

APPROVED

MINUTES OF THE MEETING OF THE
OPERATIONS OVERSIGHT COMMITTEE
and
BOARD OF RETIREMENT*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

WEDNESDAY, FEBRUARY 3, 2021, 11:15 A.M. – 1:05 P.M.

This meeting was conducted by the Operations Oversight Committee by teleconference under the Governor's Executive Order No. N-29-20.

COMMITTEE MEMBERS

PRESENT: Shawn R. Kehoe, Chair
Herman B. Santos, Vice Chair
Ronald A. Okum
Les Robbins
Vivian H. Gray, Alternate

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Alan Bernstein
JP Harris
Keith Knox (*left at 11:45 a.m.*)

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Steven P. Rice, Chief Counsel
Allan Cochran, Member Services Division Manager
Kathy Delino, Interim Systems Division Manager
Ted Granger, Interim Chief Financial Officer

STAFF, ADVISORS, PARTICIPANTS (Continued)

Erika Heru, Communications

Michael Huang, Financial and Accounting Services

Cynthia Martinez, Chief of Communications

Bob Schlotfeld, Chief Information Security Officer

Ervin Wu, Financial and Accounting Services

The meeting was called to order by Chair Kehoe at 11:15 a.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of December 2, 2020

B. Approval of the minutes of the regular meeting of January 6, 2021

Mr. Okum made a motion, Mr. Kehoe seconded, to approve the minutes of the regular meetings of December 2, 2020 and January 6, 2021. The motion passed unanimously.

II. PUBLIC COMMENT

III. REPORTS

A. LACERA Operations Briefing
JJ Popowich

Mr. Popowich presented the monthly briefing on LACERA's operations, including the status of the Strategic Plan Goals and Operations Improvement Initiatives, progress on the "100-Day Management Report," and an update on other projects.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed

III. REPORTS (Continued)

B. LACERA Paperless Initiative
Allan Cochran, Member Services Division Manager

The LACERA Paperless Initiative was launched to increase communication options for our members and reduce the amount of physical mail we generate, significantly improving service to our members. Mr. Cochran discussed paperless correspondence and payments, managing the transition, and an educational campaign for members.

C. Fiscal Year 2019-20 Financial Review
Ted Granger, Interim Chief Financial Officer

Ted Granger, Michael Huang, and Ervin Wu presented LACERA's financial statement highlights for the fiscal year ending June 30, 2020, which included:

- Net Position Restricted for Benefits ended the fiscal year at \$58.5 billion
- Total pension fund returned 1.8% net of fees, compared to actuarial expected return assumption of 7.0%
- Pension plan funded ratio decreased from 80.6% to 77.2%
- Net Pension Liability in accordance with GASB 67 was \$18.0 billion

D. Lacera.com Redesign Update
Cynthia Martinez, Chief of Communications

Ms. Martinez discussed the lacera.com redesign, including architecture, prototype testing, content management system, content migration process, internal review and testing, and the launch campaign to introduce the new site to members. Ms. Erika Heru displayed a sample of the new LACERA home page and About LACERA page.

IV. ITEMS FOR STAFF REVIEW

Staff will bring an FYI report to the OOC and Milliman will report back to the Board regarding specifics of the funding and population of the Superior Court's OPEB liability. This will be part of their Experience Study presentation in March.

V. GOOD OF THE ORDER

(For information purposes only)

VI. EXECUTIVE SESSION

A. Potential Threats to Public Services or Facilities
(Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Assistant Executive Officer JJ Popowich, Systems Division Interim Manager Kathy Delino, Chief Information Security Officer Robert Schlotfeldt, Benefits Protection Unit Supervisor Sylvia Botros, and Other LACERA Staff.

VII. ADJOURNMENT

The meeting adjourned at 1:05 p.m.

***The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**