

# IN PERSON & VIRTUAL BOARD MEETING

\*The Board meeting will be held after the Committee meeting scheduled prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit the above link and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

**Attention:** If you have any questions, you may email [PublicComment@lacera.com](mailto:PublicComment@lacera.com). If you would like to make a public comment during the board meeting, review the [Public Comment instructions](#).

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

# AGENDA

## A REGULAR MEETING OF THE BOARD OF RETIREMENT

### LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, JUNE 7, 2023\*

*This meeting will be conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953 (f).*

*Any person may view the meeting in person at LACERA's offices or online at <https://LACERA.com/leadership/board-meetings>*

*The Board may take action on any item on the agenda, and agenda items may be taken out of order.*

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953 (f)
  - A. Just Cause
  - B. Action on Emergency Circumstance Requests
  - C. Statement of Persons Present at AB 2449 Teleconference Locations
- IV. APPROVAL OF THE MINUTES
  - A. Approval of the Minutes of the Regular Meeting of May 3, 2023
- V. PUBLIC COMMENT  
(Members of the public may address the Board orally and in writing. To provide Public Comment, you should visit <https://LACERA.com/leadership/board-meetings> and complete the request form by selecting whether you will provide oral or written comment from the options located under Options next to the Board meeting.

If you select oral comment, we will contact you via email with information and instructions as to how to access the meeting as a speaker. You will have up to 3



## V. PUBLIC COMMENT

minutes to address the Board. Oral comment request will be accepted up to the close of the Public Comment item on the agenda.

If you select written comment, please input your written public comment or documentation on the above link as soon as possible and up to the close of the meeting. Written comment will be made part of the official record of the meeting. If you would like to remain anonymous at the meeting without stating your name, please leave the name field blank in the request form. If you have any questions, you may email [PublicComment@lacera.com](mailto:PublicComment@lacera.com).)

## VI. EXECUTIVE UPDATE

- A. LACERA All Stars
- B. Member Spotlight
- C. Chief Executive Officer's Report

## VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

## VIII. CONSENT ITEMS

### A. **Compensation Earnable and Pensionable Compensation**

Recommendation as submitted by Fern Billingsy, Senior Staff Counsel: That the Board 1) Adopt the Resolutions, No. 2023-BR005, and No. 2023-BR006, specifying pay items as included and excluded from the definitions of "compensation earnable" and "pensionable compensation"; and 2) Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA to include or exclude these items when calculating final compensation. (Memo dated May 10, 2023)

### B. **Assembly Bill 1020 – Disability Retirement**

Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits, and Legislative Committee: That the Board adopt a "Neutral" position on Assembly Bill 1020, which would expand the number of service-connected presumptions related to disability retirement, with recommended clarifications. (Memo dated May 23, 2023)

VIII. CONSENT ITEMS (Continued)

C. **Appeals for the Board of Retirement's Meeting of June 7, 2023**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board of Retirement grant the appeals and requests for administrative hearing received from the following applicants and direct the Disability Retirement Services Manager to refer each case to a referee: Ofelia Santoyo-Hurtado and Malaysia L. Gandy Locklin. (Memo dated May 24, 2023)

D. **Ratification of Service Retirement and Survivor Benefit Application Approvals**

Recommendation that the Board approve the service retirements and survivor benefit applications received as of May 30, 2023, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated May 30, 2023)

IX. EXCLUDED FROM CONSENT ITEMS

X. NON-CONSENT ITEMS

A. **LACERA Budget Policy (Annual Review)**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board review and approve the revised LACERA Budget Policy, attached as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets. (Memo dated May 12, 2023) (Supplemental Memo dated May 31, 2023)

B. **Approval of Fiscal Year 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets**

Recommendation as submitted by Herman B. Santos, Chair, Joint Organizational Governance Committee: That the Board adopt the LACERA Fiscal Year (FY) 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets. (Memo dated May 12, 2023)

X. NON-CONSENT ITEMS (Continued)

C. **Approval of Revised AB 2449 Teleconference Policy**

Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board adopt the proposed revised AB 2449 Teleconference Policy. (Memo dated May 26, 2023)

D. **Application of Jill Torres for Reinstatement to Active Membership Pursuant to Government Code Section 31680.4 and 31680.5**

Recommendation as submitted by Louis Gittens, Interim Division Manager, Benefits Division: That the Board 1) Determine, based upon medical evaluation conducted on February 9, 2023, that Jill Torres is not incapacitated for the duties assigned to her in the position of an Assistant Sheriff, Administration; and 2) Grant the application of Jill Torres for reinstatement to active membership. (Memo dated May 12, 2023)

E. **Service Provider Invoice Approval Request - David L. Friedman, M.D., Ph.D.**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board approve the service provider invoice for David L. Friedman, M.D., Ph.D. (Memo dated May 26, 2023 - Attachment Confidential)

XI. REPORTS

A. **Legal Report Regarding Strategic Plan and Approval Process**

Robert Klausner, Fiduciary Counsel

Klausner, Kaufman, Jensen & Levinson

(For Information Only) (Memo dated May 31, 2023)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

B. **Application Processing Time Snapshot Reports**

Ricki M. Contreras, Division Manager

(For Information Only) (Memo dated May 30, 2023)

C. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated May 27, 2023)

XI. REPORTS (Continued)

D. **Monthly Trustee Travel & Education Reports – April 2023**  
**3rd Quarter Trustee Travel & Education Expenditure Reports**  
**3rd Quarter Staff Travel Report (Including FPPC Form 801)**

Ted Granger, Interim Chief Financial Officer

(For Information Only) (Memos dated May 24, 2023)

Monthly Trustee Travel & Education Report

Comprehensive Monthly Trustee Travel & Education Report

(Confidential Memo – Includes Pending Travel)

E. **May 2023 Fiduciary Counsel Contract and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated May 23, 2023)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

XII. ITEMS FOR STAFF REVIEW

(This item summarizes requests and suggestions by individual trustees during the meeting for consideration by staff. These requests and suggestions do not constitute approval or formal action by the Board, which can only be made separately by motion on an agendized item at a future meeting.)

XIII. ITEMS FOR FUTURE AGENDAS

(This item provides an opportunity for trustees to identify items to be included on a future agenda as permitted under the Board's Regulations.)

XIV. GOOD OF THE ORDER

(For Information Purposes Only)

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

B. Disability Retirement Appeals

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION  
(Continued)

C. Staff Recommendations

1. **E to D Application of Mayra Joseph**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board reject the Application of Mayra Joseph for processing.  
(Memo dated May 23, 2023)

2. **Application of Jeffrey A. Windle (Deceased)**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board instruct staff to close Jeffrey A. Windle's (Deceased) application for disability retirement. (Memo dated May 24, 2023)

XVI. ADJOURNMENT

***\*Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Committee meeting preceding it.***

***Documents subject to public disclosure that relate to an agenda item for an open session of the Board of Retirement that are distributed to members of the Board of Retirement less than 72 hours prior to the meeting will be available for public inspection at the time they are distributed to a majority of the Board of Retirement Trustees at LACERA's offices at 300 N. Lake Avenue, Suite 820, Pasadena, CA 91101, during normal business hours of 9:00 a.m. to 5:00 p.m. Monday through Friday and will also be posted on [lacera.com](http://lacera.com) at the same time, [Board Meetings | LACERA](http://lacera.com).***

***Requests for reasonable modification or accommodation of the telephone public access and Public Comments procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email [PublicComment@lacera.com](mailto:PublicComment@lacera.com), but no later than 48 hours prior to the time the meeting is to commence.***



MINUTES OF A REGULAR MEETING OF THE BOARD OF RETIREMENT  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

9:00 A.M., WEDNESDAY, MAY 3, 2023

*This meeting was conducted by the Board of Retirement both in person and by teleconference under California Government Code Section 54953 (e), (f).*

*Teleconference Location for Trustees and the Public under California Government Code Section 54953(b)*

*Four Seasons Hotel: 300 South Doheny Drive, Los Angeles CA 90048*

TRUSTEES PRESENT:

Shawn R. Kehoe, Chair

Alan Bernstein, Vice Chair

Vivian H. Gray, Secretary

Elizabeth Ginsberg (Alternate Ex-Officio for Keith Knox)

Jason E. Green

JP Harris (Alternate Retired)

Ronald Okum

Les Robbins

Antonio Sanchez

Herman Santos

TRUSTEES ABSENT:

Elizabeth Greenwood

Keith Knox

## STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

Luis A. Lugo, Deputy Chief Executive Officer

Jonathan Grabel, Chief Investment Officer

JJ Popowich, Assistant Executive Officer

Laura Guglielmo, Assistant Executive Officer

Steven P. Rice, Chief Counsel

Francis J. Boyd, Senior Staff Counsel

Dr. Glenn Ehresmann, Medical Advisor

Ted Granger, Interim Chief Financial Officer

Barry W. Lew, Legislative Affairs Officer

Louis Gittens, Benefits Interim Division Manager

Carly Ntoya, Human Resources Director

Ricki Contreras, Disability Retirement Services Manager

Tamara Caldwell, Disability Retirement Specialist Supervisor

Vickie Neely, Disability Retirement Specialist Supervisor

Kerri Wilson, Disability Retirement Specialist Supervisor

Hernan Barrientos, Disability Retirement Specialist Supervisor

Ricardo Salinas, Disability Retirement Specialist Supervisor

Vincent Lim, Disability Litigation Manager

I. CALL TO ORDER

The meeting was called to order by Chair Kehoe at 9:04 a.m. in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Bernstein led the Trustees and staff in reciting the Pledge of Allegiance.

III. PROCEDURE FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449, California Government Code Section 54953 (f)

A. Just Cause

B. Action on Emergency Circumstance Requests

C. Statement of Persons Present at AB 2449 Teleconference Locations

No requests were received for Just Cause (A) or Emergency Circumstances (B).

IV. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting of April 5, 2023

Trustee Harris made a motion, Trustee Gray seconded, to approve the Minutes of the Regular Meeting of April 5, 2023. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Abstain: Sanchez

Absent: Greenwood

V. PUBLIC COMMENT

LACERA Member, Debra Zamudio, addressed the Board regarding LACERA's financial strength and commitment to member benefits.

## VI. EXECUTIVE UPDATE

### A. LACERA All Stars

Mr. Popowich announced the winners for the month: Tatiana Bayer, Wendy Bernabe, Janet Chan and Stephanie Kawai. There was no Web Watcher or Rideshare winners.

### B. Member Spotlight

Mr. Popowich recognized LACERA member, Margarita Lien.

### C. Chief Executive Officer's Report

Mr. Kreimann provided a brief presentation on the Chief Executive Officer's Report and answered questions from the Board.

## VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

### Safety Law Enforcement

#### Service-Connected Disability Applications

On a motion by Trustee Kehoe, seconded by Trustee Bernstein, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

#### APPLICATION NO.

972D

973D

974D

975D\*

976D

977D

978D

979D

980D

981D

982D

983D

#### NAME

JEFFREY L. MOORE

PATRICK W. GOLDEN

THOMAS F. MARTIN

RICHARD C. ADAMS

JAMES E. STILSON

TIMOTHY L. STANLEY

STEVEN D. LONG

TERENCE K. HOLDEN

JANET M. O'BRYAN

TODD D. DEEDS

MATTHEW J. BODELL

ROBERT A. THOMAS

\*Granted SCD Retroactive

VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Law Enforcement (Continued)

| <u>APPLICATION NO.</u> | <u>NAME</u>              |
|------------------------|--------------------------|
| 984D                   | SCOTT K. MILLER          |
| 985D                   | JOHN C. MOSQUERA         |
| 986D                   | JAMES R. DEXTER          |
| 987D                   | SANDLER B. NITZ          |
| 988D                   | DANIEL G. FINN           |
| 989D*                  | NANCY L. MCGAULEY        |
| 990D**                 | MICHAEL R. MITCHELL      |
| 991D                   | APRIL CARTER             |
| 992D                   | DENNIS R. DOMINGUEZ, JR. |
| 993D                   | JOSEPH A. ROSALEZ        |
| 994D                   | TRACY H. WRIGHT          |
| 995D*                  | JONATHAN K. HOYT         |
| 996D                   | ROLAND K. SPEARS         |
| 997D*                  | RALPH E. SHELDON         |
| 998D                   | RAY A. DAVIDSON          |
| 999D*                  | LEO R. BAUER             |
| 1E                     | CHAD T. PERRIGO          |
| 2E**                   | PEDRO L. GUERRERO        |
|                        | GONZALEZ                 |
| 3E*                    | TERRY A. BURGIN, JR.     |
| 4E*                    | JOHN J. THORNE           |
| 5E***                  | ROMAN A. ROSEBOROUGH     |
| 6E****                 | SONIA RIVERA             |
| 7E                     | LA TONYA R. CLARK        |

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Kehoe, Okum, Robbins, Sanchez, Santos

Absent: Greenwood

\*Granted SCD – Employer Cannot Accommodate

\*\*Granted SCD – Retroactive

\*\*\*Granted SCD Retroactive – Employer Cannot Accommodate

\*\*\*\*Granted SCD – Salary Supplemental



VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

Safety Fire, Lifeguards

Service-Connected Disability Applications

On a motion by Trustee Green, seconded by Trustee Kehoe, the Board of Retirement approved a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

| <u>APPLICATION NO.</u> | <u>NAME</u>              |
|------------------------|--------------------------|
| 1608B                  | THOMAS M. GARCIA         |
| 1609B                  | DAVID INMAN              |
| 1610B                  | MICHAEL M. MELLINGER     |
| 1611B                  | KEVIN P. POOLE           |
| 1612B                  | DENNIS R. CROSS          |
| 1613B                  | MICHAEL C. NOTHERN       |
| 1614B                  | DEREK MILLS              |
| 1615B                  | HUGO VALDIVIA            |
| 1616B                  | STANLEY T. BRAWER        |
| 1617B                  | SHANNAN L. PETTINGER     |
| 1618B                  | RICHARD A. ATWOOD        |
| 1619B*                 | DAVID R. RICHARDSON, JR. |
| 1620B                  | MICHAEL W. HALVERSON     |

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Sanchez, Santos

Absent: Greenwood

\*Granted SCD – Employer Cannot Accommodate

## VII. DISABILITY RETIREMENT APPLICATIONS ON CONSENT CALENDAR

### General Members

### Service-Connected Disability Applications

On a motion by Trustee Santos, seconded by Trustee Okum, the Board of Retirement made a motion to approve a service-connected disability retirement for the following named employees who were found to be disabled for the performance of their duties and have met the burden of proof.

#### APPLICATION NO.

#### NAME

2521C

MARIA CYNTIA P. MAKEL  
(BISHOP)

2522C

KAREN RIMOLA

2523C\*

MARY I. NWODO

2524C\*

EPHRAIM I. EKANEM

2525C

DARRYL L. EVERTS

2526C

LEAKHENA J. PEL

2527C\*\*

MICHAEL C. HERNDON (DEC'D)

2528C\*\*\*

IRENE I. CASALI

2529C

WILLIE ESPINAL

2530C\*\*\*\*

BARBARA C. LEE

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Sanchez,  
Santos

Absent: Greenwood

\*Granted SCD – Salary Supplement

\*\*Granted SCD – Survivor Benefit

\*\*\*Granted SCD Retroactive – Employer Cannot Accommodate

\*\*\*\*Granted SCD - Retroactive

## VIII. CONSENT ITEMS

Trustee Bernstein made a motion, Trustee Gray seconded, to approve the following consent items. The motion passed by the following roll call vote:

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Sanchez, Santos

Absent: Greenwood

### A. **Compensation Earnable and Pensionable Compensation**

Recommendation as submitted by Fern Billingsy, Senior Staff Counsel: That the Board 1) Adopt the Resolutions, No. 2023-BR-003. and No. 2023-BR004, specifying pay items as included and excluded from the definitions of "compensation earnable" and "pensionable compensation." 2) Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA to include or exclude these items when calculating final compensation. (Memo dated April 19, 2023)

### B. **Appeal for the Board of Retirement's Meeting of May 3, 2023**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board grant the appeal and request for administrative hearing received from the following applicant and direct the Disability Retirement Services Manager to refer this case to a referee: Elsa Y. Cobian Labrada. (Memo dated April 19, 2023)

### C. **Ratification of Service Retirement and Survivor Benefit Application Approvals**

Recommendation that the Board approve the service retirements and survivor benefit applications received as of April 25, 2023, along with any retirement rescissions and/or changes approved at last month's Board meeting. (Memo dated April 25, 2023)

## IX. EXCLUDED FROM CONSENT ITEMS

There were no items excluded from Consent Items.

X. NON-CONSENT ITEMS

A. **Ratification of Reciprocal Disability Retirements**

Recommendation as submitted by Louis Gittens, Interim Benefits Division Manager: That the Board approve the reciprocal disability retirement for the named deferred members who were found to be disabled by the current reciprocal agency or the performance of their duties and have met the burden of proof: Leah V. Theophile and David M. Murray. (Memo dated April 4, 2023)

Trustee Gray made a motion, Trustee Santos seconded, to return to staff for additional changes. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Sanchez, Santos

Absent: Greenwood

XI. REPORTS

A. **Report of Compensation Earnable and Pensionable Compensation**

Fern M. Billingsy, Senior Staff Counsel  
(For Information Only) (Memo dated April 24, 2023)

This item was received and filed.

B. **2023 Quarterly Reports of Paid Invoices**

Ricki M. Contreras, Division Manager  
(For Information Only) (Memo dated April 19, 2023)  
(Attachment to Memo is Confidential)

This item was received and filed.

C. **Application Processing Time Snapshot Reports**

Ricki M. Contreras, Division Manager  
(For Information Only) (Memo dated April 24, 2023)

This item was received and filed.

XI. REPORTS (Continued)

D. **Monthly Trustee Travel & Education Reports – March 2023**

Ted Granger, Interim Chief Financial Officer

(For Information Only) (Memos dated April 19, 2023)

Monthly Trustee Travel & Education Report

Comprehensive Monthly Trustee Travel & Education Report

(Confidential Memo – Includes Pending Travel)

This item was received and filed.

E. **Monthly Status Report on Legislation**

Barry W. Lew, Legislative Affairs Officer

(For Information Only) (Memo dated April 21, 2023)

This item was received and filed.

F. **April 2023 Fiduciary Counsel Contract and Billing Report**

Steven P. Rice, Chief Counsel

(For Information Only) (Memo dated April 24, 2023)

(Privileged and Confidential/Attorney-Client Communication/Attorney Work Product)

This item was received and filed.

XII. ITEMS FOR STAFF REVIEW

There were no items for Items for Staff Review.

XIII. ITEMS FOR FUTURE AGENDAS

There were no items for Items for Future Agendas.

XIV. GOOD OF THE ORDER

(For Information Purposes Only)

There was nothing to report.



XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability

APPLICATION NO. & NAME AND BOARD ACTION

5310B – CARLTON C. CHAMBERS\*

Trustee Gray made a motion, Trustee Bernstein seconded, to deny and find the applicant not permanently incapacitated.

Trustee Kehoe made a substitute motion, Trustee Gray seconded, to return to staff for additional information. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Sanchez, Santos

Absent: Greenwood

5311B – ERICA RODRIGUEZ\*

Trustee Bernstein made a motion, Trustee Kehoe seconded, to grant a nonservice-connected disability retirement without prejudice since the employer cannot accommodate pursuant to Government Code Section 31720.

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

5312B - DEBORAH F. SOTO

Trustee Okum made a motion, Trustee Bernstein seconded, to grant a nonservice-connected disability retirement without prejudice since the employer cannot accommodate pursuant to Government Code Section 31720.

The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

\*Applicant Present

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

A. Applications for Disability (Continued)

APPLICATION NO. & NAME AND BOARD ACTION

5313B – ROBERT BUERAS (DECEASED)\*

Trustee Santos made a motion, Trustee Gray seconded, to grant a service-connected disability survivor benefit. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

5314B – JESUS A. RODRIGUEZ\*

Trustee Kehoe made a motion, Trustee Okum seconded, to return to staff for additional information. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Kehoe, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

5304B – ALEJANDRO E. ESTELLA

Trustee Santos made a motion, Trustee Bernstein seconded, to deny a service-connected disability retirement and find the applicant ineligible for nonservice-connected disability retirement. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

XV. DISABILITY RETIREMENT CASES TO BE HELD IN CLOSED SESSION

B. Staff Recommendations

1. **E to D Application of Manuel F. Panga**

Recommendation as submitted by Ricki M. Contreras, Division Manager, Disability Retirement Services: That the Board reject the Application of Manuel F. Panga for processing.  
(Memo dated March 29, 2023)

Trustee Kehoe made a motion, Trustee Santos seconded, to approve staff's recommendation. The motion passed by the following roll call vote:

Yes: Bernstein, Ginsberg, Gray, Green, Okum, Robbins, Santos

Absent: Greenwood, Sanchez

XVI. EXECUTIVE SESSION

A. **Potential Threats to Public Services or Facilities**

(Pursuant to Subdivision (a) of California Government Code Section 54957.5 (a))

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Deputy Chief Executive Officer Luis Lugo, Interim Chief Information Security Officer Carmelo Marquez, and Other LACERA Staff

The Board took action to approve use of confidential trustee information security services. There is nothing to report at this time.

XVII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 11:00 a.m.

---

VIVIAN GRAY, SECRETARY

---

SHAWN R. KEHOE, CHAIR





# Recognizing Our Members' Service and Accomplishments

LACERA has nearly 100,000 active members working in dozens of L.A. County departments, many of whom dedicate their working lives to serving the community. Meet one of our long-serving members as she prepares to enjoy her well-earned retirement.





## MEMBER SPOTLIGHT

# Retired Member Borina Nou Garcia

**Children Services Administrator I, Department of Children and Family Services**

**Retired: March 2023**

**Years of Service: 31**

**County Career:** Ms. Nou Garcia recently retired after 31 years of service with the Department of Children and Family Services. In that time, her dedication and passion for serving the children and families of L.A. County never wavered.

**Volunteer Work:** L.A. County Cambodian Employee Association, Asian American Employee Association


Ms. Nou Garcia has volunteered and organized aid to families for many years, including the annual “Adopt a Family” program through the Department of Public Social Services, where she and her team provided direct donations to help make the holidays a little brighter for families in need.

**Retirement plans:** Ms. Nou Garcia has a curious spirit and is looking forward to exploring Asia and its diverse cultures. She’s an enthusiastic cook, especially seafood, and plans to blend travel with her culinary passion. In addition, she says she intends to stay active in advocacy work and politics.



May 29, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Santos H. Kreimann   
Chief Executive Officer


SUBJECT: **CHIEF EXECUTIVE OFFICER'S REPORT – JUNE 2023**

The following Chief Executive Officer's Report highlights key operational and administrative activities that have taken place during the past month.

### **General and Retired Member Elections 2023 Update**

The LACERA Trustee active general and retired member election season for the Second, Eighth, and Alternate Retired Members (Trustees) for the Board of Retirement and the Second and Eighth Member (Trustees) of the Board of Investments, is now in full swing.

The month of May kicks off the election season with the first wave of notices – the “Call for Nominations” - being sent out to Active General members throughout the County and the outside districts, as well as all Retired members. The “Call for Nominations” email lets members know important details about the election and how to find out more information on how eligible retired and active general members can become a candidate if they are interested. Active Safety members are not eligible to run or vote in this round of elections.



## LACERA Elections


Attention LACERA General Members,

Election time is approaching. The terms of office for the Second Member of the Board of Investments, and the Second Member of the Board of Retirement will expire on December 31, 2023. To fill these positions, elections will be held this summer.

Eligible LACERA General Members interested in becoming a candidate in these elections may obtain a nomination packet from the Registrar-Recorder/County Clerk. Nomination packets may be obtained from the Registrar-Recorder/County Clerk, by contacting the Elections Planning section, at (562) 462-2317, or via email at [Electionplanning@rrcc.lacounty.gov](mailto:Electionplanning@rrcc.lacounty.gov), on or after Monday, May 22, 2023. To qualify as a candidate, General Members must obtain fifty nominating signatures from active General Members of LACERA in service on April 15, 2023. Detailed instructions regarding candidate nomination petitions will be included in the nomination packet. To find the list of departmental election coordinators, please visit: [bos.lacounty.gov/services/conflict-of-interest-lobbyist/lacera-elections](https://bos.lacounty.gov/services/conflict-of-interest-lobbyist/lacera-elections).

Eligible voters will be able to cast their votes online, by telephone, or by paper ballots (if requested appropriately). To request a paper ballot, you must send an email to your departmental/agency Election Coordinator with your name, work email address, employee number, and mailing address, to be confirmed by your Election Coordinator. Request must be made by 5:00 p.m. on July 6, 2023.

Eligible voters who do not have an email address on file or are identified as having an invalid email address will receive login credentials and voter information by U.S. mail prior to the voting period.



LACERA  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

Active General members received the “Call for Nominations” email sent to their County and Superior Court email addresses. The Executive Office of the Board of Supervisors also reached out and coordinated with the outside districts to ensure members there are informed about the election.

LACERA mailed physical postcards to all eligible Retired members in early May and followed up with an email to all Retired members who have provided an email address.




## Calling All Candidates



LACERA election time is approaching!

Elections will be held this summer to fill the seats of the Eighth Member of the Board of Investments and the Eighth Member and Alternate Retired Member of the Board of Retirement. (The current terms of office for these seats expire on December 31, 2023.)

**Interested in Running?**

To be eligible, you need to be a Retired Member of LACERA on or before April 15, 2023. You can obtain a nomination packet from the Registrar-Recorder/County Clerk by contacting the Election Planning Section at 562-462-2317, or via email at [ElectionPlanning@rrcc.lacounty.gov](mailto:ElectionPlanning@rrcc.lacounty.gov) beginning on May 22, 2023, and no later than 5:00 p.m. on June 20, 2023. For further information on the candidate filing process, contact the Registrar-Recorder/County Clerk's Election Planning Section at 562-462-2317.







Retired Members of LACERA who were Retired Members on or before April 15, 2023, will be eligible to vote in this election. **Retired Member voters will be able to cast their votes online, by telephone, or by paper ballot.** If there are candidates for this election, the election will be held August 4, 2023, to August 31, 2023. Paper ballots are scheduled to be mailed to all voters on August 2, 2023. The online and telephonic voting system will be available 24 hours a day, seven days a week beginning on **August 4, 2023, through August 31, 2023.** Also, on August 4, 2023, eligible Retired Members who have a valid email address on file with LACERA will be emailed login credentials and voting instructions to their email address.



Eligible voters who do not have an email address or are identified as having an invalid email address will receive login credentials and voter information with their paper ballots.

Please call 800-786-6464 for general information regarding this election.



PRST STD  
U.S. Postage  
PAID  
Industry, CA  
Permit #4278

We will keep publishing our schedule (see below) for the elections. We have also added a completed checkbox for those items on the schedule that are completed.

| Date                    | Event   | Completed   |
|-------------------------|---|---|
| 05/12/2023              | Election Notification and Call for Nominations to eligible retired members (as of April 15, 2023).  |  |
| 05/19/2023              | Election Notification and Call for Nominations emailed to eligible General (active members as of April 15, 2023), and departmental postings as required by the Board of Supervisors resolution. |  |
| 05/22/2023 – 06/20/2023 | Nomination period. Please note the nomination packages must be filed with the Registrar-Recorder/County Clerk no later than 5:00 p.m. on June 20, 2023.   |   |
| 06/26/2023              | The Registrar-Recorder/County Clerk will confirm the eligible candidates and notify each candidate.   |   |
| 06/27/2023              | Election Announcement: Announcement of qualified candidates and whether an election is necessary. This is also the date the ballot order will be confirmed.                                     |   |

| Date               | Event   | Completed |
|--------------------|---|-----------|
| First Week of July | LACERA sends mailer regarding election status.  |           |
| July 17, 2023      | Election notices emailed by vendor.   |           |
| 08/02/2023         | Voter information and ballot mailed to all retirees, as well as to all active members who requested a paper ballot. |           |
| 08/03/2023         | LACERA election reminder notice.  |           |
| 08/04/2023         | Voting Begins.<br>Election credentials mailed to all General members (active as of April 15, 2023).                 |           |
| 08/16/2023         | LACERA election reminder notice.  |           |
| 08/31/2023         | Voting Ends.  |           |
| 09/12/2023         | The Executive Office of the Board of Supervisors will have the unofficial results available.                        |           |
| 10/17/2023         | BOS Declares Election Result Official.  |           |

Additionally, the Executive Office of the Board of Supervisors held their annual election coordinator training for all of the coordinators throughout the County, ensuring they understood their role in the election process. The training updated them on their roles and responsibilities and sought to ensure that they are getting the word out about the elections, notices are posted as required, and members have a resource to go to if they experience any difficulties.

#### **Document Processing Center Staff Classification Study Update**

On April 27, 2023, the Joint Organizational Governance Committee (JOGC) considered staff recommendations resulting from a classification and compensation study affecting staff who work in the Document Processing Center (DPC). The Committee directed Management to meet with the DPC staff to hear their concerns and report back to the Boards in June.

On May 3, 2023, I, along with Deputy Chief Executive Officer Luis Lugo and Assistant Executive Officer Laura Guglielmo, met with the DPC staff. The Unit Supervisor, Elsy Gutierrez, and Acting Administrative Services Division Manager, Roberta Van Nortrick, also participated in the meeting. In this meeting Management listened to staff express their frustration and disappointment with the length of time the study took as well as with the findings. While staff noted the thoroughness of the consultant's process, which

included on-site interviews with staff and the supervisor, they felt the market comparison missed the mark, noting their jobs are more technical and analytical than clerical. They also noted the very high number of different document types that DPC staff are expected to be familiar with and the critical role they play in our members' retirement journeys.

During this meeting Management committed to having the consultant refresh the market data, which goes beyond the aging of the salaries conducted by Human Resources. That refresh is in process, and we will report back to the JOGC at its next meeting with the results.

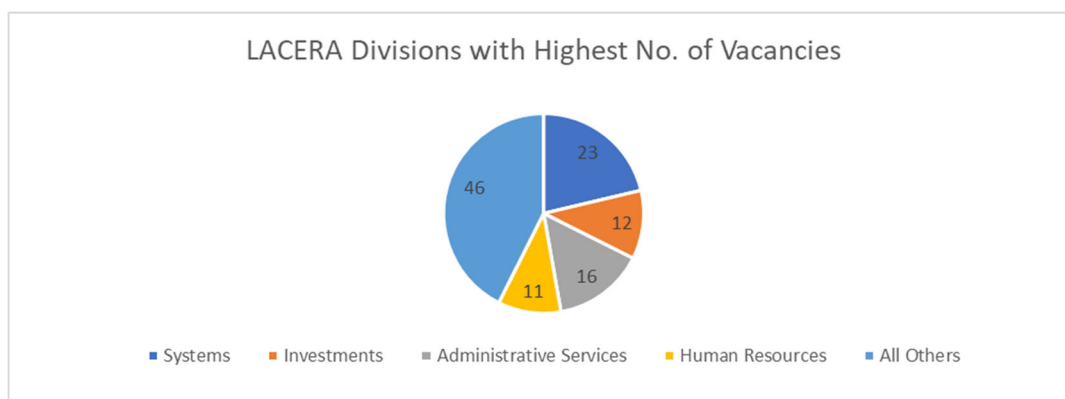
In addition, Management shared our own experiences with similar document processing units that currently operate at the Los Angeles County Assessor's Office (Ownership Unit) and Minnesota Public Employees Retirement Association (PERA), and discussed how the work was both similar and different from DPC staff responsibilities. We arranged for the Unit Supervisor to contact her counterpart at Minnesota PERA, and they were able to connect and discuss the similarities and differences of their work units and staff responsibilities. Additionally, we are setting up a site visit of the Assessor's Ownership Unit to see firsthand the complexity of the work and documents processed, which we hope to complete by June 30.

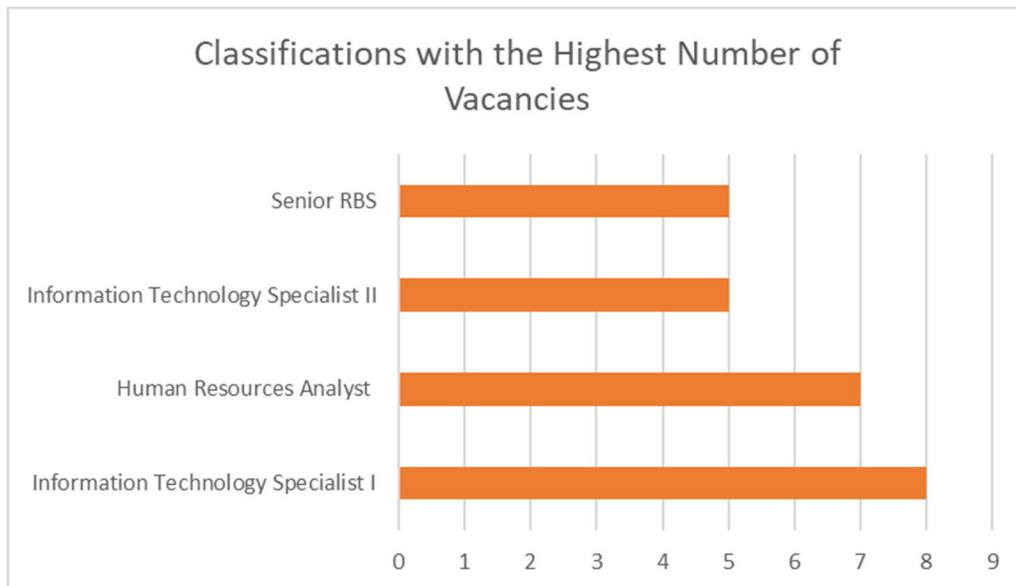
We recognize the challenges that pay and pay equity play in our ability to recruit and retain the best talent, and remain committed to ensuring that staff have confidence that the recommendations brought forward are based on accurate data sets. We look forward to bringing this matter back to the JOGC at its next regular meeting.

### **Recruitment Updates**

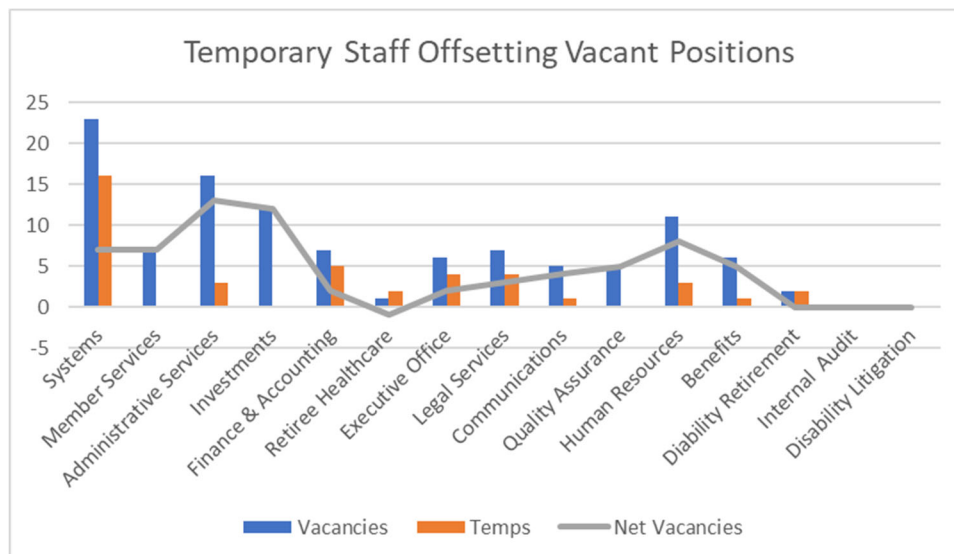
LACERA has 530 budgeted positions, of which 108 are vacant (20% vacancy rate). Additionally, there are 11 over-hired positions (positions that temporary staff members are assigned to but are not permanently budgeted) in the Retirement Benefits Specialist I classification. Over hiring in the Retirement Benefits Specialist I classification allowed LACERA to hire and train enough staff members to meet anticipated staffing needs taking normal staff attrition into consideration.

The Divisions with the highest number of vacancies, and the classifications with the highest number of vacancies, are shown below.





The chart below highlights temporary hires across divisions to address critical vacancy needs in the short term.



### *External Recruitments*

LACERA has contracted with EFL Associates (EFL) to secure a pool of qualified and diverse candidates for the Deputy Chief Investment Officer position. Selection interviews of the finalists were conducted the week of May 15, 2023. The final round of interviews will be completed by Friday, June 2, 2023.

The final interviews were conducted for the Chief, Information Technology (CIT), and Information Security Officer (ISO) positions. A conditional offer was made and accepted for CIT with an effective date to be determined. Unfortunately, the candidate for the ISO



declined and accepted an offer with a private company. After working with Alliance, the outside consultant, the recruitment has been re-posted. We will onboard three additional information security contractors as backfills as we look to fill the permanent Information Security Officer position. We currently have two Information Security Contractors on the team.

The recruitment brochures were posted for the following positions in the Legal Office:

- Senior Staff Counsel (Investments)
- Staff Counsel (Investments)
- Senior Staff Counsel (Benefits)
- Staff Counsel (Benefits)

### *Development*

The recruitments/assessments for the following classifications are currently in development in partnership with the various hiring divisions:

- Information Technology Manager II
- Division Manager
- Senior Writer
- Administrative Services Analyst II and III

### *New Lists Promulgated, Hiring and Promotions*

Candidates have been placed on the Finance Analyst II Eligible Register. Three (3) employment offers have been made. Two candidates have accepted the offers and will begin in early June. One offer is pending, and we anticipate extending offers to two additional candidates within the next two weeks.

The Retirement Benefits Specialist I-Trainee Class began on May 1, 2023. Six (6) Trainees are assigned to Retiree Health Care and 25 Trainees were split between Benefits and Member Services Divisions.

The background check for a Senior Human Resources Assistant candidate was completed and the candidate will begin June 5, 2023.

The Human Resources Analyst Eligible List was promulgated. Selection interviews are pending.

### *Internship Program*

Two (2) Interns were selected and began in the Legal Office. Four (4) Interns have been selected for the Investments Office. Two (2) of the Interns were selected from Seizing Every Opportunity (SEO-PREA) and the two (2) others from Girls Who Invest.

Resumes for intern positions related to pension administration work activities are being compiled with the goal of providing additional internships to two to four additional college

students. We will provide more details about the program as part of the CEO report next month.

## **Retiree Healthcare**

### ***CVS Caremark Oklahoma Update***

Last month, staff reported that 118 of our members participating in the Anthem Blue Cross I, II or III plans, and residing in Oklahoma, had been sent notification from CVS Caremark that per HB 2632, they would no longer have mail order services and would only be able to fill up to a 30-day supply of their medication at a participating in-network retail pharmacy. Last month when staff reported this, Oklahoma was the only state that had halted members' ability to fill 90-day prescriptions and via mail order.

On May 18<sup>th</sup>, LACERA's CVS Account Manager provided notice of critical plan updates affecting the ability of members in Minnesota and Oklahoma to refill prescriptions as discussed below.

### ***State of Minnesota***

CVS reached an agreement with the State of Minnesota related to their compliance with the requirement to allow non-CVS pharmacies within the state of Minnesota to participate in CVS's Maintenance Choice program. If other pharmacies decide to join the program, those pharmacies will be required to accept CVS's standard terms and conditions, which are inclusive of accepting the mail reimbursement rates. If a pharmacy joins the network, members in Minnesota will have an expanded list of pharmacies to choose from to fill their 90-day prescriptions.

### ***State of Oklahoma***

As previously communicated, in 2019 the Oklahoma legislature passed HB 2632, also known as the Patient's Right to Pharmacy Choice Act (the "Act"). As a result, CVS Caremark was required to discontinue the Maintenance Choice program in Oklahoma. However, on May 5, 2023, CVS Caremark met with the Oklahoma Insurance Department ("OID") proposing a resolution that ensures compliance with Oklahoma state law for clients that have elected Maintenance Choice, while also providing members access to 84+ day supplies of medications in Oklahoma as well as access to mail order. In response to CVS's proposal, on May 10, the Oklahoma Insurance Commissioner, Glen Mulready, issued a statement confirming OID's approval of CVS Caremark's proposed resolution.

### **Solution for Clients with Members Filling Their Medication in Oklahoma**

- An Oklahoma Custom Retail 90 extended day supply (EDS) network will be available. This network includes all Oklahoma pharmacies (not just CVS) that currently participate in CVS's Retail 90 network and permits members to fill an 84+ day supply of their medication.

### What Does That Mean for Our LACERA Members Residing in Oklahoma

- Once this is implemented, 84+ day supply claims may process at pharmacies other than CVS in Oklahoma.
- The new OK Custom Retail 90 EDS network will be subject to pricing terms equal to or better than pricing for a 30-day retail network supply.
- While this solution does not offer the same pricing as Maintenance Choice, it is a financial improvement over the standard retail 30-day pricing.
- Mail order will be available for our members residing in Oklahoma.
- If we were to opt out of this new option, the 30-day retail benefit will remain in place and our members would not be able to obtain the 84+day supply at retail or fill prescriptions via mail.

### Benefit to Members

- This solution provides options and greater access for members to fill prescriptions in either 30-day or 84+ day supplies from any in-network retail or mail pharmacy of their choice.
- The member cost share for an 84+ day supply at retail will be the same as the mail cost share. There will be no impact to the 30-day member cost share.
- All impacted members will be notified of this change unless we were to opt out. Members will be able to find an in-network pharmacy that's convenient for them by visiting [www.Caremark.com/PharmacyLocator](http://www.Caremark.com/PharmacyLocator).

**Note:** This only applies to Oklahoma pharmacies. Maintenance Choice will remain as it is for all other states (except OK and MN).

### What Next?

CVS will begin implementing these updates as early as July and will share an estimated pricing and completion date for these changes with staff. CVS will be sending notification of these changes to all impacted members.

Staff were informed that CVS was pleased to resolve these matters with the Minnesota Department of Commerce and the Oklahoma Insurance Department.

### Attachments



# CEO DASHBOARD








June 7, 2023



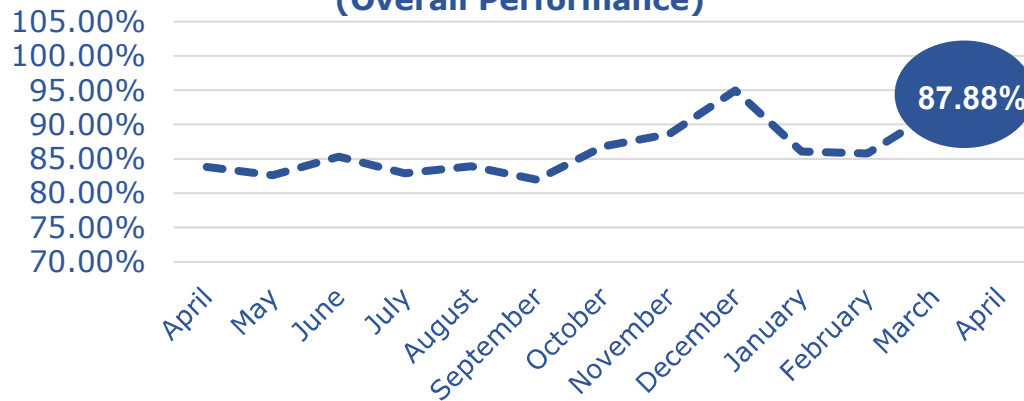
# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

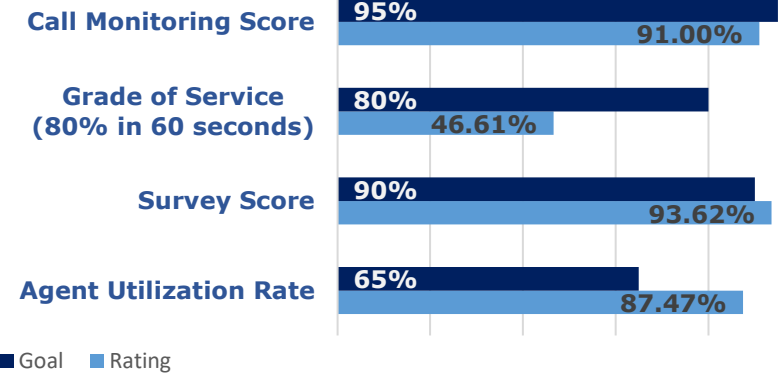
|  |  |  |   |
|--|--|--|---|
| <div><div><div>WORKSHOP<br/>ATTENDANCE</div><div>694</div><div>Year-to-Date: 6,649</div></div></div> | <div><div><div>OUTREACH<br/>EVENTS</div><div>14</div><div>Year-to-Date: 154</div></div></div> | <div><div><div><div><div>WORKSHOP<br/>SATISFACTION</div><div>0</div></div></div><div><div>Resp. Rate</div><div>0.0%</div></div><div><div>Change</div><div>0</div></div></div></div> <div><div><div><div><div>MSC OVERALL<br/>SATISFACTION</div><div>96.71%</div></div></div><div><div>Resp. Rate</div><div>20.0%</div></div><div><div>Change</div><div>1.52%</div></div></div></div> | <div><div><div><div><div>MEMBER<br/>SERVICES<br/>CALL CENTER</div><div>9,772</div></div></div><div><div>3 Month<br/>Average</div><div>11,158</div></div></div></div> |
|--|--|--|---|

## Key Performance Indicator (Overall Performance)

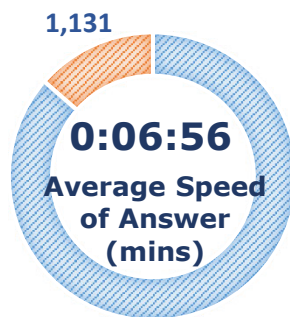
Goal: 100%



## Key Performance Indicator (Components)



Member Services



■ Calls Answered ■ Calls Abandoned

## Top Calls

1. Retirement Counseling: Estimate
2. Retirement Counseling: Process Overview
3. Retirement Counseling: Plan Overview



## Emails

**362**  
Avg. Response Time (ART)

**4:00 hours**

**Secure Message**  
**789**



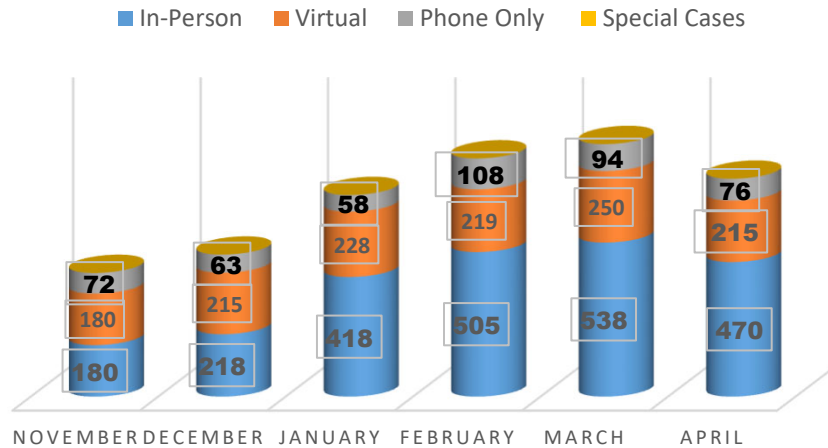


# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

## Member Services

### Member Service Center Appointments

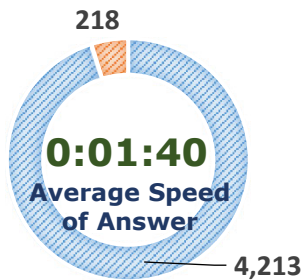


COMING SOON

## Retiree Healthcare



Total RHC Calls: 4,659



■ Calls Answered ■ Calls Abandoned

### Top Calls

1. Medical/Dental Enrollments

2. Medical Inquiries

3. General Inquiries

Call Monitoring Score



Grade of Service  
(80% in 60 seconds)



Survey Score



Agent Utilization Rate



■ Goal ■ Rating



Emails 291

Avg. Response Time (ART) 3 Days



Secure Messages 399



# Striving for Excellence

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

## Applications 957

In Process  
As Of  
4/30/2023

973 Pending on: 3/31/2023

61 Received

679 Year-to-Date

0 Re-Opened

0 Year-to-Date

74 To Board - Initial

546 Year-to-Date

3 Closed

71 Year-to-Date

## Appeals 73

In Process  
As Of  
4/30/2023

70 Pending on: 3/31/2023

3 Received

12 Year-to-Date

0 Admin Closed/Rule 32

8 Year-to-Date

0 Referee Recommended

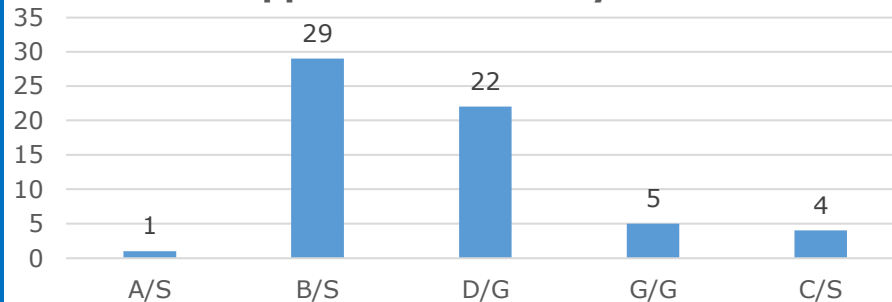
6 Year-to-Date

0 Revised/Reconsidered for Granting

2 Year-to-Date

Disability

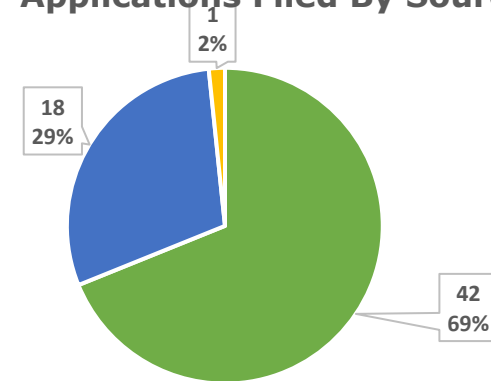
### Applications Filed By Plan



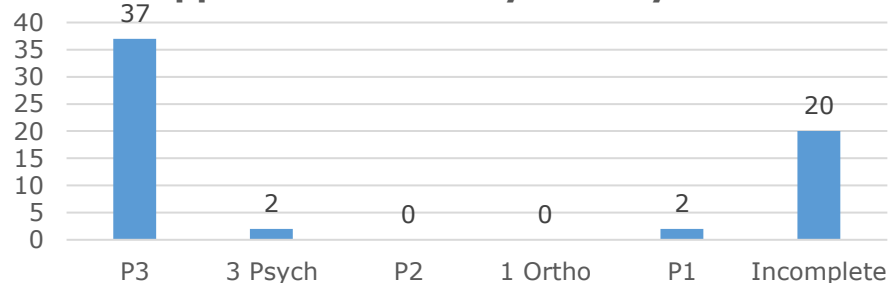
A/S: Plan A Safety - B/S: Plan B Safety - D/G: Plan D General  
G/G: Plan G General - C/S: Plan C Safety

### Applications Filed By Source

- Employee
- Employer
- Survivor

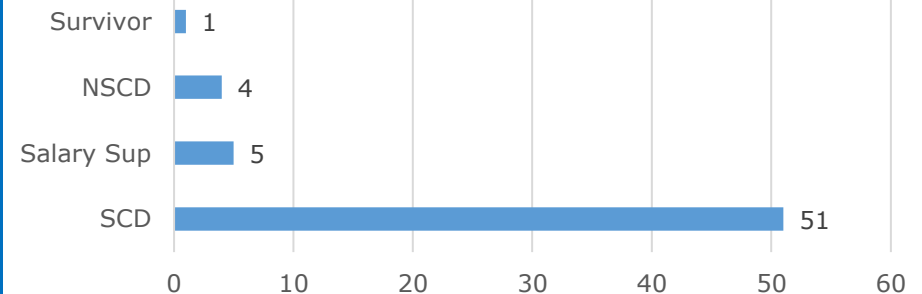


### Applications Filed By Priority Level



Priority Level

### Applications Filed By Type

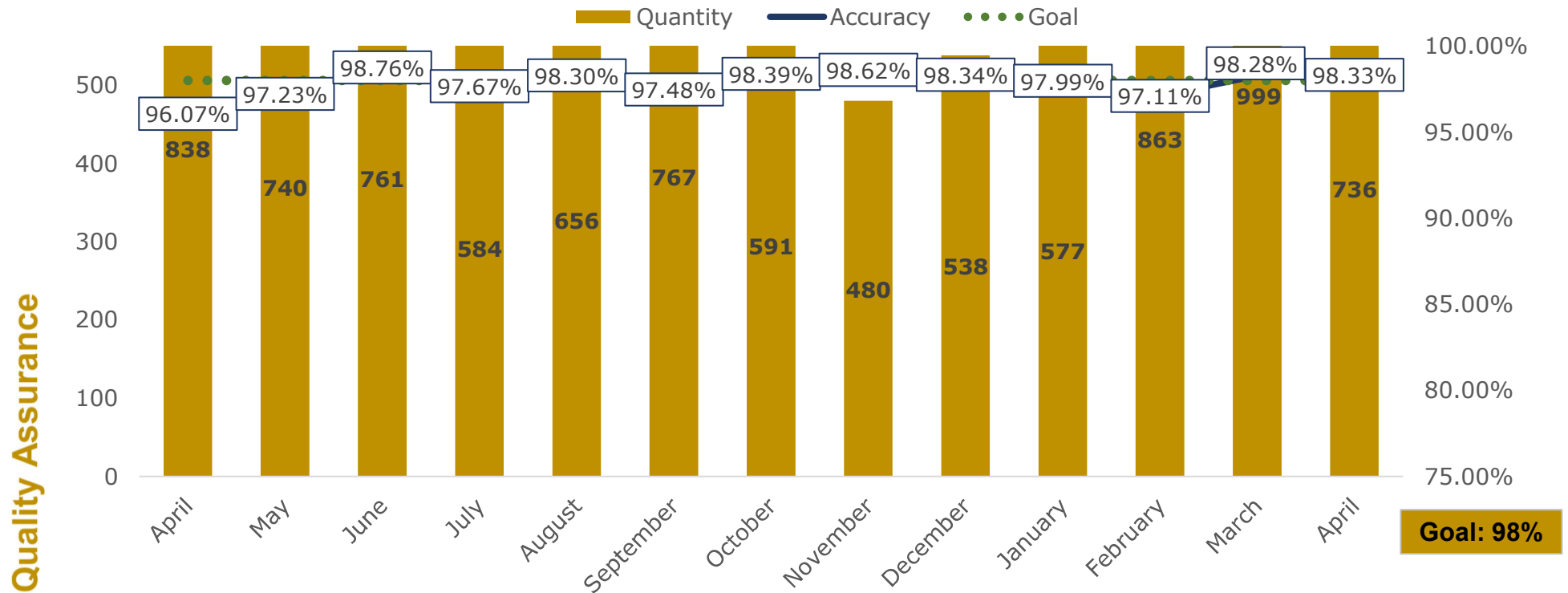




## Striving for Excellence in Quality

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

Audits of Retirement Elections, Payment Contracts, and Data Entry Completed by QA



April 2023

98.33%



### Retirement Elections

319

Samples

98.37%

Accuracy

### Payment Contracts

297

Samples

97.87%

Accuracy

### Data Entry

120

Samples

98.75%

Accuracy



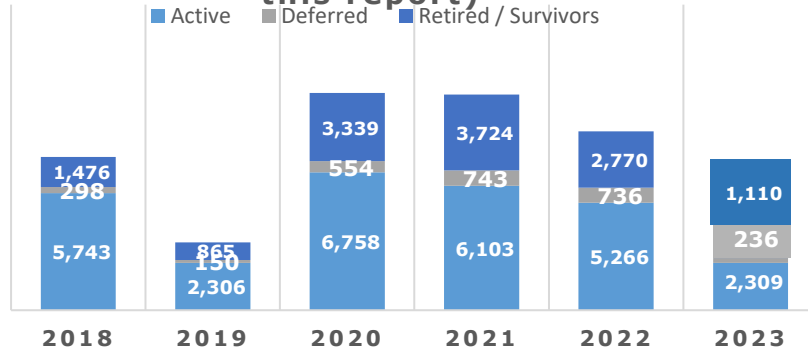


# Service On-Line for All

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

Serving Members Through LACERA.com and MyLACERA

**MyLACERA Annual Registration**  
(as of the 15th of the month prior to this report)

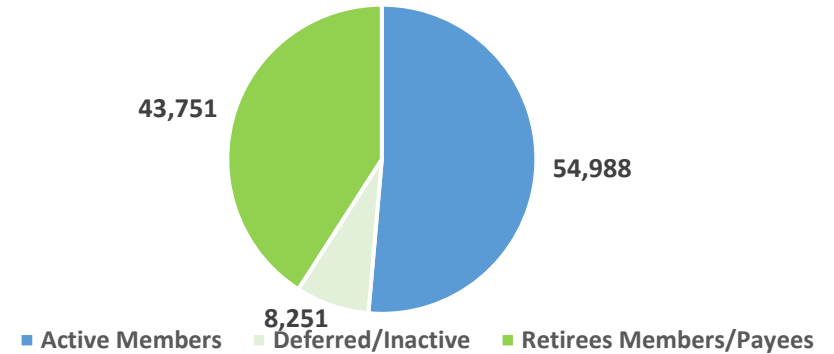


**Total Registered Members**

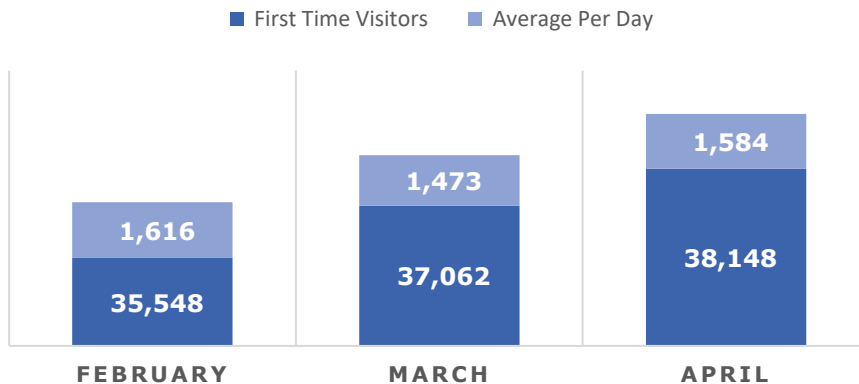
**106,990**

**57%**

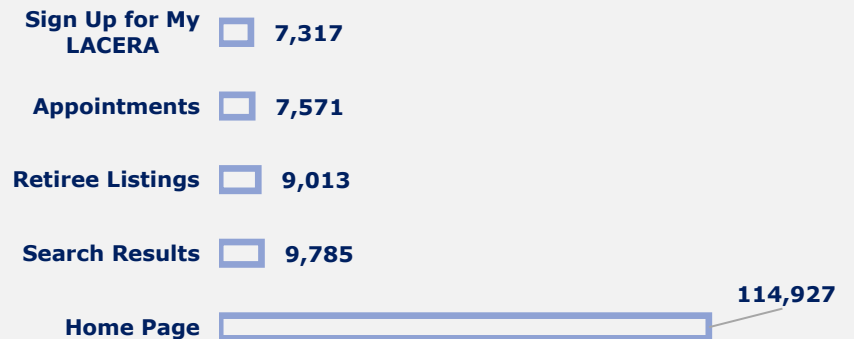
**Total Registrations By Member Type**



**LACERA.com User Traffic**



**Top Five LACERA.com Page Views**



| Home Page "I Would Like To" View | Views             | % of Change | Home Page Tile Views          | Views | % of Change |
|----------------------------------|-------------------|-------------|-------------------------------|-------|-------------|
| My LACERA                        | 7,317             | 10%         | See my retirement options     | 5,316 | 10%         |
| Pre-Retirement Workshops         | 3,002             | -5%         | View Pre-Retirement Workshops | 3,002 | -5%         |
| Careers                          | 2,421             | 0%          | Start my retirement planning  | 3,167 | 1%          |
| Investments                      | 2,380             | 11%         | Add or update my beneficiary  | 1,861 | 15%         |
| Board Meetings page              | 4,722             | 1%          | View job opportunities        | 2,953 | -5%         |
| Busiest Day of the Month:        | Friday, 4/21/2023 |             | Forms and Publications        | 257   | 23%         |



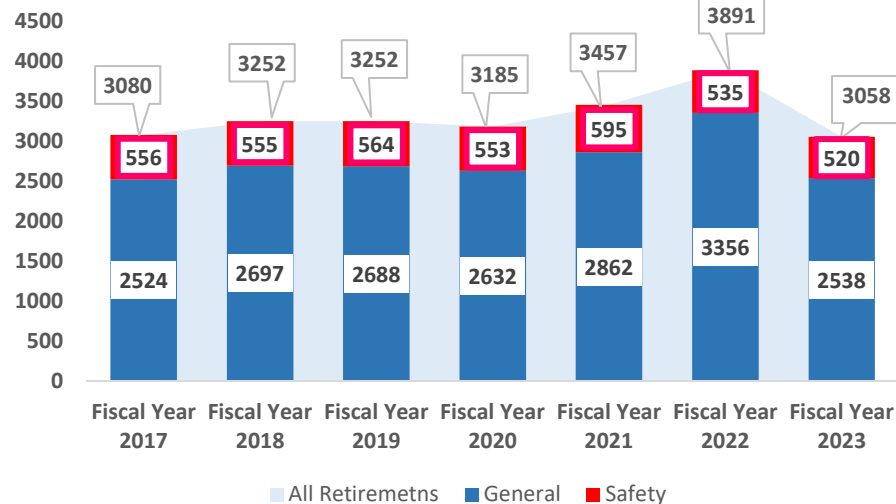
# Member Snapshot

Service Metrics Reported on a Fiscal Year Basis (July 1) Through: April 2023

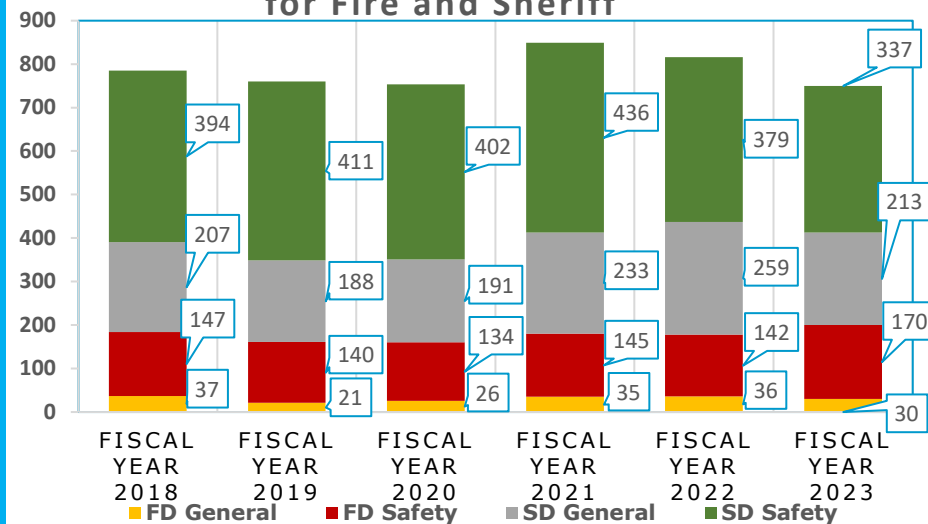
Membership Count as of: 05/15/23

| PLAN    |                 | ACTIVE |            | INACTIVE |            | RETIRED |                  |                   |           | Totals by Plan/Type |
|---------|-----------------|--------|------------|----------|------------|---------|------------------|-------------------|-----------|---------------------|
|         |                 | Vested | Non-Vested | Vested   | Non-Vested | Service | SCD - Disability | NSCD - Disability | Survivors |                     |
| General | PLAN A          | 49     | -          | 13       | 32         | 12,024  | 966              | 165               | 4,082     | 17,331              |
|         | PLAN B          | 12     | -          | 5        | 3          | 571     | 42               | 7                 | 72        | 712                 |
|         | PLAN C          | 14     | -          | 5        | 8          | 363     | 40               | 8                 | 64        | 502                 |
|         | PLAN D          | 34,059 | 131        | 4,474    | 3,319      | 18,664  | 1,972            | 449               | 1,954     | 65,022              |
|         | PLAN E          | 13,110 | 18         | 2,927    | 97         | 15,312  | -                | -                 | 1,608     | 33,072              |
|         | PLAN G          | 17,958 | 18,254     | 1,537    | 6,427      | 238     | 25               | 6                 | 21        | 44,466              |
|         | TOTAL GENERAL   | 65,202 | 18,403     | 8,961    | 9,886      | 47,172  | 3,045            | 635               | 7,801     | 161,105             |
| Safety  | PLAN A          | -      | -          | 2        | 2          | 1,841   | 2,440            | 26                | 1,634     | 5,945               |
|         | PLAN B          | 7,503  | 77         | 562      | 228        | 3,412   | 4,433            | 55                | 407       | 16,677              |
|         | PLAN C          | 2,435  | 2,536      | 119      | 503        | 12      | 16               | -                 | 2         | 5,623               |
|         | TOTAL SAFETY    | 9,938  | 2,613      | 683      | 733        | 5,265   | 6,889            | 81                | 2,043     | 28,245              |
|         | TOTAL ALL TYPES | 75,140 | 21,016     | 9,644    | 10,619     | 52,437  | 9,934            | 716               | 9,844     | 189,350             |

Total Retirements Compared by Type



General vs. Safety Retirements for Fire and Sheriff





## Member Snapshot

### Average Monthly Benefit Allowance Distribution 05/30/2023

|                             | General | Safety | Total  | %     |
|-----------------------------|---------|--------|--------|-------|
| <b>\$0 to \$3,999</b>       | 29,879  | 1,333  | 31,212 | 49.6% |
| <b>\$4,000 to \$7,999</b>   | 14,673  | 3,434  | 18,107 | 28.8% |
| <b>\$8,000 to \$11,999</b>  | 4,344   | 4,282  | 8,626  | 13.7% |
| <b>\$12,000 to \$15,999</b> | 1,241   | 2,417  | 3,658  | 5.8%  |
| <b>\$16,000 to \$19,999</b> | 428     | 537    | 965    | 1.5%  |
| <b>\$20,000 to \$23,999</b> | 127     | 152    | 279    | 0.4%  |
| <b>\$24,000 to \$27,999</b> | 33      | 51     | 84     | 0.1%  |
| <b>&gt; \$28,000</b>        | 30      | 8      | 38     | 0.1%  |
| <b>Totals</b>               | 50,755  | 12,214 | 62,969 | 100%  |

### Average Monthly Benefit Amount:

\$ **4,873.00**

#### Healthcare Program

(Mo. Ending: 04/30/2023)

|              | Employer       | Member        |
|--------------|----------------|---------------|
| Medical      | \$497.3        | \$36.4        |
| Dental       | \$39.3         | \$3.7         |
| Part B       | \$77.2         | \$0.0         |
| <b>Total</b> | <b>\$613.8</b> | <b>\$40.1</b> |

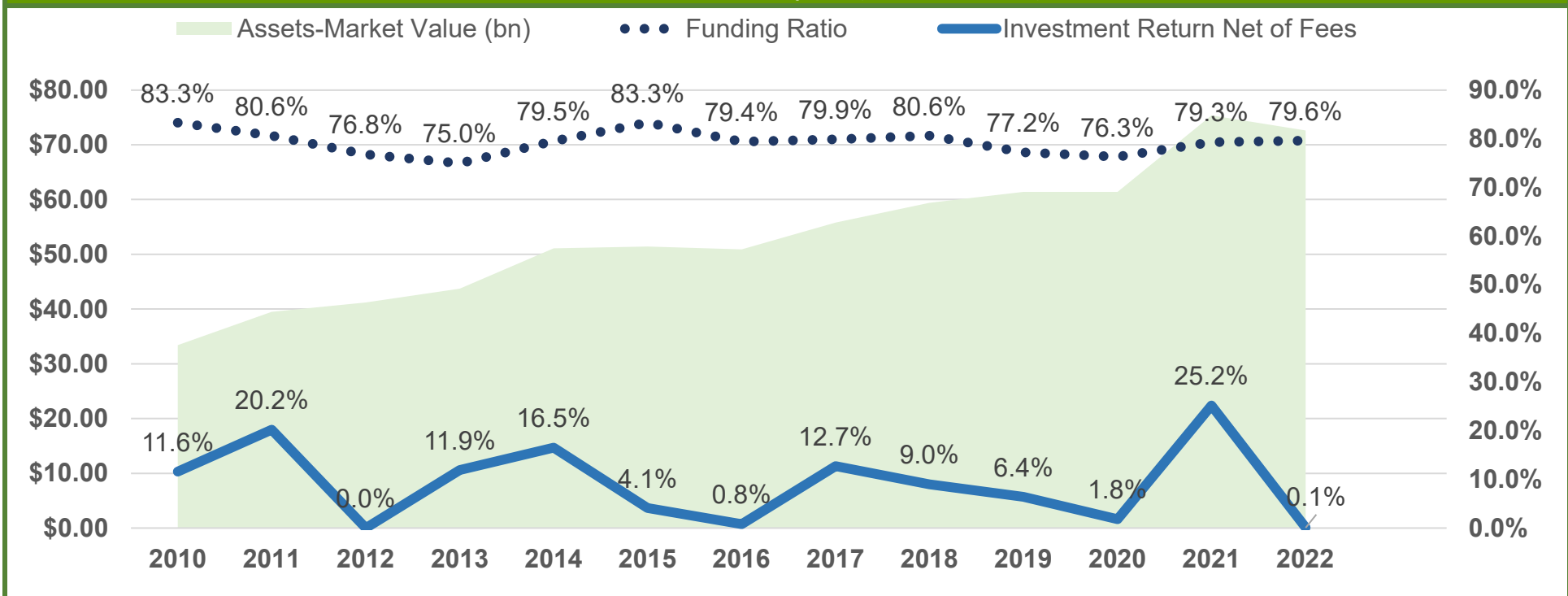
#### Health Care Enrollments

(Mo. Ending: 04/30/2023)

|              |                |
|--------------|----------------|
| Medical      | 54,530         |
| Dental       | 56,371         |
| Part B       | 37,659         |
| LTC          | 501            |
| <b>Total</b> | <b>149,061</b> |

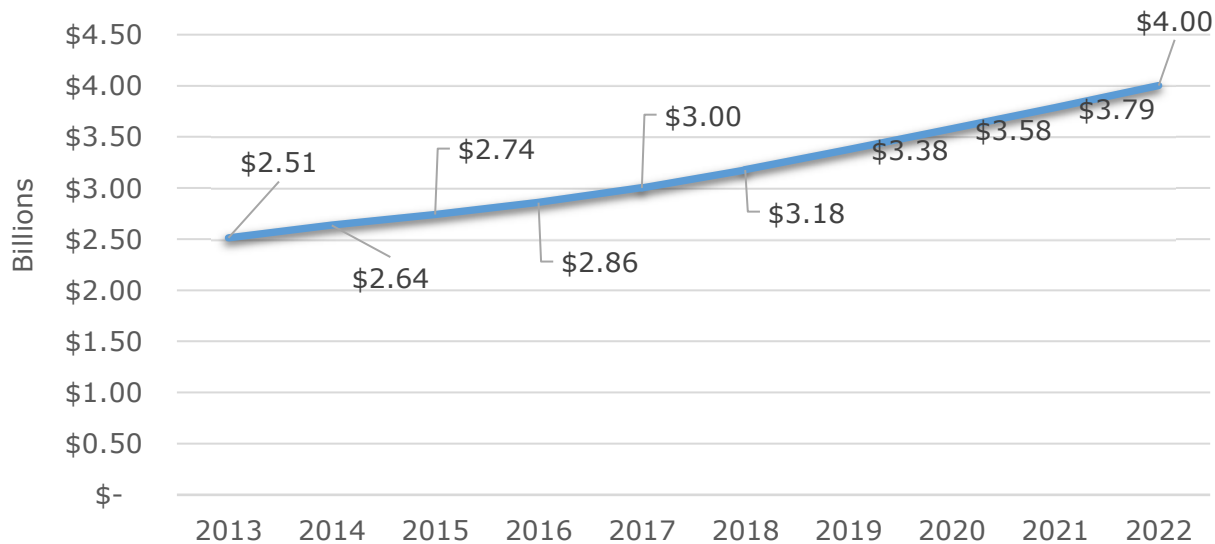
## KEY FINANCIAL METRICS

Fiscal Year End Financial Update (as of 06/30/2022)



## Key Financial Metrics

### Retiree Payroll by Year



### FUNDING METRICS (as of 6/30/22)

|              |         |
|--------------|---------|
| Employer NC  | 11.12%  |
| UAAL         | 14.72%  |
| Assumed Rate | 7.00%   |
| Star Reserve | \$614m  |
| Total Assets | \$70.3b |

### Contributions (as of 6/30/22)

|              | Employer | Member   |
|--------------|----------|----------|
| Annual Add   | \$2.2b   | \$758.6m |
| % of Payroll | 25.84%   | 8.21%    |

### Investment Returns (as of 6/30/22)

(Net of Fees)

|       |      |        |      |
|-------|------|--------|------|
| 5 YR: | 8.1% | 10 YR: | 8.6% |
|-------|------|--------|------|

### Retired Members Payroll

(As of 04/30/2023)

|                           |           |
|---------------------------|-----------|
| Monthly Payroll           | \$370.29m |
| Payroll YTD               | \$3.6b    |
| New Retired Payees Added  | 1,021     |
| Seamless %                | 99.41%    |
| New Seamless Payees Added | 3,879     |
| Seamless YTD              | 97.19%    |
| By Check %                | 2.00%     |
| By Direct Deposit %       | 98.00%    |



**QUIET PERIOD LIST**  
Last Update 05/26/2023

**ADMINISTRATIVE/OPERATIONS**

| <b>Solicitation Name</b>   | <b>Issuing Division</b> | <b>Public Release Date</b>         | <b>Solicitation Stage*</b> | <b>Bid Respondents*</b>  |
|--|-------------------------|------------------------------------|----------------------------|--|
| <b>RFP: Policy Management Solution</b>                                       | Executive Office        | 2/3/2023                           | Vendor Selection           | <ul style="list-style-type: none"><li>• Compass 365</li></ul>  |
| <b>RFP: Search for Classification &amp; Compensation Study Services (HR)</b> | Human Resources         | 5/24/2021                          | Bid Review                 | <ul style="list-style-type: none"><li>• Grant Thornton</li><li>• Koff and Associates</li><li>• Magnova Consultant</li><li>• Reward Strategy Group</li></ul>  |
| <b>RFI: Death Audit and Data Cleansing Services</b>                          | Benefits                | 4/14/2023                          | Soliciting Process         | <ul style="list-style-type: none"><li>•</li></ul>  |
| <b>RFP: External SOC Auditor</b>   | Internal Audit          | 3/08/2023                          | Vendor Selection           | <ul style="list-style-type: none"><li>• Eide Bailly LLP</li><li>• Plante Moran</li><li>• Moss Adams</li><li>• Clifton Larsen Allen LLP</li><li>• RSM US LLP</li><li>• Eisner Amper LLP</li><li>• Davis Farr LLP</li><li>• Lazarus Alliance Inc</li></ul> |
| <b>RFP: Prepaid Debit Card Services</b>                                      | Benefits                | 6/15/2022<br>ISD's Website 08/2022 | Contract Development       | <ul style="list-style-type: none"><li>• Conduent</li></ul>   |
| <b>RFP: Federal Legislative Advocacy Services</b>                            | Legal Division          | 11/09/2022                         | Vendor Selection           | <ul style="list-style-type: none"><li>• Williams &amp; Jensen / Doucet Consulting Solutions</li></ul>  |
| <b>RFP: State Legislative Advocacy Services</b>                              | Legal Division          | 11/09/2022                         | Contract Development       | <ul style="list-style-type: none"><li>• McHugh Koepke &amp; Associates</li></ul>   |

\*Subject to change



**QUIET PERIOD LIST**  
Last Update 05/26/2023

**INVESTMENTS**

| <b>Solicitation Name</b>  | <b>Public Release Date</b> | <b>Solicitation Stage*</b> | <b>Bid Respondents *</b>   |
|---|----------------------------|----------------------------|--|
| <b>RFP: Commercial Real Estate Brokers</b>  | 5/10/2023                  | Soliciting Process         | <ul style="list-style-type: none"><li>• Avison</li><li>• CBRE Group</li><li>• Cushman and Wakefield</li><li>• Eastdil</li><li>• Higgenbotham</li><li>• JLL</li><li>• Newmark</li></ul>   |
| <b>RFP: Real Assets Emerging Manager Program Discretionary Separate Account Manager</b>     | 1/30/2023                  | Vendor Selection           | <ul style="list-style-type: none"><li>• ACRES Capital</li><li>• Aether Investment Partners</li><li>• ORG Portfolio Management</li><li>• Barings</li><li>• Belay Investment Group</li><li>• Encore Enterprises, Inc.</li><li>• Stable</li><li>• Cambridge Associates</li><li>• GCM Grosvenor</li><li>• The Townsend Group</li><li>• Cypress Creek Partners</li><li>• Hamilton Lane Advisors</li><li>• Neuberger Berman Group</li><li>• Wafra Inc.</li><li>• Artemis Real Estate Partners</li><li>• Hawkeye Partners, LP</li><li>• BlackRock</li><li>• Astarte Capital Partners</li><li>• Bentall Green Oak</li><li>• Clear Sky Advisers</li><li>• Clear Investment Group</li><li>• Poverni Sheikh Group</li><li>• Trilogy</li><li>• Stepstone</li><li>• Oak Street</li><li>• White Deer</li></ul> |
| <b>RFP: OPEB Master Trust, Public Markets Passive Investment Management Services Search</b> | 2/24/2023                  | Soliciting Process         | <ul style="list-style-type: none"><li>• BlackRock Investments, llc</li><li>• NortherTrust Investments, Inc</li><li>• RhumbLine Advisers</li><li>• State Street Global</li><li>• Advisors</li></ul>   |

\*Subject to change

| Date                   | Conference  |
|------------------------|---|
| <b>June, 2023</b>      |   |
| 5-9                    | 2023 SuperReturn International<br>Berlin, Germany   |
| 13-15                  | AHIP (America's Health Insurance Plans) 2023<br>Portland, OR  |
| 19-21                  | ICGN (International Corporate Governance Network) 2023 Annual Conference<br>Toronto, Ontario, Canada  |
| 21                     | Montreal Alternative Investment Forum (AIMA)<br>Montreal, Canada  |
| 22                     | CALAPRS (California Association of Public Retirement Systems)<br>Round Table – Benefits<br>Virtual  |
| 27-28                  | 2023 PREA (Pension Real Estate Association) Institute<br>University of Southern California<br>Los Angeles, CA   |
| <b>July, 2023</b>      |   |
| 19-21                  | Pacific Pension Institute (PPI) Summer Roundtable<br>San Francisco, CA  |
| 24-26                  | National Association of Securities Professionals (NASP)<br>Annual Financial Services Conference<br>Philadelphia, PA   |
| <b>August, 2023</b>    |   |
| 20-22                  | NCPERS (National Conference on Public Employee Retirement Systems)<br>Public Pension Funding Forum<br>Chicago, IL   |
| 21-22                  | National Association of Corporate Directors (NACD)<br>Master Class ( <i>Digital Innovation &amp; Cyber</i> )<br>Laguna Beach, CA                              |
| 24-25                  | National Association of Corporate Directors (NACD)<br>Master Class ( <i>ESG</i> )<br>Laguna Beach, CA   |
| 28-31                  | CALAPRS (California Association of Public Retirement Systems)<br>Principles of Pension Governance for Trustees<br>Malibu, CA ( <i>Pepperdine University</i> ) |
| <b>September, 2023</b> |   |
| 11-13                  | Council of Institutional Investors (CII) Fall Conference<br>Long Beach, CA  |

| Date                  | Conference   |
|-----------------------|--|
| <b>October, 2023</b>  |  |
| 1-4                   | CRCEA (California Retired County Employees Association) Fall Conference<br>Stockton, CA  |
| 1-4                   | IFEBP (International Foundation of Employment Benefit Plans)<br>Annual Employee Benefits Conference<br>Boston, MA                                  |
| 8-11                  | National Association of Corporate Directors (NACD)<br>Summit 2023<br>Fort Washington, MD   |
| 16-20                 | Investment Strategies & Portfolio Management<br>Wharton School, University of Pennsylvania   |
| 18-20                 | PREA (Pension Real Estate Association)<br>Annual Institutional Investor Conference<br>Boston, MA   |
| 22-25                 | NCPERS (National Conference on Public Employee Retirement Systems)<br>FALL (Financial, Actuarial, Legislative & Legal) Conference<br>Las Vegas, NV |
| 22-24                 | Pacific Pension Institute (PPI) Executive Seminar-Japan at a Crossroads<br>Tokyo, Japan  |
| 25-27                 | Pacific Pension Institute (PPI) Asia Pacific Roundtable<br>Tokyo, Japan  |
| 27                    | CALAPRS (California Association of Public Retirement Systems)<br>Round Table – Trustees<br>Virtual   |
| <b>November, 2023</b> |  |
| 7-9                   | Institutional Limited Partners Association (ILPA) General Partner Summit<br>New York, NY   |
| 7-10                  | SACRS Fall Conference<br>Rancho Mirage, CA   |
| <b>December, 2023</b> |  |
| 1                     | CALAPRS (California Association of Public Retirement Systems)<br>Round Table – Benefits<br>Virtual   |



**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

May 10, 2023

TO: Trustees – Board of Retirement

FROM: Fern M. Billingsy   
Senior Staff Counsel

DATE: Board of Retirement Meeting of June 7, 2023

SUBJECT: **COMPENSATION EARNABLE AND PENSIONABLE COMPENSATION**

## **INTRODUCTION**

The Board of Retirement is charged with determining which items of compensation qualify as pensionable earnings includable in the member's retirement allowance. The County of Los Angeles and the Superior Court requested determination of several items of compensation. Based on our review, we have included recommendations regarding inclusion or exclusion within the definition of "final compensation" when calculating a member's benefit. Our analysis of the Superior Court items is attached as Exhibit A, and the analysis of the County of Los Angeles items is attached as Exhibit B.

## **COMPENSATION EARNABLE**

In January of 1998, the Board determined that, pursuant to the California Supreme Court's decision in Ventura County Deputy Sheriff's Association v. County of Ventura (1997) 16 Cal. 4<sup>th</sup> 483, certain items of remuneration must be included in the definition of "compensation earnable." The Board then adopted Resolution 98-001 identifying those items. Since that time, other Resolutions have been adopted when new items of compensation are determined to be included in or excluded from the definition of "compensation earnable." In making those determinations, the Board reviewed analysis of all items of compensation and adopted recommendations from the Legal Office regarding the definition of "compensation earnable."

Section 31461 defines "compensation earnable." It states:

- (a) "Compensation earnable" by a member means the average compensation as determined by the board, for the period under consideration upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. The computation for any absence shall be based on the compensation of the position held by the member at the beginning of the absence. Compensation, as defined in Section 31460, that has been deferred shall be deemed "compensation earnable" when earned, rather than when paid.
- (b) "Compensation earnable" does not include, in any case, the following:
  - (1) Any compensation determined by the board to have been paid to enhance a member's retirement benefit under that system. That compensation may include:
    - (A) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member, and which was converted to and received by the member in the form of a cash payment in the final average salary period.
    - (B) Any one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class.
    - (C) Any payment that is made solely due to the termination of the member's employment, but is received by the member while employed, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period regardless of when reported or paid.
  - (2) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, in an amount that exceeds that which may be earned

and payable in each 12-month period during the final average salary period, regardless of when reported or paid.

- (3) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
  - (4) Payments made at the termination of employment, except those payments that do not exceed what is earned and payable in each 12-month period during the final average salary period, regardless of when reported or paid.
- (c) The terms of subdivision (b) are intended to be consistent with and not in conflict with the holdings in *Salus v. San Diego County Employees Retirement Association* (2004) 117 Cal.App.4th 734 and *In re Retirement Cases* (2003) 110 Cal.App.4th 426.

## **PENSIONABLE COMPENSATION**

With the enactment of the California Public Employees' Pension Act of 2013 (PEPRA), new members are subject to the definition of "pensionable compensation" in Section 7522.34(a), which states:

"Pensionable compensation" of a new member of any public retirement system means the normal monthly rate of pay or base pay of a member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules. (Emphasis added).

This section provides that any compensation outside of base pay may not be included in final compensation when calculating a member's retirement allowance. However, "base pay" is not defined in the statute. The section goes on to specifically delineate which items of compensation should be excluded.

Subdivision (c) states:

"Pensionable compensation" does not include the following:

- (1) Any compensation determined by the board to have been paid to increase a member's retirement benefit under that system.
- (2) Compensation that had previously been provided in kind to the member by the employer or paid directly by the employer to a third party other than the retirement system for the benefit of the member and which was converted to and received by the member in the form of a cash payment.
- (3) Any one-time or ad hoc payments made to a member.
- (4) Severance or any other payment that is granted or awarded to a member in connection with or in anticipation of a separation from employment, but is received by the member while employed.
- (5) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid.
- (6) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise.
- (7) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms.
- (8) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code.
- (9) Employer contributions to deferred compensation or defined contribution.
- (10) Any bonus paid in addition to the compensation described in subdivision (a).
- (11) Any other form of compensation a public retirement board determines is inconsistent with the requirements of subdivision (a).
- (12) Any other form of compensation a public retirement board determines should not be pensionable compensation.

## ITEMS OF COMPENSATION

### 1. Judicial Assistant Bonus– Item No. TBD (New)

An additional allowance is payable to Judicial Assistant/Court Clerks based on date of employment. Eligible employees will receive \$8,000 if employed as of March 16, 2021 through April 8, 2023, \$5,000 if employed as of March 17, 2021, through March 16, 2022, and \$2,000 if employed as of March 17, 2022 through April 8, 2023.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

### 2. Paralegal Bonus – Item No. TBD (New)

An additional allowance is payable to Paralegals based on date of employment. Eligible employees will receive \$8,000 if employed as of March 16, 2021 through April 8, 2023, \$5,000 if employed as of March 17, 2021, through March 16, 2022, and \$2,000 if employed as of March 17, 2022 through April 8, 2023.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

3. COVID-19 Appreciation – Item No. 547 (Revised)

This item is being revised to extend eligibility to additional bargaining units. Employees will receive a \$2000 one-time payment if on the Court's payroll as of the date indicated for the respective Memorandum of Understanding. Nothing in the nature of the item has changed.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

4. Signing Bonus – Item No. TBD (Revised)

This item is being revised to extend eligibility to employees of the Professional Employees Unit. Nothing has changed in the nature of the item. Eligible employees will receive \$1,500 if employed by the Court as of March 27, 2023, and remain employed through payment.

The Board of Retirement has already determined that this payment should be included for legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay. It should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

5. Retention Bonus – Item No. TBD (Revised)

This item is being revised to extend eligibility to employees of the Professional Employees Unit. Eligible employees will receive \$2,500 if employed by the Court as of January 1, 2024, and another payment if still employed on September 1, 2024.

This payment should be included for legacy members as it is paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay. It should be excluded for PEPRA members as it is an ad hoc payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

6. Pediatric Forensic NP – Item No. 301 (New)

This additional compensation is given to nurse practitioners who are permanently assigned to the County Medical Hub Clinic and provide pediatric forensic care.

This payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

7. MOU Lump Sum – Item No. 572

To facilitate the payment of one-time bonuses as a result of recent negotiations, the County is using a current pay item, number 572, for the following 4 bonuses:

(A) The lump sum for Career Development and Training Incentive is a one-time payment to employees in Bargaining Unit 729 to support career development and training. This incentive pay is based on years of service in the payroll title.



This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

(B) The lump sum for Education is a one-time payment to employees in Bargaining Unit 725 who possess a higher education degree. This pay is paid after submission of transcripts from an accredited institution.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

(C) The \$250 lump sum for CSW Mentor Bonus is a one-time payment to employees in Bargaining Unit 723 who are assigned as mentors.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

(D) The lump sum for Operating Room is a \$2,000 one-time payment to employees in Bargaining Units 311 and 312 who are currently assigned and have eighteen months experience in the operating room. The bonus will expire on March 31, 2025.

This ad hoc payment should be included for legacy members as it is paid to all similarly situated members. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

8. Environmental Emergency Response Team - Item 526 (New)

Additional compensation is provided to employees of Bargaining Unit 331 who are selected to serve on the Emergency Response Team.

This pay item should be excluded for legacy members as it is not paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay. Additionally, this may be used to enhance a retirement benefit. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Exclude under 31461  
Exclude under 7522.34

9. EMS Class A License – Item No. 530 (New)

Additional compensation is provided to ambulance drivers who use their Class A license. A Class A license is not a requirement of the job classification.

This pay item should be excluded for legacy members as it is not paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay. It should be excluded for PEPRA members as it is a payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Exclude under 31461  
Exclude under 7522.34

10. National Board Certification – Item No. TBD (New)

Nursing classifications in specific units who obtain National Board Certification, as approved by management, receive a \$1,000 bonus. This provision terminates on March 31, 2025.

This pay item should be excluded for legacy members as it is not paid to all similarly situated members based on the average number of days worked by persons in the same grade or class of positions and at the same rate of pay. Additionally, this may be used to enhance a retirement benefit. It should be excluded for PEPRA members as it is payment inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Exclude under 31461  
Exclude under 7522.34

11. Emergency Room Premium Pay – Item No. 645 (Revised)

The pay item is being revised to extend eligibility to employees in Bargaining Units 721 and 724. Nothing else in the nature of the pay item has changed. A determination has already been made by the Board of Retirement to include for legacy member as it is paid to all similarly situated members in the same grade or class, and exclude for PEPRA members as inconsistent with base pay and not found on publicly available pay schedules.

**Recommendation:** Include under 31461  
Exclude under 7522.34

**CONCLUSION**

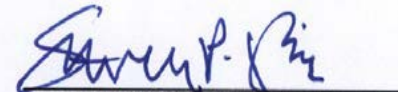
Consistent with the foregoing, the attached Resolutions of the Board of Retirement specifying pay items as "Compensation Earnable" under Government Code section 31461 and "Pensionable Compensation" under Government Code section 7522.34 are submitted for approval by the Board.

Trustees – Board of Retirement  
May 10, 2023  
Re: Comp Earn Pen Comp  
Page 11

**IT IS THEREFORE RECOMMENDED THAT THE BOARD:**

1. Adopt the attached Resolutions, No. 2023-BR005, and No. 2023-BR006, specifying pay items as included and excluded from the definitions of "compensation earnable" and "pensionable compensation."
2. Instruct staff to coordinate with the Auditor-Controller to establish necessary reporting mechanism and procedures to permit LACERA to include or exclude these items when calculating final compensation.

Reviewed and Approved

A handwritten signature in blue ink, appearing to read "Steven P. Rice", is written over a horizontal line.

Steven P. Rice  
Chief Counsel

FMB/et  
Attachments

Billingy/BOR/Comp Earn Pen

# Exhibit A

Attachment: Newly Created or Newly Revised Pay Codes  
reviewed under Section 31461 and 7522.34

| Event   | Description              | Earnings Code Description  | 31461<br>Reference | 7522.34<br>Reference         | Analysis   |
|---|--------------------------|--|--------------------|------------------------------|--|
| Newly Created and INCLUDED under Section 31461 and EXCLUDED under 7522.34 |                          |  |                    |                              |  |
| TBD   | JUDICIAL ASSISTANT BONUS | <p>Members of the Judicial Assistant/Court Clerk Unit (BU 863) are eligible for one of the following payments based on their date of employment as a Judicial Assistant.</p> <ul style="list-style-type: none"><li>• \$8,000 one-time payment for bargaining unit members employed as a Judicial Assistant <b>on or before March 16, 2021</b>, who were on the Court's payroll as of April 8, 2023, and are still employed during the effective pay period.</li><li>• \$5,000 one-time payment for bargaining unit members employed as a Judicial Assistant <b>between March 17, 2021 and March 16, 2022</b>, who were on the Court's payroll as of April 8, 2023, and are still employed during the effective pay period.</li><li>• \$2,000 one-time payment for bargaining unit members employed as a Judicial Assistant <b>on or after March 17, 2022</b>, who were on the Court's payroll as of April 8, 2023, and are still employed during the effective pay period.</li></ul> | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in the member's grade or class, provided they meet the eligibility date(s) for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p> |
| TBD   | PARALEGAL BONUS          | <p>Members of the Paralegal Unit (BU 865) are eligible for one of the following payments based on their date of employment as a Paralegal.</p> <ul style="list-style-type: none"><li>• \$8,000 one-time payment for bargaining unit members employed as a Paralegal <b>on or before March 16, 2021</b>, who were on the Court's payroll as of April 8, 2023, and are still employed by the Court during the effective pay period.</li><li>• \$5,000 one-time payment for bargaining unit members employed as a Paralegal <b>between March 17, 2021 and March 16, 2022</b>, who were on the Court's payroll as of April 8, 2023, and are still employed by the Court during the effective pay period.</li><li>• \$2,000 one-time payment for bargaining unit members employed as a Paralegal <b>on or after March 17, 2022</b>, who were on the Court's payroll as of April 8, 2023, and are still employed by the Court during the effective pay period.</li></ul>                   | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in the member's grade or class, provided they meet the eligibility date(s) for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p> |

Attachment: Newly Created or Newly Revised Pay Codes  
reviewed under Section 31461 and 7522.34

| Event   | Description           | Earnings Code Description  | 31461<br>Reference | 7522.34<br>Reference         | Analysis  |
|---|-----------------------|--|--------------------|------------------------------|---|
| Newly Revised and INCLUDED under Section 31461 and EXCLUDED under 7522.34 |                       |  |                    |                              |   |
| 547   | COVID-19 APPRECIATION | <p>This pay provision is being revised to extend eligibility to additional bargaining unit (BU) members in accordance with the terms of their respective MOUs.</p> <p>\$2,000 one-time payment for members on the Court's payroll as of the date indicated below for the respective BU, and who are still employed by the Court during the effective pay period:</p> <p><b>March 5, 2023</b></p> <ul style="list-style-type: none"><li>Administrative Support Unit (BU 866)</li><li>Supervisory Unit (BU 869)</li></ul> <p><b>March 27, 2023</b></p> <ul style="list-style-type: none"><li>Professional Employees Unit (BU 862)</li></ul> <p><b>March 28, 2023</b></p> <ul style="list-style-type: none"><li>Interpreters Unit (BU 868)</li></ul> <p><b>April 8, 2023</b></p> <ul style="list-style-type: none"><li>Judicial Assistant/Court Clerk Unit (BU 863)</li><li>Paralegal Unit (BU 865)</li></ul> | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is considered a one-time or ad hoc payment made to a member. It is payable to all similarly situated members in the member's grade or class who meet the eligibility dates stipulated by their MOU. The recommendation is to INCLUDE this one-time payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This one-time payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p> |
| TBD   | SIGNING BONUS         | <p>This pay event is being revised to extend eligibility to members of the Professional Employees Unit (BU 862) in accordance with the terms of their MOU.</p> <p>A one-time payment of \$1,500 is payable to members of BU 862. Employees must be on the Court's payroll as of March 27, 2023, and remain employed by the Court during the effective pay period to receive the payment.</p>   | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This bonus is a one-time or ad hoc payment made to a member and is payable to all similarly situated members in the member's grade or class. The recommendation is to INCLUDE this one-time payment in compensation earnable for LEGACY members.</p> <p>This one-time bonus constitutes a one-time or ad hoc payment under 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). This one-time payment does not appear on a Public Pay Schedule. The recommendation is to EXCLUDE this one-time payment from pensionable compensation for PEPRA members.</p>   |
| TBD   | RETENTION BONUS       | <p>This pay event is being revised to extend eligibility to members of the Professional Employees Unit (BU 862) in accordance with the terms of their MOU.</p> <p>A one-time payment of \$2,500 is available to full-time bargaining unit members on the Court's payroll as of January 1, 2024, and who are still employed by the Court and a member of the bargaining unit during the effective pay period.</p> <p>A one-time payment of \$2,500 is available to full-time bargaining unit members on the Court's payroll as of September 1, 2024, and who are still employed by the Court and a member of the bargaining unit during the effective pay period.</p>   | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in the member's grade or class, provided they meet the eligibility date(s) for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRA members.</p>            |

# Exhibit B



| Attachment: Newly Created or Newly Revised Pay Codes<br>reviewed under Section 31461 and 7522.34 |  |   |                    |                              |  |
|--|--|---|--------------------|------------------------------|--|
| Event  | Description  | Earnings Code Description   | 31461<br>Reference | 7522.34<br>Reference         | Analysis   |
| Newly Created and INCLUDED under Section 31461 and EXCLUDED under 7522.34                        |  |   |                    |                              |  |
| 301  | PEDIATRIC FORENSIC NP<br>PRIVILEGED BONUS                            | <p>Nurse Practitioners in Bargaining Unit 311 (Registered Nurses) who provide care in Forensic Pediatrics shall receive a 5.5% monthly bonus.</p> <p>Eligibility Criteria:</p> <ul style="list-style-type: none"><li>Nurse Practitioners assigned to DHS with a permanent assignment working in a LA County Medical Hub Clinic.</li></ul> <p>This bonus shall not constitute a base rate bonus.</p>   | (a)                | (c)(10)<br>(c)(11)           | <p>This bonus is available to all similarly situated members in the same grade or class, provided they meet the assignment criteria. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This bonus is paid in addition to the normal rate of base pay and is excluded as pensionable compensation under Section 7522.34 (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p>   |
| 572  | MOU LUMP SUM BONUS<br>(Career Development and<br>Training Incentive) | <p>Employees in Bargaining Unit 729 (Health Financial Support Services) will receive a one-time payment based on their time in their payroll title as set forth below. This payment is intended to support career development and training.</p> <p>Eligibility Criteria and Rates:</p> <ul style="list-style-type: none"><li>4 years to 8 years as of April 1, 2022 = \$250</li><li>9 years to 13 years as of April 1, 2022 = \$300</li><li>14 years or more as of April 1, 2022 = \$350</li></ul> <p>This one-time payment will not be given on an ongoing or annual basis. This provision will automatically sunset at the end of the 2022-2025 MOU term.</p>   | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in the member’s grade or class, provided they meet the eligibility criteria for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p> |
| 572  | MOU LUMP SUM BONUS<br>(Education Payment)                            | <p>Members of Bargaining Unit 725 (Supervising Child Support Specialists) who possess a higher education degree shall receive a one-time payment based on the following eligibility criteria:</p> <ul style="list-style-type: none"><li>\$1,000 for a Bachelor's degree from an accredited college.</li><li>\$1,500 for a Master's degree from an accredited graduate program.</li></ul> <p>Note: A member is eligible for only one payment. A member cannot receive two payments for having two Bachelor’s or two Master’s degrees. A member with both a Bachelor’s and Master’s degree shall receive \$1,500 only.</p> <p>In order to receive the education payment, members must submit official transcripts from their accredited institutions to the Department.</p> | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in the member’s grade or class, provided they meet the eligibility criteria for receiving such payment. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p> |
| 572  | MOU LUMP SUM BONUS<br>(CSW Mentor Bonus)                             | <p>Members of Bargaining Unit 723 (Children's Social Workers) who are assigned as Mentors shall receive a one-time payment of \$250. The Mentoring Program partners newly hired Children’s Social Workers (CSWs) with experienced CSWs to create a welcoming and supportive working environment. The Mentor/Mentee relationship is designed to offer the Mentee with hands-on guidance and opportunities for learning.</p>  | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to a member. It is available to all similarly situated members in BU 723 who are assigned as Mentors. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p>  |

| Attachment: Newly Created or Newly Revised Pay Codes<br>reviewed under Section 31461 and 7522.34 |   |  |                    |                              |  |
|--|---|--|--------------------|------------------------------|--|
| Event  | Description                                       | Earnings Code Description  | 31461<br>Reference | 7522.34<br>Reference         | Analysis   |
| Newly Created and INCLUDED under Section 31461 and EXCLUDED under 7522.34                        |   |  |                    |                              |  |
| 572  | MOU Lump Sum Bonus<br>(Operating Room/PACU Bonus) | <p>One-time bonus of \$2,000 for full-time permanent non-probationary employees in the following Nursing Classifications covered by BUs 311 (Registered Nurses) and 312 (Supervising Registered Nurses):</p> <ul style="list-style-type: none"><li>• Registered Nurse I (5133)</li><li>• Registered Nurse II (5134)</li><li>• Registered Nurse III (5135)</li><li>• Supervising Staff Nurse I (5338)</li><li>• Supervising Staff Nurse II (5339)</li><li>• Supervising Surgery Nurse I (5365)</li><li>• Supervising Surgery Nurse II (5366)</li><li>• Supervising Clinic Nurse I (5329)</li><li>• Supervising Clinic Nurse II (5330)</li><li>• Senior Nursing Instructor (5216)</li><li>• Nursing Instructor (5214)</li><li>• Nurse Anesthetist II (5172)</li><li>• Nurse Anesthetist-Instructor (5175)</li></ul> <p>Eligibility Criteria:</p> <ul style="list-style-type: none"><li>• Eighteen (18) months of experience in the DHS operating room or PACU; and</li><li>• Currently assigned to the DHS operating room or PACU</li></ul> <p>This bonus and section provision will sunset and expire on March 31, 2025.</p>  | (a)                | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment is a one-time or ad hoc payment made to similarly situated members in the member’s grade or class who meet the experience and assignment criteria. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p>  |
| Newly Created and EXCLUDED under Section 31461 and 7522.34                                       |   |  |                    |                              |  |
| 526  | ENVIRONMENTAL<br>EMERGENCY RESPONSE<br>TEAM       | <p>Permanent, full-time employees in Bargaining Unit 331 (Health Investigative and Support Services) working under the following eligible items and selected to serve on the Environmental Emergency Response Team (EERT) shall receive an assignment bonus for all hours worked.</p> <p>Eligible Items:</p> <ul style="list-style-type: none"><li>• Environmental Health Specialist II (Item No. 5671)</li><li>• Environmental Health Specialist III (Item No. 5672)</li><li>• Environmental Health Specialist IV (Item No. 5673)</li><li>• Industrial Hygienist (Item No. 4382)</li></ul> <p>Eligibility Criteria:</p> <ul style="list-style-type: none"><li>• Achieve a Competent or better on the previous two Performance Evaluations.</li><li>• Maintain a certificate as a Registered Environmental Health Specialist.</li></ul> <p>Note: Employees shall not be assigned to an EERT assignment until they have successfully completed the required EERT training as defined by management.</p> <p>The additional compensation is \$1.00 per hour for all hours worked.<br/>Note: The maximum allowable bonus for an EERT member who is also assigned to standby shall be \$3.00 per hour for each hour worked.</p> <p>This additional compensation shall not constitute a base rate bonus.</p> | (b)(1)(B)          | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This compensation is paid only to those Industrial Hygienists and Environmental Health Specialists II, III, and IV who serve on an EERT assignment. EERT members are selected based on performance. This payment is considered ad hoc and is not available to all similarly situated members in the same grade or class under Section 31461 (b)(1)(B). The recommendation is to EXCLUDE this payment from compensation earnable for LEGACY members.</p> <p>This compensation is considered ad hoc under Section 7522.34 (c)(3) and is a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPRAs members.</p> |

| Attachment: Newly Created or Newly Revised Pay Codes<br>reviewed under Section 31461 and 7522.34 |                                    |   |                    |                              |   |
|--|------------------------------------|---|--------------------|------------------------------|---|
| Event  | Description                        | Earnings Code Description   | 31461<br>Reference | 7522.34<br>Reference         | Analysis  |
| Newly Created and EXCLUDED under Section 31461 and 7522.34                                       |                                    |   |                    |                              |   |
| 530  | EMS CLASS A LICENSE                | Ambulance Drivers (Item No. 5065) required to use their Class A driver license for any Los Angeles County event will receive a per occasion bonus of \$45.00.   | (b)(1)(B)          | (c)(3)<br>(c)(10)<br>(c)(11) | <p>This payment constitutes a one-time or ad hoc payment made to a member. According to the class specifications for Ambulance Driver (Item 5065), a Class A driver license is not a requirement for the job class. This payment is available to Ambulance Drivers in this class who possess a Class A driver license and perform the additional duties which require the use of their Class A license. Thus, this payment is not available to all similarly situated members in the same grade or class under subdivision (b)(1)(B). The recommendation is to EXCLUDE this payment from compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment made to a member under Section 7522.34 (c)(3) and a bonus paid in addition to the normal rate of base pay under (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPPRA members.</p> |
| TBD  | NATIONAL BOARD CERTIFICATION BONUS | <p>Nursing classifications assigned to DHS and DMH as of January 1, 2019, and Nurse Practitioners assigned to DPH as of January 1, 2019, are eligible for a one-time bonus in the amount of \$1,000.00 after successfully obtaining one National Board Certification that is approved by management.</p> <p>Eligibility Criteria:</p> <ul style="list-style-type: none"><li>• The certification must be related to the assigned areas as reviewed and approved by management.</li><li>• Employees must provide management with a copy of the certification obtained.</li></ul> <p>Only one management approved National Board Certification obtained qualifies for this bonus.</p> <p>The provision shall sunset and terminate on March 31, 2025.</p> | (b)(1)(B)          | (c)(3)<br>(c)(10)<br>(c)(11) | <p>Payment eligibility for this bonus requires management approval of the National Board Certification being obtained. This payment constitutes a one-time or ad hoc payment made to a member, but not to all similarly situated members in the member's grade or class under Section 31461 (b)(1)(B). The recommendation is to EXCLUDE this payment from compensation earnable for LEGACY members.</p> <p>This payment constitutes a one-time or ad hoc payment made to a member under Section 7522.34 (c)(3). It is a bonus paid in addition to the normal rate of base pay under Section 7522.34 (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPPRA members.</p>   |
| Newly Revised and INCLUDED under Section 31461 and EXCLUDED under 7522.34                        |                                    |   |                    |                              |   |
| 645  | EMERGENCY ROOM PREMIUM PAY         | <p>This bonus is being revised to extend eligibility to the following members of Bargaining Units 721 (Psychiatric Social Workers) and 724 (Supervisory Professional Social Workers).</p> <p><b>BU 721:</b></p> <ul style="list-style-type: none"><li>• Psychiatric Social Worker I (Item No. 9034) and Psychiatric Social Worker II (Item No. 9035) who are permanently assigned to work in a recognized Emergency Room.</li></ul> <p><b>BU 724:</b></p> <ul style="list-style-type: none"><li>• Members in BU 724 assigned to supervise clinical staff that are permanently assigned to work in a recognized Emergency Room.</li></ul> <p>The pay rate is \$100.00 per pay period (or \$200.00 per month).</p>                                      | (a)                | (c)(10)<br>(c)(11)           | <p>This compensation is available to all similarly situated members in the same grade or class, provided they meet the assignment criteria. The recommendation is to INCLUDE this payment in compensation earnable for LEGACY members.</p> <p>This compensation constitutes a bonus paid in addition to the normal rate of base pay under Section 7522.34 (c)(10). This payment does not appear on a Public Pay Schedule. It is a form of compensation that is inconsistent with the requirements of subdivision (a) under (c)(11). The recommendation is to EXCLUDE this payment from pensionable compensation for PEPPRA members.</p>   |

**BEFORE THE BOARD OF RETIREMENT  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

RESOLUTION OF THE BOARD OF  
RETIREMENT SPECIFYING ITEMS  
OF REMUNERATION AS  
“COMPENSATION EARNABLE”

RESOLUTION NO. 2023-BR005

WHEREAS, LACERA calculates retirement allowances based on a member’s “final compensation;”

WHEREAS, LACERA is required to include in the calculation of “final compensation” a member’s base pay, and certain other items of remuneration, if such remuneration qualifies as “compensation” under Government Code section 31460 and “compensation earnable” under Government Code section 31461;

WHEREAS, on March 4, 1998, the Board of Retirement adopted Resolution No. 98-004 specifying certain items of remuneration payable to employees of the County of Los Angeles which the Board determined qualify as “compensation” under Government Code section 31460 and “compensation earnable” under section 31461.

WHEREAS, on August 4, 1999, the Board of Retirement adopted Resolution No. 99-001 specifying an additional item of remuneration qualifies as “compensation” and “compensation earnable” under Government Code sections 31460 and 31461, respectively.

WHEREAS, the Court’s ruling in *Ventura County Deputy Sheriff’s Association v. County of Ventura* (1997) 16 Cal. 4<sup>th</sup> 483 became final on October 1, 1997, and requires LACERA to include in the calculation of retirement allowances various forms of remuneration not formerly included.

WHEREAS, on July 30, 2020, the California Supreme Court filed its decision entitled *Alameda County Deputy Sheriff’s Association v. Alameda County Employees Retirement*

*Association* (2020) 9 Cal.5th 1032 (“*Alameda*”). The *Alameda* decision concludes that all amendments to the definition of compensation earnable in Government Code section 31461, enacted as a result of the PEPRA and related statutory changes to CERL, effective January 1, 2013 are constitutional. The *Alameda* court also determined that CERL retirement boards have no discretion to include items in compensation earnable that section 31461 requires them to exclude.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. The items of remuneration set forth in Attachment 1 qualify as “compensation earnable” as defined in Government Code section 31461, for purposes of calculating a member’s retirement allowance.
2. The items of remuneration set forth in Attachment 2 do not qualify as “compensation earnable” as defined in Government Code section 31461, for purposes of calculating a member’s retirement allowance.

