

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, OCTOBER 2, 2019

PRESENT: Alan Bernstein, Chair
Les Robbins, Vice Chair
Vivian H. Gray (Arrived at 9:06 a.m.)
JP Harris (Alternate Retired)
Shawn R. Kehoe
Keith Knox
Ronald Okum
William Pryor (Alternate Safety)
Herman Santos
Thomas Walsh

ABSENT: Gina Zapanta-Murphy, Secretary

STAFF ADVISORS AND PARTICIPANTS

Steven P. Rice, Chief Counsel
John Popowich, Assistant Executive Officer
Michael Herrera, Senior Staff Counsel
Fern M. Billingsy, Senior Staff Counsel
Barry W. Lew, Legislative Affairs Officer
Felicite Fort, Member

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 9:05 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Robbins 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 September 4, 2019

Mr. Santos made a motion, Mr. Okum seconded, to approve the minutes of the regular meeting of September 4, 2019. The motion passed unanimously by all members present.

IV. OTHER COMMUNICATIONS

A. For Information

1. August 2019 All Stars

Mr. Popowich announced the eight winners for the month of August: Penelope Rodriguez, Mei Zhang, Michael Sanchez, Giselle Jaimes, Katie Horning, Lucci Moreira, Maria Manlutac, and Roxana Castillo for the Employee Recognition Program and David Bayha for Web Watcher. Amy Lim, Clarence Malone, Brittany Moyer, and Victor Tafolla were the winners of LACERA's RideShare Program.

2. Chief Counsel's Report
(Memo dated September 25, 2019)

Mr. Rice provided a brief overview of the Chief Counsel's Report. In addition, Mr. Rice shared that the Board of Supervisors officially approved the results of the safety

IV. OTHER COMMUNICATIONS (Continued)

election declaring Mr. Kehoe as safety member to the Board of Retirement and Board of Investments and Mr. Pryor as alternate safety member to the Board of Retirement.

Furthermore, Mr. Rice provided an update to the Los Angeles County audit, as well as an update regarding the Chief Executive Officer search.

V. PUBLIC COMMENT

(This Item was held out of order following Item VIII. A.)

LACERA member, Felicite Fort, addressed the Board regarding her administrative appeal.

VI. CONSENT ITEMS

Mr. Kehoe made a motion, Mr. Knox seconded, to approve the following items. The motion passed unanimously by all members present.

- A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated September 23, 2019)
- B. Recommendation as submitted by Fern M. Billings, Senior Staff Counsel: That the Board 1) Adopt Resolutions, Nos. 2019-BR012 and No. 2019-BR013, 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 September 18, 2019)
- C. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board approve the purchase of Fiduciary Liability and Cyber Liability Insurance effective October 6, 2019 with insurance carriers: Hudson Insurance Company, Westchester Fire Insurance Company, and NAS Insurance Company. (Memo dated September 9, 2019)

VII. EXCLUDED CONSENT ITEMS

There were no items discussed.

VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board 1) Withdraw its proposal related to service retirements with pending civil service appeals for the SACRS 2020 Legislative Platform; and 2) Postpone consideration of its proposal related to board self-evaluations in closed session at the SACRS 2019 Fall Conference. (Memo dated September 23, 2019)

Barry W. Lew was present and answered questions from the Board.

Mr. Robbins made a motion, Mr. Santos seconded, to approve staff's recommendation. The motion passed unanimously by all members present.

- B. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board consider rescheduling the Wednesday, January 1, 2020 Board of Retirement Administrative meeting. (Memo dated September 25, 2019)

Mr. Santos made a motion, Mr. Kehoe seconded, reschedule the Wednesday, January 1, 2020 Board of Retirement Administrative meeting to a combined Board of Retirement Administrative and Disability meeting on Thursday, January 9, 2020. The motion passed unanimously by all members present.

- C. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board review its current Teleconference Meeting Policy and the Board of Investments' Policy and determine whether to revise the current Policy. (Memo dated September 25, 2019)

Mr. Santos made a motion, Mr. Bernstein seconded, to adopt the Board of Investment's Teleconference Meeting Policy. The motion passed unanimously by all members present.

IX. REPORTS

- A. Update on Additional LACERA Positions and Salaries as submitted by Steven P. Rice, Chief Counsel. (Memo dated September 23, 2019)

Mr. Rice was present and provided an update regarding this item.

- B. Update on External Review of Education and Travel Expenses, the Education and Travel Policy, and Implementation Practices for FYs 2016, 2017, 2018 and 2019. (Memo dated September 26, 2019)

Mr. Rice was present and provided an update regarding this item.

The following items were received and filed.

- C. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the Monthly Board and Staff Education and Travel Report for August. (Public Memo dated September 25, 2019)
(Confidential Memo dated September 25, 2019 – Includes Anticipated Travel)
- D. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation.
(Memo dated September 23, 2019)
- E. For Information Only as submitted by Johanna M. Fontenot, Senior Staff Counsel, regarding the Legal Analysis of Due Process Requirement Under Government Code Section 7522.72 (Memo dated September 20, 2019)
(Privileged and Confidential Attorney-Client Communication)
- F. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the September 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated September 25, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

There were no items to report.

XI. GOOD OF THE ORDER

(For information purposes only)

Mr. Santos thanked the CEO ad-hoc committee for their efforts in the CEO search.

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 Felicite Fort

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. Kehoe, seconded by Ms. Gray, to grant Ms. Fort's appeal.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:47 a.m.

SIGNATURE ON FILE

GINA ZAPANTA-MURPHY, SECRETARY

SIGNATURE ON FILE

ALAN BERNSTEIN, CHAIR