

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, APRIL 6, 2016

PRESENT: Shawn R. Kehoe, Chair

 Vivian H. Gray, Vice Chair (Arrived at 9:06 a.m.)

 William de la Garza, Secretary

 Marvin Adams

 Anthony Bravo

 Yves Chery

 Joseph Kelly

 David L. Muir (Alternate Retired)

 Les Robbins

 William Pryor (Alternate Member) (Arrived at 9:06 a.m.)

 Ronald A. Okum

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

Robert Hill, Assistant Executive Officer

STAFF ADVISORS AND PARTICIPANTS (Continued)

Steven Rice, Chief Counsel

Michael D. Herrera, Senior Staff Counsel

Fern M. Billingsy, Senior Staff Counsel

Johanna Fontenot, Senior Staff Counsel

Jill P. Rawal, Staff Counsel

Dr. Vito Campese, Medical Advisor

Ricki Contreras, Division Manager
Disability Retirement Services

Tamara Caldwell, Specialist Supervisor
Disability Retirement Services

Francis J. Boyd, Senior Staff Counsel
Legal Division

Allison E. Barrett, Senior Staff Counsel
Disability Litigation

Eugenia W. Der, Senior Staff Counsel
Disability Litigation

Barry W. Lew, Legislative Affairs Officer

Leilani Ignacio, Administrative Services Officer
Retiree Healthcare

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

Michael E. Singer, Attorney at Law

STAFF ADVISORS AND PARTICIPANTS (Continued)

Kirby Bosley, Aon Hewitt

Helen Batsalkin, Aon Hewitt

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. Kelly 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 March 2, 2016

Mr. Chery made a motion, Mr. de la Garza seconded, to approve the minutes of the regular meeting of March 2, 2016. The motion passed with Mr. Kelly abstaining.

IV. REPORT ON CLOSED SESSION ITEMS

No items were reported.

V. OTHER COMMUNICATIONS

A. For Information

1. Service Awards

Mr. Rademacher presented Mary Ortiz with a service award recognizing her for

V. OTHER COMMUNICATIONS

A. For Information

1. Service Awards (Continued)

her 35 years of county service.

2. February 2016 All Stars

Mr. Hill announced the eight winners for the month of February: Vladimir Meyliker, Vincent Lim, Indee Brooke, Maisha Coulter, Melissa Salazar, Mary Arenas, Holly Henderson, and John McClelland for the Employee Recognition Program and Valery Ptacek for the Webwatcher Program. Catherine Lumpkin, Leisha Collins, David Bayha, and Dana Brooks were the winners of LACERA's RideShare Program.

3. Chief Executive Officer's Report (Memo dated March 28, 2016) (Mr. Pryor and Ms. Gray arrived at 9:06 a.m.)

Mr. Rademacher thanked and congratulated Linda Martin who recently retired from LACERA.

VI. PUBLIC COMMENT

Attorney Jacob Kalinski spoke on behalf of LACERA Member, Ralph Ruedas.

In addition, LACERA members, Agneta Dobos and David Estopinal, addressed the Board regarding their respective case.

Lastly, Nestor De Jesus addressed the Board on behalf of his sister, Emelita Mirabueno.

VII. CONSENT AGENDA

Mr. Pryor made a motion, Mr. Adams 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 March 18, 2016)
- 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 **Carol I. Caudle**. (Memo dated March 22, 2016)
- D. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated March 24, 2016)

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt an "Oppose" position on Assembly Bill 1812, which limits the maximum retirement benefit payable for public employees who become members of a public retirement system on or after January 1, 2017. (Memo dated March 24, 2016)

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

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

VIII. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board adopt a “Support” position on Assembly Bill 2376, which amends the definition of Plan D in the Prospective Plan Transfer provisions and authorizes regulations relating to sworn statements in the County Employees Retirement Law of 1937. (Memo dated March 28, 2016) (Supplemental Agenda – Memo dated March 28, 2016)

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

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

- C. Recommendation as submitted by Marvin Adams, Chair, Travel Policy Committee: That the Board approve the proposed revised Education and Travel Policy. (Memo dated March 24, 2016)

Ms. Gray made a motion, Chair Kehoe seconded, to approve the recommendation. The motion passed unanimously.

