

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, AUGUST 11, 2016

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

STAFF ADVISORS AND PARTICIPANTS

Robert Hill, Assistant Executive Officer
John Popowich, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Johanna M. Fontenot, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Fern M. Billingsy, Senior Staff Counsel

Jill P. Rawal, Staff Counsel

Barry W. Lew, Legislative Affairs Officer

Leisha Collins, Senior Internal Auditor

James Beasley, Administrative Services Analyst III

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. Pryor 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 July 14, 2016

Mr. Chery made a motion, Mr. de la Garza seconded, to approve the minutes of the regular meeting of July 14, 2016 with the inclusion of Mr. Kelly's reason for recusing himself from Item VII.E. The motion passed unanimously.

IV. REPORT ON CLOSED SESSION ITEMS

No items were reported.

V. OTHER COMMUNICATIONS

A. For Information

1. June 2016 All Stars

Mr. Hill announced the eight winners for the month of June: James Pu, Indee Brooke, Daniel Marroquin, Tina Young, Carlos Barrios, Terri Moore, John Harrington, and Julia Ray for the Employee Recognition Program and Kathleen Medina for the Webwatcher Program. Dmitriy Khaytovich, Letha Williams-Martin, Tionna Fredericks and Henry Gonzalves were the winners of LACERA's RideShare Program.

2. Chief Executive Officer's Report
(Memo dated August 2, 2016)

There was nothing to report during the Chief Executive Officer's Report.

VI. PUBLIC COMMENT

There were no requests from the public to speak.

VII. NON-CONSENT AGENDA

A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board review and comment on the draft of the proposed Legislative Policy. (Memo dated August 1, 2016)

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

Mr. Kelly made a motion, Mr. Muir seconded, to return to staff with the proposed Legislative Policy with the two amendments made by the Board concerning clarification of the provision relating to ballot measures and addition of a flow chart of the legislative process. The motion passed unanimously.

VII. NON-CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Joseph Kelly, Chair, Audit Committee: That the Board 1) Direct staff to retain Plante & Moran, PLLC for a five year agreement to provide attest audits beginning January 1, 2017 and ending December 31, 2021, with a two year extension at LACERA's option, and consistent with the terms of the RFP's *Statement of Work* and the proposal submitted by Plante Moran; and 2) Authorize LACERA's Chief Executive Officer to sign all necessary legal documents to execute the resultant agreement, subject to review and approval by LACERA's Legal Office. (Memo dated August 3, 2016)

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

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

- C. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board approve the "Policy for Processing Correspondence Addressed to Board of Retirement Members". (Memo dated July 25, 2016)

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

- D. Recommendation as submitted by Joseph Kelly, Chair, Operations Oversight Committee: That the Board approve the "Records and Information Management Policy". (Memo dated August 1, 2016)

Mr. Beasley was present and provided an overview of the Policy.

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

VII. NON-CONSENT AGENDA (Continued)

- E. Discussion and possible action as submitted by Steven P. Rice, Chief Counsel, regarding changing the Operations Oversight Committee meeting schedule. (Memo dated August 1, 2016)

Mr. Chery made a motion, Mr. Muir seconded, to approve moving the Operations Oversight Committee meeting to the day of the Board of Retirement Disability meeting, as the second committee meeting following completion of the full Board meeting. The motion passed with Messrs. de la Garza, Okum, and Robbins voting no.

- F. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the status report on Privacy Audit. (Memo dated August 1, 2016)

- G. For Information Only as submitted by Fern M. Billingsy, Senior Staff Counsel, regarding reciprocal member issues. (Memo dated August 1, 2016)

VIII. REPORT ON STAFF ACTION ITEMS

There was nothing to report on staff action items.

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

There was nothing to report during Good of the Order.

X. 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)

1. Administrative Appeal of Lamberto R. Villarroel

The Board met in Executive Session pursuant to Government Code Section

X. EXECUTIVE SESSION (Continued)

54956.9 in regards to the anticipated litigation of the above mentioned case. The Board approved to deny the appeal with an 8 to 1 vote with Mr. Chery voting no.

B. Conference with Legal Counsel - Pending Litigation
Significant Exposure to 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. Marina Wingenbach vs. LACERA, et. al.
Los Angeles Superior Court Case No. BC 593615
3. Tod Hipsher vs. LACERA, et. al.
Los Angeles Superior Court Case No. BS 153372

The Board met in Executive Session pursuant to Government Code Section 54956.9 in regards to the pending litigation of the above mentioned cases and there is nothing to report at this time.

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

1. LACERA Legislative Report - Bills Amending CERL/PEPRA (Dated August 10, 2016)
2. LACERA Legislative Report – Other (Dated August 10, 2016)
3. LACERA Legislative Report – Federal (Dated August 10, 2016)
4. Semi-Annual Interest Crediting for Reserves as of June 30, 2016 (Unaudited) (Memo dated July 27, 2016) (For Information Only)
5. Fiduciary Duties in Board and Staff Relations (Memo dated August 1, 2016) (For Information Only)

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XI. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of Deputy Probation Officer, Marian Henderson, at 11:35 a.m.

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR