

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, DECEMBER 1, 2021, 11:56 A.M. – 12:33 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
Wayne Moore
William Pryor

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer
Luis Lugo, Deputy Chief Executive Officer
JJ Popowich, Assistant Executive Officer
Laura Guglielmo, Assistant Executive Officer
Steven Rice, Chief Counsel
Bernie Buenaflor, Chief, Quality Assurance and Metrics
Ted Granger, Interim Chief Financial Officer
Cassandra Smith, Director, Retiree Healthcare
Michael Huang, Financial and Accounting Services
Ervin Wu, Financial and Accounting Services

The meeting was called to order by Chair Kehoe at 11:56 a.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of November 3, 2021

Mr. Robbins made a motion, Mr. Okum seconded, to approve the minutes of the regular meeting of November 3, 2021. The motion passed unanimously.

II. PUBLIC COMMENT

III. REPORTS

A. LACERA Operations Briefing

Luis Lugo, Deputy Chief Executive Officer

JJ Popowich, Assistant Executive Officers

Laura Guglielmo, Assistant Executive Officer

Ms. Guglielmo, Messrs. Lugo and Popowich presented the monthly briefing sharing insights on staff and divisional activities within LACERA's Operations and Administration components, 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

B. Fiscal Year 2020-2021 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, 2021, which included:

- Pension plan Fiduciary Net Position Restricted for Benefits ended above the prior fiscal year, increasing from \$58.5 billion to \$73.0 billion
- Total pension plan investment return was 25.2% net of fees, compared to actuarial expected return assumption of 7.0%
- OPEB trust Fiduciary Net Position Restricted for Benefits increased to \$2.3 billion compared to \$1.5 billion the prior fiscal year
- Total OPEB trust investment return was 28.4% net of fees, compared to actuarial expected return assumption of 6.0%

III. REPORTS (Continued)

C. Annual QA Audit Report
Bernie Buenaflor, Chief, Quality Assurance and Metrics Division

Mr. Buenaflor gave a presentation of the Quality Audit Report, discussing the following:

- Organizational Structure
- Audit Results FY 2020-2021
- Setbacks
- Achievements
- QA's Future Initiatives

D. Privacy Incident: Personally Identifiable Information
Cassandra Smith, Director, Retiree Healthcare
(Memo Exempt from Public Disclosure
California Public Records Act, Cal. Gov't Code § 6254(c), (k)
Brown Act, Cal. Gov't Code § 54957.5(a))

Ms. Smith was present to answer questions from the Committee.

E. Privacy Incident: Personally Identifiable Information
JJ Popowich, Assistant Executive Officer
(Memo Exempt from Public Disclosure
California Public Records Act, Cal. Gov't Code § 6254(c), (k)
Brown Act, Cal. Gov't Code § 54957.5(a))

Mr. Popowich was present to answer questions from the Committee.

IV. ITEMS FOR STAFF REVIEW

There was nothing to report

V. GOOD OF THE ORDER

(For information purposes only)

VI. ADJOURNMENT

The meeting adjourned at 12:33 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.**