- D. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board 1) Approve the fiscal year 2016/2017 rate renewal proposal and contractual benefit changes; and 2) Increase LACERA’s administrative fee to \$8 per member, per plan, per month. (Memo dated March 28, 2016)

Aon Hewitt consultants, Ms. Bosley and Ms. Batsalkin, and Ms. Ignacio, were present to answer questions from the Board.

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

VIII. NON-CONSENT AGENDA (Continued)

- E. Recommendation as submitted by Fern M. Billings, Senior Staff Counsel, Legal Division: That the Board 1) Adopt the Resolutions specifying pay items as “compensation earnable” and “pensionable compensation;” and 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to include the qualifying items in the calculation of final compensation. (Memo dated March 25, 2016)

(Mr. Robbins left the Boardroom at 10:07 a.m.)

Ms. Billings was present to answer questions from the Board.

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

- F. For Information Only as submitted by Michael D. Herrera, Senior Staff Counsel, regarding the Board's authority and discretion in collection of overpaid benefits and underpaid member contributions. (Memo dated March 15, 2016)

(Mr. Robbins returned to the Boardroom at 10:10 a.m.)

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

- G. For Information Only as submitted by Francis J. Boyd, Senior Staff Counsel, regarding the Publication of *Astorga v. Retirement of the Santa Barbara County Employees Retirement System*. (Memo dated March 25, 2016)

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

- H. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding Assembly Bill 1853 – Retirement System Governance. (Memo dated March 25, 2016)

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

IX. REPORT ON STAFF ACTION ITEMS

In regards to Item VIII. D., Ms. Gray requested staff to look into the current vacancies and staffing needs in the RHC Division.

In regards to Item VIII. F., Mr. Kelly requested staff to provide clarification on waiving the collection of certain dollar amounts for underpayments. In addition, Mr. Muir requested that Attachment A: Board of Retirement Policy For The Recovery Of Member Overpayments and Underpayments be provided in the Board Handbook.

In regards to XIII. A. 2., Mr. Kehoe requested that staff look into the current policies when we advise members when documentation (i.e., domestic partnership certificates/documentation, marriage certificates) is valid. In addition, he inquired about the documentation being viewed in the back end as oppose to the front end. Lastly, Mr. Muir inquired on how many domestic partnership registrations are received in a given year.

In regards to XIII. B. 2., Mr. Kelly requested staff talk to the County regarding the deferred compensation accrual for the one day that the applicant returns to work.

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

There was nothing to report during Good of the Order.

XI. 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

XI. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

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>
449C	VANESSA A. BARNARD
450C	MIGUEL A. JIMENEZ
451C	DENISE K. SMITH
452C	DAVID R. BETKEY
453C*	JOHN W. MACK
454C**	CRISTINA N. LOKUAN
455C	KATHERINE B. VOYER
456C	DAVID ESPINOZA
457C	ROBERT C. ESSON
458C	JAVIER A. OROZCO
459C*	WILLIAM M. RYAN, III

* Granted SCD – Retroactive

** Applicant Present

XI. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR
(Continued)

Safety-Fire, Lifeguard
Service-Connected Disability Applications

On a motion by Mr. Robbins, seconded by Mr. Bravo, 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>
1746A	DAVID L. LARSEN
1747A	MICHAEL L. SHORT
1748A	TIMOTHY L. SCOTT
1749A	ALEXANDER O. SOLIS
1750A	JOHN J. WELLINGTON
1751A	WILEY L. CRANNEY
1752A	MICHAEL R. METRO
1753A	MICHAEL J. SIEFERT
1754A	KENNETH H. DOUGLASS

XI. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR
(Continued)

General Members

Service-Connected Disability Applications

On a motion by Mr. Chery, seconded by Mr. Adams, 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>
2603B*	JACQUELINE L. CLINGMAN
2604B*	ADAM D. CREASON
2605B*	JAMES P. VENAGLIA
2606B**	LISA C. VERMILLION
2607B**	RUTHY L. DRONE
2608B	RICHARD A. CAILLOUETTE
2609B*	CHERYL M. BECKER
2610B**	ERIC D. MOSER

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Retroactive

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

6882A – VERITTA D. SMITH

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

6883A – GERTHA L. BENSON

Ms. Gray made a motion, Chair Kehoe seconded, to grant a service connected disability retirement. The motion passed unanimously.

6884A – DENISE CORNELOUS

Mr. Okum made a motion, Ms. Gray seconded, to grant a non-service connected disability retirement pursuant to Government Code Section 31720 and grant the option for an earlier effective date pursuant to Government Code Section 31724. The motion passed unanimously.

