

APPROVED

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, SEPTEMBER 6, 2017

PRESENT: Shawn R. Kehoe, Chair
Vivian H. Gray, Vice Chair
Marvin Adams
Alan Bernstein (Left the room at 9:01 a.m.)
Anthony Bravo
Joseph Kelly
David L. Muir (Alternate Retired)
Ronald A. Okum
William Pryor (Alternate Member)

ABSENT: William de la Garza, Secretary

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

Robert Hill, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Dr. Vito Campese, Medical Advisor

Fern M. Billingsy, Senior Staff Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Barry W. Lew, Legislative Affairs Officer

Bernie Buenaflor, Division Manager

Jamey Beasley, Administrative Service Analyst

Ricki Contreras, Division Manager
Disability Retirement Services

Tamara Caldwell, Specialist Supervisor
Disability Retirement Services

Francis J. Boyd, Senior Staff Counsel
Legal Division

Milliman

Robert Schmidt, Principal & Consulting Actuary
Janet Jennings, Associate Actuary

Segal Consulting

Paul Angelo, Principal Actuary
Dave Bergerson, Vice President & Actuary

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:05 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 August 2, 2017

Mr. Okum made a motion, Mrs. Gray seconded, to approve the minutes of the regular meeting of August 2, 2017. The motion passed with Mr. Kehoe abstaining.

B. Approval of the Minutes of the Regular Meeting of August 10, 2017

Mr. Adams made a motion, Mr. Pryor seconded, to approve the minutes of the regular meeting of August 10, 2017. The motion passed with Mr. Muir abstaining.

IV. REPORT ON CLOSED SESSION ITEMS

No items were reported.

V. OTHER COMMUNICATIONS

A. For Information

1. July 2017 All Stars

Mr. Hill announced the eight winners for the month of July: Eduardo Ascencio, Remigio Feliciano, Sandy Pang, Richard Creamer, Felisa Valdepenas, Indee Brooke, Courtney Cook, and Ricki Contreras for the Employee Recognition Program and Mr. Joe Kelly for the Webwatcher Program. Steven Alexander, Diana Huang, Bernard Edwards, and Brittany Moyer were the winners of LACERA's RideShare Program.

2. Chief Executive Officer's Report (Memo dated August 28, 2017)

Mr. Rademacher congratulated Roberta Van Nortrick, Barry Lew and Linda Ghazarian in receiving their Master in Public Administration degree with a focus on

V. OTHER COMMUNICATIONS (Continued)

2. Chief Executive Officer's Report
(Memo dated August 28, 2017)

Public Sector Management and Leadership from California State University, Northridge.

Mr. Rademacher announced if Board members would like to adjourn any meeting in honor or memory of someone to please inform the Executive Office in advance to allow time to prepare a letter from the Board Chairs.

VI. PUBLIC COMMENT

LACERA member, Agneta Dobos, addressed the Board regarding her pension.

(This item was held out of order before IX.A)

VII. CONSENT AGENDA

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

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals.
- B. Request for an administrative hearing before a referee.
- 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 **Diana Cazares**. (Memo dated August 22, 2017)
- D. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice the appeal for an earlier effective date in the case of **Duane G. Johnson**. (Memo dated August 24, 2017)

VII. CONSENT AGENDA (Continued)

- E. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the Toigo Groundbreakers Summit: Women in Leadership on October 27, 2017 in New York, New York and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated August 28, 2017)
(Placed on the agenda at the request of Mrs. Gray)

- F. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board approve attendance of Board members at the USC Marshall School of Business and NACD Southern California Chapter at the annual Corporate Directors Symposium on November 8, 2017 in Los Angeles and approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy. (Memo dated August 30, 2017)
(Placed on the agenda at the request of Mrs. Gray)

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted Alan Bernstein, Operations Oversight Committee Chair: That the Board approve the purchase of Fiduciary Liability Insurance effective October 6, 2017 with the Hudson Insurance Company insurance carrier. (Memo dated August 7, 2017)

Mr. James Beasley was present and answered questions from the Board.

Mr. Pryor made a motion, Mr. Adams seconded, to approve the agenda item. The motion passed unanimously.

- B. Recommendation as submitted by William de la Garza, Insurance, Benefits and Legislative Committee Chair: That the Board adopt a "Support" position on Senate Bill 915, which would enact the "Social Security Fairness Act of 2017." (Memo dated August 10, 2017)

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

Mrs. Gray made a motion, Mr. Bravo seconded, to approve the agenda item. The motion passed unanimously.

VIII. NON-CONSENT AGENDA (Continued)

- C. Recommendation as submitted by William de la Garza, Insurance, Benefits and Legislative Committee Chair: That the Board adopt a “Support” position on H.R. 1205, which would enact the “Social Security Fairness Act of 2017.” (Memo dated August 10, 2017)

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

Mrs. Gray made a motion, Mr. Adams seconded, to approve the agenda item. The motion passed unanimously.

- D. Recommendation as submitted by Bernie Buenaflor, Division Manager, Benefits Division: That the Board 1) Determine, based upon medical evaluation conducted June 8, 2017, that Jill L. Gottlieb is not incapacitated for the duties assigned to her in the position of Mental Health Clinical Supervisor; and, 2) Grant the application of Jill L. Gottlieb for reinstatement to active membership. (Memo dated August 10, 2017)

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

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

- E. Recommendation as submitted by Gregg Rademacher, Chief Executive Officer: That the Board review the October 2017 meeting schedule and consider rescheduling the Wednesday, October 4, 2017 meeting. (Memo dated August 10, 2017)

Mrs. Gray made a motion, Mr. Adams seconded, to approve rescheduling the Wednesday, October 4, 2017 meeting to a combined Disability and Administrative meeting on Thursday, October 12, 2017. The motion passed unanimously.

IX. FOR INFORMATION ONLY

- A. Presentation and Report as submitted by Gregg Rademacher, Chief Executive Officer, regarding Los Angeles County Other Postemployment Benefits Program – Experience Study and Actuarial Valuation.
(Memo dated August 21, 2017)

(Privileged and Confidential Memo Dated August 28, 2017 for Board members only)*

Mr. Schmidt and Mrs. Jennings of Milliman and Mr. Angelo and Mr.

Bergerson of Segal Consulting provided a presentation and answered questions from the Board.

- B. For Information Only as submitted by John Nogales, Director Human Resources, regarding Board Secretary Classification Study.
(Memo dated August 29, 2017)

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

- C. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the 2018 Star Cola Program.
(Memo dated August 18, 2017)

- D. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated August 25, 2017)

X. REPORT ON STAFF ACTION ITEMS

The Board requested for staff to follow up with Mrs. Agneta Dobos regarding her concerns.

XI. GOOD OF THE ORDER

(For information purposes only)

There is nothing to report.

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Mrs. Gray, seconded by Mr. Pryor, 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>
687C*	JAVIER A. CLIFT
688C	BRIAN L. NELSON
689C**	EDWARD D. RAULSTON
690C	DAVID C. HARRISON
691C	LU'WANA H. SODEMANN
692C	KELAND M. JOHNSON
693C	CYNTHIA A. GONZALES
694C*	KATHY SULLIVAN-LACY
695C	MARCOS R. DE LA RIVA
696C***	PATRICK E. MAXWELL

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Retroactive Since Employer Cannot Accommodate

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

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
Service-Connected Disability Applications

On a motion by Mr. Kehoe, seconded by Mr. Okum, 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>
697C*	LA TONYA R. HARRIS
698C	LUIS C. SIORDIA
699C	ISMAEL CHAVEZ
700C	KIRK K. PETERSEN

*Granted SCD – Employer Cannot Accommodate

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety-Fire, Lifeguard
Service-Connected Disability Applications

On a motion by Mr. Pryor, 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>
1889A	ERIC B. RODRIGUEZ
1890A	DAVID W. MCKIBBIN
1891A	PAUL A. SOTELO
1892A	EDWARD L. SALDIBAR
1893A	LAWRENCE J. BURKE
1894A*	HALL STRATTON
1895A	DAVID T. LEARY
1896A	JOHN E. HENTSCH
1897A	MIKE DIMITRI KRECU
1898A	JEFFREY K. BURKE
1899A	RAFAEL A. ORTIZ

*Granted SCD – Retroactive

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members

Service-Connected Disability Applications

On a motion by Mr. Okum, seconded by Mr. Muir, 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>
2743B *	ROBERT DELGADO
2744B *	SUZANNE F. JAYNES
2745B	ANNKA E. GEORGE
2746B *	MARIA E. BLANCARTE
2747B	DAVID MARTINEZ
2748B	CECILIA HOUSE DEL VALLE

* Granted SCD – Retroactive Since Employer Cannot Accommodate

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

6961A – JANICE EPPERSON

Mrs. Gray made a motion, Mr. Pryor seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously.

6962A – EMMA B. M. CAPARROS*

Mr. Muir made a motion, Mr. Okum seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720. The motion passed unanimously.

6963A – CAROLYN A. CELESTINE

Mr. Muir made a motion, Mr. Pryor seconded, to find the applicant not permanently incapacitated and to deny without prejudice. The motion passed unanimously.

6964A – KENNETH L. TAYLOR

Mr. Adams made a motion, Mrs. Gray seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720 and 31724. The motion passed unanimously.

6965A – SHAWN F. FLOWERS-CLARK

Mr. Pryor made a motion, Mrs. Gray seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720.

Mrs. Gray made a substitute motion, Mr. Kehoe seconded to return to staff for additional information. The motion passed unanimously.

*Applicant Present

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
6966A – LATOYA L. JACKSON	Mrs. Gray made a motion, Mr. Adams seconded, to find the applicant not permanently incapacitated. The motion passed unanimously.
6967A – GERALDINE A. BECHARD	Mr. Kehoe made a motion, seconded by Mrs. Gray to return to staff for additional information. The motion passed unanimously.
6968A – WES M. SUTTON*	Mr. Kehoe made a motion, Mr. Muir seconded to grant a service connected disability retirement with an option for an earlier effective date pursuant to Government Code Section 31724. The motion was based on the opinion of the Board's medical advisor, Vito Campese, M.D. The motion passed unanimously.
6969A – MICHAEL A. ETTER	This case was pulled from the agenda by the request of staff.
6970A – SHARON R. ALLEN	Mr. Pryor made a motion, Mr. Okum seconded, to find the applicant not permanently incapacitated. The motion passed unanimously. (Mr. Bernstein returned to the Board room at 10:25 a.m.)

*Applicant Present

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6971A – MARY A. BONOMO

Mr. Pryor made a motion, Mrs. Gray seconded to grant a service connected disability retirement with an option for an earlier effective date pursuant to Government Code Section 31724. The motion was based on the opinion of the Board's medical advisor, Vito Campese, M.D. The motion passed with Mr. Okum voting no.

6972A – PRIMITIVA A. ULEP*

(Per applicant's request this item was held in open session under Item XII.)

Mr. Muir made a motion, Mr. Okum seconded, to find the applicant not permanently incapacitated. The motion passed unanimously.

6973A – TRACY E. ERTEL

Mr. Pryor made a motion, Mr. Adams seconded to grant a service connected disability retirement pursuant to Government Code Sections 31724.

Mr. Pryor made a substitute motion, Mr. Muir seconded to return to staff for additional information.

After a brief discussion, Mr. Pryor withdrew his motion.

The motion to grant a service connected disability retirement pursuant to Government Code Section 31724 passed unanimously. The motion was based on the opinion of the Board's medical advisor, Vito Campese, M.D.

*Applicant Present

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
6941A – ARETHA L. BROOKS	Mr. Pryor made a motion, Mr. Muir seconded, to grant a service-connected disability retirement since the employer cannot accommodate pursuant to Government Code Section 31720. The motion passed unanimously.

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
TOMASZ KRZSZTOFIK –	In Pro Per Allison E. Barrett for the respondent
	Mr. Adams made a motion, Mr. Bernstein seconded, to grant a non-service connected disability retirement. The motion passed unanimously.
EDWARD V. MARQUEZ	This case was pulled from the agenda by the request of staff.

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

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 **Peggy A. Foster** a service-connected disability pursuant to Government Code section 31720. (Memo dated August 22, 2017)

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

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

C. Staff Recommendations (Continued)

2. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant **Michelle D. Wright** the option of an earlier effective date pursuant to Government Code Section 31724. (Memo dated August 25, 2017)

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

3. Recommendation as submitted by JJ Popowich, Assistant Executive Officer: That the Board approve the service provider invoice for Gutierrez, Preciado & House, LLP. (Memo dated August 3, 2017)

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

XIV. CLOSED SESSION

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

1. United States of America v. Gary Ordog
Case No. CV 17-1664-FMO (C.D. Cal.)

The Board met in Closed Session pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report at this time.

XIV. CLOSED SESSION (Continued)

2. Sarah Marks v. LACERA (For Information Only)
Case No. BC598957 (L.A. Super.)
Case No. B281110 (Ct. App. 2nd Dist.)

The Board met in Closed Session pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report at this time.

- 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. Administrative Appeal of Trudy Olins

The Board met in Closed Session pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9. Mr. Kehoe made a motion, Mr. Okum seconded, the Board voted unanimously 8-0 to deny the administrative appeal of Trudy Olins.

XV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of Mr. Alan Bernstein's mother, Edith Bernstein at 11:30 a.m.

September 6, 2017

Page 18

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

1. Annual Survivor Income Benefit Notice Meeting (Memo dated September 5, 2017)
2. Trend Analysis of Administrative Costs FY 2011-12 through FY 2017-18
3. Retirement Board Listing dated August 31, 2017
4. LACERA Retirees Newsletter: Staying Healthy Together – Fall Workshop

Signature on File

WILLIAM DE LA GARZA, SECRETARY

Signature on File

SHAWN R. KEHOE, CHAIR