

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., WEDNESDAY, DECEMBER 2, 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)

 William Pryor (Alternate Member)

 Ronald A. Okum

 Les Robbins

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Steven Rice, Chief Counsel

Dr. Vito Campese, Medical Advisor

Fern M. Billingsy, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Johanna M. Fontenot, Senior Staff Counsel

Ricki Contreras, Division Manager
Disability Retirement Services

Tamara Caldwell, Specialist Supervisor
Disability Retirement Services

Francis J. Boyd, Senior Staff Counsel
Legal Division

Vincent A.Lim, Chief Counsel
Disability Litigation

Allison E. Barrett, Senior Staff Counsel
Disability Litigation

Eugenia W. Der, Senior Staff Counsel

Theodore Granger, Assistant Financial Officer

Cassandra Smith, Director, Retiree Healthcare Division

Carlos Barrios, Section Head, Member Services

Michael Treger, Attorney at Law

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

Kimberly H. Chung, LACERA Member

Brian Anderson, Consultant, Milliman

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

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of November 4, 2015

Mr. de la Garza made a motion, Mr. Chery seconded, to approve the minutes of the regular meeting of November 4, 2015. The motion passed unanimously.

IV. REPORT ON CLOSED SESSION ITEMS

There was nothing to report.

V. OTHER COMMUNICATIONS

A. For Information

1. Awards

Mr. Rademacher presented Kimberly Hines and Sandra Romero with a service award recognizing them for their 25 years of county service.

2. October 2015 All Stars

Mr. Popowich announced the eight winners for the month of October: Ernestine Brown, Sevan Simonian, Elvia Gonzalez, Allen Molina, Stephanie Kawai, Tamara Caldwell, Silvano Cruz, and Roxana Castillo for the Employee Recognition Program and Calvin Chow for the Webwatcher Program. Linda Moss, Barbara Tuncay, Steven Alexander and Lourdes Diaz were the winners of LACERA's

V. OTHER COMMUNICATIONS (Continued)

RideShare Program.

3. Chief Executive Officer's Report
(Memo dated November 23, 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 reminded the Board that the next Board of Retirement Disability meeting will be on Wednesday, January 6, 2016, and the Board of Retirement Administrative meeting will be on Thursday, January 14, 2016. Lastly, the Board Off-site is scheduled for Tuesday, January 19, Wednesday, January 20, and Thursday, January 21.

Mr. Rademacher recognized and thanked the Legal team for submitting the tax determination letter which is due every five years. Furthermore, Mr. Rademacher congratulated LACERA staff members, Sharon Q. Reece and Lorraine Veloz on their recent retirement. In addition, Mr. Rademacher introduced Allan Cochran as the new Member Services Division Manager.

Lastly, Mr. Rademacher shared highlights from the SACRS Fall Conference in San Diego, CA.

VI. PUBLIC COMMENT

There were no requests from the public to speak.

VII. CONSENT AGENDA

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

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals.
- B. Requests for an administrative hearing before a referee.
(Memo dated November 12, 2015)
- C. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice the appeal for a service-connected disability retirement in the case of **Mildred L. Green**. (Memo dated November 19, 2015)
- D. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice the appeal for a service-connected disability retirement in the case of **Genovieve Gomez-Lozano**. (Memo dated November 19, 2015)
- E. For information only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services regarding the Application Processing Time Snapshot Reports. (Memo dated November 24, 2015)

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board adopt the following proposed business model for the Member Service Center to accommodate an 80% appointment allocation.
1. Offer one hour appointments
 2. One hour closure for lunch, 12:00 PM-1:00 PM, while allowing for drop-offs
 3. Appointment availability in-line with peak times and staff availability
 4. Saturday in-house workshops and appointments
 5. Neighborhood workshops
 6. Advance bookings up to 90 days
 7. Partner with Retiree Healthcare Division for their staff support
 8. Focus Outreach events on high attendance events
 9. Encourage members to use self-service options
 10. Progressive implementation plan with February 28, 2016 goal

(Memo dated November 20, 2015)

Carlos Barrios was present to answer questions from the Board.

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

- B. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board adopt the LACERA OPEB Funding Policy, which would allow LACERA, as an independent entity, to begin pre-funding its share of the Retiree Healthcare Program's liability for its employees. (Memo dated November 20, 2015)

Theodore Granger was present to answer questions from the Board.