BOARD OF RETIREMENT,  
LOS ANGELES COUNTY EMPLOYEES  
RETIREMENT ASSOCIATION

---

Shawn R. Kehoe  
Chair, Board of Retirement

Approved as to Form:

ATTEST:

---

Steven P. Rice  
Chief Counsel

---

Alan J. Bernstein  
Vice Chair, Board of Retirement

ITEMS OF COUNTY REMUNERATION WHICH QUALIFY AS “COMPENSATION,” AS DEFINED BY GOVERNMENT CODE SECTION 31460, AND/OR “COMPENSATION EARNABLE,” AS DEFINED BY GOVERNMENT CODE SECTION 31461.

| <b><u>EARNINGS</u></b><br><b><u>NO.</u></b> | <b><u>CODE ITEMS</u></b>  |
|---|---|
| 099   | PATROL STATION RETENTION BONUS  |
| 232   | AGRICULTURAL WEIGHTS & MEASURE (AWM) INSPECTOR<br>ASSIGNMENT BONUS          |
| 249   | AGRICULTURE INSPECTORS AID ROVER BONUS                                      |
| 252   | 6TH AND 7TH STEP FINANCIAL SPECIALIST                                       |
| 253   | HEALTHCARE FACILITY BONUS   |
| 254   | FORENSIC ATTENDANT FIELD TRAINING BONUS                                     |
| 255   | BEACHES & HARBORS ASSIGNMENT BONUS  |
| 259   | TRAILS UNIT ASSIGNMENT BONUS  |
| 262   | UNDERWATER RECOVERY – BEACHES AND HARBORS                                   |
| 262Y3                                       | UNDERWATER RECOVERY – BEACHES AND HARBORS                                   |
| 262Y4                                       | UNDERWATER RECOVERY – BEACHES AND HARBORS                                   |
| 301   | PEDIATRIC FORENSIC NP   |
| 334   | CUSTODY ASSISTANT DRILL INSTRUCTOR/CUSTODY TRAINING<br>AND STANDARDS BUREAU |
| 335   | CUSTODY ASSISTANT TRAINING OFFICER BONUS                                    |
| 336   | PUBLIC RESPONSE DISPATCHER BONUS  |
| 341   | IN-FLIGHT BONUS   |
| 342   | HAZARDOUS MATERIALS CALARP  |

|       |   |
|-------|---|
| 343   | HAZARDOUS MATERIALS APSA                                  |
| 344   | FIRE PREVENTION ENGINEERING ASSISTANT                     |
| 346   | HAZARDOUS MATERIALS II EMERGENCY OPERATIONS<br>ASSIGNMENT |
| 347   | WELLNESS/FITNESS FOR LIFE BONUS – 1%                      |
| 348   | WELLNESS/FITNESS FOR LIFE BONUS – 2%                      |
| 349   | WELLNESS/FITNESS FOR LIFE BONUS                           |
| 350   | “PILOT PAY” – FIRE DEPARTMENT                             |
| 355   | FIREFIGHTER – PARAMEDIC                                   |
| 355Y2 | FIREFIGHTER – PARAMEDIC                                   |
| 355Y3 | FIREFIGHTER – PARAMEDIC                                   |
| 358   | TEMPORARY PROMOTION BONUS                                 |
| 359   | LIFEGUARD PARAMEDIC CATALINA BONUS                        |
| 359Y2 | LIFEGUARD PARAMEDIC CATALINA BONUS                        |
| 362   | PARAMEDIC COORDINATOR/EMS CAPTAIN                         |
| 363   | PEER SUPPORT BONUS  |
| 364   | DECKHAND/BOAT OPERATOR/RESCUE WATERCRAFT BONUS            |
| 365   | BACHELOR’S DEGREE BONUS                                   |
| 366   | ADVANCED EDUCATIONAL DEGREE BONUS                         |
| 369   | ADVANCED EDUCATION DEGREE BONUS                           |
| 381   | DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS            |
| 384   | HIGH DESERT HEALTH ASSIGNMENT BONUS                       |

|     |   |
|-----|---|
| 388 | SHERIFF DETENTION FACILITY ASSIGNMENT BONUS                                 |
| 389 | MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION –<br>MORE THAN ONE SPECIALTY |
| 391 | COUNTY LIBRARY DIFFICULT TO RECRUIT ASSIGNMENT<br>BONUS                     |
| 393 | OBSTETRICS/LABOR & DELIVERY ASSIGNMENT                                      |
| 394 | MEDICAL HUB CLINIC ASSIGNMENT   |
| 415 | SHERIFF DEPARTMENT ASSIGNMENT TO AERO BUREAU<br>IONICS SHOP                 |
| 416 | SHERIFF DEPARTMENT WATER SYSTEMS BONUS – CHIEF<br>OPERATOR                  |
| 417 | SHERIFF DEPARTMENT WATER SYSTEMS BONUS – SHIFT<br>OPERATOR                  |
| 418 | ISD BONUS ASSIGNMENT – ENERGY MANAGEMENT SYSTEM<br>SECTION (BEAS)           |
| 424 | ABDMI REGISTRY CERTIFICATION BONUS  |
| 425 | ABDMI BOARD CERTIFICATION BONUS   |
| 426 | ASSESSOR REPRESENTATIVE   |
| 427 | AUDITOR APPRAISER   |
| 428 | APPRAISER FIELD TRAINER   |
| 439 | CUSTODY TRAINING OFFICER  |
| 445 | SPECIAL ENFORCEMENT DETAIL/CANINE SERVICES DETAIL<br>(TACTICAL DUTY)        |
| 452 | SUPERVISORY BONUS   |



|     |  |
|-----|--|
| 457 | PATROL STATION RETENTION BONUS               |
| 463 | DRINKING WATER TREATMENT AND DISTRIBUTION    |
| 484 | GEOTECHNICAL LICENSE BONUS                   |
| 486 | PLANS EXAMINER CERTIFICATION                 |
| 487 | REGISTRATION – LICENSE BONUS                 |
| 488 | BUILDING ENGINEERING INSPECTOR BONUS         |
| 497 | INSTITUTIONS BONUS                           |
| 503 | UNIFORM ALLOWANCE                            |
| 504 | NIGHT SHIFT DIFFERENTIAL                     |
| 505 | CORONER'S INQUEST REPORTER                   |
| 506 | VEHICLE USE ALLOWANCE                        |
| 507 | CO-GENERATION MAINTENANCE                    |
| 508 | HENNINGER FLATS WATCHMAN                     |
| 509 | FREEZER WORK                                 |
| 510 | DEPARTMENT HEAD MERIT                        |
| 511 | BOARD OF SUPERVISORS PERFORMANCE LUMP SUM    |
| 512 | FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER |
| 514 | BACKHOE OPERATOR                             |
| 515 | WEEKEND BONUS                                |
| 516 | EXPLOSIVES WORK                              |
| 517 | EVENING SHIFT DIFFERENTIAL                   |

|     |   |
|-----|---|
| 518 | POWER EQUIPMENT REPAIR, SNOW CONDITIONS   |
| 519 | ENGINEERING EMPLOYEES, HAZARD PAY   |
| 520 | HOME CARE COMPENSATION  |
| 522 | CUSTODIAN ACTING AS WATCHMAN  |
| 523 | HYDROELECTRIC OPERATIONS  |
| 525 | CONTRACTING AND PRODUCTIVITY IMPROVEMENT INCENTIVE<br>FOR MANAGERS                  |
| 528 | WEBCOM PRESS OPERATOR   |
| 529 | POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION  |
| 530 | RN EXTRA WEEKENDS WORKED  |
| 532 | ADDITIONAL RESPONSIBILITIES OR EXCEPTIONAL<br>PERFORMANCE                           |
| 533 | POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS                                      |
| 534 | POWER PLANT RELIEF ENGINEER   |
| 535 | CLINIC PHYSICIAN, FIRST HOUR AND ONE-HALF   |
| 536 | CONSULTING SPECIALIST, MD, & MENTAL HEALTH<br>CONSULTANT, MD, FIRST AND FIFTH HOURS |
| 538 | RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE  |
| 539 | RN WEEKEND DIFFERENTIAL   |
| 540 | RELIEF NURSE HOLIDAY DIFFERENTIAL (HOURLY ITEM)                                     |
| 541 | RELIEF NURSE WEEKEND DIFFERENTIAL (HOURLY ITEM)                                     |
| 544 | APPRAISERS LAUNDRY AND DRY-CLEANING ALLOWANCE                                       |

|       |  |
|-------|--|
| 545   | HEAVY DUTY TOW TRUCK DRIVER  |
| 546   | SLURRY SEAL TRUCK DRIVER   |
| 547   | COVID-19 APPRECIATION  |
| 547HS | HERO PAY - DHS   |
| 548   | LIFEGUARD PARAMEDIC – HOURLY   |
| 550   | INCENTIVE AWARDS FOR MEDI-CAL REIMBURSEMENTS,<br>HEALTH SERVICES   |
| 551   | GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR   |
| 553   | PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE<br>SUPPRESSION, AND SNOW REMOVAL - CONSTRUCTION<br>INSPECTION AND SURVEYING GROUPS |
| 554   | PIONEER EXCAVATION, TUNNEL OPERATIONS, FIRE<br>SUPPRESSION, AND SNOW REMOVAL   |
| 555   | SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE   |
| 556   | HIGH SCALE AND RIGGING OPERATIONS, GENERAL   |
| 557   | EVENING SHIFT, MED TECH  |
| 558   | NIGHT SHIFT, MED TECH  |
| 565   | PARAMEDIC RECERTIFICATION BONUS  |
| 567   | DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION   |
| 568   | ASSESSMENT APPEALS BOARD, SESSION 2  |
| 568A  | ASSESSMENT APPEALS BOARD, SESSION 3  |
| 571   | CSW LICENSURE SUPERVISION  |

|      |   |
|------|---|
| 572  | MOU LUMP SUM BONUS  |
| 575  | WASTEWATER PLANT RELIEF BONUS   |
| 576  | “SOLO DAILY” PAY – COURT REPORTERS  |
| 577  | INTERPRETER HALF DAY BONUS – SUP. CT.   |
| 581  | SWIM PROFICIENCY BONUS  |
| 585  | ISA TREE WORKER CERTIFICATION   |
| 586  | ISA CERTIFIED ARBORIST CREDENTIAL   |
| 587  | ISA CERTIFIED QUALIFIED TREE RISK ASSESSOR CREDENTIAL                           |
| 588  | ISA MUNICIPAL SPECIALIST CREDENTIAL   |
| 589  | MENTAL HEALTH SPECIALITY FIELD BASED BONUS                                      |
| 590  | CONT EDUCATION/EQUIPMENT ALLOWANCE/TRAINING BONUS                               |
| 601  | LIFEGUARD PARAMEDIC, RELIEF   |
| 602  | SUPERVISING TRANSPORTATION DEPUTY PERFORMING<br>DISPATCHER DUTIES               |
| 603  | AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATES                                      |
| 604  | RN MOBILE INTENSIVE CARE CERTIFICATION  |
| 605  | CUSTODIAN FLOOR WAXING BONUS  |
| 606  | FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES                            |
| 606A | FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTIES<br>– ELIGIBILITY INDICATOR |
| 607  | SDPO ASSIGNED ACTING DIRECTOR IN A CAMP   |

|     |   |
|-----|---|
| 608 | BILINGUAL BONUS   |
| 609 | RN ASSIGNED TO EMERGENCY ROOM                             |
| 610 | ANTELOPE VALLEY FIREFIGHTING CREW                         |
| 611 | TREE TRIMMER SUPERVISOR, POWER OPERATIONS                 |
| 612 | SHOOTING BONUS, EXPERT                                    |
| 613 | SHOOTING BONUS, DISTINGUISHED EXPERT                      |
| 614 | SHOOTING BONUS, MARKSMAN                                  |
| 615 | SHOOTING BONUS, SHARPSHOOTER                              |
| 616 | ANTELOPE VALLEY QUARTERS, ON FIRE CALL                    |
| 617 | CLINIC NURSE ASSIGNED TO PROBATION CAMP                   |
| 618 | TRANSPORTATION BUS DRIVER, SHERIFF                        |
| 619 | CERTIFIED ACCESS SPECIALISTS                              |
| 620 | SAN GABRIEL DAM OPERATOR                                  |
| 621 | NURSE RETENTION INCENTIVE                                 |
| 622 | ADVANCED APPRAISER CERTIFICATION                          |
| 623 | PROBATION TRANSCRIBER TYPIST PRODUCTION INCENTIVE         |
| 624 | BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL<br>WORKERS  |
| 625 | AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION        |
| 626 | FIREFIGHTER PARAMEDIC NOT ASSIGNED TO A PARAMEDIC<br>POST |

- 627 DETENTION AND TRANSPORTATION EXTRA SUPERVISION  
BONUS
- 628 BILINGUAL BONUS FOR OTHER THAN MONTHLY EMPLOYEES
- 629 MORTUARY ATTENDANT AT LAC/USC MC
- 630 FIELD ASSIGNMENT BONUS
- 632 MENTAL HEALTH WORKERS ASSIGNED TO SHERIFF'S  
DETENTION FACILITIES
- 634 SUPERVISING DETENTION SERVICES OFFICER OF THE DAY
- 635 TRANSPORTATION DEPUTY BUS DRIVER, PROBATION
- 636 SHERIFF'S STATION COMMANDER EXPENSES
- 637 PROFESSIONAL DEVELOPMENT EXPENSES
- 638 PROBATION TELECOM EQUIPMENT BONUS
- 639 INTERN HOUSING ALLOWANCE LAC/USC MED. CENTER
- 640 CHILDREN'S SERVICES ERCP RETENTION
- 641 SHOOTING BONUS, EXPERT – RESERVE
- 642 SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE
- 643 SHOOTING BONUS, MARKSMAN – RESERVE
- 644 SHOOTING BONUS, SHARPSHOOTER – RESERVE
- 645 EMERGENCY ROOM PREMIUM PAY
- 646 EMERGENCY ROLLOUT PROGRAM & SHIFT BONUS
- 647 BILINGUAL ADDITIONAL BONUS, PSYCHIATRIC SOCIAL WORK

|     |   |
|-----|---|
| 648 | DEFIBRILLATION AIRWAY BONUS                                 |
| 649 | MAMMOGRAPHY BONUS   |
| 650 | PRESIDING JUDGE 4% BONUS                                    |
| 653 | EQUINE HANDLERS PAY   |
| 653 | K-9 HANDLERS PAY  |
| 694 | PARK, TAXABLE   |
| 695 | TRANSPORTATION ALLOW  |
| 696 | TRAFFIC MITIGATION  |
| 700 | "OVERNIGHT TRIP" PAY - SHERIFF'S STATEWIDE UNIT             |
| 730 | PREMIUM OVERNIGHT TRIP                                      |
| 782 | FLSA PREMIUM PAY FOR REGULARLY SCHEDULED WORK<br>ASSIGNMENT |
| 903 | NON-ELECTIVE LEAVE BUYBACK                                  |
| 910 | SICK BUYBACK  |
| 911 | VACATION BUYBACK  |
| 912 | HOLIDAY BUYBACK   |
| 913 | SICK PRE-71 BUYBACK   |
| 914 | SICK BUYBACK –PROBATION 56 – HOUR                           |
| 915 | VACATION BUYBACK - 56 HOUR                                  |
| 930 | SPECIAL PAID LEAVE BUYBACK                                  |
| 931 | APPRAISERS LEAVE BUYBACK                                    |
| 932 | INTERN/RESIDENT LEAVE BUYBACK                               |

|       |   |
|-------|---|
| PP046 | EMPLOYEE SUGGESTION                             |
| NONE  | PARK, NONTAXABLE                                |
| NONE  | PRIOR SALARY                                    |
| NONE  | 56 HOUR TO 40 HOUR ASSIGNMENT BONUS             |
| NONE  | REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNIT |
| TBD   | CIVIC CENTER STIPEN                             |
| TBD   | RETENTION BONUS                                 |
| TBD   | RETENTION BONUS 25+ YEARS                       |
| TBD   | FLOATER BONUS                                   |
| TBD   | SIGNING BONUS, ADMINISTRATIVE SUPPORT           |
| TBD   | JUDICIAL ASSISTANT BONUS                        |
| TBD   | PARALEGAL BONUS                                 |
| TBD   | SIGNING BONUS                                   |
| TBD   | RETENTION BONUS                                 |



ITEMS OF COUNTY REMUNERATION WHICH DO NOT QUALIFY AS "COMPENSATION," AS DEFINED BY GOVERNMENT CODE SECTION 31460, AND/OR "COMPENSATION EARNABLE," AS DEFINED BY GOVERNMENT CODE SECTION 31461.

| <b><u>EARNINGS<br/>NO.</u></b> | <b><u>CODE ITEMS</u></b>                        |
|--------------------------------|---|
| 036                            | ESP SEVERANCE                                   |
| 075                            | UNION HALL HIRING VACATION/HOLIDAY BENEFIT      |
| 076                            | FAMILY LEAVE                                    |
| 090                            | ENHANCED VOLUNTARY TIME OFF LESS THAN 60 DAYS   |
| 091                            | ENHANCED VOLUNTARY TIME OFF GREATER THAN 60DAYS |
| 094                            | VACATION IN LIEU OF PAY                         |
| 095                            | ENHANCED VOLUNTARY TIME OFF-SUPERIOR COURT      |
| 128                            | MILEAGE EARNINGS                                |
| 129                            | PARKING   |
| 130                            | SHORT TERM DISABILITY – 60%                     |
| 131                            | SHORT-TERM DISABILITY – 40%                     |
| 140                            | SHORT TERM DISABILITY – 60% RDO                 |
| 141                            | SHORT TERM DISABILITY – 40% RDO                 |
| 151                            | INDUSTRIAL ACCIDENT – 100%                      |
| 152                            | INDUSTRIAL ACCIDENT – 100% RDO                  |
| 153                            | INDUSTRIAL ACCIDENT – 70%                       |
| 154                            | INDUSTRIAL ACCIDENT – 70% RDO                   |

|       |   |
|-------|---|
| 158   | LIMITED DUTY INDUSTRIAL ACCIDENT – 100%                         |
| 159   | LIMITED DUTY INDUSTRIAL ACCIDENTS – 70%                         |
| 209P  | CRITICAL SHORTAGE PROBATION                                     |
| 388   | PSYCHIATRY JAIL BONUS   |
| 407   | NEW HIRE BONUS  |
| 500   | RELOCATE NON-TAXABLE  |
| 502   | RELOCATION ALLOWANCE  |
| 521   | IRS PENALTY REIMBURSEMENT                                       |
| 524   | ON-CALL FOR COURT APPEARANCE                                    |
| 526   | ENVIRONMENTAL EMERGENCY RESPONSE TEAM                           |
| 527   | RELIEF DAM OPERATOR, ON CALL                                    |
| 530   | EMS CLASS A LICENSE   |
| 531   | STANDBY   |
| 531SP | STANDBY AUTH FOR SHERIFF & PUBLIC WORKS DEPTS ONLYBU<br>411/412 |
| 542   | EMERGENCY WORKPLACE DIFFERENTIAL                                |
| 543   | CALL BACK EXTRA COMPENSATION                                    |
| 547   | COVID – 19 APPRECIATION   |
| 552   | STANDBY – EMERGENCY ROLL OUT PROGRAM                            |
| 559   | MISCELLANEOUS LUMP SUM INCLUDED IN REG. OT                      |
| 560   | RECRUITMENT INCENTIVE PROGRAM                                   |

|      |   |
|------|---|
| 561  | HOURS PAID BUT <u>NOT</u> WORKED, CALL-BACK       |
| 562  | MENTAL HEALTH ALERT & PSYCH MOB RESP TEAMSTANDBY  |
| 563  | RELIEF DAM OPERATIONS STAND-BY                    |
| 564  | TUITION REIMBURSEMENT                             |
| 566  | QUALIFIED FOR HAZARDOUS MATERIALS OVERTIME CALC.  |
| 569  | PHYSICIANS LOAN REPAYMENT PROGRAM                 |
| 570  | HOME CARE PROGRAM STANDBY                         |
| 574  | STANDBY – INS WITNESS PROGRAM                     |
| 590  | CONT EDUCATION/EQUIPMENT ALLOWANCE/TRAINING BONUS |
| 591  | LICENSE REIMBURSEMENT                             |
| 650  | PRESIDING JUDGE 4% BONUS                          |
| 651  | MEAL REIMBURSEMENT – RESIDENTS                    |
| 652  | MEAL REIMBURSEMENT – PLANT ENGINEERS              |
| 690  | CELLULAR PHONE STIPEND – VOICEMAIL                |
| 691  | CELLULAR PHONE STIPEND – DATA ONLY                |
| 692  | CELLULAR PHONE STIPEND – VOICE AND DATA           |
| 699W | FLEXIBLE WORK TIME EARNED                         |
| 701  | PAID OVERTIME                                     |
| 702  | DOUBLE OVERTIME                                   |
| 703  | FLSA COMP TIME EARNED-ACCRUE FLSA PREMIUM         |
| 705  | COMPENSATORY TIME EARNED                          |

|      |  |
|------|--|
| 707  | FY93 COMPENSATORY TIME EARNED                              |
| 708  | FY93 FLSA COMP TIME EARNED – ACCRUE FLSA PREMIUM           |
| 709  | FY93 FLSA COMP TIME EARNED OVRD – ACCRUE FLSA<br>PREMIUM   |
| 710  | DISASTER RELATED PAID OVERTIME                             |
| 711  | DISASTER COMP TIME EARNED (ACCRUED)                        |
| 712  | CONTRACT RELATED PAID OVERTIME                             |
| 713  | ER PHYSICIAN OVERTIME – DAY RATE                           |
| 714  | ER PHYSICIAN OVERTIME – WKDY EVE/WKND HOL DAY              |
| 715  | ER PHYSICIAN OVERTIME – WKDY NITE/WKND HOL EVENITE         |
| 716  | GUARANTEED PREMIUM   |
| 717  | PAID OVERTIME – GUARANTEED ACCRUED FLSAPREMIUM             |
| 718  | FLSA COMP TIME EARNED – GUARANTEED ACCRUED FLSA<br>PREMIUM |
| 719  | FLSA COMP TIME EARNED – GUARANTEED PAID PREMIUM            |
| 720  | SPECIAL EVENTS OVERTIME                                    |
| 731  | PREMIUM OVERTIME – SYSTEM                                  |
| 732  | PREMIUM DOUBLE OVERTIME                                    |
| 732D | PREMIUM DOUBLE OVERTIME - MANUAL                           |
| 733  | PREMIUM OVERTIME – MANUAL                                  |
| 735  | FY93 ACCRUED FLSA PREMIUM OVERTIME (SYSTEM)                |
| 736  | FY93 ACCRUED FLSA PREMIUM OVERTIME (MANUAL)                |

|     |   |
|-----|---|
| 746 | CALL BACK ACTUAL  |
| 747 | CALL BACK GUARANTEED                                      |
| 761 | STRAIGHT TIME AND ONE-HALF                                |
| 775 | SECONDARY OVERTIME  |
| 776 | ALTERNATE OVERTIME  |
| 777 | SECONDARY ASSIGNMENT OVERTIME                             |
| 778 | OVERTIME – FIRE DEPT. 56 HOUR                             |
| 779 | SECONDARY OVERTIME – FIRE DEPT. 56 HOUR                   |
| 780 | WORKDOWN OVERTIME – FIRE DEPT.                            |
| 781 | OVERTIME – FIRE DEPT. 40 HOUR                             |
| 782 | PLATOON/40/HOUR/DISPATCHER SCHED PREMIUM –SYSTEM          |
| 783 | DISPATCHER BRIEFING TIME                                  |
| 784 | 40 HOUR CAMP-GUARANTEED PREMIUM                           |
| 791 | ORDERED OVERTIME  |
| 792 | UNCOMPENSATED BRIEFING TIME                               |
| 793 | COMPENSATED BRIEFING TIME – SYSTEM                        |
| 794 | COMPENSATED BRIEFING TIME – MANUAL                        |
| 795 | FY93 ORDERED FLSA COMP TIME EARN – ACCR FLSA PREMIUM      |
| 796 | ORDERED FLSA COMP TIME EARN-ACCR FLSA PREMIUM             |
| 799 | FLEX REG HOURS BETWEEN 181 AND 192 FOR 40HR FIRE FIGHTERS |

|     |  |
|-----|--|
| 901 | COMPENSATORY TIME BUYBACK                      |
| 902 | PROTECTED COMPENSATORY TIME BUYBACK            |
| 904 | ELECTIVE-LEAVE BUYBACK                         |
| 905 | FLSA COMP TIME BUYBACK – PREMIUM               |
| 906 | FLSA COMP TIME BUYBACK – STRAIGHT              |
| 907 | FY93 COMPENSATORY TIME BUYBACK                 |
| 908 | FY93 FLSA COMP TIME BUYBACK – PREMIUM          |
| 909 | FY93 FLSA COMP TIME BUYBACK – STRAIGHT         |
| 916 | VACATION IN LIEU OF PAY – BUYBACK              |
| 917 | DISASTER COMP TIME BUYBACK                     |
| 918 | FY93-56 HOUR COMP TIME BUYBACK – FIRE DEPT.    |
| 919 | ACCRUED PREMIUM BUYBACK – SYSTEM               |
| 920 | FY93 FLSA COMP TIME BUYBACK – PREMIUM (MANUAL) |
| 951 | ESP VACATION PAYOUT                            |
| 952 | FINAL PAY LEAVE PAYOUT (SICK, HOLIDAY, OT)     |
| 953 | ESP LEAVE PAYOUT                               |
| 954 | VACATION PAYOUT                                |
| 955 | VACATION IN LIEU OF PAY – PAYOUT               |
| 957 | 56-HOUR LEAVE PAYOUT                           |
| 958 | 56-HOUR TC VACATION                            |
| 961 | ESP DEFERRED VACATION PAYOUT                   |

|       |  |
|-------|--|
| 962   | DEFERRED LEAVE PAYOUT                                    |
| 963   | ESP DEFERRED LEAVE PAYOUT                                |
| 964   | DEFERRED VACATION PAYOUT                                 |
| 967   | 56-HOUR DEFERRED LEAVE PAYOUT                            |
| 968   | 56-HOUR DEFERRED VACATION PAYOUT                         |
| 970   | FLSA PREMIUM COMPENSATORY TIME – PAYOUT                  |
| 971   | FY93 COMP TIME PAYOUT (EXCLUDING PREMIUMS)               |
| OP005 | PENSIONABLE STANDBY PAY                                  |
| OP100 | CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN  |
| OP101 | CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN |
| OP102 | CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN   |
| OP103 | CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN  |
| OP104 | PENSION SAVINGS PLAN, BACK AWARD                         |
| OP105 | PENSION SAVINGS PLAN ERRORS AND OMISSIONS                |
| PA099 | ROUNDING ADJUSTMENT                                      |
| PE803 | EXCESS STRAIGHT – FLSA COMP TIME TAKEN                   |
| PE804 | EXCESS PREMIUM – FLSA COMP TIME TAKEN                    |
| PE806 | EXCESS STRAIGHT – FY93 FLSA COMP TIME TAKEN              |
| PE807 | EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN               |

|       |   |
|-------|---|
| PE813 | CAPE – EXCESS STRAIGHT – FY93 FLSA COMP TIMETAKEN |
| PE814 | CAPE - EXCESS PREMIUM – FY93 FLSA COMP TIME TAKEN |
| PFA36 | FLEX EARNINGS ADVANCE                             |
| PK094 | VACATION IN LIEU OF PAY                           |
| PK096 | SUPERIOR COURT VACATION IN LIEU OF PAY            |
| PK801 | COMPENSATORY TIME TAKEN                           |
| PK802 | PROTECTED COMPENSATORY TIME TAKEN                 |
| PK803 | FLSA COMP TIME TAKEN – STRAIGHT                   |
| PK804 | FLSA COMP TIME TAKEN – PREMIUM                    |
| PK805 | FY93 COMPENSATORY TIME TAKEN                      |
| PK806 | FY93 FLSA COMP TIME TAKEN – STRAIGHT              |
| PK807 | FY93 FLSA COMP TIME TAKEN – PREMIUM               |
| PK808 | DISASTER COMP TIME TAKEN                          |
| PK810 | CALL BACK ACCRUE – STRAIGHT TAKEN                 |
| PK811 | CALL BACK GUARANTEED CTO – BUY BACK               |
| PK812 | DFR 1 YR - NON-FLSA COMPENSATORY STRT TIME –USAGE |
| PK813 | CAPE-FY93 FLSA COMP TIME TAKEN – STRAIGHT         |
| PK814 | CAPE-FY93 FLSA COMP TIME TAKEN – PREMIUM          |
| PK815 | DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE    |
| PK816 | DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE   |
| PK818 | DFR 1 YR – FLSA PREMIUM OVERTIME USAGE            |



|       |   |
|-------|---|
| PK819 | DFR 2 YR – FLSA PREMIUM OVERTIME USAGE                        |
| PK821 | DFR 1 YR – CALL BACK - STRAIGHT USAGE                         |
| PKN03 | SUPERIOR COURT NON-PENSIONABLE NON-ELECTIVE LEAVE<br>BUY BACK |
| PKN21 | SUPERIOR COURT NON-PENSIONABLE VACATION LEAVE BUY<br>BACK     |
| PO002 | ELECTIVE LEAVE TERM PAY OFFSET                                |
| PO699 | FLEXIBLE WORK SCHEDULE  |
| PO703 | STRAIGHT PAY OFFSET – FLSA COMP TIME EARNED – ACCRUE          |
| PO705 | STRAIGHT PAY OFFSET – COMPENSATORY TIME EARNED                |
| PO711 | STRAIGHT PAY OFFSET – DISASTER COMP TIME EARNEDACC            |
| PO796 | STRAIGHT PAY OFFSET – ORDERD FLSA COMP TM EARN –ACCR          |
| PP005 | STANDBY PAY - PENSIONABLE                                     |
| PT002 | ELECTIVE LEAVE  |
| PT003 | NON-ELECTIVE LEAVE  |
| PT006 | DONATED SICK 100% LEAVE – USAGE                               |
| PT008 | SICK LEAVE EARNED AT MTA/ATTORNEY                             |
| PT011 | SICK – 100%   |
| PT012 | HOLIDAY   |
| PT021 | VACATION  |
| PT030 | SPECIAL PAID LEAVE  |
| PT031 | APPRAISERS LEAVE  |

|       |  |
|-------|--|
| PT032 | INTERN/RESIDENT LEAVE                              |
| PT046 | JUDICIAL ASSISTANT SPECIAL PAID LEAVE              |
| PT081 | BANK HOLIDAY                                       |
| PT082 | BANK VACATION                                      |
| PT094 | VACATION IN LIEU OF PAY                            |
| PT096 | SUPERIOR COURT VACATION IN LIEU OF PAY             |
| PT099 | REGULAR EARNINGS – MID PAY PERIOD TERMINATION      |
| PT113 | SICK PRE-71  |
| PT699 | FLEXIBLE WORK TIME EARNED                          |
| PT801 | COMPENSATORY TIME TAKEN                            |
| PT802 | PROTECTED COMPENSATORY TIME TAKEN                  |
| PT803 | FLSA COMP TIME TAKEN – STRAIGHT                    |
| PT804 | FLSA COMP TIME TAKEN – PREMIUM                     |
| PT805 | FY93 COMPENSATORY TIME TAKEN                       |
| PT806 | FY93 FLSA COMP TIME TAKEN – STRAIGHT               |
| PT807 | FY93 FLSA COMP TIME TAKEN – PREMIUM                |
| PT808 | DISASTER COMP TIME TAKEN                           |
| PT810 | CALL BACK ACCRUE - STRAIGHT TAKEN                  |
| PT811 | CALL BACK GUARANTEED CTO – TERMINATION             |
| PT812 | DFR 1 YR – NON-FLSA COMPENSATORY STRT TIME – USAGE |
| PT813 | CAPE – FY93 FLSA COMP TIME TAKEN – STRAIGHT        |

|       |  |
|-------|--|
| PT814 | CAPE – FY93 FLSA COMP TIME TAKEN – PREMIUM                     |
| PT815 | DFR 1 YR – FLSA COMPENSATORY STRT TIME – USAGE                 |
| PT816 | DFR 2 YRS – FLSA COMPENSATORY STRT TIME – USAGE                |
| PT817 | YTD – FLSA PREMIUM OVERTIME USAGE                              |
| PT818 | DFR 1 YR – FLSA PREMIUM OVERTIME USAGE                         |
| PT819 | DFR 2 YR – FLSA PREMIUM OVERTIME USAGE                         |
| PT820 | YTD – CALL BACK – STRAIGHT USAGE                               |
| PT821 | DFR 1 YR – CALL BACK – STRAIGHT USAGE                          |
| PTNHT | HOLD CURRENT ACCRL – NON-ELECTIVE LEAVE –<br>TERMINATION USAGE |
| PTVAT | SUPERIOR COURT, RESERVE VACATION – TERMINATION USAGE           |
| PTVPT | SUPERIOR COURT, PRIOR YR RSRV VACATION – TERMINATION<br>USAGE  |
| RP005 | PENSIONABLE STANDBY PAY – OFFSET                               |
| NONE  | MEGAFLEX INDUSTRIAL ACCIDENT                                   |
| NONE  | COUNTY CAR (IMPUTED INC)                                       |
| NONE  | IMPUTED INCOME (DOMESTIC PARTNER)                              |
| NONE  | IMPUTED INC (LIFE INSURANCE)                                   |
| NONE  | SECTION 170 OVERTIME   |
| NONE  | EARNED SALARY ADVANCE  |
| NONE  | VACATION PAY ADVANCE   |
| NONE  | 56 HOUR OVERTIME   |

|      |                                |
|------|--------------------------------|
| NONE | ADJUSTMENT NON-TAX             |
| NONE | RETRO PAY                      |
| NONE | EARNED INCOME CREDIT           |
| NONE | UNDERPAYMENT ADVANCE           |
| NONE | O/S SICK PAY                   |
| NONE | RETRO ADVANCE                  |
| NONE | T/A MILEAGE                    |
| NONE | ADVANCED DISABILITY RETIREMENT |
| NONE | STD REFUND                     |
| NONE | LTD REFUND                     |
| NONE | LTDH REFUND                    |
| NONE | SIB REFUND                     |
| NONE | 56 VILOP PAY                   |
| NONE | VOLUNTARY DEFERRED PAY         |
| NONE | RETRO FLEX BASE                |
| NONE | NR DEFERRED PAY                |
| NONE | F.MF DEFERRED PAY              |
| NONE | DEF LUMP SUM                   |
| NONE | DEFERRED PAY                   |
| NONE | VOLUNTARY SEPARATION PLAN      |
| NONE | STOP PAYMENT                   |

|      |  |
|------|--|
| NONE | FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM                     |
| NONE | FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME<br>EARNED |
| TBD  | ANTELOPE VALLEY STIPEND  |
| TBD  | SIGNING BONUS  |
| TBD  | EQUIPMENT ALLOWANCE NEW HIRE                                   |
| TBD  | STUDENT LOAN REPAYMENT   |
| TBD  | FINDER'S FEE   |
| TBD  | NATIONAL BOARD CERTIFICATION                                   |

**BEFORE THE BOARD OF RETIREMENT  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**

RESOLUTION OF THE BOARD OF  
RETIREMENT SPECIFYING ITEMS  
OF REMUNERATION AS  
“PENSIONABLE COMPENSATION”

RESOLUTION NO. 2023-BR006

WHEREAS, Government Code section 7522.34 governs the determination of pensionable compensation for those members who became active members for the first time on or after January 1, 2013, who are subject to the California Public Employees’ Pension Reform Act of 2013; and

WHEREAS, LACERA calculates retirement allowances based on a member’s final compensation; and

WHEREAS, LACERA is required to include in the calculation of “final compensation,” a member’s base pay and certain other items of compensation, if such compensation qualifies as “pensionable compensation” under Government Code section 7522.34; and

WHEREAS, Government Code section 7522.34 defines “pensionable compensation” as: “. . .the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules”; and

WHEREAS, the Board has analyzed each current pay item and determined whether or not those items should be included in “pensionable compensation”; and

WHEREAS, the Board may find it necessary from time to time to amend its determinations based on changes made by employers, the Legislature, or the Courts;

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. For purposes of calculating a member's retirement allowance, earnings on or after January 1, 2013, for members subject to Government Code section 7522.32, as set forth in Attachment No. 1 do not qualify as "pensionable compensation" as defined in section 7522.34.

BOARD OF RETIREMENT,  
LOS ANGELES COUNTY EMPLOYEES  
RETIREMENT ASSOCIATION

---

Shawn R. Kehoe  
Chair, Board of Retirement

Approved as to Form:

ATTEST:

---

Steven P. Rice  
Chief Counsel

---

Alan J. Bernstein  
Vice Chair, Board of Retirement

ITEMS OF REMUNERATION EARNED ON OR AFTER JANUARY 1, 2013, FOR MEMBERS SUBJECT TO GOVERNMENT CODE SECTION 7522.32, WHICH DO NOT QUALIFY AS “PENSIONABLE COMPENSATION” AS DEFINED IN SECTION 7522.34.

| <b><u>EARNINGS<br/>NO.</u></b> | <b><u>CODE ITEMS</u></b>                      |
|--------------------------------|---|
| 200                            | 76-INCH MOWER BONUS                           |
| 201                            | ACTING DEPARTMENT HEAD                        |
| 202                            | ACTING MEDICAL DIRECTOR                       |
| 203                            | ADDITIONAL RESPONSIBILITIES                   |
| 204                            | AMERICAN MEDICAL ASSOCIATION BOARD CERT 8.25% |
| 205                            | AMERICAN MEDICAL ASSOCIATION BOARD CERT 5.50% |
| 209                            | MANPOWER SHORTAGE RANGE                       |
| 209P                           | CRITICAL SHORTAGE PROBATION                   |
| 210                            | MEDICAL DIRECTOR'S BONUS - 2.75               |
| 211                            | MEDICAL DIRECTOR'S BONUS - 5.50%              |
| 212                            | MEDICAL DIRECTOR'S BONUS - 8.25%              |
| 214                            | OUT OF CLASS BONUS                            |
| 215                            | POST BONUS - ADVANCE/EXECUTIVE                |
| 217                            | POST BONUS – INTERMEDIATE                     |
| 219                            | SUPERIOR SUBORDINATE PAY                      |
| 220                            | WATCHMAN – CUSTODIAN                          |
| 221                            | WELFARE RECIPIENT SUPERVISOR                  |



|     |  |
|-----|--|
| 222 | OUT OF CLASS BONUS SCHEDULE/LEVEL/PERCENT      |
| 223 | TEMPORARY CLERICAL & OFFICE SERVICES EMPLOYEES |
| 224 | PBP NON-BASE MERIT SALARY ADJUSTMENT           |
| 225 | EXECUTIVE SECRETARY ADDED SALARY SCHEDULES     |
| 227 | PBP TO SCHEDULE SALARY ADJUSTMENT              |
| 228 | ADDITIONAL RESPONSIBILITIES – REPRESENTED      |
| 229 | TEMPORARY SPECIAL MAP ACHIEVEMENT – FLAT       |
| 230 | TEMPORARY SPECIAL MAP ACHIEVEMENT – PERCENT    |
| 231 | TEMPORARY ASSIGNMENT MAP EMPLOYEE – FLAT       |
| 240 | AGRICULTURAL INSPECTOR BONUS                   |
| 243 | CAREER DEVELOPMENT INTERN BONUS                |
| 248 | REGIONAL PLANNING AICP CERTIFICATION BONUS     |
| 249 | AGRICULTURE INSPECTORS AID ROVER BONUS         |
| 250 | ACCOUNTING CERTIFICATE                         |
| 252 | 6TH AND 7TH STEP FINANCIAL SPECIALIST          |
| 254 | FORENSIC ATTENDANT FIELD TRAINING BONUS        |
| 256 | ANIMAL CONTROL MGR-BOARD LIAISON BONUS         |
| 257 | HALF STEP-01                                   |
| 258 | HALF STEP-02                                   |
| 263 | AUDITOR-CONTROLLER MERIT - ONE SCHEDULE        |
| 264 | AUDITOR-CONTROLLER MERIT - TWO SCHEDULES       |

|     |  |
|-----|--|
| 265 | AUDITOR-CONTROLLER MERIT - THREE SCHEDULES |
| 266 | AUDITOR-CONTROLLER MERIT - FOUR SCHEDULES  |
| 267 | AUDITOR-CONTROLLER MERIT - FIVE SCHEDULES  |
| 268 | AUDITOR-CONTROLLER MERIT - SIX SCHEDULES   |
| 270 | BOARD OF SUPERVISOR SPECIAL ASSIGNMENT     |
| 271 | ASSESSMENT APPEALS BOARD ASSIGNMENT        |
| 272 | HEAD BOARD SPECIALIST ADDITIONAL STEPS     |
| 273 | MAPP TIER II STEP 13                       |
| 274 | MAPP TIER II STEP 14                       |
| 275 | MAPP TIER II STEP 15                       |
| 276 | MAPP TIER II STEP 16                       |
| 277 | MAPP TIER II STEP 17                       |
| 278 | MAPP TIER II STEP 18                       |
| 281 | MAPP TO SCHEDULE FLAT AMOUNT               |
| 282 | MAPP TO SCHEDULE PERCENTAGE                |
| 283 | PERM PHYSICIAN TRANSITION RATE – PERCENT   |
| 285 | COURT CLERK - GREATER SKILLS               |
| 291 | INTERGOVERNMENTAL RELATIONS                |
| 293 | LEGISLATIVE REPRESENTATIVE-CAO             |
| 295 | MANAGEMENT TRAINEE                         |
| 300 | CURATOR BONUS                              |

|     |   |
|-----|---|
| 301 | PEDIATRIC FORENSIC NP   |
| 310 | LEGISLATIVE ADVOCATE – COUNTY COUNSEL                                       |
| 320 | ACCOUNTING CERTIFICATE – DA   |
| 321 | DISTRICT ATTORNEY – OUT OF CLASS BONUS                                      |
| 322 | RECLASSIFIED INVESTIGATOR   |
| 323 | ANTELOPE VALLEY ASSIGN. 30 MILES FROM RESIDENCE                             |
| 332 | JOURNEY EMPLOYEES BONUS   |
| 334 | CUSTODY ASSISTANT DRILL INSTRUCTOR/CUSTODY TRAINING<br>AND STANDARDS BUREAU |
| 335 | CUSTODY ASSISTANT TRAINING OFFICER BONUS                                    |
| 336 | PUBLIC RESPONSE DISPATCHER BONUS  |
| 338 | ELEVATOR ADJUSTOR   |
| 340 | A OR B MOTOR VEHICLE LICENSE BONUS  |
| 342 | HAZARDOUS MATERIALS CALARP  |
| 343 | HAZARDOUS MATERIALS APSA  |
| 344 | FIRE PREVENTION ENGINEERING ASSISTANT                                       |
| 347 | WELLNESS/FITNESS FOR LIFE BONUS – 1%  |
| 348 | WELLNESS/FITNESS FOR LIFE BONUS – 2%  |
| 349 | WELLNESS/FITNESS FOR LIFE BONUS   |
| 356 | FIRE SAFETY PERSONNEL BONUS   |
| 357 | HELICOPTER INSPECTION LICENSE   |

|     |  |
|-----|--|
| 358 | TEMPORARY PROMOTION BONUS                      |
| 361 | TEMPORARY PROMOTION BONUS - NON-SCHEDULE       |
| 365 | BACHELOR DEGREE BONUS                          |
| 366 | ADVANCED EDUCATIONAL DEGREE BONUS              |
| 367 | MEDICAL STAFF CREDENTIALING ASSIGNMENTBONUS    |
| 368 | RN ASSIGNED TO SHERIFFS DEPT                   |
| 369 | RN ADVANCED EDUCATIONAL DEGREE BONUS           |
| 370 | CLINIC NURSE - STAND BY                        |
| 371 | CLINICAL INSTRUCTOR – GENERAL                  |
| 372 | CLINICAL INSTRUCTOR - LAC+USC MEDICAL CENTER   |
| 373 | EMERG MEDICINE - BOARD CERTIFICATION           |
| 374 | EMERG MEDICINE - BOARD CERT                    |
| 375 | EMERG MEDICINE - BOARD CERTIFICATION 8.25%     |
| 376 | HIGH DESERT HOSPITAL - PHYSICIAN BONUS         |
| 377 | JOURNEY EMPLOYEES BONUS                        |
| 379 | SUPERVISING NURSE – ICU                        |
| 380 | SUPVG RAD TECHN - DIAGNOSTIC ULTRASOUND        |
| 381 | DENTAL PROFESSIONALS BOARD CERTIFICATION BONUS |
| 383 | VETERINARY MEDICINE- BOARD CERTIFICATION       |
| 384 | HIGH DESERT HEALTH ASSIGNMENT BONUS            |
| 385 | PSYCHIATRY SPECIALTY BONUS                     |

|     |  |
|-----|--|
| 386 | PHYSICIAN SPECIALTY BONUS  |
| 387 | PHARMACIST SPECIALTY ASSIGNMENTS   |
| 388 | SHERIFF DETENTION FACILITY ASSIGNMENT BONUS                              |
| 389 | MENTAL HEALTH PSYCHIATRIST BOARD CERTIFICATION – MORE THAN ONE SPECIALTY |
| 391 | COUNTY LIBRARY DIFFICULT TO RECRUIT ASSIGNMENT BONUS                     |
| 392 | LIBRARIAN BONUS  |
| 393 | OBSTETRICS/LABOR & DELIVERY ASSIGNMENT                                   |
| 394 | MEDICAL HUB CLINIC ASSIGNMENT  |
| 395 | PHYSICIAN SPECIALTY BONUS - 5.75%  |
| 396 | PHYSICIAN ADDITIONAL COMPENSATION  |
| 397 | PHYSICIAN FORENSIC PATHOLOGY BONUS                                       |
| 398 | HOSPITAL ADMINISTRATOR - ADDITIONAL COMPENSATION                         |
| 400 | DEPUTY COURT ADMINISTRATOR - OPINION/ADVISOR                             |
| 401 | DEPUTY MARSHALL - LEVEL I BONUS  |
| 402 | DEPUTY MARSHALL - LEVEL II BONUS   |
| 403 | DEPUTY MARSHALL TRAINEE  |
| 404 | ELECTRONIC RECORDING EQUIPMENT   |
| 405 | MARSHALL SUPERVISING BONUS   |
| 406 | DEPUTY MARSHAL SPECIAL TRAINING - 6TH STEP                               |
| 407 | NEW HIRE BONUS   |

- 408 DEPUTY CLERK III OUT OF CLASS BONUS
- 409 STENOGRAPHIC SKILLS
- 410 SUPERVISING DEPUTY CLERK
- 411 ADVISOR – COURT ADMINISTRATOR AND JUDGES
- 412 NIGHT SHIFT AND WEEKEND BONUS
- 413 DEPUTY CLERK IV – GREATER SKILLS
- 414 RECORDING EQUIPMENT – DEPUTY CLERK IV M.C.
- 415 SHERIFF DEPARTMENT ASSIGNMENT TO AERO BUREAU  
AVIONICS SHOP
- 416 SHERIFF DEPARTMENT WATER SYSTEM BONUS – CHIEF  
OPERATOR
- 417 SHERIFF DEPARTMENT WATER SYSTEM BONUS – SHIFT  
OPERATOR
- 418 ISD BONUS ASSIGNMENT – ENERGY MANAGEMENT SYSTEM  
SECTION (SEAS)
- 424 ABDMI REGISTRY CERTIFICATION BONUS
- 425 ABDMI BOARD CERTIFICATION BONUS
- 430 ASST. DIRECTOR – PUBLIC SOCIAL SERVICES
- 432 DEPUTY DISTRICT DIRECTOR TRAINEE
- 439 CUSTODY TRAINING OFFICER
- 441 CATALINA ISLAND LIVING – SHERIFF
- 445 SPECIAL ENFORCEMENT DETAIL/CANINE SERVICES DETAIL  
(TACTICAL DUTY)

|     |  |
|-----|--|
| 450 | SHERIFF OUT OF CLASS BONUS                                   |
| 453 | SERGEANT-AT-ARMS BOARD OF SUPERVISOR                         |
| 456 | TRAINING OFFICER/INVESTIGATOR/K-9 BONUS                      |
| 458 | ACTING CAPACITY BONUS  |
| 461 | SHERIFF BUSINESS MACHINE TECHNICIAN                          |
| 464 | STATE OF CALIF STRUCTURAL ENGINEER LICENSE BONUS             |
| 465 | REHABILITATION INSPECTOR-PUBLIC WORKS                        |
| 468 | LICENSED LAND SURVEYOR BONUS                                 |
| 469 | LICENSED REGISTERED TRAFFIC ENGINEER BONUS                   |
| 470 | BUSINESS LICENSE LIAISON                                     |
| 475 | CERTIFICATION BONUS – LACERA                                 |
| 480 | SUPERIOR COURT CLERK BONUS                                   |
| 481 | COURT REPORTERS REALTIME CERTIFICATION                       |
| 482 | JUDICIAL ASSISTANT BONUS                                     |
| 483 | REALTIME WRITING BONUS                                       |
| 484 | GEOTECHNICAL LICENSE BONUS                                   |
| 485 | SUP CRT EXEC OFFICER ADDITIONAL COMPENSATION                 |
| 486 | PLANS EXAMINER CERTIFICATION REGISTRATION – LICENSE<br>BONUS |
| 488 | BUILDING ENGINEERING INSPECTOR BONUS                         |
| 493 | SENIOR PROBATION DIRECTOR-CENTRAL JUVENILE HALL              |

494 SENIOR PROB DIR-LOS PADRINOS/SAN FERNANDO JUV HALL  
495 PROBATION DIRECTOR-ADMIN RESP./FOOTHILL JUV AREA  
498 PROBATION DIRECTOR-CHALLENGER YOUTH CENTER  
501 BOARD OF RETIREMENT CASE REVIEW  
503 UNIFORM ALLOWANCE  
504 NIGHT SHIFT DIFFERENTIAL  
505 CORONER'S INQUEST REPORTER  
506 ALLOWANCE IN LIEU OF VEHICLE USE  
507 CO-GENERATION MAINTENANCE  
508 HENNINGER FLATS WATCHMAN  
509 FREEZER WORK  
510 DEPARTMENT HEAD MERIT  
511 BOARD OF SUPERVISORS PERFORMANCE LUMP SUM  
512 FIRE SUPPRESSION TRANSPORTATION TRUCK DRIVER  
513 MOU LUMP SUM BONUS  
514 BACKHOE OPERATOR  
515 WEEKEND BONUS  
516 EXPLOSIVES WORK  
517 EVENING SHIFT DIFFERENTIAL  
518 POWER EQUIPMENT REPAIR, SNOW CONDITIONS  
519 ENGINEERING EMPLOYEES, HAZARD PAY



|     |   |
|-----|---|
| 520 | HOME CARE COMPENSATION  |
| 522 | CUSTODIAN ACTING AS WATCHMAN  |
| 523 | HYDROELECTRIC OPERATIONS  |
| 525 | CONTRACTING & PRODUCTIVITY IMPROVE INCNTV FOR MNGR                          |
| 526 | ENVIRONMENTAL EMERGENCY RESPONSE TEAM                                       |
| 528 | WEBCOM PRESS OPERATOR   |
| 529 | POWER EQUIPMENT OPERATOR, FIRE SUPPRESSION                                  |
| 530 | EMS CLASS A LICENSE   |
| 531 | STANDBY   |
| 532 | ADDITIONAL RESPONSIBILITIES AND EXCEPTIONAL<br>PERFORMANCE                  |
| 533 | POWER SWEEPER OPERATOR IN EMERGENCY CONDITIONS                              |
| 534 | POWER PLANT RELIEF ENGINEER   |
| 535 | CLINIC PHYSICIAN FIRST HOUR   |
| 536 | CONSULTING SPEC, MD & MNTL HEALTH CONSLT, 1 <sup>st</sup> & 5 <sup>th</sup> |
| 538 | RN ASSIGNED AS ACTING OR RELIEF CHARGE NURSE                                |
| 539 | RN WEEKEND DIFFERENTIAL   |
| 540 | RELIEF NURSE HOLIDAY DIFFERENTIAL   |
| 541 | RELIEF NURSE WEEKEND DIFFERENTIAL   |
| 542 | EMERGENCY WORKPLACE DIFFERENTIAL  |
| 544 | APPRAISERS LAUNDRY AND DRY-CLEANING ALLOWANCE                               |

|       |   |
|-------|---|
| 545   | HEAVY DUTY TOW TRUCK DRIVER                             |
| 546   | SLURRY SEAL TRUCK_DRIVER                                |
| 547   | COVID – 19 APPRECIATION                                 |
| 547HS | HERO PAY – DHS  |
| 548   | LIFEGUARD PARAMEDIC – RELIEF                            |
| 550   | INCENTIVE AWARDS FOR MEDI-CAL REIMBRMNTS/ HEALTH SR     |
| 551   | GROUP INCENTIVE AWARD, TREASURER TAX COLLECTOR          |
| 552   | STANDBY - EMERGENCY ROLL OUT PROGRAM                    |
| 553   | PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW       |
| 554   | PIONEER EXCAVTN, TUNNEL OPERATNS, FIRE SUPP, SNOW       |
| 555   | SCAFFOLD OR SWING STAGE, 30 FEET ABOVE GRADE            |
| 556   | HIGH SCALE AND RIGGING OPERATIONS, GENERAL              |
| 557   | EVENING SHIFT, MED TECH                                 |
| 558   | NIGHT SHIFT, MED TECH                                   |
| 560   | PHYSICIAN RECRUITMENT PROGRAM                           |
| 565   | PARAMEDIC RECERTIFICATION BONUS                         |
| 565A  | PARAMEDIC RECERTIFICATION BONUS – ELIGIBILITY INDICATOR |
| 567   | DEPUTY SHERIFF RESERVE ANNUAL COMPENSATION              |
| 568   | ASSESSMENT APPEALS BOARD, SESSION 2                     |
| 568A  | ASSESSMENT APPEALS BOARD, SESSION 3                     |
| 569   | PHYSICIAN LOAN PAYMENT PROGRAM                          |

|     |   |
|-----|---|
| 570 | HOME CARE PROGRAM STANDBY                             |
| 571 | CHILDREN'S SOCIAL WORKERS LICENSURE SUPERVISION       |
| 572 | MOU LUMP SUM BONUS                                    |
| 574 | STANDBY – INS WITNESS PROGRAM                         |
| 575 | WASTEWATER PLANT RELIEF BONUS                         |
| 576 | SOLO DAILY EARNINGS                                   |
| 577 | INTERPRETER HALF DAY BONUS - SUP CT                   |
| 578 | ER ATTENDING PHYSICIAN - DAY RATE                     |
| 579 | ER ATTENDING PHY/-WKDY EVE/WKND HOLIDAY               |
| 580 | ER ATTENDING PHY/-WKDY NITE/WKND HOLIDAY EVE NITE     |
| 581 | SWIM PROFICIENCY BONUS                                |
| 582 | INTERPRETER REGULAR MULTIPLE LANGUAGE SAME DAY        |
| 583 | INTERPRETER-HOURLY/DAILY MULT LANG SAME DAY           |
| 584 | PHYSICIAN STIPENDS                                    |
| 585 | ISA TREE WORKER CERTIFICATION                         |
| 586 | ISA CERTIFIED ARBORIST CREDENTIAL                     |
| 587 | ISA CERTIFIED QUALIFIED TREE RISK ASSESSOR CREDENTIAL |
| 588 | ISA MUNICIPAL SPECIALIST CREDENTIAL                   |
| 589 | MENTAL HEALTH SPECIALITY FIELD BASED BONUS            |
| 590 | CONT EDUCATION/EQUIPMENT ALLOWANCE/TRAINING BONUS     |
| 591 | LICENSE REIMBURSEMENT                                 |

|      |   |
|------|---|
| 600  | REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION,<br>SUB-ITEM D               |
| 602  | SUPERVISING TRANSPORTATN DEPTY PERFORMING<br>DISPATCHER DUTIES                    |
| 603  | AUTOMOTIVE SERVICE EXCELLENCE CERTIFICATE   |
| 604  | REGISTERED NURSE MOBILE INTENSIVE CARE CERTIFICATION                              |
| 605  | CUSTODIAN FLOOR WAXING BONUS  |
| 606  | FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY                                |
| 606A | FIRE EQUIPMENT MECHANIC ASSIGNED FIELD REPAIR DUTY –<br>ELIGIBILITY INDICATOR     |
| 607  | SUPERVISING DEPUTY PROBATION OFFICER (SPDO) ASSIGNED<br>ACTING DIRECTOR IN A CAMP |
| 608  | BILINGUAL BONUS   |
| 609  | REGISTERED NURSE ASSIGNED TO EMERGENCY ROOM                                       |
| 610  | ANTELOPE VALLEY FIREFIGHTING CREW   |
| 611  | TREE TRIMMER SUPERVISOR, POWER OPERATIONS   |
| 612  | SHOOTING BONUS, EXPERT  |
| 613  | SHOOTING BONUS, DISTINGUISHED EXPERT  |
| 614  | SHOOTING BONUS, MARKSMAN  |
| 615  | SHOOTING BONUS, SHARPSHOOTER  |
| 616  | ANTELOPE VALLEY QUARTERS, ON FIRE CALL  |
| 617  | CLINIC NURSE ASSIGNED TO PROBATION CAMP   |
| 618  | TRANSPORTATION BUS DRIVER, SHERIFF  |

|      |   |
|------|---|
| 619  | CERTIFIED ACCESS SPECIALIST                                     |
| 620  | SAN GABRIEL DAM OPERATOR  |
| 621  | NURSE RETENTION INCENTIVE                                       |
| 622  | ADVANCED APPRAISER CERTIFICATION                                |
| 624  | BILINGUAL ADDITIONAL BONUS, CHILDREN'S SOCIAL WORK              |
| 625  | AGRICULTURE INSPECTORS ASSIGNED TO STANDARDIZATION              |
| 627  | DETENTION & TRANSPORTATION EXTRA SUPERVISION BONUS              |
| 628  | BILINGUAL BONUS FOR OTHER THAN MONTHLY                          |
| 628A | BILINGUAL BONUS FOR OTHER THAN MONTHLY-ELIGIBILITY<br>INDICATOR |
| 629  | MORTUARY ATTENDANT AT LAC+USCMC                                 |
| 630  | FIELD ASSIGNMENT BONUS  |
| 631  | BILINGUAL BONUS-SUB D   |
| 632  | MENTAL HEALTH WORKERS ASSIGND SHERIFF DETENTN FACL              |
| 633  | RN ASSIGNED TO EMERGENCY ROOM SUB D                             |
| 634  | SUPERVISING DETENTION SERVICES OFFICER OF THE DAY               |
| 635  | TRANSPORTATION DEPUTY BUS DRIVER, PROBATION                     |
| 636  | INCIDENTAL EXPENSE ALLOWANCE                                    |
| 637  | PROFESSIONAL DEVELOPMENT EXPENSES                               |
| 638  | PROBATION TELECOM EQUIPMENT BONUS                               |
| 640  | CHILDRENS SERVICES ERCP RETENTION                               |

|      |  |
|------|--|
| 641  | SHOOTING BONUS, EXPERT – RESERVE                           |
| 642  | SHOOTING BONUS, DISTINGUISHED EXPERT – RESERVE             |
| 643  | SHOOTING BONUS, MARKSMAN – RESERVE                         |
| 644  | SHOOTING BONUS, SHARPSHOOTER – RESERVE                     |
| 645  | EMERGENCY ROOM PREMIUM PAY/PAT FIN SVCS WKR/PAT RES<br>WKR |
| 646  | EMERGENCY ROLL OUT PROGRAM & SHIFT BONUS                   |
| 647  | BILINGUAL ADDITIONAL BONUS, PSYCH SOCIAL WORK              |
| 648  | DEFIBRILLATION AIRWAY BONUS                                |
| 649  | MAMMOGRAPHY BONUS  |
| 690  | CELLULAR PHONE STIPEND – VOICEMAIL                         |
| 691  | CELLULAR PHONE STIPEND - DATA ONLY                         |
| 692  | CELLULAR PHONE STIPEND - VOICE AND DATA                    |
| 694  | CIVIC CENTER COMMUTER ALLOWANCE                            |
| 695  | DEPARTMENT HEAD TRANSPORTATION ALLOWANCE                   |
| 696  | DEPARTMENT HEAD TRAFFIC MITIGATION ALLOWANCE               |
| 700  | PENSIONABLE OVERTIME                                       |
| 702  | DOUBLE OVERTIME  |
| 730  | PREMIUM OVERTIME - SYSTEM PENSIONABLE                      |
| 732  | PREMIUM DOUBLE OVERTIME                                    |
| 732D | PREMIUM DOUBLE OVERTIME - MANUAL                           |

|       |  |
|-------|--|
| PF004 | MEGAFLEX PENSIONABLE CONTRIBUTION                              |
| PF007 | FLEX PENSIONABLE CONTRIBUTION                                  |
| PF010 | CHOICES PENSIONABLE CONTRIBUTION                               |
| PF013 | OPTIONS PENSIONABLE CONTRIBUTION                               |
| PK003 | NON-ELECTIVE LEAVE   |
| PK011 | SICK - 100%  |
| PK012 | HOLIDAY  |
| PK021 | VACATION   |
| PK030 | SPECIAL PAID LEAVE   |
| PK031 | APPRAISERS LEAVE   |
| PK032 | INTERN/RESIDENT LEAVE  |
| PK113 | SICK PRE-71  |
| PKN03 | SUPERIOR COURT NON-PENSIONABLE NON-ELECTIVE LEAVE<br>BUY BACK  |
| PKN21 | SUPERIOR COURT NON-PENSIONABLE VACATION LEAVE<br>BUY BACK      |
| PKP11 | SICK LEAVE BUY BACK 100%                                       |
| PKP21 | VACATION BUY BACK  |
| PP046 | EMPLOYEE SUGGESTION  |
| NONE  | REGISTERED NURSE ASSIGNED TO CRITICAL CARE UNITS               |
| NONE  | FIRE SUPPRESSION CAMP ASSIGNMENT – PREMIUM                     |
| NONE  | FIRE SUPPRESSION CAMP ASSIGNMENT – COMPENSATORY TIME<br>EARNED |

|       |  |
|-------|--|
| NONE  | POST, SUPERVISORY BONUS                                  |
| OP100 | CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – HORIZONS PLAN  |
| OP101 | CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – HORIZONS PLAN |
| OP102 | CORRECTIVE PAYMENT, REINSTATED EMPLOYEE – SAVINGS PLAN   |
| OP103 | CORRECTIVE PAYMENT, ADMINISTRATIVE ERROR – SAVINGS PLAN  |
| OP104 | PENSION SAVINGS PLAN, BACK AWARD                         |
| OP105 | PENSION SAVINGS PLAN ERRORS AND OMISSIONS                |
| TBD   | ANTELOPE VALLEY STIPEND                                  |
| TBD   | RETENTION BONUS  |
| TBD   | RETENTION BONUS 25+YEARS                                 |
| TBD   | FLOATER BONUS  |
| TBD   | SIGNING BONUS, ADMINISTRATIVE SUPPORT                    |
| TBD   | FINDER'S FEE   |
| TBD   | SIGNING BONUS  |
| TBD   | EQUIPMENT ALLOWANCE NEW HIRE                             |
| TBD   | STUDENT LOAN REPAYMENT                                   |
| TBD   | CIVIC CENTER STIPEND                                     |
| TBD   | JUDICIAL ASSISTANT BONUS                                 |



|     |                              |
|-----|------------------------------|
| TBD | PARALEGAL BONUS              |
| TBD | RETENTION BONUS              |
| TBD | PEDIATRIC FORENSIC NP        |
| TBD | NATIONAL BOARD CERTIFICATION |

May 23, 2023

TO: Each Trustee  
Board of Retirement

FROM: Insurance, Benefits and Legislative Committee  
Les Robbins, Chair  
Vivian H. Gray, Vice Chair  
Shawn R. Kehoe  
Ronald Okum  
JP Harris Santos, Alternate

FOR: June 7, 2023 Board of Retirement Meeting

SUBJECT: **Assembly Bill 1020—Disability Retirement**

*Author: Grayson [D]*  
*Sponsor: California Professional Firefighters*  
*Amended: March 13, 2023*  
*Introduced: February 15, 2023*  
*Status: Referred to Senate Committee on Labor, Public Employment & Retirement. (05/03/2023)*

*IBLC Recommendation: Neutral (05/03/2023)*  
*Staff Recommendation: Neutral*

## RECOMMENDATION

That the Board of Retirement adopt a “Neutral” position on Assembly Bill 1020, which would expand the number of service-connected presumptions related to disability retirement, with recommended clarifications.

## LEGISLATIVE POLICY STANDARD

AB 1020 is not consistent with any of the Board of Retirement’s (BOR) legislative policy standards that would entail support or opposition. A presumption is a plan design and eligibility provision that shifts the burden from the member to prove service-connection for a disability retirement to the retirement association to rebut the presumption of service-connection. A “Neutral” position indicates that the proposal affects LACERA and its stakeholders, but the Board neither supports nor opposes it. However, AB 1020 requires technical clarifications to facilitate adjudication of disability retirement applications.

## SUMMARY

AB 1020 would expand the number of injuries that are presumed to arise out of and in the course of employment for disability retirement. The presumptions are rebuttable, but unless the presumption is controverted, the retirement board is bound to find in accordance with the presumption.

## **ANALYSIS**

### **Existing Law**

The County Employees Retirement Law of 1937 (CERL) provides four presumptions that an injury arises out of and in the course of employment: heart trouble, cancer, blood-borne infectious disease, and exposure to biochemical substances. These presumptions generally apply to safety members and also to members who are not safety members but are engaged in active law enforcement or fire suppression.

To be granted a service-connected disability retirement, members have the burden of proof by demonstrating that they are permanently incapacitated physically or mentally for the performance of duties and then by proving that their permanent incapacity is service-connected. However, if a member is permanently incapacitated as a result of one of these injuries that are presumed to be service-connected, then the burden is on the retirement association to rebut the presumption that it is service-connected. A member always has the burden of proving permanent incapacity, which is never presumed.

### **This Bill**

AB 1020 would expand the number of injuries that are presumed to arise out of and in the course of employment to include hernia, pneumonia, post-traumatic stress disorder, tuberculosis, meningitis, skin cancer, Lyme disease, and lower back impairments. The presumptions are all rebuttable.

AB 1020 would amend existing Government Code Section 31720.5, which provides the presumption for heart trouble, to include hernia and pneumonia. The other injuries being included by AB 1020 are based on presumptions in the Labor Code that relate to workers' compensation. AB 1020 would add new sections to CERL to provide for presumptions for these injuries. (Although hernia and pneumonia are also presumptions in the Labor Code, AB 1020 would amend an existing CERL section instead of adding a new section for these injuries.)

The new sections that AB 1020 is proposing to be included in CERL define a member to whom the presumption is applicable based on the job classifications specified in the Labor Code section referenced by the bill. However, there are other elements in the corresponding Labor Code sections that are not referenced by the bill, and it is unclear whether those elements apply to the new CERL sections, which are modeled on the Labor Code presumptions.

Staff recommends that AB 1020 be amended with the following clarifications that would enable the proposed presumptions to be applied with clarity to disability retirement applications.

### Basis of Disability Retirement

The proposed sections to be added indicate "...a member who retires for disability on the basis, **in whole or in part**, [emphasis added] of an injury...." The phrase "in whole or in part" is not used in CERL to determine eligibility for disability retirement and appears to be based on the concept of disability ratings in workers' compensation, which determine the length and amount of the worker's compensation disability benefit. Under CERL, members are retired for disability if they are permanently incapacitated, and a member who is granted a workers' compensation benefit is not necessarily permanently incapacitated. Moreover, the presumptions for cancer, blood-borne infectious disease, and exposure to biochemical substances use the term "permanently incapacitated" to describe members eligible for a service-connected disability retirement.

Clarification: The proposed new CERL sections should be consistent with the existing CERL sections for presumptions and use the term "permanently incapacitated" to describe members who are retired for a service-connected disability.

### Extension of Presumption after Termination

The Labor Code sections that are the basis for the new presumptions to be added to CERL each contain a provision that extends the presumption up to 60 months following a termination of service. It is unclear whether these extensions in the Labor Code are intended to apply to the proposed CERL sections.

Under the existing CERL presumptions of cancer, blood-borne infectious disease, and exposure to biochemical substances, the CERL provisions provide for an extension of the presumption for up to 60 months following termination of service.

The heart trouble presumption in CERL does not provide for an extension. However, Labor Code Section 3212, which is the basis for the hernia and pneumonia presumptions, also contains an extension of the presumption. Since AB 1020 is amending existing CERL Section 31720.5 and not adding a new section, are hernia and pneumonia presumptions intended to be subject to the extension—as well as the heart trouble presumption for which Section 31720.5 historically did not provide for an extension?

Clarification: The proposed CERL sections should clarify whether the extensions of the presumption in the Labor Code are applicable. Moreover, is the extension also intended to apply to the heart trouble presumption?

### PTSD Presumption: Repeal and Injury Dates

Labor Code Section 3212.15 provides for the presumption for post-traumatic stress disorder (PTSD) and will be repealed as of January 1, 2025.

There are also two other bills that will amend Labor Code Section 3212.15: AB 597 (Rodriguez) and SB 623 (Laird).

AB 597 would add emergency medical technicians and paramedics to whom the PTSD presumption is applicable. However, the presumption is only applicable for injuries that occur on or after January 1, 2024. The repeal date of January 1, 2025 remains in place.

SB 623 would add public safety dispatchers, public safety telecommunicators, and emergency response communication employees to whom the PTSD presumption is applicable. However, the presumption is only applicable for injuries that occur on or after January 1, 2024. The repeal date of January 1, 2025 remains in place.

It is unclear whether the dates of repeal and injury in the Labor Code sections similarly apply to the proposed CERL provision.

Clarification: The presumption for members who retired for disability due to COVID-19 was enacted in 2021 and contained a repeal date of January 1, 2023, which was subsequently amended in 2022 to extend to January 1, 2024.

The proposed CERL provision for PTSD should similarly clarify whether it will be repealed along with corresponding Labor Code Section 3212.15 on PTSD. It should also clarify whether the injury date of on or after January 1, 2024 is applicable to the new job classifications in Labor Code Section 3212.15, which is referenced by the proposed CERL provision for job classifications eligible for the PTSD presumption.

#### Minimum Service Requirement

The presumption for skin cancer in the Labor Code applies to lifeguards who are employed for more than three consecutive months in a calendar year. The presumption for lower back impairment applies to employees who have been employed as a peace officer for five years on a full-time basis and required to wear a duty belt as a condition of employment.

Clarification: Like the five-year service requirement for the heart trouble presumption, the proposed CERL presumptions for skin cancer and lower back impairment should clarify whether these presumptions also have a minimum service requirement.

#### Applicability to CERL Retirement Systems

AB 1020 defines “public retirement system” in the same manner as the COVID-19 presumption for disability retirement in Government Code Section 7523(c), which also applies to other systems subject to the California Public Employees’ Pension Reform Act of 2013, such as CalPERS, CalSTRS, and the Judges’ Retirement System. However, AB 1020’s proposed presumptions are intended to apply only to CERL retirement systems since it is adding new provisions to CERL.

Clarification: The proposed presumptions should be precisely defined to apply only to the CERL retirement systems.

## **CONCLUSION**

Staff has discussed the lack of clarity raised by the AB 1020 with the Legislative Committee of the State Association of County Retirement Systems, which will engage with the author to provide clarifications that would enable CERL retirement boards to effectively apply the presumptions to disability retirement applications.

**IT IS THEREFORE RECOMMENDED THAT THE BOARD** adopt a “Neutral” position on Assembly Bill 1020, which would expand the number of service-connected presumptions related to disability retirement, with recommended clarifications.

## **Attachments**

Attachment 1—Board Positions Adopted on Related Legislation

Attachment 2—Support and Opposition

AB 1020 (Grayson) as amended on March 13, 2023

cc: Santos H. Kreimann  
Luis Lugo  
JJ Popowich  
Laura Guglielmo  
Steven P. Rice  
Ricki Contreras  
Frank Boyd  
Shari McHugh, McHugh Koepke & Associates  
Naomi Padron, McHugh Koepke & Associates

## **BOARD POSITIONS ADOPTED ON RELATED LEGISLATION**

AB 1739 (Chapter 83, Statutes of 2010) provided that a member who becomes permanently incapacitated as a direct result of injury or disease arising out of and in the course of active military service while on military leave shall be retired for nonservice-connected disability retirement. The Board of Retirement adopted a “Watch” position.

AB 1847 (Chapter 870, Statutes of 2002) provided that illness or resulting death due to exposure to a biochemical substance by specified members shall be presumed to arise out of and in the course of employment. The Board of Retirement adopted a “Watch” position.

AB 1817 (Chapter 138, Statutes of 2000) provided that the development of blood-borne infectious disease by specified members shall be presumed to arise out of and in the course of employment. The Board of Retirement adopted a “Neutral” position.

SB 558 (Chapter 160, Statutes of 1999) provided that the development of cancer by specified members shall be presumed to arise out of and in the course of employment. The Board of Retirement adopted an “Oppose” position.

## **SUPPORT**

California Professional Firefighters (*Sponsor*)  
Association of Orange County Deputy Sheriffs  
California Fraternal Order of Police  
California Statewide Law Enforcement Association  
Contra Costa County Professional Firefighters, Local 1230  
Kern County Firefighters, Local 1301 Union  
Long Beach Police Officers Association  
Los Angeles County Firefighters, Local 1014  
Marin Professional Firefighters, Local 1775  
Orange County Professional Firefighters Association, Local 3631  
Sacramento Area Firefighters, Local 522  
Sacramento County Deputy Sheriffs' Association  
San Bernardino County Firefighters, Local 935  
San Bernardino County Sheriff's Employees' Benefit Association  
Ventura County Professional Firefighters Association, Local 1364

## **OPPOSITION**

None on file.



AMENDED IN ASSEMBLY MARCH 13, 2023

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1020**

---

**Introduced by Assembly Member Grayson**

February 15, 2023

---

An act to amend Section 31720.5 ~~of~~ *of*, and to add Sections 31720.91, 31720.92, 31720.93, 31720.94, 31720.95, and 31720.96 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1020, as amended, Grayson. County Employees Retirement Law of—1937. 1937: disability retirement: medical conditions: employment-related presumption.

Existing law, the County Employees Retirement Law of 1937, prescribes the rights, benefits, and duties of members of the retirement systems established pursuant to its provisions. ~~Existing~~

*Existing* law requires, if a safety member, a firefighter member, or a member in active law enforcement who has completed 5 years or more of service develops heart trouble, that the heart trouble be presumed to arise out of and in the course of employment.

~~This bill would make nonsubstantive changes to those provisions.~~

*This bill would additionally require, if a safety member, firefighter, or member in active law enforcement who has completed 5 years or more of service develops hernia or pneumonia, that the hernia or pneumonia be presumed to arise out of and in the course of employment.*

*Existing law provides that participants in certain membership categories may be entitled to special benefits if the injury that causes their disability arises in the course of their employment. Existing law creates a presumption, for purposes of qualification for disability*

*retirement benefits for specified members, that certain injuries, including, but not limited to, a bloodborne infectious disease or a methicillin-resistant Staphylococcus aureus skin infection, arose out of and in the course of employment. Existing law authorizes the presumption to be rebutted by evidence to the contrary, but unless controverted, the applicable governing board of a public retirement system is required to find in accordance with the presumption.*

*This bill would expand the scope of this presumption to include additional injuries, including post-traumatic stress disorder, tuberculosis, and meningitis, if the injury develops or manifests while a member is in a specified membership classification or job classification. This bill would authorize the presumption relating to these additional injuries to be rebutted by evidence to the contrary, but unless controverted, the applicable governing board of a public retirement system is required to find in accordance with the presumption.*

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 31720.5 of the Government Code is  
2     amended to read:  
3     31720.5. (a) If a safety member, a firefighter member, or a  
4     member in active law enforcement who has completed five years  
5     or more of service under a pension system established pursuant to  
6     Chapter 4 (commencing with Section 31900) or under a pension  
7     system established pursuant to Chapter 5 (commencing with  
8     Section 32200) or both or under this retirement system or under  
9     the State Employees' Retirement System or under a retirement  
10    system established under this chapter in another county, and  
11    develops heart trouble, *hernia, or pneumonia*, that heart-trouble  
12    trouble, *hernia, or pneumonia* developing or manifesting itself in  
13    those cases shall be presumed to arise out of and in the course of  
14    employment. That heart-trouble trouble, *hernia, or pneumonia*  
15    developing or manifesting itself in those cases shall in no case be  
16    attributed to any disease existing prior to such development or  
17    manifestation.

(b) The presumption described in subdivision (a) is rebuttable by other evidence. Unless so rebutted, the board is bound to find in accordance with the presumption.

(c) As used in this section, “firefighter member” includes a member engaged in active fire suppression who is not classified as a safety member.

(d) As used in this section, “member in active law enforcement” includes a member engaged in active law enforcement who is not classified as a safety member.

SEC. 2. Section 31720.91 is added to the Government Code, to read:

31720.91. (a) For purposes of a member who retires for disability on the basis, in whole or in part, of an injury, as described in paragraph (1) of subdivision (c), it shall be presumed that the disability arose out of, or in the course of, the member’s employment.

(b) The presumption described in subdivision (a) may be rebutted by evidence to the contrary, but unless controverted, the board shall be bound to find in accordance with the presumption.

(c) For purposes of this section:

(1) “Injury” means “post-traumatic stress disorder,” as diagnosed according to the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association and that develops or manifests itself during a period while a member is in the service of a department, office, or unit, consistent with paragraph (2).

(2) “Member” means a member of a public retirement system whose job classification is listed in Section 3212.15 of the Labor Code.

(3) “Public retirement system” means any public employee retirement system that is subject to the California Public Employees’ Pension Reform Act of 2013 (Article 4 (commencing with Section 7522) of Chapter 21 of Division 7 of Title 1).

SEC. 3. Section 31720.92 is added to the Government Code, to read:

31720.92. (a) For purposes of a member who retires for disability on the basis, in whole or in part, of an injury, as described in paragraph (1) of subdivision (c), it shall be presumed that the disability arose out of, or in the course of, the member’s employment.

1     (b) *The presumption described in subdivision (a) may be*  
2     *rebutted by evidence to the contrary, but unless controverted, the*  
3     *board shall be bound to find in accordance with the presumption.*

4     (c) *For purposes of this section:*

5     (1) *“Injury” means tuberculosis that develops or manifests itself*  
6     *during a period while a member is in the service of a department,*  
7     *office, or unit, consistent with paragraph (2).*

8     (2) *“Member” means a member of a public retirement system*  
9     *whose job classification is listed in Section 3212.6 of the Labor*  
10    *Code.*

11    (3) *“Public retirement system” means any public employee*  
12    *retirement system that is subject to the California Public*  
13    *Employees’ Pension Reform Act of 2013 (Article 4 (commencing*  
14    *with Section 7522) of Chapter 21 of Division 7 of Title 1).*

15    SEC. 4. *Section 31720.93 is added to the Government Code,*  
16    *to read:*

17    31720.93. (a) *For purposes of a member who retires for*  
18    *disability on the basis, in whole or in part, of an injury, as*  
19    *described in paragraph (1) of subdivision (c), it shall be presumed*  
20    *that the disability arose out of, or in the course of, the member’s*  
21    *employment.*

22    (b) *The presumption described in subdivision (a) may be*  
23    *rebutted by evidence to the contrary, but unless controverted, the*  
24    *board shall be bound to find in accordance with the presumption.*

25    (c) *For the purpose of this section:*

26    (1) *“Injury” means meningitis that develops or manifests itself*  
27    *during a period while a member is in the service of a department,*  
28    *office, or unit, consistent with paragraph (2).*

29    (2) *“Member” means a member of a public retirement system*  
30    *whose job classification is listed in Section 3212.9 of the Labor*  
31    *Code.*

32    (3) *“Public retirement system” means any public employee*  
33    *retirement system that is subject to the California Public*  
34    *Employees’ Pension Reform Act of 2013 (Article 4 (commencing*  
35    *with Section 7522) of Chapter 21 of Division 7 of Title 1).*

36    SEC. 5. *Section 31720.94 is added to the Government Code,*  
37    *to read:*

38    31720.94. (a) *For purposes of a member who retires for*  
39    *disability on the basis, in whole or in part, of an injury, as*  
40    *described in paragraph (1) of subdivision (c), it shall be presumed*

1 *that the disability arose out of, or in the course of, the member's*  
2 *employment.*

3 *(b) The presumption described in subdivision (a) may be*  
4 *rebutted by evidence to the contrary, but unless controverted, the*  
5 *board shall be bound to find in accordance with the presumption.*

6 *(c) For the purpose of this section:*

7 *(1) "Injury" means skin cancer that develops or manifests itself*  
8 *during a period while a member is in the service of that*  
9 *department, office, or unit, consistent with paragraph (2).*

10 *(2) "Member" means a member of a public retirement system*  
11 *whose job classification is listed in Section 3212.11 of the Labor*  
12 *Code.*

13 *(3) "Public retirement system" means any public employee*  
14 *retirement system that is subject to the California Public*  
15 *Employees' Pension Reform Act of 2013 (Article 4 (commencing*  
16 *with Section 7522) of Chapter 21 of Division 7 of Title 1).*

17 *SEC. 6. Section 31720.95 is added to the Government Code,*  
18 *to read:*

19 *31720.95. (a) For purposes of a member who retires for*  
20 *disability on the basis, in whole or in part, of an injury, as*  
21 *described in paragraph (1) of subdivision (c), it shall be presumed*  
22 *that the disability arose out of, or in the course of, the member's*  
23 *employment.*

24 *(b) The presumption described in subdivision (a) may be*  
25 *rebutted by evidence to the contrary, but unless controverted, the*  
26 *board shall be bound to find in accordance with the presumption.*

27 *(c) For the purpose of this section:*

28 *(1) "Injury" means Lyme disease that develops or manifests*  
29 *itself during a period while a member is in the service of a*  
30 *department, office, or unit, consistent with paragraph (2).*

31 *(2) "Member" means a member of a public retirement system*  
32 *whose job classification is listed in Section 3212.12 of the Labor*  
33 *Code.*

34 *(3) "Public retirement system" means any public employee*  
35 *retirement system that is subject to the California Public*  
36 *Employees' Pension Reform Act of 2013 (Article 4 (commencing*  
37 *with Section 7522) of Chapter 21 of Division 7 of Title 1).*

38 *SEC. 7. Section 31720.96 is added to the Government Code,*  
39 *to read:*

1     31720.96. (a) For purposes of a member who retires for  
2     disability on the basis, in whole or in part, of an injury, as  
3     described in paragraph (1) of subdivision (c), it shall be presumed  
4     that the disability arose out of, or in the course of, the member's  
5     employment.

6     (b) The presumption described in subdivision (a) may be  
7     rebutted by evidence to the contrary, but unless controverted, the  
8     board shall be bound to find in accordance with the presumption.

9     (c) For the purpose of this section:

10    (1) "Injury" means lower back impairments that develop or  
11    manifest itself during a period while a member is in the service of  
12    a department, office, or unit, consistent with paragraph (2).

13    (2) "Member" means a member of a public retirement system  
14    whose job classification is listed in Section 3213.2 of the Labor  
15    Code.

16    (3) "Public retirement system" means any public employee  
17    retirement system that is subject to the California Public  
18    Employees' Pension Reform Act of 2013 (Article 4 (commencing  
19    with Section 7522) of Chapter 21 of Division 7 of Title 1).



May 24, 2023

TO: Each Trustee  
Board of Retirement

FROM: Ricki Contreras, Division Manager  
Disability Retirement Services

SUBJECT: **APPEALS FOR THE BOARD OF RETIREMENT'S MEETING  
OF JUNE 7, 2023**

**IT IS RECOMMENDED** that the Board of Retirement grant the appeals and requests for administrative hearing received from the following applicants, and direct the Disability Retirement Services Manager to refer each case to a referee:

|       |                           |            |  |
|-------|---------------------------|------------|--|
| 5306B | Ofelia Santoyo-Hurtado    | In Pro Per | Deny SCD – Grant NSCD With<br>Option of Earlier Effective Date                       |
| 5309B | Malaysia L. Gandy Locklin | In Pro Per | Deny SCD Salary Supplement –<br>Grant NSCD Salary Supplement<br>With Two-Year Review |

RC:kw

May 30, 2023

**TO:** Trustees, Board of Retirement

**FOR:** Board of Retirement Meeting on June 7, 2023

**SUBJECT:** Ratification of Service Retirement and Survivor Benefit Application Approvals

---

The attached report reflects service retirements and survivor benefit applications received as of the date of this memo, along with any retirement rescissions and/or changes approved at last month's Board meeting. Any retirement rescissions or changes received after the date of this memo up to the date of the Board's approval, will be reflected in next month's report.



# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>       | <u>DEPARTMENT</u>                | <u>RETIRED</u> | <u>SERVICE</u> |
|-------------------|----------------------------------|----------------|----------------|
| EDWIN E. ALVAREZ  | SHERIFF<br>Dept.#SH              | 06-30-2023     | 38 YRS 01 MOS  |
| ELIZABETH CANO    | SHERIFF<br>Dept.#SH              | 06-15-2023     | 27 YRS 06½ MOS |
| SCOTT L. GIBBS    | L A COUNTY FIRE DEPT<br>Dept.#FR | 06-27-2023     | 35 YRS 07 MOS  |
| SEAN L. HINKEY    | SHERIFF<br>Dept.#SH              | 07-13-2023     | 33 YRS 08½ MOS |
| THOMAS G. JAMES   | SHERIFF<br>Dept.#SH              | 06-30-2023     | 31 YRS 09 MOS  |
| WILLIAM O. JORDAN | DISTRICT ATTORNEY<br>Dept.#DA    | 07-28-2023     | 30 YRS 05 MOS  |
| MARIO D. LEMOS    | L A COUNTY FIRE DEPT<br>Dept.#FR | 06-01-2023     | 31 YRS ½ MOS   |
| SCOTT P. MARRON   | SHERIFF<br>Dept.#SH              | 05-30-2023     | 32 YRS 10 MOS  |
| STEVE MESSICK     | L A COUNTY FIRE DEPT<br>Dept.#FR | 03-31-2023     | 22 YRS 02 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### SAFETY MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>         | <u>DEPARTMENT</u>                | <u>RETIRED</u> | <u>SERVICE</u> |
|---------------------|----------------------------------|----------------|----------------|
| JOHN J. O'HARA      | SHERIFF<br>Dept.#SH              | 07-01-2023     | 36 YRS 01½ MOS |
| DAVID E. O'SULLIVAN | SHERIFF<br>Dept.#SH              | 06-29-2023     | 33 YRS 04 MOS  |
| DANA B. RICHARDS    | L A COUNTY FIRE DEPT<br>Dept.#FR | 04-19-2023     | 39 YRS 08 MOS  |
| PAUL L. SHIGO       | SHERIFF<br>Dept.#SH              | 07-14-2023     | 32 YRS 01½ MOS |
| THOMAS STUKEY       | L A COUNTY FIRE DEPT<br>Dept.#FR | 06-30-2023     | 35 YRS 00 MOS  |
| JEFFREY D. SWEET    | SHERIFF<br>Dept.#SH              | 06-30-2023     | 32 YRS 07 MOS  |
| ANTHONY J. WREN     | L A COUNTY FIRE DEPT<br>Dept.#FR | 05-31-2023     | 26 YRS 08½ MOS |
| PILAR S. ZERMENO    | L A COUNTY FIRE DEPT<br>Dept.#FR | 07-04-2023     | 31 YRS 01½ MOS |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>        | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|--------------------|--|----------------|----------------|
| CAMELO L. ADAMS    | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-30-2023     | 14 YRS 04 MOS  |
| VICTORIA L. ADAMS  | DISTRICT ATTORNEY<br>Dept.#DA              | 06-30-2023     | 38 YRS 04 MOS  |
| DELIA AGUILAR      | SHERIFF<br>Dept.#SH                        | 05-31-2023     | 26 YRS 11½ MOS |
| VARYA AIVAZIAN     | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-26-2023     | 16 YRS 04 MOS  |
| EVELITO V. ALIX    | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 06-01-2023     | 19 YRS ½ MOS   |
| GEORGE O. AMADI    | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 06-30-2023     | 14 YRS 10½ MOS |
| ANGELINA M. ARANDA | PROBATION DEPARTMENT<br>Dept.#PB           | 07-01-2023     | 38 YRS 07½ MOS |
| ARMENUI ASLANYAN   | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-01-2023     | 21 YRS 08½ MOS |
| LOOSIK BAGIJANI    | CHILD SUPPORT SERVICES<br>Dept.#CD         | 05-31-2023     | 23 YRS 04½ MOS |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>       | <u>DEPARTMENT</u>                       | <u>RETIRED</u> | <u>SERVICE</u> |
|-------------------|---|----------------|----------------|
| BARBARA J. BAKER  | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 05-31-2023     | 26 YRS 09½ MOS |
| ANNA M. BEHN      | CHILD SUPPORT SERVICES<br>Dept.#CD      | 06-30-2023     | 26 YRS 01 MOS  |
| LULA B. BELL      | PUBLIC HEALTH PROGRAM<br>Dept.#PH       | 06-30-2023     | 35 YRS 09 MOS  |
| WANDA BERMUDEZ    | PROBATION DEPARTMENT<br>Dept.#PB        | 05-31-2023     | 17 YRS ½ MOS   |
| KELLI BLANCHFIELD | MENTAL HEALTH<br>Dept.#MH               | 06-30-2023     | 23 YRS 01 MOS  |
| PETER N. BLISS    | DISTRICT ATTORNEY<br>Dept.#DA           | 06-30-2023     | 35 YRS 05 MOS  |
| STEPHEN A. BOYSAW | PUBLIC DEFENDER<br>Dept.#PD             | 07-17-2023     | 28 YRS 07 MOS  |
| MARLIN BRADLEY    | RANCHO LOS AMIGOS HOSPITAL<br>Dept.#HR  | 05-17-2023     | 30 YRS 05½ MOS |
| DAVID C. BROUGHAM | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC | 04-26-2023     | 20 YRS 03½ MOS |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>            | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|------------------------|--|----------------|----------------|
| ANGELA D. BRUNSON      | DISTRICT ATTORNEY<br>Dept.#DA              | 07-01-2023     | 25 YRS 08½ MOS |
| WILLIAM E. BURNES      | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 05-31-2023     | 32 YRS 08½ MOS |
| HAROLD D. BURNETT      | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-12-2023     | 37 YRS 05½ MOS |
| CAROL CABRERA          | ECONOMIC AND WORKFORCE DEV<br>Dept.#EW     | 04-26-2023     | 25 YRS 09 MOS  |
| ANGELA L. CAPELLUPO    | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 04-18-2023     | 01 YRS 04½ MOS |
| ANGELINA CASTEL PENA   | AMBULATORY CARE NETWORK<br>Dept.#HN        | 05-31-2023     | 36 YRS 01½ MOS |
| MARIA AIDA G. CAUSAPIN | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 06-10-2023     | 15 YRS 01½ MOS |
| JOSIE CHAVEZ           | AMBULATORY CARE NETWORK<br>Dept.#HN        | 06-30-2023     | 24 YRS 05 MOS  |
| CONNIE W. CHEUNG       | DISTRICT ATTORNEY<br>Dept.#DA              | 06-30-2023     | 28 YRS 04 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>           | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-----------------------|--|----------------|----------------|
| INNOSAINT A. CHINWEZE | PROBATION DEPARTMENT<br>Dept.#PB           | 05-31-2023     | 23 YRS 07½ MOS |
| PAMELA A. CROFT       | PUBLIC DEFENDER<br>Dept.#PD                | 05-31-2023     | 33 YRS 03½ MOS |
| ROBERT CRUZ           | PARKS AND RECREATION<br>Dept.#PK           | 06-30-2023     | 20 YRS 06 MOS  |
| KENNETH A. DANIEL     | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-20-2023     | 32 YRS 11 MOS  |
| JANICE F. DAVIS       | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 31 YRS 08½ MOS |
| LETICIA C. DELFIN     | HEALTH SERVICES ADMINISTRATION<br>Dept.#HS | 06-30-2023     | 33 YRS 11 MOS  |
| ROBERT DESMOND        | INTERNAL SERVICES<br>Dept.#IS              | 05-27-2023     | 34 YRS 05 MOS  |
| DONNA DOMINGUEZ       | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 07-01-2023     | 23 YRS 07 MOS  |
| DEBRA D. ESTRADA      | MENTAL HEALTH<br>Dept.#MH                  | 06-30-2023     | 15 YRS 03 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>           | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-----------------------|--|----------------|----------------|
| TERRI L. FEARS        | RANCHO LOS AMIGOS HOSPITAL<br>Dept.#HR     | 06-30-2023     | 43 YRS 08 MOS  |
| VALERIE D. FITZGERALD | ASSESSOR<br>Dept.#AS                       | 05-31-2023     | 28 YRS 02½ MOS |
| ARLENA FREEMAN        | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 04-29-2023     | 29 YRS 08 MOS  |
| LARS FRYKHOLM         | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 31 YRS 07½ MOS |
| DELIA GABRIEL         | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 04-27-2023     | 30 YRS 07½ MOS |
| LATANYA D. GANTER     | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 06 YRS 04 MOS  |
| GILDITA S. GARCIA     | AMBULATORY CARE NETWORK<br>Dept.#HN        | 05-31-2023     | 29 YRS 01 MOS  |
| FERNANDO L. GAYNAIR   | INTERNAL SERVICES<br>Dept.#IS              | 05-16-2023     | 22 YRS 03½ MOS |
| ANNE C. GILLAM        | PUBLIC DEFENDER<br>Dept.#PD                | 06-30-2023     | 35 YRS 03 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>           | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-----------------------|--|----------------|----------------|
| KATHERINE D. GONZALEZ | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-30-2023     | 27 YRS 00 MOS  |
| DAVID M. GONZALEZ     | PUBLIC WORKS<br>Dept.#PW                   | 06-30-2023     | 31 YRS 09 MOS  |
| MONICA GONZALEZ       | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 07-21-2023     | 28 YRS 05 MOS  |
| ENAHARO K. GOSSETT    | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 05-08-2023     | 22 YRS 05½ MOS |
| STELLA GUZMAN         | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 25 YRS 09 MOS  |
| MELANIE J. HALL       | MENTAL HEALTH<br>Dept.#MH                  | 06-30-2023     | 13 YRS 00 MOS  |
| CHIN P. HAO           | CORRECTIONAL HEALTH<br>Dept.#HC            | 07-01-2023     | 15 YRS ½ MOS   |
| CYNTHIA HARDING       | DEPARTMENT OF HUMAN RESOURCES<br>Dept.#HM  | 06-30-2023     | 38 YRS 04 MOS  |
| BEVERLY A. HARRIS     | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 05-31-2023     | 06 YRS 03½ MOS |



# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>         | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|---------------------|--|----------------|----------------|
| MARGARET HASHAWAY   | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 05-31-2023     | 30 YRS 01½ MOS |
| TIERRA P. HAYNES    | SHERIFF<br>Dept.#SH                        | 05-18-2023     | 06 YRS 02½ MOS |
| ADELL E. HEARNDON   | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 29 YRS 06½ MOS |
| ROBERTA A. HILL     | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 06-30-2023     | 30 YRS 09 MOS  |
| KATHLEEN M. HUIZA   | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 08 YRS 04 MOS  |
| YVONNE M. HURT      | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 06-30-2023     | 20 YRS 09 MOS  |
| ROSALINA T. IGNACIO | CORRECTIONAL HEALTH<br>Dept.#HC            | 03-31-2023     | 20 YRS 02 MOS  |
| JOHN H. JOHNSON     | INTERNAL SERVICES<br>Dept.#IS              | 04-18-2023     | 28 YRS 01 MOS  |
| JUDY A. JUNES       | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 07-01-2023     | 34 YRS 11½ MOS |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>             | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-------------------------|--|----------------|----------------|
| ARCHAM KARIBIAN         | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 07-29-2023     | 23 YRS 02 MOS  |
| ALI KARIMI              | HEALTH SERVICES ADMINISTRATION<br>Dept.#HS | 06-29-2023     | 31 YRS 01 MOS  |
| YANNA KEAM              | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 34 YRS 01½ MOS |
| KIM Y. KEATING          | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 30 YRS 01 MOS  |
| ROLANDO LAVAPIE         | INTERNAL SERVICES<br>Dept.#IS              | 06-15-2023     | 10 YRS 09½ MOS |
| KYUNG R. LEE            | MENTAL HEALTH<br>Dept.#MH                  | 04-28-2023     | 26 YRS 03 MOS  |
| LORI LEGGS              | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 06-30-2023     | 28 YRS ½ MOS   |
| KARL E. LEMMONS         | HEALTH SERVICES ADMINISTRATION<br>Dept.#HS | 05-30-2023     | 39 YRS 06 MOS  |
| MARLENE A. LINDO-GRAHAM | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 05-27-2023     | 30 YRS 10 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>         | <u>DEPARTMENT</u>                       | <u>RETIRED</u> | <u>SERVICE</u> |
|---------------------|---|----------------|----------------|
| MARILYNN D. LIPPI   | PUBLIC DEFENDER<br>Dept.#PD             | 05-03-2023     | 22 YRS ½ MOS   |
| PETER V. LU         | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 06-01-2023     | 25 YRS ½ MOS   |
| JILL P. LUCK        | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 05-17-2023     | 18 YRS 01½ MOS |
| CHO LWIN            | MEDICAL EXAMINER-CORONER<br>Dept.#ME    | 06-30-2023     | 15 YRS 00 MOS  |
| LIEM T. LY          | PUBLIC WORKS<br>Dept.#PW                | 04-19-2023     | 25 YRS 01½ MOS |
| ELIZABETH MADRIGAL  | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 05-31-2023     | 35 YRS 03½ MOS |
| MICHELE M. MARTINEZ | CORRECTIONAL HEALTH<br>Dept.#HC         | 05-01-2023     | 33 YRS 01½ MOS |
| RICHARD D. MARTINEZ | INTERNAL SERVICES<br>Dept.#IS           | 04-30-2023     | 05 YRS 00 MOS  |
| ROSA M. MARTINEZ    | SHERIFF<br>Dept.#SH                     | 06-30-2023     | 44 YRS 00 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>            | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|------------------------|--|----------------|----------------|
| ANAHID MARTIROSIAN     | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-20-2023     | 36 YRS 07 MOS  |
| VALENT MATHEWSIAN      | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 28 YRS 04 MOS  |
| ROAL MAURIES           | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC    | 05-31-2023     | 35 YRS 10½ MOS |
| MA MARGIERY D. MENORCA | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 05-30-2023     | 31 YRS 03 MOS  |
| SHEBA MEYMANDI         | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 06-01-2023     | 32 YRS 02½ MOS |
| DEBORAH K. MILLER      | INTERNAL SERVICES<br>Dept.#IS              | 03-31-2023     | 09 YRS 02 MOS  |
| PAULA E. MILLER        | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-01-2023     | 41 YRS 05½ MOS |
| GUSTAVO MOJARRO        | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 42 YRS 07 MOS  |
| JUAN F. MONTERROSO     | SHERIFF<br>Dept.#SH                        | 07-01-2023     | 16 YRS 07½ MOS |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>        | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|--------------------|--|----------------|----------------|
| LUCY MONTES        | REG-RECORDER/COUNTY CLERK<br>Dept.#RR      | 06-30-2023     | 25 YRS 03 MOS  |
| KATHY A. MOORE     | LA COUNTY FIRE DEPT<br>Dept.#FR            | 06-01-2023     | 36 YRS 03½ MOS |
| RITA MORADIAN      | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 08-01-2023     | 16 YRS ½ MOS   |
| SUSAN C. MORI      | HEALTH SERVICES ADMINISTRATION<br>Dept.#HS | 06-30-2023     | 28 YRS 08 MOS  |
| CONNIE MORO        | PROBATION DEPARTMENT<br>Dept.#PB           | 05-31-2023     | 33 YRS ½ MOS   |
| MARCOS H. MUNOZ JR | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 05-04-2023     | 28 YRS 11 MOS  |
| KO KO MYAT         | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-29-2023     | 22 YRS 07 MOS  |
| JANELLE NARANJO    | PROBATION DEPARTMENT<br>Dept.#PB           | 04-21-2023     | 26 YRS 11 MOS  |
| MARVIN NEVENS      | AMBULATORY CARE NETWORK<br>Dept.#HN        | 06-30-2023     | 36 YRS 03 MOS  |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>           | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-----------------------|--|----------------|----------------|
| JOYCE E. OKENEME      | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-30-2023     | 35 YRS 02 MOS  |
| SERVANDO P. ORNELAS   | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 15 YRS 02 MOS  |
| DIANA C. PADILLA      | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 26 YRS 02 MOS  |
| YOUNG S. PAK          | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 05-30-2023     | 26 YRS 08½ MOS |
| RICHARD A. PATRICELLI | REG-RECORDER/COUNTY CLERK<br>Dept.#RR      | 05-20-2023     | 36 YRS 05 MOS  |
| MARCEL A. PEREZ       | AMBULATORY CARE NETWORK<br>Dept.#HN        | 05-31-2023     | 32 YRS 07½ MOS |
| GUADALUPE PEZO        | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 05-31-2023     | 30 YRS 07½ MOS |
| VALERIE L. PINCHEM    | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 37 YRS 09 MOS  |
| ISMAEL C. POJOL JR.   | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-30-2023     | 15 YRS 10 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>       | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|-------------------|--|----------------|----------------|
| CORAL J. POPEJOY  | PUBLIC WORKS<br>Dept.#PW                   | 06-30-2023     | 38 YRS 06 MOS  |
| ADRIAN POWELL     | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 06-30-2023     | 26 YRS 00 MOS  |
| SONIA C. RAMIREZ  | REG-RECORDER/COUNTY CLERK<br>Dept.#RR      | 05-31-2023     | 42 YRS 10½ MOS |
| DARRELL M. RAMZY  | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 34 YRS 00 MOS  |
| LAURA W. RELPH    | MENTAL HEALTH<br>Dept.#MH                  | 05-31-2023     | 07 YRS 04½ MOS |
| DEBRA A. RODGERS  | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 06-30-2023     | 08 YRS 09 MOS  |
| MARTA RODRIGUEZ   | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 05-30-2023     | 15 YRS 08½ MOS |
| YOLANDA RODRIGUEZ | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 25 YRS 02½ MOS |
| DEBI A. ROSAS     | ASSESSOR<br>Dept.#AS                       | 05-31-2023     | 46 YRS ½ MOS   |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>          | <u>DEPARTMENT</u>                       | <u>RETIRED</u> | <u>SERVICE</u> |
|----------------------|---|----------------|----------------|
| BRENDA G. ROSS       | ASSESSOR<br>Dept.#AS                    | 06-30-2023     | 24 YRS 10 MOS  |
| ANN ROWLAND          | MUSEUM OF ART<br>Dept.#AR               | 06-30-2023     | 48 YRS 05 MOS  |
| MARIA RUIZ           | PUBLIC HEALTH PROGRAM<br>Dept.#PH       | 05-31-2023     | 15 YRS 09½ MOS |
| JONATHAN SANABRIA    | REGIONAL PLANNING<br>Dept.#RP           | 06-30-2023     | 47 YRS 05 MOS  |
| JUAN C. SANCHEZ      | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 05-01-2023     | 25 YRS 05½ MOS |
| JOANNA SCRIMA        | SHERIFF<br>Dept.#SH                     | 06-24-2023     | 41 YRS 00 MOS  |
| GILBERT T. SEGUIN    | CHILD SUPPORT SERVICES<br>Dept.#CD      | 06-30-2023     | 25 YRS 00 MOS  |
| DARCY SALMON SENFF   | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC | 06-21-2023     | 23 YRS 01 MOS  |
| MARVIN A. SOBALVARRO | AMBULATORY CARE NETWORK<br>Dept.#HN     | 04-29-2023     | 17 YRS 01 MOS  |



# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>          | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|----------------------|--|----------------|----------------|
| CELESTINA V. SORIANO | RANCHO LOS AMIGOS HOSPITAL<br>Dept.#HR     | 05-27-2023     | 13 YRS 00 MOS  |
| CYNTHIA SPEARS       | AMBULATORY CARE NETWORK<br>Dept.#HN        | 05-31-2023     | 45 YRS 02½ MOS |
| DONITA M. TALLEY     | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-30-2023     | 25 YRS ½ MOS   |
| GERMAN J. TAPIA      | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 06-30-2023     | 10 YRS 00 MOS  |
| SAMIR M. TAWADROSS   | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 07-29-2023     | 21 YRS 00 MOS  |
| JAMES A. TAYLOR      | REG-RECORDER/COUNTY CLERK<br>Dept.#RR      | 05-31-2023     | 17 YRS 04½ MOS |
| BILLIE L. THOMPSON   | SHERIFF<br>Dept.#SH                        | 06-29-2023     | 20 YRS 01 MOS  |
| MARY TRINIDAD        | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 36 YRS 05½ MOS |
| NANCY E. URQUILLA    | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 06-30-2023     | 37 YRS 08 MOS  |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>            | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|------------------------|--|----------------|----------------|
| SAM UWEH               | PROBATION DEPARTMENT<br>Dept.#PB           | 05-27-2023     | 34 YRS 06 MOS  |
| VERA VALENTINE         | REG-RECORDER/COUNTY CLERK<br>Dept.#RR      | 06-30-2023     | 26 YRS 07 MOS  |
| DONNA CHERYL P. VALINO | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 04-24-2023     | 23 YRS 02½ MOS |
| LILIA VELAZQUEZ        | L A COUNTY FIRE DEPT<br>Dept.#FR           | 06-30-2023     | 16 YRS 03 MOS  |
| STEPHANIE R. VIADO     | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 05-31-2023     | 25 YRS 02½ MOS |
| EVELYN VILLANUEVA      | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC    | 06-30-2023     | 22 YRS 01 MOS  |
| ANGELA L. WALKER       | SHERIFF<br>Dept.#SH                        | 06-15-2023     | 33 YRS 03½ MOS |
| JUDY M. WANG           | AMBULATORY CARE NETWORK<br>Dept.#HN        | 06-30-2023     | 24 YRS 00 MOS  |
| PATSY G. WARD          | PUBLIC DEFENDER<br>Dept.#PD                | 06-30-2023     | 37 YRS 00 MOS  |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT

| <u>NAME</u>         | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|---------------------|--|----------------|----------------|
| KIRK R. WIGGINS     | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 23 YRS 03 MOS  |
| LYNDONA WILLIAMS    | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 06-30-2023     | 35 YRS 08 MOS  |
| HULDA M. WINSTON    | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 05-31-2023     | 47 YRS 10½ MOS |
| CHERYL L. WOLGAMOTT | RANCHO LOS AMIGOS HOSPITAL<br>Dept.#HR     | 06-30-2023     | 38 YRS 09 MOS  |
| SHENG P. YUAN       | PROBATION DEPARTMENT<br>Dept.#PB           | 06-30-2023     | 30 YRS 00 MOS  |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL SURVIVOR APPLICATIONS

| <u>NAME</u>  | <u>DEPARTMENT</u>                       | <u>RETIRED</u> | <u>SERVICE</u> |
|--|---|----------------|----------------|
| ELAINE W. BINEGAR<br><br>WIFE of JOHNNIE S BINEGAR<br>dec'd on 02-15-2023, Sect. #31781.1  | SHERIFF<br>Dept.#SH                     | 02-16-2023     | 15 YRS 05½ MOS |
| EDUARDO CASCANTE ARC<br><br>SPOUSE of JAIME E VIVAS<br>dec'd on 12-29-2022, Sect. #31781.3 | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 12-30-2022     | 08 YRS 07 MOS  |
| TRACY M. FUNG<br><br>SPOUSE of JED E SCHIPPER<br>dec'd on 11-14-2022, Sect. #31781.1       | MENTAL HEALTH<br>Dept.#MH               | 11-15-2022     | 18 YRS 10½ MOS |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

| <u>NAME</u>            | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|------------------------|--|----------------|----------------|
| MARIA LUISA I. ABEJERO | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 03-04-2023     | 00 YRS 09 MOS  |
| PAUL S. AMADO JR       | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 05-11-2023     | 36 YRS 09 MOS  |
| ROBIN L. BAESSLER      | PUBLIC DEFENDER<br>Dept.#PD                | 05-09-2023     | 15 YRS 11 MOS  |
| BRENDA D. BOULTON      | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 03-28-2023     | 07 YRS 07 MOS  |
| BELINDA J. CISNEROS    | PUBLIC LIBRARY<br>Dept.#PL                 | 02-24-2023     | 11 YRS 05 MOS  |
| LORI M. CONNER         | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 04-19-2023     | 21 YRS 04 MOS  |
| TRACY L. DAWSON        | MENTAL HEALTH<br>Dept.#MH                  | 05-01-2023     | 10 YRS 01 MOS  |
| SONIA M. DOW           | PROBATION DEPARTMENT<br>Dept.#PB           | 03-10-2023     | 14 YRS 09½ MOS |
| PATTY S. EVANS         | L A COUNTY FIRE DEPT<br>Dept.#FR           | 05-16-2023     | 32 YRS 11 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

| <u>NAME</u>         | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|---------------------|--|----------------|----------------|
| SAMY F. FARID       | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 03-01-2023     | 05 YRS 11 MOS  |
| MARIBEL S. FECHTNER | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 04-24-2023     | 15 YRS 03 MOS  |
| DARIOUS HARRIS      | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC    | 04-30-2023     | 11 YRS 11 MOS  |
| DEIDREA HAZURE      | WORKFORCE DEV AGING & COMM SVC<br>Dept.#CS | 05-01-2023     | 40 YRS 08 MOS  |
| AMY M. KOHL         | MENTAL HEALTH<br>Dept.#MH                  | 08-03-2022     | 01 YRS 10 MOS  |
| JENNIFER R. KRIEGER | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 02-04-2023     | 07 YRS 05 MOS  |
| KAREN L. LATHON     | Dept.#506                                  | 04-10-2023     | 15 YRS 02 MOS  |
| STEVE LEM           | CHIEF EXECUTIVE OFFICE<br>Dept.#AO         | 12-31-2022     | 06 YRS 00 MOS  |
| SUCHING LUU         | CHILDREN & FAMILY SERVICES<br>Dept.#CH     | 04-19-2023     | 12 YRS 11 MOS  |

# BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

## BENEFIT APPROVAL LIST

### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

| <u>NAME</u>        | <u>DEPARTMENT</u>                          | <u>RETIRED</u> | <u>SERVICE</u> |
|--------------------|--|----------------|----------------|
| RAQUEL J. MAY      | MENTAL HEALTH<br>Dept.#MH                  | 04-28-2023     | 10 YRS 00 MOS  |
| MARTHA MC INTYRE   | SFV CLUSTER-OLIVE VIEW/UCLA MC<br>Dept.#HO | 05-02-2023     | 32 YRS 09 MOS  |
| JENNIFER G. MCCRAY | DEPT OF PUBLIC SOCIAL SERVICES<br>Dept.#SS | 03-01-2023     | 43 YRS 00 MOS  |
| ALI M. MEMAR       | PUBLIC WORKS<br>Dept.#PW                   | 12-31-2022     | 03 YRS 01 MOS  |
| FIDEL ORTIZ        | PUBLIC WORKS<br>Dept.#PW                   | 04-26-2023     | 05 YRS 09 MOS  |
| MARGARET A. OWAKA  | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG    | 04-06-2023     | 10 YRS 11 MOS  |
| MICHAEL RUIZ       | COASTAL CLUSTER-HARBOR/UCLA MC<br>Dept.#HH | 05-28-2023     | 18 YRS ½ MOS   |
| NELDA S. SANCHEZ   |  | 03-10-2023     | 01 YRS 05 MOS  |
| VICTOR D. SOLOMON  | SUPERIOR COURT/COUNTY CLERK<br>Dept.#SC    | 05-01-2023     | 12 YRS 03 MOS  |

## BOARD OF RETIREMENT MEETING OF JUNE 7, 2023

### BENEFIT APPROVAL LIST

#### GENERAL MEMBER APPLICATIONS FOR: SERVICE RETIREMENT FROM DEFERRED

| <u>NAME</u>       | <u>DEPARTMENT</u>                       | <u>RETIRED</u> | <u>SERVICE</u> |
|-------------------|---|----------------|----------------|
| ALMA D. TREJO     | RANCHO LOS AMIGOS HOSPITAL<br>Dept.#HR  | 05-05-2023     | 16 YRS 07 MOS  |
| KYLE E. VANDERCAR | PUBLIC WORKS<br>Dept.#PW                | 04-21-2023     | 10 YRS 11 MOS  |
| ANDREW F. WELLS   | L A COUNTY FIRE DEPT<br>Dept.#FR        | 05-15-2023     | 09 YRS 00 MOS  |
| TOMOKO YOGI       | NORTHEAST CLUSTER (LAC+USC)<br>Dept.#HG | 04-17-2023     | 27 YRS 10 MOS  |



**BOARD OF RETIREMENT MEETING OF JUNE 7, 2023  
RESCISSIONS/CHANGES FROM BENEFIT APPROVAL LIST  
APPROVED ON MAY 3, 2023**

**SAFETY MEMBER APPLICATIONS FOR SERVICE RETIREMENT**

| <b>NAME</b>        | <b>DEPARTMENT</b>    | <b>UPDATE</b>                       |
|--------------------|----------------------|-------------------------------------|
| LEONARD B HAYES    | SHERIFF              | CHANGE OF DATE TO<br>June 30, 2023  |
| ARMANDO CARRION JR | L A COUNTY FIRE DEPT | CHANGE OF DATE TO<br>March 30, 2023 |

**GENERAL MEMBER APPLICATIONS FOR SERVICE RETIREMENT**

| <b>NAME</b>      | <b>DEPARTMENT</b>                 | <b>UPDATE</b>                      |
|------------------|-----------------------------------|------------------------------------|
| OLGA CORONADO    | PUBLIC HEALTH PROGRAM             | RESCISSION OF RETIREMENT           |
| HATTIE P MORRIS  | PUBLIC HEALTH PROGRAM             | CHANGE OF DATE TO<br>June 29, 2023 |
| CORAL J POPEJOY  | PUBLIC WORKS                      | CHANGE OF DATE TO<br>June 30, 2023 |
| HAROLD D BURNETT | DEPT OF PUBLIC SOCIAL<br>SERVICES | CHANGE OF DATE TO<br>May 12, 2023  |
| EDDIE A PICKETT  | L A COUNTY FIRE DEPT              | RESCISSION OF RETIREMENT           |
| LYDIA FERNANDEZ  | SUPERIOR COURT/COUNTY<br>CLERK    | CHANGE OF DATE TO<br>May 31, 2023  |

May 31, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Santos H. Kriemann *SHK*  
Chief Executive Officer

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: Supplemental Memo Re: LACERA Budget Policy (Annual Review)

**RECOMMENDATION**

That the Board of Retirement (BOR) and Board of Investments (BOI) review and approve the revised LACERA Budget Policy resulting from the BOR and BOI leadership meeting on May 17, 2023, more thoroughly described in the privileged memo prepared by Fiduciary Counsel, Robert Klausner separately provided with these agenda materials.

**BACKGROUND**

Following the Joint Organizational Governance Committee (JOGC) on April 27, 2023 (Attachment A), the BOR and BOI leadership met to discuss the approval of the Strategic Plan and 2023-24 Fiscal Year Budget. Based on the recommendations from that meeting, LACERA staff modified the LACERA Budget Policy to provide consistency with the outcome of the leadership meeting. Prior to making any revisions, LACERA staff notified the JOGC Chair of the proposed changes for full consideration by the BOR and BOI. The modified redline version of the LACERA Budget Policy is attached for your Boards consideration and approval.

**CONCLUSION**

LACERA's Budget Policy serves to guide the organization's fiscal and budgetary activities in a sound and reasonable manner.

Attachment



## LACERA BUDGET POLICY

**Responsible Manager:** Laura Guglielmo, Assistant Executive Officer

**Original Effective Date:** 05/20/2009

**Last Updated:** 06/01/2023

**Mandatory Review:** Annually

**Approval Level:** Board of Retirement and Board of Investments

### 1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's Mission and Vision and to support the goals of LACERA's Board of Retirement Strategic Plan ~~as approved by the Board of Retirement~~ and Board of Investments Strategic Plan. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages their funds and meet fiduciary obligations.

LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Budget, and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the budgeting principles and timeline for the preparation of the budget and the process and responsibilities for the review, approval, and implementation of all three components of the budget.

### 2. LEGAL AUTHORITY

Government Code Section 31580.2 of the County Employees Retirement Law (CERL) requires a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

Government Code Section 31596.1 provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with

investment matters shall not be considered a cost of administering the system. As such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. [Section 31529.1](#) provides that legal representation within its scope is limited to one-hundredth of 1 percent of system assets in any budget year; investment legal expenses under [Section 31607](#) are not limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products.

Government Code [Sections 31691](#) and [31694](#) provide that the expenses of administering the RHCBP program and OPEB Trust may not be made from assets of the retirement fund. Therefore, such costs should not be part of the pension system’s administrative budget.

### 3. SCOPE

This Policy applies to the development, preparation, and implementation of all three components of LACERA’s budget in accordance with County Employees Retirement Law (CERL).

Any exceptions to this Policy must be approved by the Board of Retirement and Board of Investments.

### 4. DEFINITIONS

**Administrative Budget:** LACERA’s annual Administrative Budget consists of two components: Salaries and Employee Benefits, and Services and Supplies.

**Appropriation:** Funds set aside for specific purposes outlined in the Adopted Budget.

**Budget:** The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and ~~the Boards’ jointly approved~~LACERA’s Board of Retirement Strategic Plan and Board of Investments Strategic Plan.

**Fiscal Year:** LACERA's fiscal year begins on July 1<sup>st</sup> and concludes on June 30<sup>th</sup>. LACERA shall follow a naming convention referencing the fiscal year ending date, for example, FY23 for the fiscal year ending June 30, 2023.

**Information Technology Coordination Council (ITCC):** Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

**Non-Administrative Expenses:** Expenses excluded from the Administrative Budget as specified in Government Code Section 31596.1.

**Other Post-Employment Benefits (OPEB) Trust:** Trust funds established by Los Angeles County, LACERA and the Superior Court to pre-fund their Retiree Healthcare Benefit Program.

**Retiree Healthcare Benefits Program (RHCBP) Budget:** The RHCBP Budget reflects the resources and revenue required to administer retiree healthcare benefits to eligible members. These costs are funded through a monthly administrative fee via healthcare premiums, charged to program participants, or the plan sponsor if the member's benefit is fully subsidized.

**Statutory Appropriation Limit:** The limit of the Boards' authority to appropriate funds to administer the retirement system established by Government Code Section 31580.2. currently twenty-one hundredths (.21) of one percent, of the Actuarial Accrued Liability of the retirement fund.

**Unallocated Statutory Appropriation Balance:** The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2.

## **5. POLICY STATEMENT**

This document sets forth the fiscal policy for the administration of LACERA's budget to ensure that the budgeting practices of the organization maintain a fiscally sustainable balanced budget that recognizes the fiduciary duty owed to LACERA's members. LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Program Budget and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the principles and timeline for the preparation of the budget and the process and responsibilities for the preparation, review, approval, and implementation of all three components of the budget.

## **5.1 Administrative Budget**

The Administrative Budget reflects the resources needed to achieve the organization's work plan, ~~the each Board's~~ Strategic Plan and goals ~~approved by both Boards~~, and operational activities in support of pension administration and investment of plan assets required to deliver retirement benefits for LACERA members and beneficiaries. It consists of two primary components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S).

S&EB costs consist of ongoing personnel costs for the organization, including salaries for permanent and temporary staff, overtime, and variable benefits. Variable benefits include retirement costs (pension, 457, and 401K plan costs), health insurance, OPEB contributions and other employee benefits.

S&S costs reflect the daily operational needs of the organization. Some examples include building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

## **5.2 Retiree Healthcare (RHC) Benefits Program Budget**

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of the fund's Plan Sponsors. The insurance premiums are born solely by the participants of the plan, or the Plan Sponsor if the employee is eligible for such benefit. LACERA trust funds are not used for premium payments or for the administration of the Program. The direct costs and variable overhead costs associated with the administration of the RHC Benefits Program are charged to the plan sponsors and participating members via an administrative fee. These administrative fees are added to the monthly premium costs and are not included in the Administrative Budget.

There are four categories of expenses for the RHC Benefits Program:

- Direct Costs of Salaries and Employee Benefits
- Direct Services and Supplies
- Indirect Salaries and Employee Benefits
- Indirect Services and Supplies.

Indirect Salaries and Employee Benefits and Indirect Services and Supplies reflect the program's pro-rata share of internal LACERA support functions such as Administrative Services, Information Technology and Human Resources.

### **5.3 Other Post-Employment Benefits (OPEB) Trust Budget**

The County of Los Angeles (County), LACERA, and the Superior Court (Court) utilize an OPEB Trust to pre-fund the Retiree Healthcare Program benefits. In FY 2012-2013, the County and LACERA established a trust to fund their program and the Court established its trust in FY 2016-17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

The Trust Agreements stipulate that “... *the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*” As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

There are four categories of expenses of the OPEB Trust: Direct Costs of Salaries and Employee Benefits; Direct Services and Supplies; Indirect Salaries and Employee Benefits; and Indirect Services and Supplies. These expenses are allocated between the County, LACERA and the Court based on an agreed upon methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

## **6. PROCESS**

The budget process consists of activities that encompass the development, implementation, and evaluation of the annual financial plan for the allocation of resources to support and accomplish goals and strategic initiatives.

### **6.1 Budget Preparation and Development**

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's Mission, Vision, and Values and each Board's Strategic Plan~~the Strategic Plan approved by both the Board of Retirement and Board of Investments.~~

## 6.2 Criteria

LACERA Management develops the annual proposed budget reflecting the enterprise priorities established through ~~the LACERA~~each Board's Strategic Plan. Criteria used by the organization to prioritize resources for the budget include, but are not limited to:

- Alignment with ~~the each Board's~~ Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to LACERA's members
- Identifying opportunities for cost efficiencies
- Identifying opportunities to improve service to members
- Staff development and succession planning
- Direction of the LACERA Board of Retirement and/or Board of Investments

## 6.3 Alignment with Each Board's Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. ~~The organization's~~Each Board's Strategic Plan ~~as approved by both Boards~~ lays out its strategic goals, objectives, and action plans toward achieving the ~~organization's~~LACERA's Mission, Vision, and Values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goal or objective has been met. As part of the budget development process, it is the responsibility of LACERA Trustees and Management to ensure that the organization's budget, or financial plan, allocates the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

## 6.4 Annual Budget Development and Approval Calendar

| <i>Date</i>    | <i>Activity</i>  |
|----------------|--|
| By November 30 | <ul style="list-style-type: none"> <li>• Executive Office and Management will review <u>each Board's</u> Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle.</li> <li>• Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed</li> </ul> |



|                |  |
|----------------|--|
|                | budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office. |
| December       | The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.  |
| By January 15  | Division Managers will submit their proposed budget to the Budget Unit.  |
| By February 15 | The Executive Office will meet with each Division Manager to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.  |
| February       | Audit Committee review of Internal Audit Proposed Budget   |
| By Mid-April   | The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.   |
| April and May  | Present preliminary budget to JOGC for review and input <del>as well as any adjustments to the Strategic Plan</del>  |
| By June 30     | Board of Retirement and Board of Investment approve final budget<br><del>and, if needed, the Strategic Plan as modified</del>  |

## 6.5 Budget Adoption

The Board of Retirement and Board of Investment ("Boards") have the joint responsibility to approve the enterprise-wide budget and resource allocations for all funds by June 30. The Boards have created the Joint Organizational Governance Committee (JOGC), to provide oversight over the budget preparation and Strategic Plan planning. The Preliminary Budget is presented to the JOGC in April for its review. Staff incorporates direction from the JOGC and the JOGC's recommendations are presented to both Boards during annual Budget Hearings in May. Staff incorporates additional Board direction into a Proposed Budget. The Boards independently take action to approve and adopt a Final Adopted Budget by June 30th. ~~Review and approval of the Strategic Plan is part of the budget process and will be considered by the JOGC and Boards as part of the budget process.~~

## 6.6 Budget Appropriation

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary

purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA's statutory appropriation limit is identified in the Adopted Budget.

To the extent funding appropriated as part of the budget is less than the statutory appropriations limit, the Boards may, take specific action at any point during the fiscal year, to appropriate additional funds, not to exceed the maximum amount established by statute. LACERA's budgeting process includes a Mid-Year Budget Adjustment proposal to facilitate changes in priorities, goals, or economic conditions. The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit shall be referred to as the "Unallocated Statutory Appropriation Balance."

## **6.7 Budget Monitoring and Reporting**

Budget Unit staff monitor and analyze Division and enterprise-wide expenditures throughout the year, consult with Division Managers to identify planned expenditures and project full year under/over expenditures by Division and compare those estimates against the Adopted Budget. Significant budgetary variances are discussed and explained.

Budget Control Reports are prepared and provided to all Trustees and Management Staff on an outlined schedule within the fiscal year. These reports include year to date expenditures and projected expenditures compared to the budget. Budget adjustments impacting staffing levels or exceeding the CEO's authority shall be approved by the Boards.

This budget monitoring and control activity occurs concurrently while the Proposed Budget for the upcoming fiscal year is being developed.

## **6.8 Mid-Year Budget Review**

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Boards' respective

Strategic Plan, ~~and issues of future adjustments to the Strategic Plan as may be needed.~~

## **6.9 Mid-Year and Year-End Adjustments Within the Administrative Budget**

As part of LACERA's budget monitoring and reporting activities, it may become necessary to amend the Final Adopted Budget. Amendments may take the form of transferring appropriations between line items within a major account, transferring appropriations between major accounts, or increasing total appropriations within the statutory limits established by Government.

### **6.10 Transferring Appropriations**

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S).

Within each major account are several line items with individual appropriations. The CEO has the authority to transfer appropriations not to exceed \$1 million across major accounts and has full discretion and authority to transfer appropriations between line items within each major account. The CEO shall notify all Trustees of such actions at the next meeting of the Board and as part of the routine Budget Control Reporting.

### **6.11 Pre-funding OPEB with Budgetary Savings**

LACERA participates in the OPEB Trust as a "contributing employer" and funds its employees' program benefits on a pay-as-you-go basis, funding actual monthly premium costs. It also makes a quarterly contribution to paydown the future OPEB liability at a rate equal to that of Los Angeles County. It is LACERA's objective to fund these program benefits within the working lifetime of the program beneficiaries so as to maintain intergenerational equity. To achieve intergenerational equity more quickly, some or all year-end budgetary savings may, at the discretion of the LACERA CEO, be used to make an additional OPEB contribution by June 30 of the year in which the funds were budgeted. Such additional OPEB contributions may be up to but may not exceed that year's budgeted OPEB contribution.

### **6.12 Increasing Total Appropriations**

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total

statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

## **7. Audit Committee Oversight of Internal Audit**

LACERA's Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization to achieve its Mission, Vision, and Values and each Board's Strategic Plan by improving LACERA's effectiveness of governance, risk management and control processes. To protect its independence, the Internal Audit Division reports to the Audit Committee of the Boards with functional reporting to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit's Proposed Budget in February, which is then incorporated into LACERA's Administrative Proposed Budget reviewed by the JOGC in April.

## **8. HISTORY (Update will follow approval)**

### **8.1 Approvals**

**8.1.1** Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

### **8.2 Current Status**

Annual review scheduled for June 2024.

### **8.3 Versions**

**8.3.1** This policy was last updated on June 14, 2022

**8.3.2** This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022

May 12, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Joint Organizational Governance Committee  
Herman B. Santos, Chair  
David Green, Vice Chair  
Alan J. Bernstein  
Elizabeth Greenwood  
Onyx Jones  
Shawn R. Kehoe  
Ronald Okum  
Gina V. Sanchez

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: LACERA Budget Policy (Annual Review)

**RECOMMENDATION**

That the Board of Retirement (BOR) and Board of Investments (BOI) review and approve the revised LACERA Budget Policy, attached as a companion to the adoption of the Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

**BACKGROUND**

Consistent with its Charter, the Joint Organizational Governance Committee (JOGC) has responsibility for issues that impact both the Boards of Retirement and Investments (the Boards), including strategic planning and budgeting under Section 7.1 of the Charter and joint Board policy development under Section 7.2 of the Charter. On April 27, 2023, the JOGC considered an update to LACERA's Budget Policy as a companion document to the Preliminary Fiscal Year 2023-24 Budget and recommends approval.

Attached are staff's suggested revisions and a clean copy of the final policy (Attachment A).

**CONCLUSION**


LACERA's Budget Policy serves to guide the organization's fiscal and budgetary activities in a sound and reasonable manner.

Attachments



April 19, 2023

TO: Each Trustee  
Joint Organizational Governance Committee

FROM: Laura Guglielmo   
Assistant Executive Officer

FOR: April 27, 2023, Joint Organizational Governance Committee

SUBJECT: **LACERA Budget Policy (Annual Review)**

**RECOMMENDATION**

It is recommended that the Joint Organizational Governance Committee (JOGC) review and recommend to the Board of Retirement and Board of Investments for approval the LACERA Budget Policy dated June 1, 2023, and direct staff to include recommended updates to this Policy annually, as a companion to its preliminary budget presentation.

**BACKGROUND**

Consistent with its Charter, the JOGC has responsibility for issues that impact both the Boards of Retirement and Investments (the Boards), including strategic planning and budgeting, and joint Board policy development. As the JOGC considers the Preliminary Fiscal Year 2023-2024 (FY 24) Budget, it is timely and appropriate to also consider an update to LACERA's Budget Policy as a companion document. Staff recommends this Policy be reviewed annually at the same time as the JOGC's consideration of the Preliminary Budget to ensure the policy is regularly updated.

**CONCLUSION**

Staff recommends approval of the budget policy that will help guide LACERA's fiscal and budgetary activities in a sound and reasonable manner.

Attachments



## LACERA BUDGET POLICY

**Responsible Manager:** Laura Guglielmo, Assistant Executive Officer

**Original Effective Date:** 05/20/2009

**Last Updated:** 06/019/20223

**Mandatory Review:** Annually

**Approval Level:** Board of Retirement and Board of Investments

### 1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's Mmission and vVision and to support the goals of LACERA's Strategic Plan as approved by the Board of Retirement and Board of Investments. The policy also serves to increase the transparency of our the budgeting process, which ensures stakeholders and members have insight into how we LACERA manages s their funds and meet fiduciary obligations.

LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Budget, and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the budgeting principles and timeline for the preparation of the budget and the process and responsibilities for the review, approval, and implementation of all three components of the budget.

### 2. LEGAL AUTHORITY

Government Code Section 31580.2 of the County Employees Retirement Law (CERL) requires a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

Government Code Section 31596.1 provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with investment matters shall not be considered a cost of administering the system. As

such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. Section 31529.1 provides that ~~such~~ legal representation within its scope is limited to one-hundredth of 1 percent of system assets in any budget year; ~~except that~~ investment legal expenses under Government Code Section 31607 are not limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products.

Government Code Sections 31691 and 31694 provide that the expenses of administering the RHCBP program and OPEB Trust may not be made from assets of the retirement fund. Therefore, such costs should not be part of the pension system’s administrative budget.

### 3. SCOPE

This Policy applies to the development, preparation, and implementation of all three components of LACERA’s budget in accordance with County Employees Retirement Law (CERL).

Any exceptions to this Policy must be approved by the Board of Retirement and Board of Investments.

### 4. DEFINITIONS

**Administrative Budget:** LACERA’s annual Administrative Budget consists of two components: Salaries and Employee Benefits, and Services and Supplies.

**Appropriation:** Funds set aside for specific purposes outlined in the Adopted Budget.

**Budget:** The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and the Boards’ jointly approved Strategic Plan.



**Fiscal Year:** LACERA's fiscal year begins on July 1<sup>st</sup> and concludes on June 30<sup>th</sup>. LACERA shall follow a naming convention referencing the fiscal year ending date, for example, FY23 for the fiscal year ending June 30, 2023.

**Information Technology Coordination Council (ITCC):** Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

**Non-Administrative Expenses:** Expenses excluded from the Administrative Budget as specified in Government Code Section 31596.1.

**Other Post-Employment Benefits (OPEB) Trust:** Trust funds established by Los Angeles County, LACERA and the Superior Court to pre-fund their Retiree Healthcare Benefit Program.

**Retiree Healthcare Benefits Program (RHCBP) Budget:** The RHCBP Budget reflects the resources and revenue required to administer retiree healthcare benefits to eligible members. These costs are funded through a monthly administrative fee via healthcare premiums, charged to program participants, or the plan sponsor if the member's benefit is fully subsidized.

**Statutory Appropriation Limit:** The limit of the Boards' authority to appropriate funds to administer the retirement system established by Government Code Section 31580.2. ~~c~~Currently twenty-one hundredths (.21) of one percent, of the Actuarial Accrued Liability of the retirement fund.

**Unallocated Statutory Appropriation Balance:** The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2.

## 5. POLICY STATEMENT

This document sets forth the fiscal policy for the administration of LACERA's budget to ensure that the budgeting practices of the organization maintain a fiscally sustainable balanced budget that recognizes the fiduciary duty owed to ~~our~~ LACERA's members. LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Program Budget and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the principles and timeline for the preparation of the budget and the process and responsibilities for the preparation, review, approval, and implementation of all three components of the budget.

## **5.1 Administrative Budget**

The Administrative Budget reflects the resources needed to achieve the organization's work plan, [the sStrategic Plan and goals approved by both Boards](#), and operational activities in support of pension administration and investment of plan assets required to deliver retirement benefits for LACERA members and beneficiaries. It consists of two primary components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S).

S&EB costs consist of ongoing personnel costs for the organization, including salaries for permanent and temporary staff, overtime, and variable benefits. Variable benefits include retirement costs (pension, 457, and 401K plan costs), health insurance, OPEB contributions and other employee benefits.

S&S costs reflect the daily operational needs of the organization. Some examples include building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

## **5.2 Retiree Healthcare (RHC) Benefits Program Budget**

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of [our—the fund's](#) Plan Sponsors. The insurance premiums are born solely by the participants of the plan, or the Plan Sponsor if the employee is eligible for such benefit. LACERA trust funds are not used for premium payments or for the administration of the Program. The direct costs and variable overhead costs associated with the administration of the RHC Benefits Program are charged to [our members and the plan sponsors and participating members](#) via an administrative fee. These administrative fees are added to the monthly premium costs and are not included in the Administrative Budget.

There are four categories of expenses for the RHC Benefits Program:

- Direct Costs of Salaries and Employee Benefits
- Direct Services and Supplies
- Indirect Salaries and Employee Benefits
- Indirect Services and Supplies.

Indirect Salaries and Employee Benefits and Indirect Services and Supplies reflect the program's pro-rata share of internal LACERA support functions such as Administrative Services, Information Technology and Human Resources.

### **5.3 Other Post-Employment Benefits (OPEB) Trust Budget**

The County of Los Angeles (County), LACERA, and the Superior Court (Court) utilize an OPEB Trust to pre-fund the Retiree Healthcare Program benefits. In FY 2012-2013, the County and LACERA established a trust to fund their program and the Court established its trust in FY 2016-17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

The Trust Agreements stipulate that “... *the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*” As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. [The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.](#)

There are four categories of expenses of the OPEB Trust: Direct Costs of Salaries and Employee Benefits; Direct Services and Supplies; Indirect Salaries and Employee Benefits; and Indirect Services and Supplies. These expenses are allocated between the County, LACERA and the Court based on an agreed upon methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

## **6. PROCESS**

The budget process consists of activities that encompass the development, implementation, and evaluation of the annual financial plan for the allocation of resources to support and accomplish goals and strategic initiatives.

### **6.1 Budget Preparation and Development**

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's [Mission, Vision, and Values and the Strategic Plan approved by both the Board of Retirement and Board of Investments.](#)

## 6.2 Criteria

LACERA Management develops the annual proposed budget reflecting the enterprise priorities established through the LACERA Strategic Plan. Criteria used by the organization to prioritize resources for the budget include, but are not limited to:

- Alignment with the Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to ~~our~~ LACERA's members
- Identifying opportunities for cost efficiencies
- Identifying opportunities to improve service to members
- Staff development and succession planning
- Direction of the LACERA Board of Retirement and/or Board of Investments

## 6.3 Alignment with Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. The organization's Strategic Plan as approved by both Boards lays out its strategic goals, objectives, and action plans toward achieving the organization's Mission, Vision, and Values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goal or objective has been met. As part of the budget development process, it is the responsibility of LACERA Trustees and Management to ensure that the organization's budget, or financial plan, allocates the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

## 6.4 Annual Budget Development and Approval Calendar

| <i>Date</i>    | <i>Activity</i>  |
|----------------|--|
| By November 30 | <ul style="list-style-type: none"> <li>• Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle.</li> <li>• Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed</li> </ul> |

|                |  |
|----------------|--|
|                | budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.   |
| December       | The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.  |
| By January 15  | Division Managers will submit their proposed budget to the Budget Unit.  |
| By February 15 | The Executive Office will meet with each Division Manager to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.  |
| February       | Audit Committee review of Internal Audit Proposed Budget   |
| By Mid-April   | The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.   |
| April and May  | <ul style="list-style-type: none"> <li>• Present preliminary budget to JOGC for review and input <a href="#">as well as any adjustments to the Strategic Plan</a></li> <li>• Conduct budget hearings with all Trustees for final direction to staff</li> </ul> |
| By June 30     | Board of Retirement and Board of Investment approve final budget <a href="#">and, if needed, the Strategic Plan as modified</a>  |

## 6.5 Budget Adoption

The Board of Retirement and Board of Investment ("Boards") have the joint responsibility to approve the enterprise-wide budget and resource allocations for all funds by June 30. The Boards have created the Joint Organizational Governance Committee (JOGC), to provide oversight over the budget preparation [and Strategic Plan](#). The Preliminary Budget is presented to the JOGC in April for its review. Staff incorporates direction from the JOGC and the JOGC's recommendations are presented to both Boards during annual Budget Hearings in May. Staff incorporates additional Board direction into a Proposed Budget. The Boards independently take action to approve and adopt a Final Adopted Budget by June 30th. [Review and approval of the Strategic Plan is part of the budget process and will be considered by the JOGC and Boards as part of the budget process.](#)

## 6.6 Budget Appropriation

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA's statutory appropriation limit is identified in the Adopted Budget.

To the extent funding appropriated as part of the budget is less than the statutory appropriations limit, the Boards may, take specific action at any point during the fiscal year, to appropriate additional funds, not to exceed the maximum amount established by statute. LACERA's budgeting process includes a Mid-Year Budget Adjustment proposal to facilitate changes in priorities, goals, or economic conditions. The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit shall be referred to as the "Unallocated Statutory Appropriation Balance."

## **6.7 Budget Monitoring and Reporting**

Budget Unit staff monitor and analyze Division and enterprise-wide expenditures throughout the year, consult with Division Managers to identify planned expenditures and project full year under/over expenditures by Division and compare those estimates against the Adopted Budget. Significant budgetary variances are discussed and explained.

Budget Control Reports are prepared and provided to all Trustees and Management Staff on an outlined schedule within the fiscal year. These reports include year to date expenditures and projected expenditures compared to the budget. Budget adjustments impacting staffing levels or exceeding the CEO's authority shall be approved by the Boards.

This budget monitoring and control activity occurs concurrently while the Proposed Budget for the upcoming fiscal year is being developed.

## **6.8 Mid-Year Budget Review**

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if

necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Strategic Plan and issues of future adjustments to the Strategic Plan as may be needed.

## **6.9 Mid-Year and Year-End Adjustments Within the Administrative Budget**

As part of LACERA's budget monitoring and reporting activities, it may become necessary to amend the Final Adopted Budget. Amendments may take the form of transferring appropriations between line items within a major account, transferring appropriations between major accounts, or increasing total appropriations within the statutory limits established by Government.

## **6.10 Transferring Appropriations**

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S).

Within each major account are several line items with individual appropriations. The CEO has the authority to transfer appropriations not to exceed \$1 million across major accounts and has full discretion and authority to transfer appropriations between line items within each major account. The CEO shall notify all Trustees of such actions at the next meeting of the Board and as part of the routine Budget Control Reporting.

## **6.11 Pre-funding OPEB with Budgetary Savings**

LACERA participates in the OPEB Trust as a "contributing employer" and funds its employees' program benefits on a pay-as-you-go basis, funding actual monthly premium costs. It also makes a quarterly contribution to paydown the future OPEB liability at a rate equal to that of Los Angeles County. It is LACERA's objective to fund these program benefits within the working lifetime of the program beneficiaries so as to maintain intergenerational equity. To achieve intergenerational equity more quickly, some or all year-end budgetary savings may, at the discretion of the LACERA CEO, be used to make an additional OPEB contribution by June 30 of the year in which the funds were budgeted. Such additional OPEB contributions may be up to but may not exceed that year's budgeted OPEB contribution.

## **6.12 Increasing Total Appropriations**

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

## **7. Audit Committee Oversight of Internal Audit**

LACERA's Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization ~~to~~ achieve its ~~M~~ission, Vision, and Values and Strategic Plan by improving ~~our~~ LACERA's effectiveness of governance, risk management and control processes. To protect its independence, the Internal Audit Division reports to the Audit Committee of the Boards with functional reporting to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit's Proposed Budget in February, which is then incorporated into LACERA's Administrative Proposed Budget reviewed by the JOGC in April.

## **8. HISTORY**

### **8.1 Approvals**

- 8.1.1** Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

### **8.2 Current Status**

Annual review scheduled for June 202~~4~~3.

### **8.3 Versions**

- 8.3.1** This policy was last updated on ~~May 20, 2009~~June 14, 2022
- 8.3.2** This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022





## LACERA BUDGET POLICY

**Responsible Manager:** Laura Guglielmo, Assistant Executive Officer

**Original Effective Date:** 05/20/2009

**Last Updated:** 06/01/2023

**Mandatory Review:** Annually

**Approval Level:** Board of Retirement and Board of Investments

### 1. PURPOSE

This document sets forth the fiscal policy to ensure LACERA's budgeting practices are in accordance with prudent fiscal management for the allocation and utilization of resources to meet the organization's Mission and Vision and to support the goals of LACERA's Strategic Plan as approved by the Board of Retirement and Board of Investments. The policy also serves to increase the transparency of the budgeting process, which ensures stakeholders and members have insight into how LACERA manages their funds and meet fiduciary obligations.

LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Budget, and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the budgeting principles and timeline for the preparation of the budget and the process and responsibilities for the review, approval, and implementation of all three components of the budget.

### 2. LEGAL AUTHORITY

[Government Code Section 31580.2](#) of the County Employees Retirement Law (CERL) requires a budget covering the entire expense for the administration of the retirement system, shall be adopted by the Boards annually, and shall be charged against the earnings of the retirement fund. The expense incurred in any year may not exceed twenty-one hundredths of one percent (0.21%) of the accrued actuarial liability of the retirement system.

[Government Code Section 31596.1](#) provides that the expenses of investing its moneys, securing custodial bank services, securing actuarial services for the annual valuation and triennial experience study, and securing attorney services to assist with investment matters shall not be considered a cost of administering the system. As

such, these costs are not included in the Administrative Budget and are identified as “non-administrative expenses.”

Section 31596.1 also provides that the cost of internal legal representation secured by the Board of Retirement and Board of Investments under Government Code Section 31529.1 for services previously performed by County Counsel are not administrative costs and under Government Code Section 31607 for services to assist the Board of Investments in carrying out its investment powers and duties. [Section 31529.1](#) provides that legal representation within its scope is limited to one-hundredth of 1 percent of system assets in any budget year; investment legal expenses under [Section 31607](#) are not limited.

Government Code Section 31580.2(b) provides that expenditures for computer software, computer hardware, and computer technology consulting services in support of these computer products.

Government Code [Sections 31691](#) and [31694](#) provide that the expenses of administering the RHCBP program and OPEB Trust may not be made from assets of the retirement fund. Therefore, such costs should not be part of the pension system’s administrative budget.

### 3. SCOPE

This Policy applies to the development, preparation, and implementation of all three components of LACERA’s budget in accordance with County Employees Retirement Law (CERL).

Any exceptions to this Policy must be approved by the Board of Retirement and Board of Investments.

### 4. DEFINITIONS

**Administrative Budget:** LACERA’s annual Administrative Budget consists of two components: Salaries and Employee Benefits, and Services and Supplies.

**Appropriation:** Funds set aside for specific purposes outlined in the Adopted Budget.

**Budget:** The annual financial plan that outlines the resources and revenue needed to achieve LACERA’s work plan to meet its Mission and Vision and the Boards’ jointly approved Strategic Plan.

**Fiscal Year:** LACERA's fiscal year begins on July 1<sup>st</sup> and concludes on June 30<sup>th</sup>. LACERA shall follow a naming convention referencing the fiscal year ending date, for example, FY23 for the fiscal year ending June 30, 2023.

**Information Technology Coordination Council (ITCC):** Oversight body responsible for significant technology and system recommendations for incorporation into the Proposed Budget. Established to ensure the efficient and effective use of technology, collaboration across the organization, and to ensure that strategic plan goals are achieved.

**Non-Administrative Expenses:** Expenses excluded from the Administrative Budget as specified in Government Code Section 31596.1.

**Other Post-Employment Benefits (OPEB) Trust:** Trust funds established by Los Angeles County, LACERA and the Superior Court to pre-fund their Retiree Healthcare Benefit Program.

**Retiree Healthcare Benefits Program (RHCBP) Budget:** The RHCBP Budget reflects the resources and revenue required to administer retiree healthcare benefits to eligible members. These costs are funded through a monthly administrative fee via healthcare premiums, charged to program participants, or the plan sponsor if the member's benefit is fully subsidized.

**Statutory Appropriation Limit:** The limit of the Boards' authority to appropriate funds to administer the retirement system established by Government Code Section 31580.2. currently twenty-one hundredths (.21) of one percent, of the Actuarial Accrued Liability of the retirement fund.

**Unallocated Statutory Appropriation Balance:** The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit established by Government Code Section 31580.2.

## **5. POLICY STATEMENT**

This document sets forth the fiscal policy for the administration of LACERA's budget to ensure that the budgeting practices of the organization maintain a fiscally sustainable balanced budget that recognizes the fiduciary duty owed to LACERA's members. LACERA's budget encompasses three components: The Administrative Budget, the Retiree Healthcare (RHC) Program Budget and the Other Post-Employment Benefits (OPEB) Trust.

The objective of this policy is to set out the principles and timeline for the preparation of the budget and the process and responsibilities for the preparation, review, approval, and implementation of all three components of the budget.

### **5.1 Administrative Budget**

The Administrative Budget reflects the resources needed to achieve the organization's work plan, the Strategic Plan and goals approved by both Boards, and operational activities in support of pension administration and investment of plan assets required to deliver retirement benefits for LACERA members and beneficiaries. It consists of two primary components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S).

S&EB costs consist of ongoing personnel costs for the organization, including salaries for permanent and temporary staff, overtime, and variable benefits. Variable benefits include retirement costs (pension, 457, and 401K plan costs), health insurance, OPEB contributions and other employee benefits.

S&S costs reflect the daily operational needs of the organization. Some examples include building expenses (rent, maintenance, insurance), information technology needs, professional and specialized services, legal fees, office supplies and equipment, education, travel, and insurance.

### **5.2 Retiree Healthcare (RHC) Benefits Program Budget**

The Retiree Healthcare Benefits Program provides health care benefits to LACERA membership on behalf of the fund's Plan Sponsors. The insurance premiums are born solely by the participants of the plan, or the Plan Sponsor if the employee is eligible for such benefit. LACERA trust funds are not used for premium payments or for the administration of the Program. The direct costs and variable overhead costs associated with the administration of the RHC Benefits Program are charged to the plan sponsors and participating members via an administrative fee. These administrative fees are added to the monthly premium costs and are not included in the Administrative Budget.

There are four categories of expenses for the RHC Benefits Program:

- Direct Costs of Salaries and Employee Benefits
- Direct Services and Supplies
- Indirect Salaries and Employee Benefits
- Indirect Services and Supplies.

Indirect Salaries and Employee Benefits and Indirect Services and Supplies reflect the program's pro-rata share of internal LACERA support functions such as Administrative Services, Information Technology and Human Resources.

### **5.3 Other Post-Employment Benefits (OPEB) Trust Budget**

The County of Los Angeles (County), LACERA, and the Superior Court (Court) utilize an OPEB Trust to pre-fund the Retiree Healthcare Program benefits. In FY 2012-2013, the County and LACERA established a trust to fund their program and the Court established its trust in FY 2016-17. Each agency's trust funds are reported separately in their financial statements. The Board of Investments of LACERA serves as the trustee and investment manager for the trusts.

The Trust Agreements stipulate that “... *the Trustee (LACERA) shall be entitled to payment or reimbursement of all of its reasonable and appropriate expenses incurred in administering or investing the Trust...*” As such, LACERA seeks payment directly from the County and the Court to fund the OPEB Trust. To avoid the OPEB Trust assets being co-mingled with retirement fund assets, LACERA maintains separate accounting of the costs associated with administering the OPEB Trust. The costs of the OPEB Trusts are not part of LACERA's Administrative Budget.

There are four categories of expenses of the OPEB Trust: Direct Costs of Salaries and Employee Benefits; Direct Services and Supplies; Indirect Salaries and Employee Benefits; and Indirect Services and Supplies. These expenses are allocated between the County, LACERA and the Court based on an agreed upon methodology. At the close of each fiscal year, actual costs are reconciled, and variances are credited or debited to each entity.

## **6. PROCESS**

The budget process consists of activities that encompass the development, implementation, and evaluation of the annual financial plan for the allocation of resources to support and accomplish goals and strategic initiatives.

### **6.1 Budget Preparation and Development**

It is the responsibility of LACERA management to develop and prepare an annual budget in accordance with responsible fiscal management for the allocation and utilization of resources to meet the organization's Mission, Vision, and Values and the Strategic Plan approved by both the Board of Retirement and Board of Investments.

## 6.2 Criteria

LACERA Management develops the annual proposed budget reflecting the enterprise priorities established through the LACERA Strategic Plan. Criteria used by the organization to prioritize resources for the budget include, but are not limited to:

- Alignment with the Strategic Plan
- Mitigating risk
- Compliance with legally mandated requirements
- Technological advancements to support staff and improve service and offerings to LACERA's members
- Identifying opportunities for cost efficiencies
- Identifying opportunities to improve service to members
- Staff development and succession planning
- Direction of the LACERA Board of Retirement and/or Board of Investments

## 6.3 Alignment with Strategic Plan

The first step in developing a budget is to consider what the organization expects to achieve in the upcoming fiscal year. The organization's Strategic Plan as approved by both Boards lays out its strategic goals, objectives, and action plans toward achieving the organization's Mission, Vision, and Values. Those goals and objectives identify responsibilities, timelines, and the metrics that will be used to determine if the goal or objective has been met. As part of the budget development process, it is the responsibility of LACERA Trustees and Management to ensure that the organization's budget, or financial plan, allocates the appropriate resources to achieve its strategic goals and objectives within the specified time frame.

## 6.4 Annual Budget Development and Approval Calendar

| <i>Date</i>    | <i>Activity</i>  |
|----------------|--|
| By November 30 | <ul style="list-style-type: none"> <li>• Executive Office and Management will review Strategic Plan initiatives for alignment with the upcoming Fiscal Year budget development cycle.</li> <li>• Administrative Services Division will provide each Division Manager a budget package with instructions for completing their proposed</li> </ul> |

|                |  |
|----------------|--|
|                | budget for the upcoming fiscal year, a budget preparation timetable with specific deadlines, and a schedule of meeting dates with the Budget Unit and a schedule of meeting dates with the Executive Office.                                   |
| December       | The Budget Unit with a representative from Human Resources, meets with Division Managers to provide guidance in the development of their budget requests.  |
| By January 15  | Division Managers will submit their proposed budget to the Budget Unit.  |
| By February 15 | The Executive Office will meet with each Division Manager to discuss the Division's needs and provide direction to the Division Managers and Budget Unit.  |
| February       | Audit Committee review of Internal Audit Proposed Budget   |
| By Mid-April   | The Budget Unit will prepare and distribute the preliminary Administrative, RHC, and OPEB Trust Budgets to all Trustees and Division Managers.   |
| April and May  | <ul style="list-style-type: none"> <li>• Present preliminary budget to JOGC for review and input as well as any adjustments to the Strategic Plan</li> <li>• Conduct budget hearings with all Trustees for final direction to staff</li> </ul> |
| By June 30     | Board of Retirement and Board of Investment approve final budget and, if needed, the Strategic Plan as modified  |

## 6.5 Budget Adoption

The Board of Retirement and Board of Investment ("Boards") have the joint responsibility to approve the enterprise-wide budget and resource allocations for all funds by June 30. The Boards have created the Joint Organizational Governance Committee (JOGC), to provide oversight over the budget preparation and Strategic Plan. The Preliminary Budget is presented to the JOGC in April for its review. Staff incorporates direction from the JOGC and the JOGC's recommendations are presented to both Boards during annual Budget Hearings in May. Staff incorporates additional Board direction into a Proposed Budget. The Boards independently take action to approve and adopt a Final Adopted Budget by June 30th. Review and approval of the Strategic Plan is part of the budget process and will be considered by the JOGC and Boards as part of the budget process.

## **6.6 Budget Appropriation**

The Final Adopted Budget reflects the funds appropriated, or set aside, for specific purposes. For LACERA, funds are appropriated for two primary purposes, Salaries and Employee Benefits, and Services and Supplies. Government Code Section 31580.2 states the annual budget for administrative expenses of a retirement system established under CERL may not exceed twenty-one hundredths (.21) of one percent of the Actuarial Accrued Liability (AAL) of the retirement system. Each year, LACERA's statutory appropriation limit is identified in the Adopted Budget.

To the extent funding appropriated as part of the budget is less than the statutory appropriations limit, the Boards may, take specific action at any point during the fiscal year, to appropriate additional funds, not to exceed the maximum amount established by statute. LACERA's budgeting process includes a Mid-Year Budget Adjustment proposal to facilitate changes in priorities, goals, or economic conditions. The difference between the funds appropriated to meet the organization's operational needs and the statutory appropriation limit shall be referred to as the "Unallocated Statutory Appropriation Balance."

## **6.7 Budget Monitoring and Reporting**

Budget Unit staff monitor and analyze Division and enterprise-wide expenditures throughout the year, consult with Division Managers to identify planned expenditures and project full year under/over expenditures by Division and compare those estimates against the Adopted Budget. Significant budgetary variances are discussed and explained.

Budget Control Reports are prepared and provided to all Trustees and Management Staff on an outlined schedule within the fiscal year. These reports include year to date expenditures and projected expenditures compared to the budget. Budget adjustments impacting staffing levels or exceeding the CEO's authority shall be approved by the Boards.

This budget monitoring and control activity occurs concurrently while the Proposed Budget for the upcoming fiscal year is being developed.

## **6.8 Mid-Year Budget Review**

By December 1, LACERA Executive Management will assess and evaluate the adequacy of the personnel and other resources included in the Final Adopted Budget and make recommendations to the JOGC for adjustments, if



necessary. JOGC recommendations shall be considered for approval by the Boards. Executive Management may also, as part of the mid-year budget review, address the progress and status of achieving the Strategic Plan and issues of future adjustments to the Strategic Plan as may be needed.

### **6.9 Mid-Year and Year-End Adjustments Within the Administrative Budget**

As part of LACERA's budget monitoring and reporting activities, it may become necessary to amend the Final Adopted Budget. Amendments may take the form of transferring appropriations between line items within a major account, transferring appropriations between major accounts, or increasing total appropriations within the statutory limits established by Government.

### **6.10 Transferring Appropriations**

LACERA's Administrative Budget has two major accounts, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S).

Within each major account are several line items with individual appropriations. The CEO has the authority to transfer appropriations not to exceed \$1 million across major accounts and has full discretion and authority to transfer appropriations between line items within each major account. The CEO shall notify all Trustees of such actions at the next meeting of the Board and as part of the routine Budget Control Reporting.

### **6.11 Pre-funding OPEB with Budgetary Savings**

LACERA participates in the OPEB Trust as a "contributing employer" and funds its employees' program benefits on a pay-as-you-go basis, funding actual monthly premium costs. It also makes a quarterly contribution to paydown the future OPEB liability at a rate equal to that of Los Angeles County. It is LACERA's objective to fund these program benefits within the working lifetime of the program beneficiaries so as to maintain intergenerational equity. To achieve intergenerational equity more quickly, some or all year-end budgetary savings may, at the discretion of the LACERA CEO, be used to make an additional OPEB contribution by June 30 of the year in which the funds were budgeted. Such additional OPEB contributions may be up to but may not exceed that year's budgeted OPEB contribution.

### **6.12 Increasing Total Appropriations**

Should unanticipated expenditures be required during the fiscal year beyond the total Adopted Budget amount, the Unappropriated Statutory Appropriation Balance is available. This balance represents the difference between the total statutory appropriation limit established under CERL and the Final Adopted Budget. To utilize these unappropriated funds, both Boards must approve a budget amendment, increasing the total annual appropriation.

## **7. Audit Committee Oversight of Internal Audit**

LACERA's Internal Audit Division provides independent and objective assurance services and consulting services to assist the organization to achieve its Mission, Vision, and Values and Strategic Plan by improving LACERA's effectiveness of governance, risk management and control processes. To protect its independence, the Internal Audit Division reports to the Audit Committee of the Boards with functional reporting to the Chief Executive Officer. The Audit Committee reviews and approves Internal Audit's Proposed Budget in February, which is then incorporated into LACERA's Administrative Proposed Budget reviewed by the JOGC in April.

## **8. HISTORY (WILL BE UPDATED UPON APPROVAL)**

### **8.1 Approvals**

- 8.1.1** Updated and approved by the Board of Retirement and Board of Investments on June 1, 2022 and June 9, 2022, respectively. Prior versions are superseded and of no effect as of the stated approval date.

### **8.2 Current Status**

Annual review scheduled for June 2024.

### **8.3 Versions**

- 8.3.1** This policy was last updated on June 14, 2022
- 8.3.2** This policy was last approved by the Board of Retirement on June 1, 2022 and Board of Investments on June 9, 2022

May 12, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Joint Organizational Governance Committee  
Herman B. Santos, Chair  
David Green, Vice Chair  
Alan J. Bernstein  
Elizabeth Greenwood  
Onyx Jones  
Shawn R. Kehoe  
Ronald Okum  
Gina V. Sanchez

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: Approval of Fiscal Year 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets

## **RECOMMENDATION**

That the Board of Retirement (BOR) and the Board of Investments (BOI) adopt the LACERA Fiscal Year (FY) 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

## **LEGAL AUTHORITY**

County Employees Retirement Law (CERL) Section 31580.2 grants Joint Boards authority to approve a budget no greater than 21 basis points of the Actuarial Accrued Liability (AAL) by June 30. The Joint Boards have the fiduciary duty under the California Constitution Article XVI, Section 17(a) to remember that “The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and **defraying reasonable expenses of administering the system**” and the fiduciary duty under Section 17(b) “to discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and **defraying reasonable expenses of administering the system**. A retirement board’s duty to its participants and their beneficiaries shall take precedence over any other duty.”

The Boards' fiduciary duty is a three-legged stool, one leg of which is "defraying the reasonable expenses of administering the system." This duty is exercised most directly in reviewing and approving the budget.

## **INTRODUCTION**

In accordance with its Charter and LACERA's Budget Policy, on April 27, 2023, the Joint Organizational Governance Committee (JOGC) considered the FY 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets and now brings them forward to the Boards for adoption.

## **SUMMARY**

The FY 2023-24 Preliminary Administrative Budget totaling approximately \$135.7 million, and the Preliminary Retiree Healthcare Benefits Program totaling approximately \$12.7 million, represent the fiscal plan for implementing LACERA's administrative and operational objectives toward achieving our mission to produce, protect and provide the promised benefits to our members. In FY 2022-23, LACERA embarked upon an enterprise-wide strategic planning process, engaging staff at all levels, as well as members and Trustees. Although the Board of Retirement's Strategic Plan has yet to be formally adopted, this Proposed Administrative Budget aligns with the following five proposed strategic priorities:

- Superior Member Experience
- Innovation Through Technology
- Investing in People
- Enterprise Risk Management and Compliance
- Fiscal Durability

Also included for your consideration is the FY 2023-24 Preliminary Other Post-Employment Benefits (OPEB) Trust Budget totaling approximately \$733,000, reflecting the estimated cost of administering the Trust on behalf of the employer members of the Trust.

## **LACERA ADMINISTRATIVE BUDGET**

The LACERA Administrative Budget is composed of two components, Salaries and Employee Benefits (S&EB), and Services and Supplies (S&S). The total Preliminary LACERA Administrative Budget for FY 2023-24 is approximately \$135.7 million an increase of approximately \$8.0 million or 6.2 percent above the FY 2022-23 approved budget of \$127.8 million.

The S&EB portion of the FY 2023-24 Preliminary Administrative Budget is approximately \$103.2 million, \$7.8 million or 8.1 percent above FY 2022-23 approved levels. This increase is primarily attributed to cost of living adjustments (COLA) approved by the

Boards of Retirement and Investments (the Boards); increased costs for variable benefits as determined by Los Angeles County; merit and salary step increases; full year funding for partially funded vacant positions filled or anticipated to be filled before June 30<sup>th</sup>; and six-months funding for three proposed new positions in Disability Retirement Services.

Additionally, one new Senior Investment Officer position to support operational due diligence and compliance in the Investments Office is recommended. Operational due diligence (ODD) is a critical function as it mitigates risks stemming from operational issues that impact returns. Additionally, ODD is a key aspect of investment and manager evaluation, selection and monitoring. The position will oversee the development of robust policies and practices, guide fund-wide ODD practices and collaborate with asset class heads to further develop the Investment Office's compliance function. The recruitment of this position will be prioritized. LACERA will absorb the cost of this position through FY 2023-24. The full year cost of this position at the lowest level is \$375,130, including salaries and benefits.

The S&S portion of the FY 2023-24 Preliminary Administrative Budget is approximately \$32.6 million, \$225,000 or 0.7 percent above the FY 2022-23 approved levels. Some expenses have increased, while others have decreased. Significant increases include:

- **Insurance** – Increases for premiums totaling \$361,100, or 32.2 percent, primarily for cyber liability, reflecting industry trends and LACERA-specific risks.
- **Equipment Maintenance** – Increase of \$325,000 or 79.6 percent due to a one-time upgrade of conference rooms to allow teleconferencing and upgrading the security badge readers on LACERA occupied floors.
- **Office Supplies & Equipment** – Increase of \$208,200 or 24.6 percent primarily due to information technology supplies and equipment and a new due diligence software to assist the Investments Division.
- **Transportation & Travel** – Increase of \$151,000 or 23 percent reflecting an end to pandemic-era travel restrictions and necessary staff training and development, and travel for investment related due diligence.

Significant decreases include:

- **Legal Fees & Services** – Decrease of \$998,000 or 32.5 percent due to the conclusion of prior year litigation.
- **Auto Expenses** – Decrease of \$102,700 or 76.9 percent due to a shift from purchasing vehicles for Executives to authorizing a monthly transportation allowance. Funding remains for maintenance and fuel for existing vehicles.

### **RETIREE HEALTH CARE BENEFITS PROGRAM (RHCBP) BUDGET**

The RHCBP administers healthcare benefits to our membership on behalf of our plan sponsors. The healthcare premiums are borne solely by the plan participants or plan sponsor if eligible for such coverage. The direct costs and variable overhead costs associated with administering the program are included with the monthly premium payments and the administrative fee charged covers these support costs.

The total RHCBP Preliminary Budget for FY 2023-24 is approximately \$12.7 million, an increase of \$1.4 million or 12.1 percent.

The S&EB portion of this budget is approximately \$5.8 million, an increase of approximately \$580,000 or 11.2 percent from FY 2022-23. The increased cost is primarily attributed to negotiated COLA and benefits increases, as well as full year funding for several long-term vacancies. Six new Retirement Benefits Specialists dedicated to the RHCBP started on May 1, 2023.

The S&S portion of the RHCBP Preliminary Budget is approximately \$6.9 million, an increase of \$793,000 or 12.9 percent from FY 2022-23. The increased cost is attributable to an increase of approximately \$327,000 in Professional and Specialized Services, necessary to conduct the required triennial OPEB audit; and an increase of approximately \$466,000 in Operational Costs, or the RHCBP's pro-rata share of LACERA's administrative and operational costs.

### **OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST BUDGET**

The OPEB Trust was established by Los Angeles County and LACERA to pre-fund retiree healthcare benefits costs to reduce future liabilities. The Superior Court later joined the trust and began making payments to the OPEB Trust. LACERA's Board of Investments is the trustee and investment manager for the fund. Each agency's trust assets are separately reported on financial statements.

The trust agreements stipulate that LACERA shall be entitled to reimbursement for all its reasonable and appropriate expenses incurred in administering or investing the trust. This proposed OPEB Trust Budget reflects these needs for FY 2023-24

The total proposed OPEB Trust Budget for FY 2023-24 is \$732,699, an increase of approximately \$61,000 or 9.1 percent. The S&EB portion reflects an increase of approximately \$40,000 or 8.4 percent while the S&S portion reflects an increase of approximately \$20,000 or 10.8 percent. Staff costs are based on estimates of direct staff time spent supporting OPEB as well as a proportionate amount of support received from Systems, Human Resources and Administrative Services divisions.

More detailed information for all three proposed Budgets can be found in the attached document.

## **DISCUSSIONS**

All Trustees may participate in the JOGC and are encouraged to ask in-depth questions of staff in the exercise of their due diligence in the budget process.

General topics of discussion at the April 27 JOGC meeting included LACERA's internship program, how salaries and salary savings are budgeted, and the implementation of technology in LACERA conference rooms (TEAMS Room Project).

Trustees also made suggestions for improving the information provided which staff will incorporate into future budget presentations including:

- A summary of the types of training Investments Office staff plan to participate in during the upcoming fiscal year.
- A summary of budget requests, by division, in a table format as part of the Budget Highlights.
- Add a footnote to page 19, History of Budget Expenditures, to make it clear that the upcoming fiscal year reflects the Proposed Budget rather than the Approved Budget.

For more detailed information about the discussion, please view the [JOGC meeting of April 27, 2023](#).

## **CONCLUSION:**

Based on the above information and attached documents, the JOGC recommends the Board of Retirement (BOR) and Board of Investments (BOI) adopt the proposed FY 2023-24 Administrative, Retiree Healthcare Benefits Program and Other Post-Employment Benefits Trust Budgets.

SK:LL:LG

Attachments

## LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES  
DIVISION SUMMARY

|                         |                                 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|-------------------------|---------------------------------|-----------------------------------|---|----------|---|
|                         | PROPOSED<br>BUDGET<br>2023-2024 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Administrative Services | \$16,108,407                    | \$14,989,876                      | \$1,118,531   | 7.5%     | <ul style="list-style-type: none"> <li>• Anticipate filling approximately 15 vacant positions</li> <li>• Reduce Agency Temp and Overtime Request - Due to filling vacant positions</li> <li>• Reduce Auto Expense – Discontinue LACERA vehicle</li> <li>• Increase Transportation and Travel - Anticipate increase in attendance at conferences/training</li> <li>• Increase Insurance - Based on broker's recommendation and added expense for Umbrella Policy</li> <li>• Reduce Building Costs – Anticipate decrease in renovation projects</li> <li>• Increase Professional &amp; Specialized Services – Due to inflationary adjustments to Business Continuity Services and Archive/Offsite Storage</li> <li>• Increase Educational Expenses - Anticipate increased attendance at conferences/training</li> </ul> |
| Benefits                | \$12,449,402                    | \$12,019,386                      | \$430,016   | 3.6%     | <ul style="list-style-type: none"> <li>• Anticipate filling three vacant positions</li> <li>• Reduce Agency Temp Request - Due to filling vacant positions.</li> <li>• Increase Overtime Request - Due to more permanent staff and COLA increases</li> <li>• Increase Educational Expenses - Due to increased attendance at conferences/training</li> </ul>   |
| Board of Retirement     | \$303,500                       | \$291,500                         | \$12,000  | 4.1%     | <ul style="list-style-type: none"> <li>• Increase in Miscellaneous Expense - Anticipate more onsite Board meetings due to Joint Boards meetings, JOGC, &amp; Audit Committee</li> </ul>   |
| Board of Investments    | \$551,000                       | \$498,000                         | \$53,000  | 10.6%    | <ul style="list-style-type: none"> <li>• Increase in Educational Expense - Anticipate increase for memberships (e.g., CII, AGCN, and ICGN)</li> </ul>   |



LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES  
DIVISION SUMMARY

|                       |                                 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|-----------------------|---------------------------------|-----------------------------------|---|----------|---|
|                       | PROPOSED<br>BUDGET<br>2023-2024 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Communications        | \$4,117,688                     | \$3,422,975                       | \$694,713   | 20.3%    | <ul style="list-style-type: none"> <li>• Anticipate filling five vacant positions</li> <li>• Increase Agency Temp Request - To backfill vacant positions</li> <li>• Increase Transportation and Travel - Anticipate increase in conferences/training (e.g., HOW and CAPIO conferences)</li> <li>• Increase Stationery &amp; Forms - Anticipate increase in cost to print Annual Benefits and Postscript newsletter</li> <li>• Increase Professional &amp; Specialized Services - Anticipate increase in costs for printing, postage, &amp; mailing</li> <li>• Reduce Computer Services &amp; Support - Shift MAC consulting and support to Systems Division</li> <li>• New account for Case Management, Wire Service, and Miscellaneous Video Production</li> </ul> |
| Disability Litigation | \$2,561,141                     | \$2,407,817                       | \$153,324   | 6.4%     | <ul style="list-style-type: none"> <li>• Reduce Agency Temp and Overtime Request - Due to completion of some projects</li> <li>• Reduce Legal Fees &amp; Services - Based on anticipated case load</li> </ul>   |
| Disability Retirement | \$11,797,093                    | \$10,939,793                      | \$857,300   | 7.8%     | <ul style="list-style-type: none"> <li>• Add three Senior Disability Retirement Specialists</li> <li>• Reduce Overtime Request - Due to filling vacant positions and addition of new positions</li> <li>• Reduce Disability Fees &amp; Services for Hearing Officer Fees and Medical Advisor</li> </ul>   |
| Executive Office      | \$5,276,415                     | \$5,394,151                       | (\$117,736)   | -2.2%    | <ul style="list-style-type: none"> <li>• Anticipate filling approximately five vacant positions</li> <li>• Reduce Agency Temp Request - Due to anticipated filling of vacant positions</li> <li>• Increase Transportation and Travel - Anticipate more permanent staff and increase in offsite conferences/training</li> <li>• Reduce Professional &amp; Specialized Services - Anticipate reduction in Strategic Planning and Software Subscription Services, and increase in Public &amp; Media Relations</li> <li>• Increase Educational Expenses - Due to increase in permanent staff and more conferences/training</li> </ul>  |

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES  
DIVISION SUMMARY

|                                 |                                 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET  |
|---------------------------------|---------------------------------|-----------------------------------|---|----------|--|
|                                 | PROPOSED<br>BUDGET<br>2023-2024 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES   |
| Financial & Accounting Services | \$5,688,740                     | \$4,926,478                       | \$762,262   | 15.5%    | <ul style="list-style-type: none"> <li>• Delete one Accounting Officer II and one Accounting Technician I to offset the addition of two Accountant positions</li> <li>• Anticipate filling six vacant positions</li> <li>• Reduce Agency Temp and Overtime Request - Due to filling vacant positions</li> <li>• Increase Transportation and Travel - Anticipate increase in conferences/training</li> <li>• Increase Educational - Due to increase in conferences/training</li> </ul>  |
| Human Resources                 | \$6,743,591                     | \$5,839,537                       | \$904,054   | 15.5%    | <ul style="list-style-type: none"> <li>• Anticipate filling nine vacant positions</li> <li>• Reduce Agency Temp - Due to filling vacant positions</li> <li>• Increase Overtime Request - Due to anticipated staffing levels and COLA increase</li> <li>• Increase Parking Fees - Based on anticipated parking rates/ and increased number of staff</li> <li>• Increase Professional &amp; Specialized Services - Due to increased Flex Choice cost and Human Resources Consulting for classification and compensation study</li> </ul> |
| Internal Audit                  | \$3,613,148                     | \$3,468,495                       | \$144,653   | 4.2%     | <ul style="list-style-type: none"> <li>• Reduce Office Supplies &amp; Equipment - Based on recent experience</li> </ul>  |
| Investment Office               | \$18,223,967                    | \$17,342,188                      | \$881,779   | 5.1%     | <ul style="list-style-type: none"> <li>• Add one Senior Investment Officer</li> <li>• Anticipate filling 10 vacant positions</li> <li>• Add Transportation Allowance for Deputy CIO</li> <li>• Reduce Auto Expense - Discontinue provision of LACERA vehicle</li> <li>• Reduced Education Expense due to transfer of CII, AGCN &amp; ICGN memberships to BOI</li> <li>• Increase Transportation and Travel - Anticipated increase in conferences/training</li> </ul>   |

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES  
DIVISION SUMMARY

|                   |                                 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|-------------------|---------------------------------|-----------------------------------|---|----------|---|
|                   | PROPOSED<br>BUDGET<br>2023-2024 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Legal Services    | \$9,997,732                     | \$10,457,195                      | (\$459,463)   | -4.4%    | <ul style="list-style-type: none"> <li>• Anticipate filling eight vacant positions</li> <li>• Reduce Agency Temp - Due to filling vacant positions</li> <li>• Increase Overtime Request - Due to staffing levels and COLA increase</li> <li>• Increase Transportation and Travel - Anticipate more staff participating in conferences/training</li> <li>• Increase Professional &amp; Specialized Services - New RFP for Legislative Consulting/Advocacy</li> <li>• Reduce Legal Fees &amp; Services - Based on current litigation</li> </ul> |
| Member Services   | \$11,063,296                    | \$10,479,414                      | \$583,882   | 5.6%     | <ul style="list-style-type: none"> <li>• Anticipate filling 15 vacant positions</li> <li>• Reduce Agency Temp Request p staff Due to filling vacant positions</li> <li>• Increase Overtime Request - Due to additional staff levels and COLA increase</li> <li>• Increase Transportation and Travel - Anticipate more staff participating in conferences/training</li> <li>• Reduce Office Supplies &amp; Equipment - Based on recent experience</li> </ul>   |
| Quality Assurance | \$3,383,332                     | \$2,918,368                       | \$464,964   | 15.9%    | <ul style="list-style-type: none"> <li>• Anticipate filling five vacant positions</li> <li>• Reduce Overtime Request - Due to filling vacant positions and completion of some special projects</li> <li>• Increase Professional &amp; Specialized Services - Anticipate Cost-Effective Management (CEM) Survey cost increase for 2024</li> <li>• Reduce Educational Expenses - Based on anticipated number of staff working toward their CEBS certification</li> </ul>  |

LACERA

FISCAL YEAR 2023-2024

BUDGET SUMMARY OF CHANGES  
DIVISION SUMMARY

|             | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022 - 2023 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|-------------|---------------------------------|-----------------------------|---|----------|---|
|             |                                 | BUDGET                      | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Systems     | \$23,869,522                    | \$22,371,686                | \$1,497,836   | 6.7%     | <ul style="list-style-type: none"> <li>• Delete one Information Systems Manager I to offset the addition of one Information Technology Manager I</li> <li>• Anticipate filling 18 vacant positions</li> <li>• Add one 120-Day Return to Work Retiree for special project</li> <li>• Reduce Agency Temp Request - Due to filling vacant positions</li> <li>• Increase Overtime Request - Due to a anticipated staffing and special IT projects</li> <li>• Increase Transportation and Travel - Due to more staff participating in conferences/training</li> <li>• Increase Office Supplies &amp; Equipment - Anticipate increase in Divisional IT Supplies/Equipment for PBI, Investment Diligence Vault, MAC software &amp; equipment, etc.</li> <li>• Increase Equipment Maintenance - Anticipate increase in Key Card Security Systems due to upgrade of all keycard readers, and audiovisual enhancements for upgrading conference rooms to Teams Rooms</li> <li>• Increase Professional &amp; Specialized Services - Based on current projects (see summary)</li> <li>• Increase Educational Expenses - Due to increase in the number of staff participating in conferences/training</li> </ul> |
| GRAND TOTAL | \$135,747,974                   | \$127,766,860               | \$7,981,114   | 6.2%     |   |

\*All amounts rounded to the nearest dollar.

**RETIREE HEALTHCARE BENEFITS PROGRAM**

**FISCAL YEAR 2023-2024**

**BUDGET SUMMARY OF CHANGES**

|                                     |                                 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|-------------------------------------|---------------------------------|-----------------------------------|---|----------|---|
|                                     | PROPOSED<br>BUDGET<br>2023-2024 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Retiree Healthcare Benefits Program | \$12,685,439                    | \$11,313,623                      | \$1,371,816   | 12.1%    | <ul style="list-style-type: none"> <li>• Anticipate filling approximately seven vacant positions (fully staffed)</li> <li>• Reduce Agency Temp Request - Anticipate to be fully staffed, therefore no agency temp needed</li> <li>• Increase Overtime Request - Anticipate increase in Overtime requests due to more permanent staff</li> <li>• 10.3% Increase in Operational Costs - Anticipate 3.6% increase in Rent due to LACERA building operational costs increase per lease agreement. Also, anticipate 10.6% increase in Departmental Overhead due to LACERA budget request increase and increase in participating divisions' budget request, staffs' activity, and hours</li> <li>• Departmental Overhead Variances (10.6% increase or \$458,133.83):               <ul style="list-style-type: none"> <li>- LACERA Overall S&amp;EB and S&amp;S budget increased by 6.2%. Majority of the increases are mainly due to S&amp;EB increase of 8.1% (S&amp;S = 0.7%).</li> <li>- LACERA proposed to add a total of four new positions (three Senior Disability Retirement Specialists and one Senior Investment Officer)</li> <li>- LACERA Permanent Salaries increased by 12.2% due to COLA, merit and step increases for all staff and filling current vacancies</li> <li>- LACERA Variable Benefits (10.4%) , Other Benefits (7.3%) and OPEB Contribution (12.0%) increased (Based on FY 2023-2024 Estimate Budget provided by County)</li> <li>- LACERA Overtime increased due to more staff (anticipated to fill more vacancies)</li> <li>- Changes in participating divisions/staff time and activities. (Executive from 150 to 368, FASD from 4,888 to 5,564, Internal Audit from 250-150, and Legal Services from 375 to 255)</li> </ul> </li> <li>• 26.6% Increase for Professional &amp; Specialized Services - Anticipate 146.6% increase in Audits due to increase in Audits and 35.5% in OPEB Valuation for Plante Moran/CavMac Triennial Audit and Milliman's OPEB Triennial audit work(s)</li> </ul> |

\*All amounts rounded to the nearest dollar.

**OTHER POST-EMPLOYEE BENEFITS (OPEB) TRUST**

**FISCAL YEAR 2023-2024**

**BUDGET SUMMARY OF CHANGES**

|  | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET   |
|--|---------------------------------|-----------------------------------|---|----------|---|
|  |                                 | BUDGET                            | \$ CHANGE   | % CHANGE | HIGHLIGHTS OF SIGNIFICANT BUDGET CHANGES  |
| Other Post-Employee Benefits<br>(OPEB) Trust | \$732,669                       | \$671,847                         | \$60,822  | 9.1%     | <ul style="list-style-type: none"> <li>• LACERA Overall S&amp;EB and S&amp;S budget increased by 6.2%. Majority of the increases are mainly due to S&amp;EB increase of 8.1% (S&amp;S = 0.7%)</li> <li>• LACERA proposed to add a total of four new positions (three Senior Disability Retirement Specialists and one Senior Investment Officer)</li> <li>• LACERA Permanent Salaries increased by 12.2% due to COLA, merit, and step increases for all staff and filling current vacancies</li> <li>• LACERA Variable Benefits (10.4%) , Other Benefits (7.3%), and OPEB Contribution (12.0%) increased (Other Benefits and OPEB Contribution budget is based on FY 2023-2024 Estimate Budget provided by County)</li> <li>• LACERA Overtime increased due to more staff (anticipated to fill more vacancies)</li> <li>• Changes in participating divisions/staff time and activities. (FASD from 1,558 to 1,323, Internal Audit from 290-370, Investment Office from 1,105 to 705, Legal Services from 150 to 250, and Systems Division from 395 to 1,164)</li> </ul> |

\*All amounts rounded to the nearest dollar.



# **Fiscal Year 2023-24 Proposed Budget Presentation**

**Administrative, Retiree Healthcare Benefits & OPEB Trust Budgets**



# Fiscal Year 2023-24 Proposed Budget



## AGENDA

- Legal Authority & Budget Policies that Guide and Direct Us
- Budget Development Process
- Strategic Priorities
- 2022-23 Accomplishments
- Administrative Budget
- Retiree Healthcare Benefits Program Budget
- OPEB Trust Budget
- Questions & Discussion
- Appendix: 2023-24 Planned Initiatives





# Legal Authority and Duty

## CERL Section 31580.2

- Grants Joint Boards to approve a budget no greater than 21 basis points of AAL by June 30

## CA Constitution Article XVI, Section 17(a)

- “The assets of a public pension or retirement system are trust funds and shall be held for the exclusive purposes of providing benefits to participants in the pension or retirement system and their beneficiaries and ***defraying reasonable expenses of administering the system***”

## CA Constitution Article XVI, Section 17(b)

- Joint Boards’ fiduciary duty is to “discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and ***defraying reasonable expenses of administering the system***. A retirement board’s duty is to its participants and their beneficiaries shall take precedence over any other duties. “
- The Boards have a fiduciary duty to defray the expenses of administering LACERA, which includes reviewing and questioning the budget as appropriate to serve the members.

# Budget Policies

## Statutory Appropriation

### County Employees Retirement Law

- Govt Code 31580.2 limits our annual administrative appropriation to 0.21% of Actuarial Accrued Liabilities
- Govt Code 31596.1 excludes specific non-administrative expenses from the appropriation limit

## Surplus Unappropriated Balance

### Unappropriated Funds

- Represents the balance of available appropriation after Administrative Costs
- 2023-24 = Approximately \$45.5 Million

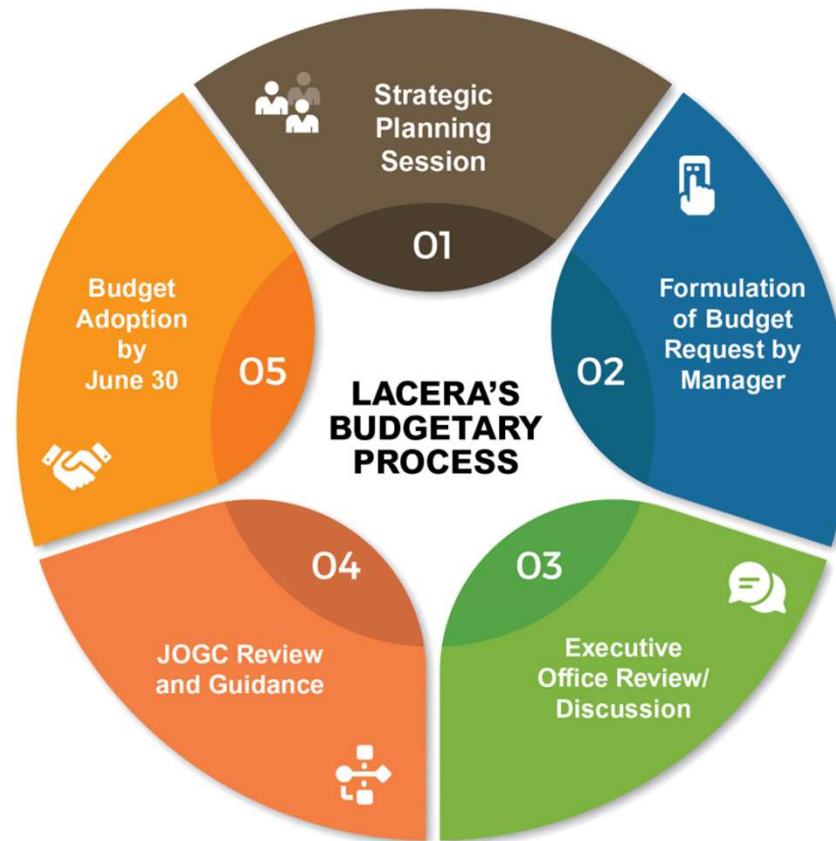
## Retiree Healthcare Costs

### RHC Administrative Overhead Costs

- Are *NOT* borne by the Pension System
- Are charged against the RHC Budget on an annual basis



# Budget Development Process

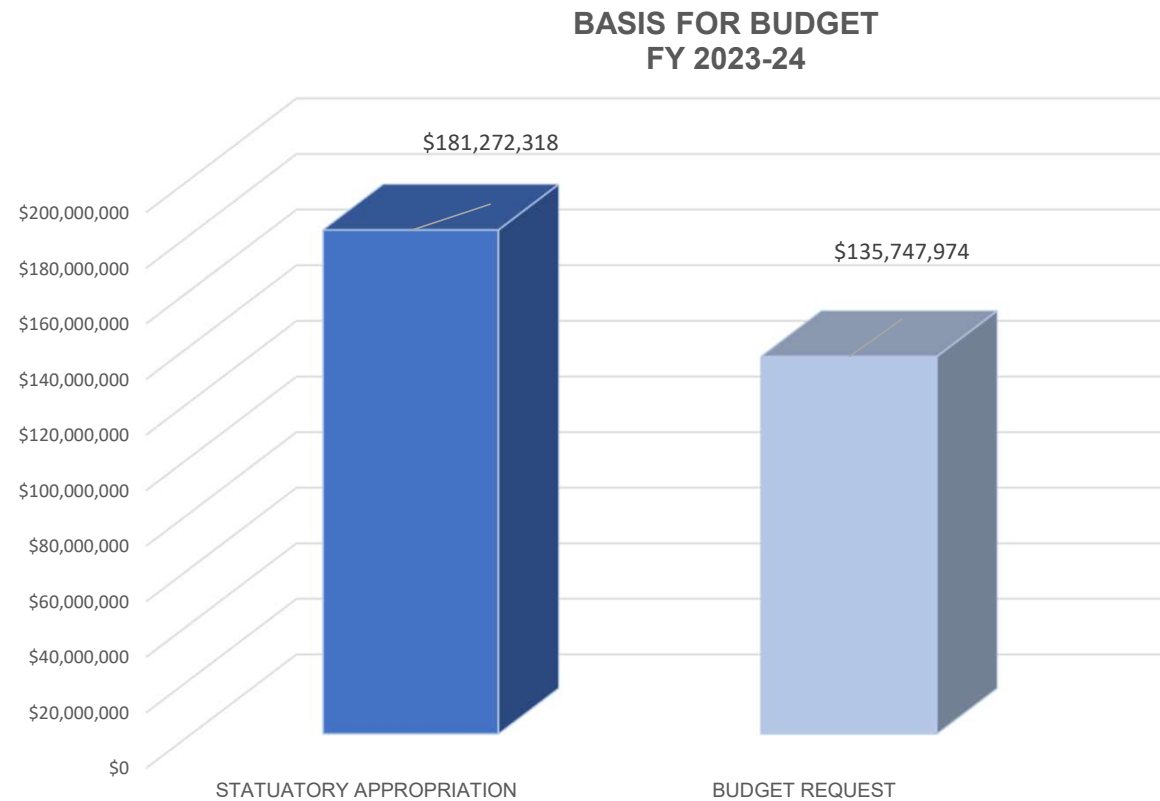


# Strategic Priorities





# Proposed FY 2023-24 Budget





Fiscal Year 2023-24

## Administrative Budget Request Summary

| ADMINISTRATIVE BUDGET        | FY 2022–23<br>ADOPTED<br>BUDGET | FY 2023–24<br>PROPOSED<br>BUDGET | VARIANCE    | % CHANGE |
|------------------------------|---------------------------------|----------------------------------|-------------|----------|
| SALARIES & EMPLOYEE BENEFITS | \$95,407,560                    | \$103,163,874                    | \$7,756,314 | 8.1%     |
| SERVICES & SUPPLIES          | \$32,359,300                    | \$32,584,100                     | \$224,800   | 0.7%     |
| ADMINISTRATIVE BUDGET TOTAL  | \$127,766,860                   | \$135,747,974                    | \$7,981,114 | 6.2%     |



# Prior Year Accomplishments

Members • Technology • People • Risk & Compliance • Fiscal Durability



## **FY 2022-23 Accomplishments**



- **Strategic Plan Development**
- **Call Center Technology Improvements**
  - Wait time/call back
  - Holiday scheduling automation
  - Emergency access console
  - After call service survey
- **Online Disability Application**
- **MyLACERA Support Queue**
- **MyLACERA Multifactor Authentication**





## **FY 2022-23 Accomplishments**



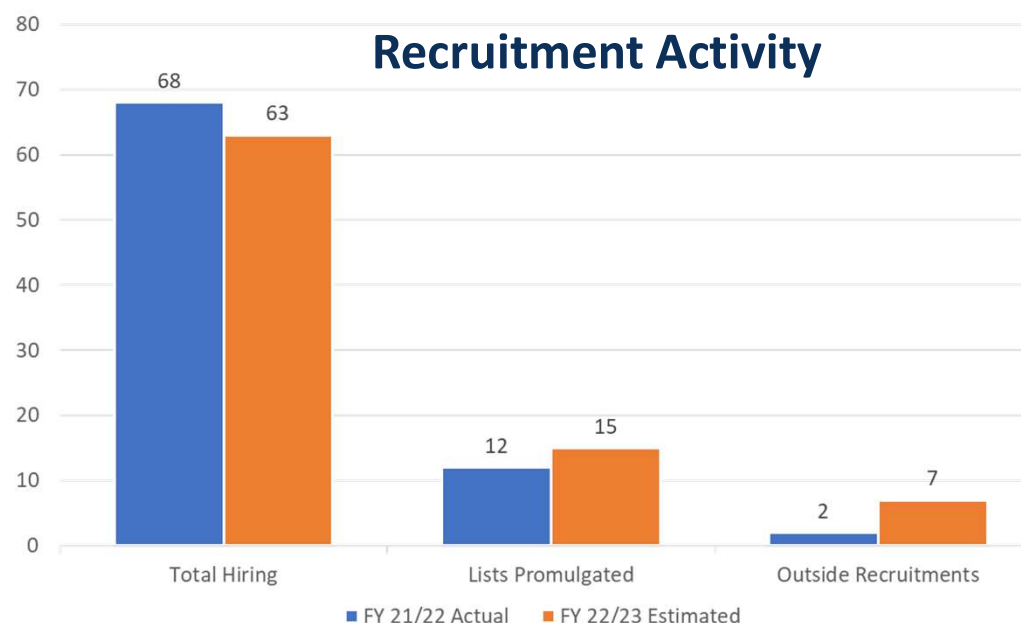
- **One Meeting Implementation**
- **Enterprise WiFi**
- **Form 700 Automation**
- **Custodian Bank Selection**
- **Financial Auditor Selection**
- **Investment Returns Above Policy Benchmarks**



## FY 2022-23 Accomplishments



- Hiring Manager Playbook
- Transparent Hiring Plan



**FY 21/22** 47% of New Hires were internal promotions

**FY 22/23** 22% of New Hires through Q3 were internal promotions

\* Q4 anticipated activity: 40 new hires to onboard, 3 new lists promulgated & 6 outside recruitments launched.

# **ADMINISTRATIVE BUDGET**



Fiscal Year 2023-24

## Administrative Budget Request Summary

| ADMINISTRATIVE BUDGET        | FY 2022–23<br>ADOPTED<br>BUDGET | FY 2023–24<br>PROPOSED<br>BUDGET | VARIANCE    | % CHANGE |
|------------------------------|---------------------------------|----------------------------------|-------------|----------|
| SALARIES & EMPLOYEE BENEFITS | \$95,407,560                    | \$103,163,874                    | \$7,756,314 | 8.1%     |
| SERVICES & SUPPLIES          | \$32,359,300                    | \$32,584,100                     | \$224,800   | 0.7%     |
| ADMINISTRATIVE BUDGET TOTAL  | \$127,766,860                   | \$135,747,974                    | \$7,981,114 | 6.2%     |



## 2022-23 Budget to Projected Actuals by Category

| ADMINISTRATIVE BUDGET           | FY 2022-23<br>ADOPTED<br>BUDGET | 2022-23<br>PROJECTED<br>ACTUAL | PROJECTED<br>SURPLUS/<br>(DEFICIT) | FY 2023 - 24<br>BUDGET<br>REQUEST | VARIANCE           | % CHANGE    |
|---------------------------------|---------------------------------|--------------------------------|------------------------------------|-----------------------------------|--------------------|-------------|
| SALARIES & EMPLOYEE<br>BENEFITS | \$95,407,560                    | \$86,609,000                   | \$8,798,560                        | \$103,163,874                     | \$7,756,314        | 8.1%        |
| SERVICES & SUPPLIES             | \$32,359,300                    | \$31,966,500                   | \$392,800                          | \$32,584,100                      | \$224,800          | 0.7%        |
| <b>OPERATING BUDGET TOTAL</b>   | <b>\$127,766,860</b>            | <b>\$118,575,500</b>           | <b>\$9,191,360</b>                 | <b>\$135,747,974</b>              | <b>\$7,981,114</b> | <b>6.2%</b> |



## 2022-23 Budget to Projected Actuals by Division

| DIVISION                        | FY 2022-2023<br>ADOPTED<br>BUDGET | FY 2022-2023<br>PROJECTED<br>ACTUAL | PROJECTED<br>SURPLUS/<br>(DEFICIT) | FY 2023-2024<br>BUDGET<br>REQUEST | VARIANCE           | % CHANGE    |
|---------------------------------|-----------------------------------|-------------------------------------|------------------------------------|-----------------------------------|--------------------|-------------|
| Administrative Services         | \$14,989,876                      | \$14,008,500                        | \$981,376                          | \$16,108,407                      | \$1,118,531        | 7.5%        |
| Benefits                        | 12,019,386                        | 11,924,300                          | 95,086                             | 12,449,402                        | 430,016            | 3.6%        |
| Board of Retirement             | 291,500                           | 220,600                             | 70,900                             | 303,500                           | 12,000             | 4.1%        |
| Board of Investments            | 498,000                           | 439,400                             | 58,600                             | 551,000                           | 53,000             | 10.6%       |
| Communications                  | 3,422,975                         | 3,001,100                           | 421,875                            | 4,117,688                         | 694,713            | 20.3%       |
| Disability Litigation           | 2,407,817                         | 2,401,900                           | 5,917                              | 2,561,141                         | 153,324            | 6.4%        |
| Disability Retirement           | 10,939,793                        | 10,503,100                          | 436,693                            | 11,797,093                        | 857,300            | 7.8%        |
| Executive Office                | 5,394,151                         | 5,094,000                           | 300,151                            | 5,276,415                         | (117,736)          | -2.2%       |
| Financial & Accounting Services | 4,926,478                         | 4,417,300                           | 509,178                            | 5,688,740                         | 762,262            | 15.5%       |
| Human Resources                 | 5,839,537                         | 4,638,800                           | 1,200,737                          | 6,743,591                         | 904,054            | 15.5%       |
| Internal Audit                  | 3,468,495                         | 3,401,300                           | 67,195                             | 3,613,148                         | 144,653            | 4.2%        |
| Investment Office               | 17,342,188                        | 14,935,400                          | 2,406,788                          | 18,223,967                        | 881,779            | 5.1%        |
| Legal Services                  | 10,457,195                        | 10,141,200                          | 315,995                            | 9,997,732                         | (459,463)          | -4.4%       |
| Member Services                 | 10,479,414                        | 9,554,900                           | 924,514                            | 11,063,296                        | 583,882            | 5.6%        |
| Quality Assurance               | 2,918,368                         | 2,822,300                           | 96,068                             | 3,383,332                         | 464,964            | 15.9%       |
| Systems                         | 22,371,686                        | 21,071,400                          | 1,300,286                          | 23,869,522                        | 1,497,836          | 6.7%        |
| <b>TOTAL</b>                    | <b>\$127,766,860</b>              | <b>\$118,575,500</b>                | <b>\$9,191,360</b>                 | <b>\$135,747,974</b>              | <b>\$7,981,114</b> | <b>6.2%</b> |



# FY 2023-24 Budget Assumptions



## Salaries & Employee Benefits

- Filled positions are based on current actual salaries
- Vacant positions are based on Step 1 salary & funded based on the Hiring Plan for the classification (0, 6, 9 or 12 months)
- 3% COLA for all staff – Effective January 1, 2023
- 3% COLA for all staff – Effective January 1, 2024
- Benefit costs determined by LA County – Estimated 55% of Salaries



## Services & Supplies

- Historical expenditures adjusted for inflation
- One-time expenditures removed or adjusted



# Salaries & Employee Benefits

4 New Positions

Full Year Costs for Partially Funded Positions

Negotiated COLA Increases

Salary Step & Merit Increases

Reduced Reliance on County Temporary Staff

Increased Costs for County Benefits





# Summary of Increased Staffing & Costs

| FY 2023-24 PROJECTED COST OF NEW POSITIONS |     |   |          |                     |                   |               |
|--|-----|---|----------|---------------------|-------------------|---------------|
| DIVISION                                   | #   | POSTION TITLE                           | # MONTHS | FY 2023-2024 SALARY | VARIABLE BENEFITS | BUDGET IMPACT |
| Disability Retirement                      | 3.0 | Senior Disability Retirement Specialist | 9        | \$194,967           | \$107,232         | \$302,199     |
| Investments                                | 1.0 | Senior Investment Officer               | 6        | \$121,010           | \$66,555          | \$187,565     |
| Total                                      | 4.0 |   |          | \$315,977           | \$173,787         | \$489,764     |

| FULL YEAR COST OF NEW POSITIONS |     |   |                  |                   |                      |
|---------------------------------|-----|---|------------------|-------------------|----------------------|
| DIVISION                        | #   | POSTION TITLE                           | FULL YEAR SALARY | VARIABLE BENEFITS | TOTAL FULL YEAR COST |
| Disability Retirement           | 3.0 | Senior Disability Retirement Specialist | \$259,956        | \$142,976         | \$402,932            |
| Investments                     | 1.0 | Senior Investment Officer               | \$242,019        | \$133,111         | \$375,130            |
| Total                           | 4.0 |   | \$501,975        | \$276,086         | \$778,062            |





# Services & Supplies

## Summary of Significant Changes

Insurance premium increases - \$361,100

Equipment Maintenance (TEAMS conference rooms & badge readers - \$325,000

Office Supplies & Equipment (IT supplies & due diligence software) - \$208,200

Transportation & Travel (staff post-COVID training & development) - \$151,000

Outside Legal Fees & Services - Decrease by \$998,000

Auto Expenses – Decrease by \$102,7000



# RHCBP & OPEB TRUST BUDGETS

## Fiscal Year 2023-24 Retiree Healthcare Benefits Program Budget Overview

|                              | FY 2023-24<br>PROPOSED<br>BUDGET | FY 2022-23<br>ADOPTED<br>BUDGET | VARIANCE     | % CHANGE |
|------------------------------|----------------------------------|---------------------------------|--------------|----------|
| SALARIES & EMPLOYEE BENEFITS | \$ 5,752,106                     | \$ 5,172,923                    | \$ 579,183   | 11.2%    |
| SERVICES & SUPPLIES          | \$ 6,933,333                     | \$ 6,150,699                    | \$ 792,634   | 12.9%    |
| OPERATING BUDGET             | \$ 12,685,439                    | \$ 11,313,623                   | \$ 1,371,816 | 12.1%    |



## 2022-23 RHCBP Budget to Projected Actual

|                                   | FY 2023-24<br>Proposed<br>Budget | FY 2022-23<br>Adopted Budget | FY 2022-23<br>Projected<br>Actual | FY 2022-23<br>Projected to<br>Actual<br>(UNDER)/OVER |
|-----------------------------------|----------------------------------|------------------------------|-----------------------------------|--|
| Salaries & Employee Benefits      | \$ 5,752,106                     | \$ 5,172,923                 | \$ 5,039,100                      | \$ (133,823)   |
| Services & Supplies               | \$ 6,933,333                     | \$ 6,140,699                 | \$ 5,682,600                      | \$ (458,099)   |
| <b>Total RHC Operating Budget</b> | <b>\$ 12,685,439</b>             | <b>\$ 11,313,623</b>         | <b>\$ 10,721,700</b>              | <b>\$ (591,923)</b>                                  |



# RHCBP 2023-24 BUDGET

## Summary of Significant Changes

Full Staffing Due to May 2023 Retirement Benefits Specialist Training Class

Negotiated Cost of Living Adjustments (COLAs) of 3%

Salary Step and Merit Increases

County Benefits Cost Increases

LACERA Administrative Overhead Increases Due to S&EB Inflation

Triennial Audit and Valuation Expense (S&S)



## Fiscal Year 2023-24 Other Post Employment Benefits Summary

| OPEB                         | FY 2023-24<br>PROPOSED<br>BUDGET | FY 2022-23<br>ADOPTED<br>BUDGET | VARIANCE  | % CHANGE |
|------------------------------|----------------------------------|---------------------------------|-----------|----------|
| SALARIES & EMPLOYEE BENEFITS | \$ 521,881                       | \$ 481,543                      | \$ 40,338 | 8.4%     |
| SERVICES & SUPPLIES          | \$ 210,788                       | \$ 190,304                      | \$ 20,484 | 10.8%    |
| OPEB OPERATING BUDGET        | \$ 732,669                       | \$ 671,847                      | \$ 60,822 | 9.1%     |



## 2022-23 OPEB Trust Budget to Projected Actual

|                              | FY 2023-24<br>Proposed | FY 2022-23<br>Adopted Budget | FY 2022-23<br>Projected Actual | FY 2022-23<br>Projected to<br>Actual<br>(UNDER)/OVER |
|------------------------------|------------------------|------------------------------|--------------------------------|--|
| Salaries & Employee Benefits | \$ 521,881             | \$ 481,543                   | \$ 452,661                     | \$ (28,893)  |
| Services & Supplies          | \$ 210,788             | \$ 190,304                   | \$ 178,886                     | \$ (11,418)  |
| Total OPEB Budget            | \$ 732,669             | \$ 671,847                   | \$ 631,536                     | \$ (40,311)  |



# THANK YOU!

---



## QUESTIONS?



# Appendix

## FY 2023-24 Planned Initiatives

Members • Technology • People • Risk & Compliance • Fiscal Durability





# Strategic Plan Implementation

## 2023-24 Focus

- Develop specific workplans and reporting metrics
- Recruit top talent across the enterprise
- Operationalize the LEAD Initiative
- Cultivate a culture consistent with our LACERA values
- Innovate solutions through technology
- Prepare for the future of LACERA

**Goal** – Mature the organization toward the achievement of our mission and vision



## Case Management Phase 2

### 2023-24 Focus (Tentative)

- Legal Review
- Administrative Appeals & Escalations
- Insurance Enrollment
- Felony Forfeiture Appeals Processes

**Goal** Track & manage cases coming from the Workspace Pension Administration System, more efficiently resulting in an improved member experience.

**Cost** - \$760,000

Los Angeles County Employees Retirement Association

*Innovation Through  
Technology*

**&**

*Superior Member  
Experience*



# AWS Call Center Enhancements

## 2023/24 Focus

- Implement Voice Recognition & Artificial Intelligence (AI) Technology
- Offer members choice - AI confirmation process or traditional personal confirmation during call
- Enhanced Reporting on Secure Confirmation Statistical Data

**Goals** — Reduce call wait time, provide a more secure validation process and improve the member experience.

**Cost** - \$300,00

Los Angeles County Employees Retirement Association

***Innovation Through  
Technology***

**&**

***Superior Member  
Experience***



# Knowledgebase Solution

**2023/24 Focus** - Build or buy a repository & automated workflow solution to implement our knowledge management policy.

**Goal** – Ensure a single, trusted data source for accurate business rules, procedures & operating instructions for staff.

**Cost** - \$300,000

***Innovation Through  
Technology***

**&**

***Superior Member  
Experience***



# Telecommunications Upgrade & Member Service Contact Center Solution

**2023/24 Focus** - Implement a world-class Member Service Contact Center solution that integrates with LACERA's existing Microsoft suite of products, case management solution (Sol) and pension administration system (Workspace).

**Goal** – Modernize LACERA's telecommunications infrastructure.

**Cost** - \$250,000

***Innovation Through  
Technology***

**&**

***Superior Member  
Experience***



## IT Modernization

**2023/24 Focus** - Convert the remaining LACERA conference rooms to Microsoft Teams-enabled meeting rooms.

**Goal** – Facilitate collaboration and connectivity for LACERA's hybrid workforce.

**Cost** - \$225,000

***Innovation Through  
Technology***





# Operational Due Diligence Solution

**2023/24 Focus** - Source and implement a new due diligence solution to automate the analysis of manager and fund data.

**Goal** – Automate the due diligence process within the Investments Division to improve compliance and reduce risk.

**Cost** - \$30,000

***Innovation Through  
Technology***

**&**

***Risk & Compliance***



# Facilities Management Solution

**2023/24 Focus** - Replace manual processes with an enterprise-wide automated solution for maintenance, cleaning, safety and space change requests.

**Goal** – Provide automation, process improvement, transparency and metrics for LACERA's facilities management processes.

**Cost** - \$150,000

***Innovation through  
Technology***

**&**

***Fiscal Durability***



# Uninterruptible Power Supply (UPS) Upgrade

**2023/24 Focus** - Redesign and replace end-of-life UPS units that provide critical backup power to LACERA's data centers and board room during outages to provide a redundant power system.

**Goal** – Optimize LACERA's business continuity capabilities due to and during local power outages.

**Cost** - \$150,000

*Innovation through  
Technology*

**&**

*Fiscal Durability*



## Benefits PBI Upgrade

**2023/24 Focus** - Replace legacy member/beneficiary research system currently at end-of-life

**Goal** – Reduce risk of benefits overpayments to deceased members and more efficiently locate beneficiaries who are owed death benefits.

**Cost** - \$100,000

***Innovation Through  
Technology  
&  
Risk & Compliance  
&  
Fiscal Durability***



# Legal Matters Management System

**2023/24 Focus** - Source and implement an enterprise legal matters management software solution to replace inefficient manual processes.

**Goal** – Provide automation, process improvement, transparency and metrics for LACERA's Legal Services Division.

**Cost** - \$100,000

***Innovation Through  
Technology  
&  
Risk & Compliance  
&  
Fiscal Durability***





ADMINISTRATIVE,  
RETIREE HEALTHCARE BENEFITS AND  
OPEB TRUST BUDGETS

**FISCAL YEAR 2023-2024**





# FY 2023-2024

## TABLE OF CONTENTS

### Introduction

#### PAGE

|                         |    |
|-------------------------|----|
| Executive Summary       | 1  |
| Mission, Vision, Values | 9  |
| Organization Chart      | 11 |
| Budget Policies         | 14 |
| Budget Process          | 17 |
| Budget History          | 19 |

### Budget Request Summary

|                                |    |
|--------------------------------|----|
| Overview                       | 20 |
| Salaries and Employee Benefits | 22 |
| Services and Supplies          | 29 |

### Salaries and Employee Benefits

|   |    |
|---|----|
| Salaries and Employee Benefits Category Summary   | 30 |
| Salaries and Employee Benefits Division Summary   | 31 |
| Agency Temporary Staffing Division Summary        | 32 |
| Agency Temporary Staffing History of Expenditures | 33 |
| Overtime Request Division Summary                 | 34 |
| Overtime History of Expenditures                  | 35 |
| Bilingual Bonus Summary                           | 36 |
| Vacant Positions Summary                          | 37 |

### Services and Supplies

|  |    |
|--|----|
| Services and Supplies Category Summary | 38 |
| Services and Supplies Division Summary | 39 |



# FY 2023-2024

## TABLE OF CONTENTS

| <b>Division</b>                        | <b>PAGE</b> |
|--|-------------|
| Board of Retirement                    | 40          |
| Board of Investments                   | 44          |
| Administrative Services                | 48          |
| Benefits Division                      | 61          |
| Communications                         | 75          |
| Disability Litigation                  | 87          |
| Disability Retirement Services         | 97          |
| Executive Office                       | 110         |
| Financial and Accounting Services      | 121         |
| Human Resources                        | 134         |
| Internal Audit Services                | 143         |
| Investment Office                      | 152         |
| Legal Services                         | 161         |
| Member Services                        | 174         |
| Quality Assurance                      | 188         |
| Systems Division                       | 201         |
| <br><b>Non-Administrative Expenses</b> |             |
| Non-Administrative Expenses            | 218         |
| <br><b>Appendix</b>                    |             |
| CEO's 100-Day Plan Status              | 219         |
| Strategic Plans                        |             |
| LACERA Retirement Benefits             | 223         |
| Investments                            | 224         |





# EXECUTIVE SUMMARY

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

The Proposed Administrative Budget for FY 2023-24 represents the fiscal plan for implementing LACERA's administrative and operational objectives toward achieving our mission to produce, protect and provide the promised benefits to our members. In FY 2022-23, LACERA embarked upon an enterprise-wide strategic planning process—engaging members, Trustees, and staff at all levels. Although this Proposed Administrative Budget was developed before the Board of Retirement could formally adopt our Strategic Plan, as we considered what we hoped to accomplish in the coming year, the same themes emerged. As a result, this Proposed Administrative Budget aligns with the following five proposed strategic priorities:

- Superior Member Experience
- Innovation Through Technology
- Investing in People
- Enterprise Risk Management and Compliance
- Fiscal Durability

### ***Superior Member Experience***

Ensuring members have a consistent superior experience at all stages of their journey has been a longstanding focus of LACERA staff. As our member demographics change, technology advances, and member expectations shift, LACERA must be poised and ready to meet the members where they are and provide the education and guidance they need in a manner that is accessible and consistent at every stage of their journey. Members who are knowledgeable about their benefits will make better choices for themselves and their families.

In FY 2022-23, LACERA implemented several enhancements to provide better service to our members including: Launching Phase 1 of our case management (Sol) project, which includes Disability Retirement, Disability Litigation, and First Payment case management implementation; developing an online disability retirement application; and improving our member call experience by directing calls for account verification to a dedicated queue,

notifying members of call wait times, and implementing a callback feature. The FY 2023-24 Proposed Administrative Budget supports expanding these solutions.

Although technology is an integral part of ensuring a superior member experience, members value and expect personal interaction with our Retirement Benefits Specialists. In recent years, and especially since the onset of the COVID-19 pandemic, LACERA has struggled to simultaneously maintain our budgeted staffing levels in our Member Services, Benefits, and Retiree Healthcare divisions; meet demand from our members; and minimize call wait times. Staff in these member-facing divisions must undergo extensive training to provide the expertise our members expect. While these new staff are trained, LACERA has continued to experience high attrition at rates similar to that of Los Angeles County employees as a whole. The result has been a consistent gap in the number of trained Retirement Benefits Specialists available to answer questions from members and provide them education and guidance at the various stages of their journeys.

Although new staff are not requested for these divisions in the FY 2023-24 Proposed Administrative Budget, the Board of Retirement and Board of Investments have authorized the CEO to implement a strategy that anticipates attrition of Retirement Benefits Specialists and fully utilizing budgeted resources to ensure consistent staffing and service levels throughout the entire year.

Four new positions are requested. Three new positions are proposed for the Disability Retirement Services Division to address changes in Los Angeles County policy related to workforce accommodations. LACERA anticipates a significant increase in the number of members seeking disability retirements directly or at the behest of their employer. Applications for disability retirements require extensive medical evidence and investigation, during which time applicants generally have no income. To ensure that applications are not unduly delayed, three additional Senior Disability Retirement Specialist positions are requested in FY 2023-24 and the proposed hiring plan will be adjusted to prioritize filling these positions during the fiscal year.

One new Senior Investment Officer position is proposed to assist with operational due diligence (ODD) and compliance. This position will be responsible for overseeing the development of robust policies and practices across all asset classes.

### ***Innovation Through Technology***

LACERA continues to be committed to leveraging technology to be a more nimble, responsive, and efficient organization. This improvement mindset ensures that we continuously seek opportunities to better serve our members and that staff have the tools to most effectively perform their work.

In FY 2022-23, LACERA made great strides in using technology to automate, simplify, and improve many of our day-to-day processes, saving staff time and reducing costs to

the pension fund. We also utilized technology to improve our organizational resilience, business continuity, and disaster recovery, and to enhance security.

Improvements through technology continue to be a major focus in FY 2023-24 as we look forward to: Launching Phase 2 of our case management project, which will include legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes; enhancing our Call Center operations by implementing AWS Call Center; building a knowledge management solution; and completing and implementing several other projects currently underway. This strategic priority provides critical and essential support to achieving all four of LACERA's other strategic priorities. A complete summary of technology projects proposed for FY 2023-24 can be found on Page 6.

### ***Investing in People***

LACERA recognizes that the key to its success lies in its people. Our overarching goal is to make LACERA the employer of choice by offering a workplace culture that values and encourages staff development, actively implements equity and inclusion in our policies and practices, pays fair wages, values employees' ideas, and provides staff the tools and resources necessary for individual and collective success.

In the aftermath of the COVID-19 pandemic, LACERA has continuously suffered from high vacancy rates, exacerbated by an extremely competitive job market. In FY 2021-22, LACERA hired or promoted 68 positions across 13 divisions, but the overall vacancy rate stayed stubbornly stagnant at 20 percent. In FY 2022-23, LACERA concentrated on simplifying and improving the hiring process by identifying opportunities to add capacity, utilizing outside recruitment firms to assist with recruitment workload, become more nimble without sacrificing the tenets of civil service and meritocracy, and improve organizational transparency. We are on track to hire or promote 63 positions, including 40 in the fourth quarter. In addition, an enterprise-wide hiring plan was developed and shared with staff, and Human Resources developed a hiring playbook and process map for managers to demystify the hiring process.

In FY 2023-24, as the new Human Resources staff members acclimate, we hope to accelerate our hiring plan and onboard new staff more quickly to reduce the overall vacancy rate. Key to this goal is to reduce attrition across the organization. In FY 2023-24, we plan to focus on culture by developing and implementing our diversity, equity and inclusion framework (known as the LEAD initiative); investing in staff professional development opportunities; assessing and improving career ladders and succession planning; continuing formal and informal mentorship programs; and expanding our internship program to more divisions across the organization. We will develop a specific workplan with goals and key performance indicators and transparently report on our progress.

## ***Enterprise Risk Management and Compliance***

Over the past three years, LACERA has made great strides in improving enterprise risk management, information security, and operational resilience by transitioning most of our information technology systems from onsite to cloud-based solutions. The organization benefited greatly, improving our business continuity and disaster recovery readiness, transitioning to a fully remote (and now hybrid) work environment offering greater flexibility to our staff and members, and establishing a dedicated information security office independent of the Systems Division. Further, through the guidance and support of the Internal Audit Division and Audit Committee, we have participated in internal and external assessments to identify enterprise risk and compliance findings.

In FY 2022-23, we established and operationalized a Policy Committee tasked with systematically reviewing all LACERA policies and protocols as well as reviewing and adopting all new administrative policies. We also automated the process for filing the required annual Statement of Economic Interests for covered individuals, which helps us track compliance. Finally, we have improved LACERA's physical site security by moving the reception area from the 6th floor to the ground floor; requiring visitors (other than members) to check in, wear a visitors badge, and be escorted by staff while conducting business at LACERA headquarters; installing a video doorbell outside our Disability Litigation Office, as they are located on the 10th floor, which is shared by non-LACERA business entities; and restricting elevator access to LACERA-occupied floors, except for the 10th floor (to be completed in Spring 2023).

The FY 2023-24 Proposed Budget continues to support the enterprise risk management and compliance strategic priority. Previously, the Board of Retirement and Board of Investments approved a Compliance Officer position to be housed in the Legal Division and tasked with identifying and supporting enterprise-wide compliance matters. In researching how similarly structured organizations utilize similar positions, including best practices and comparable salary, it is proposed that the Compliance Officer position, which has not yet been approved by the Board of Supervisors, be amended to "Ethics and Compliance Officer." Further, Executive Management also plans to fill the authorized Special Assistant position within the Executive Office to help manage and report on progress toward policy implementation, compliance, and other strategic priorities.

The FY 2023-24 Proposed Budget also includes resources for the Systems Division and the Information Security Office within the Executive Office to proactively secure LACERA and member data and monitor information security threats. Recruitment is currently underway, and we anticipate permanently filling our Information Security Officer and Chief Information Technology Officer positions in spring 2023.

## ***Fiscal Durability***

Key to LACERA's mission to produce, protect and provide the promised benefits is ensuring the fiscal durability of fund assets, as benefits are promised for members' lifetimes. This requires taking on as little investment risk as possible to consistently meet

or exceed our benchmarks over the long-term to generate the necessary returns, as well as practicing fiscal prudence and due diligence when expending fund assets. To achieve this, the Investment Division has a specific strategy to shift from allocator to best-in-class investor. This includes, but is not limited to, negotiating favorable fees. Although, under CERL, investment fees are not included in the administrative budget, the expenditures are noted in the Non-Administrative Expense section of the FY 2023-24 Proposed Budget documents.

The FY 2023-24 Proposed Budget further supports this strategic priority by including the resources necessary to effectively and efficiently administer the programs to fulfill LACERA's mission and to ensure the pension fund and the organization are appropriately supported to sustain that mission indefinitely. As detailed below, LACERA anticipates that several technology projects currently underway will be fully implemented and operationalized in FY 2023-24. Together, these solutions will eradicate inefficient and error-prone manual processes and integrate into our financial system, Great Plains, providing greater transparency in the prudent expenditure of fund assets for pension administration.

**Budget Software:** The Questica budget software solution will automate and streamline the budget development and approval process, as well as provide managers real-time access to monitor and control their budget and expenditures for the first time ever. The Questica budget solution will be implemented by fall of 2023, in time for use in the development of the FY 2024-25 Proposed Budget.

**Automated Accounts Payable and Procurement:** The Certify software will automate the requisition and procurement of goods and services approval process to ensure more efficient invoice payment and allow ACH payments to vendors instead of traditional paper checks. This solution will be fully implemented in the summer of 2023.

**Enterprise Contract Lifecycle Management:** The Cobblestone software solution will assist contract administrators, risk manager and legal division by ensuring LACERA maintains a complete repository of contracts and vendor agreements and supporting documentation such as proof of insurance. The solution will facilitate compliance with LACERA's contract and procurement policies, ensure consistency using standard templates and contract language, and has tools to assist LACERA attorneys in reviewing non-standard terms and conditions that may be proposed by and required of some business partners. This software solution will be fully implemented in the summer of 2023.

## ***Conclusion***

The FY 2023-24 Proposed Budget reflects the resources necessary to effectively and efficiently administer the retirement programs to fulfill LACERA's mission indefinitely.

## Summary of Technology Modernization Projects for FY 2023-24

| Project Title  | Description  | Benefit/Goal   | FY 23/24 Budget | Phase                  | Estimated Completion Date |
|--|--|--|-----------------|------------------------|---------------------------|
| <b>Member case management system - Phase 2</b>                               | All LACERA's member-facing divisions are asking for case management for their complex processes to improve operational efficiency. Phase 2 will include optical character recognition (OCR) technology and focus on the legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward.   | The goal is to track and manage cases coming from the Workspace Pension Administration System. The benefits will be more efficient processing, greater automation, and improved member satisfaction.   | \$760,000       | Phase 2 of 5           | 06/30/24                  |
| <b>Amazon Web Services (AWS) Call Center enhancements Phases 7, 8, and 9</b> | To further improve and enhance our call center operations, LACERA seeks to implement voice recognition and artificial intelligence (AI) technology to mimic the organization's secure validation process. The new features will enable the organization to simulate a member's existing basic and secure confirmation process, leverage AI to allow members to choose between the confirmation process or be placed into predefined servicing queues with designated agents, and provide enhanced reporting on secure confirmation statistical data.   | The automated member validation process will reduce call wait time, provide a more secure validation process, and improve the member experience.   | \$300,000       | Phase 7, 8, and 9 of 9 | 09/30/23                  |
| <b>Knowledgebase solution</b>  | LACERA seeks to purchase or build a repository and automated workflow solution for LACERA knowledge management. The solution will be a single, trusted source of information that is accurate, consistent, and up to date and enables the right information to be found, at the right time, by the people who need it. We currently maintain this critical enterprise content in multiple formats and on disparate systems. The same amount was requested during the FY 2022-23 budget for both policy and knowledge management; however, we have separated these two efforts. The policy solution will be completed in the current fiscal year, and the knowledge management project, which is a significantly larger effort, will begin in FY 2023-24. | The goals are to establish a centralized repository and workflow for business rules, procedures, and operating instructions. The benefits will be consistent and transparent development, review, publication, and adoption of business rules. This new system will also allow us to retire older disparate systems: the Benefits WIKI, KBase, Member Services Operating Instructions, and Benefits Index. | \$300,000       | Phase 1 of 1           | 06/30/24                  |

## Summary of Technology Modernization Projects for FY 2023-24

| Project Title   | Description  | Benefit/Goal   | FY 23/24 Budget | Phase               | Estimated Completion Date |
|---|--|--|-----------------|---------------------|---------------------------|
| <b>Telecommunications upgrade and hosted Contact Center</b> | LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA's telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system. The same amount for this project was requested during the FY 2022-23 budget; however, this project was deferred to focus on implementing improvements to the current AWS Call Center solution (member callback feature). | The goal is to modernize LACERA's existing telecommunications infrastructure. The benefits include more efficient use of LACERA resources and greater member satisfaction. | \$250,000       | Phase 1 of 1        | 06/30/24                  |
| <b>Teams room conversion</b>                                | As part of LACERA's IT modernization effort, Systems is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. Once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA's flexible hybrid work environment by enabling remote participants to see and hear everyone in the room. There are 15 conference rooms that need to be converted: Six of these conference rooms will be converted in FY 2022-23. The budget for FY 2023-24 is to convert the remaining nine rooms.                    | The goal is to facilitate collaboration for LACERA's hybrid workforce.   | \$225,000       | Phases 2 and 3 of 3 | 06/30/24                  |
| <b>Facilities management solution</b>                       | The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace our current tediously manual processes. The new system will ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve maintenance, cleaning, and space change requests.   | The goal is to provide automation, process improvement, transparency, and metrics for LACERA's facilities management process.  | \$150,000       | Phase 1 of 1        | 06/30/24                  |
| <b>Uninterruptible power supply (UPS) upgrade</b>           | LACERA seeks to replace the end-of-life UPS units that provide critical backup power to LACERA's data centers and boardroom during outages. This funding is requested to redesign and replace the existing units to create a redundant power system. The project was previously requested during the FY 2022-23 midyear adjustments; however, it was deferred due to supply chain constraints.   | The goal is to optimize LACERA's business continuity capabilities when a power outage affects LACERA's Pasadena building.  | \$150,000       | Phase 2 of 2        | 06/30/24                  |

## Summary of Technology Modernization Projects for FY 2023-24

| Project Title   | Description  | Benefit/Goal   | FY 23/24 Budget | Phase        | Estimated Completion Date |
|---|--|--|-----------------|--------------|---------------------------|
| <b>Legal matters management system</b>                                | The Legal Division seeks to implement an enterprise legal matters management software solution to replace our current tediously manual processes. The new system will ensure that the division can properly facilitate remote work and streamline workflows, time tracking, and document management processes.             | The goal is to provide automation, process improvement, transparency, and metrics for LACERA's Legal Division.   | \$100,000       | Phase 1 of 1 | 06/30/24                  |
| <b>Keycard reader upgrades</b>  | LACERA seeks to replace the current keycard readers that provide physical access to all LACERA suites with a modern solution that allows better customization and safety enhancements.   | The goal is to improve the physical security of LACERA's offices.  | \$100,000       | Phase 1 of 1 | 06/30/24                  |
| <b>Professional consulting services for Great Plains integrations</b> | As LACERA continues to implement various enterprise software solutions such as hardware asset management, contract management, budgeting, and accounts payable, funding is needed for professional services to ensure these applications seamlessly integrate.   | The goal is seamless integration between LACERA's general ledger system, Microsoft Dynamics Great Plains, and other systems that are currently being implemented: hardware asset management (ServiceNow HAM), enterprise contract lifecycle management (Cobblestone ECLM), budget solution (Questica), and automated accounts payable (Certify). | \$100,000       | Phase 1 of 1 | 06/30/24                  |
| <b>Benefits PBI upgrade</b>   | The Benefits Division seeks to replace their current end-of-life member/beneficiary research system. The new system will ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary to fulfill our fiduciary responsibilities and pay out the owed benefits. | The goal is to reduce the risk of benefit overpayments to deceased members and more efficiently locate beneficiaries who are owed death benefits.  | \$100,000       | Phase 1 of 1 | 06/30/24                  |
| <b>Investments due diligence solution</b>                             | The Investments Division seeks to implement a due diligence solution, such as DiligenceVault. The new system will automate the analysis of manager and fund data as part of the due diligence processes.   | The goal is to automate the due diligence process in the Investments Division.   | \$30,000        | Phase 1 of 1 | 06/30/24                  |





## Our Mission

To produce, protect, and provide the promised benefits to our members

## Our Vision

Empowering our members to enjoy a healthy and secure retirement.

