

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., THURSDAY, APRIL 9, 2015

PRESENT: Shawn R. Kehoe, Chair
Alan Bernstein, Vice Chair
William de la Garza, Secretary
Anthony Bravo
Yves Chery
Vivian H. Gray
Joseph Kelly
David L. Muir (Alternate Retired)
Ronald A. Okum (Arrived at 9:07 a.m.)
William Pryor (Alternate Member)
Les Robbins

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Steven Rice, Chief Counsel

Bernie Buenaflor, Manager, Claims Processing Division

STAFF ADVISORS AND PARTICIPANTS (Continued)

Don Wellington, Steptoe & Johnson, Tax Counsel

Leilani Ignacio, Assistant Division Manager, Retiree Health Care

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:00 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Chery led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Special Meeting of March 19, 2015

Mr. Chery made a motion, Mr. Kelly seconded, to approve the minutes of the special meeting of March 19, 2015. The motion passed unanimously.

IV. OTHER COMMUNICATIONS

A. For Information

1. Awards

Mr. Rademacher recognized Bonnie Nolley for her participation as last year's Secretary for the Employee Council Team.

IV. OTHER COMMUNICATIONS

2. February 2015 All Stars

Mr. Popowich announced the eight winners for the month of February; Silvano

Cruz, Ervin Wu, Kimberly Hines, Pol Magsino, Carl Potts, Ramon Reyes, Cassandra Smith, and Kathy Quan for the Employee Recognition Program. Carl Potts, George Lunde, Anthony Batiste, and Kathy Quan were the winners of LACERA's RideShare Program.

3. Chief Executive Officer's Report
(Memo dated March 31, 2015) (Mr. Okum arrives at 9:07 a.m.)

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 provided a "March Madness" update and thanked staff for their work in retiring approximately 1,350 members.

Mr. Rademacher shared that the Budget Meetings for Fiscal Year 2015-2016 have been scheduled and will be held on Thursday, April 30 and Tuesday, May 19. In addition, Mr. Rademacher reminded the Board that the next Board meeting will be a Joint Disability/Administrative meeting and will be held on Thursday, May 21.

V. PUBLIC COMMENT

There were no requests from the public.

VI. CONSENT AGENDA

- A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at The State of the City/County Summit "Local Government Financial Scorecard" on April 10, 2015 to be held in Los Angeles, CA, and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated March 30, 2015)

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

VII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board authorize the Legal Division to engage Nossaman to provide fiduciary counsel services to LACERA and the Boards under the terms stated in the attached engagement letter and to conduct an RFP for such services no later than the third quarter of 2015.
(Memo dated March 30, 2015)

Steven Rice was present to address any questions from the Board.

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

- B. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board write-off the uncollectible underpaid contribution accounts enumerated in the "Schedule of Uncollectible Accounts as of February 28, 2015."
(Memo dated March 27, 2015)

Bernie Buenaflor was present to address any questions from the Board.

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

VII. NON-CONSENT AGENDA (Continued)

- C. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board approve proposed regulations to address IRS issues.
(Memo dated March 30, 2015)

Don Wellington was present to address any 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 Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board 1) Approve the FYE 2016-2018 Retiree Healthcare Strategic Plan, and 2) Review and consider the anticipated timeline for the development of the FYE 2017-2019 Retiree Healthcare Strategic Plan. (Memo dated March 26, 2015)

Leilani Ignacio was present to address any questions from the Board.

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

- E. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a “Watch” position on Assembly Bill 284 which addresses a new Hybrid Plan for employees of the City of San Juan Capistrano. (Memo dated March 30, 2015)

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

VII. NON-CONSENT AGENDA (Continued)

- F. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a “Watch” position on Assembly Bill 663 which would allow the Board of Supervisors to appoint an alternate member to the Ventura County Retirement Board. (Memo dated March 30, 2015)

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

- G. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a “Watch” position on Assembly Bill 868 which would allow for consolidation of safety employees of the fire departments of unincorporated Big Bear City and the City of Big Bear Lake. (Memo dated March 30, 2015)

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

- H. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a “Support” position on Assembly Bill 992 which would clarify that a member who has retired for service may change their retirement option upon receipt of a disability benefit. (Memo dated March 30, 2015)

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

- I. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board provide the SACRS voting delegate direction on voting for the SACRS slate of officers. (Memo dated April 1, 2015)

(Mr. Muir recused himself since SACRS has been a source of income in the past and left the Boardroom at 9:16 a.m.)

VII. NON-CONSENT AGENDA (Continued)

Item VII. I. (Continued)

Mr. Bernstein made a motion, Ms. Gray seconded, to approve the recommendation. The motion passed with Mr. de la Garza abstaining.

VIII. GOOD OF THE ORDER

(For information purposes only)

Mr. Chery and Steve Rice congratulated Barry Lew as the new Legislative Affairs Officer. In addition, Mr. Chery requested that the meeting be adjourned in the

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memory of member, Ronald Daniels, who passed away on March 23.

Mr. de la Garza highlighted the LACERA Retiree Healthcare Program Workshop that will be held on Wednesday, April 29 and encouraged those interested to attend.

Mr. Kelly provided a friendly reminder that property taxes are due

April 10, 2015.

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

1. LACERA Retiree Healthcare Program Workshop Flyer – Staying Healthy Together: Cancer Prevention, Screening, and Treatment on Wed., April 29, 2015

IX. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of Ronald Daniels at 9:22 a.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR

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