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

VIII. NON-CONSENT AGENDA (Continued)

- C. Recommendation as submitted by Fern M. Billings, Senior Staff Counsel: That the Board 1) Adopt the resolution specifying that canine handlers pay earned on and after August 3, 2012, by deputies of the Operations Safe Streets Bureau of the Sheriff's Department, qualifies as compensation earnable; 2) Instruct staff to implement this change by coordinating with the County Auditor-Controller to remit member and employer contributions; and 3) Instruct staff to collect arrears contributions for canine handlers pay in accordance with the Board's policy regarding implementation of new pensionable pay items. (Memo dated November 17, 2015)

Fern M. Billings was present to answer questions from the Board.

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

- D. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board authorize staff to request a reopening from Centers for Medicare and Medicaid Services to claim additional subsidy dollars found in the Anthem Blue Cross Plans for the 2012-2013 plan year. (Memo dated November 16, 2015)

Cassandra Smith and Brian Anderson were present to answer questions from the Board. Mr. Muir requested that staff agendaize performance standards for this item at the next Insurance Benefits and Legislative Committee.

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

- E. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board accept Milliman's audit report and follow Milliman's recommendation to not re-open the Retiree Drug Subsidy claim with Centers for Medicare and Medicaid Services for the 2013-2014 Anthem Blue Cross plan year.

VIII. NON-CONSENT AGENDA (Continued)

(Memo dated November 24, 2015)

Cassandra Smith and Brian Anderson were present to answer questions from the Board.

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

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

Mr. Muir invited the Board members to the RELAC Luncheon that will be held on January 28, 2016.

Mr. Pryor encouraged everyone to donate a toy for the Toys for Tots campaign that helps less fortunate children in the community. Toys can be dropped off at any fire station.

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

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

APPLICATION NO.

NAME

409C

JOHN E. DETREVILLE

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
410C	CRAIG S. NEWSOM
411C*	JESSE L. GARNER
412C*	MONICA R. JANUARY
413C	CARRIE A. STUART
414C	RICHARD R. GARCIA
415C	MICHAEL A. TUNGET
416C	JACK D. DEMELLO
417C	ALLEN M. HARRIS
418C**	CLAUDINE M. SANCHEZ
419C	YVETTE WILLIAMS
420C	RICHARD M. FERRA

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Retroactive Since Employer Cannot Accommodate

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

Safety-Fire, Lifeguard
Service-Connected Disability Applications

On a motion by Mr. Pryor, seconded by Mr. Bernstein, 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>
1719A	ARTHUR R. ALVA
1720A*	DOUGLAS P. LA CROSSE
1721A	ERIC W. WOOD
1722A	KENNETH P. SNYDER
1723A	CHARLES L. MOORE
1724A	COLLIN E. COOK

* Granted SCD – Employer Cannot Accommodate

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

General Members

Service-Connected Disability Applications

On a motion by Mr. Chery, seconded by Mr. Kelly, 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>
2572B	BARBARA E. BENJAMIN
2573B*	ANNA LIZARRAGA
2574B	SCOTT M. MENELL
2575B	CONNIE S. AMSTONE
2576B**	RAUL RAMIREZ
2577B	THERESA A. DEMAREST
2578B***	DAVID J. RIVERA
2579B*	ALFREDO G. MCKENZIE

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Retroactive

*** Granted SCD – Salary Supplemental

X. DISABILITY RETIREMENT APPLICATIONS ON CONSENT
CALENDAR (Continued)

General Members

Non-Service Connected Disability Applications

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

APPLICATION NO.

NAME

4335*

YVONNE R. HOLMAN

4336

VERONICA (VILLASENOR)
DESOTO

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED
SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

6850A** – RHONDA A. JOHNSON

Mr. Pryor made a motion, Mr. Kelly seconded, to deny a service connected disability retirement since the employer can accommodate. The motion passed unanimously.

* Granted NSCD – Retroactive

** Applicant Present

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6851A* - ANNABELLA F. MAZARIEGOS

Ms. Gray and Dr. Campese recused themselves from the Boardroom prior to discussion of this case.

Mr. Pryor made a motion, Mr. Bernstein seconded, to deny a service connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.