**“Members” include active and retired members and, for the purposes of this plan, their beneficiaries and survivors.**

Our mission defines what we do everyday and is central to our commitment to serving our members.

Our vision statement is inspirational and aspirational for improving how we will serve our members in the coming years. While we continue delivering secure, sustainable, and sound services, we will be highly focused on additional ways to educate our members so they can make informed planning decisions, use improved technology to access our services, and fulfill their retirement dreams.

# Our Values

Our core values serve as our cultural guide and foundation in meeting our mission. As a member-focused government agency, we abide by our core values to ensure the public's trust, operate efficiently and cost effectively, and provide our members their promised benefits.



## Accountability

We take responsibility for our actions and operate with the highest standards of professionalism and respect in fulfilling our mission and duty as prudent stewards of the pension funds.



## Innovation

We cultivate a creative, forward-thinking approach in seeking out new ideas and novel solutions to continually improve our operations and the member experience.



## Collaboration

We are One LACERA. We promote unity by successfully working together across all levels of the organization to deliver on our strategic priorities and objectives.



## Integrity

We earn trust by our dedication to honesty, fairness, and ethical conduct in the service of our members and each other.



## Inclusivity

We welcome all individuals, honoring and respecting their unique stories and perspectives, and celebrating the value that diversity adds to the organization in meeting our mission and strategic priorities.

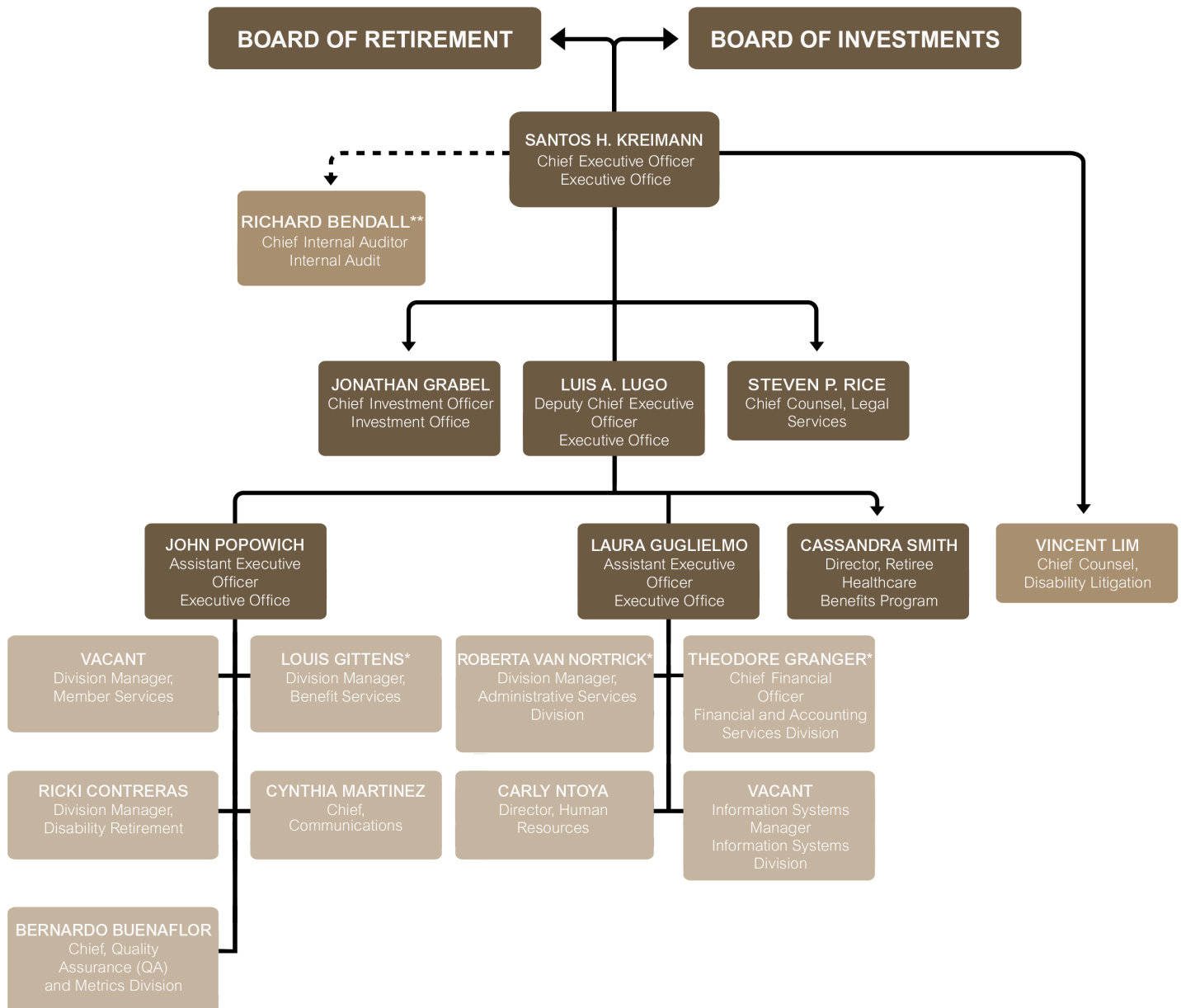


## Transparency

We clearly communicate our knowledge, ideas, and expertise in an open, fair, and honest environment, resulting in better organizational outcomes and decision-making.



# FY 2023-2024 Organizational Chart



\* Interim assignment

\*\* Reports functionally to the Audit Committee and  
administratively to the CEO

\*Not shown on chart



# FY 2023-2024 Board of Retirement

## Mission Statement

We produce, protect, and provide the promised benefits.

## The Board

Composed of nine trustees and two alternates:

- Two trustees elected by active general members
- One regular and one alternate trustee elected by retired members
- One regular and one alternate trustee elected by safety members
- Four trustees appointed by the Los Angeles County Board of Supervisors
- One ex-officio trustee (the County Treasurer and Tax Collector)

One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

## Responsibilities

Overall management of LACERA is vested in the Board of Retirement. The Board is responsible for the administration of the retirement system and the Retiree Healthcare Benefits Program (OPEB Program). Its duties also include the review and processing of disability retirement applications.



### Shawn R. Kehoe Chair

Alternate Member  
Elected by Safety Members



### Alan J. Bernstein Vice Chair

Appointed by Board of Supervisors



### Vivian H. Gray Secretary

Elected by General Members



### Elizabeth B. Ginsberg

Chief Deputy Treasurer and Tax Collector  
Acting Ex-Officio Member



### Jason E. Green

Elected by Safety Members



### Elizabeth Greenwood

Appointed by Board of Supervisors



### James P. Harris

Elected by Retired Members  
Alternate Member



### Keith Knox

County Treasurer and Tax Collector  
Ex-Officio Member



### Ronald Okum

Appointed by Board of Supervisors



### Les Robbins

Elected by Retired Members



### Antonio Sanchez

Appointed by Board of Supervisors



### Herman B. Santos

Elected by General Members





# FY 2023-2024 Board of Investments

## Mission Statement

We produce, protect, and provide the promised benefits.

## The Board

Composed of nine trustees:

- Four trustees appointed by the Los Angeles County Board of Supervisors
- Four elected trustees
  - Two elected by active general members
  - One elected by retired members
  - One elected by safety members
- One ex-officio trustee (the County Treasurer and Tax Collector)

One acting ex-officio trustee (the Chief Deputy County Treasurer and Tax Collector)

## Responsibilities

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment of the retirement fund.



**Gina V. Sanchez**  
**Chair**

Appointed by Board of Supervisors



**Herman B. Santos**  
**Vice Chair**

Elected by General Members



**Joseph Kelly**  
**Secretary**

Elected by Retired Members



**Elizabeth B. Ginsberg**

Chief Deputy Treasurer and Tax Collector  
Acting Ex-Officio Member



**David Green**

Elected by General Members



**Jason E. Green**

Elected by Safety Members



**Patrick L. Jones**

Appointed by Board of Supervisors



**Onyx Jones**

Appointed by Board of Supervisors



**Keith Knox**

County Treasurer and Tax Collector  
Ex-Officio Member



**David E. Ryu**

Appointed by Board of Supervisors

## BUDGET POLICIES

The LACERA Budget is an annual financial plan with the purpose of promoting the long-term economic sustainability and responsible resource allocation to meet LACERA's mission to produce, protect, and provide the promised benefits to our members and beneficiaries.

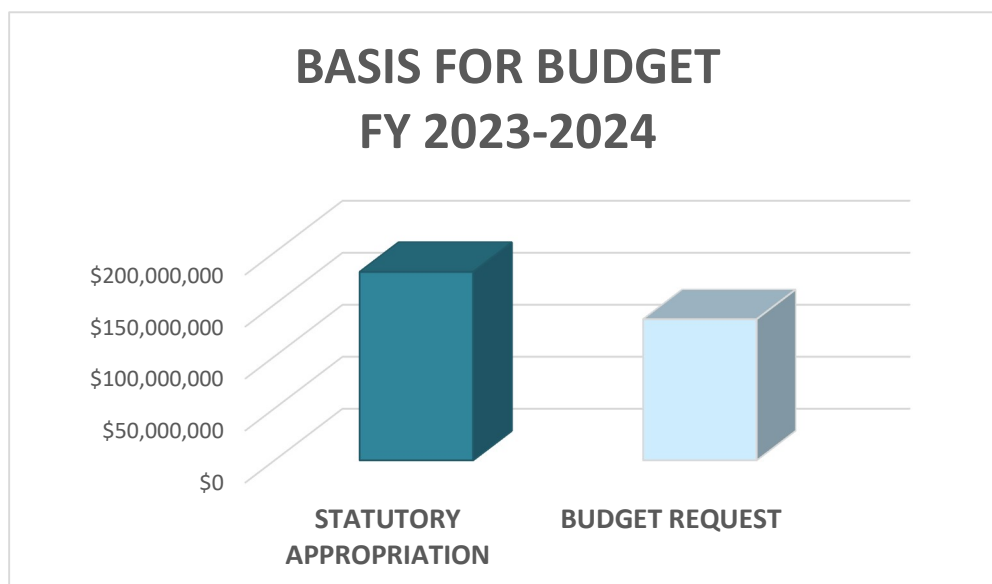
The budget is made up of three funds: the Administrative Fund, the Retiree Healthcare Fund, and the Other Post-Employment Benefits (OPEB) Trust Fund.

The annual budget aligns with LACERA's fiscal year (FY), the 12-month period from July 1 to June 30.

### Legal Requirement

Government Code 31580.2 of the County Employees Retirement Law (1937 Act) requires the annual adoption of a budget covering the entire expense of administration of the retirement system. The code requires that the expenses be charged against the earnings of the retirement fund and that the expenses may not exceed 21 basis points (0.21 percent) of the actuarial accrued liability of the retirement system. Although expenses for computer software, hardware, and computer technology consulting services are included in the Administrative Budget, such costs are not subject to the budget limit. Additionally, Government Code Section 31596.1 provides that the following expenses shall not be considered as costs of administering the system: investing its moneys, securing custodial bank services, securing actuarial services, and securing attorney services. As such, these costs are not included in the Administrative Budget.

Per the 1937 Act, LACERA's statutory appropriation for FY 2023–24 is \$181,272,318. The proposed budget for FY 2023-24 totals \$135,747,974, \$45,524,344 below the statutory appropriation limit.



## **JOGC Oversight**

In addition to the statutory codes, the budget is also guided by LACERA's Joint Organization Governance Committee (JOGC), which provides oversight during the annual budget development cycle. The process consists of staff developing a preliminary budget plan that considers and supports the approved strategic objectives and general operating needs. The preliminary budget is presented to the JOGC for review. Recommendations by the JOGC are presented to the Board of Retirement and Board of Investment ("the Boards") during the budget hearings. Staff incorporates changes agreed upon in the budget hearings and brings the recommended budget to the Board of Retirement and the Board of Investment for review and independent adoption before June 30.

## **Budgetary Control and Financial Forecasting**

LACERA has a responsibility to maintain a fiscally sustainable budget that aligns our Strategic Plan objectives and goals with the itemized resources and organization required to fulfill our mission, vision, and values. This financial plan is developed by staff and management and is approved by the Boards. After the budget is developed and approved, staff and management have a responsibility to monitor and forecast expenditures to ensure resources are being used as intended to meet LACERA's needs.

While the annual budget process is designed to develop the 12-month budget or financial plan for approval prior to the start of the fiscal year, a mid-year review of that plan helps to ensure the enterprise is on track. During the mid-year budget review process, the Boards may address any enterprise critical, unforeseen, and emergency resources not included in the current fiscal year budget. The mid-year budget review shall be presented to the JOGC for information or action if required.

## **Chief Executive Officer (CEO) Authority**

In FY 2022-23, the Boards adopted a new Budget Policy that, among other things, granted the CEO the authority to transfer up to \$1 million between major fund categories (e.g., between Salaries and Employee Benefits and Services and Supplies) or between accounts within a major fund category (e.g., between postage and insurance within Services and Supplies) to address operational needs in a timely manner. Such changes shall be communicated to the Boards as part of the regular budget control reporting. The CEO may not increase total appropriations or add position authority without the approval of the Boards.

### **Retiree Healthcare Benefits Program**

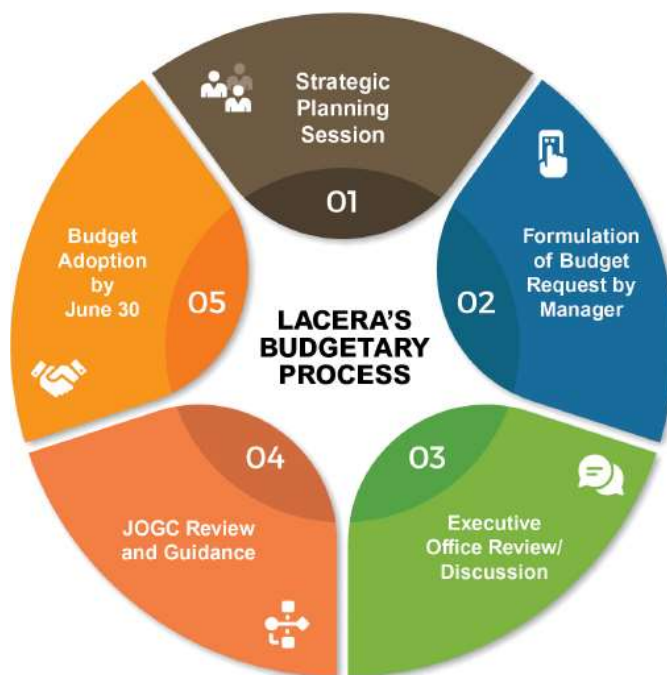
LACERA's Retiree Healthcare Benefits Program provides healthcare benefits to our membership on behalf the plan sponsor. The insurance premiums are borne solely by the participants of the plan or the plan sponsor if the participant is eligible for such benefits. LACERA trust funds are not used for premium payments. The direct costs and variable overhead costs associated with the administration of the Retiree Healthcare Benefits Program are fully included with the monthly premium payments and, as such, are not included in the Administrative Budget.

### **Non-Administrative Expenses**

As provided in Government Code Section 31596.1, the expenses of investing its moneys, securing custodial bank services, actuarial services, and attorney services shall not be considered a cost of administering the system. As such, investment expenses are not included in the Administrative Budget, but are illustrated as part of the Non-Administrative Expenses section of the budget.



## BUDGET PROCESS



LACERA's budget process includes five major stages, as depicted in the diagram above. The budget process typically begins in October of each year and coincides with the strategic planning discussion, which is generally held offsite by the management team to engage in team-building exercises and begin discussion about organizational priorities and strategic direction consistent with the Boards' vision.

The budget is a fiscal plan that supports the organization's planned activities and goals for the upcoming year. The first stage of the budget is to review the strategic plan priorities and work plans for the coming fiscal year. From October to November, the management team begins to formulate their budget requests to support those activities. Throughout the month of December, the budget team meets with the managers to gather information about their needs. This discussion helps the budget team and their partners begin preparing spending plans to support the divisional and management requests.

During the month of January, the management team meets with the Executive Office to present their proposed budgets. During this process, the Executive Office weighs the requests against the organizational goals and the strategic plan as well as ancillary support requirements. These discussions help refine the requests and balance competing needs throughout the organization. At the end of this process, the Executive Office and the management team agree upon their divisional requests and the Budget Unit begins to assemble the budget.

The fourth stage includes presenting the preliminary budget to the JOGC for review, discussion, and guidance. The JOGC meeting is open to the public and all Trustees are invited to participate in the discussion. Staff incorporates changes requested by the JOGC and prepares the final proposed budget on behalf of the JOGC for consideration by the Board of Retirement and Board of Investments.

Lastly, the JOGC's proposed budget is submitted for approval at the meetings of each Board in June. Each year the budget must be adopted by June 30 to take effect on July 1.



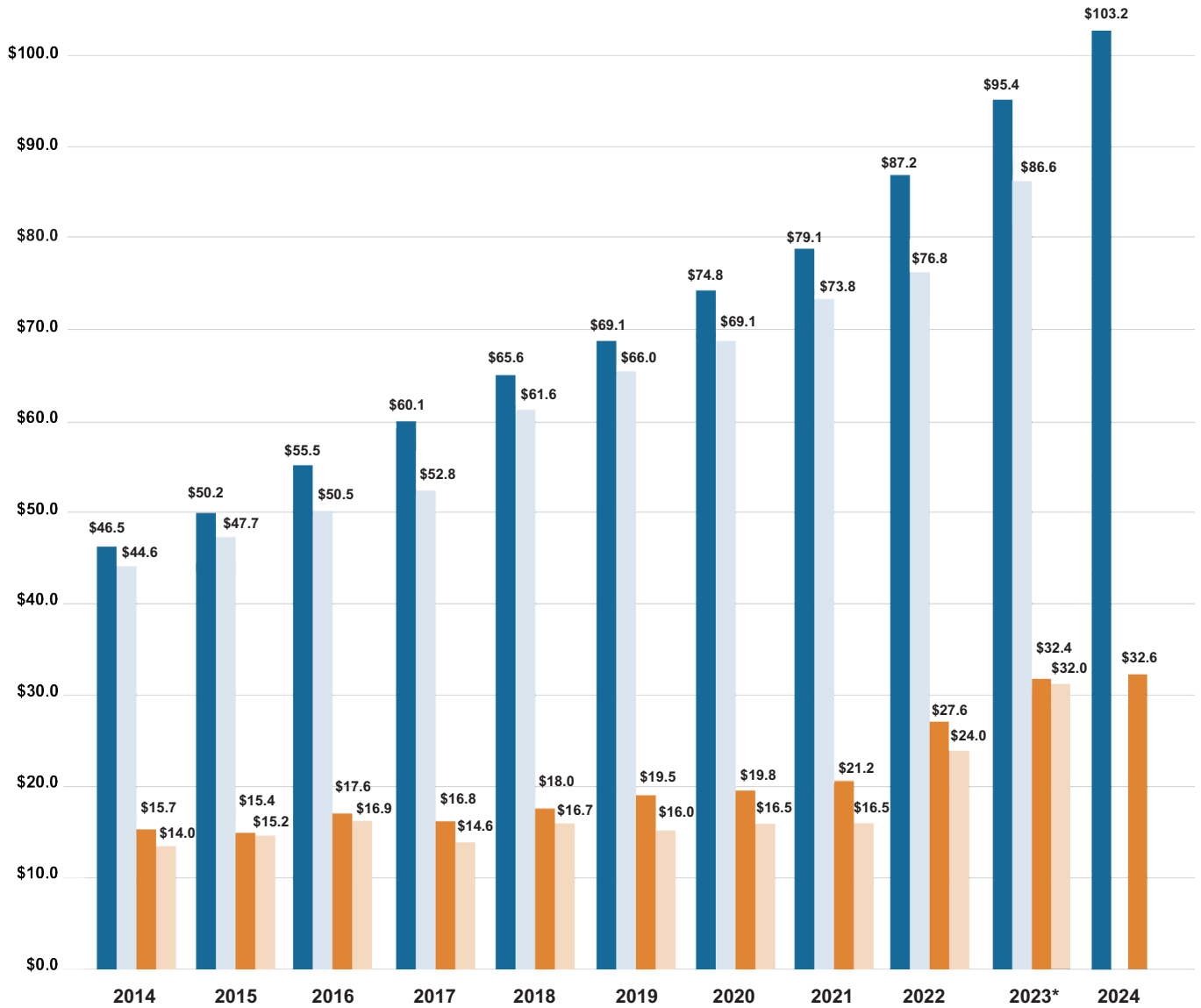
# FY 2023-2024

## HISTORY: BUDGET EXPENDITURES

Salaries and Employee Benefits & Services and Supplies

2014-2024

(\$ in Millions)



\*The Actual Expenditures for the budget year ending 2023 are projected based on YTD figures through 01/31/2023.

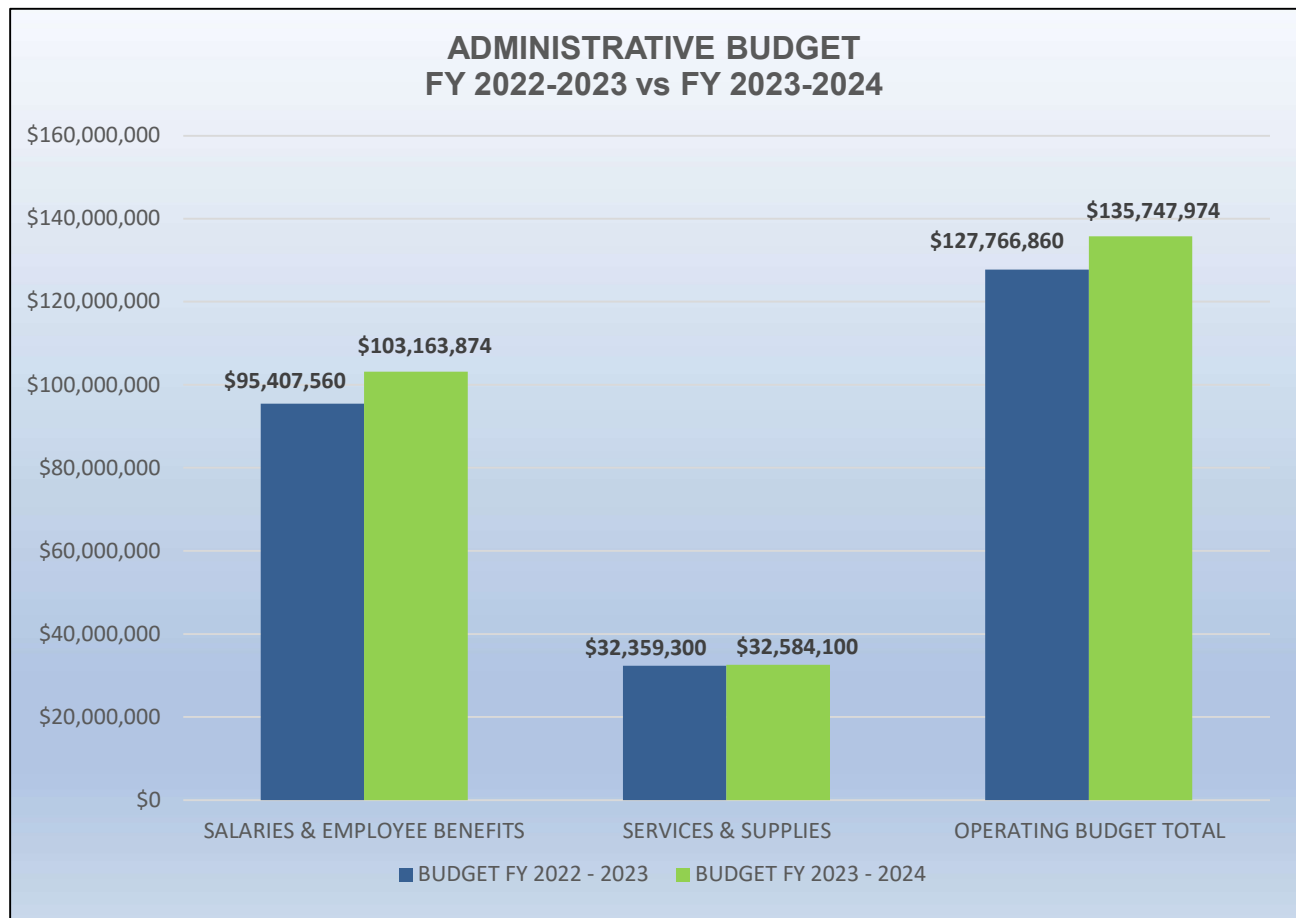
- Salaries and Employee Benefits Approved Budget
- Salaries and Employee Benefits Actual Expenditures
- Services and Supplies Approved Budget
- Services and Supplies Actual Expenditures

## BUDGET REQUEST SUMMARY

### Overview

The Administrative Budget consists of two components: Salaries and Employee Benefits (S&EB) and Services and Supplies (S&S). The proposed Administrative Budget request for FY 2023-2024 is \$135,747,974. This represents a 6.2 percent increase from the prior year budget.

| ADMINISTRATIVE BUDGET         | BUDGET<br>FY 2022-2023 | BUDGET<br>FY 2023-2024 | VARIANCE           | %<br>CHANGE |
|-------------------------------|------------------------|------------------------|--------------------|-------------|
| Salaries & Employee Benefits  | \$95,407,560           | \$103,163,874          | \$7,756,314        | 8.1%        |
| Services & Supplies           | \$32,359,300           | \$32,584,100           | \$224,800          | 0.7%        |
| <b>OPERATING BUDGET TOTAL</b> | <b>\$127,766,860</b>   | <b>\$135,747,974</b>   | <b>\$7,981,114</b> | <b>6.2%</b> |



The chart below displays the total budgeted costs per division in comparison to the prior year.

| DIVISION                        | BUDGET REQUEST<br>FY 2022-2023 | BUDGET REQUEST<br>FY 2023-2024 | VARIANCE           | % CHANGE    |
|---------------------------------|--------------------------------|--------------------------------|--------------------|-------------|
| Administrative Services         | \$14,989,876                   | \$16,108,407                   | \$1,118,531        | 7.5%        |
| Benefits                        | 12,019,386                     | 12,449,402                     | 430,016            | 3.6%        |
| Board of Retirement             | 291,500                        | 303,500                        | 12,000             | 4.1%        |
| Board of Investments            | 498,000                        | 551,000                        | 53,000             | 10.6%       |
| Communications                  | 3,422,975                      | 4,117,688                      | 694,713            | 20.3%       |
| Disability Litigation           | 2,407,817                      | 2,561,141                      | 153,324            | 6.4%        |
| Disability Retirement           | 10,939,793                     | 11,797,093                     | 857,300            | 7.8%        |
| Executive Office                | 5,394,151                      | 5,276,415                      | (117,736)          | -2.2%       |
| Financial & Accounting Services | 4,926,478                      | 5,688,740                      | 762,262            | 15.5%       |
| Human Resources                 | 5,839,537                      | 6,743,591                      | 904,054            | 15.5%       |
| Internal Audit                  | 3,468,495                      | 3,613,148                      | 144,653            | 4.2%        |
| Investment Office               | 17,342,188                     | 18,223,967                     | 881,779            | 5.1%        |
| Legal Services                  | 10,457,195                     | 9,997,732                      | (459,463)          | -4.4%       |
| Member Services                 | 10,479,414                     | 11,063,296                     | 583,882            | 5.6%        |
| Quality Assurance               | 2,918,368                      | 3,383,332                      | 464,964            | 15.9%       |
| Systems                         | 22,371,686                     | 23,869,522                     | 1,497,836          | 6.7%        |
| <b>TOTAL</b>                    | <b>\$127,766,860</b>           | <b>\$135,747,974</b>           | <b>\$7,981,114</b> | <b>6.2%</b> |

For additional details see the divisional tabs.

## Salaries and Employee Benefits

Salaries and Employee Benefits (S&EB) costs consist of the ongoing personnel costs for the organization. These costs include salaries, variable benefits (e.g., retirement costs, 457(b) and 401(k) plan costs, etc.), agency temporary staff, overtime, OPEB contributions, and other benefit costs.

| S&EB CATEGORY                                 | BUDGET<br>REQUEST<br>FY 2022-2023 | BUDGET<br>REQUEST<br>FY 2023-2024 | VARIANCE           | % CHANGE     |
|---|-----------------------------------|-----------------------------------|--------------------|--------------|
| <b><u>SALARIES &amp; OTHER PAYS</u></b>       |                                   |                                   |                    |              |
| Permanent / County Temporary                  | \$49,928,206                      | \$55,994,827                      | \$6,066,621        | 12.2%        |
| Agency Temporary                              | 7,685,300                         | 5,611,100                         | (2,074,200)        | -27.0%       |
| LACERA Intern Program                         | 288,000                           | 288,000                           | 0                  | 0.0%         |
| Stipends                                      | 65,000                            | 65,000                            | 0                  | 0.0%         |
| Overtime                                      | 1,088,800                         | 1,150,900                         | 62,100             | 5.7%         |
| Bilingual Bonus                               | 22,800                            | 22,800                            | 0                  | 0.0%         |
| Transportation Allowance                      | 7,200                             | 21,600                            | 14,400             | 200%         |
| Rideshare Allowance                           | 70,300                            | 70,300                            | 0                  | 0.0%         |
| Sickleave Buyback                             | 68,800                            | 68,800                            | 0                  | 0.0%         |
| <b>TOTAL SALARIES &amp; OTHER PAYS</b>        | <b>\$59,224,406</b>               | <b>\$63,293,327</b>               | <b>\$4,068,921</b> | <b>6.9%</b>  |
| <b><u>VARIABLE BENEFITS</u></b>               |                                   |                                   |                    |              |
| Retirement                                    | 12,027,511                        | 13,294,643                        | 1,267,132          | 10.5%        |
| FICA Contribution                             | 892,955                           | 1,060,984                         | 168,029            | 18.8%        |
| County Subsidy - Insurance                    | 3,309,795                         | 3,651,761                         | 341,966            | 10.3%        |
| Options Plan                                  | 4,736,909                         | 4,515,725                         | (221,184)          | -4.7%        |
| Life Insurance                                | 22,679                            | 22,003                            | (676)              | -3.0%        |
| Health Insurance Temps                        | 325,317                           | 626,305                           | 300,988            | 92.5%        |
| Flexible Benefit Plan                         | 10,868                            | 18,805                            | 7,937              | 73.0%        |
| Thrift Plan/Horizons                          | 2,021,290                         | 2,251,401                         | 230,111            | 11.4%        |
| Savings Plan                                  | 1,519,048                         | 1,527,203                         | 8,155              | 0.5%         |
| Pension Savings Plan                          | 36,645                            | 59,193                            | 22,548             | 61.5%        |
| Megaflex                                      | 6,159,991                         | 7,264,514                         | 1,104,523          | 17.9%        |
| <b>TOTAL VARIABLE BENEFITS</b>                | <b>\$31,063,007</b>               | <b>\$34,292,537</b>               | <b>\$3,229,530</b> | <b>10.4%</b> |
|   |                                   |                                   |                    |              |
| <b>OPEB CONTRIBUTION</b>                      | <b>\$1,775,147</b>                | <b>\$1,989,009</b>                | <b>\$213,862</b>   | <b>12.0%</b> |
|   |                                   |                                   |                    |              |
| <b>OTHER BENEFITS</b>                         | <b>\$3,345,000</b>                | <b>\$3,589,000</b>                | <b>\$244,000</b>   | <b>7.3%</b>  |
|   |                                   |                                   |                    |              |
| <b>TOTAL EMPLOYEE BENEFITS</b>                | <b>\$36,183,154</b>               | <b>\$39,870,547</b>               | <b>\$3,687,393</b> | <b>10.2%</b> |
|   |                                   |                                   |                    |              |
| <b>TOTAL SALARIES &amp; EMPLOYEE BENEFITS</b> | <b>\$95,407,560</b>               | <b>\$103,163,874</b>              | <b>\$7,756,314</b> | <b>8.1%</b>  |

## Assumptions

The following assumptions were used in developing the S&EB portion of the budgets:

- Salaries are budgeted based on projected yearly costs by position.
- Vacant positions are budgeted at the first step and salary savings are calculated by reducing the salary cost by the number of months it takes to hire against the position. The number of months funded are based on LACERA's hiring plan and are clearly identified in each division's tab. Vacant positions as of January 2023 that are expected to be filled by June 30, 2023 are budgeted for the full year.
- Salary increases negotiated through a Memorandum of Understanding (MOU) are included in the budget request. Salaries increased across the board by 3 percent effective January 1, 2023 and will increase by an additional 3 percent on January 1, 2024.
- Variable benefits costs are adjusted consistent with Los Angeles County negotiated benefit rates.
- Employee salary step and merit increases are included for those employees not at the top end of their salary range.

## Explanation of S&EB Costs

The proposed budget for S&EB totals \$103,163,874, an increase of approximately \$7.8 million or 8.1 percent. This increase includes partial year funding for three additional staff, negotiated cost-of-living adjustments (COLAs), nondiscretionary step and merit increases, overtime, and increases to variable benefits based on filling vacant positions and benefit increases negotiated by Los Angeles County. Additional factors impacting S&EB costs are detailed below.

### *Staffing Changes*

A net increase of four permanent positions are requested for FY 2023-24, bringing LACERA's budgeted authority (excluding the Retiree Healthcare Program) from 493 to 497. As outlined below, three new staff positions are requested in the Disability Retirement Services Division and one new staff position is requested in the Investment Office, which we expect to be able to fill in January 2024. Six months' funding is proposed for these four positions. In addition, two positions in the Financial and Accounting Services Division (FASD) and one position in the Systems Division are proposed to be reclassified. Both the full-year cost and benefits associated with these changes are outlined in the chart below, along with the budget impact for FY 2023-24. Note that the two positions in FASD are currently vacant but we expect to be able to fill the newly created accountant positions using a current eligibility list.

## Summary of Position Changes

| DIVISION                        | #          | POSITION TITLE                          | FULL YEAR SALARY | BUDGETED SALARY * | VARIABLE BENEFITS | BUDGET IMPACT    |
|---------------------------------|------------|---|------------------|-------------------|-------------------|------------------|
| Disability Retirement           | 3.0        | Senior Disability Retirement Specialist | \$259,956        | \$194,967         | \$107,232         | \$302,199        |
| Financial & Accounting Services | (1.0)      | Accounting Officer II                   | (\$93,550)       | \$0               | \$0               | \$0              |
|                                 | 2.0        | Accountant                              | \$134,121        | \$134,121         | \$73,766          | \$207,887        |
|                                 | (1.0)      | Accounting Technician                   | (\$53,184)       | \$0               | \$0               | \$0              |
| Investment Office               | 1.0        | Senior Investment Officer               | \$242,019        | \$121,010         | \$66,555          | \$187,565        |
| Systems Division                | 1.0        | Information Technology Manager I        | \$126,233        | \$0               | \$0               | \$0              |
|                                 | (1.0)      | Information Systems Manager I           | (\$126,375)      | \$0               | \$0               | \$0              |
| <b>Total</b>                    | <b>4.0</b> |   | <b>\$489,220</b> | <b>\$450,997</b>  | <b>\$247,554</b>  | <b>\$697,651</b> |

*\*Based on the hiring plan*

### *Salary Step and Merit Increases*

Staff that are not at the top of their designated salary range are entitled to a salary step increase. These increases are budgeted at 5.5 percent. The total cost is estimated to be approximately \$302,000.

Management Appraisal and Performance Plan (MAPP) Tier I and Tier II employees may be entitled to salary increases based on their performance ratings. The increase ranges from 0 to 5 percent depending on the staff performance rating. The increase is estimated to be approximately \$472,000 or 13.7 percent from FY 2022-23.

### *Agency Temporary Salaries*

Funding for Agency Temporary Salaries is reduced by approximately \$2.1 million, or 27 percent, from FY 2022-23, reflecting LACERA's planned hiring. Tremendous effort is underway to permanently fill LACERA's critical vacancies with highly qualified professionals, allowing for substantive reductions in this line item.

### *Intern Program*

Internships are part of LACERA's diversity, equity, and inclusion strategy. Our intent is to provide underrepresented students with opportunities to learn about LACERA and how we fulfill our mission to produce, protect and provide the promised benefits to our members by offering short-term employment and mentorship. Our ultimate goal is for these individuals to grow and eventually become permanent LACERA staff members after completion of their education.



For FY 2023-24, LACERA hopes to welcome 14 Interns to support administrative, member-facing and investments projects in Administrative Services (2), the Executive Office (1), Human Resources (1), Investments (4), Legal (2), Quality Assurance (1), and Systems (3). The FY 2023-2024 Administrative Budget includes \$288,000 to fund 12 Interns; two additional Interns for the Investments Division will be funded through outside organizations that promote diversity, equity and inclusion.

### *Employee Benefits*

Total employee benefits are projected to total \$39,870,547, an increase of \$3,687,393, or 10.2 percent, from the prior year. The increase in fringe benefits cost is consistent with the benefits negotiated by the County.

For FY 2023-24, the most significant cost increases are primarily attributable to retirement cost increases of approximately \$1.3 million, or 10.5 percent, and to Megaflex benefit increase of approximately \$1.1 million, or 17.9 percent. The most significant increases by percentage include a 92.5 percent increase, or approximately \$301,000, for health insurance for County Temporary staff, a 73.0 percent increase, or approximately \$8,000, for Flexible Benefit Plan costs, and a 61.5 percent increase, or approximately \$23,000, for Pension Savings Plan costs.

## **Total Budgeted Positions**

Based on the proposal of a net increase of 4 permanent positions, LACERA's total budgeted positions count will be 497.

| <b>DIVISION</b>         | <b>BUDGETED<br/>POSITIONS<br/>FY 2022-2023</b> | <b>CHANGE</b> | <b>BUDGETED<br/>POSITIONS<br/>FY 2023-2024</b> |
|-------------------------|--|---------------|--|
| Administrative Services | 42   | 0             | 42   |
| Benefits                | 79   | 0             | 79   |
| Communications          | 14   | 0             | 14   |
| Disability Litigation   | 7  | 0             | 7  |
| Disability Retirement   | 41   | 3             | 44   |
| Executive Office        | 14   | 0             | 14   |
| Financial & Accounting  | 30   | 0             | 30   |
| Human Resources         | 21   | 0             | 21   |
| Internal Audit Services | 11   | 0             | 11   |
| Investment Office       | 45   | 1             | 46   |
| Legal Services          | 29   | 0             | 29   |
| Member Services         | 79   | 0             | 79   |
| Quality Assurance       | 19   | 0             | 19   |
| Systems                 | 62   | 0             | 62   |
| <b>TOTAL</b>            | <b>493</b>                                     | <b>4</b>      | <b>497</b>                                     |

## Ordinance Positions

Ordinance positions reflect the employment authority by classification ratified by the Los Angeles County Board of Supervisors for LACERA. Not all positions outlined in LACERA's Ordinance are funded in the budget. Each year, the Board of Retirement and the Board of Investments adopts a budget, which includes funding for a specified number of positions. Most of these positions are funded for a full year; positions that are anticipated to be vacant at the beginning of the fiscal year are generally funded for less than 12 months. Historically, LACERA has maintained a higher number of Ordinance positions than budgeted to allow flexibility in filling positions within specific classifications. Each time a position is filled, it must be applied against an authorized position identified in the Ordinance, and funding must be available within the budget. Additionally, when the Boards authorize new positions as part of the budget, they cannot be immediately filled if there is not sufficient authority within the Ordinance, and it typically takes the Board of Supervisors several months to add new positions to LACERA's Ordinance.

In March 2023, the Board of Retirement and the Board of Investments authorized additional Ordinance positions in the Retirement Benefits Specialist series as well as Senior Disability Retirement Specialist. The Board of Retirement anticipated the request for the three new positions requested in this budget. This authority was needed in advance of the adoption of the budget to ensure there was no administrative delay in filling these needed positions. Filling the new positions will be dependent on the approval of the Board of Retirement and the Board of Investments.

In addition to the Ordinance positions approved by the Boards in March 2023, the Legal Division requests the addition of three Senior Staff Counsel positions in the Ordinance. These positions are not requested in the budget and no funding is required. This flexibility is needed for succession planning purposes, as the retirement of tenured attorneys is anticipated. Ideally, LACERA will have the flexibility to fill these positions without adversely impacting positions. LACERA staff will return to the Board of Retirement and the Board of Investments during the mid-year budget adjustments for any additional funding that may be needed.

## Vacancy Information

Each year as part of the budgeting process, the management team reviews the current workload to forecast the number of staff needed to fulfill LACERA's mission to produce, protect, and provide the promised benefits. One of the results of the process is a staffing plan that is presented to the executive team as part of each division's budget proposal.

Once the executive and management teams have agreed on a plan, the staffing requests are approved in the budget proposal presented to the Boards. The vacant position chart below shows that there are 116 vacant positions as of March 31, 2023. Given the number of vacancies, new positions were generally not supported by executive management. The one exception was three new Sr. Disability Retirement Specialists positions and one new Senior Investment Officer, which were approved due to current and anticipated workload demands. Further, LACERA's Hiring Plan calls for recruitment for these classifications in early FY 2023-24. With no other activity, these four new positions would increase the total

number of vacancies to 120. However, the chart does not reflect a class of 25 Retirement Benefits Specialists who started on May 1, 2023, with another six (6) Retirement Benefits Specialists for the RHC training program. We also have several recruitments within Legal, Investments, and Systems that we hope to conclude the end of this fiscal year (June 30, 2023). We anticipate 40 new hires in the fourth quarter of FY 2022-23 and will continue to work aggressively to recruit and retain the best possible talent.

### Vacant Positions Summary

| DIVISION                       | PROPOSED BUDGETED POSITIONS FY 2022-2023 | VACANCY (AS OF 03/31/23) | %          | PROPOSED BUDGETED POSITIONS FY 2023-2024* | VACANCY    | %          |
|--------------------------------|--|--------------------------|------------|---|------------|------------|
| Administrative Services        | 42                                       | 16                       | 38%        | 42  | 16         | 38%        |
| Benefits                       | 79                                       | 6                        | 8%         | 79  | 6          | 8%         |
| Communications                 | 14                                       | 5                        | 36%        | 14  | 5          | 36%        |
| Disability Litigation          | 7  | 0                        | 0%         | 7   | 0          | 0%         |
| Disability Retirement Services | 41                                       | 2                        | 5%         | 44  | 5          | 11%        |
| Executive                      | 14                                       | 6                        | 43%        | 14  | 6          | 43%        |
| Financial Accounting Services  | 30                                       | 6                        | 20%        | 30  | 6          | 20%        |
| Human Resources                | 21                                       | 9                        | 43%        | 21  | 9          | 43%        |
| Internal Audit                 | 11                                       | 0                        | 0%         | 11  | 0          | 0%         |
| Investments                    | 45                                       | 11                       | 24%        | 46  | 12         | 26%        |
| Legal Services Ø               | 29                                       | 10                       | 34%        | 29  | 10         | 34%        |
| Member Services                | 79                                       | 17                       | 22%        | 79  | 17         | 22%        |
| Quality Assurance              | 19                                       | 5                        | 26%        | 19  | 5          | 26%        |
| Systems                        | 62                                       | 23                       | 37%        | 62  | 23         | 37%        |
| <b>LACERA Total</b>            | <b>493</b>                               | <b>116</b>               | <b>24%</b> | <b>497</b>                                | <b>120</b> | <b>24%</b> |

\*Includes new requested positions.

Ø Includes three budgeted positions not yet approved by Board of Supervisors.

### Hiring Plan

LACERA remains challenged with a high vacancy rate. To help address this, in FY 2022-2023, the Human Resources Division assessed its processes and workflows and developed a Hiring Manager Playbook to streamline operations where possible and demystify the hiring process. The employment market remains hot, making it difficult for LACERA to compete with more nimble private sector employers. Despite this, LACERA established an aggressive hiring plan in FY 2022-23. While most recruitments and assessments are being handled in house, we are also leveraging outside resources for key hard-to-recruit positions. We are on pace to hire or promote 50 to 60 individuals in FY 2022-23, including filling positions within Human Resources. Once our capacity constraints are addressed, we will be able to accelerate hiring.

## **Services and Supplies (S&S)**

The FY 2023-24 Services and Supplies (S&S) budget is \$32,584,100, an increase of approximately \$225,000, or 0.7 percent. S&S costs are reflective of the daily operational needs of the organization and are primarily based on historical expenditures adjusted for inflation. Reductions or additions for one-time expenditures are also applied. Significant or noteworthy increases or decreases are explained below:

- Auto Expenses decreased by \$102,700 to \$30,800 to reflect a shift from purchasing vehicles for executives to authorizing a monthly transportation allowance. Funding remains for maintenance and fuel for existing vehicles.
- Transportation & Travel expenses increased by \$151,000, or 23 percent, reflecting an end to pandemic-era travel restrictions, necessary staff training and development, and travel for investment related due diligence.
- Stationery and Forms costs increased by \$174,400, or 21.6 percent, due to significant inflationary costs in paper supplies and supply chain constraints.
- Office Supplies & Equipment costs are expected to increase by \$208,200, or 24.6 percent, primarily due to information technology supplies and equipment and new due diligence software to assist the Investments Division.
- Insurance premium costs are expected to increase by \$361,100, or 32.2 percent, based on industry trends and risk threats. The most significant increase is anticipated to be Cyber Security Insurance.
- Equipment Maintenance costs are expected to increase by \$325,000, or 79.6 percent, primarily due to upgrading LACERA conference rooms to enable video conferencing (via Teams) and upgrading the key card readers on all LACERA suites.
- Building Costs are expected to decrease by \$161,300, or 2.0 percent, based on renovation plans.
- Legal Fees & Services are expected to decrease by \$998,000, or 32.5 percent, due to the conclusion of prior year litigation.
- Educational Expenses are expected to increase by \$128,300, or 10.2 percent, to reflect in-person staff participation in educational conferences and programs.

## Services & Supplies Summary

| S&S CATEGORY                        | BUDGET<br>REQUEST<br>FY 2022-2023 | BUDGET<br>REQUEST<br>FY 2023-2024 | VARIANCE         | % CHANGE    |
|-------------------------------------|-----------------------------------|-----------------------------------|------------------|-------------|
| Auto Expenses                       | \$133,500                         | \$30,800                          | (\$102,700)      | -76.9%      |
| Communications                      | 535,000                           | 570,000                           | 35,000           | 6.5%        |
| Transportation & Travel             | 656,200                           | 807,200                           | 151,000          | 23.0%       |
| Postage                             | 1,069,400                         | 1,093,700                         | 24,300           | 2.3%        |
| Stationery & Forms                  | 808,300                           | 982,700                           | 174,400          | 21.6%       |
| Office Supplies & Equipment         | 845,700                           | 1,053,900                         | 208,200          | 24.6%       |
| Insurance                           | 1,120,600                         | 1,481,700                         | 361,100          | 32.2%       |
| Equipment Maintenance               | 408,300                           | 733,300                           | 325,000          | 79.6%       |
| Equipment Rents & Leases            | 287,000                           | 250,000                           | (37,000)         | -12.9%      |
| Building Costs                      | 7,961,300                         | 7,800,000                         | (161,300)        | -2.0%       |
| Parking Fees                        | 437,000                           | 482,000                           | 45,000           | 10.3%       |
| Professional & Specialized Services | 4,531,500                         | 4,665,600                         | 134,100          | 3.0%        |
| Bank Services                       | 200,500                           | 200,000                           | (500)            | -0.2%       |
| Legal Fees & Services               | 3,071,000                         | 2,073,000                         | (998,000)        | -32.5%      |
| Disability Fees & Services          | 3,145,300                         | 3,090,300                         | (55,000)         | -1.7%       |
| Computer Services & Support         | 5,118,600                         | 5,129,600                         | 11,000           | 0.2%        |
| Educational Expenses                | 1,253,000                         | 1,381,300                         | 128,300          | 10.2%       |
| Miscellaneous                       | 777,100                           | 759,000                           | (18,100)         | -2.3%       |
| <b>TOTAL</b>                        | <b>\$32,359,300</b>               | <b>\$32,584,100</b>               | <b>\$224,800</b> | <b>0.7%</b> |

LACERA

FISCAL YEAR 2023-2024

SALARIES AND EMPLOYEE BENEFITS  
CATEGORY SUMMARY

|  | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022 - 2023 |                     |                     | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |               | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |              |
|--|---------------------------------|-----------------------------|---------------------|---------------------|---|---------------|---|--------------|
|  |                                 | YTD                         |                     |                     | OVER/(UNDER)  |               | \$ CHANGE   | % CHANGE     |
|  |                                 | BUDGET                      | (01-31-23)          | PROJECTION          | BUDGET  | % CHANGE      |   |              |
| Gross Salaries                           | \$55,994,827                    | \$49,928,206                | \$25,168,153        | \$48,756,400        | (\$1,171,806)   | -2.3%         | \$6,066,621   | 12.2%        |
| Salary Differential                      | -                               | -                           | -                   | -                   | -   | -             | -   | -            |
| <b>Permanent Salaries</b>                | <b>\$55,994,827</b>             | <b>\$49,928,206</b>         | <b>\$25,168,153</b> | <b>\$48,756,400</b> | <b>(\$1,171,806)</b>                                  | <b>-2.3%</b>  | <b>\$6,066,621</b>                                      | <b>12.2%</b> |
| <b>Outside Agency Temporary Staffing</b> | <b>5,611,100</b>                | 7,685,300                   | 2,798,276           | 5,510,300           | (2,175,000)   | -28.3%        | (2,074,200)   | -27.0%       |
| <b>LACERA Intern Program</b>             | <b>288,000</b>                  | 288,000                     | 1,613               | 48,000              | (240,000)   | -83.3%        | 0   | 0.0%         |
| <b>Variable Benefits</b>                 |                                 |                             |                     |                     |   |               |   |              |
| Retirement                               | 13,294,643                      | 12,027,511                  | 5,121,951           | 10,367,800          | (1,659,711)   | -13.8%        | 1,267,132   | 10.5%        |
| FICA Contribution                        | 1,060,984                       | 892,955                     | 416,622             | 862,200             | (30,755)  | -3.4%         | 168,029   | 18.8%        |
| County Subsidy - Insurance               | 3,651,761                       | 3,309,795                   | 1,036,948           | 2,359,500           | (950,295)   | -28.7%        | 341,966   | 10.3%        |
| Options Plan                             | 4,515,725                       | 4,736,909                   | 1,845,255           | 3,763,800           | (973,109)   | -20.5%        | (221,184)   | -4.7%        |
| Life Insurance                           | 22,003                          | 22,679                      | 9,277               | 19,400              | (3,279)   | -14.5%        | (676)   | -3.0%        |
| Health Insurance Temps                   | 626,305                         | 325,317                     | 137,052             | 339,800             | 14,483  | 4.5%          | 300,988   | 92.5%        |
| Flexible Benefit Plan                    | 18,805                          | 10,868                      | 9,044               | 18,500              | 7,632   | 70.2%         | 7,937   | 73.0%        |
| Thrift Plan/Horizons                     | 2,251,401                       | 2,021,290                   | 733,207             | 1,537,900           | (483,390)   | -23.9%        | 230,111   | 11.4%        |
| Savings Plan                             | 1,527,203                       | 1,519,048                   | 527,728             | 1,103,400           | (415,648)   | -27.4%        | 8,155   | 0.5%         |
| Pension Savings Plan                     | 59,193                          | 36,645                      | 12,618              | 25,600              | (11,045)  | -30.1%        | 22,548  | 61.5%        |
| Megaflex                                 | 7,264,514                       | 6,159,991                   | 2,699,019           | 5,610,200           | (549,791)   | -8.9%         | 1,104,523   | 17.9%        |
| <b>Total</b>                             | <b>34,292,537</b>               | <b>31,063,007</b>           | <b>12,548,721</b>   | <b>26,008,100</b>   | <b>(5,054,907)</b>                                    | <b>-16.3%</b> | <b>3,229,530</b>  | <b>10.4%</b> |
| <b>Other Benefits</b>                    | <b>3,589,000</b>                | 3,345,000                   | 1,542,281           | 3,278,700           | (66,300)  | -2.0%         | 244,000   | 7.3%         |
| <b>OPEB Contribution</b>                 | <b>1,989,009</b>                | 1,775,147                   | 885,284             | 1,635,000           | (140,147)   | -7.9%         | 213,862   | 12.0%        |
| <b>Stipends</b>                          | <b>65,000</b>                   | 65,000                      | 25,653              | 51,400              | (13,600)  | -20.9%        | 0   | 0.0%         |
| <b>Overtime</b>                          | <b>1,150,900</b>                | 1,088,800                   | 724,924             | 1,228,500           | 139,700   | 12.8%         | 62,100  | 5.7%         |
| <b>Bilingual Bonus</b>                   | <b>22,800</b>                   | 22,800                      | 6,700               | 12,700              | (10,100)  | -44.3%        | 0   | 0.0%         |
| <b>Sickleave Buyback</b>                 | <b>68,800</b>                   | 68,800                      | 34,022              | 67,200              | (1,600)   | -2.3%         | 0   | 0.0%         |
| <b>Rideshare Allowance</b>               | <b>70,300</b>                   | 70,300                      | 2,165               | 5,500               | (64,800)  | -92.2%        | 0   | 0.0%         |
| <b>Transportation Allowance</b>          | <b>21,600</b>                   | 7,200                       | 3,900               | 7,200               | 0   | 0.0%          | 14,400  | 200.0%       |
| <b>S&amp;EB TOTAL</b>                    | <b>\$103,163,874</b>            | <b>\$95,407,560</b>         | <b>\$43,741,692</b> | <b>\$86,609,000</b> | <b>(\$8,798,560)</b>                                  | <b>-9.2%</b>  | <b>\$7,756,314</b>                                      | <b>8.1%</b>  |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

**LACERA**

**FISCAL YEAR 2023-2024**

**SALARIES AND EMPLOYEE BENEFITS  
DIVISION SUMMARY**

|                                 | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                     |                     | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|---------------------------------|--|---|---------------------|---------------------|--|-----------------|--|-----------------|
|                                 |  | <b>YTD</b>                                |                     |                     | <b>OVER/(UNDER)</b>  |                 | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
|                                 |  | <b>BUDGET</b>                             | <b>(01-31-23)</b>   | <b>PROJECTION</b>   | <b>BUDGET</b>  | <b>% CHANGE</b> |  |                 |
| Administrative Services         | <b>\$5,512,307</b>                       | \$4,442,976                               | \$2,016,290         | \$3,997,700         | (\$445,276)  | -10.0%          | \$1,069,331  | 24.1%           |
| Benefits                        | <b>12,363,302</b>                        | 11,960,086                                | 6,186,588           | 11,875,400          | (84,686)   | -0.7%           | 403,216  | 3.4%            |
| Communications                  | <b>2,600,188</b>                         | 2,168,975                                 | 941,134             | 1,896,500           | (272,475)  | -12.6%          | 431,213  | 19.9%           |
| Disability Litigation           | <b>2,510,041</b>                         | 2,353,917                                 | 1,235,121           | 2,354,700           | 783  | 0.0%            | 156,124  | 6.6%            |
| Disability Retirement           | <b>8,428,093</b>                         | 7,514,693                                 | 3,841,453           | 7,453,500           | (61,193)   | -0.8%           | 913,400  | 12.2%           |
| Executive Office                | <b>4,604,615</b>                         | 4,467,051                                 | 2,228,171           | 4,222,100           | (244,951)  | -5.5%           | 137,564  | 3.1%            |
| Financial & Accounting Services | <b>5,435,440</b>                         | 4,677,178                                 | 2,034,836           | 4,181,300           | (495,878)  | -10.6%          | 758,262  | 16.2%           |
| Human Resources                 | <b>4,403,991</b>                         | 3,623,337                                 | 1,311,915           | 2,856,000           | (767,337)  | -21.2%          | 780,654  | 21.5%           |
| Internal Audit                  | <b>2,888,948</b>                         | 2,743,995                                 | 1,322,916           | 2,686,700           | (57,295)   | -2.1%           | 144,953  | 5.3%            |
| Investment Office               | <b>17,875,467</b>                        | 17,020,288                                | 7,298,726           | 14,633,200          | (2,387,088)  | -14.0%          | 855,179  | 5.0%            |
| Legal Services                  | <b>7,524,432</b>                         | 7,029,695                                 | 2,867,503           | 5,771,400           | (1,258,295)  | -17.9%          | 494,737  | 7.0%            |
| Member Services                 | <b>11,034,096</b>                        | 10,452,614                                | 4,747,709           | 9,533,400           | (919,214)  | -8.8%           | 581,482  | 5.6%            |
| Quality Assurance               | <b>3,301,232</b>                         | 2,830,468                                 | 1,416,168           | 2,754,200           | (76,268)   | -2.7%           | 470,764  | 16.6%           |
| Systems Division                | <b>14,681,722</b>                        | 14,122,286                                | 6,293,162           | 12,392,900          | (1,729,386)  | -12.2%          | 559,436  | 4.0%            |
| <b>S&amp;EB TOTAL</b>           | <b>\$103,163,874</b>                     | <b>\$95,407,560</b>                       | <b>\$43,741,692</b> | <b>\$86,609,000</b> | <b>(\$8,798,560)</b>   | <b>-9.2%</b>    | <b>\$7,756,314</b>   | <b>8.1%</b>     |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**AGENCY TEMPORARY STAFFING**  
**DIVISION SUMMARY**

|                                 | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                    |                    | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |               | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |               |
|---------------------------------|--|---|--------------------|--------------------|--|---------------|--|---------------|
|                                 |  | YTD                                       |                    |                    | OVER/(UNDER)   |               |  |               |
|                                 |  | BUDGET                                    | (01-31-23)         | PROJECTION         | BUDGET   | % CHANGE      | \$ CHANGE  | % CHANGE      |
| Administrative Services         | <b>\$457,800</b>                         | \$473,400                                 | \$188,609          | \$377,300          | (\$96,100)   | -20.3%        | (\$15,600)   | -3.3%         |
| Benefits                        | <b>62,200</b>                            | 154,900                                   | 52,869             | 97,700             | (57,200)   | -36.9%        | (92,700)   | -59.8%        |
| Communications                  | <b>331,000</b>                           | 56,200                                    | 14,451             | 56,200             | 0  | 0.0%          | 274,800  | 489.0%        |
| Disability Litigation           | <b>0</b>                                 | 9,800                                     | 0                  | 0                  | (9,800)  | -100.0%       | (9,800)  | -100.0%       |
| Disability Retirement           | <b>138,100</b>                           | 129,000                                   | 29,070             | 77,400             | (51,600)   | -40.0%        | 9,100  | 7.1%          |
| Executive Office                | <b>645,200</b>                           | 1,129,700                                 | 657,542            | 1,129,700          | 0  | 0.0%          | (484,500)  | -42.9%        |
| Financial & Accounting Services | <b>776,700</b>                           | 778,100                                   | 210,070            | 420,200            | (357,900)  | -46.0%        | (1,400)  | -0.2%         |
| Human Resources                 | <b>139,000</b>                           | 144,300                                   | 61,788             | 123,600            | (20,700)   | -14.3%        | (5,300)  | -3.7%         |
| Internal Audit                  | <b>0</b>                                 | 0   | 0                  | 0                  | 0  | 0.0%          | 0  | 0.0%          |
| Investment Office               | <b>0</b>                                 | 0   | 0                  | 0                  | 0  | 0.0%          | 0  | 0.0%          |
| Legal Services                  | <b>179,400</b>                           | 196,600                                   | 43,577             | 147,500            | (49,100)   | -25.0%        | (17,200)   | -8.7%         |
| Member Services                 | <b>0</b>                                 | 37,000                                    | 0                  | 0                  | (37,000)   | -100.0%       | (37,000)   | -100.0%       |
| Quality Assurance               | <b>0</b>                                 | 0   | 0                  | 0                  | 0  | 0.0%          | 0  | 0.0%          |
| Systems Division                | <b>2,881,700</b>                         | 4,576,300                                 | 1,540,301          | 3,080,700          | (1,495,600)  | -32.7%        | (1,694,600)  | -37.0%        |
| <b>TOTAL</b>                    | <b>\$5,611,100</b>                       | <b>\$7,685,300</b>                        | <b>\$2,798,276</b> | <b>\$5,510,300</b> | <b>(\$2,175,000)</b>   | <b>-28.3%</b> | <b>(\$2,074,200)</b>   | <b>-27.0%</b> |

\*All amounts rounded to the nearest dollar.



**LACERA**  
**BUDGET REQUEST INFORMATION**  
**AGENCY TEMPORARY STAFFING**  
**HISTORY OF EXPENDITURES**

| <b>DIVISION</b>         | <b>FYE 2021</b>    |                    | <b>FYE 2022</b>    |                    | <b>FYE 2023</b>    |                    | <b>FYE 2024</b>    |
|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                         | <b>Budget</b>      | <b>Actual</b>      | <b>Budget</b>      | <b>Actual</b>      | <b>Budget</b>      | <b>Projection</b>  | <b>Budget</b>      |
| Administrative Services | \$305,200          | \$236,187          | \$587,000          | \$456,645          | \$473,400          | \$377,300          | \$457,800          |
| Benefits                | 47,700             | 61,449             | 71,900             | 69,194             | 154,900            | 97,700             | 62,200             |
| Communications          | 135,700            | 73,304             | 79,600             | 1,213              | 56,200             | 56,200             | 331,000            |
| Disability Litigation   | 8,700              | 0                  | 0                  | 0                  | 9,800              | 0                  | 0                  |
| Disability Retirement   | 72,100             | 100,660            | 143,000            | 43,941             | 129,000            | 77,400             | 138,100            |
| Executive Office        | 0                  | 0                  | 0                  | 0                  | 1,129,700          | 1,129,700          | 645,200            |
| Financial Servcies      | 505,400            | 354,985            | 729,400            | 473,724            | 778,100            | 420,200            | 776,700            |
| Human Resources         | 47,700             | 68,633             | 47,700             | 36,327             | 144,300            | 123,600            | 139,000            |
| Internal Audit          | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Investment Office       | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Legal Services          | 53,500             | 57,562             | 150,000            | 103,549            | 196,600            | 147,500            | 179,400            |
| Member Services         | 0                  | 0                  | 0                  | 0                  | 37,000             | 0                  | 0                  |
| Quality Assurance       | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| Systems                 | 2,650,000          | 2,843,400          | 2,193,100          | 3,899,919          | 4,576,300          | 3,080,700          | 2,881,700          |
| <b>GRAND TOTAL</b>      | <b>\$3,826,000</b> | <b>\$3,796,181</b> | <b>\$4,001,700</b> | <b>\$5,084,512</b> | <b>\$7,685,300</b> | <b>\$5,510,300</b> | <b>\$5,611,100</b> |

\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**OVERTIME REQUEST**  
**DIVISION SUMMARY**

|                                 | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                  |                    | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |              | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |             |
|---------------------------------|--|---|------------------|--------------------|--|--------------|--|-------------|
|                                 |  | YTD                                       |                  |                    | OVER/(UNDER)   |              |  |             |
|                                 |  | BUDGET                                    | (01-31-23)       | PROJECTION         | BUDGET   | % CHANGE     | \$ CHANGE  | % CHANGE    |
| Administrative Services         | <b>\$35,700</b>                          | \$49,400                                  | \$1,540          | \$37,100           | (\$12,300)   | -24.9%       | (\$13,700)   | -27.7%      |
| Benefits                        | <b>426,400</b>                           | 398,100                                   | 330,040          | 457,000            | 58,900   | 14.8%        | 28,300   | 7.1%        |
| Communications                  | <b>4,500</b>                             | 4,800                                     | 1,103            | 4,800              | 0  | 0.0%         | (300)  | -6.3%       |
| Disability Litigation           | <b>2,800</b>                             | 6,600                                     | 508              | 2,000              | (4,600)  | -69.7%       | (3,800)  | -57.6%      |
| Disability Retirement           | <b>103,600</b>                           | 165,300                                   | 47,736           | 88,200             | (77,100)   | -46.6%       | (61,700)   | -37.3%      |
| Executive Office                | <b>27,600</b>                            | 25,600                                    | 11,902           | 23,900             | (1,700)  | -6.6%        | 2,000  | 7.8%        |
| Financial & Accounting Services | <b>64,700</b>                            | 65,300                                    | 39,211           | 65,300             | 0  | 0.0%         | (600)  | -0.9%       |
| Human Resources                 | <b>4,700</b>                             | 3,800                                     | 6,858            | 12,700             | 8,900  | 234.2%       | 900  | 23.7%       |
| Internal Audit                  | <b>5,300</b>                             | 5,000                                     | 629              | 1,200              | (3,800)  | -76.0%       | 300  | 6.0%        |
| Investment Office               | <b>800</b>                               | 1,000                                     | 0                | 0                  | (1,000)  | -100.0%      | (200)  | -20.0%      |
| Legal Services                  | <b>19,900</b>                            | 18,400                                    | 9,384            | 17,400             | (1,000)  | -5.4%        | 1,500  | 8.2%        |
| Member Services                 | <b>214,200</b>                           | 174,000                                   | 140,732          | 259,900            | 85,900   | 49.4%        | 40,200   | 23.1%       |
| Quality Assurance               | <b>11,500</b>                            | 21,500                                    | 449              | 10,000             | (11,500)   | -53.5%       | (10,000)   | -46.5%      |
| Systems Division                | <b>229,200</b>                           | 150,000                                   | 134,831          | 249,000            | 99,000   | 66.0%        | 79,200   | 52.8%       |
| <b>TOTAL</b>                    | <b>\$1,150,900</b>                       | <b>\$1,088,800</b>                        | <b>\$724,924</b> | <b>\$1,228,500</b> | <b>\$139,700</b>   | <b>12.8%</b> | <b>\$62,100</b>  | <b>5.7%</b> |

\*All amounts rounded to the nearest dollar.

**LACERA**

**BUDGET REQUEST INFORMATION**

**OVERTIME  
HISTORY OF EXPENDITURES**

| <b>DIVISION</b>         | <b>FYE 2021</b>  |                  | <b>FYE 2022</b>  |                  | <b>FYE 2023</b>    |                    | <b>FYE 2024</b>    |
|-------------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|
|                         | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>      | <b>Projection</b>  | <b>Budget</b>      |
| Administrative Services | \$43,700         | \$19,806         | \$50,000         | \$5,833          | \$49,400           | \$37,100           | \$35,700           |
| Benefits                | 371,600          | 373,564          | 398,000          | 451,675          | 398,100            | 457,000            | 426,400            |
| Communications          | 3,300            | 4,615            | 4,100            | 3,403            | 4,800              | 4,800              | 4,500              |
| Disability Litigation   | 0                | 0                | 0                | 0                | 6,600              | 2,000              | 2,800              |
| Disability Retirement   | 9,500            | 16,742           | 16,100           | 43,275           | 165,300            | 88,200             | 103,600            |
| Executive Office        | 25,000           | 1,078            | 25,600           | 472              | 25,600             | 23,900             | 27,600             |
| Financial Services      | 68,400           | 32,345           | 67,900           | 40,904           | 65,300             | 65,300             | 64,700             |
| Human Resources         | 1,500            | 704              | 2,900            | 1,310            | 3,800              | 12,700             | 4,700              |
| Internal Audit          | 4,800            | 785              | 4,900            | 986              | 5,000              | 1,200              | 5,300              |
| Investment Office       | 1,000            | 0                | 1,000            | 0                | 1,000              | 0                  | 800                |
| Legal Services          | 12,500           | 6,290            | 30,000           | 20,897           | 18,400             | 17,400             | 19,900             |
| Member Services         | 130,500          | 156,701          | 133,800          | 221,062          | 174,000            | 259,900            | 214,200            |
| Quality Assurance       | 0                | 2,425            | 21,300           | 264              | 21,500             | 10,000             | 11,500             |
| Systems                 | 130,100          | 140,300          | 133,300          | 171,708          | 150,000            | 249,000            | 229,200            |
| <b>GRAND TOTAL</b>      | <b>\$801,900</b> | <b>\$755,356</b> | <b>\$888,900</b> | <b>\$961,790</b> | <b>\$1,088,800</b> | <b>\$1,228,500</b> | <b>\$1,150,900</b> |

\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BILINGUAL BONUS**  
**SUMMARY**

|                          | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                |                 | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |               | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |             |
|--------------------------|--|---|----------------|-----------------|--|---------------|--|-------------|
|                          |  | YTD                                       |                |                 | OVER/(UNDER)   |               |  |             |
|                          |  | BUDGET                                    | (01-31-23)     | PROJECTION      | BUDGET   | % CHANGE      | \$ CHANGE  | % CHANGE    |
| Benefits Division        | <b>\$3,600</b>                           | \$3,600                                   | \$1,950        | \$3,900         | \$300  | 8.3%          | \$0  | 0.0%        |
| Legal Services           | <b>2,400</b>                             | 2,400                                     | 0              | 0               | (2,400)  | -100.0%       | 0  | 0.0%        |
| Member Services Division | <b>16,800</b>                            | 16,800                                    | 4,750          | 8,800           | (8,000)  | -47.6%        | 0  | 0.0%        |
| <b>TOTAL</b>             | <b>\$22,800</b>                          | <b>\$22,800</b>                           | <b>\$6,700</b> | <b>\$12,700</b> | <b>(\$10,100)</b>  | <b>-44.3%</b> | <b>\$0</b>   | <b>0.0%</b> |

\*All amounts rounded to the nearest dollar.

**LACERA**

**BUDGET REQUEST INFORMATION**

**VACANT POSITIONS  
SUMMARY**

| <b>DIVISION</b>                | <b>PROPOSED<br/>BUDGETED POSITIONS<br/>FY 2022-2023</b> | <b>VACANCY<br/>(AS OF 03/31/23)</b> | <b>%</b>   | <b>PROPOSED<br/>BUDGETED POSITIONS<br/>FY 2023-2024*</b> | <b>VACANCY</b> | <b>%</b>   |
|--------------------------------|---|-------------------------------------|------------|--|----------------|------------|
| Administrative Services        | 42  | 16                                  | 38%        | 42   | 16             | 38%        |
| Benefits                       | 79  | 6                                   | 8%         | 79   | 6              | 8%         |
| Communications                 | 14  | 5                                   | 36%        | 14   | 5              | 36%        |
| Disability Litigation          | 7   | 0                                   | 0%         | 7  | 0              | 0%         |
| Disability Retirement Services | 41  | 2                                   | 5%         | 44   | 5              | 11%        |
| Executive                      | 14  | 6                                   | 43%        | 14   | 6              | 43%        |
| Financial Accounting Services  | 30  | 6                                   | 20%        | 30   | 6              | 20%        |
| Human Resources                | 21  | 9                                   | 43%        | 21   | 9              | 43%        |
| Internal Audit                 | 11  | 0                                   | 0%         | 11   | 0              | 0%         |
| Investments                    | 45  | 11                                  | 24%        | 46   | 12             | 26%        |
| Legal Services Ø               | 29  | 10                                  | 34%        | 29   | 10             | 34%        |
| Member Services                | 79  | 17                                  | 22%        | 79   | 17             | 22%        |
| Quality Assurance              | 19  | 5                                   | 26%        | 19   | 5              | 26%        |
| Systems                        | 62  | 23                                  | 37%        | 62   | 23             | 37%        |
| <b>LACERA Total</b>            | <b>493</b>  | <b>116</b>                          | <b>24%</b> | <b>497</b>   | <b>120</b>     | <b>24%</b> |

\* Includes new requested positions.

Ø Includes three (3) budgeted positions not yet approved by Board of Supervisors.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES AND SUPPLIES**  
**CATEGORY SUMMARY**

|                               | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                     |                     | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------|--|---|---------------------|---------------------|--|-----------------|--|-----------------|
|                               |  | <b>YTD</b>                                |                     |                     | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                               |  | <b>BUDGET</b>                             | <b>(01-31-23)</b>   | <b>PROJECTION</b>   | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| Auto Expense                  | <b>\$30,800</b>                          | \$133,500                                 | (\$8,326)           | \$72,300            | (\$61,200)   | -45.8%          | (\$102,700)  | -76.9%          |
| Communications                | <b>570,000</b>                           | 535,000                                   | 340,026             | 528,500             | (6,500)  | -1.2%           | 35,000   | 6.5%            |
| Transportation and Travel     | <b>807,200</b>                           | 656,200                                   | 178,188             | 516,800             | (139,400)  | -21.2%          | 151,000  | 23.0%           |
| Postage                       | <b>1,093,700</b>                         | 1,069,400                                 | 485,171             | 1,114,500           | 45,100   | 4.2%            | 24,300   | 2.3%            |
| Stationery and Forms          | <b>982,700</b>                           | 808,300                                   | 372,128             | 674,000             | (134,300)  | -16.6%          | 174,400  | 21.6%           |
| Office Supplies and Equipment | <b>1,053,900</b>                         | 845,700                                   | 608,832             | 1,038,200           | 192,500  | 22.8%           | 208,200  | 24.6%           |
| Insurance                     | <b>1,481,700</b>                         | 1,120,600                                 | 979,848             | 1,194,100           | 73,500   | 6.6%            | 361,100  | 32.2%           |
| Equipment Maintenance         | <b>733,300</b>                           | 408,300                                   | 112,036             | 450,300             | 42,000   | 10.3%           | 325,000  | 79.6%           |
| Equipment Rents and Leases    | <b>250,000</b>                           | 287,000                                   | 119,851             | 230,000             | (57,000)   | -19.9%          | (37,000)   | -12.9%          |
| Building Costs                | <b>7,800,000</b>                         | 7,961,300                                 | 3,777,510           | 7,608,200           | (353,100)  | -4.4%           | (161,300)  | -2.0%           |
| Parking Fees                  | <b>482,000</b>                           | 437,000                                   | 242,960             | 485,000             | 48,000   | 11.0%           | 45,000   | 10.3%           |
| Professional and Spec. Svcs.  | <b>4,665,600</b>                         | 4,531,500                                 | 1,619,956           | 4,201,000           | (330,500)  | -7.3%           | 134,100  | 3.0%            |
| Bank Services                 | <b>200,000</b>                           | 200,500                                   | (70,057)            | 200,000             | (500)  | -0.2%           | (500)  | -0.2%           |
| Legal Fees and Services       | <b>2,073,000</b>                         | 3,071,000                                 | 3,143,856           | 4,026,300           | 955,300  | 31.1%           | (998,000)  | -32.5%          |
| Disability Fees and Services  | <b>3,090,300</b>                         | 3,145,300                                 | 1,763,571           | 2,780,600           | (364,700)  | -11.6%          | (55,000)   | -1.7%           |
| Computer Services and Support | <b>5,129,600</b>                         | 5,118,600                                 | 3,636,026           | 5,187,600           | 69,000   | 1.3%            | 11,000   | 0.2%            |
| Educational Expense           | <b>1,381,300</b>                         | 1,253,000                                 | 378,384             | 979,800             | (273,200)  | -21.8%          | 128,300  | 10.2%           |
| Miscellaneous                 | <b>759,000</b>                           | 777,100                                   | 177,932             | 679,300             | (97,800)   | -12.6%          | (18,100)   | -2.3%           |
| <b>S&amp;S TOTAL</b>          | <b>\$32,584,100</b>                      | <b>\$32,359,300</b>                       | <b>\$17,857,891</b> | <b>\$31,966,500</b> | <b>(\$392,800)</b>   | <b>-1.2%</b>    | <b>\$224,800</b>   | <b>0.7%</b>     |

\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES AND SUPPLIES**  
**DIVISION SUMMARY**

|                                 | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2 0 2 2 - 2 0 2 3</b> |                     |                     | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |              | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |             |
|---------------------------------|--|---|---------------------|---------------------|--|--------------|--|-------------|
|                                 |  | YTD                                       |                     |                     | OVER/(UNDER)   |              |  |             |
|                                 |  | BUDGET                                    | (01-31-23)          | PROJECTION          | BUDGET   | % CHANGE     | \$ CHANGE  | % CHANGE    |
| Administrative Services         | <b>\$10,596,100</b>                      | \$10,546,900                              | \$5,441,402         | \$10,010,800        | (\$536,100)  | -5.1%        | \$49,200   | 0.5%        |
| Benefits                        | <b>86,100</b>                            | 59,300                                    | 14,342              | 48,900              | (10,400)   | -17.5%       | 26,800   | 45.2%       |
| Board of Retirement             | <b>303,500</b>                           | 291,500                                   | 65,113              | 220,600             | (70,900)   | -24.3%       | 12,000   | 4.1%        |
| Board of Investment             | <b>551,000</b>                           | 498,000                                   | 253,644             | 439,400             | (58,600)   | -11.8%       | 53,000   | 10.6%       |
| Communications                  | <b>1,517,500</b>                         | 1,254,000                                 | 587,814             | 1,104,600           | (149,400)  | -11.9%       | 263,500  | 21.0%       |
| Disability Litigation           | <b>51,100</b>                            | 53,900                                    | 15,959              | 47,200              | (6,700)  | -12.4%       | (2,800)  | -5.2%       |
| Disability Retirement           | <b>3,369,000</b>                         | 3,425,100                                 | 1,838,166           | 3,049,600           | (375,500)  | -11.0%       | (56,100)   | -1.6%       |
| Executive Office                | <b>671,800</b>                           | 927,100                                   | 401,406             | 871,900             | (55,200)   | -6.0%        | (255,300)  | -27.5%      |
| Financial & Accounting Services | <b>253,300</b>                           | 249,300                                   | (58,438)            | 236,000             | (13,300)   | -5.3%        | 4,000  | 1.6%        |
| Human Resources                 | <b>2,339,600</b>                         | 2,216,200                                 | 600,600             | 1,782,800           | (433,400)  | -19.6%       | 123,400  | 5.6%        |
| Internal Audit                  | <b>724,200</b>                           | 724,500                                   | 151,216             | 714,600             | (9,900)  | -1.4%        | (300)  | 0.0%        |
| Investment Office               | <b>348,500</b>                           | 321,900                                   | 118,501             | 302,200             | (19,700)   | -6.1%        | 26,600   | 8.3%        |
| Legal Services                  | <b>2,473,300</b>                         | 3,427,500                                 | 3,330,007           | 4,369,800           | 942,300  | 27.5%        | (954,200)  | -27.8%      |
| Member Services                 | <b>29,200</b>                            | 26,800                                    | 4,411               | 21,500              | (5,300)  | -19.8%       | 2,400  | 9.0%        |
| Quality Assurance               | <b>82,100</b>                            | 87,900                                    | 4,812               | 68,100              | (19,800)   | -22.5%       | (5,800)  | -6.6%       |
| Systems                         | <b>9,187,800</b>                         | 8,249,400                                 | 5,088,935           | 8,678,500           | 429,100  | 5.2%         | 938,400  | 11.4%       |
| <b>S&amp;S TOTAL</b>            | <b>\$32,584,100</b>                      | <b>\$32,359,300</b>                       | <b>\$17,857,891</b> | <b>\$31,966,500</b> | <b>(\$392,800)</b>   | <b>-1.2%</b> | <b>\$224,800</b>   | <b>0.7%</b> |

\*All amounts rounded to the nearest dollar.

# BOARD OF RETIREMENT

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Produce, Protect, and Provide the Promised Benefits

### **INTRODUCTION**

The Board of Retirement is responsible for the strategic direction of the association for the administration of the retirement system, the retiree healthcare program, and the review and processing of disability retirement applications. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of 11 trustees. Four of its trustees are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; safety members elect one trustee and one alternate trustee; and retired members also elect one trustee and one alternate trustee. The law requires the County Treasurer and Tax Collector to serve as an ex-officio trustee. The Deputy County Treasurer and Tax Collector serves as the acting ex-officio trustee, sitting in for the ex-officio trustee as needed.

### **SERVICES AND SUPPLIES**

The Board's Services and Supplies budget request is based on actual expenditure trends.

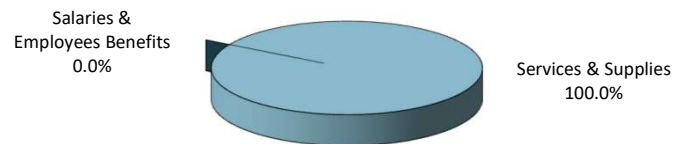


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**BOARD OF RETIREMENT**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$0</b>                               | \$0                               | \$0               | \$0               | \$0  | 0.0%            | \$0  | 0.0%            |
| <b>Services &amp; Supplies</b>           | <b>303,500</b>                           | 291,500                           | 65,113            | 220,600           | (70,900)   | -24.3%          | 12,000   | 4.1%            |
| <b>OPERATING BUDGET</b>                  | <b>\$303,500</b>                         | \$291,500                         | \$65,113          | \$220,600         | (\$70,900)   | -24.3%          | \$12,000   | 4.1%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**BOARD OF RETIREMENT**

| ACCOUNT CLASSIFICATION  | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                         |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                         |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL | <b>\$93,500</b>                 | \$93,500                  | \$23,589   | \$68,600   | (\$24,900)  | -26.6%   | \$0   | 0.0%     |
| EDUCATIONAL EXPENSES    | <b>86,000</b>                   | 86,000                    | 39,319     | 62,000     | (24,000)  | -27.9%   | 0   | 0.0%     |
| MISCELLANEOUS           | <b>124,000</b>                  | 112,000                   | 2,205      | 90,000     | (22,000)  | -19.6%   | 12,000  | 10.7%    |
| TOTAL                   | <b>\$303,500</b>                | \$291,500                 | \$65,113   | \$220,600  | (\$70,900)  | -24.3%   | \$12,000  | 4.1%     |

\*All amounts rounded to the nearest dollar.

**BOARD OF RETIREMENT**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|                                | FYE 2022         |                 | FYE 2023         |                  | Proposed         |
|--------------------------------|------------------|-----------------|------------------|------------------|------------------|
|                                | Budget           | Actual          | Budget           | Projection       | Budget           |
| <b>SERVICES &amp; SUPPLIES</b> |                  |                 |                  |                  |                  |
| Transportation & Travel        | 85,000           | 35,797          | 93,500           | 68,600           | 93,500           |
| Educational Expenses           | 82,000           | 54,769          | 86,000           | 62,000           | 86,000           |
| Miscellaneous                  | 47,000           | 8,600           | 112,000          | 90,000           | 124,000          |
| <b>TOTAL OPERATING BUDGET</b>  | <b>\$214,000</b> | <b>\$99,166</b> | <b>\$291,500</b> | <b>\$220,600</b> | <b>\$303,500</b> |

\*All amounts rounded to the nearest dollar.

# BOARD OF INVESTMENTS

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Produce, Protect, and Provide the Promised Benefits

### **INTRODUCTION**

The Board of Investments is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment management of the pension fund. The Board must execute its duties with care, skill, prudence, and diligence. The Board is composed of nine trustees. Four trustees are appointed by the Los Angeles County Board of Supervisors; two are elected by active general members; and both safety members and retired members elect one trustee each. The law requires the County Treasurer and Tax Collector to serve as an ex-officio trustee. The Deputy County Treasurer and Tax Collector serves as the acting ex-officio trustee, sitting in for the ex-officio trustee as needed.

### **SERVICES AND SUPPLIES**

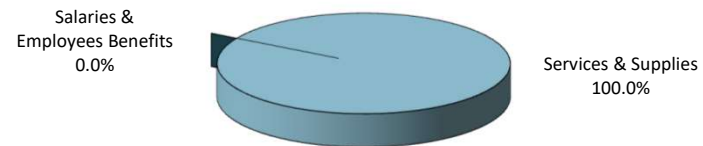
The Board's Services and Supplies budget request is based on actual expenditure trends.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**BOARD OF INVESTMENTS**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$0</b>                               | \$0                               | \$0               | \$0               | \$0  | 0.0%            | \$0  | 0.0%            |
| <b>Services &amp; Supplies</b>           | <b>551,000</b>                           | 498,000                           | 253,644           | 439,400           | (58,600)   | -11.8%          | 53,000   | 10.6%           |
| <b>OPERATING BUDGET</b>                  | <b>\$551,000</b>                         | \$498,000                         | \$253,644         | \$439,400         | (\$58,600)   | -11.8%          | \$53,000   | 10.6%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**BOARD OF INVESTMENTS**

| ACCOUNT CLASSIFICATION  | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                         |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                         |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL | <b>\$246,000</b>                | \$242,000                 | \$85,624   | \$192,400  | (\$49,600)  | -20.5%   | \$4,000   | 1.7%     |
| EDUCATIONAL EXPENSES    | <b>200,000</b>                  | 150,000                   | 95,222     | 144,000    | (6,000)   | -4.0%    | 50,000  | 33.3%    |
| MISCELLANEOUS           | <b>105,000</b>                  | 106,000                   | 72,798     | 103,000    | (3,000)   | -2.8%    | (1,000)   | -0.9%    |
| TOTAL                   | <b>\$551,000</b>                | \$498,000                 | \$253,644  | \$439,400  | (\$58,600)  | -11.8%   | \$53,000  | 10.6%    |

\*All amounts rounded to the nearest dollar.

BOARD OF INVESTMENT

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

|                                | FYE 2022         |                  | FYE 2023         |                  | Proposed         |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|
|                                | Budget           | Actual           | Budget           | Projection       | Budget           |
| <b>SERVICES &amp; SUPPLIES</b> |                  |                  |                  |                  |                  |
| Transportation & Travel        | 220,000          | 59,906           | 242,000          | 192,400          | 246,000          |
| Educational Expenses           | 150,000          | 104,866          | 150,000          | 144,000          | 200,000          |
| Miscellaneous                  | 66,000           | 4,000            | 106,000          | 103,000          | 105,000          |
| <b>TOTAL OPERATING BUDGET</b>  | <b>\$436,000</b> | <b>\$168,772</b> | <b>\$498,000</b> | <b>\$439,400</b> | <b>\$551,000</b> |

\*All amounts rounded to the nearest dollar.

# ADMINISTRATIVE SERVICES

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Administrative Services collaborates with all LACERA Divisions to provide quality services through people, technology, and innovation.

- People: We are a professional team dedicated to customer service and motivated to achieve excellence.
- Technology: We provide superior customer service through the creative use of technology.
- Innovation: We partner with LACERA to promote creative ideas to surpass customer expectations.

### **INTRODUCTION**

The Administrative Services Division (ASD) provides the operational infrastructure that supports the divisions in administering LACERA programs and services. In short, we ensure that each person has the right resources to do their job. Specific functions include:

- Budget Development and Monitoring
- Business Continuity Management
- Business Insurance Management
- Contract Management and Compliance
- Document Processing / Mailroom
- Facilities Management / Renovations
- Health and Safety Services
- Purchasing and Procurement Services
- Records and Information Management



- Rideshare Administration
- Risk Management

## **FY 2022-2023 ACHIEVEMENTS**

During the 2022-2023 fiscal year, the Administrative Services Divisions achievements included:

| <b>Project Description</b>  | <b>Status /Expected Completion</b> |                              |               |         |               |         |               |        |               |         |                     |        |                  |
|---|------------------------------------|------------------------------|---------------|---------|---------------|---------|---------------|--------|---------------|---------|---------------------|--------|------------------|
| <b>Business Continuity Plan (BCP)</b><br>LACERA conducted BCP tabletop exercises from July to October 2022 with each Division to test their ability to recover critical business functions while using their BCP. The average score for the tabletop exercise was 89 out of 100. Although the LACERA scores were good, this exercise helped to pinpoint areas for improvement.  | <b>Completed</b>                   |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| <b>Business Insurance Renewal</b><br>The Risk Management Unit provided the Trustees with an overview of the challenges in the current insurance marketplace as presented by Alliant Insurance Services, LACERA's insurance broker. The Trustees approved staff's recommendation to align all business insurance into one cycle and all business lines were executed.  | <b>Completed</b>                   |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| <b>Hardware Asset Management System (HAM)</b><br>This system is used to conduct cycle counts of inventory assets related to technology according to the newly established Property and Equipment Management Policy and to manage the consumables inventory.   | <b>Completed</b>                   |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| <b>Member Correspondence (J-Letters)</b><br>The chart below reflects the DPC production totals from July 1, 2022, to December 31, 2022. During fiscal year 2022 – 2023, Systems implemented the automations of several new J-letter types, including but not limited to: Retired Death Continuance Claim Form, Retired Death Lump Sum Claim Form, Report on Employee with Job-Related Felony Conviction, Health Insurance Waiver Letter. <div data-bbox="373 1524 1015 1871"> <table border="1"> <caption>DPC Production Total<br/>July 2022 to December 2022</caption> <thead> <tr> <th>Category</th> <th>Production Total (Thousands)</th> </tr> </thead> <tbody> <tr> <td>PAGES SCANNED</td> <td>231,705</td> </tr> <tr> <td>PAGES INDEXED</td> <td>207,803</td> </tr> <tr> <td>INCOMING MAIL</td> <td>46,199</td> </tr> <tr> <td>OUTGOING MAIL</td> <td>117,488</td> </tr> <tr> <td>J-LETTERS PROCESSED</td> <td>82,059</td> </tr> </tbody> </table> </div> | Category                           | Production Total (Thousands) | PAGES SCANNED | 231,705 | PAGES INDEXED | 207,803 | INCOMING MAIL | 46,199 | OUTGOING MAIL | 117,488 | J-LETTERS PROCESSED | 82,059 | <b>Completed</b> |
| Category  | Production Total (Thousands)       |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| PAGES SCANNED   | 231,705                            |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| PAGES INDEXED   | 207,803                            |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| INCOMING MAIL   | 46,199                             |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| OUTGOING MAIL   | 117,488                            |                              |               |         |               |         |               |        |               |         |                     |        |                  |
| J-LETTERS PROCESSED   | 82,059                             |                              |               |         |               |         |               |        |               |         |                     |        |                  |

|  |                  |
|--|------------------|
| <b>Offsite Inventory</b><br>An inventory of all LACERA's technical resources used by staff to perform their duties while teleworking was conducted and recorded in the HAM system.   | <b>Completed</b> |
| <b>Property and Equipment Management Policy</b><br>To reduce enterprise risk and improve efficiency, this Policy for tracking, identifying, and accounting for all LACERA owned property and equipment was updated to include only items having a cost of \$500 or more, a high propensity to be lost or stolen, holding LACERA specific data, or as determined by management. | <b>Completed</b> |

## **FY 2023-2024 DIVISION GOALS**

The Administrative Services Division's (ASD) goals for fiscal year 2023-2024 are centered around two main areas to better serve our internal customers: Staff and Technology.

### **Fill Vacancies**

Reduce the 38 percent vacancy rate as quickly as is practicable. This will provide adequate staffing levels to perform the duties required of each unit and best support LACERA. We will collaborate with Human Resources to conduct a job analysis for all Administrative Services Analyst positions prior to the release of the hiring exams to update the knowledge, skills, and abilities for each position in the series. This will assist us to move more quickly in filling the vacancies and ensure that when selecting the candidates, we will appoint those with the best fit to foster their personal success and their contribution to the division and LACERA overall.

### **Staff Development**

Provide opportunities for staff to further develop their professional expertise as members of leading industry organizations. In addition to these memberships, we encourage staff to complete the requirements for certification issued by these organizations. Staff will be offered opportunities to participate in training to further develop their skills, knowledge, and abilities, including the use of technology. Additionally, we anticipate training needs of new staff as we address our permanent staffing needs.

### **Implement Technology**

Apply time and resources toward the effective implementation of new and upgraded technology that will allow us to serve our customers with efficiency and accuracy and assist us in mitigating any risk of errors to the organization.

We began the implementation processes for these technologies in fiscal year 2022-2023 but the completion dates are expected in fiscal year 2023-2024.

These include:

| Project Description   | Expected Completion |
|---|---------------------|
| <p><b>Automated Budget System</b></p> <p>Administrative Services has never had an automated system for budget development or control, relying upon Excel spreadsheets and manual processes. We conducted an extensive needs assessment and released a Request for Proposal (RFP). Questica was selected as the budget software provider. The implementation plan was introduced at the end of calendar year 2022 and regular meetings between Questica and LACERA subject matter experts have moved the software implementation along. We anticipate full implementation by the Fall of 2023 and plan to use the new system for the development of the FY 2024-2025 budget.</p> | Summer 2023         |
| <p><b>Enterprise Contract Lifecycle Management System (ECLM)</b></p> <p>This system will replace our current contract management database with an enterprise-wide solution that includes automated workflows and reporting capabilities and that will integrate with new and existing technology solutions. The vendor selected for the ECLM system is Cobblestone. We have met with the vendor to outline the deployment plan, launched the implementation, and expect that the system will be fully functional by the Summer of 2023.</p>   | Summer 2023         |
| <p><b>Procurement/Accounts Payable/Travel System</b></p> <p>Administrative Services, Financial and Accounting (FASD) and Systems Divisions have been collaborating to automate, simplify, and improve our procurement, and accounts payable approval and workflow processes. This software will process electronic payment methods, including automating the procurement and purchasing processes and the payment request review process in the Administrative Services Division. We anticipate this system will roll out in phases, starting with Procurement and Accounts Payable followed by the Expense phase.</p>  | Summer 2023         |
| <p><b>Renovation of 7<sup>th</sup> floor Systems/FASD</b></p> <p>The Systems and Financial and Accounting Division space has not been renovated in 20 years. To make the renovation timelier, the entire 7<sup>th</sup> floor is being renovated at the same time. This is a huge undertaking and we have had some setbacks related to the floorplan, but progress has been steady as we move toward completion of this project.</p>  | Summer 2023         |

## **STAFFING**

The Administrative Services Division has a total of 42 budgeted positions. There are currently 16 vacant positions in the division, totaling a 38 percent vacancy rate. This number includes the five new positions that were approved last fiscal year. This vacancy rate has hindered ASD's ability to fully implement its organizational realignment approved in Fiscal Year 2022-2023. We plan to align those positions where we have staff to fill them.

We are partnering with the Human Resources Division to develop the recruitment strategy and assessment tools in alignment with LACERA's Hiring Plan to address this challenge. In the meantime, some of our vacant positions are currently filled with temporary or interim staff which allows the critical work to be completed. Even our recent attempts to find temporary staff have been adversely impacted by the current labor market.

### **Agency Temporary Request**

Due to the staffing challenges noted above, ASD's proposed budget for Agency Temporary staff is \$457,800, a decrease of 3.3 percent below FY 2022-2023. While our goal remains to hire permanent staff into these positions, the continued use of temporary staff is a practical solution we can employ today.

### **Intern Request**

The Administrative Services Division requests two interns for entry-level positions: one for the Budget Unit and one for the Contract Management Unit. They will be assigned to assist with the implementation of new technology projects in these areas. This will provide students with valuable work experience and exposure to LACERA as a potential future employer.

### **Overtime**

We expect overtime to be necessary for fiscal year 2023-2024 during periods of heightened activity related to budget preparation, renovations, and special projects and for the DPC staff during the March Rush. The amount of overtime will be reduced by 28 percent as a direct result of cross-training staff in the Mailroom and the Document Processing Center. Although we are requesting slightly less overtime budget, select Administrative Services Division staff will work overtime to implement new technologies and provide their expertise as the identified subject matter experts for several technology projects currently underway in the Administrative Services Division and other divisions within LACERA. These include the Budget software; the Enterprise Contract Lifecycle Management; and the Accounts Payable system projects. Overtime will be essential for staff to support these new projects while fulfilling their current duties.

## **SERVICES AND SUPPLIES**

Most of the FY 2023-2024 Services and Supplies line items are similar to the prior year's budget. There are small changes attributable to vendor or overall supplier cost increases or decreases, and there are some significant changes proposed for Rent and Operating costs, Renovation Projects, and Business Insurance fees, including cyber liability insurance as follows:

- Reduction of \$100,000 from previous year's budget for the purchase of automobiles for LACERA Executives. LACERA has developed a policy to use a monthly transportation allowance of \$600/month for Executive level staff in lieu of a vehicle when part of their compensation package. This is less costly and less administratively burdensome. Incumbents who currently have a vehicle assigned shall continue.
- Expected increase of \$25,000 or 50 percent for offsite file archive costs and Business Continuity Professional Services.
- An overall reduction of \$161,300 or 2 percent for Building costs, which includes rent and operating costs for the headquarters building outlined in the lease agreement. This includes Common Area Maintenance charges, special repair orders, renovations, and rental space to be used as "swing space" to accommodate staff during renovations. No new permanent office space is proposed. Included in this line item is \$1,000,000 for potential renovations to better support the needs of the Human Resources, Legal, and Administrative Services divisions.
- An overall increase of \$361,100 for business insurance fees is expected reflecting various rate increases from between 5 and 32 percent. The largest increase of 30 percent is expected in cyber liability due to general market risks.
- An overall increase of \$12,000 or 89 percent for staff development and professional memberships.

### **Staff Development Plan:**

Our goal is to create and support a learning environment where staff can develop the skills they need to succeed today and the knowledge and abilities that may prepare them for other opportunities in the future. By strengthening staff's core proficiencies, their ability to support LACERA effectively and efficiently in delivering the mission and the strategic goals is also reinforced.

Our plan includes opportunities for staff to join professional organizations related to their area of responsibility. We believe that memberships will contribute to the staff's level of expertise in their profession and provide opportunities to access member-only resources including educational materials, and attendance and networking at training and conferences. These organizations provide information about best practices, opportunities to network with others in their field, and professional certifications. These memberships include the Association of Records Managers and Administrators (ARMA), Disaster Recovery Institute International (DRII), Institute for Supply Management (ISM), Government Finance Officers Association (GFOA), National Contract Management Association (NCMA), and the Board of Certified Safety Professionals (BCSP).

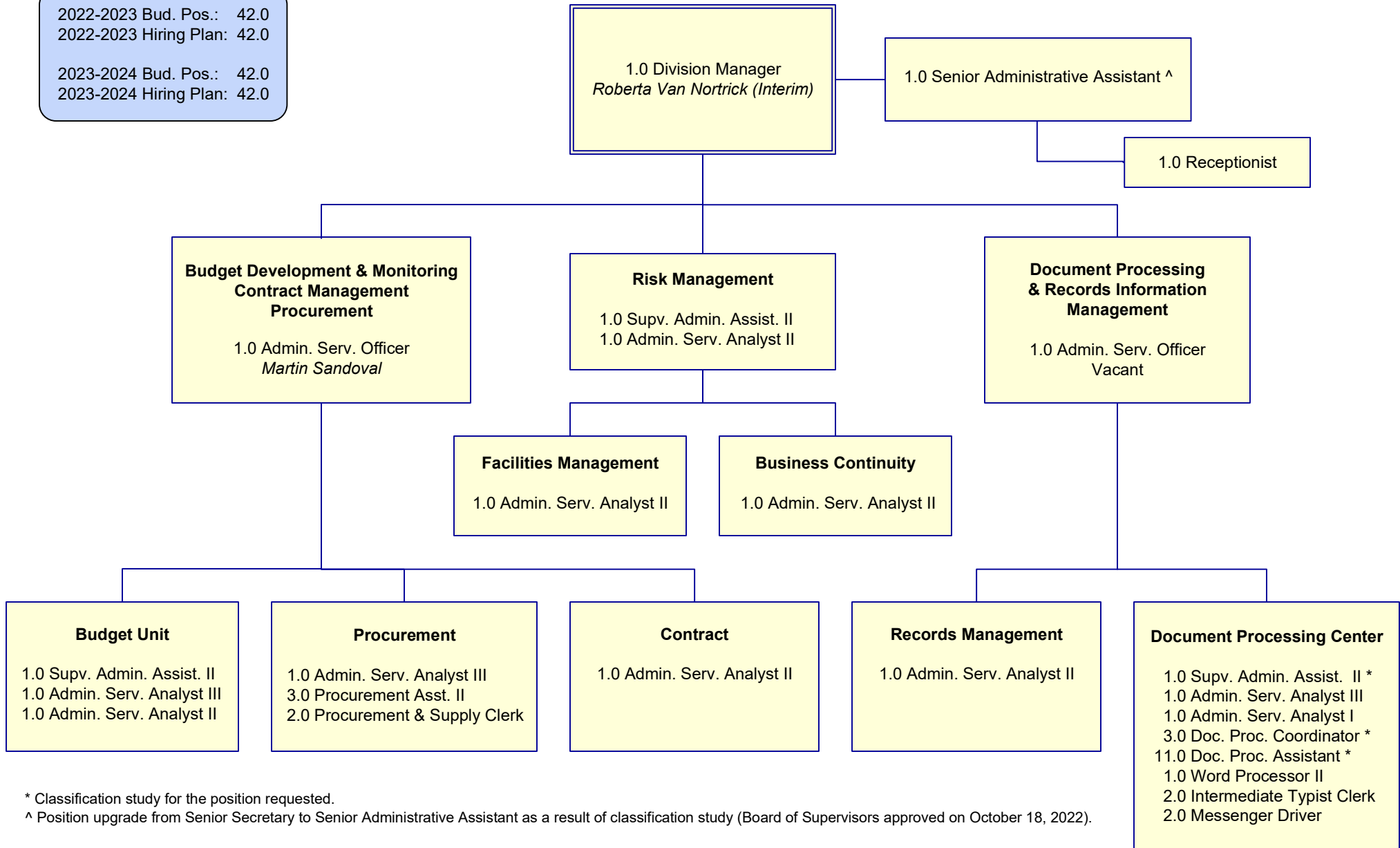
In addition to professional certifications, we have identified several training opportunities for Administrative Services staff including teambuilding, career coaching, various software trainings, warehouse and inventory management, procurement boot camp, budgeting, quality assurance fundamentals, and developing and honing supervisory and leadership skills.

We propose a budget of \$43,100 to cover memberships, training, conference registrations, and travel to these events, allowing staff to participate in professional organizations and attend training related to their job responsibilities. Training registration for represented staff will be applied from the training funds allocated in the Human Resources budget as found in the Memorandum of Understanding.

# ADMINISTRATIVE SERVICES DIVISION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 42.0  
 2022-2023 Hiring Plan: 42.0  
 2023-2024 Bud. Pos.: 42.0  
 2023-2024 Hiring Plan: 42.0



\* Classification study for the position requested.

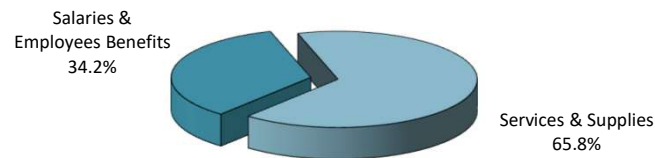
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**ADMINISTRATIVE SERVICES DIVISION**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$5,512,307</b>                       | \$4,442,976                       | \$2,016,290       | \$3,997,700       | (\$445,276)  | -10.0%          | \$1,069,331  | 24.1%           |
| <b>Services &amp; Supplies</b>           | <b>10,596,100</b>                        | 10,546,900                        | 5,441,402         | 10,010,800        | (536,100)  | -5.1%           | 49,200   | 0.5%            |
| <b>OPERATING BUDGET</b>                  | <b>\$16,108,407</b>                      | \$14,989,876                      | \$7,457,692       | \$14,008,500      | (\$981,376)  | -6.5%           | \$1,118,531  | 7.5%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.



**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**ADMINISTRATIVE SERVICES DIVISION**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$2,813,145</b>                       | \$2,223,984                       | \$1,102,718       | \$2,097,300       | (\$126,684)  | -5.7%           | \$589,161  | 26.5%           |
| <b>Total Agency Temp Salaries</b>   | <b>457,800</b>                           | 473,400                           | 188,609           | 377,300           | (96,100)   | -20.3%          | (15,600)   | -3.3%           |
| <b>Employee Benefits (Variable)</b> | <b>1,911,226</b>                         | 1,426,725                         | 595,982           | 1,227,600         | (199,125)  | -14.0%          | 484,501  | 34.0%           |
| <b>Employee Benefits (Other)</b>    | <b>180,309</b>                           | 166,766                           | 76,834            | 163,500           | (3,266)  | -2.0%           | 13,543   | 8.1%            |
| <b>OPEB Contribution</b>            | <b>99,927</b>                            | 88,501                            | 44,381            | 82,000            | (6,501)  | -7.3%           | 11,426   | 12.9%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>35,700</b>                            | 49,400                            | 1,540             | 37,100            | (12,300)   | -24.9%          | (13,700)   | -27.7%          |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>7,300</b>                             | 7,300                             | 4,142             | 7,800             | 500  | 6.8%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>6,900</b>                             | 6,900                             | 2,085             | 5,100             | (1,800)  | -26.1%          | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$5,512,307</b>                       | \$4,442,976                       | \$2,016,290       | \$3,997,700       | (\$445,276)  | -10.0%          | \$1,069,331  | 24.1%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  | -               | -  | -               |
| <b>TOTAL S&amp;EB</b>               | <b>\$5,512,307</b>                       | \$4,442,976                       | \$2,016,290       | \$3,997,700       | (\$445,276)  | -10.0%          | \$1,069,331  | 24.1%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

ADMINISTRATIVE SERVICES DIVISION

2023-2024 BUDGET

|        | FILLED POSITIONS                    | # POS. | SCHEDULE | ACTUAL<br>MO. RATE | ANNUAL<br>AMOUNT |
|--------|-------------------------------------|--------|----------|--------------------|------------------|
| 00410A | ADMINISTRATIVE SERVICES OFFICER     | 1      | LS9      | 10,451             | 125,414          |
| 00423A | SUPV. ADMINISTRATIVE ASST. II       | 2      | 108L     | 20,780             | 249,363          |
| 00421A | ADMINISTRATIVE SERVICES ANALYST III | 1      | 100C     | 8,089              | 97,070           |
| 00420A | ADMINISTRATIVE SERVICES ANALYST II  | 2      | 96C      | 13,235             | 158,825          |
| 00439A | SENIOR ADMINISTRATIVE ASSISTANT     | 1      | 93A      | 8,045              | 96,538           |
| 00464A | PROCUREMENT ASSISTANT II            | 3      | 90G      | 18,257             | 219,089          |
| 00472A | DOCUMENT PROCESSING COORDINATOR     | 2      | 86B      | 11,655             | 139,861          |
| 00448A | WORD PROCESSOR II                   | 1      | 85A      | 5,657              | 67,884           |
| 00467A | PROCUREMENT AND SUPPLY CLERK        | 2      | 83L      | 9,140              | 109,677          |
| 00471A | DOCUMENT PROCESSING ASSISTANT       | 9      | 83B      | 46,005             | 552,055          |
| 00461A | MESSENGER DRIVER                    | 2      | 77C      | 8,789              | 105,466          |

POSITIONS      26      1,921,243

|        | VACANT POSITIONS                    | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
|--------|-------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00773A | DIVISION MANAGER                    | 1      | LS12     | 11,308               | 135,701          | 135,701                |                       |                       |
| 00410A | ADMINISTRATIVE SERVICES OFFICER     | 1      | LS9      | 9,103                | 109,234          |                        |                       | 54,617                |
| 00423A | SUPV. ADMINISTRATIVE ASST. II       | 1      | 108L     | 8,029                | 96,353           |                        | 72,265                |                       |
| 00421A | ADMINISTRATIVE SERVICES ANALYST III | 2      | 100C     | 6,337                | 76,049           | 152,099                |                       |                       |
| 00420A | ADMINISTRATIVE SERVICES ANALYST II  | 4      | 96C      | 5,685                | 68,224           | 272,897                |                       |                       |
| 00419A | ADMINISTRATIVE SERVICES ANALYST I   | 1      | 84D      | 4,410                | 52,924           |                        |                       | 26,462                |
| 00472A | DOCUMENT PROCESSING COORDINATOR     | 1      | 86B      | 4,324                | 51,886           |                        |                       | 25,943                |
| 00471A | DOCUMENT PROCESSING ASSISTANT       | 2      | 83B      | 3,987                | 47,843           |                        |                       | 47,843                |
| 00466A | RECEPTIONIST                        | 1      | 78J      | 3,547                | 42,565           |                        |                       |                       |
| 00445A | INTERMEDIATE TYPIST-CLERK           | 2      | 77J      | 3,453                | 41,438           |                        |                       | 41,438                |
|        |                                     |        |          |                      |                  | 560,697                | 72,265                | 196,303               |

POSITIONS      16      829,265

TOTAL POSITIONS      42

GROSS SALARIES      2,750,508

ANTICIPATED MOU SALARY INCREASE \*\*      41,258

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE      12,644

BONUS      8,735

120-DAY RETIREE(S)      0

TOTAL SALARIES      2,813,145

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
 Represented positions shown in blue.  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**ADMINISTRATIVE SERVICES DIVISION**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |                    |                     | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |              | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |             |
|-----------------------------|---------------------------------|---------------------------|--------------------|---------------------|---|--------------|---|-------------|
|                             |                                 | YTD                       |                    |                     | OVER/(UNDER)  |              |   |             |
|                             |                                 | BUDGET                    | (01-31-23)         | PROJECTION          | BUDGET  | % CHANGE     | \$ CHANGE   | % CHANGE    |
| AUTO EXPENSE                | <b>\$11,500</b>                 | \$111,500                 | (\$14,722)         | \$55,500            | (\$56,000)  | -50.2%       | (\$100,000)   | -89.7%      |
| TRANSPORTATION & TRAVEL     | <b>17,600</b>                   | 8,000                     | 86                 | 4,700               | (3,300)   | -41.3%       | 9,600   | 120.0%      |
| POSTAGE                     | <b>301,500</b>                  | 331,400                   | 301,423            | 301,500             | (29,900)  | -9.0%        | (29,900)  | -9.0%       |
| STATIONERY & FORMS          | <b>1,000</b>                    | 3,800                     | 0                  | 500                 | (3,300)   | -86.8%       | (2,800)   | -73.7%      |
| OFFICE SUPPLIES & EQUIPMENT | <b>298,000</b>                  | 327,000                   | 81,196             | 286,500             | (40,500)  | -12.4%       | (29,000)  | -8.9%       |
| INSURANCE                   | <b>1,481,700</b>                | 1,120,600                 | 979,848            | 1,194,100           | 73,500  | 6.6%         | 361,100   | 32.2%       |
| EQUIPMENT MAINTENANCE       | <b>3,300</b>                    | 3,300                     | 1,993              | 4,300               | 1,000   | 30.3%        | 0   | 0.0%        |
| EQUIPMENT RENTS & LEASES    | <b>250,000</b>                  | 287,000                   | 119,851            | 230,000             | (57,000)  | -19.9%       | (37,000)  | -12.9%      |
| BUILDING COSTS              | <b>7,800,000</b>                | 7,961,300                 | 3,777,510          | 7,608,200           | (353,100)   | -4.4%        | (161,300)   | -2.0%       |
| PROFESSIONAL & SPEC. SRVCS. | <b>394,000</b>                  | 366,000                   | 184,664            | 303,000             | (63,000)  | -17.2%       | 28,000  | 7.7%        |
| EDUCATIONAL EXPENSES        | <b>25,500</b>                   | 13,500                    | 4,291              | 10,500              | (3,000)   | -22.2%       | 12,000  | 88.9%       |
| MISCELLANEOUS               | <b>12,000</b>                   | 13,500                    | 5,261              | 12,000              | (1,500)   | -11.1%       | (1,500)   | -11.1%      |
| TOTAL                       | <b>\$10,596,100</b>             | <b>\$10,546,900</b>       | <b>\$5,441,402</b> | <b>\$10,010,800</b> | <b>(\$536,100)</b>                                    | <b>-5.1%</b> | <b>\$49,200</b>   | <b>0.5%</b> |

\*All amounts rounded to the nearest dollar.

