

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, MARCH 15, 2018, 11:15 A.M. – 11:40 A.M.

COMMITTEE MEMBERS

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

ABSENT: William Pryor

ALSO ATTENDING:

BOARD MEMBERS AT LARGE

Keith Knox (Chief Deputy to Joseph Kelly)
Les Robbins
Gina Zapanta-Murphy

STAFF, ADVISORS, PARTICIPANTS

JJ Popowich
Bernie Buenaflor
Roxana Castillo
Cynthia Guider

Holly Henderson
Robert Morgan
Jill Rawal

The meeting was called to order by Chair Adams at 11:15 a.m. Due to the absence of Mr. Pryor, 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 regular meeting of February 7, 2018

Ms. Gray made a motion, Mr. Walsh seconded, to approve the minutes of the regular meeting of February 7, 2018. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

A. Recommendation as submitted by Jill P. Rawal, Staff Counsel: That the Operations Oversight Committee recommend the Board of Retirement (Board):

1. Determine that the Board wishes to exempt LACERA from possible business associate status under HIPAA; and
2. Approve and authorize staff to execute the HIPAA Privacy and Security Rule Requirements for Disclosure of PHI to LACERA Retiree Healthcare Program amendment to the Retiree Healthcare plan documents in order to take advantage of one of HIPAA's Plan Sponsor Exceptions.

(Memorandum dated March 5, 2018)

Mr. Bernstein made a motion, Mr. Walsh seconded, to approve the recommendation. The motion passed unanimously.

B. Recommendation as submitted by JJ Popowich, Assistant Executive Officer: That the Operations Oversight Committee recommend the Board of Retirement approve the LACERA Secured Workplace Policy. (Memorandum dated March 2, 2018)

Mr. Bernstein made a motion, Mr. Walsh seconded, to approve the recommendation. The motion passed unanimously.

IV. FOR INFORMATION

A. LACERA Operations Briefing
JJ Popowich/Bernie Buenaflor

Messrs. Popowich and Buenaflor presented the monthly briefing on LACERA's operations. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive OOC presentation.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed
- Call Center Update
- Benefit Protection Unit
- PEPRA – Retirement Estimate Review

B. Water Intrusion Incident
Roxana Castillo/Cynthia Guider

Ms. Castillo and Ms. Guider discussed the water leak which occurred on Friday, February 23, 2018, involving the basement storage areas. The water was contained to the file and supply storage areas; the Uninterruptable Power Supply (UPS) equipment and Systems technology storage areas were not involved at any time during the event. This leak was relatively well-contained due to the immediate action of Systems and Administrative Services staff, the Executive Team, and the building management company, Avison Young. A short video of the incident was presented to the Committee.

C. FY 2016-2017 Final Budget Control Report
Robert Morgan/Holly Henderson

Robert Morgan and Holly Henderson presented the Budget Control Report for fiscal year 2016-2017, based on actual expenditures through June 30, 2017. Total operating expenses for the LACERA Administrative Budget are \$67.4 million, an underexpenditure of approximately \$9.4 million from LACERA's operating budget.

The Retiree Healthcare Benefits Program Budget's total operating expenses are \$5.3 million. This represents an underexpenditure of approximately \$1.2 million from the operating budget.

Total operating expenses for the OPEB Trust Budget are \$138,733, representing an overexpenditure of approximately \$15,213.

IV. FOR INFORMATION (Continued)

Total operating expenses for LACERA's portion of the OPEB Trust Budget are \$33,381, representing an overexpenditure of approximately \$8,186.

Total operating expenses for the Superior Court OPEB Trust Budget are \$104,946, representing an overexpenditure of approximately \$43,566.

V. REPORT ON STAFF ACTION ITEMS

There was nothing to report on for staff action items.

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

The meeting adjourned at 11:40 a.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.**