6852A – BONNIE L. JAMES

Mr. de la Garza made a motion, Mr. Pryor seconded, to deny a service connected disability retirement and find the applicant not permanently incapacitated since the employer can accommodate.

Mr. Chery made a substitute motion, Chair Kehoe seconded to deny without prejudice. The motion passed unanimously.

6853A – DERRICK F. PHILLIPS

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.

* Applicant Present

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
6854A – JUALANDA WILSON	Ms. Gray made a motion, Mr. Chery seconded, to grant a non-service connected disability retirement with the option for an earlier effective date pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously.
6855A – DEBRA C. CAMPBELL	Mr. Chery made a motion, Mr. Bravo seconded, to grant a non-service connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.
6856A – BRANDI N. KING	Mr. Okum made a motion, Mr. de la Garza seconded, to deny a service connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.
6857A – TAMMIE D. ECKFORD	Mr. Pryor made a motion, Mr. Kelly seconded, to deny a service connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.
6858A – GAIL DEVEZIN	Ms. Gray made a motion, Mr. Chery seconded, to grant a service connected disability. The motion passed with Messrs. de la Garza and Bernstein voting no.

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6859A – LYDIA HEREDIA

Mr. Robbins made a motion, Ms. Gray seconded, to deny a service connected disability retirement and find the applicant not permanently incapacitated. The motion passed unanimously.

6860A – FRANK DEGREGORIO

Mr. Muir made a motion, Ms. Gray seconded, to refer back to staff for additional information. The motion passed with Mr. de la Garza voting no.

6861A – ERNESTO NUNEZ

Mr. Muir made a motion, Mr. Bernstein seconded, to deny a service connected disability retirement since the employer can accommodate. The motion passed unanimously.

6862A – VISHAL MEHTA*

Mr. Chery made a motion, Chair Kehoe seconded to grant a service connected disability retirement. The motion failed (roll call) with Messrs. Chery, Bravo, Kehoe and Ms. Gray voting yes; and Messrs. Kelly, de la Garza, Bernstein, Okum, and Robbins voting no.

Chair Kehoe made a motion, Mr. Okum seconded, to refer back to staff for further information. The motion passed unanimously.

6842A – JERRY BROWN

This case was pulled from the agenda by the request of staff.

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6845A – VIVIAN RUIZ

Mr. Robbins made a motion, Chair Kehoe seconded, to deny a service connected disability retirement since the employer can accommodate. The motion passed unanimously.

6851A* - ANNABELLA F. MAZARIEGOS

Ms. Gray and Dr. Campese recused themselves from the Boardroom prior to discussion of this case.

B. Referee Reports

APPLICATION NO. & NAME

BOARD ACTION

Henry W. Jansen II – Thomas J. Wicke for applicant
Vincent Lim for respondent

Mr. Chery made a motion, Mr. Okum seconded, to grant a service connected disability retirement.

Mr. Bernstein made a substitute motion, Mr. Kehoe seconded, to deny a service connected disability retirement. The motion passed (roll call) with Messrs. Kelly, de la Garza, Bernstein, Okum, and Robbins voting yes; and Messrs. Chery, Bravo, Chair Kehoe and Ms. Gray voting no.

* Applicant Present

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

Nubar Chalikian (Deceased) – Thomas J. Wicke for applicant
Eugenia W. Der for respondent

(Mr. Kelly recused himself prior to oral argument.)

Mr. Chery made a motion, Chair Kehoe seconded, to grant a service connected disability retirement. The motion failed (roll call) with Messrs. Bravo, Chery, Chair Kehoe, and Ms. Gray voting yes; and Messrs. Bernstein, Okum, Robbins, and de la Garza voting no.

Chari Kehoe made a motion, Mr. Muir seconded, to refer back to staff for additional information.

Ms. Gray made a substitute motion, Mr. Bernstein seconded, to grant a non-service connected disability retirement with death benefits to continue. The motion passed (roll call) with Messrs. de la Garza, Bernstein, Okum, Robbins, Bernstein, Chair Kehoe, and Ms. Gray voting yes; and Mr. Chery voting no.

Charles A. Gutierrez – Michael Treger for applicant
Allison E. Barrett for respondent

Mr. Chery made a motion, Mr. Okum seconded, to deny the option of an earlier effective date. The motion passed unanimously.