# ADMINISTRATIVE SERVICES

## BUDGET REQUEST INFORMATION

### HISTORY OF EXPENDITURES

|   | FYE 2022            |                     | FYE 2023            |                     | Proposed<br>Budget  |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget              | Actual              | Budget              | Projection          |                     |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                     |                     |                     |                     |
| Total LACERA Salaries                   | \$2,106,280         | \$1,852,612         | \$2,223,984         | \$2,097,300         | \$2,813,145         |
| Total Agency Temp Salaries              | 587,000             | 456,645             | 473,400             | 377,300             | 457,800             |
| Employee Benefits (Variable)            | 1,131,631           | 1,068,682           | 1,426,725           | 1,227,600           | 1,911,226           |
| Employee Benefits (Other)               | 148,050             | 149,270             | 166,766             | 163,500             | 180,309             |
| OPEB Contribution                       | 72,676              | 69,701              | 88,501              | 82,000              | 99,927              |
| OPEB Contribution (Budget Surplus)      | 0                   | 72,676              | 0                   | 0                   | 0                   |
| Stipends                                | 0                   | 0                   | 0                   | 0                   | 0                   |
| Overtime                                | 50,000              | 5,833               | 49,400              | 37,100              | 35,700              |
| Bilingual Bonus                         | 0                   | 0                   | 0                   | 0                   | 0                   |
| Sick Leave Buyback                      | 7,300               | 3,729               | 7,300               | 7,800               | 7,300               |
| Rideshare Allowance                     | 6,900               | 3,132               | 6,900               | 5,100               | 6,900               |
| Transportation Allowance                | 0                   | 0                   | 0                   | 0                   | 0                   |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                     |                     |                     |                     |
| Auto Expenses                           | 111,500             | 70,136              | 111,500             | 55,500              | 11,500              |
| Transportation & Travel                 | 8,000               | 97                  | 8,000               | 4,700               | 17,600              |
| Postage                                 | 301,400             | 301,320             | 331,400             | 301,500             | 301,500             |
| Stationery & Forms                      | 3,800               | 0                   | 3,800               | 500                 | 1,000               |
| Office Supplies & Equipment             | 288,500             | 225,733             | 327,000             | 286,500             | 298,000             |
| Insurance                               | 1,114,200           | 1,106,157           | 1,120,600           | 1,194,100           | 1,481,700           |
| Equipment Maintenance                   | 3,300               | 1,125               | 3,300               | 4,300               | 3,300               |
| Equipment Rents & Leases                | 277,000             | 197,025             | 287,000             | 230,000             | 250,000             |
| Building Costs                          | 7,472,400           | 5,604,859           | 7,961,300           | 7,608,200           | 7,800,000           |
| Professional & Specialized Services     | 221,000             | 194,148             | 366,000             | 303,000             | 394,000             |
| Educational Expenses                    | 7,700               | 5,951               | 13,500              | 10,500              | 25,500              |
| Miscellaneous                           | 13,500              | 10,275              | 13,500              | 12,000              | 12,000              |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$13,932,137</b> | <b>\$11,399,107</b> | <b>\$14,989,876</b> | <b>\$14,008,500</b> | <b>\$16,108,407</b> |

\*All amounts rounded to the nearest dollar.



# **BENEFITS DIVISION**

## **BUDGET HIGHLIGHTS**

**FISCAL YEAR 2023-2024**

### **Mission**

The Benefits Division encapsulates LACERA's mission to “produce, provide, and protect the promised benefits” through the collection of contributions and purchase contracts, the payment of benefits, and the safeguarding of member accounts— carried out in compliance with the CERL, PEPR, Board of Retirement Regulations, and organizational policies.

### **INTRODUCTION**

The Benefits Division pursues the highest quality standards and most efficient processing methods for member requests through continuous process improvements within the division and in collaboration with its partner divisions throughout LACERA.

### **BENEFITS OVERVIEW AND ACCOMPLISHMENTS**

The Division consists of four primary sections: Core Benefit Services, Special Benefits Services, Account Integrity Services, and the Process Management Group.

#### *Core Benefits Services*

This group primarily handles high volume, reduced complexity transactions that cover an array of services, from service credit purchases to placing members on the retirement agenda. This group is made up of four teams that are assigned a primary task and assist other teams whenever necessary.

#### *Special Benefits Services*

This group comprises three specialized, complex areas: Advanced Payroll Unit (APU), Death Legal Unit (DLU), and Exceptions. Advanced Payroll handles the most complex retirement requests, mostly involving disability retirement. DLU handles processes such

as death notifications and legal split calculations. Exceptions handles cases outside of the scope of normal processes, such as Replacement Benefit Plan benefits and errors identified by the system.

### *Account Integrity Services*

This unit is made up of the Benefit Protection Unit (BPU) and Account Maintenance Unit (AMU). BPU performs functions such as member location and fraud investigation. One risk we want to mitigate is continuing to pay members after they pass away. During the upcoming fiscal year, we will be looking to replace the current technology used for death notification services with more robust and timely technology.

AMU performs manual data entry tasks across 28 separate processes. For example, the team enters information provided on documents such as beneficiary designation forms into Workspace. The team also responds to requests for pension verification. In the future, we will begin reviewing these processes to explore opportunities for automation using optical character recognition (OCR) and robotic process automation (RPA).

### *Process Management Group (PMG)*

This group interprets the various laws governing LACERA, such as CERL, PEPRA, or Internal Revenue Codes, to ensure compliance and to determine whether there are opportunities to improve efficiency. The members of this group then become project managers overseeing initiatives to bring their recommendations to fruition and provide training to staff throughout the Member Operations Group (MOG), including Member Services and Quality Assurance.

PMG works with the entire MOG. Through continuous innovation, this fiscal year PMG streamlined processes, added new documents, and worked with the Systems Division to automate and improve processes. To name a few improvements, PMG added:

- Claim form automation for the survivor process.
- Updated felony forfeiture process and corresponding notification.
- Prepaid debit cards to replace physical paper checks (in progress).
- Updated W-4P system programming and member communication.
- Project-managed the implementation of multi-factor authentication.

### **Snapshot of Workload Drivers**

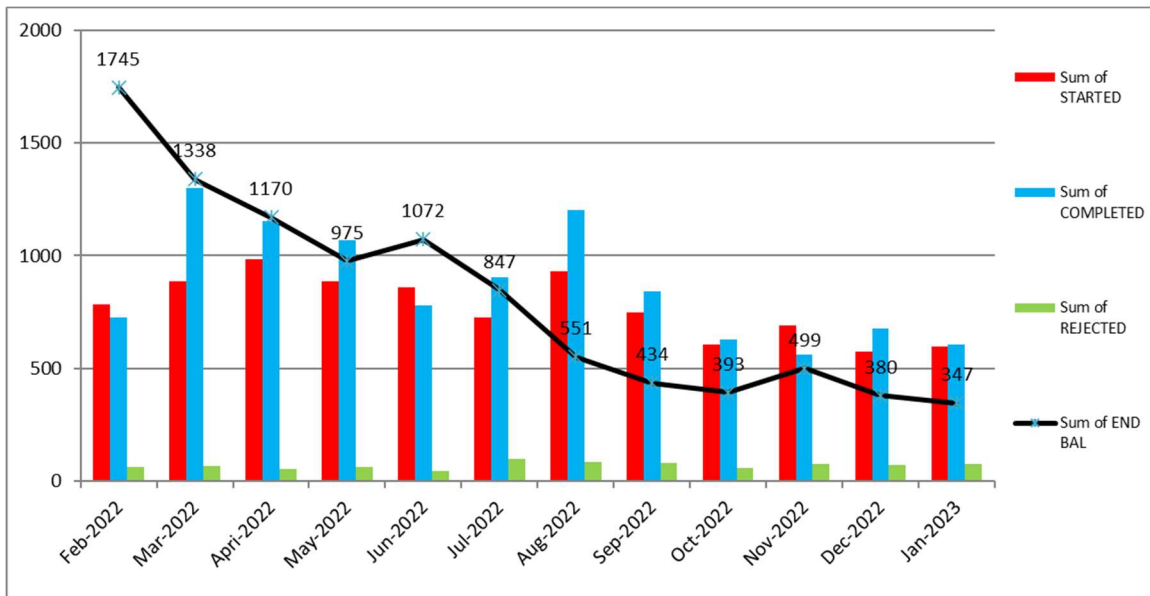
We have expended significant resources over the last several years to capture and refine important metrics, allowing us to gain a greater insight into the workload drivers. We will continue to focus on these efforts.

We feel as part of the budget process it is appropriate to provide some insights regarding the significant drivers of workload. This allows us to provide some insight into how we intend to manage our resources and meet expectations.

#### **Death Legal Unit (DLU):**

This unit has experienced a sharp increase in the volume of deaths over the last few years and legal splits have become more complex and time-consuming to process.

### Death Notification (Manual) Rolling 12 months ending 1/31/2023



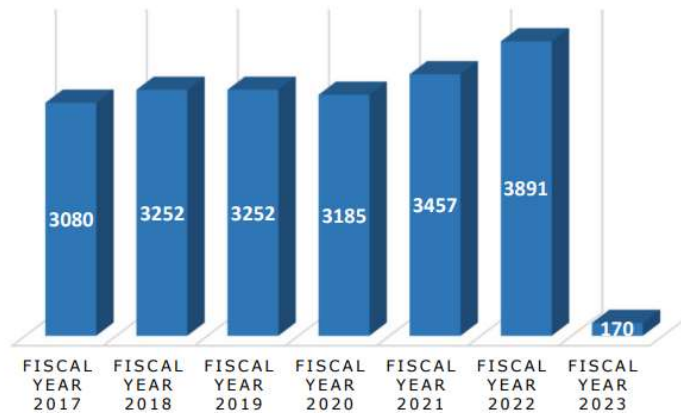
We recently filled a vacant position as well as the additional position previously added to the budget to help address the increased workload. We also re-engineered our death claim form benefit process so one-time payees automatically receive claim forms without staff intervention, significantly improving the survivor experience and our service level.

These changes have also significantly improved our ability to respond to the increasing demand and our efforts to reduce the backlog.

#### Core Benefits Section:

Although there were 3,891 retirements in FY 2021-22, the following charts compare this number to the number of service requests (work objects) submitted between July 1, 2021, and June 30, 2022: 8,007. This number was arrived at by adding the number of new work objects received each month, illustrated by the light blue bar on the left for each month in the second graph. A work object represents a member's request, which is assigned to a queue depending on the nature of the request. As illustrated, the number of work objects placed in the retirement election queue far surpassed the number of retirements during the 2021-22 fiscal year.

## RETIREMENTS BY YEAR



## Retirement Elections Work Queue—Fiscal Year 2021-2022



The reason the number of work objects in the queue does not match the number of retirements is because of the number of retirement rescissions, duplicates, and change of retirement date requests. Benefits plans to explore the reason why there are so many of these requests, as it will help improve our efficiency.

A decrease in retirements generally takes place after an MOU grants moderate to significant salary increases. Past experience has demonstrated that members will generally work longer to maximize the positive impact of the salary increase on their FAC, which increases the retirement allowance they receive upon retirement. As a result, we do not anticipate another significant increase in retirements for FY 2023-24. However, we



should continue to consider changes in workloads due to the increasing complexity of member transactions and improvements to compliance adherence. LACERA's workload might not necessarily decrease as much, due to the need to process rescissions and retirement date postponements, which is not evident by counting retirements alone.

The Core Benefits Training class is scheduled to begin April 2023 and will fill eight Retirement Benefits Specialist II positions based on projected attrition. The trainees are expected to complete their training by the end of January 2024, at which time they will become a productive part of the division. We anticipate an additional four months before they become fully acclimated to the work and become fully productive.

### **Member Experience Improvement Goals for FY 2023-24 and the Next Three Years**

Benefits, and PMG specifically, will be partnering with the other Member Operations Group divisions and Systems to support and enact the strategic plan once approved. It is anticipated that the division will focus on fulfilling the four objectives under the Member Experience Priority. In anticipation of this plan, we are working on or pre-planning for the following objectives:

- **PEPRA Final Average Compensation (FAC) Automation:** PMG and Systems are working with the County Auditor-Controller to receive data in a format that will allow our system to generate a correct FAC figure for members. This will allow Systems to program Workspace to generate estimates and retirement benefit calculations for LACERA PEPRA members automatically, replacing the tedious manual process that currently exists. This is expected to be completed in the first month of the new fiscal year. In the meantime, the team is working with another arm of the Auditor-Controller in applying RPA to the manual process to see if we can speed up the process pending implementation of the permanent solution.
- **Unreported Death Identifications:** Unreported deaths pose a significant risk of overpaid benefits that may be difficult to recover. As part of our risk mitigation strategy, the BPU currently partners with an outside vendor to help it identify unreported member deaths. Once identified, BPU researches the possible death and initiates appropriate actions if a member has truly passed away. This process can take significant time and manual effort. The team will be requesting approval for an RFP to select a vendor that can handle this process for LACERA and provide us only with verified deaths for follow-up.
- **Automated Reciprocal Verification Process:** When a member joins LACERA and indicates they have service with a reciprocal agency, a manual process begins to request and verify data from the agency and establish reciprocity. Our goal is to automate this process so that it can mostly be conducted without any staff member interactions.
- **Automated Other Public Agency Purchase Requests:** When a member wants to purchase other public agency service, it triggers a manual process of contacting the other agencies and requesting verification of service. We intend to work with

Systems to leverage My LACERA to create a largely autonomous, member-initiated process that would request information from the other agency and trigger the issuance of a contract to purchase the time.

- **Review Exceptions Team's Processes for Automation:** Our Exceptions team deals with many systems-generated reports and service requests from other parts of the Member Operations Group. We intend to review these processes and eliminate the system-generated reports, replacing them with either automated resolution processes or the creation of service requests that can be tracked and analyzed for future improvements.
- **AMU Process Automation:** We will examine the option of leveraging OCR to automate the processing of member-submitted account maintenance forms.
- **Knowledge Management System:** PMG intends to partner with Systems and other Member Operations Group divisions on the selection and implementation of a knowledge management system. The system would manage all MOG knowledge databases, and leverage Artificial Intelligence (AI) and chatbots to assist staff with accessing knowledge and applying it to work at hand and even member interactions.

This fiscal year, Benefits will continue to refine its metrics and data analytics program to manage transactional processes, improve performance through automation and improve adherence to compliance requirements. We will ensure that our initiatives support the strategic planning process, particularly as it pertains to the Member Experience.

## **STAFFING**

The Benefits Division is not requesting any new positions this fiscal year. We will continue to explore opportunities for automation and increase process efficiency throughout the division.

### **Agency Temp**

Historically, Benefits staff fully prepared correspondence to members so they were ready for mailing and no further handling was required by the Data Processing Center (DPC) in Administrative Services. This process was inefficient, as it took staff away from processing member requests to perform administrative duties that should have been centralized within our DPC. Once staff began working remotely, Benefits worked with Systems to create a centralized printing location within Benefits and hired an agency temp to perform this function, freeing up staff to focus on their primary duties. This was meant to be a temporary solution while PMG worked with DPC to absorb these duties. DPC has a plan in place to take on these duties once they have obtained and trained enough staff for the additional processing. Until DPC is sufficiently staffed to manage the increase in workload, Benefits would like to continue having an agency temp perform this function.

## **Special Projects**

Two staff members from the Core Benefits Section have been designated to complete special projects. The Alameda project identified salary items that were deemed as compensation earnable in the Alameda court decision. The project requires the return of overpaid contributions to active, retired, and deferred/inactive members; survivors; and beneficiaries of deceased members. It also impacted 118 purchase contracts using salaries that included pay items that are no longer deemed compensation earnable. With those pay items removed from the final average compensation (FAC), retired members whose FACs were based on salaries that included these pay items received overpaid benefits and are receiving notification. At the conclusion of this project, we will have: 1) returned all overpaid contributions through the suspension of contributions or offset against retirement overpayments, 2) collected or set up deductions to collect retirement overpayments, and 3) placed overpaid contracts into the member's account with interest.

The COLA Accumulation project seeks to correct 10,000 retiree accounts. All retiree and survivor benefits have been adjusted and retroactive payments made. The outstanding component of the COLA Accumulation project is to pay the beneficiaries and estates of deceased members. This project will resume after the completion of the Alameda project. We anticipate the COLA Accumulation project to be completed by December 2023.

## **Overtime**

Benefits Division has relied on the use of overtime to supplement its regular production strategies and to help limit the length of service levels. As in the past, overtime is being requested to manage the workload imbalances related to the annual March rush and to reduce backlogs as we continue to seek improvements in efficiency and automation of the work.

The Member Services Division has been working overtime on Saturdays to process March retirements. Reviews of Member Services staff production shows their commitment to the highest quality service to our members. This has been a tremendous undertaking and shows our commitment to teamwork across divisions to ensure our members receive timely, high-quality service. However, Member Services may not be able to continue assisting Benefits during overtime.

We anticipate four upcoming retirements: one retirement at the end of FY 2022-23 and three retirements during FY 2023-24. As a result, we have included additional overtime allocations so that we will be able to serve our members timely until the 2024 training class is fully acclimated as planned.

## **Training and Development**

Historically, Benefits supervisors and managers have not received additional training in leadership and management.

We are requesting funds to bring in a consultant to work with the Division Manager and section heads to sharpen individual skills, such as written and verbal communication, and boost leadership skills, such as building trust and increasing collaboration among division leaders.

Additionally, the Executive Office has challenged the interim Benefits Division Manager to develop staff throughout the division. As a result, section heads and supervisors are identifying core competencies and developing a preliminary roadmap for positions under their purview. These roadmaps will be reviewed and serve as tools to create individual self-development plans for subordinate staff. Formal training will include local and cost-effective instruction.

## **SERVICES AND SUPPLIES**

We propose increasing funding in the following areas:

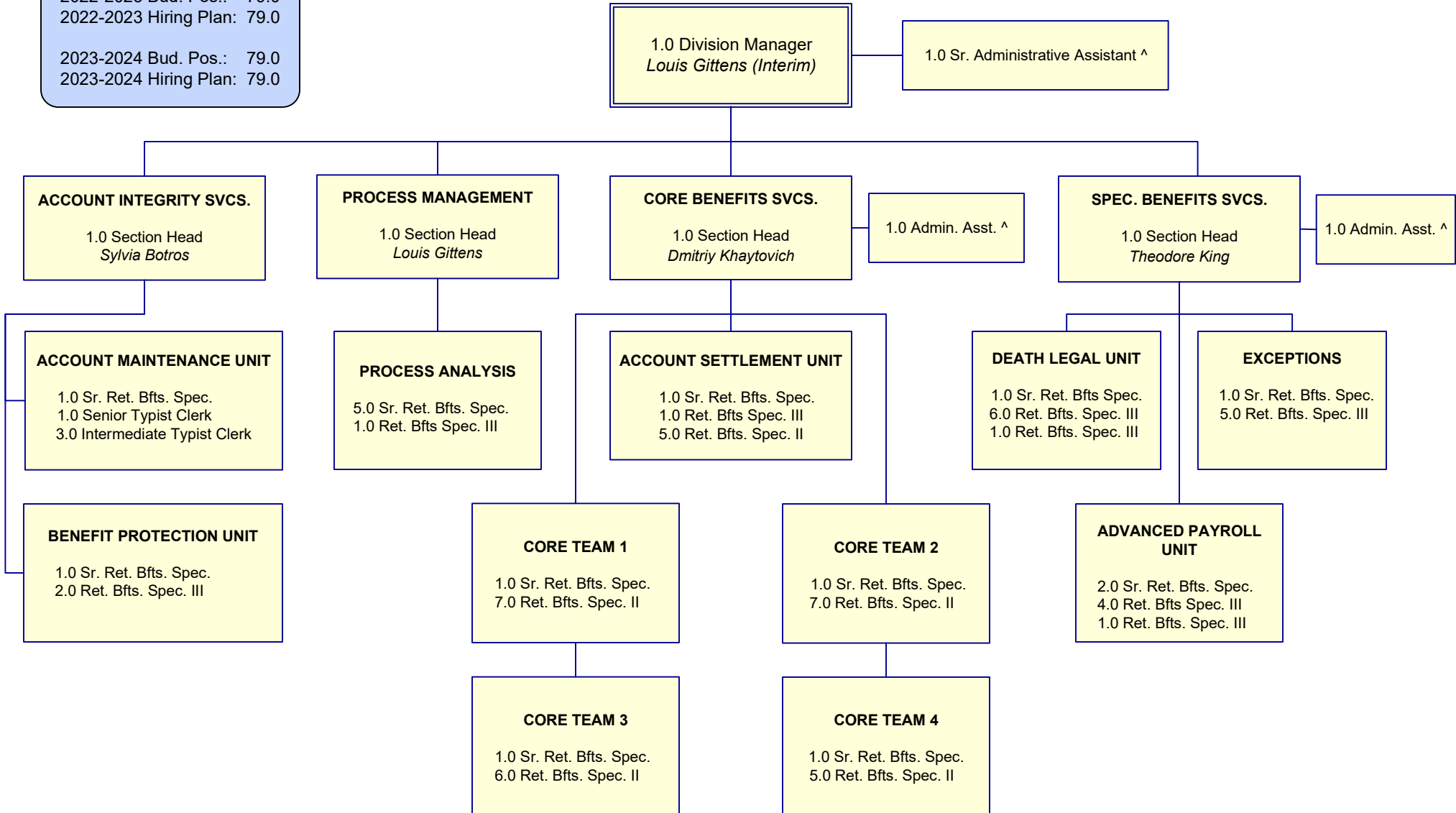
- **Professional and Specialized Services:** There is technology available that provides comprehensive death audits, making it easier for LACERA to confirm that a member or survivor has died rather than through manual verification. We would like to set aside funds for this platform even though we are still in the preliminary stages of studying our current cost of performing these transactions, learning more about the company's validation process, and determining whether an RFP is required to ensure we are getting the best product on the market.
- **Educational Expenses:** In addition to the training previously discussed, we would like managers to attend SACRS, which is being conducted in person again, and CALAPRS, which is still virtual. There are other in-person events that should be attended by either the Division Manager or a section head. These events offer opportunities to learn the latest updates in the pension industry and to network and showcase LACERA's initiatives, contributing to LACERA's reputation in the industry.

# BENEFITS DIVISION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 79.0  
2022-2023 Hiring Plan: 79.0

2023-2024 Bud. Pos.: 79.0  
2023-2024 Hiring Plan: 79.0



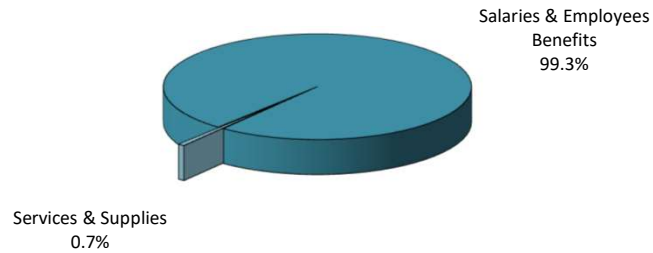
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**BENEFITS DIVISION**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |             |              | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |          | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |          |
|--|--|-----------------------------------|-------------|--------------|--|----------|--|----------|
|  |  | YTD                               |             |              | OVER/(UNDER)   |          |  |          |
|  |  | BUDGET                            | (01-31-23)  | PROJECTION   | BUDGET   | % CHANGE | \$ CHANGE  | % CHANGE |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$12,363,302</b>                      | \$11,960,086                      | \$6,186,588 | \$11,875,400 | (\$84,686)   | -0.7%    | \$403,216  | 3.4%     |
| <b>Services &amp; Supplies</b>           | <b>86,100</b>                            | 59,300                            | 14,342      | 48,900       | (10,400)   | -17.5%   | 26,800   | 45.2%    |
| <b>OPERATING BUDGET</b>                  | <b>\$12,449,402</b>                      | \$12,019,386                      | \$6,200,930 | \$11,924,300 | (\$95,086)   | -0.8%    | \$430,016  | 3.6%     |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**BENEFITS DIVISION**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$6,799,486</b>                       | \$6,706,995                       | \$3,669,947       | \$6,964,100       | \$257,105  | 3.8%            | \$92,491   | 1.4%            |
| <b>Total Agency Temp Salaries</b>   | <b>62,200</b>                            | 154,900                           | 52,869            | 97,700            | (57,200)   | -36.9%          | (92,700)   | -59.8%          |
| <b>Employee Benefits (Variable)</b> | <b>4,365,975</b>                         | 4,019,322                         | 1,787,346         | 3,664,700         | (354,622)  | -8.8%           | 346,653  | 8.6%            |
| <b>Employee Benefits (Other)</b>    | <b>435,814</b>                           | 423,908                           | 196,377           | 415,500           | (8,408)  | -2.0%           | 11,906   | 2.8%            |
| <b>OPEB Contribution</b>            | <b>241,527</b>                           | 224,962                           | 140,552           | 259,500           | 34,538   | 15.4%           | 16,565   | 7.4%            |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>426,400</b>                           | 398,100                           | 330,040           | 457,000           | 58,900   | 14.8%           | 28,300   | 7.1%            |
| <b>Bilingual Bonus</b>              | <b>3,600</b>                             | 3,600                             | 1,950             | 3,900             | 300  | 8.3%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>12,000</b>                            | 12,000                            | 7,506             | 13,000            | 1,000  | 8.3%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>16,300</b>                            | 16,300                            | 0                 | 0                 | (16,300)   | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$12,363,302</b>                      | \$11,960,086                      | \$6,186,588       | \$11,875,400      | (\$84,686)   | -0.7%           | \$403,216  | 3.4%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$12,363,302</b>                      | \$11,960,086                      | \$6,186,588       | \$11,875,400      | (\$84,686)   | -0.7%           | \$403,216  | 3.4%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

BENEFITS DIVISION

2023-2024 BUDGET

| FILLED POSITIONS                              |                                       | # POS. | SCHEDULE  | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|---------------------------------------|--------|-----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00772A  | SECTION HEAD, LACERA                  | 4      | LS9       | 41,500               | 498,004          |                        |                       |                       |
| 01312A  | SENIOR RETIREMENT BENEFITS SPECIALIST | 12     | 104A      | 106,777              | 1,281,330        |                        |                       |                       |
| 01311A  | RETIREMENT BENEFITS SPECIALIST III    | 22     | 98G       | 170,767              | 2,049,201        |                        |                       |                       |
| 01310A  | RETIREMENT BENEFITS SPECIALIST II     | 29     | 92A       | 178,050              | 2,136,600        |                        |                       |                       |
| 00438A  | ADMINISTRATIVE ASSISTANT              | 2      | 86J       | 12,185               | 146,215          |                        |                       |                       |
| 00446A  | SENIOR TYPIST-CLERK                   | 1      | 81H       | 4,521                | 54,249           |                        |                       |                       |
| 00445A  | INTERMEDIATE TYPIST-CLERK             | 3      | 77J       | 13,326               | 159,913          |                        |                       |                       |
| POSITIONS                                     |                                       | 73     | 6,325,511 |                      |                  |                        |                       |                       |
| VACANT POSITIONS                              |                                       | # POS. | SCHEDULE  | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00773A  | DIVISION MANAGER                      | 1      | LS12      | 11,308               | 135,701          | 135,701                |                       |                       |
| 01312A  | SENIOR RETIREMENT BENEFITS SPECIALIST | 3      | 104A      | 7,028                | 84,336           |                        |                       |                       |
| 00439A  | SENIOR ADMINISTRATIVE ASSISTANT       | 1      | 93A       | 5,216                | 62,592           |                        |                       | 31,296                |
| 01310A  | RETIREMENT BENEFITS SPECIALIST II     | 1      | 92A       | 5,076                | 60,912           | 60,912                 |                       |                       |
|   |                                       |        |           |                      |                  | 196,613                | 0                     | 31,296                |
| POSITIONS                                     |                                       | 6      | 227,909   |                      |                  |                        |                       |                       |
| TOTAL POSITIONS                               |                                       | 79     |           |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                       |        |           |                      | 6,553,419        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                       |        |           |                      | 98,301           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                       |        |           |                      | 85,693           |                        |                       |                       |
| BONUS   |                                       |        |           |                      | 62,072           |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                       |        |           |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                       |        |           |                      | 6,799,486        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
 Represented positions shown in blue.  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.



**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**BENEFITS DIVISION**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$7,300                         | \$6,500                   | \$3,093    | \$6,200    | (\$300)   | -4.6%    | \$800   | 12.3%    |
| OFFICE SUPPLIES & EQUIPMENT | 3,400                           | 3,400                     | 654        | 2,000      | (1,400)   | -41.2%   | 0   | 0.0%     |
| PROFESSIONAL & SPEC. SRVCS. | 41,000                          | 41,000                    | 10,050     | 34,000     | (7,000)   | -17.1%   | 0   | 0.0%     |
| EDUCATIONAL EXPENSES        | 33,600                          | 7,600                     | 545        | 6,100      | (1,500)   | -19.7%   | 26,000  | 342.1%   |
| MISCELLANEOUS               | 800                             | 800                       | 0          | 600        | (200)   | -25.0%   | 0   | 0.0%     |
| TOTAL                       | \$86,100                        | \$59,300                  | \$14,342   | \$48,900   | (\$10,400)  | -17.5%   | \$26,800  | 45.2%    |

\*All amounts rounded to the nearest dollar.

**BENEFITS DIVISION**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022            |                     | FYE 2023            |                     | Proposed            |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget              | Actual              | Budget              | Projection          | Budget              |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                     |                     |                     |                     |
| Total LACERA Salaries                   | \$6,154,980         | \$5,910,027         | \$6,706,995         | \$6,964,100         | \$6,799,486         |
| Total Agency Temp Salaries              | 71,900              | 69,194              | 154,900             | 97,700              | 62,200              |
| Employee Benefits (Variable)            | 3,818,094           | 3,150,744           | 4,019,322           | 3,664,700           | 4,365,975           |
| Employee Benefits (Other)               | 374,387             | 379,705             | 423,908             | 415,500             | 435,814             |
| OPEB Contribution                       | 183,782             | 220,373             | 224,962             | 259,500             | 241,527             |
| OPEB Contribution (Budget Surplus)      | 0                   | 183,782             | 0                   | 0                   | 0                   |
| Stipends                                | 0                   | 0                   | 0                   | 0                   | 0                   |
| Overtime                                | 398,000             | 451,675             | 398,100             | 457,000             | 426,400             |
| Bilingual Bonus                         | 2,400               | 3,250               | 3,600               | 3,900               | 3,600               |
| Sick Leave Buyback                      | 12,000              | 14,534              | 12,000              | 13,000              | 12,000              |
| Rideshare Allowance                     | 16,300              | 0                   | 16,300              | 0                   | 16,300              |
| Transportation Allowance                | 0                   | 0                   | 0                   | 0                   | 0                   |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                     |                     |                     |                     |
| Transportation & Travel                 | 6,500               | 2,564               | 6,500               | 6,200               | 7,300               |
| Office Supplies & Equipment             | 3,400               | 77                  | 3,400               | 2,000               | 3,400               |
| Professional & Spec. Svcs.              | 46,000              | 28,877              | 41,000              | 34,000              | 41,000              |
| Educational Expenses                    | 14,600              | 3,435               | 7,600               | 6,100               | 33,600              |
| Miscellaneous                           | 1,500               | 0                   | 800                 | 600                 | 800                 |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$11,103,843</b> | <b>\$10,418,238</b> | <b>\$12,019,386</b> | <b>\$11,924,300</b> | <b>\$12,449,402</b> |

\*All amounts rounded to the nearest dollar.

# COMMUNICATIONS

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### Mission

Our mission is to provide a full range of professional in-house communications services and create essential retirement information for LACERA members.

### INTRODUCTION

Communications' services include creative visioning, project management, public relations and strategic marketing, graphic design, photography, writing and editing, and video production. We create print materials, videos, and web design and content across our websites LACERA.com and LACERA Connect (intranet).

### STATUS OF MAJOR PROJECTS, 2022-2023

Throughout 2022, Communications Division maintained its regular schedule of requisite annual projects, continued to move prioritized projects forward to help achieve the Boards' existing strategic goals, and provided support for the strategic planning process.

Following are some of Communications Division's **requisite projects** throughout the year:

- Quarterly *PostScript* and *Spotlight* newsletters
- Themed Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR)
- *Retirement Law Book*

- Cost-of-living updates and communications (inserts, emails, web updates, web announcements, and newsletter articles)
- Executive Office communications and copywriting support
- LACERA.com and LACERA Connect maintenance, information updates, and content creation
- Calendars (retiree paydays, boards, and staff)
- Retiree Healthcare annual mailings
- Budget binder production
- Collateral for annual events (Board offsite meetings, Employee Wellness Fair, etc.)
- Photos for trustees and staff members, ID badges

## **Communications' and Strategic Plans**

In 2022, Communications Division submitted the revised LACERA Communications Plan draft to Executive for review and approval. The Communications Plan provides an overview of Communications Division's role within the organization, and our philosophy, project landscape, and short- and long-term divisional goals. It also outlines how we plan to use all our resources in conjunction with what we've learned from the 2022 Member Survey to support the major initiatives of defining and implementing the proposed Superior Member Experience Program, focusing on specific member journeys and an omnichannel service approach.

Once the Strategic Plan and the Communications Plan have been defined and approved, the Communication Plan will be further revised to specifically outline the division goals and projects that we will be managing and supporting.

## **Additional Major Projects**

In the meantime, Communications is continuing to move forward with current initiatives. Following are additional major projects that we are managing or supporting that will carry into 2023 or that are currently prioritized for 2023. Status and specifics are provided where applicable.

- **Strategic planning process:** We continue to support the executive team and professional consultant through direct email communication, writing and/or editing articles and memos to members and internal staff, and coordination and creation of graphics and collateral.
- **Case management:** In 2023, we anticipate providing communications support for the implementation of various case management components and new processes—including direct email communication to members and internal staff, lacera.com updates, and training videos. We will also need to update existing collateral with any process changes.

- **Campaigns:** We will continue to promote email messaging, paperless options, My LACERA, direct deposit, and beneficiary updates this year. The My LACERA campaign continues for this fiscal year. We will be expanding the campaign to include a mailing to active members who are not currently signed up for My LACERA. This mailing will be put into production mid-2023. We will continue to incorporate messaging in all other resources, such as the newsletters and email correspondence, to lead members to My LACERA.
- **Annual Retirement Benefits Statement redesign:** Working with Systems Division, Communications has expanded the statement to include new, customized information fields from the member database. *In pre-production; pending availability of internal resources and the selection of a new print vendor.*
- **Retirement Summary and Application Form (formerly the Retirement Benefits Estimate) redesign:** The form has been customized and expanded to include member-specific information including scenarios under the different retirement options. *In progress; the draft form has been beta-tested. It was determined that the form needs to be revisited to simplify the content for our members.*
- **Pre-Retirement Guide redesign:** The guide has been updated in coordination with multiple internal stakeholders and subject matter experts. *In progress; ready to print pending finalization of the Retirement Summary and Application Form.*
- **Plan Book updates:** The member plan books should serve as the definitive source for all plan information and require updates. Once completed, the plan centers on LACERA.com will be further developed and updated to reflect the changes to the plan books. *Pending internal resources.*

## 2023-24 Goals and Objectives

We anticipate adding new goals based on the final strategic plan and reassessing or reprioritizing current projects to align with the organization's direction.

- **Complete Retirement Options, Retirement University, and Medicare 101 videos currently in progress and increase overall video production.** We hired outside vendors in 2022 to boost video production services, which will continue into 2023 as we have increasing requests for this format for internal and member-facing communications.
  - Retirement University Options 1, 2, and 3 videos: *In production; anticipated completion in early 2023.*
  - Retirement University videos: *In pre-production and anticipated to start production in 2023.*
  - Medicare 101 video: *Currently in pre-production and anticipated to start production in 2023.*

- Support the **Business Continuity Plan (BCP) crisis communications component.** Communications will collaborate with the BCP Team and our Government Advocacy & Public Affairs consultant to develop multiple crisis communication templates.
- **Create and distribute a branding and style guide and begin LACERA-wide rebranding.** A mini style sheet with an updated logo and style guidelines was presented and distributed to the Management Action Committee (MAC) team on November 3. In 2023, we will begin rebranding existing collateral and create and distribute a comprehensive organizational style guide. Our aim is to establish and maintain a cohesive look and copy formatting for all print and digital materials and member communications.
- **Increase use of technological tools and online platforms.**
  - *Project request automation:* We recently completed an intake form, available on LACERA Connect, to help confirm, track, and process incoming requests. We are searching for a full-featured online platform to provide more services and convenience for internal clients and further boost efficiency.
  - *Online proofing:* In 2022, we incorporated new online proofing software, Ziflow. In 2023, we will assign more projects to Ziflow to streamline the proofing and production process.
  - *Augmented Intelligence (AI):* We are currently researching the use of various software programs to assist us in our communications efforts. We are working with experienced vendors and peers to vet our options and assess how they would best serve our member's needs.
- **Support LACERA's social media goals and strategy.** We have already completed an initial social media strategy and action plan, created internally, which is on hold pending prioritization in the strategic plan. Depending on Board and executive direction, we may generate an RFP for a professional firm to establish the social media plan in 2023. The social media rollout also depends on the hiring of a Public Information Officer. See more under Staffing below.
- **Process plan to convert to digital communications.** This is a long-term goal that will be based on our members' needs and preferences. Given the data compiled from the most recent member survey, it is apparent that we currently have a large population that relies on print to receive news and information. The data collected in this survey shows that the majority—62 percent on average—of our members prefer receiving a mailed newsletter, but for those age 65 and over, that average jumps to 77 percent. On the flip side, only 26 percent of members on average expressed a preference for e-newsletters. This wide range of preferences confirms the need for an omnichannel service approach. We need to continue using all means of communication to reach our members, both print and digital. We will continue to expand our digital communications to transition as our demographics and members' needs transition.

## **STAFFING**

A new Media Artist was hired and started working in November 2022, which has boosted our current capabilities and will help us meet the increasing demand for both print and video projects.

Communications hopes to fill the following vacant budgeted positions in 2023:

- Senior Writer
- Senior Media Artist
- Writer II
- Staff Assistant

We may also seek to fill the vacant Public Information Officer, however this may be delayed until FY 2024-2025

Communications is requesting overtime for various staff positions to be available when urgent requests arise that require the staff member to work beyond the normal hours to complete a task. Overtime may also be needed throughout the year when multiple major and unanticipated projects have the same deadline and the staff member needs the additional hours to complete the project(s).

## **Training and Development Goals for 2023**

Communications Division has seen a significant increase in demand for our services over the last several years—from an overall increase in support requests to pandemic communications to more support of our expanded executive team. This, as well as travel restrictions due to the pandemic, means that Communications Division staff members have not had the opportunity to participate in professional development and training as needed to improve their job-specific skills and network with professional peers. Educational enrichment is instrumental for staff members in improving and modernizing their skillsets as well as maintaining enthusiasm for their craft.

For 2023, the budget reflects Communications' goals to:

- Provide training for staff members in team building, collaboration, and job-specific areas
- Join and participate in the California Association of Public Information Officials (CAPIO), including CAPIO training webinars and the annual conference (two staff members)
- Participate in the HOW marketing and technology conference (two staff members)

## **SERVICES AND SUPPLIES**

Overall, the FY 2023-24 budget request is 21 percent higher than the FY 2022-23 approved budget. Each of the Communications Division's line items was carefully reviewed with significant increases explained below:

- The transportation and travel budget has increased from \$4,500 in FY 2022-23 to \$17,600 in FY 2023-24 to accommodate attendance at the CAPIO and HOW conferences.
- Due to an 8 percent postage rate hike, we are requesting a slight increase in 2023 postage costs. Even with this increase, the overall division request is lower than previous budgets due to the removal of a miscellaneous mailing deduction.
- Increases in LACERA communications components to be mailed, as well as higher paper and labor costs, account for an increase of \$177,200 from \$804,500 to \$981,700 in the Stationery and Forms section, including more details on line items below:
  - The annual benefits statement (ABS) has increased by \$40,000 because we have added enhanced features. An RFP is being opened in 2023 to secure a new vendor who can accommodate the new format.
  - *PostScript* and *Spotlight* costs have increased from \$80,000 to \$140,000 for *PostScript* and from \$90,000 to \$120,000 for *Spotlight* to accommodate the new RHC supplement and subsequent page count increases as well as overall production costs.
  - There is a new case management support line item of \$25,000 to accommodate anticipated communications needs, such as reprinting or video production costs, associated with new processes.
- Under Professional Services, campaign costs were increased from \$10,000 to \$70,000 (all-inclusive) for print, postage, and mailing, for various campaigns and a member journey campaign anticipated to be part of the strategic plan.
- There are also new line items under professional services for Miscellaneous Video Production (\$30,000) and a wire service for press releases (\$3,000).

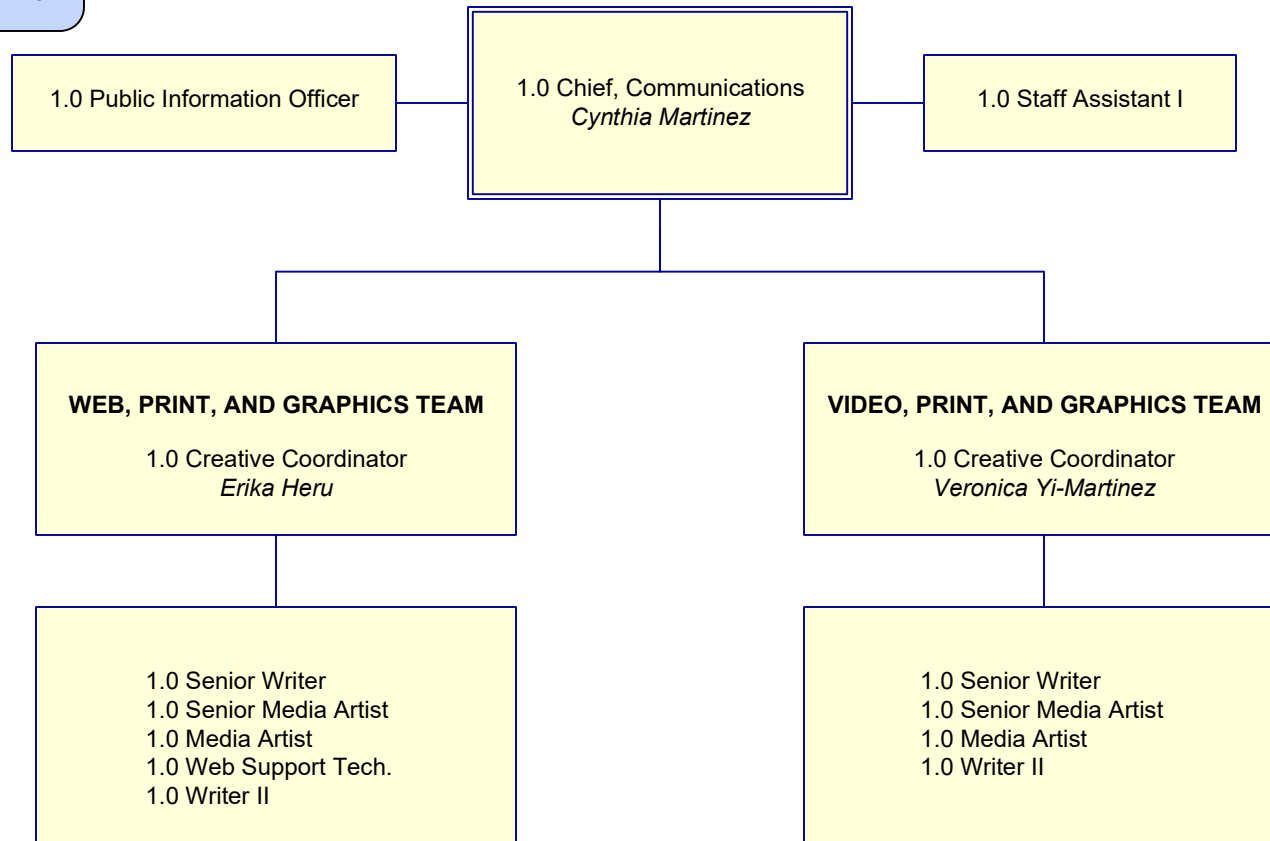


# COMMUNICATIONS

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 14.0  
2022-2023 Hiring Plan: 14.0

2023-2024 Bud. Pos.: 14.0  
2023-2024 Hiring Plan: 14.0

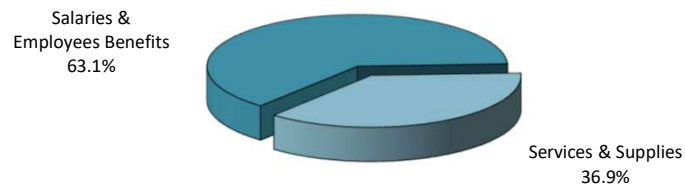


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**COMMUNICATIONS**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$2,600,188</b>                       | \$2,168,975                       | \$941,134         | \$1,896,500       | (\$272,475)  | -12.6%          | \$431,213  | 19.9%           |
| <b>Services &amp; Supplies</b>           | <b>1,517,500</b>                         | 1,254,000                         | 587,814           | 1,104,600         | (149,400)  | -11.9%          | 263,500  | 21.0%           |
| <b>OPERATING BUDGET</b>                  | <b>\$4,117,688</b>                       | \$3,422,975                       | \$1,528,948       | \$3,001,100       | (\$421,875)  | -12.3%          | \$694,713  | 20.3%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES & EMPLOYEE BENEFITS SUMMARY**

**COMMUNICATIONS**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$1,263,940</b>                       | \$1,242,896                       | \$570,630         | \$1,099,100       | (\$143,796)  | -11.6%          | \$21,044   | 1.7%            |
| <b>Total Agency Temp Salaries</b>   | <b>331,000</b>                           | 56,200                            | 14,451            | 56,200            | 0  | 0.0%            | 274,800  | 489.0%          |
| <b>LACERA Intern Program</b>        | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Employee Benefits (Variable)</b> | <b>870,339</b>                           | 740,334                           | 294,419           | 614,400           | (125,934)  | -17.0%          | 130,005  | 17.6%           |
| <b>Employee Benefits (Other)</b>    | <b>81,012</b>                            | 78,556                            | 36,246            | 77,000            | (1,556)  | -2.0%           | 2,456  | 3.1%            |
| <b>OPEB Contribution</b>            | <b>44,897</b>                            | 41,689                            | 23,077            | 42,700            | 1,011  | 2.4%            | 3,208  | 7.7%            |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>4,500</b>                             | 4,800                             | 1,103             | 4,800             | 0  | 0.0%            | (300)  | -6.3%           |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>3,500</b>                             | 3,500                             | 1,207             | 2,300             | (1,200)  | -34.3%          | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>1,000</b>                             | 1,000                             | 0                 | 0                 | (1,000)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$2,600,188</b>                       | \$2,168,975                       | \$941,134         | \$1,896,500       | (\$272,475)  | -12.6%          | \$431,213  | 19.9%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$2,600,188</b>                       | \$2,168,975                       | \$941,134         | \$1,896,500       | (\$272,475)  | -12.6%          | \$431,213  | 19.9%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

COMMUNICATIONS

2023-2024 BUDGET

| FILLED POSITIONS                              |                            | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|----------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00794A  | CHIEF, COMMUNICATIONS      | 1      | LS10     | 14,164               | 169,970          |                        |                       |                       |
| 00779A  | CREATIVE COORDINATOR       | 2      | 109L     | 19,657               | 235,883          |                        |                       |                       |
| 00784A  | SENIOR WRITER              | 1      | 107K     | 9,950                | 119,403          |                        |                       |                       |
| 00807A  | SENIOR MEDIA ARTIST        | 1      | 105H     | 9,016                | 108,191          |                        |                       |                       |
| 00789A  | MEDIA ARTIST               | 2      | 102C     | 15,465               | 185,579          |                        |                       |                       |
| 00787A  | WEB SUPPORT TECHNICIAN     | 1      | 098E     | 6,369                | 76,427           |                        |                       |                       |
| 00786A  | WRITER II                  | 1      | 098E     | 7,098                | 85,178           |                        |                       |                       |
| POSITIONS                                     |                            | 9      |          |                      | 980,631          |                        |                       |                       |
| VACANT POSITIONS                              |                            | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00784A  | SENIOR WRITER              | 1      | 107K     | 7,796                | 93,550           | 93,550                 |                       |                       |
| 00465A  | PUBLIC INFORMATION OFFICER | 1      | 104C     | 7,568                | 90,820           |                        |                       | 45,410                |
| 00807A  | SENIOR MEDIA ARTIST        | 1      | 105H     | 7,348                | 88,172           |                        |                       | 44,086                |
| 00786A  | WRITER II                  | 1      | 098E     | 6,033                | 72,392           |                        |                       | 36,196                |
| 00426A  | STAFF ASSISTANT I          | 1      | 087E     | 4,543                | 54,515           |                        |                       | 27,257                |
| POSITIONS                                     |                            | 5      |          |                      | 246,499          | 93,550                 | 0                     | 152,949               |
| TOTAL POSITIONS                               |                            | 14     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                            |        |          |                      | 1,227,130        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                            |        |          |                      | 18,407           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                            |        |          |                      | 18,403           |                        |                       |                       |
| BONUS   |                            |        |          |                      | 0                |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                            |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                            |        |          |                      | 1,263,940        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.

Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.

Represented positions shown in blue.

Vacancies are shown at the 1st Step.

\*All amounts rounded to the nearest dollar.

\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES AND SUPPLIES**

**COMMUNICATIONS**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|-------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |             | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$17,600                        | \$4,500                   | \$0        | \$4,400     | (\$100)   | -2.2%    | \$13,100  | 291.1%   |
| POSTAGE                     | 342,200                         | 348,000                   | 183,748    | 363,000     | 15,000  | 4.3%     | (5,800)   | -1.7%    |
| STATIONERY & FORMS          | 981,700                         | 804,500                   | 372,128    | 673,500     | (131,000)   | -16.3%   | 177,200   | 22.0%    |
| OFFICE SUPPLIES & EQUIPMENT | 6,000                           | 6,000                     | 5,801      | 6,000       | 0   | 0.0%     | 0   | 0.0%     |
| PROFESSIONAL & SPEC. SRVCS. | 140,000                         | 47,000                    | 20,566     | 42,000      | (5,000)   | -10.6%   | 93,000  | 197.9%   |
| COMPUTER SERVICES & SUPPORT | 0                               | 14,000                    | 4,931      | 11,600      | (2,400)   | -17.1%   | (14,000)  | -100.0%  |
| EDUCATIONAL EXPENSES        | 29,400                          | 29,400                    | 640        | 3,600       | (25,800)  | -87.8%   | 0   | 0.0%     |
| MISCELLANEOUS               | 600                             | 600                       | 0          | 500         | (100)   | -16.7%   | 0   | 0.0%     |
| TOTAL                       | \$1,517,500                     | \$1,254,000               | \$587,814  | \$1,104,600 | (\$149,400)   | -11.9%   | \$263,500   | 21.0%    |

\*All amounts rounded to the nearest dollar.

**COMMUNICATIONS**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,290,318        | \$966,240          | \$1,242,896        | \$1,099,100        | \$1,263,940        |
| Total Agency Temp Salaries              | 79,600             | 1,213              | 56,200             | 56,200             | 331,000            |
| Employee Benefits (Variable)            | 760,301            | 524,778            | 740,334            | 614,400            | 870,339            |
| Employee Benefits (Other)               | 77,116             | 78,020             | 78,556             | 77,000             | 81,012             |
| OPEB Contribution                       | 37,855             | 36,763             | 41,689             | 42,700             | 44,897             |
| OPEB Contribution (Budget Surplus)      | 0                  | 37,855             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 4,100              | 3,403              | 4,800              | 4,800              | 4,500              |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 3,500              | 866                | 3,500              | 2,300              | 3,500              |
| Rideshare Allowance                     | 1,000              | 0                  | 1,000              | 0                  | 1,000              |
| Transportation Allowance                | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Transportation & Travel                 | 7,500              | 0                  | 4,500              | 4,400              | 17,600             |
| Postage                                 | 300,000            | 250,183            | 348,000            | 363,000            | 342,200            |
| Stationery & Forms                      | 641,500            | 567,123            | 804,500            | 673,500            | 981,700            |
| Office Supplies & Equipment             | 5,000              | 5,393              | 6,000              | 6,000              | 6,000              |
| Professional & Specialized Services     | 62,000             | 30,240             | 47,000             | 42,000             | 140,000            |
| Computer Services & Support             | 14,500             | 3,000              | 14,000             | 11,600             | 0                  |
| Educational Expenses                    | 10,400             | 940                | 29,400             | 3,600              | 29,400             |
| Miscellaneous                           | 600                | 0                  | 600                | 500                | 600                |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$3,295,291</b> | <b>\$2,506,016</b> | <b>\$3,422,975</b> | <b>\$3,001,100</b> | <b>\$4,117,688</b> |

\*All amounts rounded to the nearest dollar.

# DISABILITY LITIGATION

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Our mission is to provide timely and effective legal representation to LACERA in disability retirement, service-connected survivor benefit, and felony forfeiture appeals. The goal of the Disability Litigation Office is to achieve impartial justice based on the facts and the law.

### **INTRODUCTION**

The Disability Litigation Office (DLO) is a legal unit at LACERA that is separate from and independent of the Legal Office. The Disability Litigation Chief Counsel reports directly to the Chief Executive Officer. Established in 1996, the DLO has a staff of four attorneys (3-Senior Staff Counsel; 1-Chief Counsel) and three secretaries (Senior Legal Secretaries). Our main operation consists of litigating appeals that members may file after the Board of Retirement denies any disability retirement or service-connected survivor benefit application. As of February 2022, the DLO began handling Felony Forfeiture appeals, in accordance with the Administrative Appeals Procedures, adopted by the Board of Retirement. With each of the above-noted appeals, DLO provides LACERA and its fund with legal representation at the administrative level before a hearing referee and the Board of Retirement.

### **DIVISION UPDATE**

The DLO continued its high level of performance in 2022, taking advantage of LACERA's advancing remote technology, while also showing a strong in-office presence for hearings and various committee meetings in which the DLO team was actively involved. The DLO is on a hybrid remote-to-office work schedule on a weekly basis.

Our remote operations continue to be seamless, employing MS Teams, OneDrive, and SharePoint, all to be further enhanced with the upcoming roll-out of OneMeeting. We continue to hold hearings remotely or hybrid on Teams as needed and also have enjoyed a robust return to live hearings at LACERA, as the pandemic landscape shifted and transmission rates decreased.

While historically we have been primarily paper-based, our Senior Legal Secretaries have been working tirelessly converting the DLO's existing caseload to digital. To date, 2/3rds of our case files have been digitally scanned (well ahead of our June 2023 conversion project deadline). Additionally, all new appeal files continue to be transmitted electronically from Disability Retirement Services (DRS). This digital conversion has increased the division's productivity immeasurably, as electronic appeal files are accessible remotely through MS OneDrive or SharePoint. This provides attorneys 24/7 access to their case files to conduct discovery, prepare for hearings, and draft legal briefs. Staff also benefits from ready access for scheduling, correspondence, and assisting DLO attorneys conducting discovery and compiling evidence.

Additionally, MS Teams keeps the DLO well-connected and fully informed. The DLO is diligent in conducting monthly staff meetings, where we discuss solutions to streamline business operations, update processes, engage in teambuilding, and education. DLO team members are continuously developing their skills. Team members are taking advantage of Udemy Courses and finessing their presentation skills by sharing lessons learned from those courses with the entire DLO team. In addition to Udemy, one of our attorneys attended a three-month course in Management Essentials through Harvard Online Business School; the invaluable takeaways from which will be presented to the DLO team in 2023. Two of our Senior Legal Secretaries completed training in Power BI, for both career development and increased divisional metrics tracking and presentation. One of our Senior Legal Secretaries completed Scrum training in preparation of the Case Management Solution project. Further, with guidance from Systems, two Senior Legal Secretaries learned how to use MS Visio to create DLO process swimlanes for the Case Management Solution project.

The DLO team was actively involved in the selection of the vendor for the Case Management Solution project. Select DLO staff (1-Senior Staff Counsel and 1-Senior Legal Secretary) are now fully engaged in project development and implementation, mapping the requirements of the DLO's business operations. Once that critical step is complete, the remainder of the DLO staff will be included in the various showcases to observe testing, programming progress, and provide feedback. The purpose of this group effort is to ensure the Case Management Solution best captures and supports the DLO's business operations and workflow from appeal intake to closure and archiving.

The Case Management Solution will place our casefiles at our digital fingertips, replacing manual processes and increasing productivity. Everything from emails to briefs to medical records will be centrally stored and accessed under each Applicant's digital file. With this digital organization, more time may be spent on drafting legal arguments, litigation



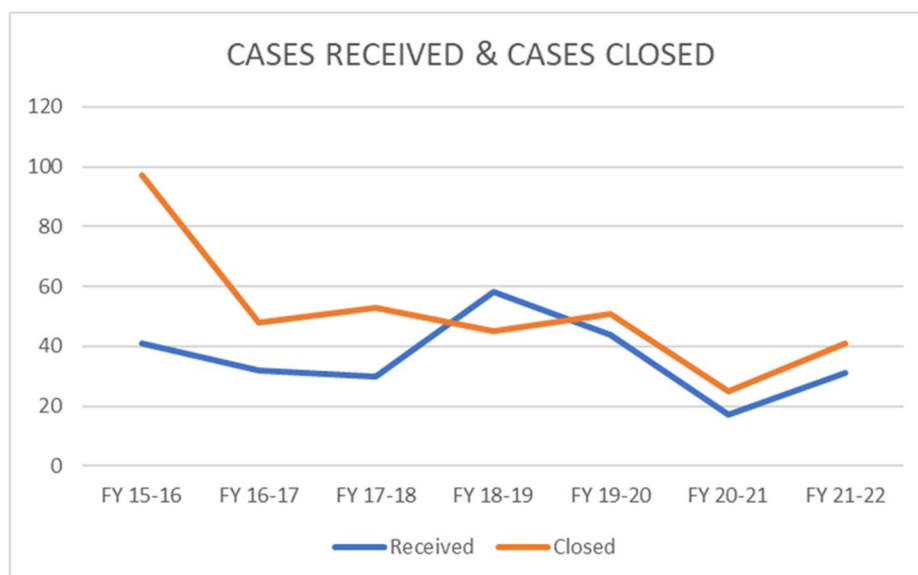
strategy, and legal research than thumbing through volumes of paper to locate a particular piece of supporting evidence or email printed from Outlook.

Increased efficiency will also support the DLO team in its universal effort to participate in LACERA-wide committees. Six of the DLO's members participated in Strategic Planning action planning teams (including Culture, Metrics, and Technology) with three DLO attorneys also working on follow-up teams to hone the various strategic plan objectives. Additionally, two DLO attorneys (Chief and Senior Staff Counsel) are actively participating in LACERA's Policy Committee (including editing LACERA-wide policies). All four attorneys (Chief and Senior Staff Counsels) are engaged in their respective Management Action Committee (MAC) and Supervisors Action Committee (SAC) teams, and regularly share updates from those monthly meetings with staff to foster transparency, teamwork, and productivity. In addition to committees, as day-to-day issues arise, the DLO conscientiously works with its business partners (such as Benefits, Member Services, and Disability Retirement Services) to streamline operations whenever indicated. The DLO is committed to the overall development of LACERA as a whole, well beyond the walls of the DLO suite.

## **INVENTORY OF CASES**

The DLO has 78 active cases as of December 31, 2022. The average age of these active cases is 2 years, 3 months, and 10 days. Under Rule 32 of the Board's *Procedures for Disability Retirement Hearings*, Applicants must bring their cases to hearing within three years from the date the Applicant is notified of the assignment of the referee. Cases do not move forward until the Applicant files a prehearing statement. Respondent's deadline to file its prehearing statement is not triggered until Applicant (the moving party) first files its evidence.

The number of cases the DLO received versus those that have closed from FY 2015-2016 to FY 2021-2022 are demonstrated by the following graph:



Based on statistics from the last three fiscal years, the DLO anticipates it will receive approximately 25-30 regular disability retirement appeals in FY 2023-2024.

The average lifespan for all cases that were closed from 2011 to 2022 was 2 years, 7 months, and 29 days.

### **STAFFING**

There are currently seven budgeted full-time positions in the DLO. No additional staff positions, nor temps, are requested at this time. We are requesting overtime to cover the Senior Legal Secretary who is heavily involved in the Case Management Solution project.

### **SERVICES AND SUPPLIES**

The DLO budget request for services, supplies, travel, and transportation are relatively unchanged from last fiscal year. While we anticipate a slight increase in air travel fees, gas prices continue to decrease.

We are only anticipating one new conflict case in the upcoming fiscal year and have reduced our request for outside counsel funds accordingly.

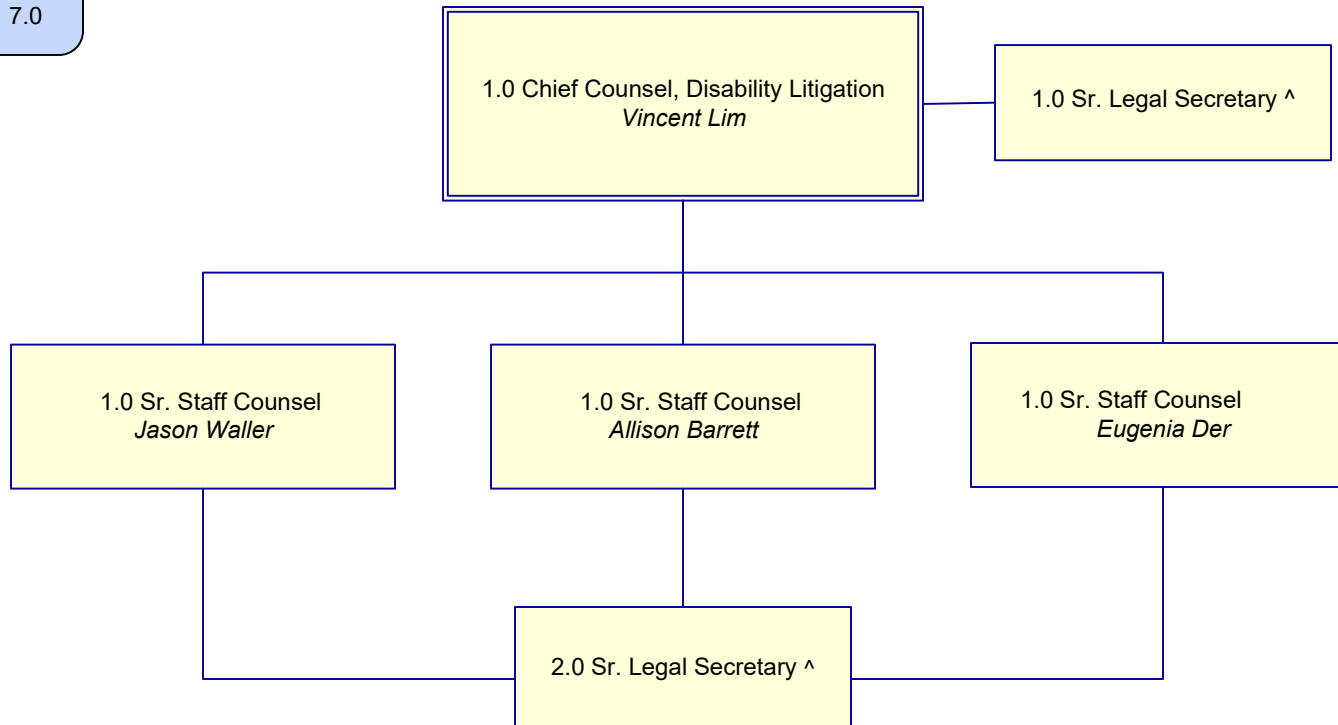
### **FUTURE**

The DLO looks forward to working with its internal business partners in the ongoing move toward a fully electronic operation, to make our business operations and processes more efficient and to enhance employee productivity. We will continue to serve as active participants and subject-matter experts in the development and implementation of the Case Management Solution project; and to wholeheartedly engage in LACERA-wide committees for the advancement of our organization as a whole. We are fully committed to developing our staff with ongoing training in support of their long-term career goals. As always, the DLO will continue its mission of impartial justice -- to provide Applicants with full and fair hearings to ensure each determination on appeal is substantially supported by the facts and the law.

# DISABILITY LITIGATION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 7.0  
2022-2023 Hiring Plan: 7.0  
  
2023-2024 Bud. Pos.: 7.0  
2023-2024 Hiring Plan: 7.0



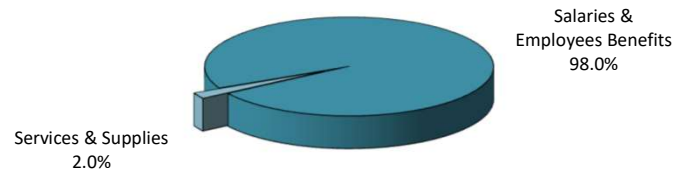
^ Position upgrade from Senior Management Secretary to Senior Legal Secretary as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**DISABILITY LITIGATION**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$2,510,041</b>                       | \$2,353,917                       | \$1,235,121       | \$2,354,700       | \$783  | 0.03%           | \$156,124  | 6.6%            |
| <b>Services &amp; Supplies</b>           | <b>51,100</b>                            | 53,900                            | 15,959            | 47,200            | (6,700)  | -12.4%          | (2,800)  | -5.2%           |
| <b>OPERATING BUDGET</b>                  | <b>\$2,561,141</b>                       | \$2,407,817                       | \$1,251,080       | \$2,401,900       | (\$5,917)  | -0.2%           | \$153,324  | 6.4%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**DISABILITY LITIGATION**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$1,461,729</b>                       | \$1,371,867                       | \$768,933         | \$1,407,800       | \$35,933   | 2.6%            | \$89,862   | 6.6%            |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 9,800                             | 0                 | 0                 | (9,800)  | -100.0%         | (9,800)  | -100.0%         |
| <b>Employee Benefits (Variable)</b> | <b>899,000</b>                           | 832,028                           | 399,448           | 811,200           | (20,828)   | -2.5%           | 66,972   | 8.0%            |
| <b>Employee Benefits (Other)</b>    | <b>93,690</b>                            | 86,707                            | 39,896            | 85,000            | (1,707)  | -2.0%           | 6,983  | 8.1%            |
| <b>OPEB Contribution</b>            | <b>51,923</b>                            | 46,014                            | 26,336            | 48,700            | 2,686  | 5.8%            | 5,909  | 12.8%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>2,800</b>                             | 6,600                             | 508               | 2,000             | (4,600)  | -69.7%          | (3,800)  | -57.6%          |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>900</b>                               | 900                               | 0                 | 0                 | (900)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$2,510,041</b>                       | \$2,353,917                       | \$1,235,121       | \$2,354,700       | \$783  | 0.03%           | \$156,124  | 6.6%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 |  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$2,510,041</b>                       | \$2,353,917                       | \$1,235,121       | \$2,354,700       | \$783  | 0.03%           | \$156,124  | 6.6%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

DISABILITY LITIGATION

2023-2024 BUDGET

| FILLED POSITIONS                              |                                      | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|--------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 09215A  | CHIEF COUNSEL, DISABILITY LITIGATION | 1      | LS18     | 26,415               | 316,985          |                        |                       |                       |
| 09213A  | SENIOR STAFF COUNSEL                 | 3      | LS16     | 64,957               | 779,482          |                        |                       |                       |
| 00441A  | SENIOR LEGAL SECRETARY               | 3      | 101H     | 25,938               | 311,253          |                        |                       |                       |
| POSITIONS                                     |                                      | 7      |          |                      | 1,407,720        |                        |                       |                       |
| VACANT POSITIONS                              |                                      | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| POSITIONS                                     |                                      | 0      |          |                      | 0                |                        |                       |                       |
| TOTAL POSITIONS                               |                                      | 7      |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                      |        |          |                      | 1,407,720        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                      |        |          |                      | 21,116           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                      |        |          |                      | 32,894           |                        |                       |                       |
| BONUS   |                                      |        |          |                      | 0                |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                      |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                      |        |          |                      | 1,461,729        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
[Represented positions shown in blue.](#)  
Vacancies are shown at the 1st Step.  
\*All amounts rounded to the nearest dollar.  
\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**DISABILITY LITIGATION**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| AUTO EXPENSE                | \$2,400                         | \$2,900                   | \$315      | \$2,400    | (\$500)   | -17.2%   | (\$500)   | -17.2%   |
| TRANSPORTATION & TRAVEL     | 7,100                           | 6,500                     | 0          | 5,200      | (1,300)   | -20.0%   | 600   | 9.2%     |
| OFFICE SUPPLIES & EQUIPMENT | 1,800                           | 2,000                     | 127        | 1,800      | (200)   | -10.0%   | (200)   | -10.0%   |
| LEGAL FEES & SERVICES       | 3,000                           | 5,500                     | 0          | 4,500      | (1,000)   | -18.2%   | (2,500)   | -45.5%   |
| EDUCATIONAL EXPENSES        | 36,500                          | 36,500                    | 15,517     | 33,000     | (3,500)   | -9.6%    | 0   | 0.0%     |
| MISCELLANEOUS               | 300                             | 500                       | 0          | 300        | (200)   | -40.0%   | (200)   | -40.0%   |
| TOTAL                       | \$51,100                        | \$53,900                  | \$15,959   | \$47,200   | (\$6,700)   | -12.4%   | (\$2,800)   | -5.2%    |

\*All amounts rounded to the nearest dollar.

**DISABILITY LITIGATION**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,294,960        | \$1,274,122        | \$1,371,867        | \$1,407,800        | \$1,461,729        |
| Total Agency Temp Salaries              | 0                  | 0                  | 9,800              | 0                  | 0                  |
| Employee Benefits (Variable)            | 729,886            | 685,748            | 832,028            | 811,200            | 899,000            |
| Employee Benefits (Other)               | 77,393             | 77,856             | 86,707             | 85,000             | 93,690             |
| OPEB Contribution                       | 37,991             | 44,717             | 46,014             | 48,700             | 51,923             |
| OPEB Contribution (Budget Surplus)      | 0                  | 37,991             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 0                  | 0                  | 6,600              | 2,000              | 2,800              |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 0                  | 0                  | 0                  | 0                  | 0                  |
| Rideshare Allowance                     | 900                | 0                  | 900                | 0                  | 900                |
| Transportation Allowance                | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Auto Expenses                           | 3,000              | 1,498              | 2,900              | 2,400              | 2,400              |
| Transportation & Travel                 | 6,800              | 4,378              | 6,500              | 5,200              | 7,100              |
| Office Supplies & Equipment             | 1,500              | 1,652              | 2,000              | 1,800              | 1,800              |
| Legal Fees & Services                   | 7,500              | 46                 | 5,500              | 4,500              | 3,000              |
| Educational Expenses                    | 33,000             | 33,523             | 36,500             | 33,000             | 36,500             |
| Miscellaneous                           | 700                | 0                  | 500                | 300                | 300                |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$2,193,630</b> | <b>\$2,161,531</b> | <b>\$2,407,817</b> | <b>\$2,401,900</b> | <b>\$2,561,141</b> |

\*All amounts rounded to the nearest dollar.



# DISABILITY RETIREMENT SERVICES

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

To administer the LACERA disability retirement program in an equitable, timely, accurate, and courteous manner consistent with applicable laws, policies, and procedures.

### **INTRODUCTION**

The Disability Retirement Services Division (DRS) is responsible for investigating and evaluating disability retirement applications submitted by active, retired, and deferred members of LACERA, as well as survivor- and employer-filed applications. Staff presents recommendations to the Board of Retirement, which is the governing board responsible for adjudicating each application. Staff also administers the disability appeals process in conjunction with Disability Litigation and serves as the official Custodian of Record for all disability retirement files. This role requires Disability Retirement Services to act as the Clerk of the Board in administrative hearings.

Additionally, our division contracts for professional services for both the investigation and appeals processes, including panel physicians, referees, copy services, court reporters, job analysts, investigative services, and outside legal counsel.

Our division is purpose-driven and people-focused. We recognize that we serve a vulnerable population. Members who file for disability are uniquely situated, as they must navigate a complex system that requires them to know and understand their rights and responsibilities to make informed decisions about benefit options. These benefits are not exclusively related to disability retirement or LACERA. Our staff and membership must often understand complicated benefit structures related to workers' compensation, short- or long-term disability, Social Security, and the interplay between each benefit. They must also understand and have an awareness of the Americans with Disabilities Act (ADA) and

California's Fair Employment and Housing Act (FEHA) laws as they request accommodations from their employer and actively participate in the interactive process.

To provide our membership with a superior member experience, DRS recognizes that a high level of engagement is often required. Disability Retirement is ultimately a high-touch process with nuanced decision-making points.

Our objective is to educate our people, members, plan sponsor, vendors, and business partners. Education will be done through formal training, coaching, and counseling through hands-on and lived experiences, and through frequent and ongoing feedback. DRS will do this to empower all vested parties and execute our mission.

Finalization of the case management system (CMS) implementation will be vital to our future success as we strive to achieve our objective by leveraging our new tool while also expanding capacity and adding staff to support the investigation process.

## **DIVISION UPDATE**

### **Case Management**

With the implementation of our CMS, called Sol, by the end of FY 2022-23, DRS will be well positioned to begin tackling the increasing workload and future challenges discussed below.

As a software tool, Sol is being designed to better manage the lifecycle of a case. It automates manual processes, streamlines workflows, and provides greater access to data. The access to data will facilitate collaboration, as it will make information easily accessible to our team members. As a result, it will assist our team in making decisions on how to optimize workflows and increase the overall efficiency of the division and organization, which will directly impact service delivery to our members.

Additional benefits of Sol are listed below:

- Reduce/contain processing time
- Improve accuracy of data
- Improve supervisory oversight
- Improve claim development

The benefits of Sol will ultimately save LACERA time and money through improved efficiency and accuracy. Prior to Sol, most DRS business processes were manually performed. Not only is that time consuming, but there is also an increased chance of error. With Sol, processing time will be reduced through automation, such as automatic generation of letters and Board agendas and partial automation of assembling board packets. Currently, DRS staff may need to search through multiple databases for information about a claim, which is time consuming. With Sol, the information will be consolidated in one location. In addition, data automatically captured by Sol will assist

with metrics and reporting, whereas currently, data for reports needs to be manually gathered and inputted. As a result, staff will be able to generate more specific reports more quickly than ever before.

Sol will also provide increased accuracy. Each business process is automatically tracked in the system. That will allow the investigator or supervisor to access both the detailed and high-level views of the work being performed. Furthermore, DRS's business processes will be programmed in Sol. As a result, the system will assist staff by making sure every business step is performed, reducing the chances for error. Sol's automatic notification features will also alert staff about case issues as they arise, which will reduce delays in processing claims. These benefits and more from Sol will allow greater visibility in DRS's process, which will allow us to make well informed decisions and improve organizational performance.

Although Sol will improve efficiency and accuracy, it cannot reduce headcount due to the high-touch and sensitive nature of the work performed in DRS, which requires a personal touch.

Currently, DRS has three supervisors who are dedicated to project development and implementation of Sol. Once Sol is near completion, approximately a third of the division will be involved in user testing. Finally, during deployment of Sol, the entire division will receive ongoing training as the team transitions to the new CMS.

## **My LACERA**

The future state of LACERA and our focus on the member experience, related journeys, and omnichannel approach includes a robust self-service option on My LACERA. With the soft launch of the online disability retirement application on September 8, 2022, DRS is excited to leverage the use of technology to engage our membership in the most meaningful and effective way. This self-service option may be a matter of preference or convenience for the member, who can complete their application from the comfort of their home and at their own pace. It has also allowed the DRS intake team to have real-time tracking and monitoring, so we are able to proactively reach out to any member and offer guidance and support. This type of visibility is not available to our team with a paper application.

## **STAFF DEVELOPMENT AND SUCCESSION PLANNING**

DRS recognizes the importance of staff development and succession planning. Our focus this fiscal year will be on building the infrastructure to support the implementation of a career path for administrative support staff, which includes finalizing the new classification titled Disability Retirement Support Specialist I.

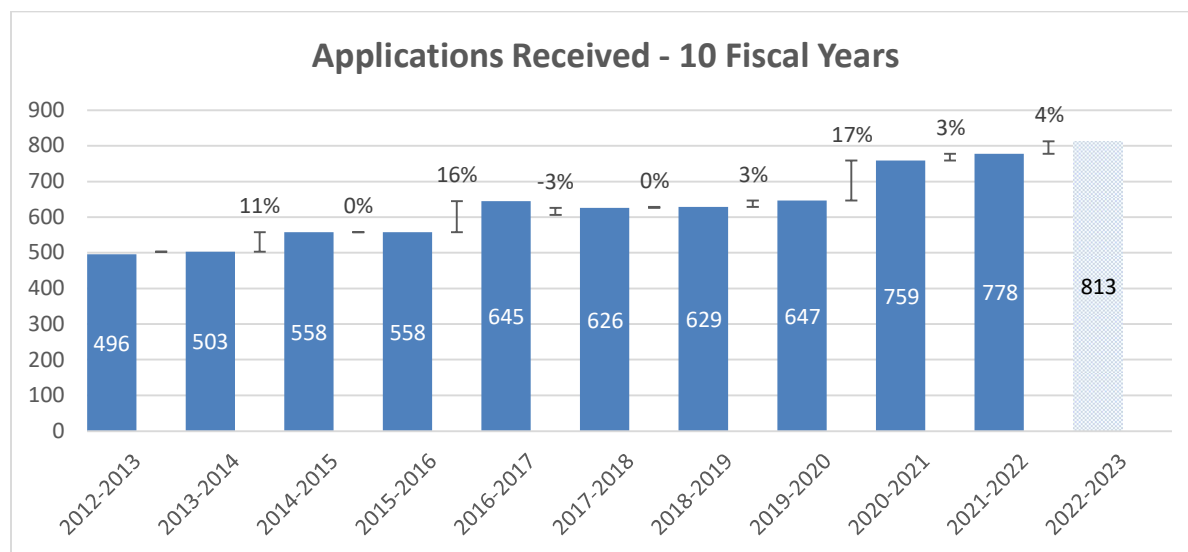
DRS continues to develop staff through our administrative support staff training opportunity, which allows staff to learn how to investigate applications for disability retirement and provides additional staff to help process cases.

We strive to cross train our team and leverage tools like Udemy to design and deliver customized training to support and encourage employee development and preserve institutional knowledge. This is vital as a third of our leadership team will become retirement ready in the next decade.

In the next fiscal year, DRS will look at reorganizing the team to create a Member Care and Administrative Section and consolidate our core business functions of case processing and agenda management under one Section Head. This will require an additional level of leadership and oversight to ensure the integrity of processes and the quality of case management continue as we expand capacity and focus on the member experience.

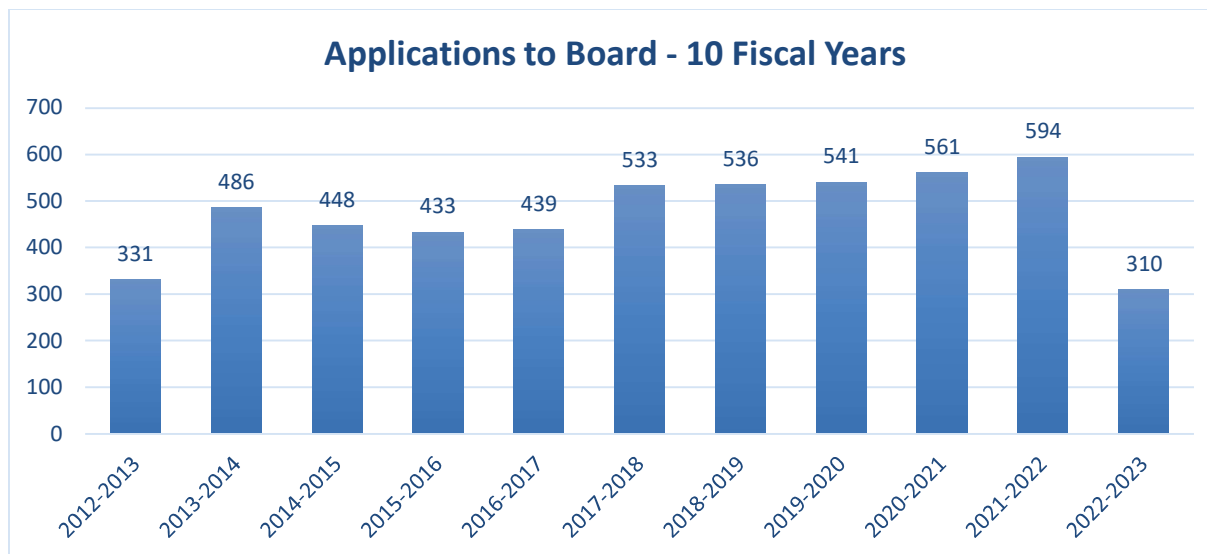
### **DISABILITY RETIREMENT CASE INVENTORY AND TRENDS**

There continues to be an upward trend in the number of disability retirement applications received annually. To date, we received approximately 57 percent more cases than we did in FY 2012-13 with an annual average increase of approximately 4.6 percent. Consequently, our current pending caseload is a record 881 cases.



2022-2023 – Projection based on 4.6% average growth rate

Our average annual case production over the last five years is 553. In FY 2021-22, our case production increased by 6 percent from the previous fiscal year, with staff adjudicating 594 total cases.



When fully staffed, DRS case processing capacity is 672 cases. Although we are operating at near capacity given our vacancy rate and staff leave of absences, we are unable to keep pace with the continual increase in incoming applications.

## **STAFFING**

Given this increasing and complex workload, DRS is requesting additional staff this year to expand case processing capacity. DRS currently has 41 budgeted full-time positions. We are requesting three additional team members at the Senior Disability Retirement Specialist level to expand capacity and contain processing time. This would result in 44 budgeted full-time positions.

A focus on continuous improvement, changes to our organizational structure, and modification to policy and procedures allowed DRS to increase productivity over the last decade; however, we remain unable to keep pace with the steady increase of disability retirement application filings.

Factually and anecdotally, this steady increase has several contributing factors:

| Contributing Factors | Commentary  |
|----------------------|---|
| Aging Population     | <p>By 2030, every Baby Boomer will be age 65 or older, which means that one out of every five U.S. citizens will be of retirement age.</p> <p>Meola, A. (2022, April 21). US Aging Population Problems &amp; Healthcare Issues. Insider Intelligence. <a href="https://www.insiderintelligence.com/insights/aging-population-healthcare/">https://www.insiderintelligence.com/insights/aging-population-healthcare/</a></p> |
| PEPRA                | <p>As of January 1, 2023, all LACERA members are now in contributory plans and eligible to apply for disability retirement. Population filing has quadrupled since 2017.</p>  |

|                         |  |
|-------------------------|--|
| Cultural Climate/Shifts | <ul style="list-style-type: none"> <li>• <b>Civil Unrest:</b> Safety member filings have increased by 31 percent since 2019.</li> <li>• <b>Increasing mental health crises</b> and related disability: Psychiatric claims are more challenging to process.</li> <li>• <b>COVID-19</b></li> </ul> |
| Plan Sponsor            | The newly implemented disability compliance framework has resulted in increased employer-filed applications, counseling, coordination, and education of department personnel.  |

More challenges lie ahead with anticipated workload increases and necessary collaboration with the plan sponsor as they continue to implement their newly designed disability compliance framework. DRS anticipates a substantial increase in disability applications as the departments aggressively review their employees who are on long-term leave and in accommodated positions. DRS management and the Legal team have met with L.A. County DHR and their vendor on several occasions to discuss the impact of the changes being made to the County's former Return to Work Program. The newly minted disability compliance framework will require LACERA to educate department personnel via regular and ongoing outreach as they file for disability retirement, request salary supplements, and discuss accommodation issues at both the department and Countywide level. The level of member interaction and education will also increase. Contact will need to be established early and maintained often to ensure the member is well informed before making decisions that will impact their employment relationship with the County, including salary and healthcare as well as other benefit entitlements mentioned above. This will require an additional focus on member care from the onset of the application process.

With the implementation of Sol by the end of FY 2022-23, DRS will be well positioned to begin tackling the increasing workload and future challenges. As we continue to embrace a growth mindset of continuous improvement, we also want to look beyond the next couple of years and well into the future, with a goal of processing 60 cases per month with 75 percent being processed within 12 months.

In addition to the Sol implementation and streamlining efforts, the proposed staffing plan will facilitate our goal accomplishment. In summation, staff is requesting a total of three new positions in FY 2023-24 to expand capacity.

## Overtime

Last fiscal year the Executive Office and Human Resources approved a proposed pilot training opportunity for administrative support staff, which will continue in FY 2023-24 due to its success. As mentioned above, this program is also vital to staff development and succession planning. Overtime is needed for staff to successfully participate in the pilot program.

Additionally, DRS supervisors will be required to work overtime to ensure a successful implementation of our CMS.

The table below illustrates the overtime budget needed for:

- Administrative support staff participating in the pilot training opportunity
- Subject matter experts for the CMS implementation project
- Projected overtime for meeting operational and administrative deadlines, including generating statistics and special projects

| Position  | No. Staff | Total Hours Year | Total             |
|---|-----------|------------------|-------------------|
| Staff Assistant II (Pilot)  | 2         | 600              | \$ 35,300         |
| Senior Typist Clerk (Pilot)   | 1         | 300              | \$ 12,300         |
| SME Supervisor (Case Management)  | 5         | 500              | \$ 43,100         |
| Sr. Administrative Assistant (Deadlines, Statistics and Special Projects) | 1         | 120              | \$ 6,700          |
| Senior DRS (Case Processing)  | 1         | 80               | \$ 6,200          |
| <b>TOTAL</b>  |           | <b>1,600</b>     | <b>\$ 103,600</b> |

### Agency Temps

DRS currently has vacancies and is requesting two agency-temporary positions to support the administrative support staff participating in the pilot training opportunity and due to the increase in applications received at intake.

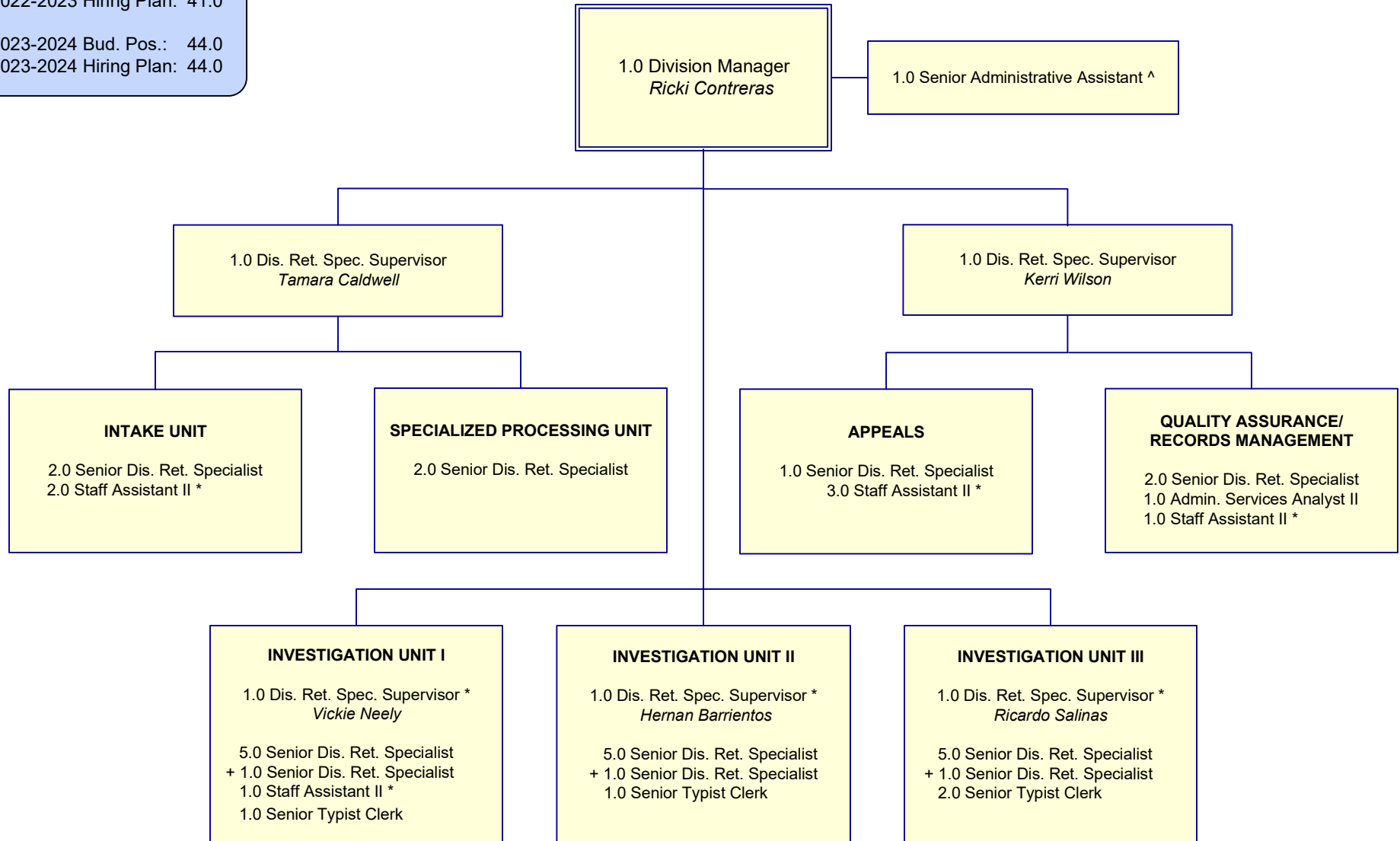
### SERVICES AND SUPPLIES

The DRS budget request for services, supplies, travel, and transportation are relatively unchanged from last fiscal year.

# DISABILITY RETIREMENT

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 41.0  
 2022-2023 Hiring Plan: 41.0  
 2023-2024 Bud. Pos.: 44.0  
 2023-2024 Hiring Plan: 44.0



+ Added position

\* Classification and/or compensation study requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

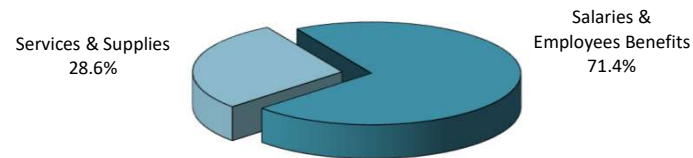


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**DISABILITY RETIREMENT**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |             |              | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |          | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |          |
|--|--|-----------------------------------|-------------|--------------|--|----------|--|----------|
|  |  | YTD                               |             |              | OVER/(UNDER)   |          |  |          |
|  |  | BUDGET                            | (01-31-23)  | PROJECTION   | BUDGET   | % CHANGE | \$ CHANGE  | % CHANGE |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$8,428,093</b>                       | \$7,514,693                       | \$3,841,453 | \$7,453,500  | (\$61,193)   | -0.81%   | \$913,400  | 12.2%    |
| <b>Services &amp; Supplies</b>           | <b>3,369,000</b>                         | 3,425,100                         | 1,838,166   | 3,049,600    | (375,500)  | -11.0%   | (56,100)   | -1.6%    |
| <b>OPERATING BUDGET</b>                  | <b>\$11,797,093</b>                      | \$10,939,793                      | \$5,679,619 | \$10,503,100 | (\$436,693)  | -4.0%    | \$857,300  | 7.8%     |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**DISABILITY RETIREMENT**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   | <b>PROJECTION</b> | <b>OVER/(UNDER)</b>  |                 | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> |                   | <b>BUDGET</b>  | <b>% CHANGE</b> |  |                 |
| <b>Total LACERA Salaries</b>        | <b>\$4,579,337</b>                       | \$4,134,839                       | \$2,282,758       | \$4,283,200       | \$148,361  | 3.6%            | \$444,498  | 10.8%           |
| <b>Total Agency Temp Salaries</b>   | <b>138,100</b>                           | 129,000                           | 29,070            | 77,400            | (51,600)   | -40.0%          | 9,100  | 7.1%            |
| <b>Employee Benefits (Variable)</b> | <b>3,140,378</b>                         | 2,675,028                         | 1,263,799         | 2,568,600         | (106,428)  | -4.0%           | 465,350  | 17.4%           |
| <b>Employee Benefits (Other)</b>    | <b>293,514</b>                           | 261,338                           | 120,449           | 256,200           | (5,138)  | -2.0%           | 32,176   | 12.3%           |
| <b>OPEB Contribution</b>            | <b>162,664</b>                           | 138,688                           | 95,857            | 177,000           | 38,312   | 27.6%           | 23,976   | 17.3%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>103,600</b>                           | 165,300                           | 47,736            | 88,200            | (77,100)   | -46.6%          | (61,700)   | -37.3%          |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>6,000</b>                             | 6,000                             | 1,784             | 2,900             | (3,100)  | -51.7%          | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>4,500</b>                             | 4,500                             | 0                 | 0                 | (4,500)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$8,428,093</b>                       | \$7,514,693                       | \$3,841,453       | \$7,453,500       | (\$61,193)   | -0.8%           | \$913,400  | 12.2%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$8,428,093</b>                       | \$7,514,693                       | \$3,841,453       | \$7,453,500       | (\$61,193)   | -0.81%          | \$913,400  | 12.2%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

DISABILITY RETIREMENT

2023-2024 BUDGET

| FILLED POSITIONS                            | # POS. | SCHEDULE | ACTUAL<br>MO. RATE | ANNUAL<br>AMOUNT |
|---|--------|----------|--------------------|------------------|
| 00773A DIVISION MANAGER                     | 1      | LS12     | 17,116             | 205,394          |
| 01643A DISABILITY RETIRE. SPECIALIST SUPV.  | 5      | 109A     | 52,785             | 633,420          |
| 01632A SENIOR DISABILITY RETIRE. SPECIALIST | 21     | 105A     | 195,404            | 2,344,853        |
| 00420A ADMINISTRATIVE SERVICES ANALYST II   | 1      | 96C      | 8,045              | 96,538           |
| 00427A STAFF ASSISTANT II                   | 6      | 94L      | 42,863             | 514,360          |
| 00439A SENIOR ADMINISTRATIVE ASSISTANT      | 1      | 93A      | 6,840              | 82,080           |
| 00446A SENIOR TYPIST CLERK                  | 4      | 81H      | 21,254             | 255,049          |

POSITIONS 39 4,131,695

| VACANT POSITIONS                            | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
|---|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 01632A SENIOR DISABILITY RETIRE. SPECIALIST | 4      | 105A     | 7,221                | 86,652           |                        | 259,956               |                       |
| 00427A STAFF ASSISTANT II                   | 1      | 94L      | 5,493                | 65,912           |                        |                       | 32,956                |
|   |        |          |                      |                  | 0                      | 259,956               | 32,956                |

POSITIONS 5 292,912

TOTAL POSITIONS 44

GROSS SALARIES 4,424,607

ANTICIPATED MOU SALARY INCREASE\*\* 66,369

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 17,378

BONUS 70,984

120-DAY RETIREE(S) 0

TOTAL SALARIES 4,579,337

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
Represented positions shown in blue.  
Vacancies are shown at the 1st Step.  
\*All amounts rounded to the nearest dollar.  
\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**DISABILITY RETIREMENT**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |             |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|-------------|-------------|---|----------|---|----------|
|                             |                                 | YTD                       |             |             | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23)  | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | <b>\$7,700</b>                  | \$8,000                   | \$791       | \$5,500     | (\$2,500)   | -31.3%   | (\$300)   | -3.8%    |
| OFFICE SUPPLIES & EQUIPMENT | <b>5,000</b>                    | 5,800                     | 561         | 5,000       | (800)   | -13.8%   | (800)   | -13.8%   |
| PROFESSIONAL & SPEC. SRVCS. | <b>235,000</b>                  | 230,000                   | 69,196      | 230,000     | 0   | 0.0%     | 5,000   | 2.2%     |
| LEGAL FEES & SERVICES       | <b>20,000</b>                   | 25,000                    | 3,846       | 20,000      | (5,000)   | -20.0%   | (5,000)   | -20.0%   |
| DISABILITY FEES & SERVICES  | <b>3,090,300</b>                | 3,145,300                 | 1,763,571   | 2,780,600   | (364,700)   | -11.6%   | (55,000)  | -1.7%    |
| EDUCATIONAL EXPENSES        | <b>10,700</b>                   | 10,700                    | 202         | 8,200       | (2,500)   | -23.4%   | 0   | 0.0%     |
| MISCELLANEOUS               | <b>300</b>                      | 300                       | 0           | 300         | 0   | 0.0%     | 0   | 0.0%     |
| TOTAL                       | <b>\$3,369,000</b>              | \$3,425,100               | \$1,838,166 | \$3,049,600 | (\$375,500)   | -11.0%   | (\$56,100)  | -1.6%    |

\*All amounts rounded to the nearest dollar.

**DISABILITY RETIREMENT**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023            |                     | Proposed            |
|---|--------------------|--------------------|---------------------|---------------------|---------------------|
|   | Budget             | Actual             | Budget              | Projection          | Budget              |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                     |                     |                     |
| Total LACERA Salaries                   | \$3,971,485        | \$3,692,430        | \$4,134,839         | \$4,283,200         | \$4,579,337         |
| Total Agency Temp Salaries              | 143,000            | 43,941             | 129,000             | 77,400              | 138,100             |
| Employee Benefits (Variable)            | 2,467,442          | 2,167,881          | 2,675,028           | 2,568,600           | 3,140,378           |
| Employee Benefits (Other)               | 237,356            | 240,036            | 261,338             | 256,200             | 293,514             |
| OPEB Contribution                       | 116,515            | 147,811            | 138,688             | 177,000             | 162,664             |
| OPEB Contribution (Budget Surplus)      | 0                  | 116,515            | 0                   | 0                   | 0                   |
| Stipends                                | 0                  | 0                  | 0                   | 0                   | 0                   |
| Overtime                                | 16,100             | 43,275             | 165,300             | 88,200              | 103,600             |
| Bilingual Bonus                         | 0                  | 0                  | 0                   | 0                   | 0                   |
| Sick Leave Buyback                      | 6,000              | 3,429              | 6,000               | 2,900               | 6,000               |
| Rideshare Allowance                     | 4,500              | 0                  | 4,500               | 0                   | 4,500               |
| Transportation Allowance                | 0                  | 0                  | 0                   | 0                   | 0                   |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                     |                     |                     |
| Transportation & Travel                 | 8,000              | 1,970              | 8,000               | 5,500               | 7,700               |
| Office Supplies & Equipment             | 6,000              | 311                | 5,800               | 5,000               | 5,000               |
| Professional & Specialized Services     | 224,500            | 271,335            | 230,000             | 230,000             | 235,000             |
| Legal Fees & Services                   | 20,000             | 19,219             | 25,000              | 20,000              | 20,000              |
| Disability Fees & Services              | 2,665,500          | 2,252,937          | 3,145,300           | 2,780,600           | 3,090,300           |
| Educational Expenses                    | 10,700             | 4,364              | 10,700              | 8,200               | 10,700              |
| Miscellaneous                           | 300                | 0                  | 300                 | 300                 | 300                 |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$9,897,398</b> | <b>\$9,005,456</b> | <b>\$10,939,793</b> | <b>\$10,503,100</b> | <b>\$11,797,093</b> |

\*All amounts rounded to the nearest dollar.

# EXECUTIVE OFFICE

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

To provide the vision and direction to the LACERA organization utilizing people, systems, policies, and processes for the purpose of implementing LACERA's mission to produce, protect, and provide the promised benefits.

### **INTRODUCTION**

The Executive Office, with broad oversight from the Boards of Retirement and Investments, sets the organizational vision and provides direction to staff to effectively implement LACERA's mission—to produce, protect, and provide the promised benefits. The Executive Office seeks to simplify and improve how LACERA's mission is achieved through its people, systems, policies, and processes.

### **FY 2022-2023 ACCOMPLISHMENTS**

The Executive Office's focus in FY 2022-23 was on simplifying and improving LACERA's most basic operational and administrative processes to serve our members more effectively and efficiently. Much of the work we spearheaded is highlighted in various divisions, but some additional highlights are reflected below:

#### **Return to Office/Hybrid Work Environment**

After more than two years since the COVID-19 pandemic upended the way we perform our work and provide services to our members, LACERA transitioned to a hybrid work environment, made possible by the development and implementation of a Telework Policy. While we are still working on the optimal balance of remote and office days, we now have the ability to grant greater flexibility for staff and encourage in-person

collaboration and connection with professional colleagues, while maintaining productivity and service levels.

### **OneMeeting**

We have successfully transitioned our Board management software solution from BoardVantage to OneMeeting (formerly PrimeGov), allowing for significant efficiencies, including agenda and meeting material development, accurate recording of motions and votes, and development of meeting minutes.

### **Hiring Plan and Transparency**

After extensive collaboration with division managers, we have developed a comprehensive hiring plan strategy that aggressively leverages limited available resources to attack our high vacancy rate and better serve our internal customers. This plan has been shared with staff and the Boards, and the status of exams is now available for staff and managers on LACERA Connect and updated monthly. Additionally, the Human Resources Division completed its draft of a comprehensive hiring guide for LACERA managers. The final draft is expected to be completed and fully implemented in the current fiscal year and will ensure that all division managers understand LACERA's hiring process and the county, state and federal requirements.

### **Strategic Plan**

With the assistance of an outside consultant, the Executive Office solicited extensive feedback from staff, the Board, our plan sponsors, and all members via forums and surveys as part of our strategic planning process. The proposed strategic priorities will be discussed during our Board of Retirement Offsite Committee meeting scheduled in February, and we expect Board adoption in April, allowing us to focus on implementation in FY 2023-24.

### **Case Management**

After an extensive needs assessment and solicitation process, LACERA selected a vendor to implement the first three phases of our Case Management System and we are on target to complete this first phase this fiscal year. This solution's impact on our manual processes will be transformational.

### **Policy Development**

To ensure LACERA policies are developed and implemented in a timely and consistent manner and reviewed regularly, the Executive Office developed a Policy Committee that established a Policy on Policies and a review process. This committee also ensures that new or revised policies are shared with staff and published on LACERA Connect.

## **PROPOSED FY 2023/2024 ACTIVITIES**

In FY 2023-24, the Executive Office will be focusing on implementing the strategic plan and continuing to emphasize the importance of elevating the maturity of LACERA's administrative operations. Management will be supporting staff in each of our strategic priorities and will continue to focus on improving and simplifying how we do our work to achieve our mission to produce, protect and provide the promised benefits to our members.

## **STAFFING**

No new permanent positions are requested for the Executive Office in FY 2023-24; however, the office does plan to engage an intern for the first time. While the specific work plan for an intern is yet to be determined, the intent is to provide an opportunity for a student to gain exposure to retirement plan administration, general management, and the vast array of employment options the County of Los Angeles offers. Providing this exposure helps our Diversity, Equity and Inclusion (DEI) efforts and offers insight into how to prepare LACERA to adapt to the needs and desires of future Generation Z employees.

Currently, the Special Assistant position created in FY 2021-22 is vacant, and recruitment is expected by December 31, 2023. Therefore, only six months funding is included for this position.

The Information Security Office was created in FY 2021-22 to separate information security functions from Systems Division and was filled with temporary IT security professionals. Recruitment is currently underway for the Information Security Officer position, which supervises the group, and it is expected to be filled by a permanent staff member in the current fiscal year. Based on the current hiring plan, it is anticipated that recruitments will be completed for three of the four remaining staff positions by December 2023. Funding for permanent and temporary staffing have been adjusted to reflect this hiring plan.

## **SERVICES AND SUPPLIES**

The Executive Office has outlined its needs for services and supplies in FY 2023-24, which total \$671,800—a decrease of \$255,300 from the FY 2022-23 Adopted Budget of \$927,100. Additional details are outlined below.

**Transportation and Travel:** The Executive Office plans to increase funding for transportation and travel by \$27,800 in FY 2023-24, from \$22,000 to \$49,800. For the past several years, travel has been limited due to the COVID-19 pandemic. However, as we fully transition to the endemic phase, travel associated with training and due diligence is expected to fully resume. Executive Office management staff will be participating in



several educational conferences, including IFEBP, SACRS, CALAPRS, as well as the Milken Institute and Wharton School. Additionally, the Information Security team will be participating in educational conferences, BlackHat, and RSA. This training and education is critical to ensure LACERA executives and Information Security staff keep abreast of industry trends and advancements. Some members of the Executive Office, including the Information Security Office, may also be required to travel for due diligence purposes.

**Professional and Specialized Services:** The Executive Office utilizes a variety of professional and specialized services. For FY 2023-24, funding totaling \$517,000 is requested, a decrease of \$317,800 from FY 2022-23. Funding adjustments are outlined by category below:

*Strategic Planning:* One-time funding for strategic planning is expected to decrease from \$321,000 in FY 2022-23 to \$25,000 in FY 2023-24. The major work associated with this initiative will be complete, but a small contingency amount of \$25,000 is proposed to continue to address ad hoc work related to strategic planning that may be required throughout the fiscal year.

*Public and Media Relations:* Funding totaling \$250,000 is requested. The FY 2022-23 budget includes \$125,000 for public and media relations and expects to expend approximately \$100,000. The Executive Office plans to maintain funding totaling \$100,000 for general public and media relations activities and seeks to provide an additional \$150,000 for services that specialize in investments and/or financial services to be expended on an as-needed basis.

*Software and Subscriptions:* The Information Security Office requires funding totaling \$62,000, an increase of \$25,000 over FY 2022-23 for threat intelligence services. Additionally, the Information Security Office collaborated with Systems Division and recommended mail gateway security enhancements to be included in the Systems Division budget.

*Security Assessment:* Funding for annual penetration testing is estimated to remain flat at approximately \$100,000.

*Improvement Projects:* Funding for ad hoc improvement projects that may be necessary to implement audit findings and/or strategic planning initiatives remains flat at \$80,000.

**Educational Expenses:** Funding totaling \$78,500 for professional memberships, registrations fees, and educational materials is requested for FY 2023-24. This represents an increase of \$34,500. Participation at professional conferences has been greatly

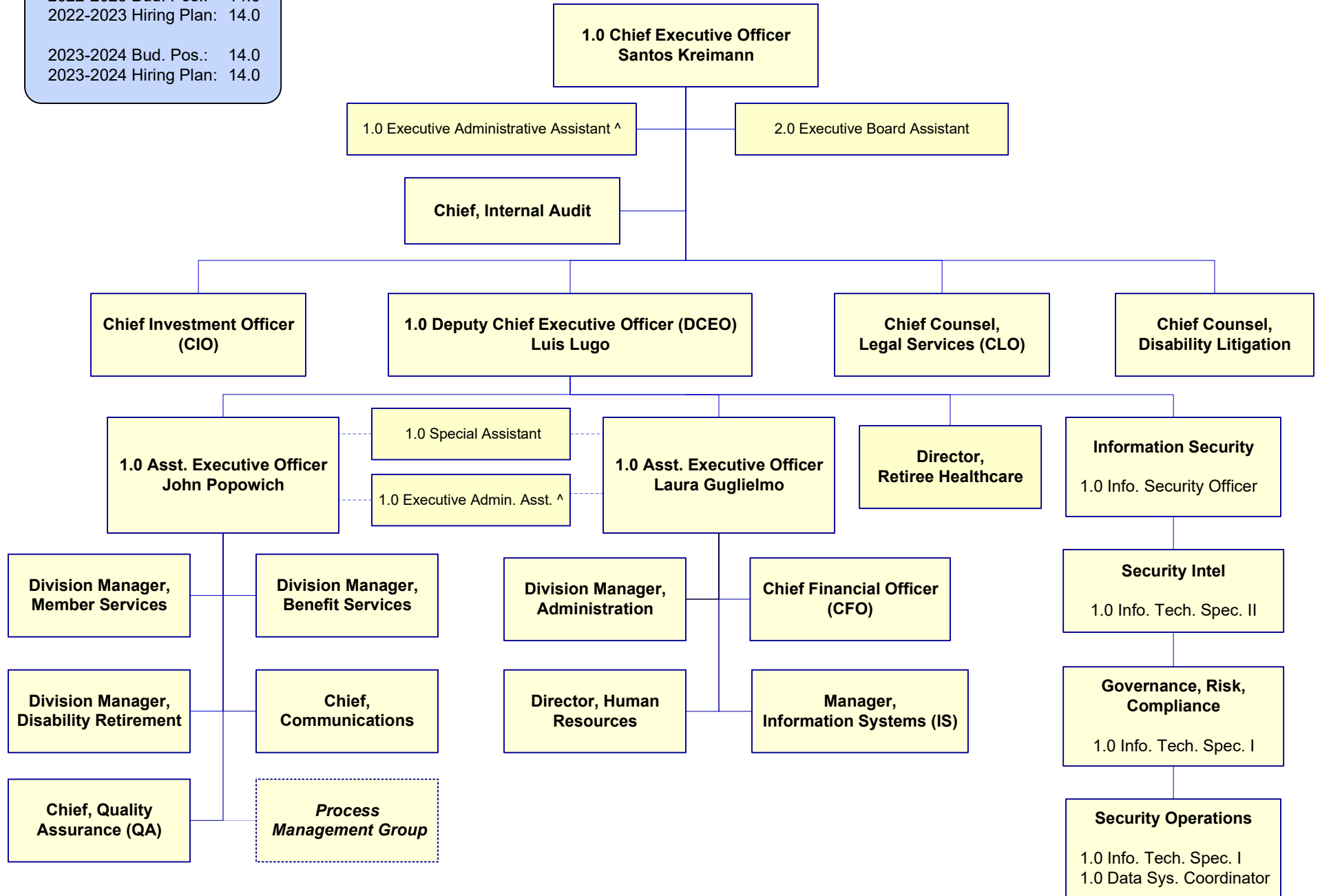
curtailed as a result of the COVID-19 pandemic, and it is crucial that executives and information security professionals maintain and enhance their industry-specific training and affiliations.

# EXECUTIVE OFFICE

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 14.0  
2022-2023 Hiring Plan: 14.0

2023-2024 Bud. Pos.: 14.0  
2023-2024 Hiring Plan: 14.0



^ Position upgrade from Executive Secretary to Executive Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

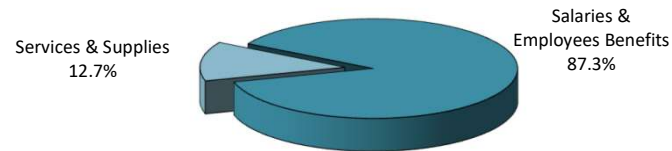
Added new division "Process Management Group" (pending)

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**EXECUTIVE OFFICE**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$4,604,615</b>                       | \$4,467,051                       | \$2,228,171       | \$4,222,100       | (\$244,951)  | -5.5%           | \$137,564  | 3.1%            |
| <b>Services &amp; Supplies</b>           | <b>671,800</b>                           | 927,100                           | 401,406           | 871,900           | (55,200)   | -6.0%           | (255,300)  | -27.5%          |
| <b>OPERATING BUDGET</b>                  | <b>\$5,276,415</b>                       | \$5,394,151                       | \$2,629,577       | \$5,094,000       | (\$300,151)  | -5.6%           | (\$117,736)  | -2.2%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**EXECUTIVE OFFICE**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$2,218,354</b>                       | \$1,939,134                       | \$934,336         | \$1,784,800       | (\$154,334)  | -8.0%           | \$279,220  | 14.4%           |
| <b>Total Agency Temp Salaries</b>   | <b>645,200</b>                           | 1,129,700                         | 657,542           | 1,129,700         | 0  | 0.0%            | (484,500)  | -42.9%          |
| <b>Employee Benefits (Variable)</b> | <b>1,418,876</b>                         | 1,106,359                         | 507,348           | 1,046,400         | (59,959)   | -5.4%           | 312,517  | 28.2%           |
| <b>Employee Benefits (Other)</b>    | <b>142,186</b>                           | 130,567                           | 60,078            | 128,000           | (2,567)  | -2.0%           | 11,619   | 8.9%            |
| <b>OPEB Contribution</b>            | <b>78,799</b>                            | 69,290                            | 31,312            | 57,900            | (11,390)   | -16.4%          | 9,509  | 13.7%           |
| <b>Stipends</b>                     | <b>65,000</b>                            | 65,000                            | 25,653            | 51,400            | (13,600)   | -20.9%          | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>27,600</b>                            | 25,600                            | 11,902            | 23,900            | (1,700)  | -6.6%           | 2,000  | 7.8%            |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>1,400</b>                             | 1,400                             | 0                 | 0                 | (1,400)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>7,200</b>                             | 0                                 | 0                 | 0                 | 0  | 0.0%            | 7,200  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$4,604,615</b>                       | \$4,467,051                       | \$2,228,171       | \$4,222,100       | (\$244,951)  | -5.5%           | \$137,564  | 3.1%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$4,604,615</b>                       | \$4,467,051                       | \$2,228,171       | \$4,222,100       | (\$244,951)  | -5.5%           | \$137,564  | 3.1%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

EXECUTIVE OFFICE

2023-2024 BUDGET

| FILLED POSITIONS                              |                                      | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|--------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00776L  | CHIEF EXECUTIVE OFFICER              | 1      |          | 40,374               | 484,486          |                        |                       |                       |
| 00770A  | DEPUTY CHIEF EXECUTIVE OFFICER (UC)  | 1      | LR18     | 23,029               | 276,354          |                        |                       |                       |
| 00792A  | ASSISTANT EXECUTIVE OFFICER (UC)     | 2      | LS16     | 42,441               | 509,295          |                        |                       |                       |
| 00745A  | EXECUTIVE BOARD ASSISTANT            | 2      | 107E     | 20,198               | 242,376          |                        |                       |                       |
| 00442A  | EXECUTIVE ADMINISTRATIVE ASSISTANT   | 2      | 104B     | 18,482               | 221,784          |                        |                       |                       |
| POSITIONS                                     |                                      | 8      |          |                      | 1,734,294        |                        |                       |                       |
| VACANT POSITIONS                              |                                      | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00775A  | SPECIAL ASSISTANT                    | 1      | LS12     | 11,308               | 135,701          |                        |                       | 67,850                |
| 00806A  | INFORMATION SECURITY OFFICER         | 1      | LS12     | 11,308               | 135,701          | 135,701                |                       |                       |
| 00802A  | INFORMATION TECHNOLOGY SPECIALIST II | 1      | 126B     | 12,795               | 153,539          |                        |                       | 76,769                |
| 00801A  | INFORMATION TECHNOLOGY SPECIALIST I  | 2      | 120L     | 11,118               | 133,415          |                        |                       | 133,415               |
| 00469A  | DATA SYSTEMS COORDINATOR             | 1      | 113J     | 9,151                | 109,808          |                        |                       |                       |
| POSITIONS                                     |                                      | 6      |          |                      | 413,735          | 135,701                | 0                     | 278,035               |
| TOTAL POSITIONS                               |                                      | 14     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                      |        |          |                      | 2,148,030        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                      |        |          |                      | 32,220           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                      |        |          |                      | 38,104           |                        |                       |                       |
| BONUS   |                                      |        |          |                      | 0                |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                      |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                      |        |          |                      | 2,218,354        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.

Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.

Represented positions shown in blue.

Vacancies are shown at the 1st Step.

\*All amounts rounded to the nearest dollar.

\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**EXECUTIVE OFFICE**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| AUTO EXPENSE                | \$13,000                        | \$12,300                  | \$5,449    | \$11,500   | (\$800)   | -6.5%    | \$700   | 5.7%     |
| TRANSPORTATION & TRAVEL     | 49,800                          | 22,000                    | 4,844      | 17,600     | (4,400)   | -20.0%   | 27,800  | 126.4%   |
| OFFICE SUPPLIES & EQUIPMENT | 3,000                           | 3,500                     | 527        | 3,000      | (500)   | -14.3%   | (500)   | -14.3%   |
| PROFESSIONAL & SPEC. SRVCS. | 517,000                         | 834,800                   | 368,274    | 779,800    | (55,000)  | -6.6%    | (317,800)   | -38.1%   |
| EDUCATIONAL EXPENSES        | 78,500                          | 44,000                    | 19,802     | 50,000     | 6,000   | 13.6%    | 34,500  | 78.4%    |
| MISCELLANEOUS               | 10,500                          | 10,500                    | 2,510      | 10,000     | (500)   | -4.8%    | 0   | 0.0%     |
| TOTAL                       | \$671,800                       | \$927,100                 | \$401,406  | \$871,900  | (\$55,200)  | -6.0%    | (\$255,300)   | -27.5%   |

\*All amounts rounded to the nearest dollar.

EXECUTIVE OFFICE

BUDGET REQUEST INFORMATION

HISTORY OF EXPENDITURES

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed<br>Budget |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         |                    |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,908,555        | \$1,556,341        | \$1,939,134        | \$1,784,800        | \$2,218,354        |
| Total Agency Temp Salaries              | 0                  | 0                  | 1,129,700          | 1,129,700          | 645,200            |
| Employee Benefits (Variable)            | 1,051,621          | 861,150            | 1,106,359          | 1,046,400          | 1,418,876          |
| Employee Benefits (Other)               | 123,933            | 124,674            | 130,567            | 128,000            | 142,186            |
| OPEB Contribution                       | 60,837             | 57,552             | 69,290             | 57,900             | 78,799             |
| OPEB Contribution (Budget Surplus)      | 0                  | 60,837             | 0                  | 0                  | 0                  |
| Stipends                                | 65,000             | 50,631             | 65,000             | 51,400             | 65,000             |
| Overtime                                | 25,600             | 472                | 25,600             | 23,900             | 27,600             |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 0                  | 0                  | 0                  | 0                  | 0                  |
| Rideshare Allowance                     | 1,400              | 0                  | 1,400              | 0                  | 1,400              |
| Transportation Allowance                | 7,200              | 0                  | 0                  | 0                  | 7,200              |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Auto Expenses                           | 12,300             | 8,309              | 12,300             | 11,500             | 13,000             |
| Transportation & Travel                 | 17,000             | 13,859             | 22,000             | 17,600             | 49,800             |
| Office Supplies & Equipment             | 4,500              | 868                | 3,500              | 3,000              | 3,000              |
| Professional & Specialized Services     | 205,000            | 87,900             | 834,800            | 779,800            | 517,000            |
| Educational Expenses                    | 64,000             | 28,320             | 44,000             | 50,000             | 78,500             |
| Miscellaneous                           | 16,000             | 8,059              | 10,500             | 10,000             | 10,500             |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$3,562,946</b> | <b>\$2,858,971</b> | <b>\$5,394,151</b> | <b>\$5,094,000</b> | <b>\$5,276,415</b> |

\*All amounts rounded to the nearest dollar.



# **FINANCIAL & ACCOUNTING SERVICES (FASD)**

## **BUDGET HIGHLIGHTS**

**FISCAL YEAR 2023-2024**

### **Mission**

Our mission is to provide sound guardianship of LACERA's assets and deliver quality service to our stakeholders through timely and accurate financial information.

### **INTRODUCTION**

The Financial and Accounting Services Division (FASD) contributes to LACERA's mission by conducting financial transactions and reporting, and coordinating actuarial consulting and reporting, while ensuring compliance with regulatory and statutory mandates.

### **SUMMARY**

FASD's budget request seeks to ensure financial transactions are completed timely and accurately, financial reporting quality is maintained, and LACERA's operations and organizational initiatives are supported, while risks are mitigated and change is managed. To accomplish this, FASD requests authorization to:

1. Delete one Accounting Officer II position overseeing the Reporting and Compliance Section.
2. Fund one Accountant position in the Reporting and Compliance Unit (RCU) to substitute for the deleted Accounting Officer II position. This Accountant position will ensure the current workflow is maintained; strengthen the ability to manage major projects, including actuarial and financial statement reporting; and assume additional monthly and quarterly reporting requirements.

3. Delete one Accounting Technician I in the Disbursements Unit to upgrade the position to Accountant.
4. Fund one Accountant position within the Disbursements Unit to substitute for the deleted Accounting Technician I position. The duties and responsibilities of the Accounting Technician position have become more complex over time and are now consistent with those assigned to the higher-level Accountant position.

### **DIVISIONAL GOALS AND OBJECTIVES**

**Goal:** To complete financial transactions and deliver financial and actuarial reports in accordance with statutory deadlines.

**Objectives:**

*Financial Reports*

- Process corporate and investment accounting transactions accurately, timely, and in accordance with Generally Accepted Accounting Principles (GAAP)
- Prepare annual financial statements in compliance with Governmental Accounting Standards Board (GASB) reporting requirements
- Transmit final reports to external agencies, including the County of Los Angeles and federal and state agencies

*Actuarial Reports*

- Coordinate actuarial projects for the Pension Plan and Other Post-Employment Benefits (OPEB) Program with external consulting actuaries
- Obtain LACERA Board approval by preparing memos, meeting materials, and presenting information
- Communicate final Pension Plan reports to the County of Los Angeles Board of Supervisors for approval and adoption of annual employer and employee contribution rates

*Staffing*

- Align organizational structure and positions in accordance with recommendations contained in the Classification Study
- Maintain permanent and temporary staff levels on par with budgeted position counts that will support organizational initiatives and reduce the risk of errors

### **STATUS OF MAJOR PROJECTS AS OF FISCAL YEAR 2022-2023**

The following is a status of major projects completed or where completion is anticipated during the prior FY 2022-23.

| <b><i>Annual Projects</i></b>   | <b><i>Completed/<br/>Anticipated</i></b>  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ 2022 Annual Audit and Financial Statements</li> <li>▪ 2022 Financial Reports <ul style="list-style-type: none"> <li>○ Annual Comprehensive Financial Report (ACFR)</li> <li>○ Popular Annual Financial Report (PAFR)</li> </ul> </li> <li>▪ 2022 Pension Investigation of Experience Study Report</li> <li>▪ 2022 Pension Valuation Report</li> <li>▪ 2022 GASB 68 Pension, Employer Financial Statement Reporting</li> <li>▪ 2022 OPEB Trust, Employer Statement of Fiduciary Net Position</li> <li>▪ 2022 GASB 75 OPEB, Employer Financial Statement Reporting</li> <li>▪ 2023 Pension Risk Assessment Report</li> <li>▪ 2022 OPEB Valuation Report</li> <li>▪ 2022 Regulatory Reports, federal and state</li> </ul> | <p>October 2022<br/>December 2022</p> <p>December 2022<br/>March 2023<br/>March 2023<br/>March 2023<br/>June 2023<br/>June 2023<br/>August 2023<br/>Quarterly and<br/>Calendar Year-End</p> |
| <b><i>One-Time Projects</i></b>   | <b><i>Completed/<br/>Anticipated</i></b>  |
| <ul style="list-style-type: none"> <li>▪ Custodian Bank Search</li> <li>▪ Accounts Payable Policy</li> <li>▪ Onboard New Financial Statement Auditor</li> <li>▪ OPEB Trust, Investment Structure Changes</li> <li>▪ Onboard New Actuarial Consultant</li> <li>▪ Automated Accounts Payable Software Implementation</li> </ul>   | <p>December 2022<br/>March 2023<br/>April 2023<br/>June 2023<br/>Summer 2023<br/>Summer 2023</p>  |

### **CLASSIFICATION STUDY**

A classification and compensation study (Classification Study), which reviewed all the accountant positions except management and administrative, was completed by an external consultant and approved by LACERA's Boards in December 2022. The Classification Study recommends upgrading class specifications, adding job classifications, and changing compensation for some positions. LACERA's Human Resources Division will forward it to the County of Los Angeles for review.

Per the Classification Study's recommendation, we are asking to delete the Accounting Officer II (AO II) position in the Reporting and Compliance Section. The Reporting and Compliance Unit (RCU) will be created and moved under the General Accounting Section, and staff will report to the Accounting Officer I (AO I) position.

The General Accounting Section's AO I position will oversee three units in total: Reconciliation, Disbursements, and RCU, which is consistent with the Classification Study's organizational structure recommendations. In addition, the Classification Study

recommended upgrading the Accounting Technician I position in the Disbursements Unit, and we are requesting this change as of the FY 2023-24 budget cycle.

## **STAFF**

During the FY 2022-23, LACERA's Human Resources Division assisted FASD in hiring six Accountants. Although we completed a successful recruitment process in a very competitive job market we found it difficult to recruit qualified applicants to fill two vacant Investment Accounting positions. We anticipate filling these positions after the Classification Study has been approved by the County, which will update the job requirements and salary structure. We also experienced some additional attrition.

Currently, FASD has seven regular permanent vacancies:

- One Chief Financial Officer (anticipated recruitment near the end of FY 2022-23)
- One Administrative Assistant
- One Senior Administrative Assistant
- Two Accountants: Investment Accounting Section
- One Accounting Officer II – Proposed to be deleted and replaced with one Accountant
- One Accounting Technician I – Proposed to be deleted and replaced with one Accountant

## **Temporary Staffing**

FASD currently employs a total of five temporary staff, including four Accountants and one Administrative Assistant.

Our budget request for the upcoming fiscal year 2023-2024 includes maintaining these existing five temporary positions and adding three more temporary staff for a total of eight. These additional positions will support our accounting operations as follows:

- Four at the Accountant level, in the General Accounting Section
- Two at the Accountant level in the Investment Accounting Section, and
- Two administrative staff, including an Administrative Assistant and a Senior Administrative Assistant.

The use of temporary staff is required to meet current workload requirements until permanent staff may be hired.

## **STAFF TRAINING AND DEVELOPMENT**

### **Training and Travel**

FASD requests (and LACERA's governing Boards consistently approve) a budget for staff training every year. Currently, there are seven FASD staff members who hold a Certified Public Accountant (CPA) license and one staff member who is in the final stages of

obtaining her license. CPAs must attend qualifying training courses to meet the California State Board of Accountancy continuing professional education (CPE) reporting requirements of 40 hours every year.

Non-credentialed staff are encouraged to obtain at least 10 hours of training every year to keep up with changes in the accounting profession. Staff may attend relevant courses that cover topics such as: government accounting, upcoming Governmental Accounting Standards Board (GASB) pronouncements, pension fund financial reporting requirements, or other financial accounting courses, including fraud. In addition, FASD has acquired several new staff and recently promoted some staff to supervisory positions and expects these positions to obtain the required and recommended supervisory training.

LACERA offers staff a variety of training resources, including attending webinars and workshops online. Also, staff can attend local, in-person conferences that are one-day or multiday events, while some educational and networking conferences require travel outside of the Los Angeles area. FASD staff regularly attend training events offered by the following organizations:

| <b><i>Organization / Description</i></b>  |
|---|
| <b>LCW: Liebert Cassidy Whitmore</b><br>Los Angeles County's vendor, which provides supervisory and staff training  |
| <b>P2F2: Public Pension Financial Forum</b><br>National organization for financial accountants who work for state and local pension funds   |
| <b>GFOA: Government Finance Officers Association</b><br>Professional association of state and local government finance officers providing annual award programs for financial statements                        |
| <b>AICPA: American Institute of Certified Public Accountants</b><br>National organization of CPAs where staff can obtain training and network with other professionals  |
| <b>CalCPA: California Society of Certified Public Accountants</b><br>State association of CPAs where staff can obtain training and network with other professionals   |
| <b>WORKIVA: Wdesk Software</b><br>Software tool used to prepare LACERA's annual financial statements  |
| <b>IOFM: The Institute of Finance and Management</b><br>National association of professionals in accounts payable, procure-to-pay, and accounts receivable  |
| <b>CALAPRS: California Association of Public Retirement Systems</b><br>State organization that sponsors educational forums for sharing information and exchanging ideas among California public pension systems |

Our budget includes a request of \$7,000 for training and registration. This represents a decrease of \$3,000 over the prior year because a portion of the registration expenses are historically paid by the negotiated Memorandum of Understanding (MOU) funds. We are including in our budget request funding for a CPA review course, which provides the materials and training to sit for the CPA exam, as we have one new FASD staff member who expressed interest in pursuing this credential.

In addition, FASD is requesting \$29,300 for travel-related expenses (air fare, hotel, ground transportation, and per diem) so staff can attend offsite conferences and networking events throughout the country. This travel request represents an increase of \$7,500 over the prior year due to the expectation that travel would get back to the normal pre-pandemic level.

### **OVERTIME**

Our budget includes a request of \$64,700 for overtime. This represents a decrease of \$600 compared to the prior year primarily due to improved staffing levels and operations efficiency.

As in the past, overtime is requested to manage the additional workload related to the annual fiscal year-end financial statement preparation and audit, which is the basis for preparing the Annual Comprehensive Financial Report (ACFR) and Popular Annual Financial Report (PAFR). In addition, Board meeting deadlines to prepare and present actuarial reports cause staff to incur overtime. When combined with the development of anticipated new responsibilities and unforeseen special projects, maintaining a budget for overtime has proven to be prudent.

### **OTHER SIGNIFICANT CHANGES TO SERVICES AND SUPPLIES**

The Services and Supplies total budget request of \$253,300 represents a \$4,000, or 1.6 percent, increase when compared with the prior fiscal year. This is primarily due to a proposed increase in the travel-related expense category for FY 2023-24.

### **LOOKING FORWARD FOR FY 2023-24**

The following is a status of major projects completed or expected to be completed by FASD staff during the upcoming FY 2023-24.

| <b><i>Annual Projects</i></b>   | <b><i>Anticipated</i></b>   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ 2023 Annual Audit and Financial Statements</li> <li>▪ 2023 Financial Reports <ul style="list-style-type: none"> <li>○ Annual Comprehensive Financial Report (ACFR)</li> <li>○ Popular Annual Financial Report (PAFR)</li> </ul> </li> <li>▪ 2023 Pension Valuation Report</li> <li>▪ 2023 OPEB Pension Investigation of Experience Study Report</li> </ul> | <p>October 2023<br/>December 2023</p> <p>December 2023<br/>March 2024</p> |

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ 2023 GASB 68 Pension, Employer Financial Statement Reporting</li> <li>▪ 2023 OPEB Trust, Employer Statement of Fiduciary Net Position</li> <li>▪ 2023 GASB 75 OPEB, Employer Financial Statement Reporting</li> <li>▪ 2024 Pension Risk Assessment Report</li> <li>▪ 2023 OPEB Valuation Report</li> <li>▪ 2023 Regulatory Reports, federal and state</li> </ul> | March 2024<br>March 2024<br>June 2024<br>June 2024<br>Summer 2024<br>Quarterly and<br>Calendar Year-End |
| <b><i>One-Time Projects</i></b>   | <b><i>Anticipated</i></b>   |
| <ul style="list-style-type: none"> <li>▪ Member Debit Card Program</li> <li>▪ State Street Bank, Cash Manager to eCash Flow Module</li> <li>▪ Enterprise Resource Planning (ERP), Preliminary</li> </ul>  | December 2023<br>December 2023<br>TBD   |

## **CONCLUSION**

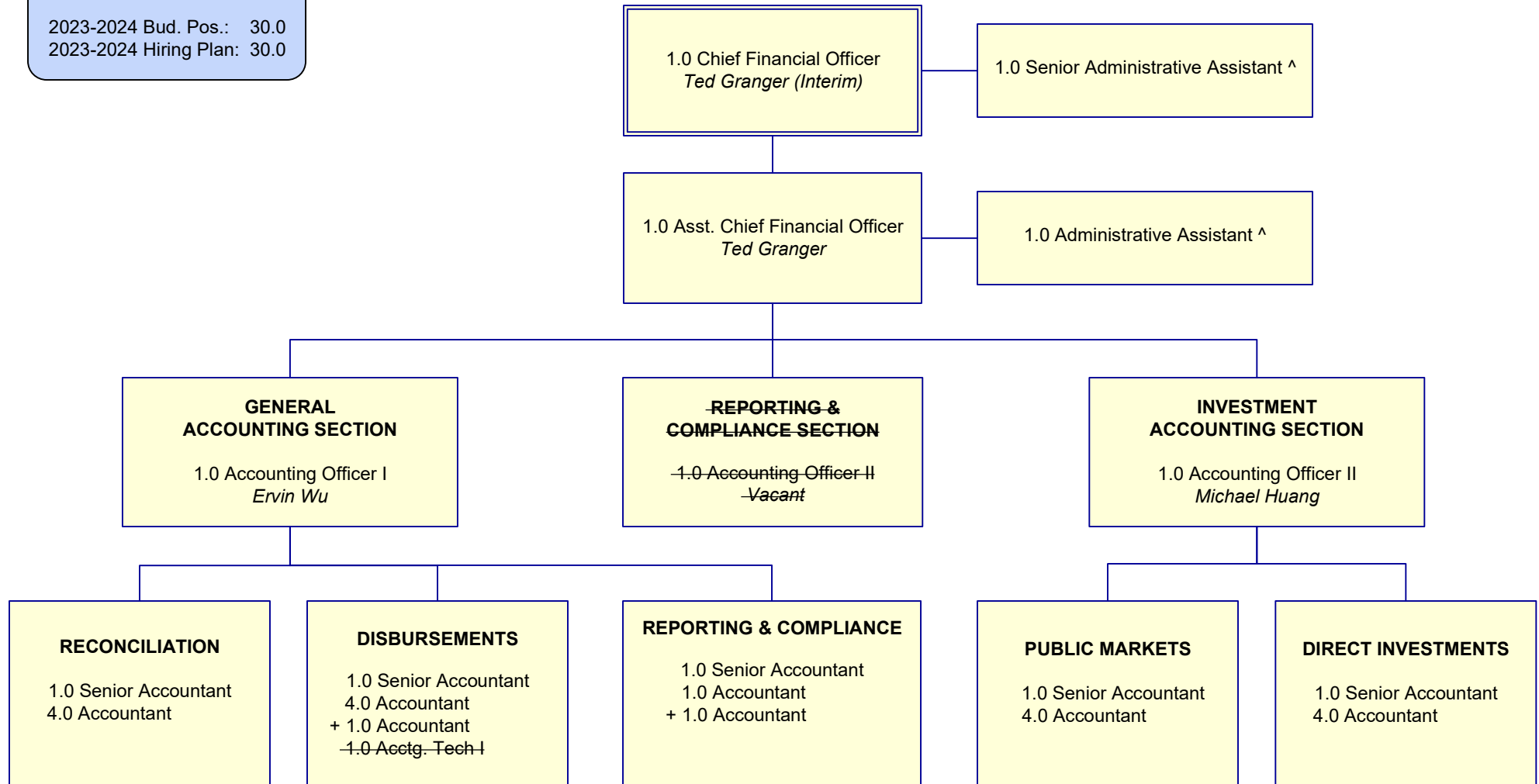
This budget request was developed to provide the Financial and Accounting Services Division with vital resources to readily contribute toward serving our members in the fulfillment of LACERA's mission and vision.

# FINANCIAL AND ACCOUNTING SERVICES DIVISION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 30.0  
2022-2023 Hiring Plan: 30.0

2023-2024 Bud. Pos.: 30.0  
2023-2024 Hiring Plan: 30.0



+ Added position

– Deleted position

\* Classification study for all Accounting positions finalized and approved by LACERA Board of Retirement on 12/7/22 and Board of Investments on 12/14/22 (Pending Board of Supervisors' approval).

^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

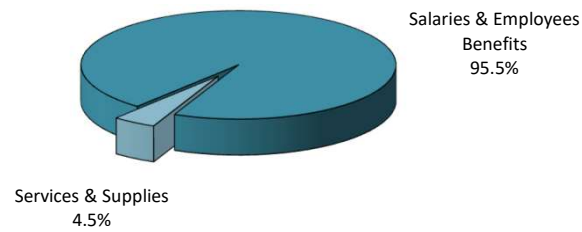


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**FINANCIAL AND ACCOUNTING SERVICES**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$5,435,440</b>                       | \$4,677,178                       | \$2,034,836       | \$4,181,300       | (\$495,878)  | -10.6%          | \$758,262  | 16.2%           |
| <b>Services &amp; Supplies</b>           | <b>253,300</b>                           | 249,300                           | (58,438)          | 236,000           | (13,300)   | -5.3%           | 4,000  | 1.6%            |
| <b>OPERATING BUDGET</b>                  | <b>\$5,688,740</b>                       | \$4,926,478                       | \$1,976,397       | \$4,417,300       | (\$509,178)  | -10.3%          | \$762,262  | 15.5%           |

**2023 -2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**FINANCIAL AND ACCOUNTING SERVICES**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$2,752,536</b>                       | \$2,220,717                       | \$1,115,073       | \$2,259,000       | \$38,283   | 1.7%            | \$531,819  | 23.9%           |
| <b>Total Agency Temp Salaries</b>   | <b>776,700</b>                           | 778,100                           | 210,070           | 420,200           | (357,900)  | -46.0%          | (1,400)  | -0.2%           |
| <b>Employee Benefits (Variable)</b> | <b>1,547,806</b>                         | 1,366,535                         | 552,645           | 1,199,700         | (166,835)  | -12.2%          | 181,271  | 13.3%           |
| <b>Employee Benefits (Other)</b>    | <b>176,424</b>                           | 148,317                           | 68,670            | 145,400           | (2,917)  | -2.0%           | 28,107   | 19.0%           |
| <b>OPEB Contribution</b>            | <b>97,774</b>                            | 78,710                            | 46,032            | 85,000            | 6,290  | 8.0%            | 19,064   | 24.2%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>64,700</b>                            | 65,300                            | 39,211            | 65,300            | 0  | 0.0%            | (600)  | -0.9%           |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>12,000</b>                            | 12,000                            | 3,054             | 6,300             | (5,700)  | -47.5%          | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>7,500</b>                             | 7,500                             | 80                | 400               | (7,100)  | -94.7%          | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$5,435,440</b>                       | \$4,677,178                       | \$2,034,836       | \$4,181,300       | (\$495,878)  | -10.6%          | \$758,262  | 16.2%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  | -               | -  | -               |
| <b>TOTAL S&amp;EB</b>               | <b>\$5,435,440</b>                       | \$4,677,178                       | \$2,034,836       | \$4,181,300       | (\$495,878)  | -10.6%          | \$758,262  | 16.2%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA

FISCAL YEAR 2023-2024

SALARIES

FINANCIAL & ACCOUNTING SERVICES

2023-2024 BUDGET

|        | FILLED POSITIONS                  | # POS. | SCHEDULE | ACTUAL<br>MO. RATE | ANNUAL<br>AMOUNT |
|--------|-----------------------------------|--------|----------|--------------------|------------------|
| 00799A | ASSISTANT CHIEF FINANCIAL OFFICER | 1      | LS10     | 14,811             | 177,734          |
| 00418A | ACCOUNTING OFFICER II             | 1      | 107K     | 10,506             | 126,067          |
| 00417A | ACCOUNTING OFFICER I              | 1      | 104C     | 9,264              | 111,168          |
| 00146A | SENIOR ACCOUNTANT                 | 5      | 99J      | 40,628             | 487,532          |
| 00415A | ACCOUNTANT                        | 15     | 95G      | 100,151            | 1,201,812        |
| 00413A | ACCOUNTING TECHNICIAN I           | 1      | 87A      | 5,973              | 71,676           |

POSITIONS 24 2,175,988

|        | VACANT POSITIONS                | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
|--------|---------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00800A | CHIEF FINANCIAL OFFICER         | 1      | LS12     | 11,308               | 135,701          | 135,701                |                       |                       |
| 00418A | ACCOUNTING OFFICER II           | 1      | 107K     | 7,796                | 93,550           |                        |                       |                       |
| 00418A | ACCOUNTING OFFICER II           | (1)    | 107K     | 7,796                | 93,550           |                        |                       |                       |
| 00415A | ACCOUNTANT                      | 4      | 95G      | 5,588                | 67,060           | 268,241                |                       |                       |
| 00439A | SENIOR ADMINISTRATIVE ASSISTANT | 1      | 93A      | 5,216                | 62,592           |                        |                       | 31,296                |
| 00413A | ACCOUNTING TECHNICIAN I         | (1)    | 87A      | 4,432                | 53,184           |                        |                       |                       |
| 00438A | ADMINISTRATIVE ASSISTANT        | 1      | 86J      | 4,400                | 52,795           |                        |                       | 26,397                |
|        |                                 |        |          |                      |                  | 403,942                | 0                     | 57,693                |

POSITIONS 6 461,635

TOTAL POSITIONS 30

GROSS SALARIES 2,637,624

ANTICIPATED MOU SALARY INCREASE\*\* 39,564

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 23,979

BONUS 51,369

120-DAY RETIREE(S) 0

TOTAL SALARIES 2,752,536

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.

Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.

Represented positions shown in blue.

Vacancies are shown at the 1st Step.

\*All amounts rounded to the nearest dollar.

\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

FINANCIAL AND ACCOUNTING SERVICES

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$29,300                        | \$21,800                  | \$6,666    | \$17,000   | (\$4,800)   | -22.0%   | \$7,500   | 34.4%    |
| OFFICE SUPPLIES & EQUIPMENT | 6,000                           | 5,000                     | 206        | 4,000      | (1,000)   | -20.0%   | 1,000   | 20.0%    |
| BANK SERVICES               | 200,000                         | 200,500                   | (70,057)   | 200,000    | (500)   | -0.2%    | (500)   | -0.2%    |
| EDUCATIONAL EXPENSES        | 16,000                          | 19,000                    | 4,746      | 13,000     | (6,000)   | -31.6%   | (3,000)   | -15.8%   |
| MISCELLANEOUS               | 2,000                           | 3,000                     | 0          | 2,000      | (1,000)   | -33.3%   | (1,000)   | -33.3%   |
| TOTAL                       | \$253,300                       | \$249,300                 | (\$58,438) | \$236,000  | (\$13,300)  | -5.3%    | \$4,000   | 1.6%     |

\*All amounts rounded to the nearest dollar.

**FINANCIAL AND ACCOUNTING SERVICES**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,942,091        | \$1,742,257        | \$2,220,717        | \$2,259,000        | \$2,752,536        |
| Total Agency Temp Salaries              | 729,400            | 473,724            | 778,100            | 420,200            | 776,700            |
| Employee Benefits (Variable)            | 1,168,551          | 899,952            | 1,366,535          | 1,199,700          | 1,547,806          |
| Employee Benefits (Other)               | 116,069            | 118,767            | 148,317            | 145,400            | 176,424            |
| OPEB Contribution                       | 56,977             | 65,618             | 78,710             | 85,000             | 97,774             |
| OPEB Contribution (Budget Surplus)      | 0                  | 56,977             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 67,900             | 40,904             | 65,300             | 65,300             | 64,700             |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 12,000             | 4,964              | 12,000             | 6,300              | 12,000             |
| Rideshare Allowance                     | 7,500              | 0                  | 7,500              | 400                | 7,500              |
| Transportation Allowance                | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Transportation & Travel                 | 14,000             | 338                | 21,800             | 17,000             | 29,300             |
| Office Supplies & Equipment             | 3,500              | 3,783              | 5,000              | 4,000              | 6,000              |
| Bank Services                           | 200,500            | 203,372            | 200,500            | 200,000            | 200,000            |
| Educational Expenses                    | 19,000             | 8,372              | 19,000             | 13,000             | 16,000             |
| Miscellaneous                           | 3,000              | 1,365              | 3,000              | 2,000              | 2,000              |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$4,340,488</b> | <b>\$3,620,393</b> | <b>\$4,926,478</b> | <b>\$4,417,300</b> | <b>\$5,688,740</b> |

\*All amounts rounded to the nearest dollar.

# HUMAN RESOURCES

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Our mission is to effectively administer human resource programs; provide quality service to LACERA employees, supervisors, and managers; and reflect LACERA's values and vision in both the effort put forth and the work accomplished.

### **INTRODUCTION**

Human Resources (HR) is responsible for providing human resources services to all LACERA staff members. Our work encompasses all areas of human resources such as: recruitment, selection, performance and workforce management, classification, compensation, employee and organizational development, employee payroll and benefits, employee relations, labor negotiations, workplace investigations, workers' compensation, career planning and development, leave management, and disability compliance management.

### **SUCCESSIONS**

The HR Division continues to improve its processes and procedures to increase efficiency and provide service to staff members. Examples of successes from July through December 2022 include:

- Partnered with the Systems Division to digitize staff member files.
- Completed and implemented LACERA's Bonus Policy, as recommended in an audit finding.
- Promulgated six eligible lists/registers; hired 21 staff members; and secured 11 temporary staff to fill critical vacancies.
- Contracted with executive recruiters to fill vacancies in four high-impact positions.

- Processed 191 leaves; and coordinated 150 training courses for staff.
- Implemented pending classification studies conducted for the Secretary classification family and Accounting classification family.
- Created a manager-focused hiring playbook to increase organizational efficiency and transparency related to the steps in the hiring process.
- Contracted with vendors that provide assessment materials to expedite our hiring process.
- Conducted contact tracing and processed special leave requests related to COVID-19.
- Publish and update LACERA's hiring priorities on LACERA Connect to increase transparency throughout the organization.

## **CHALLENGES**

- HR continues to work toward reducing the vacancy rate.
- Changing workforce dynamic make it more difficult to recruit non-permanent staff members. This year HR has experienced waning interest from candidates to fill agency temporary and intern positions.
- Implementation of recommendations resulting from completed classification studies: One classification study remains to be escalated through the approval process.

## **FUTURE PLANS**

The following is an outline of priorities and initiatives that will be our focus for FY 2023-24:

- Partner with the division managers to execute LACERA's hiring priorities, thus reducing the vacancy rate.
- Continue to refine the job analysis and classification procedures.
- Continue to partner with the Systems Division to automate processes and reduce paper-driven processes with the implementation of Service Now. This will enable reporting on time to hire.
- Enhance the HR Data Manager to generate reports on typical HR metrics such as turnover, retention, and promotion rates. Currently, these are calculated manually.
- Implement policies and create guides for time usage and time reporting where policies are missing.
- Update various disability compliance management forms and procedures for ease of use.

- Support the execution of LACERA's strategic plan and related initiatives such as LEAD, engagement surveys, and culture-building initiatives.

## **STAFFING**

The HR Division is not requesting the addition of new permanent staff. Instead during FY 2023-24, HR will focus on getting newly hired staff acclimated to HR at LACERA, performing to capacity, and refining changes that were implemented during the previous budget year.

HR is requesting one intern to continue and complete the project that the FY 2022-23 intern began; one Senior Human Resources Assistant agency temporary staff member and one Human Resources Analyst agency temporary staff member in place of permanent staff who are on long-term leave; and one Intermediate Typist Clerk agency temporary staff member to complete outstanding work on the HR file digitization project. There are requests to hire 14 interns during FY 2023-24 to be assigned to administrative, member-facing and investment projects.

## **TRAINING AND TRAVEL**

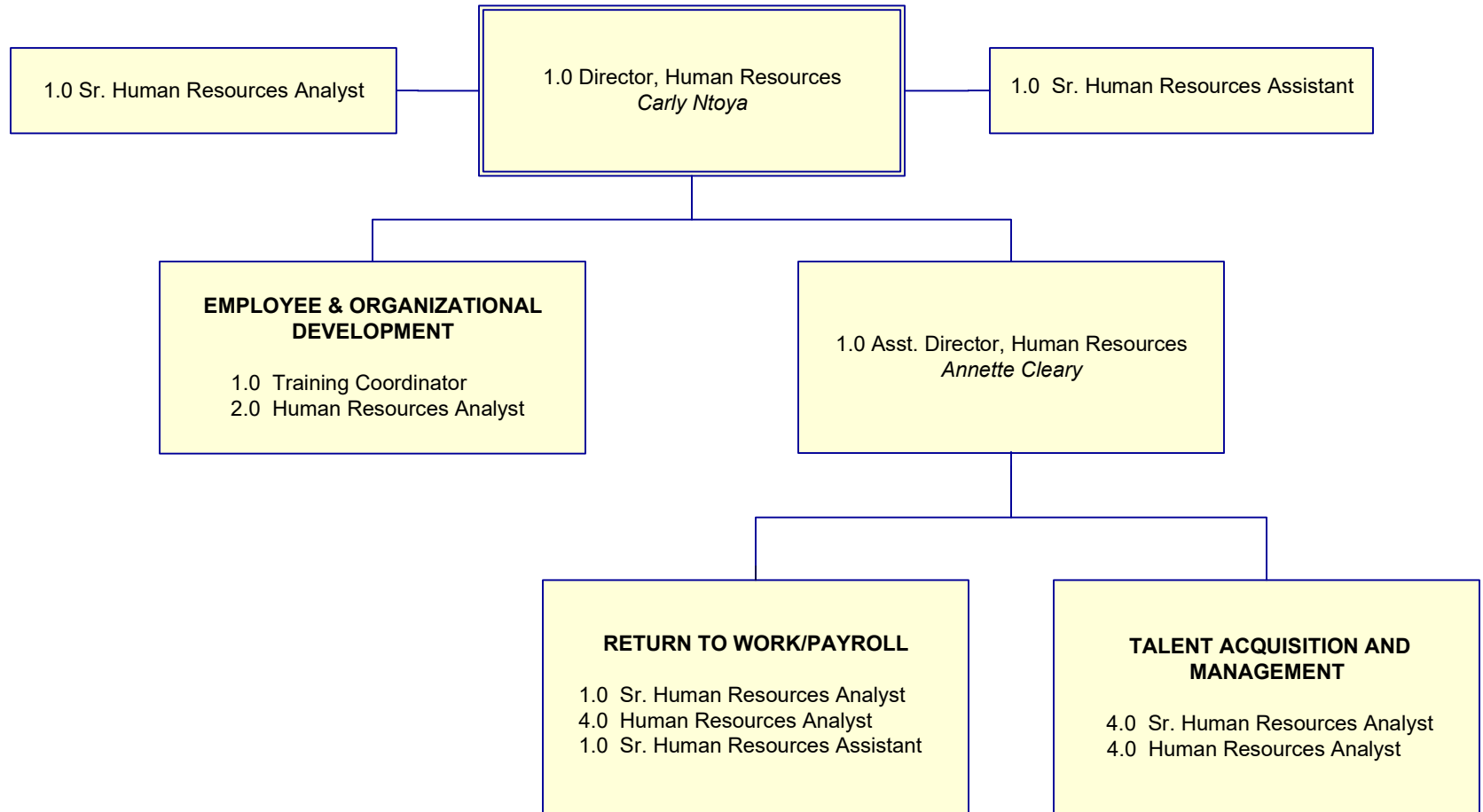
HR staff members expect to resume travel for in-person professional development after two years of virtual training. Current staff members expect to complete professional development to maintain certifications. Recently hired staff members may need to refresh skills to maximize performance and impact at LACERA. Professional development will focus on strengthening skills in job analysis methodology, compensation strategies, workforce development, and culture-improving activities.



# HUMAN RESOURCES

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 21.0  
2022-2023 Hiring Plan: 21.0  
  
2023-2024 Bud. Pos.: 21.0  
2023-2024 Hiring Plan: 21.0

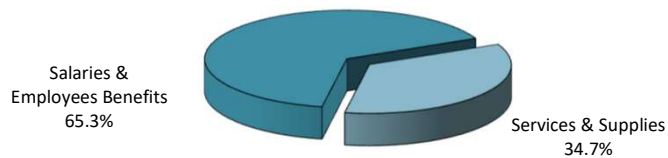


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**HUMAN RESOURCES**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$4,403,991</b>                       | \$3,623,337                       | \$1,311,915       | \$2,856,000       | (\$767,337)  | -21.2%          | \$780,654  | 21.5%           |
| <b>Services &amp; Supplies</b>           | <b>2,339,600</b>                         | 2,216,200                         | 600,600           | 1,782,800         | (433,400)  | -19.6%          | 123,400  | 5.6%            |
| <b>OPERATING BUDGET</b>                  | <b>\$6,743,591</b>                       | \$5,839,537                       | \$1,912,515       | \$4,638,800       | (\$1,200,737)  | -20.6%          | \$904,054  | 15.5%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**HUMAN RESOURCES**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$2,200,574</b>                       | \$1,797,569                       | \$710,712         | \$1,509,700       | (\$287,869)  | -16.0%          | \$403,005  | 22.4%           |
| <b>Total Agency Temp Salaries</b>   | <b>139,000</b>                           | 144,300                           | 61,788            | 123,600           | (20,700)   | -14.3%          | (5,300)  | -3.7%           |
| <b>LACERA Intern Program</b>        | <b>288,000</b>                           | 288,000                           | 1,613             | 48,000            | (240,000)  | -83.3%          | 0  | 0.0%            |
| <b>Employee Benefits (Variable)</b> | <b>1,550,803</b>                         | 1,199,476                         | 440,245           | 978,400           | (221,076)  | -18.4%          | 351,327  | 29.3%           |
| <b>Employee Benefits (Other)</b>    | <b>141,046</b>                           | 123,142                           | 56,661            | 120,700           | (2,442)  | -2.0%           | 17,904   | 14.5%           |
| <b>OPEB Contribution</b>            | <b>78,167</b>                            | 65,350                            | 34,038            | 62,900            | (2,450)  | -3.7%           | 12,817   | 19.6%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>4,700</b>                             | 3,800                             | 6,858             | 12,700            | 8,900  | 234.2%          | 900  | 23.7%           |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>1,700</b>                             | 1,700                             | 0                 | 0                 | (1,700)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$4,403,991</b>                       | \$3,623,337                       | \$1,311,915       | \$2,856,000       | (\$767,337)  | -21.2%          | \$780,654  | 21.5%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  | -               | -  | -               |
| <b>TOTAL S&amp;EB</b>               | <b>\$4,403,991</b>                       | \$3,623,337                       | \$1,311,915       | \$2,856,000       | (\$767,337)  | -21.2%          | \$780,654  | 21.5%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

HUMAN RESOURCES

2023-2024 BUDGET

| FILLED POSITIONS                              |                                     | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|-------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00425A  | DIRECTOR, HUMAN RESOURCES           | 1      | LS12     | 15,653               | 187,842          |                        |                       |                       |
| 00437A  | ASSISTANT DIRECTOR, HUMAN RESOURCES | 1      | LS10     | 13,749               | 164,983          |                        |                       |                       |
| 00436A  | SENIOR HUMAN RESOURCES ANALYST      | 4      | 105E     | 38,262               | 459,146          |                        |                       |                       |
| 01886A  | TRAINING COORDINATOR                | 1      | 105D     | 9,542                | 114,503          |                        |                       |                       |
| 00434A  | HUMAN RESOURCES ANALYST             | 4      | 101E     | 33,876               | 406,508          |                        |                       |                       |
| 00435A  | SENIOR HUMAN RESOURCES ASSISTANT    | 1      | 094G     | 7,133                | 85,599           |                        |                       |                       |
| POSITIONS                                     |                                     | 12     |          |                      | 1,418,581        |                        |                       |                       |
| VACANT POSITIONS                              |                                     | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00436A  | SENIOR HUMAN RESOURCES ANALYST      | 2      | 105E     | 7,293                | 87,520           | 175,041                |                       |                       |
| 00434A  | HUMAN RESOURCES ANALYST             | 6      | 101E     | 6,544                | 78,525           | 471,149                |                       |                       |
| 00435A  | SENIOR HUMAN RESOURCES ASSISTANT    | 1      | 094G     | 5,439                | 65,270           | 65,270                 |                       |                       |
|   |                                     |        |          |                      |                  | 711,459                | 0                     | 0                     |
| POSITIONS                                     |                                     | 9      |          |                      | 711,459          |                        |                       |                       |
| TOTAL POSITIONS                               |                                     | 21     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                     |        |          |                      | 2,130,040        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                     |        |          |                      | 31,951           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                     |        |          |                      | 10,585           |                        |                       |                       |
| BONUS   |                                     |        |          |                      | 27,998           |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                     |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                     |        |          |                      | 2,200,574        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
[Represented positions shown in blue.](#)  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**HUMAN RESOURCES**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|-------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |             | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$10,800                        | \$9,400                   | \$1,144    | \$3,300     | (\$6,100)   | -64.9%   | \$1,400   | 14.9%    |
| OFFICE SUPPLIES & EQUIPMENT | 3,000                           | 7,000                     | 10,367     | 12,000      | 5,000   | 71.4%    | (4,000)   | -57.1%   |
| PARKING FEES                | 482,000                         | 437,000                   | 242,960    | 485,000     | 48,000  | 11.0%    | 45,000  | 10.3%    |
| PROFESSIONAL & SPEC. SRVCS. | 788,300                         | 675,800                   | 176,251    | 462,300     | (213,500)   | -31.6%   | 112,500   | 16.6%    |
| COMPUTER SERVICES & SUPPORT | 50,000                          | 55,000                    | 27,019     | 35,000      | (20,000)  | -36.4%   | (5,000)   | -9.1%    |
| EDUCATIONAL EXPENSES        | 509,000                         | 509,000                   | 48,970     | 329,500     | (179,500)   | -35.3%   | 0   | 0.0%     |
| MISCELLANEOUS               | 496,500                         | 523,000                   | 93,890     | 455,700     | (67,300)  | -12.9%   | (26,500)  | -5.1%    |
| TOTAL                       | \$2,339,600                     | \$2,216,200               | \$600,600  | \$1,782,800 | (\$433,400)   | -19.6%   | \$123,400   | 5.6%     |

\*All amounts rounded to the nearest dollar.

## HUMAN RESOURCES

### BUDGET REQUEST INFORMATION

#### HISTORY OF EXPENDITURES

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,513,977        | \$1,286,858        | \$1,797,569        | \$1,509,700        | \$2,200,574        |
| Total Agency Temp Salaries              | 47,700             | 36,327             | 144,300            | 123,600            | 139,000            |
| LACERA Intern Program                   | 312,000            | 8,488              | 288,000            | 48,000             | 288,000            |
| Employee Benefits (Variable)            | 913,126            | 802,837            | 1,199,476          | 978,400            | 1,550,803          |
| Employee Benefits (Other)               | 90,483             | 91,024             | 123,142            | 120,700            | 141,046            |
| OPEB Contribution                       | 44,417             | 55,035             | 65,350             | 62,900             | 78,167             |
| OPEB Contribution (Budget Surplus)      | 0                  | 44,417             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 2,900              | 1,310              | 3,800              | 12,700             | 4,700              |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 0                  | 0                  | 0                  | 0                  | 0                  |
| Rideshare Allowance                     | 1,700              | 0                  | 1,700              | 0                  | 1,700              |
| Transportation Allowance                | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Transportation & Travel                 | 9,000              | 0                  | 9,400              | 3,300              | 10,800             |
| Office Supplies & Equipment             | 8,000              | 2,257              | 7,000              | 12,000             | 3,000              |
| Parking Fees                            | 377,000            | 449,990            | 437,000            | 485,000            | 482,000            |
| Professional & Specialized Services     | 575,800            | 248,323            | 675,800            | 462,300            | 788,300            |
| Computer Services & Support             | 55,000             | 25,370             | 55,000             | 35,000             | 50,000             |
| Educational Expenses                    | 512,000            | 121,183            | 509,000            | 329,500            | 509,000            |
| Miscellaneous                           | 232,500            | 62,246             | 523,000            | 455,700            | 496,500            |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$4,695,603</b> | <b>\$3,235,667</b> | <b>\$5,839,537</b> | <b>\$4,638,800</b> | <b>\$6,743,591</b> |

\*All amounts rounded to the nearest dollar.

# INTERNAL AUDIT

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

To support LACERA's mission through independent, objective assurance and consulting services designed to add value and improve LACERA's operations.

### **INTRODUCTION**

The mission of Internal Audit is to enhance and protect LACERA's organizational values by providing independent risk-based and objective assurance, advice, and insight. Internal Audit brings a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management, and control processes to help LACERA accomplish its mission.

Internal Audit assists the organization in meeting its control objectives through evaluating:

- Risk exposure relating to achievement of LACERA's strategic objectives
- The reliability and integrity of information and the means used to identify, measure, classify, and report such information
- The systems established to ensure compliance with those policies, procedures, laws, and regulations, which could have a significant impact on LACERA
- The means of safeguarding assets and, as appropriate, verifying the existence of such assets
- The effectiveness and efficiency with which resources are employed
- Operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operation or programs are being carried out as planned
- Monitoring governance processes

## **NOTABLE ACHIEVEMENTS AND CONTRIBUTIONS**

All staff within Internal Audit are certified public accountants, certified internal auditors, or certified information systems auditors. Some have more than one certification and other relevant certifications, such as certified fraud examiner and certified information security designations. Included in the performance of our annual audit plan, Internal Audit developed, oversaw, or contributed significantly, in a consulting capacity, to the following notable achievements and ongoing efforts within LACERA.

- Initiated an RFP for a new financial services firm
- Oversaw ongoing actuarial audit activities
- Oversaw real estate advisor compliance and operational audits
- Continued to operate effectively as a hybrid audit team
- Completed an external quality assessment (EQA) review and received the highest rating
- Partnered with various internal stakeholders to address recommendations like improving physical safety by requiring key card access, ensuring new hires receive Information Security Awareness training during their orientation, and closed a number of sensitive IT recommendations
- Continue to participate in organizational initiatives such as strategic planning, policy committee, IT Coordination Council, and other advisory projects
- Participate on development projects such as case management, accounts payable automation and others, from an independent audit perspective

To improve efficiency and effectiveness of the Internal Audit function, we are continuing to focus on three primary goals: 1) develop and execute a risk-based annual audit plan, 2) continue to improve Internal Audit's presence and value with stakeholders, and 3) continue to enhance Internal Audit's competence and efficiencies.

## **STAFFING**

We have 11 budgeted positions in Internal Audit, all of which are currently filled. One of those positions, a Senior Internal Auditor, has been on loan to the Systems Division.

One of our Internal Audit goals is to ensure that each staff member participates and receives 40 hours of continuing education. We are continuing to evaluate, improve, and ensure that we provide comprehensive training for personnel at all levels to develop themselves as auditors, obtain credentials, and provide for succession planning to the management (Principal) and Division Management level (Chief Audit Executive). For FY 2023-24, we plan to use a hybrid approach; staff will attend both virtual and in-person training and conferences, including sessions from the Institute for Internal Auditors (IIA), Association of Public Pension Fund Auditors (APPFA), Certified Fraud Examiners, and other specialty training.



The Institute of Internal Auditors (IIA) Quality Services presented their external quality assessment (EQA) of Internal Audit to the Audit Committee at the March 2022 meeting. Staff development and training includes focus on some of the recommendations by the EQA auditors. These include:

- Enhancing the audit and workpaper documentation processes
- Integrating IT audit considerations into all audit projects
- Improving the timeliness of audits and supervisory review

We are continuing to supplement staff knowledge and experience by leveraging our audit pool and external professional services providers, especially in areas such as investments and information technology.

### **SERVICES AND SUPPLIES**

Each fiscal year, Internal Audit prepares a risk-based Audit Plan, approved by the Audit Committee. The Audit Plan defines the allocation of audit resources and communicates Internal Audit planned activities and resource requirements. This provides the basis for the Chief Audit Executive (CAE) and the Audit Committee to ensure that Internal Audit resources are appropriate, sufficient, and effectively deployed.

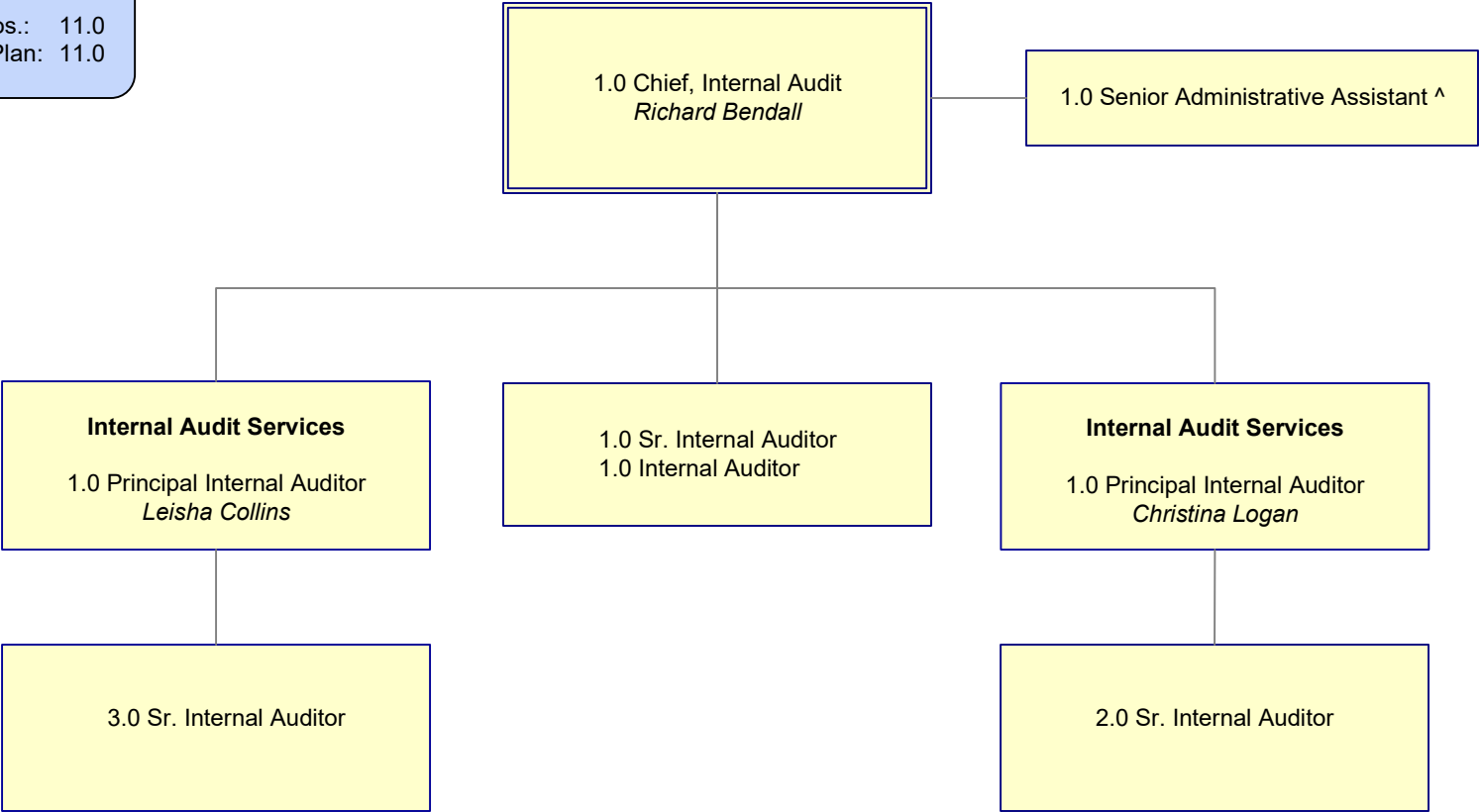
Internal Audit continues to leverage the use of external resources to better meet the needs of the organization and address the Audit Plan. The cost associated with these resources is a significant portion of the budget, \$650,000. Of this, approximately \$150,000 is for the external financial audit, while \$500,000 is to be used at the discretion of the Audit Committee and/or staff to perform external IT audits, investment audits, and other external audits as needed to address the Audit Plan.

Our total S&S budget has remained relatively unchanged, decreasing by \$300, from \$724,500 for FY 2022-2023 to \$724,200 for FY 2023-2024.

# INTERNAL AUDIT

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 11.0  
2022-2023 Hiring Plan: 11.0  
  
2023-2024 Bud. Pos.: 11.0  
2023-2024 Hiring Plan: 11.0



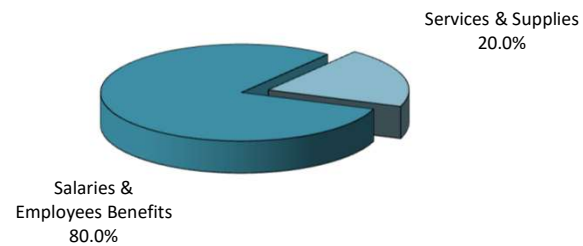
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**INTERNAL AUDIT**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$2,888,948</b>                       | \$2,743,995                       | \$1,322,916       | \$2,686,700       | (\$57,295)   | -2.1%           | \$144,953  | 5.3%            |
| <b>Services &amp; Supplies</b>           | <b>724,200</b>                           | 724,500                           | 151,216           | 714,600           | (\$9,900)  | -1.4%           | (300)  | 0.0%            |
| <b>OPERATING BUDGET</b>                  | <b>\$3,613,148</b>                       | \$3,468,495                       | \$1,474,132       | \$3,401,300       | (\$67,195)   | -1.9%           | \$144,653  | 4.2%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**INTERNAL AUDIT**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$1,652,147</b>                       | \$1,590,417                       | \$797,659         | \$1,590,000       | (\$417)  | 0.0%            | \$61,730   | 3.9%            |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Employee Benefits (Variable)</b> | <b>1,065,420</b>                         | 1,003,252                         | 446,575           | 939,100           | (64,152)   | -6.4%           | 62,168   | 6.2%            |
| <b>Employee Benefits (Other)</b>    | <b>105,895</b>                           | 93,962                            | 43,235            | 92,100            | (1,862)  | -2.0%           | 11,933   | 12.7%           |
| <b>OPEB Contribution</b>            | <b>58,686</b>                            | 49,864                            | 34,818            | 64,300            | 14,436   | 29.0%           | 8,822  | 17.7%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>5,300</b>                             | 5,000                             | 629               | 1,200             | (3,800)  | -76.0%          | 300  | 6.0%            |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>1,500</b>                             | 1,500                             | 0                 | 0                 | (1,500)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$2,888,948</b>                       | \$2,743,995                       | \$1,322,916       | \$2,686,700       | (\$57,295)   | -2.1%           | \$144,953  | 5.3%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  | -               | -  | -               |
| <b>TOTAL S&amp;EB</b>               | <b>\$2,888,948</b>                       | \$2,743,995                       | \$1,322,916       | \$2,686,700       | (\$57,295)   | -2.1%           | \$144,953  | 5.3%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

INTERNAL AUDIT

| 2023-2024 BUDGET                              |                                 |        |          |                      |                  |                        |
|---|---------------------------------|--------|----------|----------------------|------------------|------------------------|
| FILLED POSITIONS                              |                                 | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |
| 00774A  | CHIEF, INTERNAL AUDIT           | 1      | LS12     | 17,116               | 205,394          |                        |
| 00762A  | PRINCIPAL INTERNAL AUDITOR      | 2      | 117H     | 25,982               | 311,788          |                        |
| 00763A  | SENIOR INTERNAL AUDITOR         | 6      | 111E     | 66,944               | 803,326          |                        |
| 00764A  | INTERNAL AUDITOR                | 1      | 105B     | 11,256               | 135,075          |                        |
| 00439A  | SENIOR ADMINISTRATIVE ASSISTANT | 1      | 093A     | 6,657                | 79,884           |                        |
| POSITIONS                                     |                                 | 11     |          |                      | 1,535,467        |                        |
| VACANT POSITIONS                              |                                 | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS |
| POSITIONS                                     |                                 | 0      |          |                      | 0                | FILLED AT 9<br>MONTHS  |
| TOTAL POSITIONS                               |                                 | 11     |          |                      |                  | FILLED AT 6<br>MONTHS  |
| GROSS SALARIES                                |                                 |        |          |                      | 1,535,467        |                        |
| ANTICIPATED MOU SALARY INCREASE**             |                                 |        |          |                      | 23,032           |                        |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                 |        |          |                      | 6,162            |                        |
| BONUS   |                                 |        |          |                      | 87,486           |                        |
| 120-DAY RETIREE(S)                            |                                 |        |          |                      | 0                |                        |
| TOTAL SALARIES                                |                                 |        |          |                      | 1,652,147        |                        |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
 Represented positions shown in blue.  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**INTERNAL AUDIT**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$17,000                        | \$17,000                  | \$167      | \$11,800   | (\$5,200)   | -30.6%   | \$0   | 0.0%     |
| OFFICE SUPPLIES & EQUIPMENT | 1,200                           | 1,500                     | 315        | 800        | (700)   | -46.7%   | (300)   | -20.0%   |
| PROFESSIONAL & SPEC. SRVCS. | 675,000                         | 675,000                   | 144,416    | 672,000    | (3,000)   | -0.4%    | 0   | 0.0%     |
| EDUCATIONAL EXPENSES        | 30,500                          | 30,500                    | 6,320      | 29,500     | (1,000)   | -3.3%    | 0   | 0.0%     |
| MISCELLANEOUS               | 500                             | 500                       | 0          | 500        | 0   | 0.0%     | 0   | 0.0%     |
| TOTAL                       | \$724,200                       | \$724,500                 | \$151,216  | \$714,600  | (\$9,900)   | -1.4%    | (\$300)   | -0.04%   |

\*All amounts rounded to the nearest dollar.

**INTERNAL AUDIT**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,454,721        | \$1,360,723        | \$1,590,417        | \$1,590,000        | \$1,652,147        |
| Total Agency Temp Salaries              | 0                  | 0                  | 0                  | 0                  | 0                  |
| Employee Benefits (Variable)            | 843,072            | 729,950            | 1,003,252          | 939,100            | 1,065,420          |
| Employee Benefits (Other)               | 86,941             | 87,461             | 93,962             | 92,100             | 105,895            |
| OPEB Contribution                       | 42,678             | 51,136             | 49,864             | 64,300             | 58,686             |
| OPEB Contribution (Budget Surplus)      | 0                  | 42,678             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 4,900              | 986                | 5,000              | 1,200              | 5,300              |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 0                  | 0                  | 0                  | 0                  | 0                  |
| Rideshare Allowance                     | 1,500              | 0                  | 1,500              | 0                  | 1,500              |
| Transportation Allowance                | 0                  | 0                  | 0                  | 0                  | 0                  |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Transportation & Travel                 | 17,000             | 0                  | 17,000             | 11,800             | 17,000             |
| Office Supplies & Equipment             | 1,500              | 418                | 1,500              | 800                | 1,200              |
| Professional & Spec. Svcs.              | 671,000            | 295,615            | 675,000            | 672,000            | 675,000            |
| Educational Expenses                    | 30,500             | 27,428             | 30,500             | 29,500             | 30,500             |
| Miscellaneous                           | 500                | 0                  | 500                | 500                | 500                |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$3,154,313</b> | <b>\$2,596,395</b> | <b>\$3,468,495</b> | <b>\$3,401,300</b> | <b>\$3,613,148</b> |

\*All amounts rounded to the nearest dollar.



# INVESTMENT OFFICE

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Prudently invest the trust assets to achieve the highest risk-adjusted return in accordance with the policies and decisions of the Board of Investments.

### **INTRODUCTION**

The Investment Office's staff responsibilities include developing and recommending prudent investment policies and risk management strategies to assist LACERA in achieving the return objectives established by the Board of Investments. The Investment Office's staff is also responsible for implementing and monitoring Board-approved programs and policies.

### **BACKGROUND**

On an ongoing basis, the Investment Office implements LACERA's strategic asset allocation and the Investment Office's strategic initiatives identified in its annual work plan. As part of this effort, the Investment Office's staff works to optimize asset category returns through structure reviews, monitor existing investments, and perform diligence on prospective mandates. The team takes a total portfolio approach that incorporates environmental, social, and governance (ESG) considerations and diversity, equity, and inclusion (DEI) factors in its analysis. The Investment Office balances risks such as leverage and illiquidity with the goal of optimizing risk-adjusted returns.

A challenge that the Investment Office faces is achieving the target rate of return in an environment of more muted expectations from all asset classes. To confront this, the Investment Office continues to increase its focus on risk management, proper portfolio diversification, and LACERA-friendly fee models.



In the recent period, the Investment Office continued to implement the strategic asset allocation approved in 2021, added emerging manager programs across various asset classes in the portfolio, enhanced risk and performance reporting, optimized the structure of the OPEB Master Trust, and improved due diligence and data gathered for our LACERA T.I.D.E. (Toward Inclusion, Diversity, and Equity) initiative.

LACERA's most important resource is its people. Toward this end, the Investment Office has continued to focus on cross-asset category collaboration to enhance the team's overall investment knowledge and perspectives. The greater depth of investment talent best positions the fund to meet its goals in a challenging macroeconomic environment.

Over the coming years, the Investment Office will continue to enhance its operational capabilities, optimize LACERA's investment model, strengthen its influence on fees, and improve outcomes for the LACERA portfolio through its ESG and DEI efforts. For additional information, please see the 2023 Investments Division Work Plan, which is located in the strategic plans. This work plan continues the strategic journey of morphing from an Allocator to Best-in-Class Investor.

## **STAFFING**

For Fiscal Year 2023-2024 the Investment Office is requesting one additional Senior Investment Officer to assist with operational due diligence (ODD) and compliance. The Investment Office's organizational chart has been updated to further align the team with LACERA's functional asset allocation framework and elevate ODD and compliance.

In recent years, LACERA has continually advanced the enhancement and standardization of compliance and ODD efforts and incorporating the evaluation of ODD risk factors across the monitoring of the total portfolio. This effort is consistent with our theme of transitioning from allocator to investor.

To fulfill board-approved policies and priorities, such as enhancing operational effectiveness, compliance and ODD are now key aspects of investment and manager evaluation, selection, and monitoring. ODD is an important function as it mitigates risks stemming from operational issues which increases the likeliness of improved outcomes. Also, as part of the Investment's Office mission of executing the strategic asset allocation, LACERA's increasing allocation to private investments requires in-depth ODD analysis and oversight.

The Senior Investment Officer – Operational Due Diligence and Compliance position will oversee the development of robust policies and practices; guide fund-wide ODD practices and integration in conjunction with asset class heads and further develop the Investment Office's compliance function.

## **Interns**

A goal of LACERA T.I.D.E. is to grow the Investment Division's long-standing internship program to support diversity, equity, and inclusion and recruitment objectives. During the

2023-2024 fiscal year, the Investments Office will offer four internship opportunities, doubling the number of internships typically offered annually. Interns work on resume-enhancing and beneficial projects such as performance attribution, market research, and investment analysis. For the Fiscal Year 2023-2024 only two of the four intern slots will impact the LACERA budget, as two outside organizations that promote diversity and inclusion will be sponsoring two of the interns to work in the Investment Office.

### **SERVICES AND SUPPLIES**

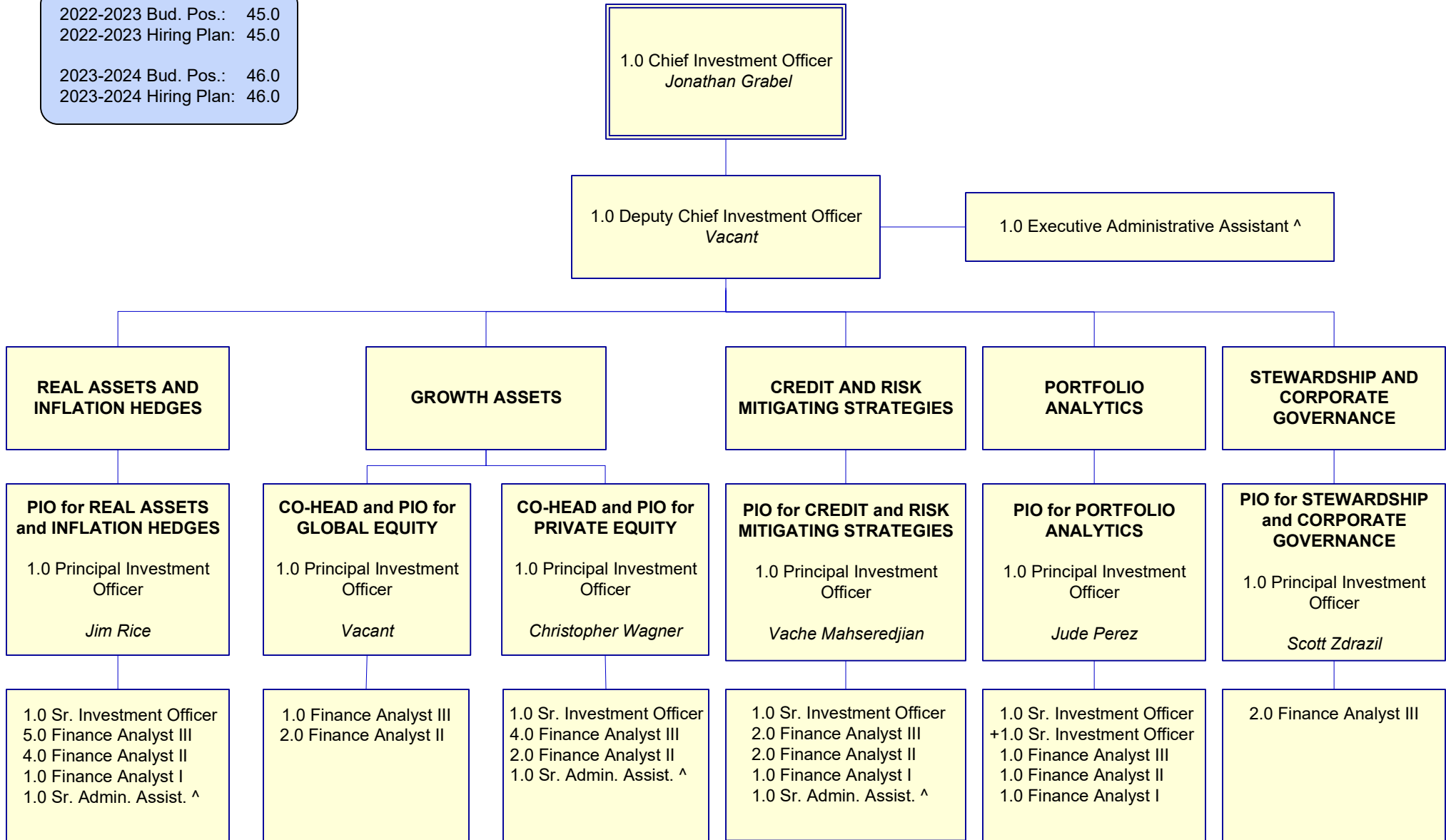
There is an 8 percent increase in the proposed FY 2023-2024 Supplies and Services budget compared to the approved FY 2022-2023 budget. The increase is attributed to travel for investment due diligence purposes as travel continues to normalize to pre-pandemic levels. The proposed travel increase is 25 percent higher compared to the FY 2022-2023 budget. Also, for the proposed FY 2023-2024 budget there are decreases in the auto expenses and membership categories. While these two items represent a decrease in the Investments Services and Supplies budget, they have been recategorized and are now reflected in the Boards of Investments budget and within the transportation allowance section in the Investment's Salaries budget. The travel increase and recategorization of the two items mentioned above represent the total change for the Services and Supplies category for FY 2023-2024.

# INVESTMENT OFFICE

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 45.0  
2022-2023 Hiring Plan: 45.0

2023-2024 Bud. Pos.: 46.0  
2023-2024 Hiring Plan: 46.0



+ Added position

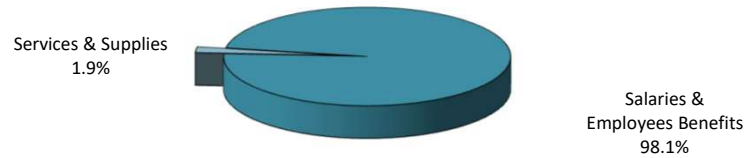
^ Position upgrade from Senior Management Secretary to Executive Administrative Assistant and Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**INVESTMENT OFFICE**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$17,875,467</b>                      | \$17,020,288                      | \$7,298,726       | \$14,633,200      | (\$2,387,088)  | -14.02%         | \$855,179  | 5.0%            |
| <b>Services &amp; Supplies</b>           | <b>348,500</b>                           | 321,900                           | 118,501           | 302,200           | (19,700)   | -6.1%           | 26,600   | 8.3%            |
| <b>OPERATING BUDGET</b>                  | <b>\$18,223,967</b>                      | \$17,342,188                      | \$7,417,227       | \$14,935,400      | (\$2,406,788)  | -13.9%          | \$881,779  | 5.1%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**INVESTMENT OFFICE**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$10,865,804</b>                      | \$9,730,713                       | \$4,839,640       | \$9,447,800       | (\$282,913)  | -2.9%           | \$1,135,091  | 11.7%           |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Employee Benefits (Variable)</b> | <b>5,907,050</b>                         | 6,277,477                         | 2,067,820         | 4,377,800         | (1,899,677)  | -30.3%          | (370,427)  | -5.9%           |
| <b>Employee Benefits (Other)</b>    | <b>696,446</b>                           | 652,582                           | 300,272           | 639,600           | (12,982)   | -2.0%           | 43,864   | 6.7%            |
| <b>OPEB Contribution</b>            | <b>385,968</b>                           | 346,317                           | 87,094            | 160,800           | (185,517)  | -53.6%          | 39,651   | 11.4%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>800</b>                               | 1,000                             | 0                 | 0                 | (1,000)  | -100.0%         | (200)  | -20.0%          |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>5,000</b>                             | 5,000                             | 0                 | 0                 | (5,000)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>14,400</b>                            | 7,200                             | 3,900             | 7,200             | 0  | 0.0%            | 7,200  | 100.0%          |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$17,875,467</b>                      | \$17,020,288                      | \$7,298,726       | \$14,633,200      | (\$2,387,088)  | -14.0%          | \$855,179  | 5.0%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 |  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$17,875,467</b>                      | \$17,020,288                      | \$7,298,726       | \$14,633,200      | (\$2,387,088)  | -14.02%         | \$855,179  | 5.0%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

INVESTMENT OFFICE

2023-2024 BUDGET

| FILLED POSITIONS                              | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00493A CHIEF INVESTMENT OFFICER (UC)          | 1      | LR28     | 66,450               | 797,394          |                        |                       |                       |
| 00495A PRINCIPAL INVESTMENT OFFICER           | 2      | LR23     | 77,172               | 926,066          |                        |                       |                       |
| 00496A PRINCIPAL INVESTMENT OFFICER (UC)      | 3      | LR23     | 111,900              | 1,342,799        |                        |                       |                       |
| 00492A SENIOR INVESTMENT OFFICER              | 2      | LR20     | 55,435               | 665,219          |                        |                       |                       |
| 00769A FINANCE ANALYST III                    | 13     | LR16     | 274,758              | 3,297,096        |                        |                       |                       |
| 00768A FINANCE ANALYST II                     | 8      | LR12     | 114,585              | 1,375,018        |                        |                       |                       |
| 00767A FINANCE ANALYST I                      | 2      | 107L     | 20,498               | 245,976          |                        |                       |                       |
| 00439A SENIOR ADMINISTRATIVE ASSISTANT        | 3      | 093A     | 20,520               | 246,240          |                        |                       |                       |
| POSITIONS                                     | 34     |          |                      | 8,895,808        |                        |                       |                       |
| VACANT POSITIONS                              | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00494A DEPUTY CHIEF INVESTMENT OFFICER (UC)   | 1      | LR24     | 26,934               | 323,209          | 323,209                |                       |                       |
| 00496A PRINCIPAL INVESTMENT OFFICER (UC)      | 1      | LR23     | 25,055               | 300,660          |                        |                       | 150,330               |
| 00492A SENIOR INVESTMENT OFFICER              | 3      | LR20     | 20,168               | 242,019          |                        |                       | 242,019               |
| 00769A FINANCE ANALYST III                    | 2      | LR16     | 15,102               | 181,224          |                        |                       | 181,224               |
| 00768A FINANCE ANALYST II                     | 3      | LR12     | 11,308               | 135,701          | 407,102                |                       |                       |
| 00767A FINANCE ANALYST I                      | 1      | 107L     | 7,815                | 93,779           |                        |                       |                       |
| 00442A EXECUTIVE ADMINISTRATIVE ASSISTANT     | 1      | 104B     | 7,046                | 84,547           |                        |                       | 42,273                |
|   |        |          |                      |                  | 730,312                | 0                     | 615,847               |
| POSITIONS                                     | 12     |          |                      | 1,346,159        |                        |                       |                       |
| TOTAL POSITIONS                               | 46     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |        |          |                      | 10,241,967       |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |        |          |                      | 153,630          |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |        |          |                      | 252,108          |                        |                       |                       |
| BONUS   |        |          |                      | 218,099          |                        |                       |                       |
| 120-DAY RETIREE(S)                            |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |        |          |                      | 10,865,804       |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
[Represented positions shown in blue.](#)  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**INVESTMENT OFFICE**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| AUTO EXPENSE                | \$0                             | \$2,400                   | \$0        | \$0        | \$0   | -100.0%  | (\$2,400)   | -100.0%  |
| TRANSPORTATION & TRAVEL     | 219,000                         | 175,000                   | 41,087     | 144,400    | (30,600)  | -17.5%   | 44,000  | 25.1%    |
| OFFICE SUPPLIES & EQUIPMENT | 3,500                           | 3,500                     | 159        | 3,000      | (500)   | -14.3%   | 0   | 0.0%     |
| EDUCATIONAL EXPENSES        | 125,000                         | 140,000                   | 76,580     | 154,000    | 14,000  | 10.0%    | (15,000)  | -10.7%   |
| MISCELLANEOUS               | 1,000                           | 1,000                     | 676        | 800        | (200)   | -20.0%   | 0   | 0.0%     |
| TOTAL                       | \$348,500                       | \$321,900                 | \$118,501  | \$302,200  | (\$19,700)  | -6.1%    | \$26,600  | 8.3%     |

\*All amounts rounded to the nearest dollar.

**INVESTMENT OFFICE**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022            |                     | FYE 2023            |                     | Proposed            |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget              | Actual              | Budget              | Projection          | Budget              |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                     |                     |                     |                     |
| Total LACERA Salaries                   | \$10,263,564        | \$8,506,782         | \$9,730,713         | \$9,447,800         | \$10,865,804        |
| Total Agency Temp Salaries              | 0                   | 0                   | 0                   | 0                   | 0                   |
| Employee Benefits (Variable)            | 4,998,241           | 4,042,210           | 6,277,477           | 4,377,800           | 5,907,050           |
| Employee Benefits (Other)               | 613,402             | 617,071             | 652,582             | 639,600             | 696,446             |
| OPEB Contribution                       | 301,112             | 222,087             | 346,317             | 160,800             | 385,968             |
| OPEB Contribution (Budget Surplus)      | 0                   | 301,112             | 0                   | 0                   | 0                   |
| Stipends                                | 0                   | 0                   | 0                   | 0                   | 0                   |
| Overtime                                | 1,000               | 0                   | 1,000               | 0                   | 800                 |
| Bilingual Bonus                         | 0                   | 0                   | 0                   | 0                   | 0                   |
| Sick Leave Buyback                      | 0                   | 0                   | 0                   | 0                   | 0                   |
| Rideshare Allowance                     | 5,000               | 0                   | 5,000               | 0                   | 5,000               |
| Transportation Allowance                | 7,200               | 7,200               | 7,200               | 7,200               | 14,400              |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                     |                     |                     |                     |
| Auto Expense                            | 0                   | 0                   | 2,400               | 0                   | 0                   |
| Transportation & Travel                 | 141,000             | 17,097              | 175,000             | 144,400             | 219,000             |
| Office Supplies & Equipment             | 4,500               | 30                  | 3,500               | 3,000               | 3,500               |
| Educational Expenses                    | 116,000             | 115,534             | 140,000             | 154,000             | 125,000             |
| Miscellaneous                           | 7,000               | 677                 | 1,000               | 800                 | 1,000               |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$16,458,019</b> | <b>\$13,829,800</b> | <b>\$17,342,188</b> | <b>\$14,935,400</b> | <b>\$18,223,967</b> |

\*All amounts rounded to the nearest dollar.



# LEGAL SERVICES

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

To provide timely and effective legal representation, advice, and counsel at the highest professional level to LACERA, the Board of Retirement and Board of Investments, and executive management and staff.

### **INTRODUCTION**

The Legal Services Office provides comprehensive legal services to LACERA and its Boards and staff. These services are provided through the Chief Counsel, four sections within the office (Benefits, Disability, Investments and Commercial Contracts, and Litigation and Employment), and the Legislative Affairs Officer. The office also provides legal support in organizational governance, conflicts and ethics, and compliance.

### **ACHIEVEMENTS**

During the 2022-23 fiscal year, the Legal Office's achievements include the following:

***Benefits:*** Handle a steadily increasing volume of benefits issues; advise staff and attorneys for members and former spouses regarding dissolution matters; develop benefits training for the Board of Retirement, and training module for staff regarding implementation of dissolution orders; make recommendations to the Board of Retirement and provide pensionable compensation analyses on many new and revised pay items for County and Superior Court employees; advise staff on benefits policy implementation and improvement; and advise Board of Retirement and staff regarding administrative appeals.

***Disability:*** Prepare monthly Board of Retirement memos on disability applications and counsel the Board; successfully litigate writs of mandate in the Superior Court

and the *Marquez* case in the Court of Appeal; provide ongoing Board of Retirement education on disability law issues; assist in policy development, including collaboration with Disability Retirement Services on new DRS procedures for processing Class-4 arduous disability retirement applications to help alleviate backlog; and continue collaboration with DHR and County to help County facilitate new procedures for employer-filed disability retirement applications.

*Litigation and Employment:* Effectively conduct member and other litigation in the Superior Court and administrative appeals before the Board of Retirement; evaluate potential securities litigation matters and oversee outside counsel in pending actions and individual cases, including FirstEnergy, the Interest Rate Swaps Antitrust Litigation, Securities Lending Antitrust Litigation, the Milford Hotel foreclosure litigation, various title holding company matters, and other cases; assist in numerous HR and employment policies and issues; assist in development of operational diversity, equity, and inclusion proposals for strategic plan; revise Privacy Policy and training; develop e-filing solution for Form 700 Statements of Economic Interest and ongoing FPPC compliance; assist with retiree healthcare issues.

*Investment and Commercial Transactions:* Handle directly or oversee outside counsel on hundreds of new and existing investment transactions worth billions of dollars per year across all LACERA asset classes; provide monthly report to the Board of Investments on investment legal projects; provide annual report for Board of Investments on investment legal work; manage filings and other oversight for all real estate title holding entities; collaborate with Investments Division staff on investment transactions and issues; obtain education to stay current on legislative and regulatory developments regarding investments issues; assist in custody bank RFP and contract negotiations; handle all commercial contract drafting and/or review for LACERA's commercial contracts; and respond to all Public Records Act requests and provide monthly report to Operations Oversight Committee; conducted Diversity, Equity and Inclusion Survey of LACERA outside counsel.

*Legislative Affairs:* Prepare monthly legislative presentations for the Insurance, Benefits and Legislative Committee; represent LACERA at regular monthly meetings of SACRS Legislative Committee and collaborate with SACRS systems on legislative issues; monitor ongoing state and federal legislative matters; arranged for key state or federal legislative visits for Chief Executive Officer and Deputy Chief Executive Officer; met virtually with congressional staffers to discuss repeal of the direct payment requirement for the public safety officer healthcare tax benefit, which was ultimately enacted in the SECURE Act 2.0; supported passage of state bills AB 1824 and AB 1971, which included a key provision allowing members to change their settlement option upon approval of disability retirement; oversee Boards' state and federal legislative advocates, including current RFP process; and supported Beacon economic analysis of LACERA.

*Governance:* Assist with compliance and risk management components of proposed strategic plan; ensure ongoing Brown Act compliance, including compliance and updates on COVID teleconference and new AB 2449

teleconferencing rules; assist with implementation of Education and Travel Policies; development and revision of Felony Forfeiture Administrative Appeal Procedures, Post-Employment Retirement Policy, and other policies and procedures; participate as member on internal LACERA technology and policy development committees; address ongoing ethics and compliance questions; oversee fiduciary counsel; assist in negotiations regarding \$1 million lifetime maximum benefit for certain retiree health insurance; and collaborate with and support the Executive Office in the management of LACERA.

## **GOALS**

In addition to continuation of our work across all sections of the Legal Office, specific goals for FY 2023-24 focused on improving our services to the organization into the future include:

*Benefits:* To recruit adequate expert legal resources into the future.

Status: Recruitment (open and public) is underway for one existing Benefits Staff Counsel position utilizing an outside legal recruiter. Recruitment (promotional) has recently been completed for one existing Benefits Legal Analyst position.

*Investments:* To recruit additional lawyers and maintain the expertise of existing staff to ensure that we keep up with the sophistication of investment operations and build our in-house personnel.

Status: Recruitments (open and public) are underway to fill existing positions for one new Senior Investment Staff Counsel and three Investment Staff Counsel, utilizing an outside legal recruiter to identify quality candidates. In addition, the office is seeking one to two investment lawyers on a secondment basis from outside legal law firms to provide support, pending completion of the recruitments. The Investments Section of the Legal Office will also continue to work on development of a transaction management tool to provide increased technology to support the large volume of investment, commercial contracts, and Public Records Act matters.

*Ordinance Positions:* To support the growth of the office, development of legal staff, and improved service, the Legal Office seeks an increase in the number of ordinance positions for Senior Staff Counsel from 10 to 14.

*Compliance and Governance:* To bolster the operational lines of compliance within the organization by refining our monitoring and development of policy development, training, and enforcement and by providing a compliance team to work with subject matter experts in LACERA's other divisions.

Status: The Legal Office will support development and achievement of LACERA's compliance and risk management goal through approval and hiring of a Compliance Manager within the office. The request position has

changed for FY 2023-24 from Director of Compliance to Compliance and Ethics Officer to provide mid-level support for development of the compliance program, with the addition of the Director position in the future as the program becomes more sophisticated.

*Classification Study for New Senior Legal Analyst Position:* Increased professionalism, expertise, and supervisory capability within LACERA's paralegal staff will be achieved through consideration of a new Senior Legal Analyst classification. The Legal Office requests a classification study for this position.

Status: Requested for FY 2023-24.

*Succession Planning:* To ensure leadership and continuity of support in key legal areas.

Status: The office provided opportunities to lawyers to lead projects with other LACERA staff, make presentations to the Boards, participate in the growth of the office and obtain education and training. Approval of the Principal Staff Counsel position, which remains subject to approval by the Board of Supervisors, will assist greatly in management of the office, service to our internal clients, and succession planning.

## **STAFFING ISSUES FOR FY 2023-24**

### **A. Positions**

The office's FY 2023-24 budget addresses four categories of positions that are needed to ensure that the office continues to provide excellent legal services to the Boards, staff in all divisions, and members, and to meet organizational changes in other parts of LACERA, such as the Executive Office, Benefits and Member Services, Investments, and the new organizational chart proposed by the Chief Executive Office. The current structure is over 15 years old. LACERA has greatly evolved during that time, as has the legal landscape and the sophistication of the services that the office's clients in the organization require. The requested positions will help establish the foundation on which the office can build to meet the challenges of the future.

1. **Principal Counsel:** Two positions were approved by the Boards in 2017. They have not yet been approved by the Board of Supervisors. With the increase in the amount and complexity of legal issues in the organization since 2017, the need for these positions is greater now than it was then. Although no funding can yet be requested for the positions, they remain a part of the Legal Office organizational chart and future plans as a placeholder.
2. **Senior Staff Counsel:** As a result of the growth in the Legal Office's work as described above, it is necessary to increase number of ordinance positions for this classification. The current number of authorized positions is 10, which will be exhausted by the new position. To accommodate future needs, the number should be increased to 14. The hiring of new lawyers is important not just to perform necessary legal work for the present, but to build the foundation for future

leadership and succession planning in the Legal Division for senior positions, including Chief Counsel, Principal Staff Counsel, and Senior Staff Counsel. We have also learned that excellent lawyers hired by the Legal Division sometimes transfer to other LACERA divisions, where they pursue their ambitions and become part of the future in other areas of the fund.

3. **Compliance and Ethics Officer:** The Director of Compliance position has been previously discussed with the Boards. This year, we propose changing the requested position to Compliance and Ethics Officer to provide staff to begin development and implementation of the compliance program, with the expectation that the Director position may be added in the future. The Compliance and Ethics Officer will further the organization's operational compliance by providing dedicated expertise and full-time commitment to the compliance function, which is currently spread throughout the Legal Office and even other parts of the organization. Adding a dedicated position will also strengthen LACERA's management and Internal Audit compliance efforts. A Compliance and Ethics Officer will enable LACERA to implement a compliance structure in line with the Institute of Internal Auditors' "three lines" model of compliance, with the first line being the delivery of services and support for services, the second line being management of risk, and the third line being the independent role of Internal Audit. A Compliance and Ethics Officer provides needed leadership and expertise to provide a strong second line, which currently does not have dedicated staff at LACERA, although a variety of staff give some attention to the issue. The job description for the Compliance and Ethics Officer is currently in development and will be presented to the Boards for approval, along with the recommended salary, during FY 2023-24.

#### **B. Classification Study for Senior Legal Analyst**

The Legal Division requests a new classification for Senior Legal Analyst, in addition to the existing Legal Analyst classification, to recognize the Legal Division's increasing reliance on experienced legal analysts to perform high-level legal work that is extremely important and sophisticated but does not require the services of an attorney. The division currently relies upon Legal Analysts for work in the Benefits, Disability, and Investment sections of the office. Senior Legal Analysts will perform advanced work in areas of benefit and legal order analysis, investment contract and investment regulatory requirements, and Form 700 and other ethics compliance functions. Senior Legal Analysts will free attorneys from performing these functions and leverage the legal staff of the office in an efficient and economical way.

#### **C. Temporary Services and Overtime**

The agency-temporary budget for FY 2023-24 will provide for temporary staff to cover Legal Office needs, such as potential attorney and clerical assistance for special projects and coverage for administrative staff absences or medical leave. The office also needs occasional overtime throughout the year to support secretarial and Legal Analyst staff in the Investment Section of the Legal Office in keeping up with the very high volume and time-sensitive demands of the organization's investment work; in the

Benefits Section of the Office to cover March Madness and other member service needs; and to complete compliance projects and other special assignments. However, the office will continue to be efficient in the use of temporary staff and overtime and authorizes requests in these areas only when there is demonstrated need to complete work necessary to fulfill LACERA's mission.

#### **D. Intern**

The Legal Division intends to hire two interns in FY 2023-24 to help recruit talent for the future and to provide opportunity to a law school student who may be interested in a career in government and public pension law. One intern will be a law student, and the other will be for legal analyst work. The division intends to expose the interns to the work of all sections of the office in order to provide broad experience of LACERA's legal needs and promote understanding of all major dimensions of LACERA's business. The division will also support additional work in specialized areas if the intern expresses a focused interest. The Legal Division focuses on diversity as an important factor in all our recruiting, which will be a consideration, as well in selecting an excellent intern. The planning for recruitment of the interns is underway.

#### **E. Training**

Attorneys are required by California law to obtain 25 hours of mandatory continuing legal education every three years. The Legal Office's attorneys are diligent in obtaining this training and seeking additional training as needed. Training is provided through SACRS, the National Association of Public Pension Attorneys, and other sources.

Other LACERA staff obtain training on important processes and skills through the Human Resources Office.

### **SERVICES AND SUPPLIES**

Even as the office's staffing grows in capability and the demand for legal services within the organization continues to expand, we will strive in FY 2023-24 to be more efficient. Therefore, we have increased the Services and Supplies budget associated with staff to reflect the proposed greater headcount. Overall, the Services and Supplies budget has been reduced based on a projected reduction in Outside Legal Counsel fees.

The budget for Services and Supplies is primarily based on historical expenditures, adjusted for experience, and increased headcount. LACERA will continue to be efficient across the board in FY 2023-24, primarily through a focus on efficiency; continued reduction in the physical, hard copy library in favor of electronic resources; allocation of education opportunities and organizational memberships to minimize—if not eliminate—travel, avoid duplication, and increase the sharing of knowledge and information; and better management of outside legal resources.

Outside Legal Resources is a difficult category to budget and control, because it is dependent on unpredictable contingencies and claims as well as Board issues that may arise. The office proposes an amount for FY 2023-24 to recognize recent trends in outside counsel usage, including projections based on the status of major pending matters, while

at the same time committing to manage outside counsel assignments to control cost.

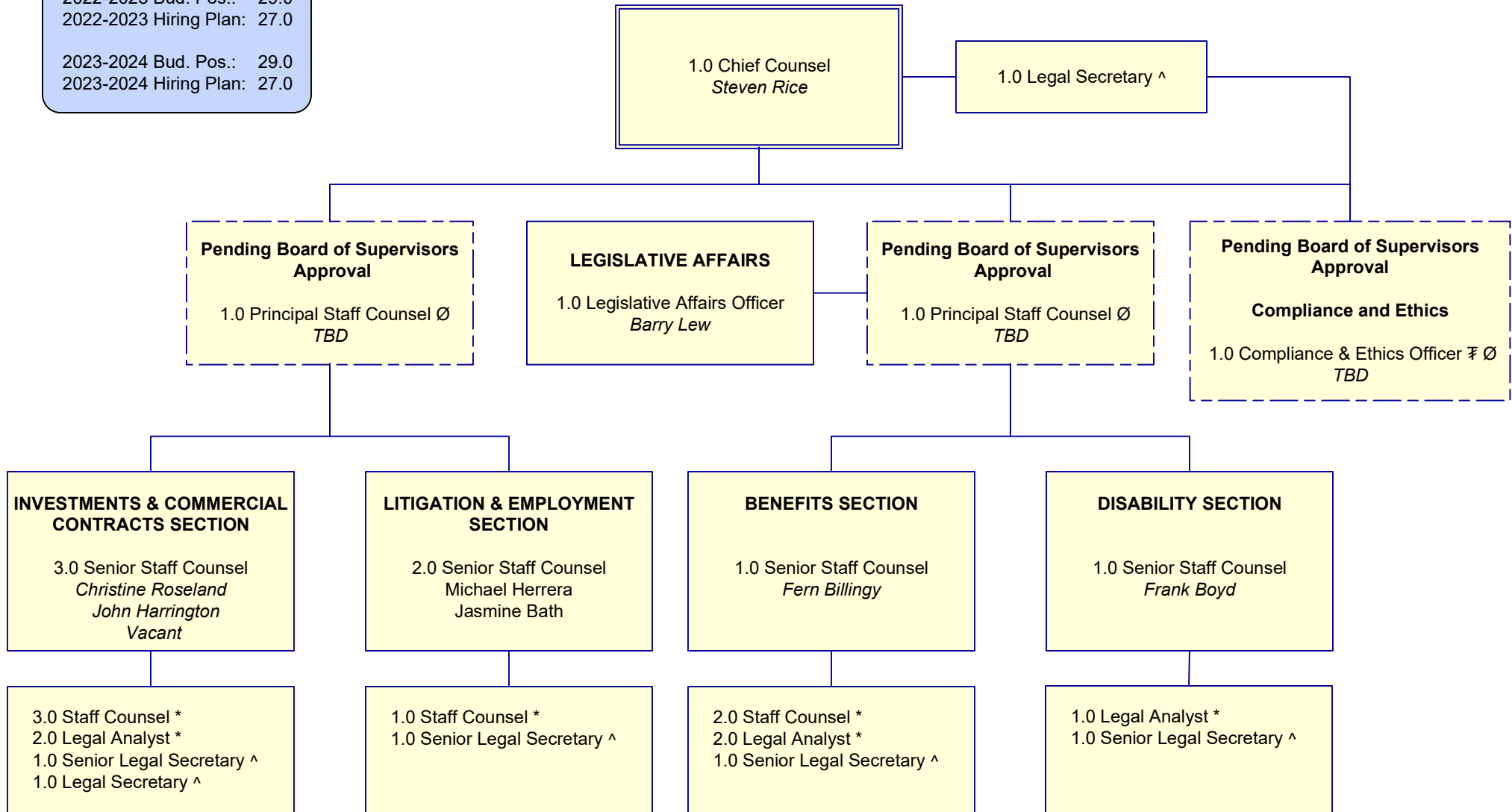
In order to supplement the division's recruitment efforts for full-time investment attorneys, the division is currently exploring secondments with some of our major outside investment law firms to be used in support of the division's work for the Investments Division. Under this arrangement, one or more firms will place an attorney with LACERA on a full- or part-time basis. A secondment relationship will provide LACERA with high-quality investment attorneys devoted to our work, whom we may be able to recruit for a full-time position. Such a relationship will also deepen the selected law firms' understanding of LACERA and enable them to provide better service to the fund even after the secondment has ended. The secondment will be used if the division is not able to recruit permanent investment Senior Staff Counsel and Staff Counsel through the civil service exam process and will be used on a temporary basis until permanent staff can be hired. This is a creative way of addressing staffing shortages and recruiting challenges for sophisticated permanent investment attorneys, while supporting LACERA's investment transactional work at the needed level of expertise. Because this expense is in support of investment work, it is not an administrative expense and therefore is not included in the administrative budget. Outside counsel hired on a secondment basis, like other outside investment counsel, is a non-administrative expense not included in the Administrative Budget.

# LEGAL SERVICES

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 29.0  
2022-2023 Hiring Plan: 27.0

2023-2024 Bud. Pos.: 29.0  
2023-2024 Hiring Plan: 27.0



\* Classification study for the position requested

^ Position upgrade from Senior Management Secretary to Senior Legal Secretary and Management Secretary to Legal Secretary as a result of classification study (Board of Supervisors approved on October 18, 2022).

Ø Not yet approved by Board of Supervisors (1.0 Principal Staff Counsel in Investments & Litigation Team, 1.0 Principal Staff Counsel in Benefits & Disability Team, and 1.0 Compliance and Ethics Officer in Legal Services)

ƒ Title change from Director of Compliance to Compliance and Ethics Officer

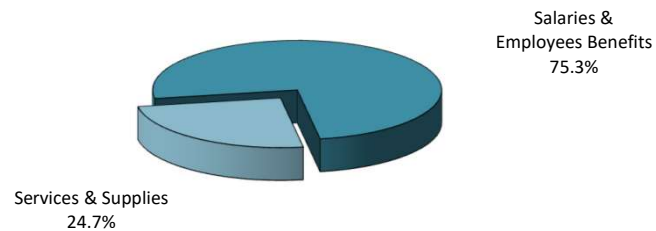


**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**LEGAL SERVICES**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$7,524,432</b>                       | \$7,029,695                       | \$2,867,503       | \$5,771,400       | (\$1,258,295)  | -17.9%          | \$494,737  | 7.0%            |
| <b>Services &amp; Supplies</b>           | <b>2,473,300</b>                         | 3,427,500                         | 3,330,007         | 4,369,800         | 942,300  | 27.5%           | (954,200)  | -27.8%          |
| <b>OPERATING BUDGET</b>                  | <b>\$9,997,732</b>                       | \$10,457,195                      | \$6,197,510       | \$10,141,200      | (\$315,995)  | -3.0%           | (\$459,463)  | -4.4%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**LEGAL SERVICES**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$4,320,931</b>                       | \$3,853,589                       | \$1,742,020       | \$3,375,300       | (478,289)  | -12.4%          | \$467,342  | 12.1%           |
| <b>Total Agency Temp Salaries</b>   | <b>179,400</b>                           | 196,600                           | 43,577            | 147,500           | (49,100)   | -25.0%          | (17,200)   | -8.7%           |
| <b>Employee Benefits (Variable)</b> | <b>2,568,864</b>                         | 2,555,301                         | 892,326           | 1,864,300         | (691,001)  | -27.0%          | 13,563   | 0.5%            |
| <b>Employee Benefits (Other)</b>    | <b>276,951</b>                           | 261,912                           | 120,513           | 256,700           | (5,212)  | -2.0%           | 15,039   | 5.7%            |
| <b>OPEB Contribution</b>            | <b>153,485</b>                           | 138,993                           | 59,683            | 110,200           | (28,793)   | -20.7%          | 14,492   | 10.4%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 |                   | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>19,900</b>                            | 18,400                            | 9,384             | 17,400            | (1,000)  | -5.4%           | 1,500  | 8.2%            |
| <b>Bilingual Bonus</b>              | <b>2,400</b>                             | 2,400                             | 0                 | 0                 | (2,400)  | -100.0%         | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>2,500</b>                             | 2,500                             | 0                 | 0                 | (2,500)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$7,524,432</b>                       | \$7,029,695                       | \$2,867,503       | \$5,771,400       | (\$1,258,295)  | -17.9%          | \$494,737  | 7.0%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 |  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$7,524,432</b>                       | \$7,029,695                       | \$2,867,503       | \$5,771,400       | (\$1,258,295)  | -17.9%          | \$494,737  | 7.0%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

LEGAL SERVICES

2023-2024 BUDGET

|        | FILLED POSITIONS                              | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|--------|---|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 09216A | CHIEF COUNSEL                                 | 1      | LS19     | 28,397               | 340,758          |                        |                       |                       |
| 09213A | SENIOR STAFF COUNSEL                          | 6      | LS16     | 121,389              | 1,456,662        |                        |                       |                       |
| 09212A | STAFF COUNSEL                                 | 3      | LS12     | 51,452               | 617,429          |                        |                       |                       |
| 00795A | LEGISLATIVE AFFAIRS OFFICERS                  | 1      | 115H     | 12,639               | 151,664          |                        |                       |                       |
| 09235A | LEGAL ANALYST                                 | 4      | 102F     | 34,452               | 413,424          |                        |                       |                       |
| 00441A | SENIOR LEGAL SECRETARY                        | 2      | 101H     | 15,903               | 190,837          |                        |                       |                       |
| 00440A | LEGAL SECRETARY                               | 2      | 97C      | 13,830               | 165,959          |                        |                       |                       |
|        | POSITIONS                                     | 19     |          |                      | 3,336,733        |                        |                       |                       |
|        | VACANT POSITIONS                              | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 99999A | PRINCIPAL STAFF COUNSEL Ø                     | 2      | LS17     | 16,235               | 194,816          |                        |                       |                       |
| 99999A | COMPLIANCE & ETHICS OFFICER Ø                 | 1      | LS16     | 15,102               | 181,224          |                        |                       | 90,612                |
| 09213A | SENIOR STAFF COUNSEL                          | 1      | LS16     | 15,102               | 181,224          | 181,224                |                       |                       |
| 09212A | STAFF COUNSEL                                 | 3      | LS12     | 11,308               | 135,701          | 407,102                |                       |                       |
| 09235A | LEGAL ANALYST                                 | 1      | 102F     | 6,740                | 80,882           | 80,882                 |                       |                       |
| 00441A | SENIOR LEGAL SECRETARY                        | 2      | 101H     | 6,592                | 79,107           |                        |                       | 79,107                |
|        |   |        |          |                      |                  | 669,208                | 0                     | 169,719               |
|        | POSITIONS                                     | 10     |          |                      | 838,927          |                        |                       |                       |
|        | TOTAL POSITIONS                               | 29     |          |                      |                  |                        |                       |                       |
|        | GROSS SALARIES                                |        |          |                      | 4,175,661        |                        |                       |                       |
|        | ANTICIPATED MOU SALARY INCREASE**             |        |          |                      | 62,635           |                        |                       |                       |
|        | ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |        |          |                      | 74,295           |                        |                       |                       |
|        | BONUS   |        |          |                      | 8,342            |                        |                       |                       |
|        | 120-DAY RETIREE(S)                            |        |          |                      | 0                |                        |                       |                       |
|        | TOTAL SALARIES                                |        |          |                      | 4,320,931        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
 Represented positions shown in blue.  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**LEGAL SERVICES**

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |             |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|-------------|-------------|---|----------|---|----------|
|                             |                                 | YTD                       |             |             | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23)  | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| AUTO EXPENSE                | <b>\$3,900</b>                  | \$4,400                   | \$633       | \$2,900     | (\$1,500)   | -34.1%   | (\$500)   | -11.4%   |
| TRANSPORTATION & TRAVEL     | <b>21,800</b>                   | 17,800                    | 3,263       | 12,300      | (5,500)   | -30.9%   | 4,000   | 22.5%    |
| OFFICE SUPPLIES & EQUIPMENT | <b>5,000</b>                    | 6,000                     | 1,045       | 3,000       | (3,000)   | -50.0%   | (1,000)   | -16.7%   |
| PROFESSIONAL & SPEC. SRVCS. | <b>280,300</b>                  | 252,300                   | 127,569     | 252,300     | 0   | 0.0%     | 28,000  | 11.1%    |
| LEGAL FEES & SERVICES       | <b>2,050,000</b>                | 3,040,500                 | 3,140,010   | 4,001,800   | 961,300   | 31.6%    | (990,500)   | -32.6%   |
| EDUCATIONAL EXPENSES        | <b>110,000</b>                  | 104,500                   | 57,130      | 95,500      | (9,000)   | -8.6%    | 5,500   | 5.3%     |
| MISCELLANEOUS               | <b>2,300</b>                    | 2,000                     | 359         | 2,000       | 0   | 0.0%     | 300   | 15.0%    |
| TOTAL                       | <b>\$2,473,300</b>              | \$3,427,500               | \$3,330,007 | \$4,369,800 | \$942,300   | 27.5%    | (\$954,200)   | -27.8%   |

\*All amounts rounded to the nearest dollar.

\*\* The projection for Legal Fees & Services will be offset by \$1M credit.

**LEGAL SERVICES**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023            |                     | Proposed           |
|---|--------------------|--------------------|---------------------|---------------------|--------------------|
|   | Budget             | Actual             | Budget              | Projection          | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                     |                     |                    |
| Total LACERA Salaries                   | \$3,630,372        | \$2,598,365        | \$3,853,589         | \$3,375,300         | \$4,320,931        |
| Total Agency Temp Salaries              | 150,000            | 103,549            | 196,600             | 147,500             | 179,400            |
| Employee Benefits (Variable)            | 2,117,944          | 1,484,491          | 2,555,301           | 1,864,300           | 2,568,864          |
| Employee Benefits (Other)               | 214,441            | 215,724            | 261,912             | 256,700             | 276,951            |
| OPEB Contribution                       | 105,267            | 95,913             | 138,993             | 110,200             | 153,485            |
| OPEB Contribution (Budget Surplus)      | 0                  | 105,267            | 0                   | 0                   | 0                  |
| Stipends                                | 0                  | 0                  | 0                   | 0                   | 0                  |
| Overtime                                | 30,000             | 20,897             | 18,400              | 17,400              | 19,900             |
| Bilingual Bonus                         | 2,400              | 1,000              | 2,400               | 0                   | 2,400              |
| Sick Leave Buyback                      | 0                  | 0                  | 0                   | 0                   | 0                  |
| Rideshare Allowance                     | 2,500              | 0                  | 0                   | 0                   | 0                  |
| Transportation Allowance                | 0                  | 0                  | 2,500               | 0                   | 2,500              |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                     |                     |                    |
| Auto Expenses                           | 4,400              | 1,726              | 4,400               | 2,900               | 3,900              |
| Transportation & Travel                 | 26,400             | 8,221              | 17,800              | 12,300              | 21,800             |
| Office Supplies & Equipment             | 6,000              | 1,616              | 6,000               | 3,000               | 5,000              |
| Professional & Specialized Services     | 252,300            | 255,691            | 252,300             | 252,300             | 280,300            |
| Legal Fees & Services                   | 1,100,000          | 2,888,853          | 3,040,500           | 4,001,800           | 2,050,000          |
| Educational Expenses                    | 103,000            | 79,821             | 104,500             | 95,500              | 110,000            |
| Miscellaneous                           | 3,000              | 622                | 2,000               | 2,000               | 2,300              |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$7,748,024</b> | <b>\$7,861,756</b> | <b>\$10,457,195</b> | <b>\$10,141,200</b> | <b>\$9,997,732</b> |

\*All amounts rounded to the nearest dollar.

# MEMBER SERVICES

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### Mission

To provide world-class service in a positive, supportive, professional, and equitable manner through any channel the member chooses. We will strive at all times to provide accurate, clear, and common-language explanations of all plans, plans options, purchases, purchase options, and retirement-related issues. We will strive to function as a team working together to fulfill our assigned mission of servicing members.

### INTRODUCTION

Member Services is dedicated to continually improving the member experience across all channels. We provide full-service support—from assisting members with technical support for My LACERA and general account maintenance to providing in-depth retirement counseling and assisting survivors when a member passes away. Our focus is on member education and support.

