

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, FEBRUARY 9, 2017

PRESENT: Shawn R. Kehoe, Chair
Vivian H. Gray, Vice Chair
Marvin Adams
Alan Bernstein
Anthony Bravo
Yves Chery
Keith Knox (Chief Deputy to Joseph Kelly)
David L. Muir (Alternate Retired)
Ronald A. Okum
William Pryor (Alternate Member)

ABSENT: William de la Garza, Secretary
Joseph Kelly

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer
Robert Hill, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Michael Herrera, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Jill P. Rawal, Staff Counsel

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. Adams 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 January 12, 2017

Mr. Chery made a motion, Chair Kehoe seconded, to approve the minutes of the regular meetings of January 12, 2017. The motion passed unanimously.

IV. REPORT ON CLOSED SESSION ITEMS

No items were reported.

V. OTHER COMMUNICATIONS

A. For Information

1. December 2016 All Stars

Mr. Hill announced the eight winners for the month of December: Sevan Simonian, Jay Lee, John Gaffney, Elizabeth Escoto, Trina Sanders, Ervin Wu, Joie Dang, and Karina Lopez for the Employee Recognition Program and Sandy Pang for the Webwatcher Program. Felisa Valdepenas, Mary Ann Valenzuela, Imelda Saldivar, and Kyona Dunbar were the winners of LACERA's RideShare Program.

V. OTHER COMMUNICATIONS

A. For Information (Continued)

2. Chief Executive Officer's Report
(Memo dated January 31, 2017)

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.)

Lastly, Mr. Rademacher announced that Board Secretary, Bonnie Nolley, will be on medical leave starting in June. Interviews will be conducted for internal candidates interested in a temporary opportunity to fill Mrs. Nolley's position from June 2017 to January 2018.

VI. PUBLIC COMMENT

There were no requests from the public to speak.

VII. CONSENT AGENDA

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

- A. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the InfoSecWorld 2017 Conference & Expo on April 3-5, 2017 in Championsgate, Florida and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Placed on the agenda at the request of Mr. Bernstein)
(Memo dated January 27, 2017)

VII. CONSENT AGENDA (Continued)

- B. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the Gartner Security & Risk Management 2017 Summit on June 12-15, 2017 in National Harbor, Maryland and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Placed on the agenda at the request of Mr. Bernstein) (Memo dated January 27, 2017)
- C. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the Ignite 2017 Cybersecurity Conference on June 12-15, 2017 in Vancouver, BC and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Placed on the agenda at the request of Mr. Bernstein) (Memo dated January 27, 2017)

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Alan Bernstein, Chair, Operations Oversight Committee: That the Board approve the proposed Retirement Benefits Strategic Plan for Fiscal Years Ending 2018-2020. (Memo dated January 30, 2017)

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

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

- B. Recommendation as submitted by Ted Granger, Assistant Financial Officer: That the Board determine the Consumer Price Index changed by 1.97% (or when rounded to the nearest one-half of 1% as the COLA benefit rules require, 2.0%: the LACERA 2017 COLA Award), and approve cost-of-living increases and respective COLA Accumulation adjustments for retired LACERA members and beneficiaries, based on retirement plan and date of retirement or death, to become effective April 1, 2017 in accordance with applicable California Government Code Sections. (Memo dated January 27, 2017)

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

VIII. NON-CONSENT AGENDA (Continued)

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

- C. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board approve the ballot insert entitled “Powers and Duties of Retirement Board Members” to be included with the ballot materials for the election of the Second Member, Eighth Member, and Alternate Retired Member of the Board of Retirement. (Memo dated January 30, 2017)

Mr. Rice was present and answered questions from the Board.

Mr. Okum made a motion, Mr. Muir seconded, to approve the recommendation with the revision to page 1 adding 120-140 hours under Introduction as the number of hours per month that Board members can expect to spend in discharging their duties to the retirement system. The motion passed unanimously.

IX. FOR INFORMATION ONLY

- A. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the Semi-Annual Interest Crediting for Reserves as of December 31, 2016. (Memo dated January 31, 2017)

This item was received and filed.

X. REPORT ON STAFF ACTION ITEMS

There was nothing to report on for staff action items.

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

Mr. Rademacher reminded the Board that the SACRS 2017 Spring Conference will be taking place on Tuesday, May 16 through Friday, May 19.

XII. 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 Lorraine Munoz
2. Administrative Appeal of Selena Safari

The Board met in Executive Session pursuant to Government Code Section 54956.9 in regards to the anticipated litigation of the above mentioned cases. It was reported that the Board voted unanimously, on a motion by Mr. Okum, seconded by Mr. Muir, to grant the appeal in the case of Lorraine Munoz and the Board voted unanimously, on a motion by Mr. Muir, seconded by Mr. Adams, to deny the appeal of Selena Safari.

B. Conference with Legal Counsel - Anticipated Litigation Initiation of Litigation (Pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9)

1. Number of Cases: 1

Before the Executive Session, Mr. Rice announced that the correct statutory basis for this item is Paragraph (4) of Subdivision (d) of Government Code Section 54956.9.

The Board then met in Executive Session. There was nothing to report.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:57 a.m.

February 9, 2017

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WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR