

**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, NOVEMBER 6, 2019

PRESENT: Alan Bernstein, Chair  
Les Robbins, Vice Chair  
Gina Zapanta-Murphy, Secretary  
Vivian H. Gray  
JP Harris (Alternate Retired)  
Shawn R. Kehoe  
Keith Knox  
Ronald Okum  
William Pryor (Alternate Safety)  
Herman Santos  
Thomas Walsh

**STAFF ADVISORS AND PARTICIPANTS**

Santos H. Kreimann, Chief Executive Officer  
John Popowich, Assistant Executive Officer  
Steven P. Rice, Chief Counsel  
Barry W. Lew, Legislative Affairs Officer  
Fern M. Billingsy, Senior Staff Counsel  
Cassandra Smith, Retiree Healthcare Director

STAFF ADVISORS AND PARTICIPANTS

Richard Bendall, Chief Audit Executive

Johanna Fontenot, Senior Staff Counsel

Ted Granger, Assistant Financial Officer

Leisha Collins, Principal Internal Auditor

Kathryn Ton, Senior Internal Auditor

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 9:22 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Okum 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 2, 2019

Mr. Harris made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of October 2, 2019. The motion passed unanimously by all members present.

IV. OTHER COMMUNICATIONS

A. For Information

1. September 2019 All Stars

Mr. Popowich announced the eight winners for the month of September: Katy Tieu, Michelle Yanes, Lauren DeCoudreaux, Araceli Gamboa, Theodore King, Roberta Van

IV. OTHER COMMUNICATIONS (Continued)

A. For Information

1. September 2019 All Stars (Continued)

Norrick, Catherine Lumpkin, and Ernestine Brown for the Employee Recognition Program. Tina Young, Alejandro Ochoa, Joie Dang, and Elsy Gutierrez were the winners of LACERA's RideShare Program.

2. Chief Counsel's Report  
(Memo dated October 31, 2019)

Mr. Rice provided a brief overview of the Chief Counsel's Report. In addition, he thanked Mr. Knox for attending the Employee Forum, the Forum event speakers, and staff who helped organize the event.

V. PUBLIC COMMENT

There were no requests from the public to speak.

VI. CONSENT ITEMS

Mr. Walsh made a motion, Mr. Bernstein seconded, to approve Consent Items A, B, D, E, and Non-Consent Item B. The motion passed unanimously by all members present.

A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated October 28, 2019)

B. Recommendation as submitted by Shawn R. Kehoe, Chair, Operations Oversight Committee: That the Board approve the revised policy for Purchasing Goods and Services. (Memo dated October 28, 2019)

VI. CONSENT ITEMS (Continued)

- C. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of “Nonservice-connected Disability Retirement and Intemperate Use of Alcoholic Liquor or Drugs” as proposed by the Los Angeles County Employees Retirement Association for the SACRS 2020 legislative platform. (Memo dated October 23, 2019)

This Item was discussed under Item VII. Excluded Consent Items.

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

- D. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits and Legislative Committee: That the Board 1) Approve a visit to Congress by Board members and staff as designated by the Chair of the Board of Retirement during the week of January 26, 2020 in Washington, D.C.; 2) Approve the visit as an Administrative Meeting; and 3) Approve reimbursement of all travel costs incurred in accordance with LACERA’s Education and Travel Policy. (Memo dated October 24, 2019)
- E. Recommendation as submitted by Fern M. Billingsy, Senior Staff Counsel: That the Board 1) Adopt Resolutions, Nos. 2019-BR014 and No. 2019-BR015, 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 October 24, 2019)

VII. EXCLUDED CONSENT ITEMS

Consent Item VI. C. was addressed by the Board.

Mr. Harris made a motion, Mr. Walsh seconded, to approve staff’s recommendation. The motion passed unanimously with Mr. Kehoe voting no.

## VIII. NON-CONSENT ITEMS

- A. Recommendation as submitted by Cassandra Smith, Director, Retiree Healthcare Division: That the Board authorize staff to 1) Sign a separate contract with the new Kaiser Permanente Washington service; and 2) Allow a temporary waiver of the 6-month waiting period for eligible members electing to transfer into the new Kaiser Permanente Washington service area plan. (Memo date October 21, 2019)

Ms. Smith was present and answered questions from the Board.

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

- B. Recommendation as submitted by Barry W. Lew, Legislative Affairs Officer: That the Board direct its voting delegate to vote YES on sponsorship by the State Association of County Retirement Systems (SACRS) of Senate Bill 783 for the SACRS 2020 legislative platform. (Memo dated October 24, 2019)

This Item was approved under Item VI. Consent Items.

- C. Recommendation as submitted by Johanna M. Fontenot, Senior Staff Counsel: That the Board approve the Chief Counsel Reporting Structure. (Memo dated October 31, 2019)

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

## IX. REPORTS

- A. For Information Only as submitted by Richard Bendall, Chief Audit Executive; Leisha Collins, Principal Internal Auditor, Kathryn Ton, Senior Internal Auditor; and Perla Gonzalez, Senior Secretary regarding the New Ethics Hotline and Web Intake Site Presentation. (Presentation Memo dated October 28, 2019)

Ms. Collins and Ton were present and provided a brief presentation to the Board.

IX. REPORTS (Continued)

The following items were received and filed.

- B. For Information Only as submitted by Barry W. Lew, Legislative Affairs Officer, regarding the Monthly Status Report on Legislation. (Memo dated October 24, 2019)
- C. For Information Only as submitted by Beulah S. Auten, Chief Financial Officer, regarding the Monthly Board and Staff Education and Travel Report for September. (Public Memo dated October 31, 2019) (Confidential Memo dated October 31, 2019 – Includes Anticipated Travel)
- D. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the October 2019 Fiduciary Counsel Contact and Billing Report. (Memo dated November 1, 2019) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

X. ITEMS FOR STAFF REVIEW

In regards to Item IX. A., the Board requested that a structure be developed in order to apprise the Board of complaints and/or allegations made regarding management as well as areas that may affect the Board. Lastly, the Board requested that staff look into the browsing history capabilities for internal staff in order to better secure anonymous submissions.

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

The Board extended its deepest gratitude to Steven P. Rice, Chief Counsel, for taking on the Chief Executive Officer responsibilities for the last five months. Lastly, the Board thanked and welcomed new Chief Executive Officer, Santos H. Kreimann to LACERA.

XII. EXECUTIVE SESSION

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

1. Robert Morgan: Los Angeles County Civil Service Commission  
No. 18-251 and DFEH #201903-05340905

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 to authorize a resolution.

XIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:57 a.m.

*Signature on File*

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GINA ZAPANTA-MURPHY, SECRETARY

*Signature on File*

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ALAN BERNSTEIN, CHAIR