Member Services is composed of three operational sections:

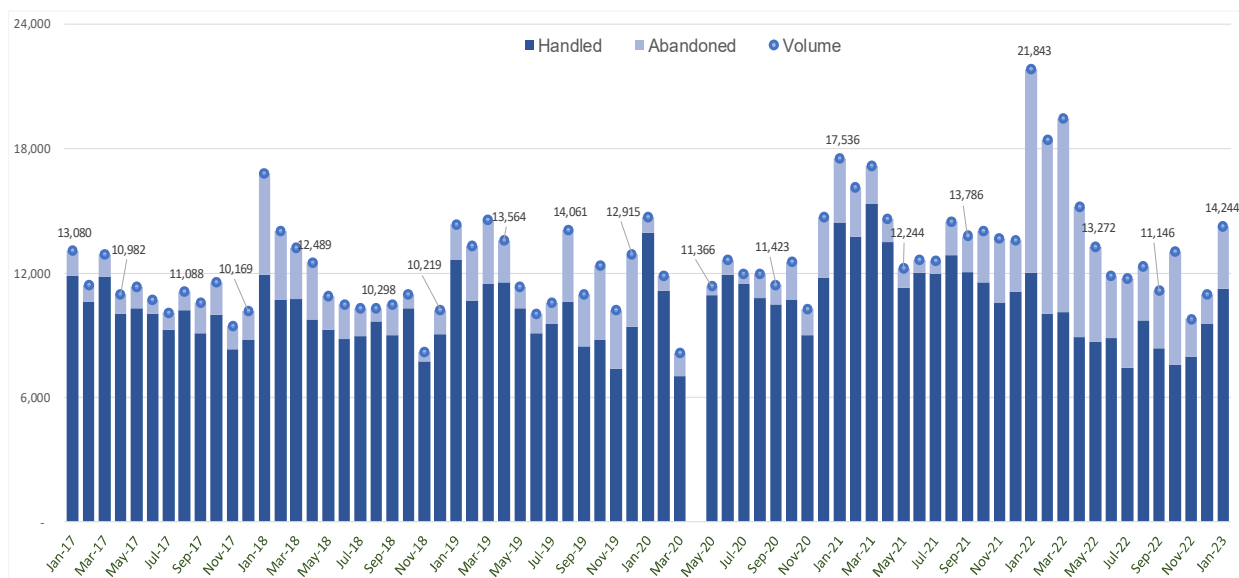
- **The Contact Center:** This section is composed of our Call Center, which provides full-service support for members and survivors; HR Pros from the County and outside districts; My LACERA technical support; and the Correspondence Unit.
- **Outreach:** The Outreach section consists of the Member Services Center (MSC), which provides in-person and virtual one-on-one counseling sessions for members. The Outreach section also provides webinars to educate members on a wide variety of topics and conducts in-person workshops and benefit tables at various County and union events.

- Member Quality Control Group (MSQC):** The MSQC section maintains the Member Services knowledge base referred to as the MS Operating Instructions, monitors phone calls to confirm exacting performance expectations are maintained, and oversees the collection and analysis of member feedback for Member Services interactions. The MSQC also oversees the escalation process and includes a Member Care Unit, which addresses more complex member concerns.

## ACCOMPLISHMENTS

FY 2022-23 was a year of innovation and rapid change as we worked to address historic call volumes, recover from the high vacancy rate resulting from the COVID-19 pandemic, expand our appointment availability in the Member Service Center during a reduced staffing environment, and begin the planning and development of our Member Experience program focus.

The last two years have seen the highest call volumes since we started tracking them in 2006. These call volumes were driven by a high interest in retirement planning, delays in processing death benefits, and delays in processing Part B reimbursements and were compounded by high vacancies in our Call Center.



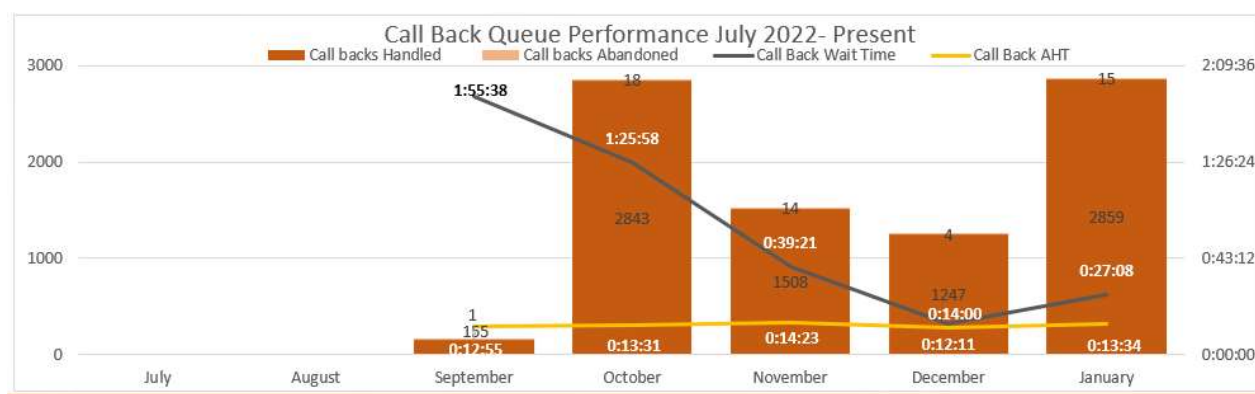
Facing increases of this nature with the challenges of a high vacancy rate required the division to take multiple innovative steps to improve the member experience.

The division worked alongside our Benefits Division to support the Quality Assurance Division as they trained two large CORE Benefit Training (CBT) program classes of Retirement Benefit Specialist Is to fill Call Center vacancies. This effort was a first for

LACERA as we conducted two classes nearly simultaneously. The three divisions worked together closely to coordinate the training, including pausing training to help Member Services launch a new service channel to support My LACERA.

Member Services turned to innovative technical solutions to address continued high call volumes while we waited for the new trainees to graduate. During the first half of FY 2022-23, the division launched two new services: the callback feature and the new My LACERA support queue.

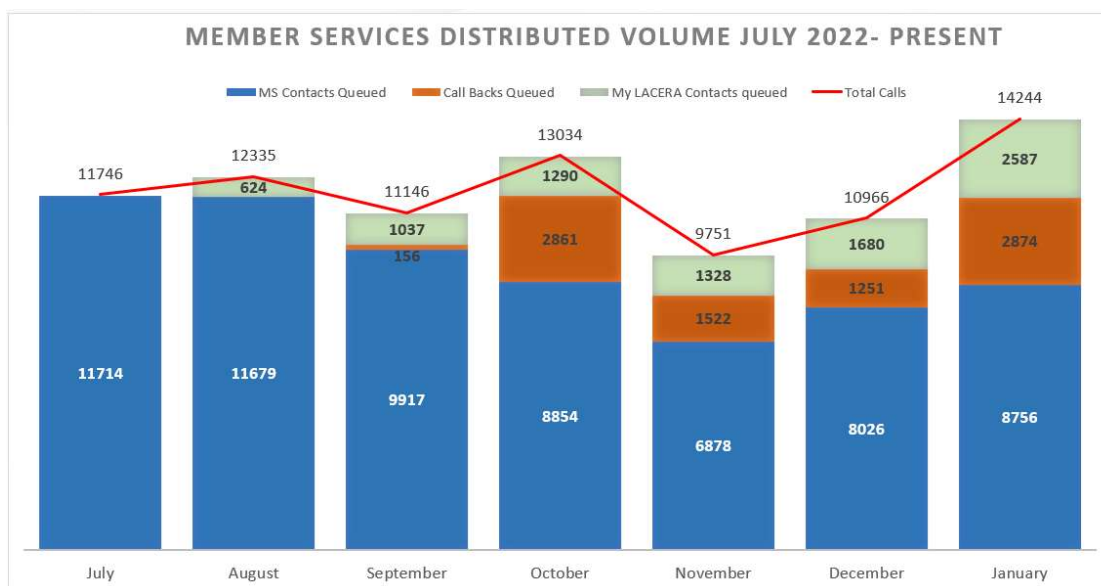
Member Services team members partnered with Systems and our Call Center SaaS provider, Amazon Web Services (AWS), to develop and roll out the new callback feature, which allows members to opt for a same day callback instead of waiting on hold. On average, about 117 members a day opt to take advantage of the callback feature, with an average wait time of 1 hour, 9 minutes. The team is working to define a Grade of Service (GOS) to include in the KPI for this queue.



In the fall of 2022, Member Services launched the new My LACERA Support queue in our Call Center, allowing members to bypass the main queue to get direct assistance with accessing and using My LACERA. The support queue averages about 90 calls per day, with an average wait time of 1 minute, 20 seconds. The GOS KPI for this queue is 89.94 percent of all calls answered in 60 seconds or less.

Together, these innovative technologies—along with a slightly lower call volume and careful workforce management during the first half of the fiscal year—helped reduce our average call wait time by 15 percent from 21 minutes, 37 seconds to 18 minutes, 23 seconds.





Member Services also rolled out a new appointment and queue management system for our Member Service Center in the second quarter of FY 2022-23. The new system provides improved performance for members scheduling in-person or virtual appointments. The new system replaced a slow and unresponsive appointment system, vastly improving the member experience. The new technology includes automatic email notifications for members as a reminder of their upcoming appointment.

Behind the scenes, the new queue management technology will allow us to begin collecting improved metrics for the Member Service Center operations, so we can better track how we provide service, forecast future staffing needs, and identify areas for improvement in our processes.

With better insight and careful workforce management and planning, Member Services also prepared for and increased the availability of appointments in the Member Service Center for the 2023 March Madness season. The team increased available appointments from 12 to 25–30 per day for in-person and 17 to 19 for virtual appointments. The team also worked to once again provide Saturday virtual counseling sessions to meet member demand. These efforts were carried out despite our staffing challenges. .

Focusing on developing our Member Experience program, Member Services introduced new surveys for members to provide feedback about their Call Center and Member Service Center interactions. Members can now opt to answer a post-call survey before speaking to a specialist. The short, five-question survey collects member feedback on their interaction during that call. (Members completing a one-on-one counseling session in the Member Service Center receive a text message satisfaction survey.) This is the beginning of our member experience feedback loop.

Additional advances include the launch and support of multi-factor authentication for My LACERA and new procedures supporting our death benefit claim form automation process.

The Member Operations Group (MOG) is always looking for ways to develop staff and improve the level of service we provide to members. The Member Services and Benefits divisions work together closely to coordinate activities on a number of levels. This year the two divisions joined forces to create a new and innovative way of sharing resources to further the development of staff and keep all staff connected to the members. The new classes that graduated in late 2022 were moved forward as hybrid Retirement Benefit Specialists. The two divisions will be developing a rotation schedule that will see these specialists working in both the Call Center and processing member requests in the Core Benefits Unit. The rotation keeps staff training current, fosters a greater understanding of the member request lifecycle, and keeps all staff focused on improving the member experience, all without degrading the service that either division offers.

### **Looking Forward to FY 2023-24**

Our focus in 2023-2024 is to continue to innovate and improve our ability to deliver service to members when and how they want it. Superior Member Experience is Priority No. 1 in the proposed strategic plan— this priority and the associated objectives will help guide us as we work to improve the efficiency of our highly personalized service while expanding self-service options. As Member Services focuses on planning and delivering on the objectives outlined in strategic Priority No. 1, we look forward to working with the Member Experience Council to focus and prioritize efforts to improve specific member journeys.

Our initial focus will be reimagining the retirement planning journey. A multidivisional effort is underway to standardize the Member Services retirement counseling procedures to ensure members receive the same information and level of support regardless of their channel of choice, as well as ensuring that we have an integrated approach to helping members with their retirement plans. This new approach will also incorporate the lacera.com Retirement Planning section as an ongoing resource hub as they move through the retirement process. By developing a reference hub that matches the information shared during their personalized counseling sessions, members will have an online resource that will help answer their questions and increase their knowledge and understanding of the retirement planning process and benefits. We expect this resource will improve their experience and may even reduce call volumes from follow-up questions. We expect this new standardized process to be in place during the first quarter of FY 2023-24.

Future phases expected to kick in toward the end of FY 2023-24 will include integrating Retiree Healthcare in the standardized retirement planning counseling session. By cross-training Member Services staff, we can ensure that every retirement counseling interaction will include explanations of the basics of the healthcare plans. Staff will be

trained to identify trigger points to connect members with the RHC Member Care Unit for more advanced discussions regarding plan selection and Medicare questions.

All of these efforts will serve as a springboard for future plans to develop a self-service or guided online retirement process similar to what you may experience in popular tax preparation programs.

Additional focus is expected on the new member journey as we partner with Benefits and Systems to change the New Member Sworn Statement process. The current process requires new members to complete a paper form provided by our HR Pro partners throughout the County. Our goal is to modernize this process and combine it with My LACERA registration. This will allow us to begin forming a stronger digital relationship with our members at the start of their careers, which serves as the gateway for proactive communications during other member journeys and additional self-service offerings.

Member Services is partnering with our Call Center SaaS provider, AWS, to implement an innovative AI-assisted Secure Validation and Voice Authorization process for our Call Centers. Currently members must be validated by a specialist before we can begin discussing private retirement-related topics or process member requests. This process can range from one to three minutes or more. The new process will securely validate the member prior to reaching a specialist and deliver the member's account to the specialist so we can begin assisting the member right away. Not only will this personalize the interaction and improve the one-on-one member experience, it will also reduce average handling time for specialists, allowing us to handle more calls in a standard day. Of course, in keeping with our focus on the member experience, those who do not wish to go through this process can opt out and be validated by a specialist in person. If a member opts into voice authentication, their voice alone will serve as the verification method—again, making their overall experience smoother and faster.

Member Services will also continue working with other MOG divisions as we implement the case management system (CMS). We will be evaluating the potential for the CMS to be used to manage our escalation and hardship process and help us increase our ability to communicate status with members. Our expectation for the CMS is a new transparency that will allow early intervention to resolve challenges and pivot us away from a task-process method, which isolates processes, to a more complete view of the member. Greater visibility will allow us to see and eliminate errors, which will increase member satisfaction.

Member Services will also be partnering with Systems to issue an RFP for an Enterprise Communication System that will provide enhanced member interaction capabilities in our Call Center and also allow us to evaluate potential AI-assisted chat support on our website. More details will be released as we refine the RFP.

Ensuring a consistent level of service and a positive member experience requires stable staffing in our member-facing divisions. Member Services and MOG are working with

Human Resources and the Executive Office to create a pipeline of trained staff to continually fill vacancies that occur. Member Services is a gateway division that serves as a launching platform for staff to grow with LACERA over time. New staff are trained by Quality Assurance in our Core Benefits Training program and then work in the Member Services Call Center and often promote from the Call Center to other parts of the organization. This constant (but positive) staff movement leaves a perpetual, cyclical high vacancy rate in the Call Center. High vacancy rates degrade our ability to provide service not only in the Call Center, but also in the Member Service Center, which often relies on specialists moving from the Call Center to fill their vacancies. By approaching the Board of Retirement with a request to over-hire, we can ensure that we have a steady pipeline of trained staff to vacancies quickly.

We are looking forward to a new cadre of trainees beginning in April of 2023, who will graduate near the end of the year. Member Services has been working with the other MOG divisions to develop a revamped Core Benefits Training program that incorporates both technical knowledge and the soft skills required to provide members complex benefit and retirement counseling. The new program will focus on developing a well-rounded and trained staff that can fulfill our vision of hybrid Retirement Benefit Specialists who can work in both a Member Services member interaction role as well as a Benefits processing role. The new program has added customer service training, including mock call practices as well as the historical production level practice for Benefits processing.

We expect the new class to provide us with a sufficient pipeline of trained staff that will also allow us to fill vacancies in our Member Service Center. Member Services is focused and determined to increase the availability of in-person and virtual appointments. This is a critical goal that we hope to meet toward the end of the FY 2023-24.

The new Division Manager of Member Services, like other MOG division managers, will be responsible for working with the MS Section Heads and Supervisors to identify core competencies and develop a preliminary roadmap for staff member education and development for positions under their purview. These roadmaps will be reviewed and serve as tools for creating individual self-development plans for subordinate staff. Formal training will include local and cost-effective instruction.

## **STAFFING**

Member Services service levels continue to improve as a result of a reduction in staffing vacancies. In FY 2022-23, Member Services placed 14 graduates of two Core Benefits Training (CBT) classes in the Member Services Call Center. Our Call Center has 30 positions, and because of the pandemic, LACERA was not able to offer training classes in more than two years. Our staffing is dynamic, as many specialists will promote, transfer to other divisions, and retire, so having new specialists from the CBT is how we add staff. Before the graduation of classes in 2023, the last CBT class began in 2019, so the additional specialists we added this past fiscal year has significantly improved

our ability to deliver timely service to our callers. Member Services is not asking for additional positions in FY 2023-24.

## **OVERTIME**

With the development of the case management project, we will need Member Services subject matter experts to contribute their insights and knowledge. Member Services is asking for the overtime budget to be increased by 15 percent in staffing hours from FY 2022-23, totaling \$214,200, for this project. In addition to case management, Member Services is asking for overtime funds to provide additional retirement counseling meetings and to support Benefits during March Madness.

## **SERVICES AND SUPPLIES**

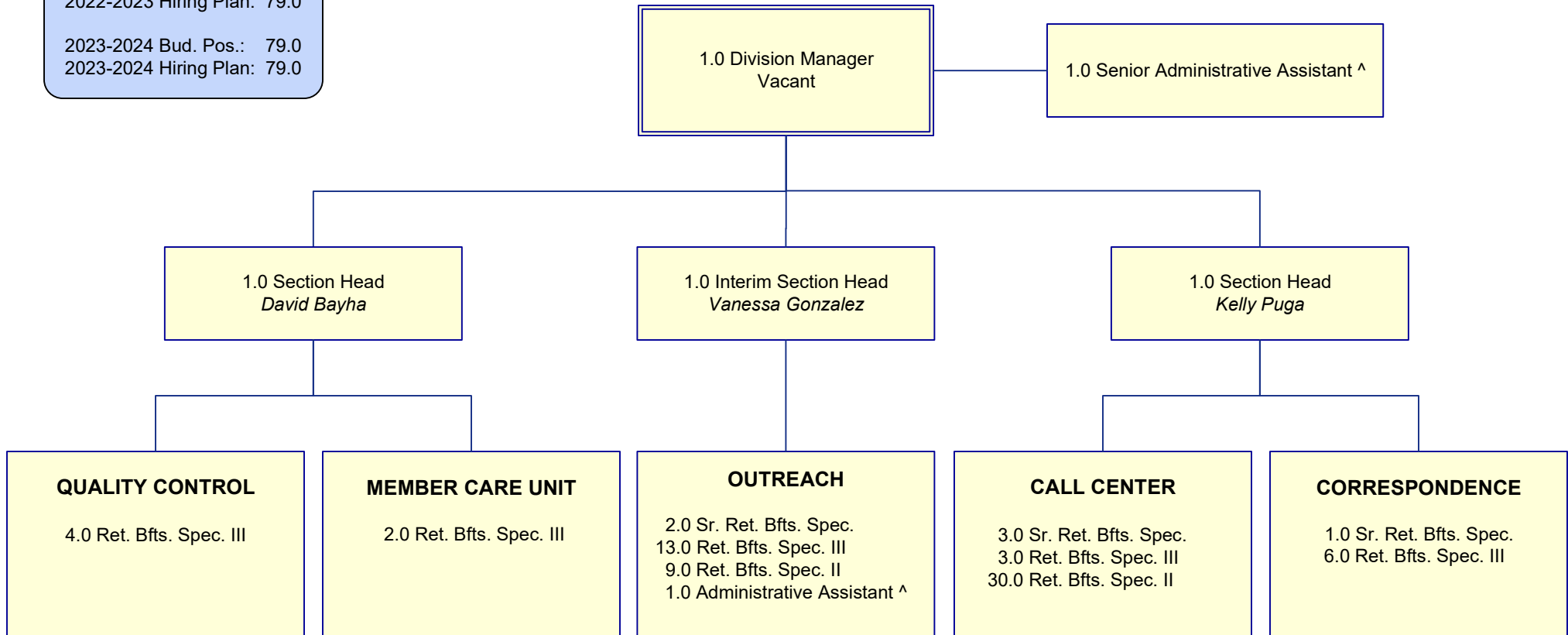
The Services and Supplies budget requests are in line with previous years and based on actual and historical expenditure trends. We reduced our travel during the pandemic and anticipate restarting conference participation in FY 2023-24. SACRS, CALAPRS, CEBS and ICMI are some of the conferences we attended in the past.

# MEMBER SERVICES DIVISION

FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 79.0  
2022-2023 Hiring Plan: 79.0

2023-2024 Bud. Pos.: 79.0  
2023-2024 Hiring Plan: 79.0



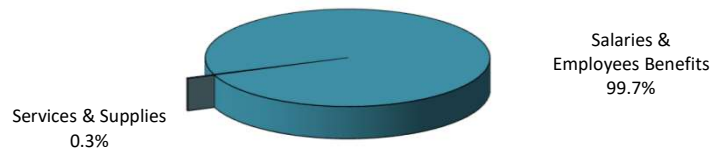
^ Position upgrade from Senior Secretary to Senior Administrative Assistant and Secretary to Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**MEMBER SERVICES**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$11,034,096</b>                      | \$10,452,614                      | \$4,747,709       | \$9,533,400       | (\$919,214)  | -8.8%           | \$581,482  | 5.6%            |
| <b>Services &amp; Supplies</b>           | <b>29,200</b>                            | 26,800                            | 4,411             | 21,500            | (5,300)  | -19.8%          | 2,400  | 9.0%            |
| <b>OPERATING BUDGET</b>                  | <b>\$11,063,296</b>                      | \$10,479,414                      | \$4,752,120       | \$9,554,900       | (\$924,514)  | -8.8%           | \$583,882  | 5.6%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**MEMBER SERVICES**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$6,231,376</b>                       | \$5,973,287                       | \$2,892,560       | \$5,679,400       | (\$293,887)  | -4.9%           | \$258,089  | 4.3%            |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 37,000                            | 0                 | 0                 | (37,000)   | -100.0%         | (37,000)   | -100.0%         |
| <b>Employee Benefits (Variable)</b> | <b>3,925,972</b>                         | 3,639,900                         | 1,411,761         | 2,983,400         | (656,500)  | -18.0%          | 286,072  | 7.9%            |
| <b>Employee Benefits (Other)</b>    | <b>399,401</b>                           | 383,245                           | 177,242           | 375,600           | (7,645)  | -2.0%           | 16,156   | 4.2%            |
| <b>OPEB Contribution</b>            | <b>221,347</b>                           | 203,383                           | 112,971           | 208,600           | 5,217  | 2.6%            | 17,964   | 8.8%            |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>214,200</b>                           | 174,000                           | 140,732           | 259,900           | 85,900   | 49.4%           | 40,200   | 23.1%           |
| <b>Bilingual Bonus</b>              | <b>16,800</b>                            | 16,800                            | 4,750             | 8,800             | (8,000)  | -47.6%          | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>15,000</b>                            | 15,000                            | 7,694             | 17,700            | 2,700  | 18.0%           | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>10,000</b>                            | 10,000                            | 0                 | 0                 | (10,000)   | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$11,034,096</b>                      | \$10,452,614                      | \$4,747,709       | \$9,533,400       | (\$919,214)  | -8.8%           | \$581,482  | 5.6%            |
| <b>Salary Differential **</b>       | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$11,034,096</b>                      | \$10,452,614                      | \$4,747,709       | \$9,533,400       | (\$919,214)  | -8.8%           | \$581,482  | 5.6%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.



LACERA  
FISCAL YEAR 2023-2024  
SALARIES

MEMBER SERVICES

2023-2024 BUDGET

| FILLED POSITIONS                              |                                       | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|---------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00772A  | SECTION HEAD, LACERA                  | 3      | LS9      | 32,112               | 385,340          |                        |                       |                       |
| 01312A  | SENIOR RETIREMENT BENEFITS SPECIALIST | 4      | 104A     | 35,943               | 431,316          |                        |                       |                       |
| 01311A  | RETIREMENT BENEFITS SPECIALIST III    | 26     | 98G      | 195,174              | 2,342,084        |                        |                       |                       |
| 00439A  | SENIOR ADMINISTRATIVE ASSISTANT       | 1      | 93A      | 6,840                | 82,080           |                        |                       |                       |
| 01310A  | RETIREMENT BENEFITS SPECIALIST II     | 28     | 92A      | 153,216              | 1,838,592        |                        |                       |                       |
| POSITIONS                                     |                                       | 62     |          |                      | 5,079,412        |                        |                       |                       |
| VACANT POSITIONS                              |                                       | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00773A  | DIVISION MANAGER                      | 1      | LS12     | 11,308               | 135,701          | 135,701                |                       |                       |
| 01312A  | SENIOR RETIREMENT BENEFITS SPECIALIST | 2      | 104A     | 7,028                | 84,336           |                        |                       |                       |
| 01311A  | RETIREMENT BENEFITS SPECIALIST III    | 2      | 98G      | 6,062                | 72,749           |                        |                       | 72,749                |
| 01310A  | RETIREMENT BENEFITS SPECIALIST II     | 11     | 92A      | 5,076                | 60,912           | 670,032                |                       |                       |
| 00438A  | ADMINISTRATIVE ASSISTANT              | 1      | 86J      | 4,400                | 52,795           |                        |                       | 26,397                |
| POSITIONS                                     |                                       | 17     |          |                      | 904,879          | 805,733                | 0                     | 99,147                |
| TOTAL POSITIONS                               |                                       | 79     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                       |        |          |                      | 5,984,291        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                       |        |          |                      | 89,764           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                       |        |          |                      | 141,676          |                        |                       |                       |
| BONUS   |                                       |        |          |                      | 15,644           |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                       |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                       |        |          |                      | 6,231,376        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
 Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
 Represented positions shown in blue.  
 Vacancies are shown at the 1st Step.  
 \*All amounts rounded to the nearest dollar.  
 \*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

LACERA

FISCAL YEAR 2023-2024

SERVICES & SUPPLIES ACCOUNT SUMMARY

MEMBER SERVICES

| ACCOUNT CLASSIFICATION      | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |            |            | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-----------------------------|---------------------------------|---------------------------|------------|------------|---|----------|---|----------|
|                             |                                 | YTD                       |            |            | OVER/(UNDER)  |          |   |          |
|                             |                                 | BUDGET                    | (01-31-23) | PROJECTION | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL     | \$11,500                        | \$8,000                   | \$2,921    | \$9,000    | \$1,000   | 12.5%    | \$3,500   | 43.8%    |
| OFFICE SUPPLIES & EQUIPMENT | 4,000                           | 5,000                     | 1,477      | 2,500      | (2,500)   | -50.0%   | (1,000)   | -20.0%   |
| EDUCATIONAL EXPENSES        | 11,200                          | 11,300                    | 0          | 8,900      | (2,400)   | -21.2%   | (100)   | -0.9%    |
| MISCELLANEOUS               | 2,500                           | 2,500                     | 13         | 1,100      | (1,400)   | -56.0%   | 0   | 0.0%     |
| TOTAL                       | \$29,200                        | \$26,800                  | \$4,411    | \$21,500   | (\$5,300)   | -19.8%   | \$2,400   | 9.0%     |

\*All amounts rounded to the nearest dollar.

**MEMBER SERVICES**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022            |                    | FYE 2023            |                    | Proposed<br>Budget  |
|---|---------------------|--------------------|---------------------|--------------------|---------------------|
|   | Budget              | Actual             | Budget              | Projection         |                     |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                    |                     |                    |                     |
| Total LACERA Salaries                   | \$5,973,011         | \$5,259,951        | \$5,973,287         | \$5,679,400        | \$6,231,376         |
| Total Agency Temp Salaries              | 0                   | 0                  | 37,000              | 0                  | 0                   |
| Employee Benefits (Variable)            | 3,275,270           | 2,793,049          | 3,639,900           | 2,983,400          | 3,925,972           |
| Employee Benefits (Other)               | 367,397             | 373,194            | 383,245             | 375,600            | 399,401             |
| OPEB Contribution                       | 180,351             | 202,477            | 203,383             | 208,600            | 221,347             |
| OPEB Contribution (Budget Surplus)      | 0                   | 180,351            | 0                   | 0                  | 0                   |
| Stipends                                | 0                   | 0                  | 0                   | 0                  | 0                   |
| Overtime                                | 133,800             | 221,062            | 174,000             | 259,900            | 214,200             |
| Bilingual Bonus                         | 16,800              | 11,400             | 16,800              | 8,800              | 16,800              |
| Sick Leave Buyback                      | 15,000              | 12,569             | 0                   | 0                  | 0                   |
| Rideshare Allowance                     | 10,000              | 0                  | 15,000              | 17,700             | 15,000              |
| Transportation Allowance                | 0                   | 0                  | 10,000              | 0                  | 10,000              |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                    |                     |                    |                     |
| Transportation & Travel                 | 21,700              | 0                  | 8,000               | 9,000              | 11,500              |
| Office Supplies & Equipment             | 12,500              | 1,972              | 5,000               | 2,500              | 4,000               |
| Educational Expenses                    | 16,500              | 150                | 11,300              | 8,900              | 11,200              |
| Miscellaneous                           | 4,800               | 0                  | 2,500               | 1,100              | 2,500               |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$10,027,130</b> | <b>\$9,056,175</b> | <b>\$10,479,414</b> | <b>\$9,554,900</b> | <b>\$11,063,296</b> |

\*All amounts rounded to the nearest dollar.

# QUALITY ASSURANCE & METRICS

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### Mission

To provide the promised benefits to our members in a timely and accurate manner by training and monitoring staff's quality and improving our business processes.

### **INTRODUCTION**

The Quality Assurance & Metrics Division (QA) performs three main functions in service to LACERA's Member Operations Group (MOG), which are those divisions that provide retirement benefit services to LACERA's members. In order to deliver these services, QA is divided into three main units:

- **Quality Auditing:** Providing independent transactional audits of work processed by MOG staff for our members.

QA independently reviews and reports on the benefit-related business transactions performed by the MOG. The accuracy and completeness of business transactions are measured by audit parameters established by QA and the Executive Office after consultation between QA and audited divisions. QA compiles an annual report to the Operations Oversight Committee of the Board of Retirement regarding the overall accuracy and quality of the preceding fiscal year's member transactions.

QA reviews audit parameters with the auditee divisions annually so QA can audit cases based primarily on risk. These parameters include:

- **Audit Criteria:** These are the standards against which the quality of transactions is measured, based on LACERA's policies and procedures, as well as governing laws and regulations.
- **Audit Risk Levels:** This is a ranking of the magnitude of a particular transaction's risks to LACERA or its member. Various risk-related

characteristics are associated with each risk level. Risk levels help QA auditors triage cases for risk-based sampling and workload management. Risks are developed in conjunction with QA, the audited division, the Member Operations Group AEO, and Internal Audit.

- **Audit Sampling Plan:** Auditors apply a pre-determined sampling methodology when selecting cases to be audited for each audited group of transactions.
- **Audit Workflow:** To conduct its audits, QA uses a series of standardized steps designed to test the transaction's quality at appropriate points in the process.
- **Technical Training:** Providing in-depth technical benefits training for MOG staff, from new hires to veterans. The key initiatives of this training program are:
  - Core Benefits Training for newly hired Retirement Benefits Specialists and others who may benefit from entry-level retirement benefit specialist training.
  - Ad hoc training on various topics at the request of the MOG divisions.
  - Advanced CERL Education (ACE) to help increase the analytical and advanced processing skills of specialists to prepare them to perform the most complex work at the level of RBS III or higher.
  - QA Staff Development Training

For the first time since its inception the 2022 CORE Benefits Training program consisted of two simultaneous classes with 10 and 13 participants, who were trained and evaluated by nine QA instructors on 23 Benefits processes. The trainees processed over 1,500 cases with an overall accuracy of 96.68 percent during the production periods (All training production work was checked 100 percent before being finalized.)

The CORE Benefits Training program took place over 10 months, alternating classroom instruction and practice with periods of actual processing of member requests. Training materials were reviewed and updated before each session to reflect changes in the retirement law, LACERA's business policies, and LACERA's Systems processing.

As part of the proposed "Superior Member Experience" Priority, we are revamping the Core Benefit Training Program to include the use of mock calls, role-playing, and other customer service training so that every module covering the back-office processing of work will conclude with training to help relate that process to our members through member calls and face-to-face counseling. This will ensure we are providing Specialists who are able to serve in a hybrid capacity in both Benefits and Member Services.

FY 2023-2024 will see the first iteration of the revised course structure. To help alleviate staffing shortages in all MOG divisions and leverage the available QA staff, for the next upcoming Core Benefits Training, QA plans to train one large class of approximately 26 trainees. We plan to provide approximately 7 to 10 months of immersive classroom training on both Core Benefits and Member Services processes. This will be followed by about five months of combined Member Services and Benefits production work. QA will audit 100 percent of the Benefits production work. We believe that the immersive training approach will help accelerate the transition of the trainees from the training environment to the true production environment. Until sufficient QA vacancies are filled and ramped up to full productivity, QA will make use of overtime to keep pace with its growing workload.

QA has been developing e-learning modules to broaden our blended learning approach, using Udemy, and other desktop software tools. Future training will employ a combination of interactive learning complemented with face-to-face learning, as well as easily accessed refresher information. We continually evaluate our training programs to ensure we are providing the most comprehensive training in the shortest time frame possible to effectively train Specialists and improve their ability to service members.

Between 2021 and 2022, QA did not conduct Advanced CERL Education (ACE) training due to COVID exigencies as well as staff shortages, but refresher training for veteran staff was conducted. For FY 2021-2022, refresher training for veteran staff was provided covering account analysis, redeposits, and general-to-safety transfers.

- **Special Projects**: Special projects as assigned by the Executive Office and consistent with QA's independent quality assurance function.

QA engages in special projects assigned by the Executive Office that are appropriate for QA's skills and resources and do not compromise QA's standards of independence, objectivity, and professional ethics. For example, QA Senior Quality Auditors analyze, test, and validate new procedures, calculations, legislation, and system benefit calculation programming, such as beta testing the benefit calculation engine, validating mass contribution rate changes, validating member account adjustments for the felony conviction process, and analyzing new County pay codes. Pay code analysis can take from 90 minutes to several weeks for each batch of new pay codes, depending upon availability of information and the extent of coordination needed between LACERA's Quality Assurance Division, Legal Division, and Executive Office, as well as Los Angeles County's Auditor Controller and Executive Office. The Quality Analysts also performed annual census testing of 30 randomly selected member records. The PEPRA embedded pay codes testing, Alameda project, and PEPRA final compensation testing are in process.

Quality Assurance also collaborates with other divisions to facilitate data cleanup projects as directed by LACERA's strategic goals.

## Expanding the Scope of Quality Auditing

QA has surveyed its partners in the MOG and identified at least 20 processes that are currently not audited by QA that carry sufficient risk to warrant QA's testing. Given that QA's currently available 10 auditors are able to audit 17 processes, the expansion of QA's audit scope would require a multi-year effort. We propose implementing 5 to 10 new process audits per fiscal year, assuming all vacant budgeted positions are filled. This rate of expansion is subject to the availability of new QA auditors in the coming years, and the staffing needs for this scope expansion effort will need to be assessed as these efforts progress.

The following is a partial list of processes that QA plans to audit in the future as resources become available:

- Death legal transactions like legal splits, retired deaths, power of attorneys, and levies
- Exceptions team transactions like withdrawals, tax, error reports, plan changes, IOB postings (excess contributions), recalculations of previous service and temporary time
- Payroll Unit transactions like disability reciprocity and payroll adjustments
- Account Integrity Section transactions like death notifications, Benefit Protection Unit transactions and verifications, new enrollments, and various data entry transactions not yet audited.
- Process Management Group transactions like business rule updates, special projects, systems implementations, and felony forfeitures
- Account Settlement Unit transactions like complex collection cases, required minimum distribution administration, and internal collection administration processes.
- Correspondence Unit transactions and administrative processes
- Member Services Quality Control Unit transactions and administrative processes

In addition to traditional transactional testing, QA will be working with the MOG divisions to undertake call monitoring to help support the quality of LACERA's service to its members as delivered through the Call Center and possibly other future channels of communication. By moving this function from within Member Services to QA, LACERA hopes to promote greater independence and objectivity in the call monitoring program, as documented in Internal Audit recommendations. To facilitate this transition, the MSQC team and QA reviewed the current Member Services process and determined that it is currently being managed by approximately two full-time equivalents (FTEs). Accordingly,

two new Quality Auditor II positions are projected to be needed and will be requested in a future budget year to ensure that QA has sufficient staff to accommodate the Call Center monitoring functions. This is over and above QA's existing five vacant positions, which are needed to further expand QA's audit scope as discussed above.

### **Supporting Strategic Initiatives in FY 2023-2024 and Beyond**

Quality Assurance is partnering with the development team for the case management system. Quality Assurance is contributing subject matter experts to work on the development of the new first payment process and will be conducting user acceptance testing throughout the various stages of the implementation.

In support of LACERA's strategic focus on continuously improving our members' customer service experience, has been working with its partners throughout LACERA, especially Benefits, Member Services, and Communications, to undertake the development and implementation of an organization-wide system of customer surveys covering both internal and external customers. These efforts will be folded into the proposed Member Experience Council.

Below is a list of other initiatives planned for FY 2023-2024 are reflected below:

| <b>Project</b>   | <b>Division Served</b>       | <b>Project Objective</b>   | <b>Timeframe</b> |
|--|------------------------------|--|------------------|
| Case Management: Phase 1 Retirement Process                                | Benefits                     | Implement automated workflow in case management system with interface to standalone QA processes             | 2023-2024        |
| Case Management: Phase 2 Retirement Process                                | Benefits                     | Integrate QA auditing processes into case management system  | 2023-2024        |
| Implement Hybrid New Specialist Training to replace Core Benefits Training | Benefits and Member Services | Restructure new specialist class starting in 2023, and refine training using advanced tools in 2024-2025     | 2023-2025        |
| Transition to risk-based sampling  | Benefits                     | Adopt risk-based sampling upon implementation of risk-based risk data collection and case management metrics | 2023-2025        |

### **Future Special Projects**

QA will collaborate with the MOG Divisions on new special projects, such as additional Alameda project testing, PEPRA embedded earnings testing, FAC testing, organization-wide member surveys, other internal/external party surveys, and the case management system implementation.



## **Implementing 2021 Internal Audit Recommendations**

A 2021 Internal Audit recommendation suggested that LACERA can increase the independence of the quality assurance operations by removing QA organizationally from the Member Operations Group. The Executive Office will be forming a work group with SME from Human Resources, Benefits, Internal Audit, and Quality Assurance to develop plans to fulfill the IA recommendations. This is a significant effort that includes separating Quality Assurance from the Member Operations Group vertical management structure and moving it to the Business Services Group. This will include developing plans to break off the Process Management Group (PMG) in Benefit into a new division and moving the QA Technical Training unit to PMG.

In preparation for this QA's Senior Quality Auditor responsible for the training function will be developing the project plan in conjunction with PMG to manage the transition and to organize the program and the new training unit within PMG.

## **STAFFING REQUEST**

QA has five existing staff vacancies—three Senior Quality Auditors and two Quality Auditor IIs. To better match resources to QA's key functions, QA will seek to fill two Senior Quality Auditor positions to ensure sufficient supervision of the QA audit staff, and then use the remaining vacancies to further increase audit staffing. Once these vacancies are filled, QA plans to utilize new metrics reports developed for QA to determine future staffing needs. Given our current vacancies, we will not be requesting any additional staffing this fiscal year.

In light of increased member transactions and the existing QA staff shortages, the QA budget request includes \$11,500 for overtime, which is for nonexempt staff who support the various QA functions, especially during the peak retirement season.

QA utilizes a number of administrative, production, and timekeeping reports that are generated for management in QA and the MOG, and for the Executive Office. Currently, these reports involve inefficient and unreliable excel worksheets. In this budget request, we are hoping to recruit one intern or professional student worker with Excel, Power BI, and SharePoint knowledge and experience to help improve the existing reports and data sets. This individual will also help organize QA's electronic and physical files.

## **Investing in our People:**

One of the goals assigned to the Member Operations Group for the current fiscal year is to review each job classification within our operational control and develop a list of skill competencies and training that would be beneficial to those within those classifications. The results of this project will help us support our "Investing in People" strategic priority

by having an assessment that we can use to develop future training programs. This will also help us create individual development plans for staff.

## **SERVICES AND SUPPLIES**

Our request for Services and Supplies has decreased based on divisional restructuring for lean operating efficiency, the increased use of paperless remote working tools, and changes from physical travel to online training for staff.

Educational expenses have been reduced overall to account for savings from LACERA's production-focused priorities over the last few years and from lower-than-budgeted staff levels. As QA updates its job training requirements and as staffing levels increase, more classes will be introduced within a structured QA staff development program that can better prepare both current and future QA auditors to serve LACERA's quality control needs. These include foundational courses, such as the following training for QA's auditors:

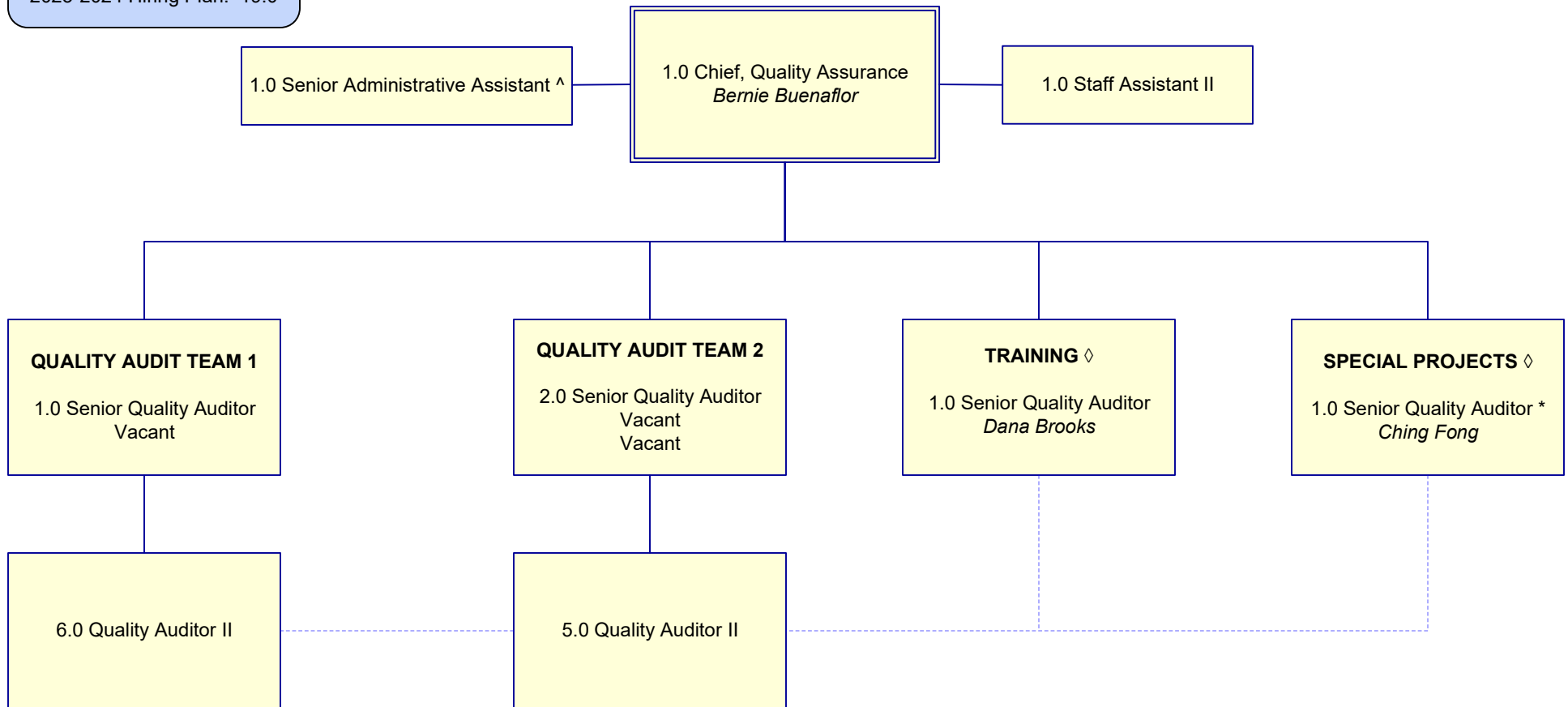
- Institute of Internal Auditors Audit Standards
- Audit Report Preparation and Audit Communication
- Audit Sampling
- Controls Self-Assessment
- Root Cause Analysis

# QUALITY ASSURANCE DIVISION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 19.0  
2022-2023 Hiring Plan: 19.0

2023-2024 Bud. Pos.: 19.0  
2023-2024 Hiring Plan: 19.0



\* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

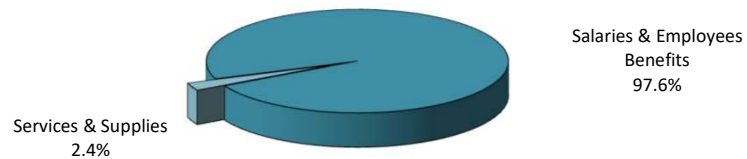
◇ In addition to the quality audit, QA Auditors conduct training and work on special projects, which are coordinated by the QA Sr. Auditor for Training and the QA Sr. Auditor for Special Projects, respectively.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**QUALITY ASSURANCE**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$3,301,232</b>                       | \$2,830,468                       | \$1,416,168       | \$2,754,200       | (\$76,268)   | -2.7%           | \$470,764  | 16.6%           |
| <b>Services &amp; Supplies</b>           | <b>82,100</b>                            | 87,900                            | 4,812             | 68,100            | (19,800)   | -22.5%          | (5,800)  | -6.6%           |
| <b>OPERATING BUDGET</b>                  | <b>\$3,383,332</b>                       | \$2,918,368                       | \$1,420,981       | \$2,822,300       | (\$96,068)   | -3.3%           | \$464,964  | 15.9%           |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**QUALITY ASSURANCE**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$1,885,279</b>                       | \$1,607,869                       | \$847,544         | \$1,590,200       | (\$17,669)   | -1.1%           | \$277,410  | 17.3%           |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Employee Benefits (Variable)</b> | <b>1,213,448</b>                         | 1,009,017                         | 473,878           | 963,700           | (45,317)   | -4.5%           | 204,431  | 20.3%           |
| <b>Employee Benefits (Other)</b>    | <b>120,837</b>                           | 123,397                           | 56,778            | 121,000           | (2,397)  | -1.9%           | (2,560)  | -2.1%           |
| <b>OPEB Contribution</b>            | <b>66,968</b>                            | 65,485                            | 37,519            | 69,300            | 3,815  | 5.8%            | 1,483  | 2.3%            |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>11,500</b>                            | 21,500                            | 449               | 10,000            | (11,500)   | -53.5%          | (10,000)   | -46.5%          |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>1,000</b>                             | 1,000                             | 0                 | 0                 | (1,000)  | -100.0%         | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>2,200</b>                             | 2,200                             | 0                 | 0                 | (2,200)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$3,301,232</b>                       | \$2,830,468                       | \$1,416,168       | \$2,754,200       | (\$76,268)   | -2.7%           | \$470,764  | 16.6%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$3,301,232</b>                       | \$2,830,468                       | \$1,416,168       | \$2,754,200       | (\$76,268)   | -2.7%           | \$470,764  | 16.6%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

QUALITY ASSURANCE

2023-2024 BUDGET

| FILLED POSITIONS                              |                                 | # POS. | SCHEDULE | ACTUAL<br>MO. RATE   | ANNUAL<br>AMOUNT |                        |                       |                       |
|---|---------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00780A  | CHIEF, QUALITY ASSURANCE        | 1      | LS12     | 17,116               | 205,394          |                        |                       |                       |
| 00798A  | SENIOR QUALITY AUDITOR          | 2      | 108G     | 20,306               | 243,666          |                        |                       |                       |
| 00797A  | QUALITY AUDITOR II              | 9      | 103E     | 81,547               | 978,569          |                        |                       |                       |
| 00427A  | STAFF ASSISTANT II              | 1      | 94L      | 6,122                | 73,465           |                        |                       |                       |
| 00439A  | SENIOR ADMINISTRATIVE ASSISTANT | 1      | 93A      | 6,840                | 82,080           |                        |                       |                       |
| POSITIONS                                     |                                 | 14     |          |                      | 1,583,174        |                        |                       |                       |
| VACANT POSITIONS                              |                                 | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
| 00798A  | SENIOR QUALITY AUDITOR          | 3      | 108G     | 7,420                | 89,040           |                        |                       | 133,560               |
| 00797A  | QUALITY AUDITOR II              | 2      | 103E     | 6,448                | 77,371           |                        |                       | 77,371                |
|   |                                 |        |          |                      |                  | 0                      | 0                     | 210,931               |
| POSITIONS                                     |                                 | 5      |          |                      | 210,931          |                        |                       |                       |
| TOTAL POSITIONS                               |                                 | 19     |          |                      |                  |                        |                       |                       |
| GROSS SALARIES                                |                                 |        |          |                      | 1,794,105        |                        |                       |                       |
| ANTICIPATED MOU SALARY INCREASE**             |                                 |        |          |                      | 26,912           |                        |                       |                       |
| ANTICIPATED STEP AND/OR MERIT SALARY INCREASE |                                 |        |          |                      | 10,202           |                        |                       |                       |
| BONUS   |                                 |        |          |                      | 54,060           |                        |                       |                       |
| 120-DAY RETIREE(S)                            |                                 |        |          |                      | 0                |                        |                       |                       |
| TOTAL SALARIES                                |                                 |        |          |                      | 1,885,279        |                        |                       |                       |

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
Represented positions shown in blue.  
Vacancies are shown at the 1st Step.  
\*All amounts rounded to the nearest dollar.  
\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**QUALITY ASSURANCE**

| ACCOUNT CLASSIFICATION              | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |                |                 | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |               | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |              |
|-------------------------------------|---------------------------------|---------------------------|----------------|-----------------|---|---------------|---|--------------|
|                                     |                                 | YTD                       |                |                 | OVER/(UNDER)  |               | OVER/(UNDER)  |              |
|                                     |                                 | BUDGET                    | (01-31-23)     | PROJECTION      | BUDGET  | % CHANGE      | \$ CHANGE   | % CHANGE     |
| TRANSPORTATION & TRAVEL             | <b>\$9,600</b>                  | \$12,000                  | \$1,990        | \$6,300         | (\$5,700)   | -47.5%        | (\$2,400)   | -20.0%       |
| OFFICE SUPPLIES & EQUIPMENT         | <b>1,000</b>                    | 1,000                     | 268            | 600             | (400)   | -40.0%        | 0   | 0.0%         |
| PROFESSIONAL & SPECIALIZED SERVICES | <b>55,000</b>                   | 50,000                    | 0              | 50,000          | 0   | 0.0%          | 5,000   | 10.0%        |
| EDUCATIONAL EXPENSES                | <b>16,300</b>                   | 24,500                    | 2,555          | 11,000          | (13,500)  | -55.1%        | (8,200)   | -33.5%       |
| MISCELLANEOUS                       | <b>200</b>                      | 400                       | 0              | 200             | (200)   | -50.0%        | (200)   | -50.0%       |
| TOTAL                               | <b>\$82,100</b>                 | <b>\$87,900</b>           | <b>\$4,812</b> | <b>\$68,100</b> | <b>(\$19,800)</b>                                     | <b>-22.5%</b> | <b>(\$5,800)</b>  | <b>-6.6%</b> |

\*All amounts rounded to the nearest dollar.

**QUALITY ASSURANCE**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022           |                    | FYE 2023           |                    | Proposed           |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | Budget             | Actual             | Budget             | Projection         | Budget             |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                    |                    |                    |                    |                    |
| Total LACERA Salaries                   | \$1,821,199        | \$1,432,437        | \$1,607,869        | \$1,590,200        | \$1,885,279        |
| Total Agency Temp Salaries              | 0                  | 0                  | 0                  | 0                  | 0                  |
| Employee Benefits (Variable)            | 1,090,338          | 827,081            | 1,009,017          | 963,700            | 1,213,448          |
| Employee Benefits (Other)               | 117,634            | 118,337            | 123,397            | 121,000            | 120,837            |
| OPEB Contribution                       | 57,745             | 58,878             | 65,485             | 69,300             | 66,968             |
| OPEB Contribution (Budget Surplus)      | 0                  | 57,745             | 0                  | 0                  | 0                  |
| Stipends                                | 0                  | 0                  | 0                  | 0                  | 0                  |
| Overtime                                | 21,300             | 264                | 21,500             | 10,000             | 11,500             |
| Bilingual Bonus                         | 0                  | 0                  | 0                  | 0                  | 0                  |
| Sick Leave Buyback                      | 1,000              | 0                  | 0                  | 0                  | 0                  |
| Rideshare Allowance                     | 2,200              | 0                  | 1,000              | 0                  | 1,000              |
| Transportation Allowance                | 0                  | 0                  | 2,200              | 0                  | 2,200              |
| <b>SERVICES &amp; SUPPLIES</b>          |                    |                    |                    |                    |                    |
| Transportation & Travel                 | 12,000             | 0                  | 12,000             | 6,300              | 9,600              |
| Office Supplies & Equipment             | 2,000              | 235                | 1,000              | 600                | 1,000              |
| Professional & Specialized Services     | 50,000             | 50,000             | 50,000             | 50,000             | 55,000             |
| Educational Expenses                    | 19,500             | 6,119              | 24,500             | 11,000             | 16,300             |
| Miscellaneous                           | 400                | 0                  | 400                | 200                | 200                |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$3,195,316</b> | <b>\$2,551,097</b> | <b>\$2,918,368</b> | <b>\$2,822,300</b> | <b>\$3,383,332</b> |

\*All amounts rounded to the nearest dollar.



# SYSTEMS DIVISION

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

The Systems Division (Systems) oversees all aspects of information technology for LACERA. Systems provides technology support services and creates innovative application solutions to assist the organization in meeting our commitment to protect, produce, and provide the promised benefits to our members.

### **INTRODUCTION**

In support of LACERA's mission to strengthen, modernize, and build a world-class technological infrastructure, Systems has implemented new remote computing capabilities, cloud-hosted services, better systems redundancies, and stronger cybersecurity features. This budget request for FY 2023-24 showcases the division's ongoing dedication to delivering exceptional support to our internal clients and offering more self-service options for LACERA members. This budget will also provide the division with the necessary resources to work with the Information Security Office to address cybersecurity threats and enhance our cybersecurity program.

### **FY 2022-23 ACCOMPLISHMENTS**

The Systems Division has continued to modernize LACERA's technology infrastructure and implement automated business solutions for greater efficiency. Our three information technology sections—Business Solutions, Project Management Office, and Infrastructure—are engaged, working effectively, and making an impact on the organization. Here are the projects we have completed so far this year:

**Appointment Scheduling Solution:** Systems worked closely with Member Services to implement QFlow, an appointment scheduling and queuing solution that supports both onsite and virtual appointments.

**Automated Death Benefits Processing:** LACERA expanded the automation of death claim forms to include retired members with no surviving spouse. The automation replaced a manual process with a streamlined workflow that automatically mails member-specific forms and requests to beneficiaries as well as followup correspondence until all necessary forms are completed and signed and all supporting documentation is submitted.

**Boardroom Audio/Visual Improvements:** Systems upgraded the audio and visual equipment in LACERA's boardroom to further enhance our ability to support onsite and hybrid board meetings. The equipment upgrades include replacing the older voting kiosks with current workstations and touchscreen panels and improved microphones with visual queues to distinguish muted and unmuted mics. Programmatic changes also allow Trustees attending onsite to maintain an individual tile during the Zoom meeting broadcast, which facilitates a more professional experience.

**Call Center Improvements:** Systems worked closely with Member Services to enhance our Amazon Web Services (AWS) Call Center solution to include a callback request feature for members on hold, the ability to announce call wait times, automation of Call Center holiday processing, an emergency access console, an after-call survey for Call Center interactions, and a My LACERA support queue.

**Hardware Asset Management Solution:** LACERA has implemented a cloud-based solution for hardware asset management (HAM). This low-code solution automates the tracking of assets throughout their lifecycle—from procurement to disposal—and has mobile capabilities for asset inventory auditing, remote asset receiving, and asset disposal scanning. The use of this solution replaces a tedious manual process.

**My LACERA Multi-Factor Authentication:** LACERA implemented multi-factor authentication (MFA) for resetting passwords and accessing My LACERA from unrecognized devices. My LACERA previously relied on user-selected challenge questions to authenticate users who forgot their passwords or attempted to access My LACERA from an unrecognized device.

**Online Disability Application:** LACERA developed an online disability retirement application on My LACERA to facilitate member self-service, improve the member experience, and streamline the intake of disability retirement applications.

**IRS Tax Form Change Implementation:** LACERA implemented new tax tables as well as a revised version of the Federal Withholding Certificate for Pension & Annuity Recipients, published by the IRS. Workspace, My LACERA, and lacera.com were updated to support the new tables and forms.

**ServiceNow Implementation:** Systems selected ServiceNow, a cloud-based IT service management tool, to improve how the division manages IT incidents, problems, requests, and knowledge. Phase 1 of the ServiceNow implementation was completed and provides automation and tracking for all requests coming into the Systems Helpdesk. Future phases of the project will introduce sophisticated automation for routine IT requests as well as Human Resources case management that automates HR workflow and integrates HR onboarding and offboarding with the Systems Division IT service management tool.

We also have the following projects in progress:

**Automated Budget Solution:** LACERA has historically relied upon Excel spreadsheets and manual processes for developing and managing the association's budget. LACERA released a Request for Proposals (RFP) for an automated budget solution in 2022. After an extensive RFP and selection process, the Board of Retirement approved the selection of Questica on October 6, 2022. The implementation of Questica is in progress, and we anticipate full implementation in Summer 2023. Our goal is to use the new system for the development of the FY 2024-25 budget.

**Case Management Phase 1:** In May 2022, the BOR approved LACERA's recommended vendor, Eccentex, to partner with LACERA to develop our case management system. Eccentex was selected after an extensive review of 13 vendor proposals received from our RFP. The first phase of the case management project includes Disability Retirement Services, the Disability Litigation Office, and Benefits' first payment process. We expect Phase 1 to be completed by June 2023.

**Data Lake:** LACERA is creating a data lake to provide a single source of accurate and accessible enterprise data and a process for using this data. LACERA currently leverages multiple systems to create reports for data analysis. These reporting systems follow a traditional reporting process: A user requests information from Systems and a report is prepared and scheduled for them. While traditional reporting will continue to be supported, the data lake project will facilitate the creation of dashboards to replace most traditional reports and provide data to power users so that they can create their own dashboards. We are currently completing the first phase of this project, which includes building the infrastructure and framework of LACERA's data lake. The second phase of the project involves the conversion of legacy reports and creating new reports and dashboards for LACERA's business divisions. Phase 2 will begin in April 2023 and is expected to be completed in Fall 2023. Phases 3 and 4 of the project involve standardizing, documenting, and optimizing the data lake and the process and are expected to be completed by June 2024.

**Enterprise Contract Lifecycle Management (ECLM):** LACERA has procured an ECLM solution from Cobblestone. This solution will automate the development, approval, and management of contracts and RFPs at LACERA. We expect the implementation to be completed in summer 2023.

**Form 700 Automation:** LACERA has procured an automated solution for Form 700 submission and tracking from Granicus. This solution will automate a tediously manual task for trustees and LACERA staff. We expect the implementation of the Granicus solution to be completed by April 2023.

**Human Resources (HR) Digitization:** LACERA is currently converting paper Human Resources' personnel, payroll, medical, and classification files to electronic files to allow quick retrieval of documents by a hybrid workforce, shared access to information, and an audit trail of document access. The HR digitization project team decided to leverage a product that is already implemented at LACERA for this effort: Microsoft SharePoint. The paper files are currently being scanned and indexed into SharePoint. We expect this project to be completed in summer 2023.

**Human Resources (HR) Case Management:** In December 2022, the Information Technology Coordination Council approved a case management project for Human Resources. Funding for the project was approved during the FY 2022-23 midyear budget adjustments. The HR Project team selected ServiceNow's HR module for their case management solution, and they are currently selecting a ServiceNow business partner to implement and customize the ServiceNow Human Resources module. We expect the implementation to be completed in summer 2023.

**LACERA Incident Response Team (LIRT) Incident Management Solution:** In December 2022, the Information Technology Coordination Council approved a LIRT incident management solution project to automate the tracking of LACERA incidents. The LIRT project team decided to leverage a product that is already implemented at LACERA: ServiceNow Information Technology Service Management (ITSM). LACERA is currently selecting a business partner to customize the incident workflow of ServiceNow ITSM to support LACERA's process. We expect this project to be completed in June 2023.

**Policy Management Solution:** In September 2022, the Information Technology Coordination Council approved a policy management project to automate the creation, review, approval, and maintenance of LACERA policies as well as track the versions and acknowledgement of policies. Funding for this project was included in the FY 2022-23 budget. The policy management project team issued a Request for Quote (RFQ) and is currently reviewing quotes submitted by interested vendors and consultants.

**Pre-Paid Bank Card Integration:** LACERA is in the final vendor evaluation phase for pre-paid bank card solutions for monthly benefit payments. The goals of this project are to provide a lower cost alternative to issuing checks for those participants without a banking relationship, to create a more reliable payment process in the event of a disaster that impacts the ability to mail monthly paper checks, and to reduce or eliminate paper checks that are mailed to one-time payees. The integration of this service is expected to be completed by fall 2023.

**Procurement and Accounts Payable Solution:** LACERA has procured a procurement and accounts payable solution that integrates and automates purchasing and accounts payment for greater efficiencies. Administrative Services, Financial and Accounting Services (FASD) and Systems divisions have been collaborating to implement this solution to improve our current processes. We expect to implement the solution in phases starting in summer 2023.

## **PERMANENT STAFFING**

The Systems Division is continuing to evaluate and make the appropriate staffing adjustments necessary to ensure we have the proper resources to meet our commitments, support LACERA's mission, and to create the most efficient, productive, and secure enterprise.

Systems is requesting the removal of one position that is no longer needed and the addition of one position that appropriately supports LACERA's operations. There is no net change in the number of positions; we are requesting 62 budgeted positions for FY 2023-24, with the following changes:

- We are requesting that one position, Information Systems Manager I, be removed and replaced with one position, Information Technology Manager I, who will join the Project Manager Office to manage the development of new technology projects at LACERA.

|                                       |     |
|---------------------------------------|-----|
| Positions Requested for FY 2023-2024: | 1   |
| Positions Removed FY 2023-2024:       | (1) |
| <b>Net Change:</b>                    | 0   |

### **TEMPORARY STAFFING**

The Systems Division uses temporary staffing for two reasons: to fill a temporary gap in skillsets for a limited amount of time and to acquire essential technical resources on a temporary basis while waiting for competitive exams to be opened. Most of our current temporary staffing fall into the second category. They are performing work that will be performed by permanent staff members once the permanent positions are filled. These temporary staff members have the technical skills needed to support our IT operations, and we hope they will apply for the positions when they open.

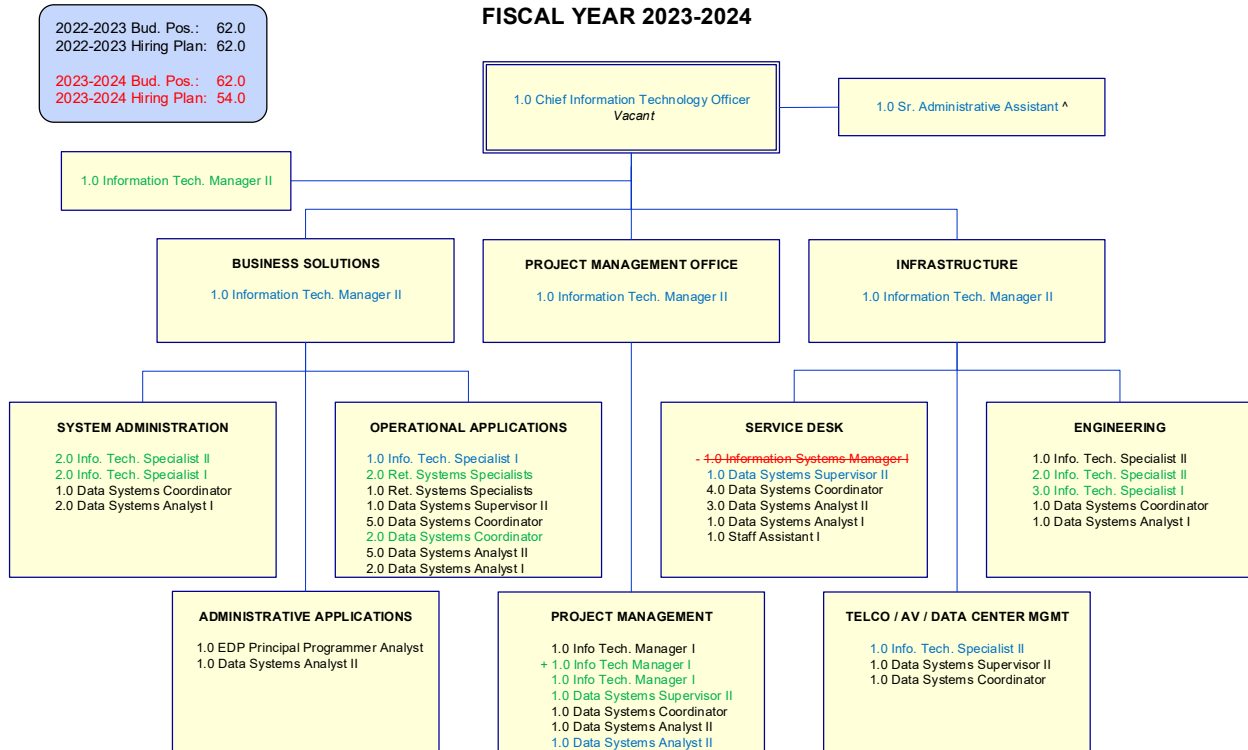
While we have had vacancies in Systems for a long time, Human Resources has developed a hiring plan that includes our vacancies. We currently have 26 vacancies in Systems. During the remainder of FY 2022-23 and FY 2023-24, the Human Resources hiring plan includes filling 21 of these positions. The 21 positions anticipated to be filled include:

- Chief Information Technology (1)
- Retirement Systems Specialist (2)
- Information Technology Manager II (3)
- Information Technology Specialist I (8)
- Information Technology Specialist II (7)

We expect these positions to be filled by temporary staff members who are transitioning to permanent employment, permanent staff members who are getting promoted, and external recruits who are joining LACERA as new employees. As this hiring plan is executed, we plan to reduce our use of temporary employees. The following chart illustrates the vacancies in Systems: the positions in blue text are vacant; the positions in green text are vacant and are currently filled by a temporary employee:

## SYSTEMS DIVISION

### FISCAL YEAR 2023-2024



+ Added position  
 - Deleted position  
 ^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).  
 Blue Text are vacant  
 Green Text are vacant and the duties are being performed by temporary staffing

## INTERNS

The Systems Division is requesting three interns: one for each of our major information systems sections. Our goals for hiring interns are to provide meaningful work to students who are studying Information Technology, obtain energetic resources with a new perspective for short-term projects, and find qualified candidates to permanently join our division.

## OVERTIME

The overtime budget is primarily allocated for

- After-hour system maintenance and upgrades
- Emergency system support
- Support for Saturday Member Services and Benefits operations
- Support for extended office hours during peak months

- Continued development and post-implementation support for the following new systems: Phase 1 of Sol, our case management solution; Questica, our automated budget solution; Cobblestone, our contract management solution; and Certify, our automated accounts payable solution
- Development and implementation support for Phase 2 of Sol

### **Staff Development**

The Systems Division intends to place a priority on developing technical mastery and building professional relationships. Staff will be offered training to further develop their skills, knowledge, and abilities as well as conferences to exchange information with their peers at other associations. With the implementation of new technology, we will also train staff to administer and support the new solutions as needed. While we have leaned heavily on online, virtual training during the pandemic and understand the efficiencies of this training model, we plan to take advantage of in-person opportunities going forward to make sure LACERA is in touch with our peers and is not advancing our technology in isolation.

### **SERVICES AND SUPPLIES**

LACERA's budget aggregates all information technology expenditures, including those that are division-specific, within Systems' budget. This provides centralized technology services to all divisions, sets LACERA's technology standards, and coordinates and governs organization-wide technology-related initiatives to improve planning and technology investments decisions.

The Systems Division's services and supplies budget is intended to support the needs of the entire organization, and contains the following major components:

- Planning: Ensure LACERA's IT processes support the organization's overall strategic plan; consolidate fragmented infrastructure and network appliances; develop and update standard operating procedures; expand enterprise solutions; and redesign the delivery of services
- Maintenance: Product support, licensing fees, ongoing and established operational costs, etc.
- New Projects: Requirements gathering, workflow understanding and optimization, allocation for new systems, applications, products, or services

The list of projects highlights Systems' fiscal year 2023-24 budget requests:

| <b>Project</b>                     | <b>Total Cost (Account)</b> | <b>Description</b>   |
|------------------------------------|-----------------------------|--|
| Member Case Management (Phase 2)   | \$760,000                   | Case management continues to be a top priority for LACERA in the upcoming fiscal year. During FY 2022-23, LACERA selected a vendor for our enterprise case management solution and is currently implementing Phase 1 of the project. Phase 1 includes the disability retirement, disability appeals, and member first payment processes. The estimate in this current fiscal year is for Phase 2 of five project phases. Phase 2 will include optical character recognition (OCR) technology and focus on the legal review, administrative appeals and escalations, insurance enrollment, and felony forfeiture appeals processes. The future phases may involve additional RFPs for professional services, or LACERA may choose to implement the additional phases using internal resources. The licensing costs for the case management solution will be an annual cost going forward. |
| AWS Call Center phases 7, 8, and 9 | \$300,000                   | To further improve and enhance our call center operations, LACERA seeks to implement voice recognition and artificial intelligence (AI) technology to mimic the organization's secure validation process. The new features will enable the organization to simulate a member's existing basic and secure confirmation process, leverage AI to allow members to choose between the confirmation process or be placed into predefined servicing queues with designated agents, and provide enhance reporting on secure confirmation statical data.   |
| Knowledge management solution      | \$300,000                   | LACERA seeks to purchase or build a repository and automated workflow solution for LACERA knowledge management. The solution will be a single trusted source of information that is accurate, consistent, and  |



|  |           |  |
|--|-----------|--|
|  |           | up to date and enables the right information to be found, at the right time, by the people who need it. We currently maintain this critical enterprise content in multiple formats and on disparate systems. The same amount was requested during the FY 2022-23 budget for both policy and knowledge management; however, we have separated these two efforts. The policy solution will be completed in the current fiscal year, and the knowledge management project, which is a significantly larger effort, will begin in FY 2023-24.  |
| Telecommunications upgrade and hosted Contact Center | \$250,000 | LACERA seeks to modernize our existing telecommunications infrastructure. This funding is requested to support LACERA's telecommunications strategy both for our Pasadena office and to acquire a world-class Member Service Contact Center solution that integrates with our existing Microsoft suite of products, case management application, and pension administration system. The same amount for this project was requested during the F Y 2022-23 budget; however, this project was deferred to focus on implementing improvements to the current AWS Call Center solution (member callback feature) |
| Teams room conversion                                | \$225,000 | As part of LACERA's IT modernization effort, Systems is converting all LACERA conference rooms to Microsoft Teams-enabled meeting rooms. Once completed, each conference room will provide a rich and collaborative Teams meeting experience that is simple to use and supports LACERA's flexible hybrid work environment by enabling remote participants to see and hear everyone in the room. There are 15 conference rooms that need to be converted: Six of these conference rooms will be converted in FY 2022-23. The budget for FY 2023-24 is to convert the remaining nine rooms.                    |

|  |           |  |
|--|-----------|--|
| Facilities management solution                                 | \$150,000 | The Administrative Services Division seeks to implement an enterprise facilities management software solution to replace our current tediously manual processes. The new system will ensure that the organization can properly manage the health and safety of our work environment while enhancing our ability to improve maintenance, cleaning, and space change requests.                   |
| Uninterruptible power supply (UPS) upgrade                     | \$150,000 | LACERA seeks to replace the end-of-life UPS units that provide critical backup power to LACERA's data centers and boardroom during outages. This funding is requested to redesign and replace the existing units to create a redundant power system. The project was previously requested during the FY 2022-23 midyear adjustments; however, it was deferred due to supply chain constraints. |
| Legal matters management system                                | \$150,000 | The Legal Division seeks to implement an enterprise legal matters management software solution to replace our current tediously manual processes. The new system will ensure that the division can properly facilitate remote work and streamline workflows, time tracking, and document management processes.   |
| Keycard reader upgrades  | \$100,000 | LACERA seeks to replace the current keycard readers that provide physical access to all LACERA suites with a modern solution that allows better customization and safety enhancements.   |
| Professional consulting services for Great Plains integrations | \$100,000 | As LACERA continues to implement various enterprise software solutions such as hardware asset management, contract management, budgeting, and accounts payable, funding is needed for professional services to ensure these applications integrate seamlessly with our current general ledger system, Great Plains.  |
| Benefits PBI upgrade   | \$100,000 | The Benefits Division seeks to replace their current end-of-life member/beneficiary research system. The new system will   |

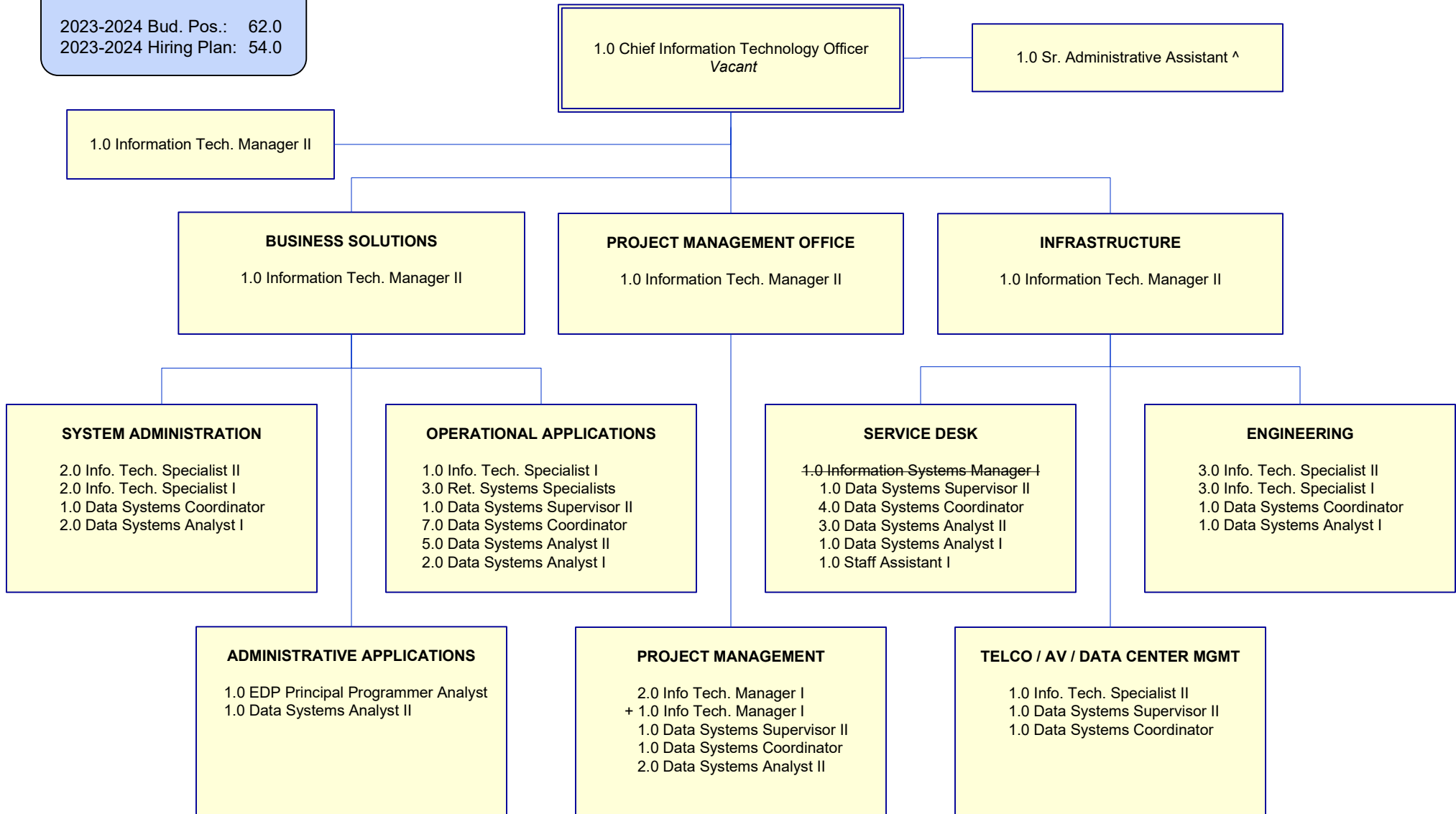
|                                    |          |  |
|------------------------------------|----------|--|
|                                    |          | ensure that the organization can quickly and accurately identify deceased members and locate or identify the beneficiary to fulfill our fiduciary responsibilities and pay out the owed benefits.        |
| Investments due diligence solution | \$30,000 | The Investments Division seeks to implement a due diligence solution, such as DiligenceVault. The new system will automate the analysis of manager and fund data as part of the due diligence processes. |

# SYSTEMS DIVISION

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 62.0  
2022-2023 Hiring Plan: 62.0

2023-2024 Bud. Pos.: 62.0  
2023-2024 Hiring Plan: 54.0



+ Added position

– Deleted position

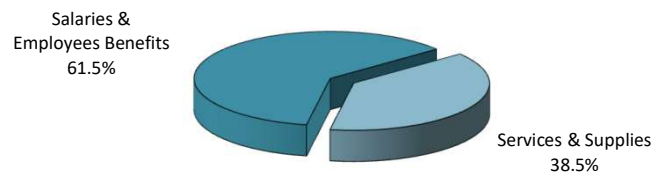
^ Position upgrade from Senior Secretary to Senior Administrative Assistant as a result of classification study (Board of Supervisors approved on October 18, 2022).

**LACERA**  
**FISCAL YEAR 2023-2024**  
**BUDGET SUMMARY**

**SYSTEMS DIVISION**

|  | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|--|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|  |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|  |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Salaries &amp; Employees Benefits</b> | <b>\$14,681,722</b>                      | \$14,122,286                      | \$6,293,162       | \$12,392,900      | (\$1,729,386)  | -12.2%          | \$559,436  | 4.0%            |
| <b>Services &amp; Supplies</b>           | <b>9,187,800</b>                         | 8,249,400                         | 5,088,935         | 8,678,500         | 429,100  | 5.2%            | 938,400  | 11.4%           |
| <b>OPERATING BUDGET</b>                  | <b>\$23,869,522</b>                      | \$22,371,686                      | \$11,382,097      | \$21,071,400      | (\$1,300,286)  | -5.8%           | \$1,497,836  | 6.7%            |

**2023 - 2024 PROPOSED BUDGET**



\*All amounts rounded to the nearest dollar.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

**SYSTEMS DIVISION**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$6,950,188</b>                       | \$5,534,330                       | \$2,893,621       | \$5,668,700       | \$134,370  | 2.4%            | \$1,415,858  | 25.6%           |
| <b>Total Agency Temp Salaries</b>   | <b>2,881,700</b>                         | 4,576,300                         | 1,540,301         | 3,080,700         | (1,495,600)  | -32.7%          | (1,694,600)  | -37.0%          |
| <b>Employee Benefits (Variable)</b> | <b>3,907,381</b>                         | 3,212,254                         | 1,415,130         | 2,768,800         | (443,454)  | -13.8%          | 695,127  | 21.6%           |
| <b>Employee Benefits (Other)</b>    | <b>445,474</b>                           | 410,601                           | 189,029           | 402,400           | (8,201)  | -2.0%           | 34,873   | 8.5%            |
| <b>OPEB Contribution</b>            | <b>246,880</b>                           | 217,901                           | 111,615           | 206,100           | (11,801)   | -5.4%           | 28,979   | 13.3%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>229,200</b>                           | 150,000                           | 134,831           | 249,000           | 99,000   | 66.0%           | 79,200   | 52.8%           |
| <b>Bilingual Bonus</b>              | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>12,000</b>                            | 12,000                            | 8,635             | 17,200            | 5,200  | 43.3%           | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>8,900</b>                             | 8,900                             | 0                 | 0                 | (8,900)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$14,681,722</b>                      | \$14,122,286                      | \$6,293,162       | \$12,392,900      | (\$1,729,386)  | -12.2%          | \$559,436  | 4.0%            |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$14,681,722</b>                      | \$14,122,286                      | \$6,293,162       | \$12,392,900      | (\$1,729,386)  | -12.2%          | \$559,436  | 4.0%            |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

SYSTEMS DIVISION

2023-2024 BUDGET

|        | FILLED POSITIONS                     | # POS. | SCHEDULE | ACTUAL<br>MO. RATE | ANNUAL<br>AMOUNT |
|--------|--------------------------------------|--------|----------|--------------------|------------------|
| 00804A | INFORMATION TECH. MANAGER II         | 1      | LS12     | 26,100             | 313,200          |
| 00803A | INFORMATION TECH. MANAGER I          | 1      | LS11     | 14,004             | 168,052          |
| 00802A | INFORMATION TECHNOLOGY SPECIALIST II | 1      | 126B     | 14,054             | 168,646          |
| 00460A | DATA SYSTEMS SUPERVISOR II           | 2      | 119E     | 26,761             | 321,135          |
| 02644A | RETIREMENT SYSTEMS SPECIALIST        | 1      | 118K     | 13,779             | 165,343          |
| 00453A | EDP PRINCIPAL PROG. ANALYST          | 1      | 118H     | 13,711             | 164,533          |
| 00469A | DATA SYSTEMS COORDINATOR             | 13     | 113J     | 141,263            | 1,695,161        |
| 00458A | DATA SYSTEMS ANALYST II              | 10     | 108B     | 99,702             | 1,196,420        |
| 00457A | DATA SYSTEMS ANALYST I               | 6      | 105F     | 48,658             | 583,900          |
| 00426A | STAFF ASSISTANT I                    | 1      | 87L      | 5,958              | 71,501           |

POSITIONS      37      **4,847,892**

|        | VACANT POSITIONS                     | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
|--------|--------------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00805A | CHIEF INFORMATION TECHNOLOGY (UC)    | 1      | LR14     | 13,068               | 156,819          | 156,819                |                       |                       |
| 00804A | INFORMATION TECH. MANAGER II         | 3      | LS12     | 11,308               | 135,701          |                        | 203,551               |                       |
| 00803A | INFORMATION TECH. MANAGER I          | 2      | LS11     | 10,519               | 126,233          |                        |                       |                       |
| 00802A | INFORMATION TECHNOLOGY SPECIALIST II | 5      | 126B     | 12,795               | 153,539          |                        | 575,771               |                       |
| 00801A | INFORMATION TECHNOLOGY SPECIALIST I  | 6      | 120L     | 11,118               | 133,415          |                        | 600,367               |                       |
| 00460A | DATA SYSTEMS SUPERVISOR II           | 2      | 119E     | 10,662               | 127,949          |                        |                       |                       |
| 00782A | INFORMATION SYSTEMS MANAGER I        | 1      | 118L     | 10,531               | 126,375          |                        |                       |                       |
| 00782A | INFORMATION SYSTEMS MANAGER I        | (1)    | 118L     | 10,531               | 126,375          |                        |                       |                       |
| 02644A | RETIREMENT SYSTEMS SPECIALIST        | 2      | 118K     | 10,506               | 126,067          |                        |                       | 126,067               |
| 00469A | DATA SYSTEMS COORDINATOR             | 2      | 113J     | 9,151                | 109,808          |                        |                       | 109,808               |
| 00458A | DATA SYSTEMS ANALYST II              | 1      | 108B     | 7,854                | 94,243           |                        |                       |                       |
| 00439A | SENIOR ADMINISTRATIVE ASSISTANT      | 1      | 93A      | 5,216                | 62,592           |                        |                       |                       |
|        |                                      |        |          |                      |                  | 156,819                | 1,379,689             | 235,874               |

POSITIONS      25      **1,772,383**

TOTAL POSITIONS      62

GROSS SALARIES      **6,620,274**

ANTICIPATED MOU SALARY INCREASE\*\*      **99,304**

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE      **50,470**

BONUS      **25,685**

120-DAY RETIREE(S)      2      **154,454**

TOTAL SALARIES      **6,950,188**

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
Represented positions shown in blue.  
Vacancies are shown at the 1st Step.  
\*All amounts rounded to the nearest dollar.  
\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**LACERA**  
**FISCAL YEAR 2023-2024**  
**SERVICES & SUPPLIES ACCOUNT SUMMARY**

**SYSTEMS DIVISION**

| ACCOUNT CLASSIFICATION              | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |             |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-------------------------------------|---------------------------------|---------------------------|-------------|-------------|---|----------|---|----------|
|                                     |                                 | YTD                       |             |             | OVER/(UNDER)  |          |   |          |
|                                     |                                 | BUDGET                    | (01-31-23)  | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| COMMUNICATIONS                      | \$570,000                       | \$535,000                 | \$340,026   | \$528,500   | (\$6,500)   | -1.2%    | \$35,000  | 6.5%     |
| TRANSPORTATION & TRAVEL             | 41,600                          | 4,200                     | 2,925       | 8,100       | 3,900   | 92.9%    | 37,400  | 890.5%   |
| POSTAGE                             | 450,000                         | 390,000                   | 0           | 450,000     | 60,000  | 15.4%    | 60,000  | 15.4%    |
| OFFICE SUPPLIES & EQUIPMENT         | 713,000                         | 469,000                   | 506,130     | 708,000     | 239,000   | 51.0%    | 244,000   | 52.0%    |
| EQUIPMENT MAINTENANCE               | 730,000                         | 405,000                   | 110,042     | 446,000     | 41,000  | 10.1%    | 325,000   | 80.2%    |
| PROFESSIONAL & SPECIALIZED SERVICES | 1,540,000                       | 1,359,600                 | 518,971     | 1,375,600   | 16,000  | 1.2%     | 180,400   | 13.3%    |
| COMPUTER SERVICES & SUPPORT         | 5,079,600                       | 5,049,600                 | 3,604,075   | 5,141,000   | 91,400  | 1.8%     | 30,000  | 0.6%     |
| EDUCATIONAL EXPENSES                | 63,100                          | 36,500                    | 6,545       | 21,000      | (15,500)  | -42.5%   | 26,600  | 72.9%    |
| MISCELLANEOUS                       | 500                             | 500                       | 221         | 300         | (200)   | -40.0%   | 0   | 0.0%     |
| TOTAL                               | \$9,187,800                     | \$8,249,400               | \$5,088,935 | \$8,678,500 | \$429,100   | 5.2%     | \$938,400   | 11.4%    |

\*All amounts rounded to the nearest dollar.

\*\* Corrections are anticipated that will result in the projected expenses being consistent with the approved budget.



**SYSTEMS DIVISION**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022            |                     | FYE 2023            |                     | Proposed            |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Budget              | Actual              | Budget              | Projection          | Budget              |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                     |                     |                     |                     |
| Total LACERA Salaries                   | \$6,054,880         | \$4,686,335         | \$5,534,330         | \$5,668,700         | \$6,950,188         |
| Total Agency Temp Salaries              | 2,193,100           | 3,899,919           | 4,576,300           | 3,080,700           | 2,881,700           |
| Employee Benefits (Variable)            | 3,530,148           | 2,421,661           | 3,212,254           | 2,768,800           | 3,907,381           |
| Employee Benefits (Other)               | 381,398             | 384,347             | 410,601             | 402,400             | 445,474             |
| OPEB Contribution                       | 187,224             | 169,448             | 217,901             | 206,100             | 246,880             |
| OPEB Contribution (Budget Surplus)      | 0                   | 187,224             | 0                   | 0                   | 0                   |
| Stipends                                | 0                   | 0                   | 0                   | 0                   | 0                   |
| Overtime                                | 133,300             | 171,708             | 150,000             | 249,000             | 229,200             |
| Bilingual Bonus                         | 0                   | 0                   | 0                   | 0                   | 0                   |
| Sick Leave Buyback                      | 12,000              | 11,693              | 0                   | 0                   | 0                   |
| Rideshare Allowance                     | 8,900               | 0                   | 12,000              | 17,200              | 12,000              |
| Transportation Allowance                | 0                   | 0                   | 8,900               | 0                   | 8,900               |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                     |                     |                     |                     |
| Communications                          | 630,000             | 584,479             | 535,000             | 528,500             | 570,000             |
| Transportation & Travel                 | 4,600               | 4,421               | 4,200               | 8,100               | 41,600              |
| Postage                                 | 390,000             | 439,440             | 390,000             | 450,000             | 450,000             |
| Office Supplies & Equipment             | 399,600             | 363,967             | 469,000             | 708,000             | 713,000             |
| Equipment Maintenance                   | 434,500             | 362,815             | 405,000             | 446,000             | 730,000             |
| Professional & Specialized Services     | 1,536,600           | 1,506,719           | 1,359,600           | 1,375,600           | 1,540,000           |
| Computer Services & Support             | 4,619,600           | 4,187,326           | 5,049,600           | 5,141,000           | 5,079,600           |
| Educational Expenses                    | 36,500              | 9,169               | 36,500              | 21,000              | 63,100              |
| Miscellaneous                           | 1,000               | 291                 | 500                 | 300                 | 500                 |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$20,553,351</b> | <b>\$19,390,963</b> | <b>\$22,371,686</b> | <b>\$21,071,400</b> | <b>\$23,869,522</b> |

\*All amounts rounded to the nearest dollar.

**PROJECTED NON-ADMINISTRATIVE EXPENSES**  
**For the Fiscal Year Ended June 30, 2024**

|  | Current Year                    |                                  | Prior Year                    |
|--|---------------------------------|----------------------------------|-------------------------------|
|  | EXPENSES<br>AS OF<br>12/31/2022 | PROJECTED<br>FOR FY<br>2023-2024 | ACTUAL<br>FOR FY<br>2021-2022 |
| <b>Pension Trust Fund:</b>                                 |                                 |                                  |                               |
| <b>Investment Management Fees</b>                          |                                 |                                  |                               |
| U.S. Equity  | \$ 2,771,854                    | \$ 5,603,729                     | \$ 11,508,316                 |
| Non-U.S. Equity  | 11,805,022                      | 23,206,076                       | 33,386,467                    |
| Fixed Income   | 2,431,795                       | 23,191,603                       | 38,166,125                    |
| Cash and Short-Term  | 159,208                         | 318,415                          | 307,397                       |
| Mortgage Loan Services                                     | 12,562                          | 25,123                           | 29,291                        |
| Private Equity   | 3,693,955                       | 14,464,646                       | 12,551,478                    |
| Real Assets  | 1,622,885                       | 3,397,637                        | 2,632,597                     |
| Real Estate  | 11,068,980                      | 26,315,691                       | 23,567,148                    |
| Hedge Funds  | 216,243                         | 1,038,852                        | 633,015                       |
| Commodities  | 1,715,923                       | 3,431,846                        | 5,203,433                     |
| <b>Total Investment Management Fees</b>                    | <b>35,498,427</b>               | <b>100,993,617</b>               | <b>127,985,266</b>            |
| <b>Other Investment Expenses</b>                           |                                 |                                  |                               |
| <b>Consultants</b>   |                                 |                                  |                               |
| General Investment Portfolio                               | 122,500                         | 490,000                          | 514,890                       |
| Private Equity   | 271,431                         | 1,035,181                        | 1,047,682                     |
| Real Estate  | 96,369                          | 328,569                          | 378,450                       |
| Other Consulting Fees                                      | 428,208                         | 856,417                          | 1,019,292                     |
|  | <b>918,508</b>                  | <b>2,710,166</b>                 | <b>2,960,313</b>              |
| <b>Custodians</b>  |                                 |                                  |                               |
| Investment Custodian and Banking Fees                      | 2,087,113                       | 3,000,000                        | 3,695,080                     |
| Mortgages  | -                               | 5,000                            | 5,000                         |
|  | <b>2,087,113</b>                | <b>3,005,000</b>                 | <b>3,700,080</b>              |
| <b>Performance and Other Fees</b>                          | <b>58,391,882</b>               | <b>182,305,072</b>               | <b>173,036,159</b>            |
| <b>Investment Management Data Services</b>                 | <b>1,072,020</b>                | <b>1,964,910</b>                 | <b>1,596,581</b>              |
| <b>Investment Legal Counsel</b>                            | <b>1,214,680</b>                | <b>2,255,000</b>                 | <b>1,081,799</b>              |
| <b>Total Other Investment Expenses</b>                     | <b>63,684,203</b>               | <b>192,240,147</b>               | <b>182,374,933</b>            |
| <b>Total Management Fees and Other Investment Expenses</b> | <b>\$ 99,182,630</b>            | <b>\$ 293,233,765</b>            | <b>\$ 310,360,199</b>         |
| <b>Actuarial Consulting Services</b>                       | <b>27,067</b>                   | <b>250,000</b>                   | <b>219,132</b>                |
| <b>Total Pension Fund Non-Administrative Expenses</b>      | <b>\$ 99,209,697</b>            | <b>\$ 293,483,765</b>            | <b>\$ 310,579,331</b>         |
| <b>Retiree Health Care (RHC) Program Funds:</b>            |                                 |                                  |                               |
| Fixed Income Management Fees                               | \$ 51,981                       | \$ 103,962                       | \$ 90,402                     |
| Short-Term Management Fees                                 | 9,378                           | 18,757                           | 24,901                        |
| Custodian Fees   | 15,000                          | 30,000                           | 30,167                        |
| <b>Total RHC Program Non-Administrative Expenses</b>       | <b>\$ 76,359</b>                | <b>\$ 152,718</b>                | <b>\$ 145,470</b>             |
| <b>Other Post Employment Benefits (OPEB) Trust Fund:</b>   |                                 |                                  |                               |
| Enhanced Cash Management Fees                              | \$ 11,691                       | \$ 23,381                        | \$ 19,537                     |
| Commodities Management Fees                                | 71,159                          | 142,318                          | 160,882                       |
| Global Equity Management Fees                              | 148,993                         | 297,986                          | 294,582                       |
| Fixed Income Management Fees                               | 157,389                         | 314,779                          | 329,178                       |
| Real Estate Management Fees                                | 73,531                          | 147,061                          | 148,004                       |
| Private Assets   | -                               | 928,000                          | -                             |
| General Investment Portfolio Consultant                    | 42,499                          | 84,998                           | 61,676                        |
| Custodian Fees   | 108,309                         | 216,618                          | 218,862                       |
| <b>Total OPEB Trust Non-Administrative Expenses</b>        | <b>\$ 613,570</b>               | <b>\$ 2,155,141</b>              | <b>\$ 1,232,721</b>           |

# CEO's 100-Day Plan Status



LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

# Los Angeles County Employees Retirement Association (LACERA)

## Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

|  |        |  |               | Timeline         |  |           |     |     |    |                |                |           |           |                   |
|--|--------|--|---------------|------------------|--|-----------|-----|-----|----|----------------|----------------|-----------|-----------|-------------------|
| Focus                                      |        | Action Steps                                       |               | Accountability   |  | FY2020-21 |     |     |    |                |                | FY2021-22 | FY2022-23 | Percent Completed |
|  |        |  |               | Lead             | Support  | Jul       | Aug | Sep | Q2 | Q3             | Q4             |           |           |                   |
| CHAPTER II - UPDATE ON ACTIONS TAKEN       |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| Strategic Planning & Action Plans          |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| SP   | II.1   | Report review with Trustees                        | CEO           | Trustees         |  |           |     |     |    |                |                |           | 100%      |                   |
| SP   | II.2   | Refined “Next Action Steps”                        | CEO           | Execs            |  |           |     |     |    |                |                |           | 100%      |                   |
| SP   | II.3   | Strategic planning effort                          | CEO           | Trustees, Execs  |  |           |     |     |    |                |                |           | 100%      |                   |
| SP   | II.4   | Strategic Plan actions defined                     | CEO           | Execs            |  |           |     |     |    |                |                |           | 90%       |                   |
| COVID-19 Transition Plan                   |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| C19  | II.5   | After action reviews                               | CEO           | Execs            | M  | M         | M   | M   | M  | M              | Ongoing        |           |           |                   |
| C19  | II.6   | COVID-19 Transition Plan                           | CEO, AEO/Ops  | IT, Admin, HR    | Starting with Member Services                          |           |     |     |    |                |                |           | 100%      |                   |
| C19  | II.7   | Plans to address the work backlog:                 | AEO/Ops       | Mem Group        |  |           |     |     |    |                |                |           |           |                   |
| C19  | II.7a  | -- Retiree Disability (moving to paperless)        | AEO/Ops       | Mgr/Disab        | Slight delays in third-parties providing documentation |           |     |     |    |                |                |           | 100%      |                   |
| C19  | II.7b  | -- Member Services (heavily "real time")           | AEO/Ops       | Mgr/Mem          |  |           |     |     |    |                |                |           | 100%      |                   |
| C19  | II.7c  | -- Benefit Services (rules, resources, tech)       | AEO/Ops       | Mgr/Benefits, IT | Heavy backlog pre-/post-COVID-19                       |           |     |     |    | Ongoing        |                |           |           |                   |
| C19  | II.7c1 | . "Quick fix" Benefits backlog plan                | Mgr/Benefits  | Legal, IT        |  |           |     |     |    | Ongoing        |                |           |           |                   |
| C19  | II.7c2 | . Longer term Benefits backlog plan (self-service) | Mgr/Benefits  | IT, PMG          |  |           |     |     |    | Ongoing        |                |           |           |                   |
| Business Continuity Planning (BCP)         |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| SP   | II.8   | Unified BCP  | AEO/Ops       | Admin., HR       |  |           |     |     |    |                |                |           | 100%      |                   |
| IT   | II.9   | BCP/DRP initiatives implementation for IT          | IT Exec       |                  | See Chapter V  |           |     |     |    |                |                |           | 100%      |                   |
| Management of Staff Working Remotely       |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| Culture                                    | II.10  | Remote staff management                            | Execs         | HR Dir           |  |           |     |     |    | Ongoing Hybrid |                |           | 100%      |                   |
| CHAPTER III - NEW ORGANIZATIONAL ALIGNMENT |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| Org  | III.1  | Structural review with both Boards                 | CEO           | Trustees         |  |           |     |     |    |                |                |           | 100%      |                   |
| Org  | III.2  | Staff announcement of new structure                | CEO           | Execs            |  | MAC       |     |     |    |                |                |           | 100%      |                   |
| Org  | III.3  | Routine executive meetings                         | CEO           | Execs            |  |           |     |     |    | Ongoing        |                |           | 100%      |                   |
| Org  | III.4  | Member-facing functional alignment                 | AEO/Ops       | Mem Ops          |  |           |     |     |    |                |                |           | 100%      |                   |
| Org  | III.5  | New COO position                                   | CEO           | HR Dir           |  |           |     |     |    |                |                |           | 100%      |                   |
| Org  | III.6  | CFO position redefined & filled                    | CEO           | HR Dir           |  |           |     |     |    |                |                |           | 50%       |                   |
| Org  | III.7  | CI&TO position defined; recruitment begun          | CEO           | HR Dir           |  |           |     |     |    |                |                |           | 100%      |                   |
| Org  | III.8  | Compliance Officer position filled                 | Chief Counsel | HR Dir           |  |           |     |     |    |                |                |           | 25%       |                   |
| Org  | III.9  | PIO position filled                                | CEO           | HR Dir           |  |           |     |     |    |                |                |           | 10%       |                   |
| Org  | III.10 | Organizational refinements if any                  | CEO           | Execs            |  |           |     |     |    | Ongoing        |                |           |           |                   |
| Org  | III.11 | Job titles/org hierarchy consistency               | HR Dir        |                  |  |           |     |     |    | Ongoing        |                |           |           |                   |
| CHAPTER IV - PLANNING                      |        |  |               |                  |  |           |     |     |    |                |                |           |           |                   |
| SP   | IV.1   | Best practices identified for Strategic Plan       | Execs         | Mgrs             |  |           |     |     |    |                | See also VII.4 |           |           |                   |

# Los Angeles County Employees Retirement Association (LACERA)

## Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

|                                    |                   |  |                   |                   |                                   | Timeline |     |                            |    |         |           |           |                   |
|------------------------------------|-------------------|--|-------------------|-------------------|-----------------------------------|----------|-----|----------------------------|----|---------|-----------|-----------|-------------------|
| Focus                              |                   | Action Steps                                 | Accountability    |                   | FY2020-21                         |          |     |                            |    |         | FY2021-22 | FY2022-23 | Percent Completed |
|                                    |                   |  | Lead              | Support           | Jul                               | Aug      | Sep | Q2                         | Q3 | Q4      |           |           |                   |
| SP                                 | IV.2              | Shared vision & strategic planning           | CEO               | Trustees          |                                   |          |     | See Chapter II on Update   |    |         |           |           | 100%              |
| SP                                 | IV.3              | Unified BCP                                  | Admin Services    | IT                | See Chapter II on Update          |          |     |                            |    |         |           | 100%      |                   |
| SP                                 | IV.4              | IT plans (strategy, security BCP, DRP)       | IT                | ITMC              | See Chapter V on IT Modernization |          |     |                            |    |         |           | 100%      |                   |
| SP                                 | IV.5              | HR Plans                                     | HR Dir            | Execs             |                                   |          |     |                            |    |         |           | 100%      |                   |
| SP                                 | IV.6              | Improved budgeting process                   | CFO, Admin        |                   | See also VII.1 on budgeting       |          |     |                            |    |         |           | 75%       |                   |
| SP                                 | IV.7              | Communications Plan                          | Comm              | Mem Ops, RHC, IT  |                                   |          |     |                            |    | Ongoing |           | 75%       |                   |
| SP                                 | IV.8              | Linkage of plans to Strategic Plan           | Execs             |                   |                                   |          |     |                            |    | Ongoing |           | 100%      |                   |
| CHAPTER V - IT MODERNIZATION       |                   |  |                   |                   |                                   |          |     |                            |    |         |           |           |                   |
| IT Planning, Structure, & Staffing |                   |  |                   |                   |                                   |          |     |                            |    |         |           |           |                   |
| IT-Org                             | V.1               | IT Management Council established            | IT Exec           | CEO, Execs        |                                   |          |     | Meets quarterly thereafter |    |         |           | 100%      |                   |
| IT-Org                             | V.2               | Priority IT plans developed & implemented    | IT Exec           | IT Team           |                                   |          |     |                            |    |         |           | 90%       |                   |
| IT-Org                             | V.3               | Priority IT policies & IT developed          | IT Exec           | ITMC              |                                   |          |     | Ongoing                    |    |         |           |           |                   |
|                                    |                   | -- PMO                                       |                   |                   |                                   |          |     |                            |    |         |           | 100%      |                   |
|                                    |                   | -- IT Operations                             |                   |                   |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Org                             | V.4               | IT Strategic Plan developed & aligned        | IT Exec           | ITMC              |                                   |          |     |                            |    |         |           | 75%       |                   |
| IT-Org                             | V.5               | IT Program Management Office established     | CEO               | CTO, AEO/Admin    |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Org                             | V.6               | IT/IS structure realigned                    | CEO, CTO          | AEO/Admin         |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Org                             | V.7               | IT staffing plan implemented                 | IT Exec           | HR Dir            |                                   |          |     |                            |    |         |           | 50%       |                   |
| IT Security                        |                   |  |                   |                   |                                   |          |     |                            |    |         |           |           |                   |
| IT-Security                        | V.8               | Immediate IT vulnerabilities addressed       | IT Exec           | IT Sec Consultant |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Security                        | V.9               | Security expert consultant study completed   | CEO               | IT Exec           |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Security                        | V.10              | Security study recommendations adopted       | IT Exec           | ITMC              |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT Investment                      |                   |  |                   |                   |                                   |          |     |                            |    |         |           |           |                   |
| IT-Invest                          | V.11              | IT recommended investments                   | CTO, AEO/Admin    | ITMC              |                                   |          |     |                            |    | Ongoing |           |           |                   |
| IT-Invest                          | V.12              | IT Modernization/IT Strategic Plan adopted   | IT Exec           | Trustees          |                                   |          |     |                            |    |         |           | 75%       |                   |
| IT-Invest                          | V.13              | IT capabilities/systems upgrade investments  | Trustees, IT Exec | ITMC              |                                   |          |     |                            |    | Ongoing |           |           |                   |
| IT-Imple                           | IT Implementation |  |                   |                   |                                   |          |     |                            |    |         |           |           |                   |
| IT-Imple                           | V.14              | IT “quick fixes” implemented                 | CTO, AEO/Admin    |                   |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Imple                           | V.15              | IT Strategic Plan/other IT plans implemented | CTO, AEO/Admin    |                   |                                   |          |     |                            |    | Ongoing |           |           |                   |
| IT-Imple                           | V.16              | Robust telecommuting capabilities            | CTO, AEO/Admin    | IT Exec           |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Imple                           | V.17              | Migration to the cloud (vendor resources)    | CTO, AEO/Admin    | CIO               |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Imple                           | V.18              | Migration to the cloud (servers & systems)   | IT Exec           |                   |                                   |          |     |                            |    |         |           | 90%       |                   |
| IT-Imple                           | V.19              | Virtual call center, including counseling    | AEO/Ops, IT       | Mem Group         |                                   |          |     |                            |    |         |           | 100%      |                   |
| IT-Imple                           | V.20              | Remote work capability for benefits analysts | IT                |                   |                                   |          |     |                            |    |         |           | 100%      |                   |

# Los Angeles County Employees Retirement Association (LACERA)

## Roadmap for Implementing Action Steps in the 100-Day Management Report

Updated: 03/10/2023

|   |       |  |              |  |  | Timeline       |                    |   |     |     |              |         |    |               |           |           |                   |
|---|-------|--|--------------|--|--|----------------|--------------------|---|-----|-----|--------------|---------|----|---------------|-----------|-----------|-------------------|
| Focus   |       |  | Action Steps |  |  | Accountability |                    | FY2020-21                                 |     |     |              |         |    |               | FY2021-22 | FY2022-23 | Percent Completed |
|   |       |  |              |  |  | Lead           | Support            | Jul                                       | Aug | Sep | Q2           | Q3      | Q4 |               |           |           |                   |
| CHAPTER VI - WORK CULTURE & CHANGE MANAGEMENT |       |  |              |  |  |                |                    |   |     |     |              |         |    |               |           |           |                   |
| Culture                                       | VI.1  | Leadership & management dev program        |              |  |  | CEO            | HR Dir             |   |     |     |              |         |    |               |           | 10%       |                   |
| Culture                                       | VI.2  | Diversity/Inclusion Plan (culture/values)  |              |  |  | CEO            | Execs, HR Dir      |   |     |     |              |         |    |               | Ongoing   | 30%       |                   |
| Culture                                       | VI.3  | Shortened technical training               |              |  |  | QA             | Mem Group          |   |     |     |              | Prepare |    |               | Monitor   | 75%       |                   |
| Culture                                       | VI.4  | Levels of Protection defined & implemented |              |  |  | Chief Counsel  | Compliance Officer |   |     |     |              |         |    |               |           | 20%       |                   |
| CHAPTER VII - ENHANCED PROCESSES & OPERATIONS |       |  |              |  |  |                |                    |   |     |     |              |         |    |               |           |           |                   |
| Improve                                       | VII.1 | New budget system and processes            |              |  |  | Admin Services | CFO                | Build on existing "Great Plains" platform |     |     |              |         |    |               |           |           | 75%               |
| Improve                                       | VII.1 | Division staffing & metrics in budget      |              |  |  | CEO/COO        | Mgrs/Mem Ops       |   |     |     | Draft Budget |         |    |               | Ongoing   |           |                   |
| Improve                                       | VII.2 | Continuous process improvement initiative  |              |  |  | AEO/Mem Serv   | PMG                |   |     |     |              |         |    | Ongoing       | Ongoing   |           |                   |
| Improve                                       | VII.3 | Metrics & priority processes to improve    |              |  |  | PMG            | Mgrs/Mem Ops       |   |     |     |              |         |    | Annual        | Annual    | 60%       |                   |
| Improve                                       | VII.4 | Best practices & best-in-class standard    |              |  |  | Execs          | Mgrs/Mem Ops       |   |     |     |              |         |    | See also IV.1 |           |           |                   |
| Improve                                       | VII.5 | Process inventory/priorities approved      |              |  |  | Execs          | AEO/Ops, PMG       |   |     |     |              |         |    | Annual        | Annual    | 100%      |                   |
| Improve                                       | VII.6 | Process improvement with metrics           |              |  |  | PMG            | Mgrs/Mem Ops       |   |     |     |              |         |    | Ongoing       | Ongoing   | 75%       |                   |
| Improve                                       | VII.7 | Potential expansion of PMG’s services      |              |  |  | CEO            | Execs              |   |     |     |              |         |    |               |           | 25%       |                   |

**The LACERA Strategic Plan will be  
inserted here upon approval by the  
Boards.**

# **Towards Best-In-Class Investor**

## **2023 Work Plan and Strategic Initiatives**

### **Investments Division**

**Board of Investments**  
**January 11, 2023**

Jonathan Grabel – Chief Investment Officer



**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION**



# 2023 Work Plan Recommendation and Overview

## Recommendation

- Approve the 2023 Work Plan and Strategic Initiatives

## Overview



The updated 2023 Work Plan and Strategic Initiatives for LACERA's Investments Division aims to:

1. Provide **visibility** into current and upcoming initiatives
2. Reflect and **synthesize** Board-approved projects and input, recent Board meetings, and Offsite discussions into a cohesive action plan
3. Promote **disciplined execution** and aligned resources for defined priorities while acknowledging that LACERA is resilient and adaptable to unforeseen circumstances

# LACERA Investments Division

## Work Plan and Strategic Initiatives Timeline

Components of the Investments Division's Work Plan and Strategic Initiatives have evolved over several years while maintaining the goal to improve portfolio outcomes



# 2023 Work Plan

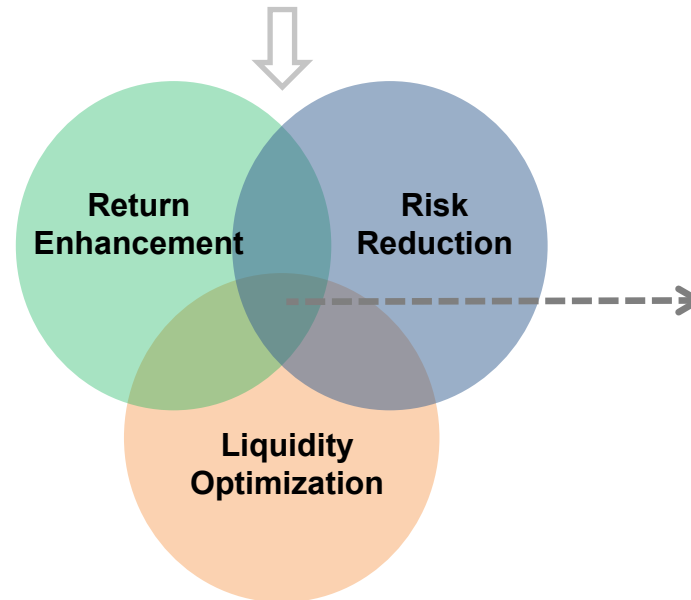
## Background and Strategic Initiatives

Investment  
Mission



**Execute Strategic Asset Allocation**

*while balancing...*



**Produce,  
Protect, and  
Provide the  
Promised  
Benefits**

Strategic  
Initiatives



**Enhance  
Operational  
Effectiveness**



**Optimize  
Investment  
Model**



**Maximize  
Stewardship and  
Ownership Rights**



**Strengthen  
Influence on Fees  
and Cost of Capital**



**LACERA  
T.I.D.E.**

# 2023 Work Plan

## Strategic Initiatives Towards Best-In-Class Investor

Across LACERA's five strategic initiatives, our **journey** from an allocator to a best-in-class investor has numerous elements of **recent progress** and **future aspirations**



# 2023 Work Plan

## Strategic Initiatives



Enhance  
Operational  
Effectiveness



Optimize  
Investment  
Model



Maximize  
Stewardship and  
Ownership Rights



Strengthen  
Influence on Fees  
and Cost of Capital



LACERA  
T.I.D.E.



