

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, DECEMBER 13, 2018

PRESENT: Vivian H. Gray, Chair
Herman Santos, Vice Chair
Marvin Adams, Secretary
Alan Bernstein
JP Harris (Alternate Retired)
Shawn R. Kehoe (Left the Board meeting at 11:30 a.m.)
William Pryor (Alternate Safety)
Les Robbins
Gina Zapanta-Murphy

ABSENT: Joseph Kelly

Thomas Walsh

STAFF ADVISORS AND PARTICIPANTS

Lou Lazatin, Chief Executive Officer
John Popowich, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Dr. Vito Campese, Medical Advisor
James Brekk, Information Systems Manager

STAFF ADVISORS AND PARTICIPANTS

Ricki Contreras, Division Manager
Disability Retirement Services

Tamara Caldwell, Specialist Supervisor
Disability Retirement Services

Barry Lew, Legislative Affairs Officer

Bernie Buenaflor, Benefits Manager

Francis J. Boyd, Senior Staff Counsel

Eugenia W. Der, Senior Staff Counsel

Johanna Fontenot, Senior Staff Counsel

Fern M. Billiny, Senior Staff Counsel

Cassandra Smith, Retiree Healthcare Director

Thomas J. Wicke, Attorney at Law

Lisa Oswald, Mercer Consulting

I. CALL TO ORDER

The meeting was called to order by Ms. Gray at 10:07 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 November 7, 2018

Mr. Kehoe made a motion, Mr. Adams seconded, to approve the minutes of the regular meeting of November 7, 2018. The motion passed unanimously.

IV. OTHER COMMUNICATIONS

A. For Information

1. October 2018 All Stars

Mr. Popowich announced the eight winners for the month of October: Mary Ann Valenzuela, Beulah Auten, Tina Young, Julieta Bryan, Veronica Yi-Martinez, Connie Chan, Steve Salinas, and Erika Heru for the Employee Recognition Program. Clarence Malone, Sarah Robles, Anthony Batiste, and Everett Moyer were the winners of LACERA's RideShare Program.

Lastly, Mr. Popowich congratulated Cynthia Guider on her recent retirement.

2. Chief Executive Officer's Report (Memo dated December 3, 2018)

Ms. Lazatin provided a brief overview of her 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.)

Ms. Lazatin shared that a Management Offsite was held on December 17th with the Management Team. The next Management Offsite has been scheduled for January 11th. In

IV. OTHER COMMUNICATIONS (Continued)

addition, topics for the Board Offsite on January 22-23, 2019 was shared.

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. CONSENT ITEMS

Mr. Robbins made a motion, Mr. Adams seconded, to approve the following items with the exception of Item VI. C, which was pulled by staff. The motion passed unanimously.

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals.
- B. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeal and request for an administrative hearing for applicant Pauline Young.
(Memo dated December 4, 2018)
- C. Recommendation as submitted by William Pryor, Chair, Disability Procedures and Services Committee: That the Board approve Robert Fisher, M.D. – Board Certified Rheumatologist to the LACERA Panel of Physicians for the purpose of examining disability retirement applicants.
(Memo dated December 4, 2018)
- D. Recommendation as submitted by William Pryor, Chair, Disability Procedures and Services Committee: That the Board approve Stewart A. Lonky, M.D. – Board Certified Internist to the LACERA Panel of Physicians for the purpose of examining disability retirement applicants.
(Memo dated December 4, 2018)
- E. Recommendation as submitted by William Pryor, Chair, Disability Procedures and Services Committee: That the Board approve David Paikal, M.D. – Board Certified Ophthalmologist to the LACERA Panel of Physicians for the purpose of examining disability retirement applicants.
(Memo dated December 4, 2018)

VI. CONSENT ITEMS (Continued)

- F. Recommendation as submitted by William Pryor, Chair, Disability Procedures and Services Committee: That the Board approve Kari Tervo, Ph.D. – Board Certified Neuropsychologist to the LACERA Panel of Physicians for the purpose of examining disability retirement applicants. (Memo dated December 4, 2018)
- G. Recommendation as submitted by William Pryor, Chair, Disability Procedures and Services Committee: That the Board approve Gerald Weingarten, M.D. – Board Certified Cardiologist to the LACERA Panel of Physicians for the purpose of examining disability retirement applicants. (Memo dated December 4, 2018)
- H. Recommendation as submitted by Fern M. Billingsy, Senior Staff Counsel: That the Board 1) Adopt Resolutions, No. 2018-BR004 and No. 2018-BR005, 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 December 1, 2018)

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement

Service-Connected Disability Applications

On a motion by Mr. Kehoe, 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:

APPLICATION NO.

NAME

926C

ALFONSO E. FIGUEROA, JR.

927C

ALLEN C. SARPY

928C

ERIC P. FORD

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement

Service-Connected Disability Applications

<u>APPLICATION NO.</u>	<u>NAME</u>
929C	EDWARD F. ESTRADA
930C	TIMOTHY J. CAIN
931C	EDGARDO Y. LABAYNA
932C	SHANNON W. LAREN
933C*	RICHARD N. MARADIAGA
934C	CRYSTAL M. RENTERIA
935C	STEVEN P. KENALEY
936C*	ANA M. PENALOZA-BRACKPOOL
937C**	MICHAEL A. CHAVEZ
938C	SCOTT A. HURST
939C	LARRY L. RAMAGE

* Granted SCD – Employer Cannot Accommodate

** Granted SCD – Retroactive

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards
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>
1047B	KAREN L. ZAKOWICZ
1048B	CRAIG T. MIZUTARI
1049B	DENNIS J. BUCKLEY
1050B	JAY HOPKINS
1051B	JEFFREY A. KALIHHER
1052B	MICHAEL J. NAVA
1053B	KRAIG V. JOHNSON
1054B	MARC L. LECOCQ
1055B	JAMES R. MATTHEWS
1056B	GERALD O'HAGAN
1057B	DAREN A. WALLACH
1058B	BRIAN K. LEONG
1059B	BEN J. FRASCONA

VII. 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>
2907B*/**	STEPHEN J. NAPOLI (DEC'D)
2908B*/***	JOSHUA J. KREBS
2909B*	ELIZABETH O. OYAIRO
2910B****	RUTHIE BURRELL
2911B***	JOELYN L. PULLANO
2912B****	GEORGE J. KOLLE
2913B***	SAMUEL ROJO
2914B****	BERNARD HUDSON, III
2915B****	SUREN MELKONYAN
2916B*****	MARY L. MCCOY
2917B*****	BERTHA B. MEDRANO

* Applicant Present

** Granted SCD – Survivor Benefit

*** Granted SCD – Retroactive

**** Granted SCD – Employer Cannot Accommodate

***** Granted SCD – Retroactive Since Employer Cannot Accommodate

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

General Members

Service-Connected Disability Applications

APPLICATION NO.

NAME

2918B*

JOE RASEKNIA

2919B**

EVET MARKARIAN

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board 1) Accept Mercer’s audit report and follow recommendation not to re-open the CMS Medicare Part D Retiree Drug Subsidy (RDS) claim submissions for the 2014-2015 Plan Year Anthem Blue Cross Plans I, II, III, Prudent Buyer Plan, Kaiser, and Cigna with the Centers for Medicare and Medicaid Services; and 2) Accept the recommendation not to perform a similar audit for the 2015-2016 RDS submissions, instead, perform a similar audit for the 2016-2017 RDS Submissions. (Memo dated November 15, 2018)

Ms. Smith and Lisa Oswald from Mercer Consulting were present and answered questions from the Board.

Mr. Bernstein made a motion, Mr. Santos seconded, to approve staff’s recommendation for VIII. A. 1 and accept the recommendation not to perform a similar audit for the 2015-2016 RDS submissions, and in addition not perform an audit for the 2016-2017 RDS submissions, and, instead, perform the next audit for the 2018-2019 RDS submissions. The motion passed unanimously.

* Granted SCD – Retroactive

** Granted SCD – Employer Cannot Accommodate

VIII. NON-CONSENT ITEMS (Continued)

B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer:
That the Board:

1. Approve a visit with Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of January 27, 2019 in Washington, D.C.;
2. Authorize the attendance at both the National Conference on Public Employee Retirement Systems 2019 Legislative Conference and the visit to Congress as an exception to the conference attendance limitations under Section 705.07 of LACERA's Education and Travel Policy pursuant to Section 705.18, contingent on visits being scheduled on January 30, 2018; and
3. Approve reimbursement of all travel costs incurred in accordance with LACERA's Education and Travel Policy.

(Memo dated December 3, 2018)

Mr. Bernstein made a motion, Mr. Kehoe seconded, to approve the recommendation with the revision to count the National Conference on Public Employee Retirement Systems 2019 Legislative Conference and the visit to Congress as one conference regardless of whether a member attends both events. The motion passed unanimously.

C. Recommendation as submitted by Vanessa Gonzalez, Benefits Division, Interim Division Manager: That the Board 1) Determine, based upon medical evaluation conducted October 30, 2018, that Lydia E. Johnson is not incapacitated for the duties assigned to her in the position of Court Reporter; and 2) Grant the application of Lydia E. Johnson for reinstatement to active membership. (Memo dated November 20, 2018)

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

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

VIII. NON-CONSENT ITEMS (Continued)

- D. Recommendation as submitted by Lou Lazatin, Chief Executive Officer: That the Board consider rescheduling the Wednesday, January 2, 2019 Disability meeting. (Memo dated November 19, 2018)

Mr. Santos made a motion, Ms. Gray seconded, to approve moving the Wednesday, January 2, 2019 Disability meeting to a combined BOR meeting on Thursday, January 10, 2019. The motion passed with Messrs. Adams, Santos, Gray, and Ms. Zapanta-Murphy voting yes; and Messrs. Bernstein, Kehoe, and Robbins voting no.