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

Richard R. Langlotz – Michael Treger for applicant
Eugenia W. Der for respondent

Mr. Chery made a motion, Mr. Okum seconded, to deny the option of an earlier effective date.

Chair Kehoe made a substitute motion, Ms. Gray seconded, to refer back to staff for additional information. The motion failed (roll call) with Messrs. Pryor, Bernstein, Bravo, and Ms. Gray voting yes; and Messrs. Kelly, de la Garza, Okum, Robbins, and Chery voting no.

The motion to deny the option of an earlier effective date passed (roll call) with Messrs. Kelly, de la Garza, Bernstein, Okum, Robbins, Chery, and Bravo voting yes; and Mr. Pryor and Ms. Gray voting no.

Ralph O. Arriola, Jr. – Michael Treger for applicant
Eugenia W. Der for respondent

Mr. Pryor made a motion, Mr. Kelly seconded, to grant the option of an earlier effective date. The motion passed unanimously.

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

David H. Estopinal – Michael Treger for applicant
Eugenia W. Der for respondent

Ms. Gray made a motion, Chair Kehoe seconded, to grant the option of an earlier effective date. The motion passed unanimously.

John D. Kiger – Michael Treger for applicant
Allison E. Barrett for respondent

Mr. Bernstein made a motion, Mr. Chery seconded, to deny the option of an earlier effective date. The motion passed unanimously.

Thomas W. Thomas - Michael Treger for applicant
Eugenia W. Der for respondent

Chair Kehoe made a motion, Mr. Muir seconded, to grant a retroactive service connected disability retirement. The motion passed unanimously.

Kimberly H. Chung – In Pro Per
Vincent Lim for respondent

Mr. Bernstein made a motion, Mr. Okum seconded, to deny a service connected disability retirement and find the applicant not disabled. The motion failed (roll call) with Messrs. Kelly, de la Garza, Bernstein, and Robbins voting

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

Kimberly H. Chung – In Pro Per
Vincent Lim for respondent

yes; and Messrs. Okum, Chery Bravo, Chair Kehoe, and Ms. Gray voting no.

Mr. Muir made a motion, Mr. Okum seconded, to refer back to staff for additional information. The motion passed (roll call) with Messrs. Okum, Robbins, Chery, Bravo, Chair Kehoe, and Ms. Gray voting yes; and Messrs. Kelly, de la Garza and Bernstein voting no.

C. Staff Recommendations

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

1. Recommendation as submitted by Allison E. Barrett, Senior Staff Counsel, Disability Litigation: That the Board find that the service-connected disability retirement application of **Gary Sens** be deemed filed on the day after the applicant's last day of regular compensation in accordance with Government Code Section 31724. (Letter dated November 18, 2015)
2. Recommendation as submitted by Steven Tallant, Senior Staff Counsel, Disability Litigation: That the Board find **Gary Tepper** 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

XI. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

C. Staff Recommendations (Continued)

regular compensation in accordance with Government Code Section 31724. (Letter dated November 15, 2015)

3. Recommendation as submitted by Vincent A. Lim, Chief Counsel, Disability Litigation: That the Board find that 1) **Steven A. Kenny** delayed the filing of his application for disability retirement because he was unable to ascertain the permanency of his incapacity; and 2) that his application be deemed filed on the day after the last day of regular compensation in accordance with Government Code Section 31724. (Letter dated October 29, 2015)

XII. EXECUTIVE SESSION

A. Conference with Legal Counsel - Existing Litigation (Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9)

1. Sarah Marks vs. LACERA
Los Angeles Superior Court Case No. BC 598957
2. Tod Hipsher vs. LACERA, et. al.
Los Angeles Superior Court Case No. BS 153372
3. Fadi H. Ayach v. Board of Retirement

B. Conference with Legal Counsel - Anticipated Litigation Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9)

1. Employment Claim of David Kushner

The Board met in Executive Session pursuant to Government Code Section 54956.9 in regards to the existing and anticipated litigation in which there is nothing to report at this time.

December 2, 2015

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

1. Retirement Board Listing dated December 2, 2015
2. Appeal Summary and Appeals Agenda Correction Memo – Kimberly H. Chung (Memo dated November 18, 2015)
3. Tod Hipsher vs. LACERA, County of Los Angeles and State of California (Privileged and Confidential Attorney-Client Communication)

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:55 p.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR