Offsite is scheduled for January 20-22, 2015.

VI. PUBLIC COMMENT

Mr. Ramon Rubalcava, of the SEIU Local 720, addressed the Board regarding the Pensionable Compensation and Compensation Earnable Items Agenda Item.

VII. CONSENT AGENDA

Mr. Okum made a motion, Ms. Gray seconded, to approve the following agenda items A through C, E and F. The motion passed unanimously.

- A. Ratification of Service Retirement Application Approvals.
- B. Ratification of Survivor Benefit Application Approvals.
- C. Requests for an administrative hearing before a referee.
(Memo dated January 5, 2015)
- D. Pulled at the request of Chair Kehoe.
- E. Recommendation as submitted by Ricki Contreras, Manager, Disability Retirement Services: Dismiss with prejudice the appeal for a service-connected disability retirement for an earlier effective date in the case of Mark A. Jacobs. (Memo dated December 10, 2014)

VII. CONSENT AGENDA (Continued)

- F. Recommendation as submitted by Marvin Adams, Chair, Disability Procedures & Services Committee: That the Board approve Robert M. Wilson, M.D. (Board Certified Orthopedist), Samir Shahin, M.D. (Board Certified Occupational Medicine and Toxicologist), and Mark Ganjiapour, M.D. (Board Certified Orthopedist) to the LACERA Panel Physicians for the purpose of examining disability retirement applicants.
(Memo dated December 10, 2014)

VIII. NON-CONSENT AGENDA

Chair Kehoe said that the Board would handle those cases that were pulled off the Consent Calendar first.

- D. For information only as submitted by Ricki Contreras, Manager, Disability Retirement Services regarding the Application Processing Time Snapshot.
(Memo dated December 24, 2014)

Ms. Caldwell answered questions from the Board. Chair Kehoe stated this is for information only.

- A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That your Board review the 2015 meeting calendar and reschedule meeting dates as needed.
(Memo dated January 6, 2015)

Mr. Robbins made a motion, Mr. Chery seconded, to approve the consolidated March 19, 2015 meeting recommendation. The motion passed unanimously.

Mr. Bernsein made a motion, Mr. Okum seconded, to approve the consolidated May 21, 2015 meeting recommendation. The motion passed unanimously.

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That your Board review the 2015 meeting calendar and reschedule meeting dates as needed. (Memo dated January 6, 2015)
(Continued)

Mr. Okum made a motion, Ms. Gray seconded, to approve the consolidated June 11, 2015 meeting recommendation. The motion passed unanimously.

Mr. Bernstein made a motion, Ms. Gray seconded, to approve the consolidated November 4, 2015 meeting recommendation. The motion passed unanimously.

- B. Recommendation as submitted by John Nogales, Director of Human Resources: That your Board approve the authorization for LACERA's Human Resources to update LACERA's Ordinance Title 6 - Salaries, Section 6.127.010 Positions in the Los Angeles County Code. (Memo dated January 6, 2015)

John Nogales was present to address any questions.

Chair Kehoe amended the motion, Ms. Gray seconded, to delegate the LACERA CEO to approve and authorize LACERA's Human Resources Office to prepare and submit the necessary documentation, to amend LACERA's Section of the County Code and update the number of ordinance positions assigned to LACERA as needed at any time in the future with notice to the Board. The motion passed unanimously.

VIII. NON-CONSENT AGENDA (Continued)

- C. Recommendation as submitted by John Nogales, Director Human Resources: Approve authorization to permit the Chief Executive Officer's appointment of a Chief Counsel, for LACERA's Legal Services Division within the fourth quartile of the position's current salary range.
(Memo dated January 6, 2015)

John Nogales was present to address any questions.

Mr. Chery made a motion, Mr. Robbins seconded, to approve the recommendation. The motion passed unanimously.

- D. Recommendation as submitted by Shawn Kehoe, Chair Operations Oversight Committee: That the Board:
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; and
 4. Direct staff to prepare and submit to the Board of Supervisors necessary code/ordinance language to implement these changes.
(Memo dated December 12, 2014)

Mr. Kehoe made an amendment motion, Mr. Muir seconded, to include consultation with the County Department of Human Resources prior to submitting the final draft to the Board of Supervisors. The motion passed unanimously.

VIII. NON-CONSENT AGENDA (Continued)

- E. Recommendation as submitted by Bernie Buenaflor, Division Manager, Claims Processing Division: That the Board (1) determine, based upon medical evaluation conducted July 25, 2014, that Constance R. Quintana is not incapacitated for the duties assigned to her in the position of Records System Clerk I; and (2) grant the application of Constance R. Quintana for reinstatement to active membership. (Memo dated December 30, 2014)

Bernie Buenaflor was present to address questions.

Mr. Muir made a motion, Mr. Robbins seconded, to grant the application of Constance R. Quintana for reinstatement to active membership and find her not incapacitated for duties. The motion passed unanimously.

- F. For information only as submitted by Fern M. Billings, Senior Staff Counsel Legal Division, regarding the Report of Pensionable Compensation and Compensation Earnable Items. (Memo dated January 5, 2015)

Fern M. Billings was present to address questions.

- G. For information only as submitted by Cassandra Smith, Director Retiree Healthcare Division, regarding Anthem Blue Cross Plan 2005-2006 and 2009-2010 Medicare Part D (RDS) Audit Results. (Memo dated December 22, 2014)

Cassandra Smith and Brian Anderson, of Milliman, were present to address questions.

- H. For information only as submitted by Cassandra Smith, Director Retiree Healthcare Division, regarding Milliman's Medicare Part D Retiree Drug Subsidy (RDS) Audit Status Update. (Memo dated December 28, 2014)

Cassandra Smith and Brian Anderson, of Milliman, were present to address questions.

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

Mr. Chery congratulated Allison Barrett for joining the team.

Mr. Robbins commented on the Report of Pensionable Compensation and Compensation Earnable Items, and acknowledged LACERA for running a prudent shop. Mr. Robbins also recognized and thanked Fern Billiny and staff for doing a good job addressing these issues.

Mr. Okum welcomed Mr. Bravo.

Ms. Gray welcomed Mr. Bravo and acknowledged LACERA's health care department.

Mr. Bernstein welcomed Mr. Bravo and expressed pleasure in the Board of Supervisors making Mr. Kelly's appointment permanent.

Mr. Muir welcomed Mr. Bravo and congratulated the newly elected Officers.

Mr. Pryor congratulated the new Officers, welcomed Mr. Bravo and congratulated Jorja Frank on her retirement and her attendance at this last meeting.

Mr. Rademacher welcomed Mr. Bravo and congratulated the new Officers. Mr. Rademacher acknowledged and thanked Jorja Frank for her professionalism, wisdom and guidance and stated that she would be missed.

Mr. Hill welcomed Mr. Bravo and acknowledged and thanked Jorja Frank for doing a good job at LACERA.

Mr. Van Der Volgen thanked and acknowledged Jorja Frank for contributing

IX. GOOD OF THE ORDER (Continued)
(For information purposes only)

creativity, innovation and excellence to LACERA, and stated she will be missed.

Chair Kehoe welcomed Mr. Bravo and Ms. Allison, and stated that Jorja Frank's enthusiasm would be missed. Chair Kehoe also thanked the Board for electing him as Chair.

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Mr. Okum, seconded by Chair Kehoe, 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:

<u>APPLICATION NO.</u>	<u>NAME</u>
271C	ZACHARY B. CONNER
272C	LUCAS I. YOSHIDA
273C	JOSEPH F. GAGLIARDI
274C	MARK A. HOFFMAN
275C*	MARY M. LEEF
277C*	GEORGE A. CRANSON
278C*	RICHARD R. DANIELS

* Grant SCD – Employer Cannot Accommodate

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR
(Continued)

Safety-Fire, Lifeguard (Other)
Service-Connected Disability Applications

On a motion by Mr. Robbins, seconded by Mr. Pryor, 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:

<u>APPLICATION NO.</u>	<u>NAME</u>
1649A	JOSEPH J. CORREIA
1650A	DON R. TAYENAKA
1651A	BRUCE L. LAKIN
1652A	ROLAND G. BROCK
1653A	GREGORY E. DAYE
1654A	FRANK MILES
1655A	JAMES O. SWIFT

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR
(Continued)

General Members

Service-Connected Disability Applications

On a motion by Mr. Bernstein, seconded by Mr. Chery, 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:

<u>APPLICATION NO.</u>	<u>NAME</u>
2475B	MANUEL BERUMEN
2476B*	ELIZABETH G. BUTLER
2477B	KAREEN Y. CARNES
2478B*	DEBORAH V. PORTER
2479B*	HEIDI L. DEPRIEST
2480B*	GERALDINE D. FORD
2481B*	TEODORA V. RENDON

* Grant SCD – Employer Cannot Accommodate

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR
(Continued)

General Members

Service-Connected Disability Applications

On a motion by Mr. de la Garza, seconded by Mr. Muir, 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:

<u>APPLICATION NO.</u>	<u>NAME</u>
2482B*	DORITHA L. COOK
2483B*	RICHARD M. AYALA

General Members

Non-Service Connected Disability Applications

On a motion by Mr. de la Garza, seconded by Mr. Bernstein, the Board of Retirement approved a non-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:

<u>APPLICATION NO.</u>	<u>NAME</u>
4326	NANCY E. MERCADO

* Grant SCD – Employer Cannot Accommodate

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

Chair Kehoe said that the Board would handle those cases that were pulled off the Consent Calendar first.

APPLICATION NO. & NAME

BOARD ACTION

270C – CHARLES J. CASTILLE JR.

(Pulled at the request of staff)

276C* – NAGI M. NASHED

Mr. Robbins made a motion, Chair Kehoe seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720 as employer cannot accommodate. The motion passed unanimously.

6789A – ROBERTO C. SURIA-VAZQUEZ

Ms. Gray made a motion, Mr. Chery seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720.

Mr. Chery amended the motion, Ms. Gray seconded, to refer back to staff for further development. The motion passed unanimously.

6790A – MARTHA M. KOOP

Ms. Gray made a motion, Mr. Bernstein seconded, to grant a non service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.

* Grant SCD – Employer Cannot Accommodate

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
6791A*– LISA T. HA	Ms. Gray made a motion, Mr. Okum seconded, to grant a non service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.
6792A** – ALAN E. ELLISON	Mr. Bernstein made a motion, Mr. de la Garza seconded, to deny a service-connected disability retirement, and find the applicant not disabled. The motion passed unanimously.
6793A – PATRICIA M. TRUJILLO	Mr. de la Garza made a motion, Mr. Okum seconded, to grant a non service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.
6730A – RICHARD M. FONTENOT	Mr. Okum made a motion, Ms. Gray seconded, to grant a non service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.
6765A – RENE M. CENDEJAS	Chair Kehoe made a motion, Mr. Pryor seconded, to grant service-connected disability retirement pursuant to Government Code Sections 31720 and 31720.5. The motion passed unanimously.

* Applicant Present

** Deny SCD – Applicant Not Disabled

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

(Mr. Robbins recused himself at 11:19 a.m. due to conflict of interest. Mr. Robbins is the Director of ALADS. Mr. Robbins left the Board Room)

B. Referee Reports

Maria P. Monterrosa – No Appearances

Mr. Bernstein made a motion, Mr. Okum seconded, to agree with the referee, and deny a service-connected disability retirement and find applicant not disabled. The motion passed with Mr. Robbins abstaining.

Delois Newman – No Appearances

Mr. Bernstein made a motion, Chair Kehoe seconded, to agree with the referee, and grant a service-connected disability retirement. The motion passed with Mr. Robbins abstaining.

Shelly A. Gabaldon – No Appearances

Mr. de la Garza made a motion, Ms. Gray seconded, to agree with the referee, and grant a service-connected disability retirement retro. The motion passed with Mr. Robbins abstaining.

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

Michael P. Herek – Thomas J. Wicke for the appellant
Eugenia W. Der for the respondent

Mr. Bernstein made a motion, Mr. de la Garza seconded, to deny a service-connected disability retirement and find the applicant not disabled.

Chair Kehoe made a substitute motion, Mr. Pryor seconded, to refer back to staff for further development. The motion failed (roll call) with Ms. Gray and Chair Kehoe voting yes, and Mr. Robbins abstaining.

(Dr. Campese left Board Room at 11:31 a.m.)

The original motion by Mr. Bernstein, seconded by Mr. de la Garza, to deny a service-connected disability retirement and find the applicant not disabled, passed with Mr. Robbins abstaining.

(Mr. Robbins re-entered the Board Room at 11:40 a.m.)

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

C. Staff Recommendations

1. Recommendation as submitted by Eugenia Der, Senior Staff Counsel, Disability Litigation: That the Board find **Elaine McDermott** not permanently incapacitated, and deny a non service-connected disability retirement.
(Memo dated December 17, 2014)

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

2. Recommendation as submitted by Francis J. Boyd, Senior Staff Counsel, Disability Litigation: That the Board find that **Bernard Mangold** delayed filing his application for a disability retirement because he was unable to ascertain the permanency of his incapacity, and that his application be deemed filed on the day after the last day of regular compensation (retroactive) in accordance with Government Code Section 31724. (Memo dated December 3, 2014)

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

3. Recommendation as submitted by Ricki Contreras, Manager, Disability Retirement Services: That the Board reject for processing **Yolanda Cordero's** Application for Disability Retirement.
(Memo dated December 29, 2014)

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

XII. CLOSED SESSION

- A. Conference with Legal Counsel – Existing Litigation Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9. (Memo dated December 22, 2014)

1. Ralph Nishihira v. LACERA BS 145800

The Board reconvened in open session, at which time Mr. Van Der Volgen reported that the Board met in Closed Session pursuant to Government Code Section 54956.9 to confer with legal counsel on existing litigation Ralph Nishihira v. LACERA. The Board has granted Mr. Nishihira's service-connected disability in compliance with the Writ of Mandate and given direction to staff with regard to finalizing the case.

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

1. Retirement Board Listing (Dated January 7, 2015)
2. Board Offsite Agenda
3. The Pension Perspective – LACERA Panel Physician Articles Educational Information – Psychiatric Claims tab
4. Memo regarding Corrections made to December 3, 2014 Minutes. (Dated January 13, 2015)

January 15, 2015

Page 23

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:51 a.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN KEHOE, CHAIR