IX. REPORTS

The following items were received and filed.

- A. For Information Only as submitted by Ricki Contreras, Division Manager, Disability Retirement Services, regarding the Application Processing Time Snapshot Reports. (Memo dated December 4, 2018)

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

- B. For Information Only as submitted by Fern M. Billiny, Senior Staff Counsel, regarding the Report of Pensionable Compensation and Compensation Earnable Items. (Memo dated November 14, 2018)

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

- C. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the Code of Ethical Conduct. (Memo dated December 3, 2018)

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

- D. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the November 2018 Fiduciary Counsel Contact and Billing Report. (Memo dated December 3, 2018) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

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

X. ITEMS FOR STAFF REVIEW

The Board requested that staff look into any impact that the benefits that LA County and the Superior Courts recently approved may have for LACERA employees.

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

Mr. Bernstein requested staff to agendaize, for the January Board of Retirement and Board of Investments meetings, an item to return the Joint Organizational Governance Committee.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME

BOARD ACTION

5047B – MIRIAM T. LAZOS*

Mr. Kehoe made a motion, Ms. Gray seconded, to grant a service-connected disability retirement.

The makers of the motion amended their motion, to refer back to staff for additional information. The motion passed unanimously.

5048B – QI LI**

Ms. Gray made a motion, Mr. Santos seconded, to refer back to staff for additional information. The motion passed unanimously.

5049B – C. RENAE WALKER-JONES

Mr. Santos made a motion, Mr. Kehoe seconded, to authorize staff to obtain a second opinion. The motion passed unanimously.

* Applicant Present

**Applicant's Representative Present

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME

BOARD ACTION

5050B – LONG C. CHEN

Mr. Kehoe made a motion, Mr. Pryor seconded, to grant a nonservice-connected disability retirement pursuant to Government Code Section 31720. The motion passed unanimously.

5051B- TINA M. HAWKINS

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

5052B – ANITA M. SILER

Ms. Gray made a motion, Mr. Pryor seconded, to deny a service-connected disability retirement and find the applicant not permanently incapacitated since the employer can accommodate. The motion passed unanimously.

5036B – GALE BENJAMIN

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

(Mr. Kehoe left the Board meeting at 11:30 a.m.)

5053B – 2018-1MS

Mr. Robbins made a motion, Mr. Bernstein seconded, to deny a service-connected disability retirement. The motion passed unanimously by all members present.

XII. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Referee Reports

APPLICATION NO. & NAME

BOARD ACTION

BONNIE B. PAYNE-HILL – Thomas J. Wicke for the applicant
Eugenia Der for the respondent

Mr. Adams made a motion, Mr. Harris seconded, to grant a service-connected disability retirement. The motion passed unanimously by all members present.

C. Staff Recommendations

1. Recommendation as submitted by Ricki Contreras, Manager, Disability Retirement Services Division: That the Board approve the service provider invoice for Stuart Fischer, M.D. (Memo dated December 4, 2018)

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

Mr. Robbins made a motion, Mr. Pryor seconded, to approve the recommendation. The motion passed unanimously by all Board members present.

2. Recommendation as submitted by Ricki Contreras, Division Manager, Disability Retirement Services: That the Board close Harry B. Solano's application for disability retirement. (Memo dated December 6, 2018)

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

Mr. Pryor made a motion, Mr. Santos seconded, to approve the recommendation. The motion passed unanimously by all Board members present.

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)

Number of Potential Cases: Unknown (One Legal Issue)

The Board met in Executive Session with counsel pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board unanimously by all members present voted, on a motion made by Mr. Santos, seconded by Mr. Adams, to approve a unified dispute resolution process for member issues raised by the County's settlement of Deputy Sheriff Level II Bonus overpayments.

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

Number of Potential Cases: 1

The Board met in Executive Session with counsel pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report.

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

1. Petition of Robert Morgan for a Hearing CSC No. 18-251

The Board met in Executive Session with counsel pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9. The Board unanimously by all members present voted, on a motion made by Mr. Pryor, seconded by

XIII. EXECUTIVE SESSION (Continued)

Mr. Adams, to retain Nohemi Gutierrez Ferguson, Esq. to represent LACERA in the pending appeal before the Civil Service Commission.

2. CalFire Local 2881 v. CalPERS, et al.,
Case No. S239958 (Cal. Sup. Ct.)
For Information Only

The Board met in Executive Session with counsel pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report.

XIV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:30 p.m.

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

1. Retirement Board Listing dated December 13, 2018

MARVIN ADAMS, SECRETARY

VIVIAN H. GRAY, CHAIR