6885A – ROZIE E. VALENCIA (CACHO)

Ms. Gray made a motion, Mr. Adams seconded, to grant a non-service connected disability retirement pursuant to Government Code Section 31720 and grant the option for an earlier effective date pursuant to Government Code Section 31724. The motion passed unanimously.

6886A – VICTORIA I. ORTIZ

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

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6862A – VISHAL MEHTA*

Mr. Chery made a motion, Chair Kehoe seconded, to grant a service connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.

6866A – SELINA C. SAFARI

Mr. Chery made a motion, Ms. Gray seconded, to grant a service connected disability retirement pursuant to Government Code Section 31720 and grant the option for an earlier effective date pursuant to Government Code Section 31724. The motion passed unanimously.

B. Referee Reports

APPLICATION NO. & NAME

BOARD ACTION

Richard S. Kim (Deceased) – Thomas J. Wicke for applicant
Nancy Kim (Survivor) Vincent A. Lim for respondent

Mr. de la Garza made a motion, Mr. Adams seconded, to grant a non-service connected disability retirement retroactive with survivor allowance. The motion passed unanimously.

* Applicant Present

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports (Continued)

APPLICATION NO. & NAME

BOARD ACTION

Heidi Rayburn (Heinrich) – Thomas J. Wicke for applicant
Eugenia W. Der for respondent

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

John Aboytes – Mark E. Singer for applicant
Allison E. Barrett for respondent

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

C. Staff Recommendations

1. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board adopt the Proposed Findings of Fact and Conclusions of Law granting **Michael J. Singer** for an earlier effective date pursuant to Government Code Section 31724. (Memo dated March 9, 2016)

Ms. Contreras was present to answer questions from the Board.

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

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

C. Staff Recommendations (Continued)

2. Recommendation as submitted by Allison E. Barrett, Senior Staff Counsel, Disability Litigation: That the Board find that the service-connected disability retirement application of **Joseph P. Ruggiero** be deemed filed on the day after the last day of regular compensation in accordance with Government Code Section 31724. (Letter dated March 9, 2016)

Ms. Barrett was present to answer questions from the Board.

(Applicant was present)

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

3. Recommendation as submitted by Vincent A. Lim, Chief Counsel, Disability Litigation: That the Board find that **Robert D. Campbell** delayed the filing of his application for disability retirement because he was unable to ascertain the permanency of his incapacity and that his application be deemed filed on the first day of incapacity, September 30, 2010. (Letter dated February 2, 2016)

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

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

XIII. EXECUTIVE SESSION

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

XIII. EXECUTIVE SESSION (Continued)

1. Administrative Appeal of Ralph Ruedas
2. Administrative Appeal of Emelita Mirabueno
3. Administrative Appeal of David H. Estopinal

The Board met in Executive Session pursuant to Government Code Section 54956.9 in regards to the anticipated litigation of the above mentioned administrative appeals. The Board voted to deny the appeal in the cases of Ralph Ruedas and Emelita Mirabueno. Furthermore, the Board voted to grant the appeal of David H. Estopinal.

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

1. Marlana Graves v. LACERA, Los Angeles Superior Court
No. BS 156040
2. Hudson v. LACERA, Los Angeles Superior Court
Nos. B 247593 and B 248983
3. Hipsher v. LACERA, Los Angeles Superior Court
No. BS 153372

The Board met in Executive Session pursuant to Government Code Section 54956.9 in regards to the existing litigation of the above mentioned cases. There is nothing to report for the cases of Hudson v. LACERA and Hipsher v. LACERA. In regards to Marlana Graves v. LACERA, the Board voted to abide by the court's order to grant a service connected disability retirement with an option of an earlier effective date.

Green Folder Information (Information distributed in each Board Member's Green Folder at the beginning of the meeting)

1. Retirement Board Listing dated April 6, 2016
2. LACERA Retiree – Staying Healthy Together Spring Workshop Flyer: April 27, 2016
3. LACERA Legislative Report - Bills Amending CERL/PEPRA (Dated April 5, 2016)
4. LACERA Legislative Report – Other (Dated April 5, 2016)
5. LACERA Legislative Report – Federal (Dated April 5, 2016)
6. Assembly Bill 1853 – Retirement System Governance (For Information Only) (Supplemental Agenda Information) (Memo dated April 4, 2016)

XIV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:25 p.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR