

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., THURSDAY, NOVEMBER 9, 2017

PRESENT: Vivian H. Gray, Vice Chair
Marvin Adams
Alan Bernstein
Anthony Bravo
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
Shawn R. Kehoe, Chair
Joseph Kelly
Herman Santos

STAFF ADVISORS AND PARTICIPANTS

Robert Hill, Interim Chief Executive Officer
James Brekk, Interim Deputy Chief Executive Officer
Steven P. Rice, Chief Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

John Popowich, Assistant Executive Officer

Michael Herrera, Senior Staff Counsel

Fern Billingsy, Senior Staff Counsel

Allan Cochran, Member Services Division Manager

Barry W. Lew, Legislative Affairs Officer

Francis J. Boyd, Senior Staff Counsel
Legal Division

Ricki Contreras, Division Manager
Disability Retirement Services

Tamara Caldwell, Specialist Supervisor
Disability Retirement Services

Reed Smith LLP
Harvey L. Leiderman

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

I. CALL TO ORDER

The meeting was called to order by Mrs. Gray at 9:04 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Bernstein 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 October 12, 2017

Mr. Adams made a motion, Mr. Bravo seconded, to approve the minutes of the regular meeting of October 12, 2017. The motion passed unanimously.

IV. REPORT ON CLOSED SESSION ITEMS

No items were reported.

V. OTHER COMMUNICATIONS

A. For Information

1. September 2017 All Stars

Mr. Brekk announced the eight winners for the month of September: David Bayha, Natalie Ng, Benjamin Juarez, Alvina Heard, Cookie Jaranilla, Xue-Mei Gao, Steven Rice, Valery Ptacek for the Employee Recognition Program and Barbara Gordon for the Webwatcher Program. Regina Harris, Maria Luna, Penelope Huerta and Tina Sao were the winners of LACERA's RideShare Program.

2. Interim Chief Executive Officer's Report (Memo dated October 26, 2017)

Mr. Hill provided a brief discussion on the Interim Chief Executive Officer's Report and announced the following interim assignments: Mary Phillips, Interim Manager, Member Systems and Roxana Castillo, Interim Manager, Technology Systems.

V. OTHER COMMUNICATIONS (Continued)

A. For Information

2. Interim Chief Executive Officer's Report
(Memo dated October 26, 2017)

Mr. Hill noted that LACERA held its annual LACERA Forum on October 18, 2017 and mentioned that LACERA held its annual Management Retreat on October 24 – 25, 2017.

Lastly, Mr. Hill presented an award to Karina Lopez, Seema Parween, Annie Chen, Benjamin Juarez, Dennis Lee, Natalie Ng, Araceli Gamboa and James Hepker for successfully completing the LACERA University Core Benefits Course of 2017.

Mr. Rice introduced newly hired Staff Counsel, Elaine Salon, in the Legal Division.

Lastly, Mr. Brekk informed the Board that LACERA recently became aware that some pension systems in California have reported that scammers have been making phone calls to their members requesting money, and he described the resources LACERA has put in place to address this matter.

VI. PUBLIC COMMENT

There were no requests from the public to speak.

VII. CONSENT AGENDA

Mr. Muir made a motion, Mr. Bernstein 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.
(Memo dated October 26, 2017)
- C. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice **Bruce E. Abbott's** appeal of an earlier effective date.
(Memo dated October 27, 2017)
- D. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board dismiss with prejudice **Jessie M. Hackett's** appeal for service-connected disability retirement.
(Memo dated October 27, 2017)

VIII. NON-CONSENT AGENDA

- A. Recommendation as submitted by Shawn Kehoe, Joint Organizational Governance Committee Chair: That the Board of Retirement approve the Fiduciary Counsel Policy. (Memo dated October 25, 2017)

Mr. Steven Rice and Harvey Leiderman of Reed Smith were present and answered questions from the Board.

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

- B. Recommendation as submitted by Shawn Kehoe, Joint Organizational Governance Committee Chair: That the Board of Retirement approve the Policy Concerning Employment of LACERA Board Members.

Mr. Steven Rice and Harvey Leiderman of Reed Smith were present and answered questions from the Board.

VIII. NON-CONSENT AGENDA (Continued)

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

- C. Recommendation as submitted by William de la Garza, Chair, Insurance, Benefits & Legislative Committee: That the Board of Retirement approve the joint engagement of Ackler & Associates and McHugh Koepke & Associates as LACERA's state legislative advocacy services providers. (Memo dated October 30, 2017)

Mr. Steven Rice and Mr. Lew were present and answered questions from the Board.

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

- D. Recommendation as submitted by William de la Garza, Insurance, Benefits and Legislative Committee Chair: That the Board provide the following directions to its voting delegate with respect to the 2018 legislative platform of the State Association of County Retirement Systems (SACRS):
1. Vote NO on SACRS sponsorship of "Providing Definition of 'Surviving Spouse' for Eligibility for Survivor Continuances" as proposed by the Ventura County Employees' Retirement Association (VCERA).
 2. Vote NO on SACRS sponsorship of "Time Limits of Filing Application for Disability Retirement" as proposed by the Ventura County Employees' Retirement Association (VCERA).
 3. Vote NO on SACRS sponsorship of "Trustee Authority over Retirement Office Executive Staff" as proposed by the Tulare County Employees Retirement Association (TCERA).

(Memo dated October 12, 2017)

Mr. Steven Rice and Mr. Lew were present and answered questions from the Board.

VIII. NON-CONSENT AGENDA (Continued)

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

IX. REPORTS

The following items were received and filed:

- A. For Information Only as submitted by Steven P. Rice, Chief Counsel, Update on Work Plans for:
 - (1) Proposal that Chief Counsel Report Jointly to Board of Retirement and Board of Investments, and
 - (2) Proposal that Chief Investment Officer Report to Board of Investments (Memo dated October 23, 2017)
- B. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated October 31, 2017)
- C. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the 2017 Quarterly Reports of Paid Invoices 3rd Quarter-July 1, 2017 to September 30, 2017. (Memo dated October 23, 2017)

X. REPORT ON STAFF ACTION ITEMS

There was nothing to report.

XI. GOOD OF THE ORDER

(For information purposes only)

Mrs. Gray discussed the importance of conducting sexual harassment training and discussions regarding this matter.

Mr. Knox shared his experience of attending the Milken Institute Conference in Los Angeles, CA.

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement
Service-Connected Disability Applications

On a motion by Mr. Okum, 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>
711C	LINDA L. BRODKA
712C*	YOLANDA S. LOCKHART
713C**	TRACEE R. ALLEN
714C**	MELVA Y. MITCHELL
715C	BELA J. DENKINGER
716C	ROBERT M. LYZNICK
717C	PATRICK S. DAVOREN
718C**	JAMES L. BROWN II

* Present

** Granted SCD – Employer Cannot Accommodate

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)
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>
719C*	THOMAS J. VERNOLA
720C	SYLVIA A. BROSSOIT
721C	RALPH E. MILLER

* Granted SCD – Employer Cannot Accommodate

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards
Service-Connected Disability Applications

On a motion by Mr. Pryor 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>
1900A	TIM L. PUTICH
1901A*	STEVEN R. MARQUEZ
1902A	THEODORE K. GARCIA
1903A	THOMAS E. BOWLIN

* Granted SCD – Retroactive

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members

Service-Connected Disability Applications

On a motion by Mr. Adams 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>
2755B*/***	ANN W. MAUGHAN
2756B	LORRAINE K. GRANT
2757B**	GENO R. RANDLE
2758B*	CRISTINE M. ENG
2759B*	RIMA VAN NAS
2760B**	JOSEPH C. THOMA IV

* Granted SCD – Retroactive

** Granted SCD – Employer Cannot Accommodate

*** Granted SCD – Present

XII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members

Non-Service-Connected Disability Applications

On a motion by Mr. Bernstein 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:

APPLICATION NO.

NAME

4361

LANCE M. GOODMAN SR.

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

6984A – CHERYL A. WISE

Mr. Okum made a motion, Mr. Pryor seconded, to deny a service connected disability retirement since the employer can accommodate.

Mr. Adams made a substitute motion, Mr. Bravo seconded, to grant a non-service connected disability pursuant to Government Section Codes 31720 and 31724. The motion passed unanimously.

6985A – MARIA R. MARTINEZ

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

6986A – GREGORY A. THURMAN

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

6987A – LORINDA J. LE BLANC

Mr. Pryor made a motion, Mr. Bernstein seconded, grant a service connected disability pursuant to Government Code Sections 31720 and 37124.

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

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

<u>APPLICATION NO. & NAME</u>	<u>BOARD ACTION</u>
6988A – KEVIN A. HARVEY	Mr. Pryor made a motion, Mrs. Gray seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720 and 31726 (a) or (b) 1 and 31724. The motion passed unanimously.
6989A – DORA BARRIOS	Mr. Okum made a motion, Mr. Muir seconded, to grant a non-service connected disability retirement pursuant to Government Code Sections 31720. The motion passed unanimously.
2742A – DEBORAH JOHNSON*	Mr. Okum made a motion, Mr. Bernstein seconded, to grant a service connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.
6806A – MARK A. LONG	Mr. Pryor made a motion, Mr. Adams seconded, to grant a service connected disability retirement pursuant to Government Code Section 31720 and 31720.5. The motion passed unanimously.
6930A – CHARITY D. HOWARD	Mr. Pryor made a motion, Mr. Okum seconded, to find the applicant not permanently incapacitated. The motion passed unanimously.
6946A – PRISCILLA L. OSBORNE	Mr. Bernstein made a motion, Mr. Kehoe seconded, to grant a service connected disability retirement since the employer cannot accommodate. The motion passed unanimously.

*Applicant Present

XIII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

6960A – MYE’NICOLE S. REED

Mr. Bernstein made a motion, Mr. Bravo seconded, to grant a service-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.

B. Referee Reports

APPLICATION NO. & NAME

BOARD ACTION

EDWARD V. MARQUEZ

Thomas J. Wicke for the applicant
Eugenia W. Der for the respondent

Mr. Bernstein made a motion, Mr. Okum seconded, to grant a non-service connected disability retirement. The motion passed unanimously (roll call) with Messrs. Knox, Adams, Bravo, Okum, Bernstein, Pryor, Muir and Mrs. Gray voting yes.

XIV. EXECUTIVE SESSION

A. Conference Legal Counsel - Existing 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 Executive Session pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report at this time.

XIV. EXECUTIVE SESSION (Continued)

2. Michael Herek v. Board of Retirement
Case No. B275808 (Ct.App. Second App. District)
Case No. BS155097 (L.A. Super. Ct.)

The Board met in Executive Session pursuant to Paragraph (1) 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 Norma Gonzalez

The Board met in Executive Session pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board voted unanimously 8 – 0 on a motion by Mr. Bernstein, seconded by Mr. Pryor, to grant the appeal and allow Mrs. Gonzalez to make the ARC purchase she had requested.

2. Administrative Appeal of Chelsea Cheung

The Board met in Executive Session pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board voted unanimously 8 – 0 on a motion by Mr. Bernstein, seconded by Mr. Muir, to grant the appeal and allow Mrs. Cheung to change her non-service connected disability effective date subject to refund of overpaid benefits and reduction of her monthly disability retirement benefit.

XV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:20 a.m.

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

1. Disability Retirement Evaluation Report Correction Memo
(Memo dated October 11, 2017) (Confidential)
2. Disability Retirement Applications Agenda Correction
(Memo dated October 11, 2017) (Confidential)
3. Panel Physicians Examination Report
(Memo dated October 11, 2017) (Confidential)
4. Dismiss with Prejudice the appeal Of Adela Campbell Correction Memo
(Memo dated October 10, 2017) (Confidential)

WILLIAM DE LA GARZA, SECRETARY

SHAWN R. KEHOE, CHAIR