

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

THURSDAY, DECEMBER 13, 2018, 1:30 P.M. – 2:00 P.M.

COMMITTEE MEMBERS

PRESENT: Marvin Adams, Chair
Alan Bernstein
Vivian H. Gray, Alternate

ABSENT: Thomas Walsh, Vice Chair
William Pryor

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Herman B. Santos

STAFF, ADVISORS, PARTICIPANTS

JJ Popowich
Beulah Auten
Esther Chang

Ted Granger
Holly Henderson
Kaelyn Ung

The meeting was called to order by Chair Adams at 1:30 p.m. Due to the absence of Messrs. Pryor and Walsh, the Chair announced that Ms. Gray, as the alternate, would be a voting member of the Committee.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the special meeting of November 7, 2018

Mr. Bernstein made a motion, Ms. Gray seconded, to approve the minutes of the special meeting of November 7, 2018. The motion passed unanimously.

II. PUBLIC COMMENT

III. FOR INFORMATION

A. LACERA Operations Briefing
JJ Popowich

Mr. Popowich presented the monthly briefing on LACERA's operations.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed
- Update on Call Center RDOs

B. Fiscal Year 2017-18 Financial Review
Ted Granger

Beulah Auten, Esther Chang, and Ted Granger presented LACERA's financial highlights for the fiscal year ending June 30, 2018. This update included an overview of LACERA's Comprehensive Annual Financial Report (CAFR) and Popular Annual Financial Report (PAFR) preparation, financial analysis and reporting including historical trends, and implementation efforts as related to OPEB/GASB standards.

Some of the highlights included:

- Net Position Restricted for Benefits ended the fiscal year at \$56.3 billion
- Total pension fund returned 9.0% net of fees
- Funded ratio increased to 79.9% as of the latest June 30, 2017 valuation
- Net Pension Liability in accordance with GASB 67 requirements was \$10.8 billion

III. FOR INFORMATION (continued)

C. FY 2017-2018 Final Budget Control Report
Holly Henderson, Kaelyn Ung

Ms. Henderson and Ms. Ung presented the Budget Control Report for fiscal year 2017-2018, based on actual expenditures through June 30, 2018. Total operating expenses for the LACERA Administrative Budget are \$78.3 million, an underexpenditure of approximately \$5.3 million from LACERA's operating budget.

The Retiree Healthcare Benefits Program Budget's total operating expenses are \$5.7 million. This represents an underexpenditure of approximately \$575,000 from the operating budget.

Total operating expenses for the OPEB Trust Budget are \$190,000, representing an underexpenditure of approximately \$30,000.

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 2:00 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.**