Enhance  
Operational  
Effectiveness

### Objective:

To maximize the efficiency of our resources (internal and external, human and technological) and mitigate varied investment and enterprise risks, which can improve future outcomes

### Progress:

- Enhanced risk analytics and reporting
- Improved asset transparency and wire transfer processes
- Established single-investor vehicles and dedicated managed accounts

### Aspirations:

- Continuous improvement of investment and operational due diligence
- Optimize presentation and quality of information provided to the Board
- Advance OPEB strategic asset allocation and unitization structure
- Derive and maximize value from technology
- Avoid uncompensated complexity

# 2023 Work Plan

## Strategic Initiatives



Enhance  
Operational  
Effectiveness



Optimize  
Investment  
Model



Maximize  
Stewardship and  
Ownership Rights



Strengthen  
Influence on Fees  
and Cost of Capital



LACERA  
T.I.D.E.



### Optimize Investment Model

#### Objective:

To leverage our competitive advantages through deliberate investment models and structures that harness technology, cost effectiveness, and human capital to maximize risk-adjusted returns

#### Progress:

- Expanded co-investment programs to additional asset categories
- Created revenue sharing agreements with asset managers through emerging manager programs
- Completed analysis of internal asset management for public markets

#### Aspirations:

- Evolve internal staff investment committees
- Further cultivate an investor mindset
- Continuously right-size capital invested to asset managers and mandates

# 2023 Work Plan

## Strategic Initiatives



Enhance  
Operational  
Effectiveness



Optimize  
Investment  
Model



Maximize  
Stewardship and  
Ownership Rights



Strengthen  
Influence on Fees  
and Cost of Capital



LACERA  
T.I.D.E.



### Maximize Stewardship and Ownership Rights

#### Objective:

To steward our investments – including legal rights associated with them – in a manner that promotes and safeguards our economic interests and durable financial value, including through proxy voting, engagement, and policy advocacy

#### Progress:

- Institutionalized consistent ESG and DEI due diligence and monitoring across all mandates
- Routinized global proxy voting consistent with LACERA Principles
- Expanded engagements on board diversity, climate, public policy

#### Aspirations:

- Expanding climate risk analysis to total Fund including private markets
- Implement recently restated Responsible Contractor Policy
- Integrate Global Real Estate Sustainability Benchmark in real assets
- Assume voting rights in OPEB separate account structure
- Amplify progress and leadership in governance and ESG initiatives

# 2023 Work Plan

## Strategic Initiatives

  
Enhance  
Operational  
Effectiveness

  
Optimize  
Investment  
Model

  
Maximize  
Stewardship and  
Ownership Rights

  
Strengthen  
Influence on Fees  
and Cost of Capital

  
LACERA  
T.I.D.E.



### Strengthen Influence on Fees and Cost of Capital

#### Objective:

To strengthen our influence on fees and cost of capital with the goal of maximizing returns by minimizing cost across all investment strategies and structures in a manner that promotes durable investment returns

#### Progress:

- Increased allocation to private equity co-investment program, reducing costs
- Elevated non-economic terms such as capacity rights, revenue sharing, and beneficial rights
- Established dedicated managed accounts with better terms

#### Aspirations:

- Be “term-makers” as opposed to “term-takers”
- Promote creativity and solutions when tailoring terms
- Further measure and reduce costs across portfolio



# 2023 Work Plan

## Strategic Initiatives



Enhance  
Operational  
Effectiveness



Optimize  
Investment  
Model



Maximize  
Stewardship and  
Ownership Rights



Strengthen  
Influence on Fees  
and Cost of Capital



LACERA  
T.I.D.E.



LACERA  
T.I.D.E.

### Objective:

To improve outcomes through comprehensive, total Fund efforts that encourage constructive, inclusive, and equitable talent management at investment partners, industry, and internally

### Progress:

- Instituted comprehensive annual updates to the BOI
- Increased insight of manager practices for portfolio evaluation
- Vast increase in manager reporting, DEI focus, and candor
- Expanded industry collaboration and external advocacy
- Expanded allocation opportunities for emerging managers

### Aspirations:

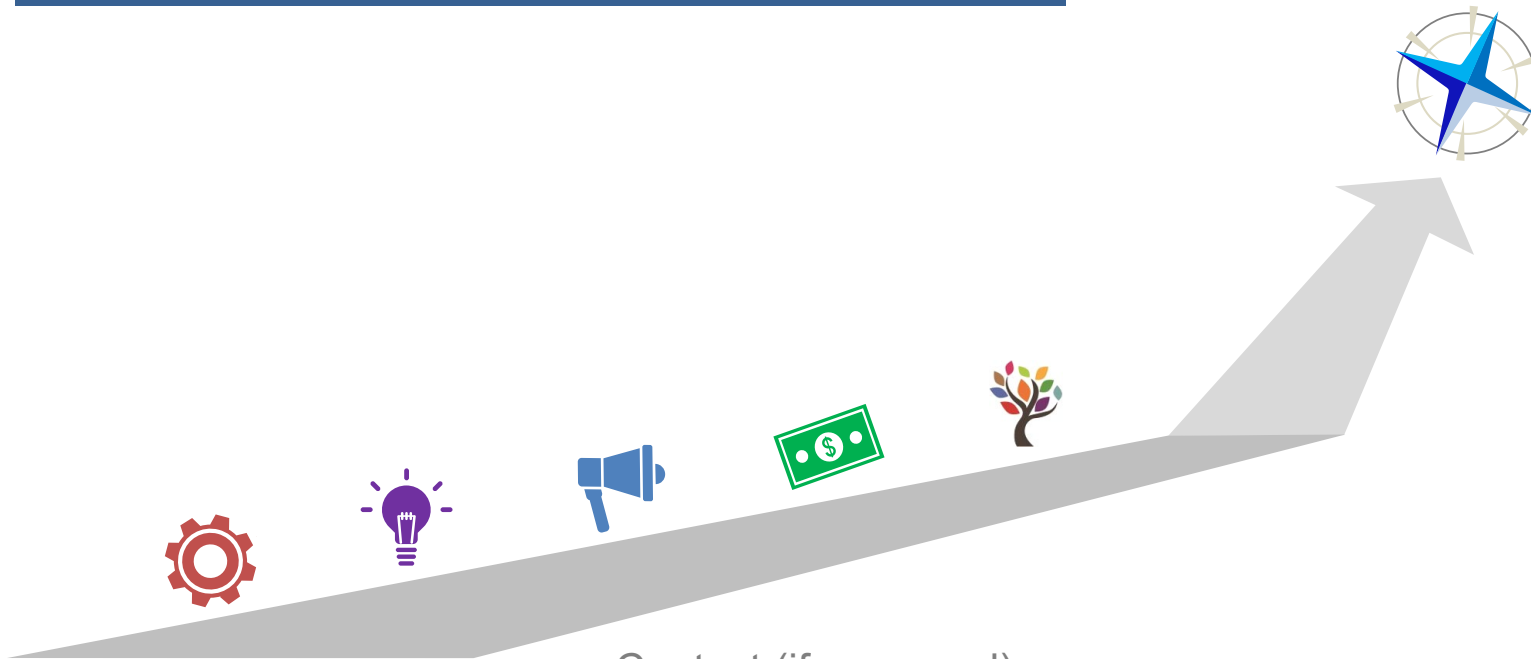
- Constructive influence for manager adoption of leading DEI practices
- Evolve holistically towards inclusion and diversity and equity
- Maximize functional empowerment and engagement of internal team

# 2023 Work Plan Recommendation

## Recommendation:

Approve the 2023 Work Plan and Strategic Initiatives

Execute  
Strategic Asset Allocation  
Towards Best-In-Class Investor



## Context (if approved):

- The Investments Division's 2023 Work Plan and Strategic Initiatives would be a component of LACERA's strategic plan
- The Investments Division may re-evaluate its work plan as circumstances warrant

# Appendix



# Prospective 2023 Calendar

|                                      | January               | February | March | April | May | June | July | August | September | October | November | December |
|--------------------------------------|-----------------------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| Board of Investments                 | ✓                     | ✓        | ✓     | ✓     | ✓   | ✓    | ✓    | ✓      | ✓         | ✓       | ✓        | ✓        |
|                                      | [ Potential Offsite ] |          |       |       |     |      |      |        |           |         |          |          |
| Corporate Governance Committee       |                       |          |       | ✓     |     |      |      |        |           | ✓       |          |          |
| Credit and Risk Mitigation Committee |                       |          |       |       | ✓   |      |      |        | ✓         |         |          |          |
| Equity: Public/Private Committee     |                       |          | ✓     |       |     |      | ✓    |        |           |         | ✓        |          |
| Real Assets Committee                |                       |          |       |       |     | ✓    |      |        |           |         |          | ✓        |

- Each committee meets at least two times per calendar year
- Additional meetings would be scheduled on an as-needed basis
- Will work with the Board regarding Offsite format and logistics

# 2023 Work Plan

## 1<sup>st</sup> Quarter Preliminary Monthly Calendar

| FEBRUARY 8, 2023      |  |
|-----------------------|--|
| Board of Investments: |  |
| Category              | Subject  |
| Total Fund            | OPEB Public Markets Search Minimum Qualifications Recommendation |
| Growth                | Private Equity Investment Recommendation                         |
|                       |  |
|                       |  |
| Committee: (open)     |  |
| Category              | Subject  |
|                       |  |
|                       |  |

| MARCH 8, 2023                     |  |
|-----------------------------------|--|
| Board of Investments:             |  |
| Category                          | Subject  |
| Total Fund                        | Trust and OPEB Performance Report and Review         |
| Total Fund                        | General Consultant Trust and OPEB Performance Report |
| Growth                            | Private Equity Investment Recommendations            |
| Real Assets                       | Investment Recommendation                            |
| Committee: Equity: Public/Private |  |
| Category                          | Subject  |
| Growth                            | Private Equity Performance Report and Review         |
| Growth                            | Guest Speaker(s)                                     |

Please note that certain listed items are subject to Committee advancement and/or Board approval.



# 2023 Work Plan

## 2<sup>nd</sup> Quarter Preliminary Monthly Calendar

**APRIL 12, 2023**

**Board of Investments:**

| Category    | Subject                                  |
|-------------|--|
| Total Fund  | Annual Securities Lending Income Report  |
| Growth      | Private Equity Investment Recommendation |
| Real Assets | Investment Recommendation                |
|             |  |

**Committee: Corporate Governance**

| Category       | Subject                  |
|----------------|--------------------------|
| Corporate Gov. | Principles Policy Review |
| Corporate Gov. | Guest Speaker(s)         |
|                |                          |

**MAY 10, 2023**

**Board of Investments:**

| Category   | Subject                                   |
|------------|---|
| Total Fund | OPEB Public Markets Search Recommendation |
| Growth     | Private Equity Investment Recommendation  |
|            |   |
|            |   |

**Committee: Credit and Risk Mitigation**

| Category        | Subject                       |
|-----------------|-------------------------------|
| Credit          | Performance Report and Review |
| Risk Mitigation | Performance Report and Review |
| Credit          | Guest Speaker(s)              |

**JUNE 14, 2023**

**Board of Investments:**

| Category    | Subject  |
|-------------|--|
| Total Fund  | Trust and OPEB Performance Report                    |
| Total Fund  | General Consultant Trust and OPEB Performance Report |
| Growth      | Private Equity Investment Recommendation             |
| Real Assets | Investment Recommendation                            |

**Committee: Real Assets**

| Category    | Subject                       |
|-------------|-------------------------------|
| Real Assets | Implementation Update         |
| Real Assets | Guest Speaker(s)              |
| Real Assets | Performance Report and Review |

Please note that certain listed items are subject to Committee advancement and/or Board approval.



# 2023 Work Plan

## 3<sup>rd</sup> Quarter Preliminary Monthly Calendar

| JULY 12, 2023                     |   |
|-----------------------------------|---|
| Board of Investments:             |   |
| Category                          | Subject   |
| Total Fund                        | Board Offsite (potential)                           |
| Total Fund & OPEB                 | Strategic Asset Allocation Study - Process Overview |
| Real Assets                       | Real Estate Findings Update Memo                    |
| Growth                            | Private Equity Investment Recommendation            |
| Credit                            | Investment Recommendation                           |
| Committee: Equity: Public/Private |   |
| Category                          | Subject   |
| Growth                            | Global Equity – Review of Active Portfolio          |
|                                   |   |

| AUGUST 9, 2023        |  |
|-----------------------|--|
| Board of Investments: |  |
| Category              | Subject  |
| Total Fund            | Board Offsite (potential)  |
| Real Assets           | Real Assets and Real Estate Emerging Manager Program Search Manager Recommendation |
|                       |  |
|                       |  |
|                       |  |
| Committee: (open)     |  |
| Category              | Subject  |
|                       |  |
|                       |  |

| SEPTEMBER 13, 2023                    |  |
|---------------------------------------|--|
| Board of Investments:                 |  |
| Category                              | Subject  |
| Total Fund                            | Board Offsite (potential)                            |
| Total Fund                            | Trust and OPEB Performance Report and Review         |
| Total Fund                            | General Consultant Trust and OPEB Performance Report |
| Growth                                | Private Equity Portfolio Performance Review          |
| Real Assets                           | Private Fund Investment Recommendation               |
| Committee: Credit and Risk Mitigation |  |
| Category                              | Subject  |
| Credit                                | Structure Review                                     |
| Risk Mitigation                       | Structure Review                                     |

Please note that certain listed items are subject to Committee advancement and/or Board approval.



# 2023 Work Plan

## 4<sup>th</sup> Quarter Preliminary Monthly Calendar

### OCTOBER 11, 2023

#### Board of Investments:

| Category          | Subject   |
|-------------------|---|
| Total Fund & OPEB | Strategic Asset Allocation Study                  |
| Total Fund        | Fee Attribution Analysis                          |
| Growth            | Private Equity Investment Recommendation          |
| Real Assets       | Investment Recommendation                         |
| Real Assets       | Responsible Contractor Policy – Compliance Update |
|                   |   |

#### Committee: Corporate Governance

| Category       | Subject  |
|----------------|--|
| Corporate Gov. | Proxy Voting Results and Trends                  |
| Corporate Gov. | Review of Engagement and Stewardship Initiatives |

### NOVEMBER 8, 2023

#### Board of Investments:

| Category          | Subject  |
|-------------------|--|
| Total Fund & OPEB | Strategic Asset Allocation Study                                       |
| Credit            | Asset Category Consultant Search Minimum Qualifications Recommendation |
| Risk Mitigation   | Asset Category Consultant Search Minimum Qualifications Recommendation |
| Real Assets       | Asset Category Consultant Search Minimum Qualifications Recommendation |
| Real Assets       | Investment Recommendation  |
|                   |  |

#### Committee: Equity: Public/Private

| Category | Subject                                      |
|----------|--|
| Growth   | Global Equity MSCI Risk Review               |
| Growth   | Private Equity Performance Report and Review |

### DECEMBER 13, 2023

#### Board of Investments:

| Category          | Subject  |
|-------------------|--|
| Total Fund & OPEB | Strategic Asset Allocation Study                     |
| Total Fund        | Trust and OPEB Performance Report                    |
| Total Fund        | General Consultant Trust and OPEB Performance Report |
| Total Fund        | T.I.D.E. Initiative Update                           |
| Total Fund        | 7514.7 – Investment Fee Update                       |
| Other             | Actuarial Valuation of Retirement Benefits           |

#### Committee: Real Assets

| Category    | Subject          |
|-------------|------------------|
| Real Assets | Structure Review |
| Real Assets | Guest Speaker(s) |

Please note that certain listed items are subject to Committee advancement and/or Board approval.







# FY 2023-2024

## TABLE OF CONTENTS

### Retiree Healthcare Benefits Program

| <b>Program Plan</b>                               | <b>PAGE</b> |
|---|-------------|
| Budget Highlights                                 | 1-R         |
| RHCBP Administrative Fee Summary                  | 9-R         |
| RHCBP Organizational Chart                        | 10-R        |
| <br><b>Budget Summary</b>                         |             |
| Budget Summary                                    | 11-R        |
| <br><b>Salaries and Employee Benefits</b>         |             |
| Salaries and Employee Benefits Summary            | 12-R        |
| Budgeted Positions and Salaries                   | 13-R        |
| Agency Temporary Staffing History of Expenditures | 14-R        |
| Overtime History of Expenditures                  | 15-R        |
| Vacant Positions Summary                          | 16-R        |
| <br><b>Services and Supplies</b>                  |             |
| Services and Supplies Summary                     | 17-R        |
| <br><b>Budget History</b>                         |             |
| Budget History                                    | 18-R        |

# RETIREE HEALTHCARE

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

To effectively administer the Retiree Healthcare Benefits Program for LACERA members, survivors, and their eligible dependents and to provide a healthcare program of the highest quality at an affordable cost.

### **INTRODUCTION**

The Retiree Healthcare Division (RHC) is responsible for administering the Retiree Healthcare Benefits Program (RHCBP) for retired members, survivors, and eligible dependents. This budget request for FY 2023-24 reflects our ongoing commitment to provide the highest level of customer service to our members and eligible dependents. RHC is also responsible for understanding and implementing the many complex changes in federal and state programs such as the Affordable Care Act (ACA), Medicare, and Social Security guidelines as applicable to the RHCBP, in addition to the general healthcare landscape. This budget will provide the division with the support needed to deliver timely quality service to our retired members/survivors and their eligible dependents.

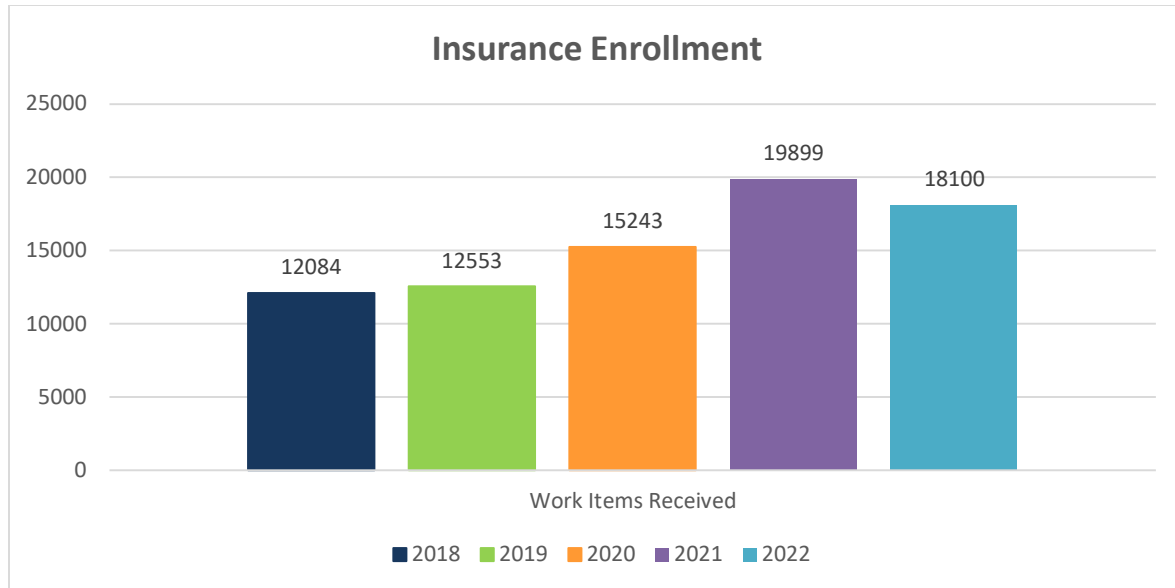
The RHC Division consists of the following units:

- **Operations Unit:**

Assists in planning, assigning, organizing, and managing the work of staff engaged in the research, resolution, and processing of retiree healthcare medical, dental/vision, and MAPD enrollment/change/cancellation forms and explanation of complex retiree healthcare benefits questions from members. Assists in the Medicare Part B premium verification and premium adjustments project. Handles member correspondence as it relates to healthcare eligibility, enrollment, and other

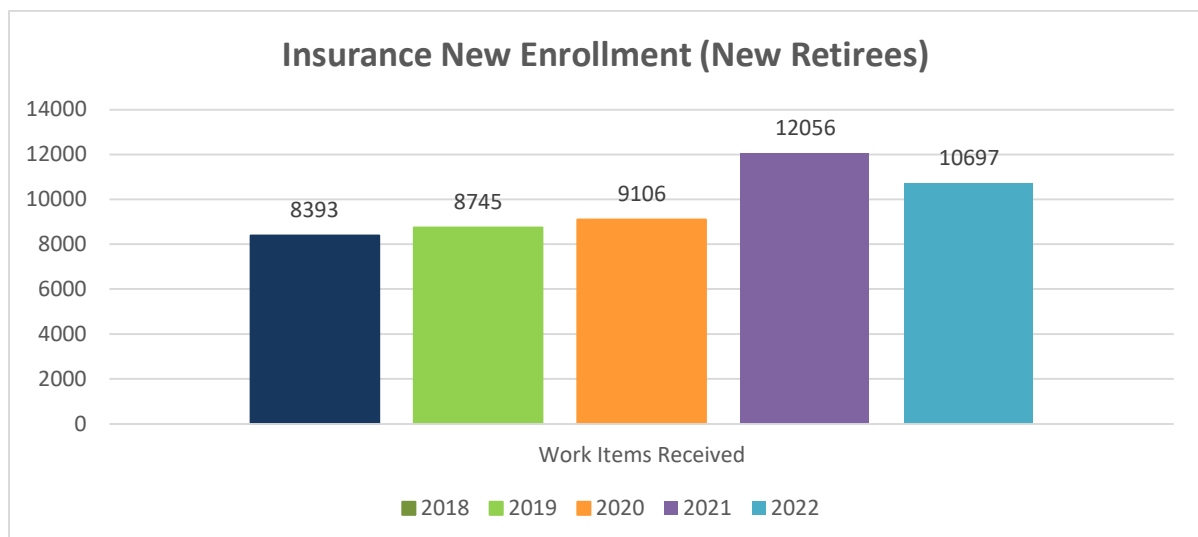
healthcare benefits-related issues.

Following are charts that show the number of forms received, and completed for years 2018 through 2022 by work object items, not per member:



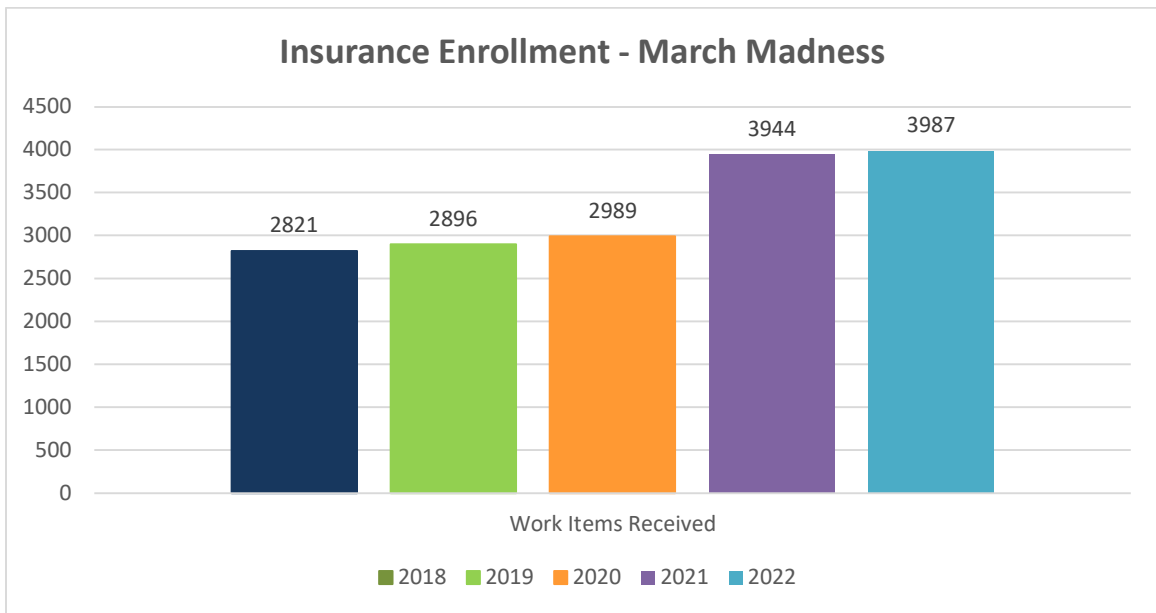
Work Items Received are based on work objects, not per member

|   | Growth Avg. | % Growth Avg. |
|---|-------------|---------------|
| 2023-2024 Forecast (Insurance Enrollment) | 2160        | 12%           |



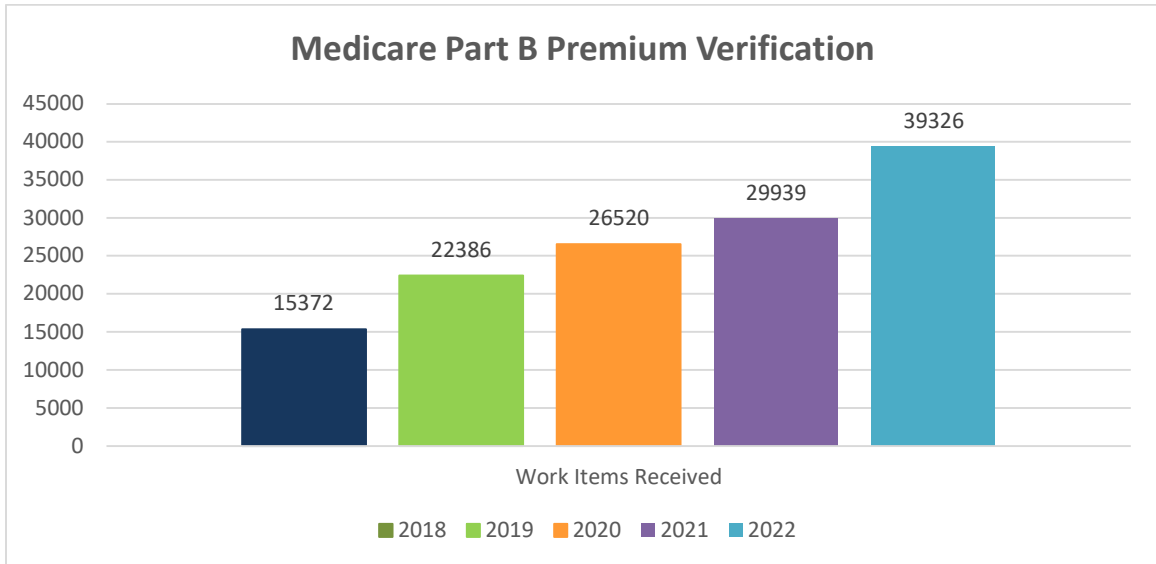
Work Items Received are based on work objects, not per member

|   | Growth Avg. | % Growth Avg. |
|---|-------------|---------------|
| 2023-2024 Forecast (Insurance New Enrollments (New Retirees)) | 813         | 8%            |



Work Items Received are based on work objects, not per member

|   | Growth Avg. | % Growth Avg. |
|---|-------------|---------------|
| 2023-2024 Forecast (Insurance Enrollment March Madness) | 387         | 10%           |



Work Items Received are based on work objects, not per member

|   | Growth Avg. | % Growth Avg. |
|---|-------------|---------------|
| 2023-2024 Forecast (Part B Verifications) | 11,000      | 27%           |

\*Note that the Part B verification process changed in 2023. Those who qualified had their 2023 Part B reimbursement amount auto-adjusted. This change will have an effect on the overall forecast.

- **Quality Control Unit/Financial Section:**

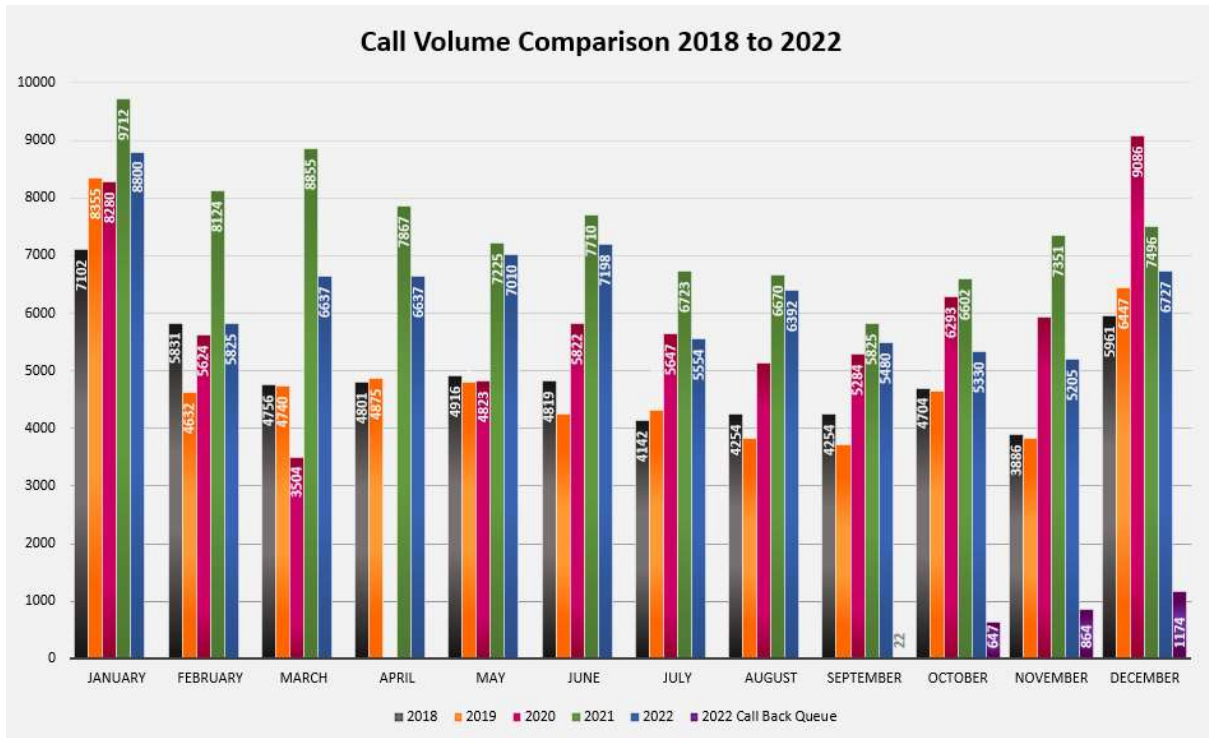
Assists in conducting extensive operational and procedural audits to ensure guidelines are followed by staff. Responsible for quality control. Provides review of retiree healthcare enrollment forms to ensure accuracy and completeness. Engages in the monthly carrier discrepancy reports and auditing of accounts to reflect the accuracy of eligibility, data input, and premium amounts. Conducts monthly call monitoring between members and staff to ensure accurate information is being provided to members during each encounter; conducts quality checks of enrollment forms processed by Operations staff. In addition, they create, process, mail and monitor Age 65 letters. Although this unit is responsible for coordinating with other RHC units, training new staff, and providing refresher classes to existing RHC staff, the applicable divisional unit is responsible for monitoring the training guides to ensure they are updated as needed.

### **Financial Section**

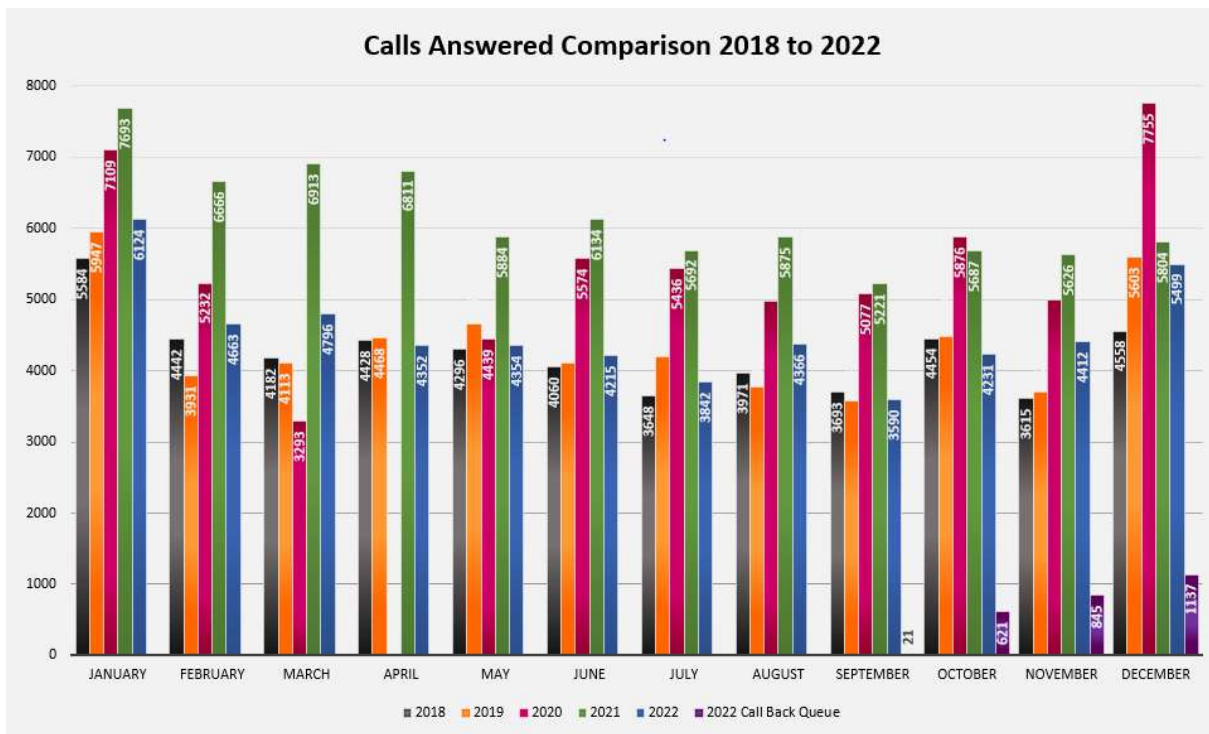
Assists in the processing of billing, non-deductible, and COBRA premium payments. This unit is also responsible in the monthly reconciliation reports to ensure that the monthly healthcare premium payments are made to the health plan carriers timely and accurately, and processing the monthly RHC statistical data report to the Executive Office.

Retiree Healthcare has an Accountant position currently residing within the division, because some knowledge of the healthcare program is needed in order to understand the billing and reconciliation of premiums at month-end. Once the division is fully staffed and staff is trained, we are considering transitioning this item to the Financial Accounting Services Division (FASD) in the future.

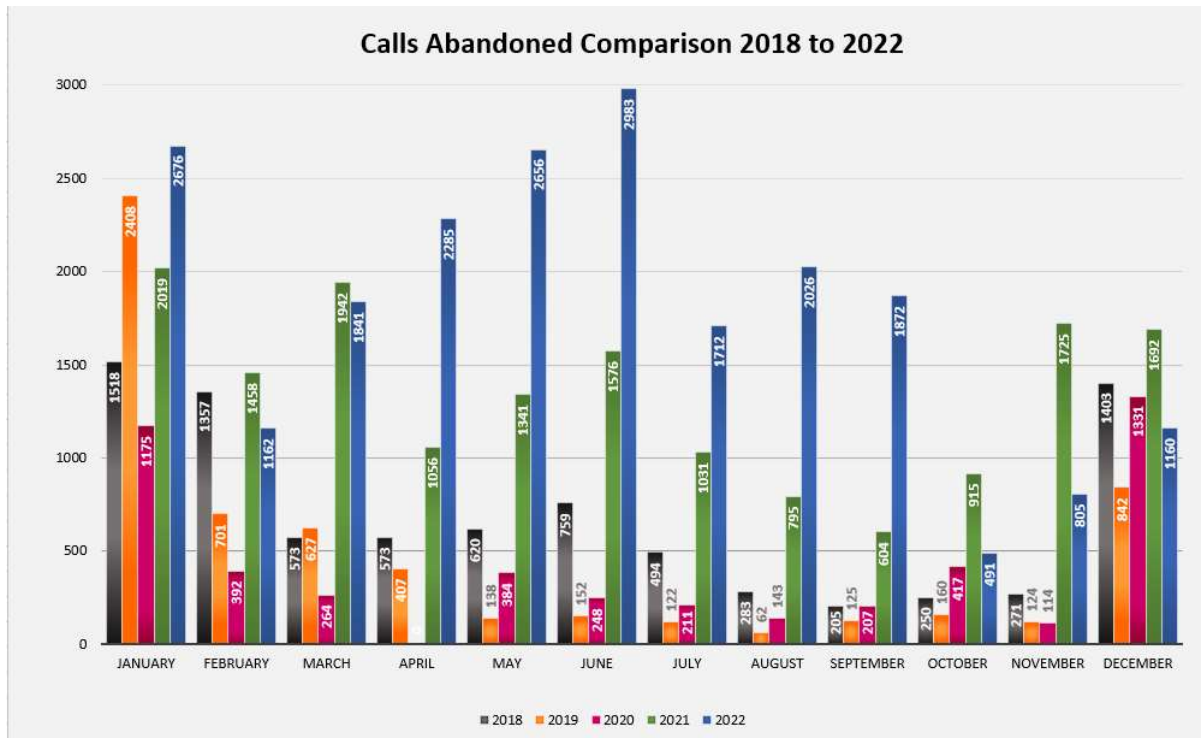
- **RHC Call Center:** Assists members and the organization at large with responding to retiree healthcare benefits-related questions, resolving complex questions regarding the Retiree Healthcare Benefits Program and healthcare enrollment, as well as providing information to management regarding its impact on division operations.



|                                  | Growth Avg. | % Growth Avg. |
|----------------------------------|-------------|---------------|
| 2023-2024 Forecast (Call Volume) | 972         | 4%            |



|                                     | Growth Avg. | % Growth Avg. |
|-------------------------------------|-------------|---------------|
| 2023-2024 Forecast (Calls Answered) | 132         | 1%            |



|                                      | Growth Avg. | % Growth Avg. |
|--------------------------------------|-------------|---------------|
| 2023-2024 Forecast (Calls Abandoned) | 6085        | 54%           |

### RHC Successes:

- Polished and updated the operational procedures for all units of the division
- Achieved an overall single-digit healthcare premium increase during the renewal process
- Improved the Operations enrollment processing triage description for efficiency
- Improved the Part B audit review process by creating a new work queue
- Participated in the implementation of the callback feature of Amazon Connect
- Aligned each divisional unit in accordance with the organizational chart
- Initiated the update of a new interactive enrollment checklist that is simpler and more user-friendly for the processors and Audit team
- Implemented the RHC Call Center training plan and manuals for new hires in the RHC Call Center
- Modified the member submission of the Part B premium verifications for 2023, improving the process
- Hired three Retirement Benefits Specialist (RBS) I County temporary staff for the Call Center. They are going through the RHC training. The addition has helped our Call Center respond to increases in call volume after the Part B mailing and during March Madness season.
- Added sample healthcare enrollments forms to the website to assist members in completing the enrollment forms correctly

- We are collaborating with Communications with the creation of a Medicare video to educate members about Medicare basics and how it works together with the LACERA-administered healthcare program.

### **RHC Challenges:**

- Members are unable to submit electronic enrollment forms; paper enrollments are still being submitted to the health plan carriers.
- Call volume increases during Part B verification mailing and March Madness; non-Call Center staff are needed to assist with the incoming calls

### **Goals:**

- As part of the organization's focused efforts to provide a great member experience, RHC is partnering with the Systems Division to automate the Medicare Part B premium verification process.
- Dependent Database Audit: We intend to issue a Request for Information (RFI) this fiscal year.
- Electronic submission of enrollment forms: Staff is partnering with the Systems Division for this project.

RHC is also working to:

- Implement a new seminar for members becoming Medicare eligible, in partnership with Member Services Division
- Create an annual Supplemental Retiree Healthcare Newsletter that focuses solely on healthcare and health-related topics
- Find ways to expedite healthcare enrollments and the Part B Medicare verification process by applying for a data exchange agreement with the Social Security Administration

### **STAFFING**

We have a total of 37 budgeted positions. No new positions are requested.

### **Temporary Agency Staff**

We are not asking to budget for temporary agency staff this fiscal year.

### **120-Day Return-to-Work Position**

The 120-day retiree will continue to work on that basis as an advisor to the Retiree Healthcare Division, which she developed. With experience at developing programs on the County CEO side as well as having been LACERA's former Healthcare Director, she is instrumental in providing clarity and background on the intent behind ordinance language that supports LACERA's administration of the healthcare program for L.A. County. In addition, and most importantly, she diligently arranges introductions with the



CEOs and presidents of various health plans that LACERA conducts business with as they are made available. The healthcare industry is and continues to become more complex. Coupled with the unique program that LACERA administers, the 120-day retiree advisor is and has been a resource to executive management, LACERA's healthcare consultants, and the Board of Retirement. This handoff of knowledge and relationships is vital to understanding both the intent behind the County ordinance and methods that would be allowable while remaining compliant.

## **Overtime**

Overtime is being requested to manage the workload related to the high volume of enrollment forms received from March Madness, processing of Medicare Part B premium verifications, and for any unanticipated special projects and special mailings that regularly occur. The total overtime amount being requested for this fiscal year is \$134,900.

## **SERVICES AND SUPPLIES**

### **Professional and Specialized Services: Audits**

We have budgeted \$806,500 to cover the cost of conducting the following program audits for this fiscal year:

|                               |           |
|-------------------------------|-----------|
| Cav Mac OPEB Triennial Audit: | \$348,000 |
|-------------------------------|-----------|

|   |           |
|---|-----------|
| Milliman's OPEB Triennial Experience Study and Valuation: | \$458,500 |
|---|-----------|

Internal Audit is adding the OPEB Triennial Audit as it relates to the RHCBP for this fiscal year, and Cav Mac will be performing the audits. Internal Audit is also adding the OPEB Triennial Experience Study and Valuation to be performed by Milliman as it relates to the RHCBP. This is a concerted effort that is coordinated through the Financial Accounting Services Division (FASD) and Internal Audit but supported by the Retiree Healthcare administrative budget as it is OPEB-related.

## **FUNDING AND OPERATING EXPENSES**

The RHCBP's operating expenses must be funded by the program, and its operations cannot be subsidized by the trust funds used to operate the retirement benefit trust. The administrative fee covers administrative expenses, including consulting services, vendor fees, and the cost of administering the RHCBP. As such, an RHCBP administrative fee is included as part of the retiree healthcare medical and dental/vision plan premiums, per member, per plan, per month.

In 2022, the Board of Retirement approved a \$2 increase to the administrative fee from \$8 to \$10 per member, per plan, per month. However, actual administrative expenditures for FY 2022-2023 remained just below \$8.00. Given the current balance and projected expenditures, there is no compelling reason to increase the fee above \$8 in FY 2023-2024 and staff recommends reducing the fee back to \$8.00 . Below is a chart of administrative fee amounts from 1999 to present:

| <b>Time Period</b>           | <b>Administrative Fee Amount</b> |
|------------------------------|----------------------------------|
| July 1, 2023 – June 30, 2024 | \$8.00                           |
| July 1, 2022 – June 30, 2023 | \$10.00                          |
| July 1, 2016 – June 30, 2022 | \$8.00                           |
| July 1, 2013 – June 30, 2016 | \$5.00                           |
| July 1, 2005 – June 30, 2013 | \$3.00                           |
| July 1, 2000 – June 30, 2005 | \$3.20                           |
| July 1, 1999 – June 30, 2000 | \$2.50                           |

The chart below shows the RHC administrative revenue and expenses for the last 10 years

| <b>RHC ADMIN REVENUE AND EXPENSES<br/>FOR THE LAST 10 YEARS</b> |                      |                       |                     |
|---|----------------------|-----------------------|---------------------|
|   | <b>Admin Revenue</b> | <b>Admin Expenses</b> | <b>Over/(Under)</b> |
| FYE 2022  | \$ 10,710,527        | \$ 9,236,963          | \$ 1,473,564        |
| FYE 2021  | \$ 10,245,895        | \$ 8,099,102          | \$ 2,146,793        |
| FYE 2020  | \$ 10,076,876        | \$ 6,828,067          | \$ 3,248,809        |
| FYE 2019  | \$ 9,823,062         | \$ 6,118,267          | \$ 3,704,794        |
| FYE 2018  | \$ 9,559,745         | \$ 5,681,953          | \$ 3,877,792        |
| FYE 2017  | \$ 9,631,327         | \$ 5,326,190          | \$ 4,305,137        |
| FYE 2016  | \$ 5,984,986         | \$ 5,279,617          | \$ 705,369          |
| FYE 2015  | \$ 5,578,149         | \$ 5,424,333          | \$ 153,816          |
| FYE 2014  | \$ 5,466,487         | \$ 5,006,498          | \$ 459,989          |
| FYE 2013  | \$ 3,351,652         | \$ 4,597,261          | \$ (1,245,609)      |

*Note: Admin fee increased from \$8 to \$10.*

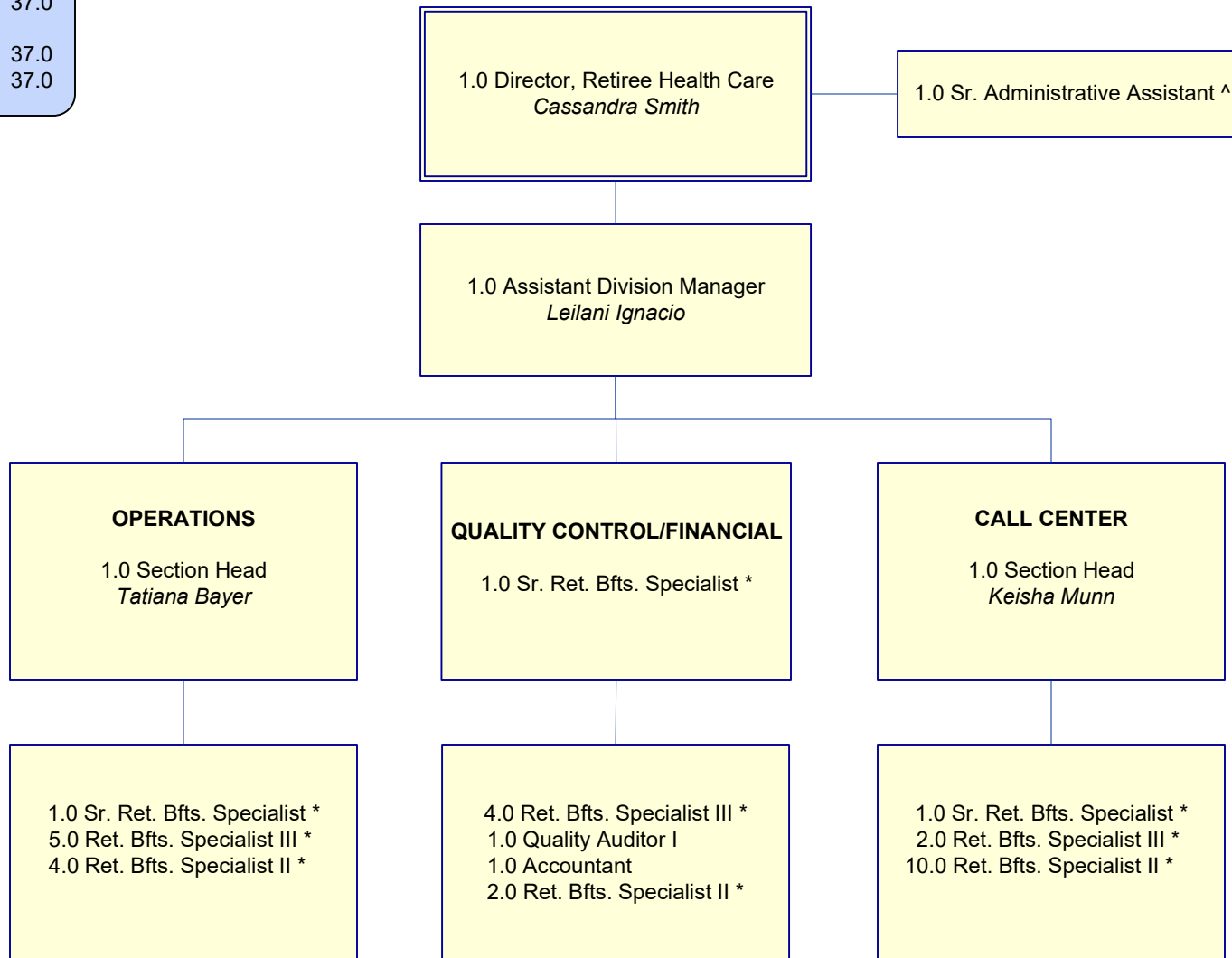
*Note: Admin fee increased from \$5 to \$8.*

# RETIREE HEALTH CARE BENEFITS PROGRAM

## FISCAL YEAR 2023-2024

2022-2023 Bud. Pos.: 37.0  
2022-2023 Hiring Plan: 37.0

2023-2024 Bud. Pos.: 37.0  
2023-2024 Hiring Plan: 37.0



\* Classification study for the position requested.

^ Position upgrade from Senior Secretary to Senior Administrative Assistant (Board of Supervisors approved on October 18, 2022).

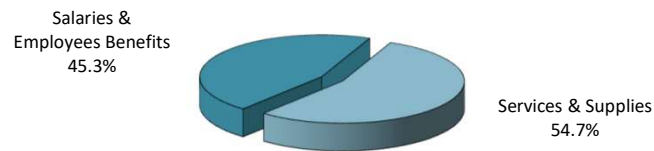
# RETIREE HEALTHCARE BENEFITS PROGRAM

FISCAL YEAR 2023-2024

## BUDGET SUMMARY

|                               | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |             |              | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|-------------------------------|---------------------------------|---------------------------|-------------|--------------|---|----------|---|----------|
|                               |                                 | YTD                       |             |              | OVER/(UNDER)  |          |   |          |
|                               |                                 | BUDGET                    | (01-31-23)  | PROJECTION   | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| Salaries & Employees Benefits | \$5,752,106                     | \$5,172,923               | \$2,639,419 | \$5,039,100  | (\$133,823)   | -2.6%    | \$579,183   | 11.2%    |
| Services & Supplies           | 6,933,333                       | 6,140,699                 | 3,192,506   | 5,682,600    | (458,099)   | -7.5%    | 792,634   | 12.9%    |
| OPERATING BUDGET              | \$12,685,439                    | \$11,313,623              | \$5,831,925 | \$10,721,700 | (\$591,923)   | -5.2%    | \$1,371,816   | 12.1%    |

## 2023 - 2024 PROPOSED BUDGET



\*All amounts rounded to the nearest dollar.

**RETIREE HEALTHCARE BENEFITS PROGRAM**  
**FISCAL YEAR 2023-2024**  
**SALARIES AND EMPLOYEE BENEFITS SUMMARY**

|                                     | <b>PROPOSED<br/>BUDGET<br/>2023-2024</b> | <b>CURRENT YEAR<br/>2022-2023</b> |                   |                   | <b>COMPARISON OF<br/>CURRENT YEAR BUDGET<br/>TO PROJECTION</b> |                 | <b>COMPARISON OF<br/>PROPOSED BUDGET TO<br/>2022-2023 BUDGET</b> |                 |
|-------------------------------------|--|-----------------------------------|-------------------|-------------------|--|-----------------|--|-----------------|
|                                     |  | <b>YTD</b>                        |                   |                   | <b>OVER/(UNDER)</b>  |                 |  |                 |
|                                     |  | <b>BUDGET</b>                     | <b>(01-31-23)</b> | <b>PROJECTION</b> | <b>BUDGET</b>  | <b>% CHANGE</b> | <b>\$ CHANGE</b>   | <b>% CHANGE</b> |
| <b>Total LACERA Salaries</b>        | <b>\$3,349,841</b>                       | \$3,006,805                       | \$1,633,592       | \$3,131,400       | \$124,595  | 4.1%            | \$343,036  | 11.4%           |
| <b>Total Agency Temp Salaries</b>   | <b>0</b>                                 | 149,800                           | 99,650            | 149,800           | 0  | 0.0%            | (149,800)  | -100.0%         |
| <b>Employee Benefits (Variable)</b> | <b>2,129,974</b>                         | 1,775,266                         | 766,815           | 1,550,700         | (224,566)  | -12.6%          | 354,708  | 20.0%           |
| <b>OPEB Contribution</b>            | <b>118,991</b>                           | 100,853                           | 38,716            | 71,500            | (29,353)   | -29.1%          | 18,138   | 18.0%           |
| <b>Stipends</b>                     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>Overtime</b>                     | <b>134,900</b>                           | 121,800                           | 94,568            | 121,800           | 0  | 0.0%            | 13,100   | 10.8%           |
| <b>Bilingual Bonus</b>              | <b>4,800</b>                             | 4,800                             | 1,950             | 3,700             | (1,100)  | -22.9%          | 0  | 0.0%            |
| <b>Sick Leave Buyback</b>           | <b>10,000</b>                            | 10,000                            | 4,128             | 10,200            | 200  | 2.0%            | 0  | 0.0%            |
| <b>Rideshare Allowance</b>          | <b>3,600</b>                             | 3,600                             | 0                 | 0                 | (3,600)  | -100.0%         | 0  | 0.0%            |
| <b>Transportation Allowance</b>     | <b>0</b>                                 | 0                                 | 0                 | 0                 | 0  | 0.0%            | 0  | 0.0%            |
| <b>ADJUSTED GROSS S&amp;EB</b>      | <b>\$5,752,106</b>                       | \$5,172,923                       | \$2,639,419       | \$5,039,100       | (\$133,823)  | -2.6%           | \$579,183  | 11.2%           |
| <b>Salary Differential</b>          | <b>-</b>                                 | -                                 | -                 | -                 | -  |                 | -  |                 |
| <b>TOTAL S&amp;EB</b>               | <b>\$5,752,106</b>                       | \$5,172,923                       | \$2,639,419       | \$5,039,100       | (\$133,823)  | -2.6%           | \$579,183  | 11.2%           |

\*All amounts rounded to the nearest dollar.

Note: All YTD Salaries and Employee Benefits totals are as of 01/15/23, with the exception of Agency Temp Salaries, which are as of 01/31/23.

LACERA  
FISCAL YEAR 2023-2024  
SALARIES

RETIREE HEALTHCARE BENEFITS PROGRAM

2023-2024 BUDGET

|        | FILLED POSITIONS                      | # POS. | SCHEDULE | ACTUAL<br>MO. RATE | ANNUAL<br>AMOUNT |
|--------|---------------------------------------|--------|----------|--------------------|------------------|
| 00793A | DIRECTOR, RETIREE HEALTHCARE          | 1      | LS14     | 18,636             | 223,635          |
| 00771A | ASSISTANT DIVISION MANAGER            | 1      | LS10     | 14,811             | 177,734          |
| 00772A | SECTION HEAD                          | 2      | LS9      | 19,129             | 229,544          |
| 01312A | SENIOR RETIREMENT BENEFITS SPECIALIST | 3      | 104A     | 25,776             | 309,312          |
| 01311A | RETIREMENT BENEFITS SPECIALIST III    | 11     | 98G      | 82,885             | 994,619          |
| 00415A | ACCOUNTANT                            | 1      | 95G      | 7,531              | 90,375           |
| 00439A | SENIOR ADMINISTRATIVE ASSISTANT       | 1      | 93A      | 6,840              | 82,080           |
| 01310A | RETIREMENT BENEFITS SPECIALIST II     | 9      | 92A      | 50,409             | 604,912          |

POSITIONS 29 2,712,212

|        | VACANT POSITIONS                  | # POS. | SCHEDULE | 1ST STEP<br>MO. RATE | ANNUAL<br>AMOUNT | FILLED AT 12<br>MONTHS | FILLED AT 9<br>MONTHS | FILLED AT 6<br>MONTHS |
|--------|-----------------------------------|--------|----------|----------------------|------------------|------------------------|-----------------------|-----------------------|
| 00796A | QUALITY AUDITOR I                 | 1      | 98C      | 6,003                | 72,034           |                        |                       | 36,017                |
| 01310A | RETIREMENT BENEFITS SPECIALIST II | 7      | 92A      | 5,076                | 60,912           | 426,384                |                       |                       |
|        |                                   |        |          |                      |                  | 426,384                | 0                     | 36,017                |

POSITIONS 8 462,401

TOTAL POSITIONS 37

GROSS SALARIES 3,174,613

ANTICIPATED MOU SALARY INCREASE\*\* 47,619

ANTICIPATED STEP AND/OR MERIT SALARY INCREASE 48,575

BONUS 0

120-DAY RETIREE(S) 1 79,035

TOTAL SALARIES 3,349,841

MAPP Tier I and Tier II positions are shown at actual salaries as of 01/01/23.  
Represented/Non-Represented positions are shown at actual salaries as of 01/01/23.  
Represented positions shown in blue.  
Vacancies are shown at the 1st Step.  
\*All amounts rounded to the nearest dollar.  
\*\* Gross salaries are multiplied by 1.5% to anticipate a 3% MOU increase as of 01/01/24.

**RETIREE HEALTHCARE BENEFITS PROGRAM**

**BUDGET REQUEST INFORMATION**

**AGENCY TEMPORARY STAFFING  
HISTORY OF EXPENDITURES**

| <b>DIVISION</b>    | <b>FYE 2021</b>  |                  | <b>FYE 2022</b>  |                  | <b>FYE 2023</b>  |                   | <b>FYE 2024</b> |
|--------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-----------------|
|                    | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Projection</b> | <b>Budget</b>   |
| Retiree Healthcare | \$308,000        | \$290,409        | \$511,700        | \$251,294        | \$149,800        | \$149,800         | \$0             |
| <b>GRAND TOTAL</b> | <b>\$308,000</b> | <b>\$290,409</b> | <b>\$511,700</b> | <b>\$251,294</b> | <b>\$149,800</b> | <b>\$149,800</b>  | <b>\$0</b>      |

\*All amounts rounded to the nearest dollar.

**RETIREE HEALTHCARE BENEFITS PROGRAM**

**BUDGET REQUEST INFORMATION**

**OVERTIME  
HISTORY OF EXPENDITURES**

| <b>DIVISION</b>    | <b>FYE 2021</b>  |                  | <b>FYE 2022</b>  |                  | <b>FYE 2023</b>  |                   | <b>FYE 2024</b>  |
|--------------------|------------------|------------------|------------------|------------------|------------------|-------------------|------------------|
|                    | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Actual</b>    | <b>Budget</b>    | <b>Projection</b> | <b>Budget</b>    |
| Retiree Healthcare | \$115,600        | \$118,314        | \$118,500        | \$121,935        | \$121,800        | \$121,800         | \$134,900        |
| <b>GRAND TOTAL</b> | <b>\$115,600</b> | <b>\$118,314</b> | <b>\$118,500</b> | <b>\$121,935</b> | <b>\$121,800</b> | <b>\$121,800</b>  | <b>\$134,900</b> |

\*All amounts rounded to the nearest dollar.



**RETIREE HEALTHCARE BENEFITS PROGRAM**

**BUDGET REQUEST INFORMATION**

**VACANT POSITIONS  
SUMMARY**

| <b>Division</b>    | <b>Budgeted Positions<br/>FY 2022-2023</b> | <b>Vacancy<br/>(as of 03/31/23)</b> | <b>%</b>   | <b>Budgeted Positions<br/>FY 2023-2024</b> | <b>Vacancy</b> | <b>%</b>   |
|--------------------|--|-------------------------------------|------------|--|----------------|------------|
| Retiree Healthcare | 37   | 8                                   | 22%        | 37   | 8              | 22%        |
| <b>TOTAL</b>       | <b>37</b>                                  | <b>8</b>                            | <b>22%</b> | <b>37</b>                                  | <b>8</b>       | <b>22%</b> |

**RETIREE HEALTHCARE BENEFITS PROGRAM**

**FISCAL YEAR 2023-2024**

**SERVICES & SUPPLIES ACCOUNT SUMMARY**

| ACCOUNT CLASSIFICATION                | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2022-2023 |             |             | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |          | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |          |
|---------------------------------------|---------------------------------|---------------------------|-------------|-------------|---|----------|---|----------|
|                                       |                                 | YTD                       |             |             | OVER/(UNDER)  |          |   |          |
|                                       |                                 | BUDGET                    | (01-31-23)  | PROJECTION  | BUDGET  | % CHANGE | \$ CHANGE   | % CHANGE |
| TRANSPORTATION & TRAVEL               | \$24,700                        | \$24,700                  | \$14,882    | \$18,100    | (\$6,600)   | -26.7%   | \$0   | 0.0%     |
| POSTAGE                               | 300,000                         | 300,000                   | 25,010      | 300,000     | 0   | 0.0%     | 0   | 0.0%     |
| OFFICE SUPPLIES & EQUIPMENT           | 5,000                           | 4,500                     | 836         | 4,300       | (200)   | -4.4%    | 500   | 11.1%    |
| OPERATIONAL COSTS                     | 5,006,533                       | 4,540,999                 | 2,648,416   | 4,107,300   | (433,699)   | -9.6%    | 465,534   | 10.3%    |
| PROFESSIONAL AND SPECIALIZED SERVICES | 1,556,500                       | 1,229,400                 | 490,781     | 1,220,300   | (9,100)   | -0.7%    | 327,100   | 26.6%    |
| BANK SERVICES                         | 21,500                          | 21,500                    | 11,160      | 21,000      | (500)   | -2.3%    | 0   | 0.0%     |
| EDUCATIONAL EXPENSES                  | 18,800                          | 19,300                    | 1,421       | 11,300      | (8,000)   | -41.5%   | (500)   | -2.6%    |
| MISCELLANEOUS                         | 300                             | 300                       | 0           | 300         | 0   | 0.0%     | 0   | 0.0%     |
| TOTAL                                 | \$6,933,333                     | \$6,140,699               | \$3,192,506 | \$5,682,600 | (\$458,099)   | -7.5%    | \$792,634   | 12.9%    |

\*All amounts rounded to the nearest dollar.

**RETIREE HEALTH CARE BENEFITS PROGRAM**

**BUDGET REQUEST INFORMATION**

**HISTORY OF EXPENDITURES**

|   | FYE 2022            |                    | FYE 2023            |                     | Proposed            |
|---|---------------------|--------------------|---------------------|---------------------|---------------------|
|   | Budget              | Actual             | Budget              | Projection          | Budget              |
| <b>SALARIES &amp; EMPLOYEE BENEFITS</b> |                     |                    |                     |                     |                     |
| Total LACERA Salaries                   | \$2,814,534         | \$2,471,718        | \$3,006,805         | \$3,131,400         | \$3,349,841         |
| Total Agency Temp Salaries              | 511,700             | 251,294            | 149,800             | 149,800             | 0                   |
| Employee Benefits (Variable)            | 1,728,430           | 1,240,912          | 1,775,266           | 1,550,700           | 2,129,974           |
| Employee Benefits (Other)               | 0                   | 0                  | 0                   | 0                   | 0                   |
| OPEB Contribution                       | 82,573              | 65,490             | 100,853             | 71,500              | 118,991             |
| OPEB Contribution (Budget Surplus)      | 0                   | 82,573             | 0                   | 0                   | 0                   |
| Stipends                                | 0                   | 0                  | 0                   | 0                   | 0                   |
| Overtime                                | 118,500             | 121,935            | 121,800             | 121,800             | 134,900             |
| Bilingual Bonus                         | 3,600               | 2,900              | 4,800               | 3,700               | 4,800               |
| Sick Leave Buyback                      | 10,000              | 9,274              | 10,000              | 10,200              | 10,000              |
| Rideshare Allowance                     | 3,600               | 0                  | 3,600               | 0                   | 3,600               |
| Transportation Allowance                | 0                   | 0                  | 0                   | 0                   | 0                   |
| <b>SERVICES &amp; SUPPLIES</b>          |                     |                    |                     |                     |                     |
| Transportation & Travel                 | 28,500              | 6,169              | 24,700              | 18,100              | 24,700              |
| Postage                                 | 300,000             | 266,316            | 300,000             | 300,000             | 300,000             |
| Office Supplies & Equipment             | 6,000               | 335                | 4,500               | 4,300               | 5,000               |
| Building Costs                          | 4,532,792           | 3,568,648          | 4,540,999           | 4,107,300           | 5,006,533           |
| Professional & Specialized Services     | 1,209,800           | 1,119,868          | 1,229,400           | 1,220,300           | 1,556,500           |
| Bank Services                           | 21,500              | 20,650             | 21,500              | 21,000              | 21,500              |
| Educational Expenses                    | 19,300              | 8,880              | 19,300              | 11,300              | 18,800              |
| Miscellaneous                           | 300                 | 0                  | 300                 | 300                 | 300                 |
| <b>TOTAL OPERATING BUDGET</b>           | <b>\$11,391,128</b> | <b>\$9,236,963</b> | <b>\$11,313,623</b> | <b>\$10,721,700</b> | <b>\$12,685,439</b> |

\*All amounts rounded to the nearest dollar.



# FY 2023-2024

## TABLE OF CONTENTS

### Other Post-Employment Benefits (OPEB) Trust

| <b>Program Description</b> | <b>PAGE</b> |
|----------------------------|-------------|
| Program Description        | 1-O         |
| <b>Cost Summary</b>        |             |
| Cost Summary               | 4-O         |

# OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST

## BUDGET HIGHLIGHTS

FISCAL YEAR 2023-2024

### **Mission**

Produce, Protect, and Provide the Promised Benefits

### **INTRODUCTION**

The County of Los Angeles (“County”) established the OPEB Trust for the purpose of pre-funding the Retiree Healthcare Benefits Program (“OPEB Program”). The OPEB Trust serves as a funding tool for the participating employers to hold and invest assets used to pay OPEB Program benefits, such as medical, dental and vision. LACERA’s Board of Investments is responsible for exercising oversight of the investment management for both the Retirement Fund and the OPEB Trust.

### **Cost Allocation: The Need for Separate Accounting of the OPEB Trust**

LACERA administers a Retiree Healthcare Program for members that is funded through the employer plan sponsors. Historically, these plan sponsors have paid the monthly premium costs for current eligible retirees on a pay-as-you-go basis. In FY 2012-13, the County of Los Angeles (County) and LACERA established a trust to begin to prefund the program and address its long-term liability. LACERA’s Board of Investments is the trustee and investment manager for the trust.

In FY 2016-17, the Superior Court joined the program. Beginning in FY 2017-18, the costs of administering the program were required to be reported separately on financial statements based on the size of the participating agencies.

The trust agreements between the County, Superior Court, and LACERA stipulate that “...the Trustee (LACERA) shall be entitled to payment or reimbursement of all its reasonable and appropriate expenses incurred in administering or investing the Trust...” In other words, LACERA will not expend its principal or operating allocation to administer

the trusts. Instead, the trust agreements allow LACERA to seek payment directly from the County and Superior Court, or to obtain payment from the OPEB Trust.

To avoid OPEB Trust assets being commingled with the retirement fund assets, it is important for LACERA to maintain a separate accounting of the costs associated with administering the OPEB Trust.

## **A Method for Tracking OPEB Trust Expenses**

Only the LACERA divisions that participate in the administration of the OPEB Trust are included in the calculation of costs. These divisions are: Administrative Services, Communications, Executive Office, FASD, Human Resources, Internal Audit, Investments, Legal Services, Systems, and Retiree Healthcare.

Each division utilizes staff and resources to administer the OPEB Trust. In estimating the costs to administer the trust, LACERA considers the amount of time expended by employees as a share of the total cost of salaries and benefits. In estimating the additional costs used to administer the trust, LACERA also considers the share of the total costs of services and supplies.

## **Cost Methodology**

There are four categories of expenses applicable to our cost methodology as follows:

### *Direct Costs of Salaries and Employee Benefits*

Division managers provided a list of staff members and the number of hours those staff members worked on OPEB activities. Those “hours spent” are converted into a percentage of annual hours. The salaries and benefits totals of each staff member are then multiplied by the percentage of annual hours devoted to OPEB.

### *Indirect Services and Supplies*

These costs were estimated by taking the overall cost of services and supplies for LACERA and dividing it by the total number of employees. This provides LACERA with a “per employee cost,” which is then multiplied by the overall percentage of hours worked on OPEB.

### *Indirect Salaries and Employee Benefits*

Systems, Human Resources, and Administrative Services divisions provide staffing support to all LACERA divisions. The Salary and Employee Benefits costs for these divisions are added up, then divided by the number of LACERA employees to determine a per employee cost. This total is then multiplied by the overall percentage of hours worked on OPEB.

### *Direct Services and Supplies*

Direct Services and Supplies costs are based on actual payment requests that are applicable to OPEB.

### **Allocation of Costs**

The total overhead cost is divided among the County, LACERA, and Superior Court. The shared cost is allocated in a hybrid method that considers fund size, effort, and resources to approximate a fair and equitable allocation. These allocations are scheduled to be reviewed every two years. The current allocation is:

- County: 75 percent
- LACERA: 5 percent
- Superior Court: 20 percent

### **Reconciliation of Actual Costs**

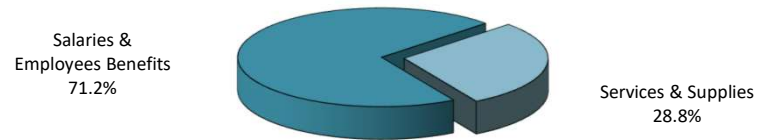
At the close of each fiscal year, the actual costs are reconciled with the budget costs. Variances are either credited or debited to each allocated entity to ensure that each OPEB Trust is appropriately capturing the true operating costs.

## OPEB TRUST COST ALLOCATION

**FISCAL YEAR 2023-2024**

|                               | PROPOSED<br>BUDGET<br>2023-2024 | CURRENT YEAR<br>2 0 2 2 - 2 0 2 3 |                |                | COMPARISON OF<br>CURRENT YEAR BUDGET<br>TO PROJECTION |              | COMPARISON OF<br>PROPOSED BUDGET TO<br>2022-2023 BUDGET |             |
|-------------------------------|---------------------------------|-----------------------------------|----------------|----------------|---|--------------|---|-------------|
|                               |                                 | YTD                               |                |                | OVER/(UNDER)  |              |   |             |
|                               |                                 | BUDGET                            | (01-31-23)     | PROJECTION     | BUDGET  | % CHANGE     | \$ CHANGE   | % CHANGE    |
| Salaries & Employees Benefits | \$521,881                       | \$481,543                         | \$280,900      | \$452,651      | (\$28,893)  | -6.0%        | \$40,338  | 8.4%        |
| Services & Supplies           | \$210,788                       | 190,304                           | 111,011        | 178,886        | (11,418)  | -6.0%        | 20,484  | 10.8%       |
| <b>OPERATING BUDGET</b>       | <b>\$732,669</b>                | <b>\$671,847</b>                  | <b>391,911</b> | <b>631,536</b> | <b>(40,311)</b>                                       | <b>-6.0%</b> | <b>\$60,822</b>   | <b>9.1%</b> |

## 2023 - 2024 PROPOSED BUDGET





May 26, 2023

TO: Each Trustee,  
Board of Retirement  
Board of Investments

FROM: Steven P. Rice, *SPR*  
Chief Counsel

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: Approval of Revised AB 2449 Teleconference Policy

## **RECOMMENDATION**

That the Board of Retirement and Board of Investments each separately adopt the proposed revised AB 2449 Teleconference Policy.

## **LEGAL AUTHORITY**

Under Article XVI, Section 17 of the California Constitution, the Board of Retirement and Board of Investments have plenary authority and exclusive fiduciary responsibility for administration of the system. See *also* Cal. Gov't Code §§ 31520, 31520.1, 31520.2, and 31595 of the County Employees Retirement Act of 1937 (CERL). This authority includes the ability of the Boards to manage their own Board and Committee meetings under the Brown Act and establish policies for meetings, such as how to administer teleconferencing under AB 2449.

Under AB 2449, Section 54953(f)<sup>1</sup> of the Brown Act provides that, for the period January 1, 2023 to January 1, 2026, agencies subject to the Act, such as LACERA's Boards and Committees, may permit teleconference attendance of less than a quorum of members if those members provide a statement of "just cause" or "emergency circumstances" subject to the other conditions set forth in the legislation. A copy of AB 2449 is attached.

## **DISCUSSION**

At their February 1 and 8, 2023 meetings, the Board of Retirement and Board of Investments adopted the AB 2449 Teleconference Policy. AB 2449 was not designed with LACERA's Board and Committee governance model in mind. During the three months of meetings that have taken place since the Policy was adopted, LACERA's experience, practice, and Trustee comments have raised questions about certain provisions of the original Policy. No court has yet interpreted AB 2449. However, staff counsel, in

---

<sup>1</sup> Section 54953(f) is renumbered as Section 54953(e) effective January 1, 2024.

consultation with fiduciary counsel, addressed the questions by making proposed Policy changes. Counsel believes that, even in the absence of definitive court action, the revised Policy is consistent with the law and maintains “substantial compliance” with the words and intent of AB 2449. See Cal. Gov’t Code § 54954.5 (a body’s action is not void if “The action taken was in substantial compliance with Section 54953 ....”).

A redlined copy of the proposed Policy is attached. The changes are as follows:

- **Section 5.2 (page 4)**. Section 54953(f)(2) provides that Trustees attending by teleconference under this statute “shall participate through both audio and visual technology.” Trustees have questioned the application of this requirement. After reviewing the issue, counsel believe that, while it has not yet been tested in court, an interpretation of AB 2449 that Trustees must literally be on audio and video for every minute of the entire meeting is not consistent with the circumstances that the statute permits as grounds for teleconference – such as illness, medical emergency, caregiving responsibilities, and LACERA business. It is reasonable that these circumstances may require Trustees to briefly turn off their audio and video to avoid disruption to the meeting. The proposed revision to Section 5.2 of the Policy permits Trustees this flexibility on an incidental and minimal basis, provided that Trustees must be on both audio and video when speaking during discussion or voting, which is when the public’s need to hear and see Trustees is greatest.
- **Section 5.3 (page 4)**. Under LACERA’s governance practices, all Committee meetings are also noticed and agendized as meetings of their Board, or both Boards in the case of the Audit Committee and Joint Organizational Governance Committee (JOGC). However, only Committee members may make or second motions and vote. The non-Committee Trustees can only observe and participate in discussion, which is a right that such Trustees regularly exercise.

Section 54953(f)(1) provides that teleconferencing under AB 2449 is permitted only when a quorum of a legislative body’s members are physically present in the noticed location. Questions have arisen whether a physical quorum of non-Committee Trustees must be present for Committee meetings in order for any of them to attend by teleconference. Counsel believes that Section 54953(f) may be reasonably interpreted, again although there has not yet been judicial review, such that it does not require a physical quorum of non-Committee members because those Trustees may not move or take action. The revised Policy clarifies this legal interpretation. Under the revised Policy, a physical quorum of Committee Trustees is still required for any of the Committee members to teleconference for just cause or emergency circumstances.

- **Section 5.5 (page 5).** Section 54953(f)(2) and (3) impose limits on the number of Board and Committee meetings Trustees may attend by teleconference for just cause or emergency circumstances. Questions have arisen as to the application of this provision. For example, does the statute mean that a Board of Retirement Trustee who is not a member of the Operations Oversight Committee and the Insurance Benefits and Legislative Committee but who wants to teleconference into all Board and Committee meetings on a given day would be charged with three meetings against their Board teleconference limit? Similar examples apply to the Board of Investments and its Committees, and to the Audit Committee and the JOGC. If non-Committee members are charged with a Board meeting for every Committee meeting they attend by teleconference, it will disadvantage them in comparison to Committee members who would only be charged against their Committee limit.

Counsel believes it is reasonable, although there is also no court case on the issue, to interpret AB 2449 such that it does not require non-Committee members to be charged with a Board meeting against their limit because such members may not vote or take action at Committee meetings. The revised Policy clarifies that a separate limit applies to each Committee for both Board and Committee Trustees. This places Board and Committee Trustees on a level field in having the same teleconference limit for each Committee.

The proposed revised Policy will be retroactive to February 2023 when the Policy was originally adopted so that all Trustees are treated equally from the beginning of its application.

## **CONCLUSION**

For these reasons, it is recommended that the Board of Retirement and Board of Investments each separately adopt the proposed revised AB 2449 Teleconference Policy.

## **Attachments**

c: Santos H. Kreimann  
Jonathan Grabel  
Luis A. Lugo  
JJ Popowich  
Laura Guglielmo  
Barry Lew  
Board Office

## **AB 2449 TELECONFERENCE POLICY**

**Authorizing Manager:** Chief Counsel

**Effective Date:** February 8, 2023

**Last Updated:** ~~Not Applicable~~ June, 2023

**Mandatory Review:** Before January 1, 2026

**Policy Type:** Joint Board Policy

**Approval Level:** Board of Retirement and Board of Investments

---

### **1. PURPOSE**

The purpose of this AB 2449 Teleconference Policy (Policy) is to establish a process (1) for Trustees to request Teleconference attendance at a publicly noticed Board and Committee meeting under the Act for Just Cause or Emergency Circumstances, and (2) to select Trustees who shall be permitted under the Act to attend a meeting by Teleconference, including when more than the maximum number of Trustees (which is one less than the number constituting a quorum allowed of the Board or any Committee) make a request for the same meeting.

### **2. SCOPE**

This Policy applies only to Teleconference attendance at publicly noticed Board and Committee meetings for Trustees who request it based on a showing of Just Cause or Emergency Circumstances under AB 2449 (which enacted California Government Code Section 54953(f) for meetings until January 1, 2024, and Section 54953(e) for meetings from January 1, 2024 until January 1, 2026). This Policy expires and has no effect for meetings on and after January 1, 2026, unless extended.

The Policy does not apply to (1) teleconference meetings when the Board or Committee makes the findings required under California Government Code Section 54953(e) (applicable for meetings until January 1, 2024 during a proclaimed state of emergency), (2) teleconference meetings agendized under Section 54953(b) (which requires that all teleconference locations be identified on the agenda, open to the public, and ADA-compliant), or (3) to meetings that are not publicly noticed under the Brown Act. The Board of Retirement and Board of Investments' separate Teleconference Meeting Policies previously adopted shall continue to apply to requests for teleconference meetings under Government Code Section 54953(b).

To the extent that state law or federal law provides for additional restrictions or conflicts with this Policy, the law shall prevail over this Policy.

### **3. LEGAL AUTHORITY**

This Policy is adopted pursuant to the plenary authority of the Board of Retirement and Board of Investments over the administration of the system (Cal. Const., art. XVI, sec 17), the County Employees Retirement Law of 1937 (CERL), including California

Government Code Sections 31520, 31520.1, 31520.2, and 31595, and other governing law. The authority of both Boards includes the ability to establish policies to implement the Brown Act (California Government Code Section 54950 *et seq.*), including AB 2449.

#### **4. DEFINITIONS**

**4.1 Just Cause** means any of the following:

- (A) Childcare or caregiving needs of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires a Trustee to participate remotely. “Child,” “parent,” “grandparent,” “grandchild,” and “sibling” have the same meaning as those terms do in Government Code Section 12945.2;
- (B) A contagious illness that prevents a Trustee from attending in person;
- (C) A need related to a physical or mental disability as defined in California Government Code Sections 12926 and 12926.1, to the extent not otherwise accommodated under this Policy; or
- (D) Travel while on official business of LACERA or another state or local agency.

**4.2 Emergency Circumstances** means a physical or family medical emergency that prevents a Trustee from attending a meeting in person.

**4.3 Teleconference** means both audio and on camera visual participation throughout a meeting.

#### **5. LEGAL REQUIREMENTS AND PROCESS FOR TELECONFERENCE MEETING ATTENDANCE UNDER AB 2449**

##### **5.1 Teleconference Meeting Requests**

Subject to the other requirements of this Policy, a Trustee shall be eligible to attend a meeting by Teleconference if one of the following circumstances apply:

- (A) A Trustee submits an email request to attend by Teleconference for Just Cause to the Executive Board Assistants, at [boardoffices@lacera.com](mailto:boardoffices@lacera.com), as soon as possible prior to a Board or Committee meeting, but no later than the start of a meeting. The request must include a general description that need not exceed 20 words relating to their Just Cause. No action by the Board or Committee is required to approve a request based on Just Cause; or
- (B) A Trustee submits an email request to attend by Teleconference due to Emergency Circumstances to the Executive Board Assistants, at [boardoffices@lacera.com](mailto:boardoffices@lacera.com), as soon as possible prior to a Board or Committee meeting, but no later than the start of a meeting. The request must include an email statement that need not exceed 20 words of the Emergency Circumstances. The Board or Committee must take action to approve the request. If a request is not submitted in time for it to be placed on the noticed

agenda, a Board or Committee may take action at the beginning of the meeting under Government Code Section 54954.2(b).

The required email statement of Just Cause or Emergency Circumstance shall not disclose any medical diagnosis or disability, or any medical or private information exempt under applicable law, including the Confidentiality of Medical Information Act (California Civil Code Section 56 *et seq.*). However, it shall provide sufficient non-confidential information to provide a general description of the basis for the Just Cause or Emergency Circumstances and allow the request to be evaluated for compliance with the definitions of Just Cause or Emergency Circumstances.

## **5.2 Process for Deciding and Allocating Teleconference Requests**

In conjunction with the Board or Committee Chair, the Executive Board Assistants shall advise Trustees as soon as possible upon completion of the process described in this Section 5.2 as to whether their Teleconference request is allowed or denied or, in the case of a request based on Emergency Circumstances, recommended for approval or denial to a Board or Committee.

When less than a quorum of a Board or Committee request to attend a meeting via Teleconference, all requests shall be allowed if they are based on Just Cause and comply with this Policy, and all requests shall be recommended for approval by the Board or Committee if they are based on Emergency Circumstances and comply with this Policy.

When a quorum or more of a Board or Committee request to attend a meeting via Teleconference, attendance for Trustees whose requests comply with this Policy shall be allowed in the case of Just Cause or recommended in the case of Emergency Circumstances on a first come, first served basis based on the time the requests were first received by the Executive Board Assistants, including the statement describing Just Cause or Emergency Circumstances. Requests based on the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) (ADA) shall be given priority, notwithstanding when submitted.

In all cases, the Executive Board Secretaries shall review Teleconference requests for compliance with this Policy. They shall then submit all requests to the Chair of the Board or Committee and include information regarding compliance of each request with this Policy and recommendations as to which requests are proposed to be granted or denied. The Chair of the Board or Committee shall oversee the allocation process, including the final decision as to which requests are granted or denied, or recommended to be granted or denied in the case of Emergency Circumstances which require Board or Committee

approval, and to ensure that requests based on the ADA are given proper accommodation and priority.

As a condition of Teleconference meeting attendance that is allowed, at the beginning of a Teleconference meeting and, for requests based on Emergency Circumstances, before a Teleconference request is approved or acted upon, the Trustee shall publicly disclose whether any other individuals 18 years of age or older are present in the room from which the Trustee remotely attends, and the general nature of the Trustee's relationship with any such individuals. This information must be updated by each Trustee attending by Teleconference as needed during the meeting if other such individuals join the Trustee's meeting room.

Board and Committee agendas will include, at the beginning of each agenda, an item where those participating for Just Cause will be identified, for action regarding those requesting to attend for Emergency Circumstances, and the required statement as to other persons present in the room with Teleconference participants may be made.

If a Teleconference request is granted, the Trustee must participate by audio and on camera visual technology throughout a meeting, provided, however, that such Trustee may mute their audio and/or turn off their video when they are not speaking or voting, and on an incidental and minimal basis, so as to avoid undue disruption of the meeting.

### **5.3 A Quorum Must be Physically Present for the Entire Meeting**

A quorum of Trustees of a Board or Committee must be physically present together for the entire Teleconference meeting at the same single location in the County of Los Angeles stated in the meeting agenda and open to the public in order for Teleconference attendance under this Policy to be allowed. A physical quorum can be established through the in-person attendance of alternate members of a Board or Committee. No action can be taken by a Board or Committee if there is not a physical quorum or if the quorum is lost during the meeting, provided, however, that if a Committee meeting is agendaized, and non-Committee Board members attend that meeting, such non-Committee Board members will not be counted for purposes of determining whether a quorum of the Board is physically present for purposes of the Teleconferencing meeting, because such non-Committee Board members are not permitted to take action on any Committee agenda items during that meeting.

### **5.4 Public Participation**

At any meeting of a Board or Committee at which Teleconference attendance is permitted under ~~the this~~ Policy, the meeting must provide in-person attendance at the noticed location and one of the following means for the public to remotely hear

and visually observe the meeting, and remotely address the meeting:

- (A) A two-way audiovisual platform; or
- (B) A two-way telephonic service and a live webcasting of the meeting.

The meeting agenda shall state the in-person and remote methods for the public to observe and participate in the meeting and provide instructions. Public comments must be allowed in real time up until the end of the Public Comment section on the meeting agenda in the case of oral comment or until the end of the meeting in the case of written comment. If there is a technological disruption in the method for the public to remotely observe and participate, no further action may be taken by the Board or Committee until remote access is fully restored.

### **5.5 Limitation on Trustee Teleconference Attendance**

No more than two requests based on Just Cause may be granted per calendar year, whether the meetings are regular or special.

As to requests based on either Just Cause or Emergency Circumstances, the following limitations apply and will be monitored by the Executive Board Assistants:

- (A) Subject to (B) and (C), no more than three consecutive meetings, whether regular or special, of a Board or Committee within a calendar year, of which no more than two may be regular or special meetings for Just Cause;
- (B) Subject to (C), no more than 20% of the regular meetings of a Board or Committee within a calendar year, of which no more than two may be regular or special meetings for Just Cause; and
- (C) If a body meets regularly less than 10 times per calendar year, no more than two meetings, regular and special, per calendar year.

[For meetings attended by Trustees as a member of a Board, a separate limit will apply under the above provisions for meetings noticed only for the Board \(including the joint Boards\) and for meetings noticed for each Committee that are also noticed as meetings of the Board where Board members may observe and participate in discussion but may not make or second motions, vote, or take other action or provide direction. For Committee members, a separate limit will apply for each Committee of which a Trustee is a member, and attendance by Committee members at Committee meetings will not affect such Trustees' Board meeting limit. Under this section, for each Committee, Committee members and non-Committee members will all have the same Teleconference meeting limit.](#)

## **6. REFERENCES**

Ralph M. Brown Act ([California Government Code Section 54950 et seq.](#))

[AB 2449](#) California Government Code Section 54953(f) for meetings until January



1, 2024 and Section 54953(e) for meetings from January 1, 2024 until January 1, 2026).

[Americans With Disabilities Act of 1990 \(42 U.S.C. § 12132\).](#)

[Confidentiality of Medical Information Act](#) (California Civil Code Section 56 *et seq.*) and other applicable privacy and medical confidentiality laws.

[Board of Retirement Teleconference Meeting Policy.](#)

[Board of Investments Teleconference Meeting Policy.](#)

## 7. **VERSION HISTORY**

First approved by the Board of Retirement on February 1, 2023, and by the Board of Investments on February 8, 2023. [Revised by the Board of Retirement on June --, 2023, and by the Board of Investments on June --, 2023.](#)

##  
##  
##

## 8. **EFFECTIVE DATE AND REVIEWPOLICY REVIEW AND APPROVAL**

This Policy is effective ~~on-retroactive to~~ the day [first](#) adopted by the Board of Retirement and Board of Investments. This Policy shall expire on January 1, 2026 and shall be reviewed by the Boards ~~prior to~~ [by](#) that date in order to address legislative changes.


[Home](#)
[Bill Information](#)
[California Law](#)
[Publications](#)
[Other Resources](#)
[My Subscriptions](#)
[My Favorites](#)

## **AB-2449 Open meetings: local agencies: teleconferences.** (2021-2022)

SHARE THIS:



Date Published: 09/14/2022 09:00 PM

### **Assembly Bill No. 2449**

#### CHAPTER 285

An act to amend, repeal, and add Sections 54953 and 54954.2 of the Government Code, relating to local government.

[ Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022. ]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2449, Blanca Rubio. Open meetings: local agencies: teleconferences.

Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. The act authorizes a legislative body to take action on items of business not appearing on the posted agenda under specified conditions. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined.

Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health.

This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. Under this exception, the bill would authorize a member to participate remotely under specified circumstances, including participating remotely for just cause or due to emergency circumstances. The emergency circumstances basis for remote participation would be contingent on a request to, and action by, the legislative body, as prescribed. The bill, until January 1, 2026, would authorize a legislative body to consider and

take action on a request from a member to participate in a meeting remotely due to emergency circumstances if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The bill would define terms for purposes of these teleconferencing provisions.

This bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 54953 of the Government Code, as amended by Section 3 of Chapter 165 of the Statutes of 2021, is amended to read:

**54953.** (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option.

(B) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(C) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(D) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(E) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) This subdivision shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(f) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(g) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(h) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(i) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(j) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (g).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (f), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "State of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

(6) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(7) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(8) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(9) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(k) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

**SEC. 2.** Section 54953 of the Government Code, as added by Section 4 of Chapter 165 of the Statutes of 2021, is amended to read:

**54953.** (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. If the legislative body of a local agency elects to use teleconferencing, the legislative body of a local agency shall comply with all of the following:

(A) All votes taken during a teleconferenced meeting shall be by rollcall.

(B) The teleconferenced meetings shall be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency.

(C) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(D) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d).

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) The legislative body of a local agency may use teleconferencing without complying with paragraph (3) of subdivision (b) if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda, which location shall be open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction and the legislative body complies with all of the following:

(A) The legislative body shall provide at least one of the following as a means by which the public may remotely hear and visually observe the meeting, and remotely address the legislative body:

(i) A two-way audiovisual platform.

(ii) A two-way telephonic service and a live webcasting of the meeting.

(B) In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by



which members of the public may access the meeting and offer public comment.

(C) The agenda shall identify and include an opportunity for all persons to attend and address the legislative body directly pursuant to Section 54954.3 via a call-in option, via an internet-based service option, and at the in-person location of the meeting.

(D) In the event of a disruption that prevents the legislative body from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control that prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(2) A member of the legislative body shall only participate in the meeting remotely pursuant to this subdivision, if all of the following requirements are met:

(A) One of the following circumstances applies:

(i) The member notifies the legislative body at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the given meeting. The provisions of this clause shall not be used by any member of the legislative body for more than two meetings per calendar year.

(ii) The member requests the legislative body to allow them to participate in the meeting remotely due to emergency circumstances and the legislative body takes action to approve the request. The legislative body shall request a general description of the circumstances relating to their need to appear remotely at the given meeting. A general description of an item generally need not exceed 20 words and shall not require the member to disclose any medical diagnosis or disability, or any personal medical information that is already exempt under existing law, such as the Confidentiality of Medical Information Act (Chapter 1 (commencing with Section 56) of Part 2.6 of Division 1 of the Civil Code). For the purposes of this clause, the following requirements apply:

(I) A member shall make a request to participate remotely at a meeting pursuant to this clause as soon as possible. The member shall make a separate request for each meeting in which they seek to participate remotely.

(II) The legislative body may take action on a request to participate remotely at the earliest opportunity. If the request does not allow sufficient time to place proposed action on such a request on the posted agenda for the meeting for which the request is made, the legislative body may take action at the beginning of the meeting in accordance with paragraph (4) of subdivision (b) of Section 54954.2.

(B) The member shall publicly disclose at the meeting before any action is taken whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals.

(C) The member shall participate through both audio and visual technology.

(3) The provisions of this subdivision shall not serve as a means for any member of a legislative body to participate in meetings of the legislative body solely by teleconference from a remote location for a period of more than three consecutive months or 20 percent of the regular meetings for the local agency within a calendar year, or more than two meetings if the legislative body regularly meets fewer than 10 times per calendar year.

(f) The legislative body shall have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and resolving any doubt in favor of accessibility. In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the procedure for receiving and resolving requests for accommodation.

(g) The legislative body shall conduct meetings subject to this chapter consistent with applicable civil rights and nondiscrimination laws.

(h) (1) Nothing in this section shall prohibit a legislative body from providing the public with additional teleconference locations.

(2) Nothing in this section shall prohibit a legislative body from providing members of the public with additional physical locations in which the public may observe and address the legislative body by electronic means.

(i) For the purposes of this section, the following definitions shall apply:

(1) "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.

(2) "Just cause" means any of the following:

(A) A childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely. "Child," "parent," "grandparent," "grandchild," and "sibling" have the same meaning as those terms do in Section 12945.2.

(B) A contagious illness that prevents a member from attending in person.

(C) A need related to a physical or mental disability as defined in Sections 12926 and 12926.1 not otherwise accommodated by subdivision (f).

(D) Travel while on official business of the legislative body or another state or local agency.

(3) "Remote location" means a location from which a member of a legislative body participates in a meeting pursuant to subdivision (e), other than any physical meeting location designated in the notice of the meeting. Remote locations need not be accessible to the public.

(4) "Remote participation" means participation in a meeting by teleconference at a location other than any physical meeting location designated in the notice of the meeting. Watching or listening to a meeting via webcasting or another similar electronic medium that does not permit members to interactively hear, discuss, or deliberate on matters, does not constitute remote participation.

(5) "Teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both.

(6) "Two-way audiovisual platform" means an online platform that provides participants with the ability to participate in a meeting via both an interactive video conference and a two-way telephonic function.

(7) "Two-way telephonic service" means a telephone service that does not require internet access, is not provided as part of a two-way audiovisual platform, and allows participants to dial a telephone number to listen and verbally participate.

(8) "Webcasting" means a streaming video broadcast online or on television, using streaming media technology to distribute a single content source to many simultaneous listeners and viewers.

(j) This section shall become operative January 1, 2024, shall remain in effect only until January 1, 2026, and as of that date is repealed.

**SEC. 3.** Section 54953 is added to the Government Code, to read:

**54953.** (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, "teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2026.

**SEC. 4.** Section 54954.2 of the Government Code is amended to read:

**54954.2.** (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item

generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or

political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(4) To consider action on a request from a member to participate in a meeting remotely due to emergency circumstances, pursuant to Section 54953, if the request does not allow sufficient time to place the proposed action on the posted agenda for the meeting for which the request is made. The legislative body may approve such a request by a majority vote of the legislative body.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

**SEC. 5.** Section 54954.2 is added to the Government Code, to read:

**54954.2.** (a) (1) At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public and on the local agency's Internet Web site, if the local agency has one. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. The agenda shall include information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting.

(2) For a meeting occurring on and after January 1, 2019, of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site, the following provisions shall apply:

(A) An online posting of an agenda shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state that is accessible through a prominent, direct link to the current agenda. The direct link to the agenda shall not be in a contextual menu; however, a link in addition to the direct link to the agenda may be accessible through a contextual menu.

(B) An online posting of an agenda including, but not limited to, an agenda posted in an integrated agenda management platform, shall be posted in an open format that meets all of the following requirements:

(i) Retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications.

(ii) Platform independent and machine readable.

(iii) Available to the public free of charge and without any restriction that would impede the reuse or redistribution of the agenda.

(C) A legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state that has an Internet Web site and an integrated agenda management platform shall not be required to comply with subparagraph (A) if all of the following are met:

(i) A direct link to the integrated agenda management platform shall be posted on the primary Internet Web site homepage of a city, county, city and county, special district, school district, or political subdivision established by the state. The direct link to the integrated agenda management platform shall not be in a contextual menu. When a person clicks on the direct link to the integrated agenda management platform, the direct link shall take the person directly to an Internet Web site with the agendas of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state.

(ii) The integrated agenda management platform may contain the prior agendas of a legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state for all meetings occurring on or after January 1, 2019.

(iii) The current agenda of the legislative body of a city, county, city and county, special district, school district, or political subdivision established by the state shall be the first agenda available at the top of the integrated agenda management platform.

(iv) All agendas posted in the integrated agenda management platform shall comply with the requirements in clauses (i), (ii), and (iii) of subparagraph (B).

(D) For the purposes of this paragraph, both of the following definitions shall apply:

(i) "Integrated agenda management platform" means an Internet Web site of a city, county, city and county, special district, school district, or political subdivision established by the state dedicated to providing the entirety of the agenda information for the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state to the public.

(ii) "Legislative body" has the same meaning as that term is used in subdivision (a) of Section 54952.

(E) The provisions of this paragraph shall not apply to a political subdivision of a local agency that was established by the legislative body of the city, county, city and county, special district, school district, or political subdivision established by the state.

(3) No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Section 54954.3. In addition, on their own initiative or in response to questions posed by the public, a member of a legislative body or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of a legislative body, or the body itself, subject to rules or procedures of the legislative body, may provide a reference to staff or other resources for factual information, request staff to report back to the body

at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

(b) Notwithstanding subdivision (a), the legislative body may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this subdivision, the legislative body shall publicly identify the item.

(1) Upon a determination by a majority vote of the legislative body that an emergency situation exists, as defined in Section 54956.5.

(2) Upon a determination by a two-thirds vote of the members of the legislative body present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted as specified in subdivision (a).

(3) The item was posted pursuant to subdivision (a) for a prior meeting of the legislative body occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

(c) This section is necessary to implement and reasonably within the scope of paragraph (1) of subdivision (b) of Section 3 of Article I of the California Constitution.

(d) For purposes of subdivision (a), the requirement that the agenda be posted on the local agency's Internet Web site, if the local agency has one, shall only apply to a legislative body that meets either of the following standards:

(1) A legislative body as that term is defined by subdivision (a) of Section 54952.

(2) A legislative body as that term is defined by subdivision (b) of Section 54952, if the members of the legislative body are compensated for their appearance, and if one or more of the members of the legislative body are also members of a legislative body as that term is defined by subdivision (a) of Section 54952.

(e) This section shall become operative January 1, 2026.

**SEC. 6.** The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hospital room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

**SEC. 7.** The Legislature finds and declares that Sections 1 and 2 of this act, which amend Section 54953 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act is necessary to ensure minimum standards for public participation and notice requirements allowing for greater public participation in teleconference meetings.

May 12, 2023

TO: Each Member  
Board of Retirement

FROM: Louis Gittens   
Interim Division Manager, Benefits Division

FOR: Board of Retirement Meeting of June 7, 2023

SUBJECT: **Application of Jill Torres for Reinstatement to Active Membership  
Pursuant to Government Code Section 31680.4 and 31680.5**

Government Code Sections 31680.4 and 31680.5 permit a service retired member to be re-employed by the County and reinstated as an active member of LACERA if the Board of Retirement, based upon medical examination, determines that the member is not incapacitated for the assigned duties. The member's retirement allowance would be suspended immediately upon re-employment. Reinstatement to active membership becomes effective the first day of the month following the date of re-employment. The returning member would only be eligible for a retirement plan that is currently available for new members regardless of the member's prior retirement plan.

Jill Torres was employed by the Chief Executive Office / AO. She retired on March 31, 2019. The Los Angeles County Sheriff's Department now wishes to re-employ Jill Torres as an Assistant Sheriff, Administration (UC), Item Number 9972.

Under CERL 31680.5, all reinstated general members are entitled to a retirement allowance, upon subsequent retirement, "determined as if the member were first entering the system." Thus, this member is only eligible for Retirement Plan G General. Note that the member was in Plan D for her past membership period and will be in Plan G General for her new membership period, if approved for reinstatement.

Attached are copies of documents prepared in support of the member's application for reinstatement:

- The May 1, 2023 letter from the Chief Executive Office confirming the Board of Supervisors' Constructive Approval of the request to re-employ the member. (Attachment 1)
- The April 3, 2023 letter from the Chief Executive Office to the Board of Supervisors requesting re-employment as an Assistant Sheriff, Administration with the Los Angeles County Sheriff's Department. (Attachment 2)

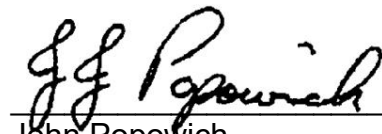


- The April 27, 2023 letter from the Los Angeles County Sheriff's Department requesting reinstatement of membership for the member and outlining the job duties for an Assistant Sheriff, Administration. (Attachment 3)
- The April 21, 2023 letter from the member to LACERA requesting reinstatement of membership as an Assistant Sheriff, Administration with the Los Angeles County Sheriff's Department. (Attachment 4)
- The member's Medical Clearance report signed on February 9, 2023 finding the member not incapacitated for the proposed duties. (Attachment 5)

**IT IS THEREFORE RECOMMENDED THAT YOUR BOARD:**

1. Determine, based upon medical evaluation conducted on February 9, 2023, that Jill Torres is not incapacitated for the duties assigned to her in the position of an Assistant Sheriff, Administration; and
2. Grant the application of Jill Torres for reinstatement to active membership.

**REVIEWED AND APPROVED:**



---

John Popowich  
Assistant Executive Officer

LG:am  
Div\ben\retstaff\Torres, Jill.doc

Attachments

**BOARD OF  
SUPERVISORS**Hilda L. Solis  
First DistrictHolly J. Mitchell  
Second DistrictLindsey P. Horvath  
Third DistrictJanice Hahn  
Fourth DistrictKathryn Barger  
Fifth District**Chief  
Executive  
Office.****COUNTY OF LOS ANGELES****BUDGET AND OPERATIONS MANAGEMENT BRANCH**Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 750, Los Angeles, CA 90012  
ceo.lacounty.gov      budget@ceo.lacounty.gov**CHIEF EXECUTIVE OFFICER**  
Fesia A. Davenport**SENIOR ASSISTANT CHIEF EXECUTIVE OFFICER**  
Matthew McGloin

May 1, 2023

Manager, Claims Processing Division  
Los Angeles County Employees Retirement Association  
300 N. Lake Avenue  
Pasadena, CA 91101

To whom it may concern:

**BOARD'S CONSTRUCTIVE APPROVAL – RE-EMPLOYMENT OF RETIREE –  
JILL TORRES (E637810)**

The Chief Executive Office (CEO) submitted a memorandum to the Los Angeles Board of Supervisors (Board) on February 21, 2023, requesting authorization to re-employ the above referenced retired employee.

There was no inquiry, formal action, or objections from the Board offices by the two-week deadline of March 7, 2023. Therefore, in accordance with Board Policy 9.150, all parties should understand that the Board's constructive approval to proceed has been obtained, and the Sheriff's Department and the Los Angeles County Employees Retirement Association may proceed with the associated arrangements for re-employment of the above-mentioned employee.

*Policy 9.150*

*The County may hire former retired County employees to permanent positions on an indefinite basis. The Board's action provides the County with an additional management tool to fill critical, emergent or hard to fill positions which require special skills, training and experience or certification and may not be reasonably filled by other than the County retiree. Such authorizations must be approved by the Board of Supervisors and comport with applicable County Civil Service Rules, code provisions, and policies. Departments are to submit a Board memo to their CEO budget analyst prior to filling any position on an indefinite basis with a County retiree. The memo, with CEO recommendation, will be forwarded to the Board for approval, stating that a two-week period exists for a Board member to request formal action prior to filling the position.*



"To Enrich Lives Through Effective And Caring Service"

Manager, Claims Processing Division  
May 1, 2023  
Page 2

*The retired employee being hired must cancel their retirement allowance through the Board of Retirement until termination of the new re-employment. This policy does not replace the statute which allows rehiring retired County employees temporarily for up to 960 hours (120 working days) per fiscal year.*

*Retirees under the Early Separation Plan are not eligible to fill these positions without direct Board approval.*

Should you have any questions regarding this matter, please contact René C. Phillips at (213) 974-1478 or [rphillips@ceo.lacounty.gov](mailto:rphillips@ceo.lacounty.gov).

Sincerely,

Rene C.  
Phillips

Digitally signed by  
Rene C. Phillips  
Date: 2023.05.01  
11:02:39 -07'00'

RENÉ C. PHILLIPS  
Acting, Senior Manager, CEO

MM:RCP:AP:cc

c: Sheriff

**BOARD OF  
SUPERVISORS**Hilda L. Solis  
First DistrictHolly J. Mitchell  
Second DistrictLindsey P. Horvath  
Third DistrictJanice Hahn  
Fourth DistrictKathryn Barger  
Fifth District**Chief  
Executive  
Office.****COUNTY OF LOS ANGELES**Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, CA 90012  
(213) 974-1101 ceo.lacounty.gov**CHIEF EXECUTIVE OFFICER**

Fesia A. Davenport

April 3, 2023

To: Supervisor Janice Hahn, Chair  
 Supervisor Hilda L. Solis  
 Supervisor Holly J. Mitchell  
 Supervisor Lindsey P. Horvath  
 Supervisor Kathryn Barger

From: Fesia A. Davenport  
 Chief Executive Officer

**REQUEST FROM THE SHERIFF'S DEPARTMENT FOR REEMPLOYMENT OF  
RETIRED COUNTY EMPLOYEE**

Pursuant to County Board Policy 9.150, the Los Angeles County Sheriff's Department (LASD) is requesting the Board of Supervisors to approve the re-employment of retired County employee, Jill Torres, to the permanent position of Assistant Sheriff, Administration (UC), Item Number 9972, at an annual base salary of \$ \_\_\_\_\_. This salary is based on Ms. Torres' experience and the role and responsibilities she will perform as Assistant Sheriff, Administration (UC). The base salary placement onto Management Appraisal and Performance Plan Tier I, Salary Range R20 (the Board-approved range for this position), will place Ms. Torres above the Control Point and the salary threshold in effect pursuant to County Code Section 6.08.370B.

Upon reemployment on an indefinite basis, Ms. Torres will serve the critical role as Sheriff Robert G. Luna's Chief Financial and Administrative Officer with responsibility for the Administrative Service Division, Personnel Command, and the Technology and Support Division.

Ms. Torres has been advised that, upon returning to full-time permanent employment status, her Los Angeles County Employees Retirement Association retirement allowance will be suspended until such time as her reemployment is terminated (Government Code Sections 31680.4 and 31680.5).



"To Enrich Lives Through Effective And Caring Service"

**Attachment 2**

Each Supervisor  
April 3, 2023  
Page 2

In accordance with current practices on managerial appointments, unless otherwise instructed by the Board of Supervisors by close of business on April 17, 2023, the Chief Executive Office will advise LASD to proceed with Ms. Torres' appointment to Assistant Sheriff, Administration (UC) at an annual base salary of \$ \_\_\_\_\_, effective no sooner than April 18, 2023.

Should you have any questions regarding this matter, please contact me or René Phillips at (213) 974-1478 or [rphillips@ceo.lacounty.gov](mailto:rphillips@ceo.lacounty.gov).

FAD:JMN:MM  
RCP:cc

c: Executive Office, Board of Supervisors  
County Counsel  
Sheriff  
Human Resources



# OFFICE OF THE SHERIFF

COUNTY OF LOS ANGELES

HALL OF JUSTICE

ROBERT G. LUNA, SHERIFF



April 27, 2023

Santos H. Kreimann, Chief Executive Officer  
Los Angeles County Employee Retirement  
Association  
Post Office Box 7060  
Pasadena, California 91109

Attention: Benefits Division Manager

Dear Mr. Kreimann:

## REQUEST TO REHIRE

On March 31, 2019, Ms. Jill Torres, employee number 637810, (last four numbers of her social security number), retired.

The Los Angeles County Sheriff's Department (Department) would like to re-employ Ms. Torres as a permanent Assistant Sheriff, Administration (A/S Admin), in accordance with Government Code Section 31680.4. We have secured all the necessary approvals from the Chief Executive Office and the Board of Supervisors to rehire Ms. Torres. The approved documents are attached.

Upon re-employment as a permanent employee, A/S Admin Torres will fill a critical position with the Department. A/S Admin Torres will serve as Sheriff Robert G. Luna's (Sheriff) Chief Financial and Administrative Officer, and she will have command of and responsibility for the Administrative Services Division, Technology and Support Division, and Personnel Command. A/S Admin Torres is a senior executive of the Department who commands and is responsible for the activities of the assigned divisions, as well as any other specialized units/programs assigned by the Sheriff.

I understand that the Department may re-employ A/S Admin Torres only upon approval of the submitted documents named above, and the approval of the Board of Retirement.

Mr. Kreimann

-2-

April 27, 2023

Should you have any questions, please contact Administrative Services Manager III Anastasia Trimarchi, Personnel Administration Bureau, at (213) 229-1720.

Sincerely,

ROBERT G. LUNA, SHERIFF



APRIL L. TARDY  
UNDERSHERIFF

April 21, 2023

Manager, Benefits Division  
PO Box 7060  
Pasadena, CA 91109

Dear Manager:

I wish to be re-employed as a permanent employee. This letter is to request that my monthly retirement benefit be suspended and that I be re-employed as an Assistant Sheriff, Administration, item number 9972 with the Sheriff's Department pursuant to Government Code Section 31680.4.

Enclosed is a medical evaluation stating that I am not incapacitated for the duties I will be performing.

Sincerely,



JILL TORRES



**REEMPLOYMENT AND REINSTATEMENT TO ACTIVE LACERA  
MEMBERSHIP****SECTION C - MEDICAL AFFIDAVIT PURSUANT TO CERL SECTION 31680.4 or 31680.8**

---

On February 9, 2023 I, the undersigned, conducted or oversaw the  
<date of medical examination>,

medical examination of Jill Torres  
<Name of Retiree>

pursuant to Section 31680.4 or 31680.8 of the County Employees Retirement Law, in connection with  
this Retiree's application to be re-employed as:

Assistant Sheriff, Administration

<Prospective Job Title>.

I have also reviewed the Class Specification for this position. Based on this examination, I find that this  
individual is not incapacitated for the duties assigned to this position. A copy of the medical  
examination report is retained at Los Angeles County's Occupational Health Programs.

Signature of Physician performing or overseeing medical examination:

Kenichi Carrigan, MD

Print Name and Title of Physician:

Kenichi Carrigan, Senior Physician

Date Signed:

2/9/2023

May 26, 2023

TO: Each Trustee  
Board of Retirement

FROM: Ricki Contreras, Manager   
Disability Retirement Services

FOR: June 7, 2023, Board of Retirement meeting

**SUBJECT: SERVICE PROVIDER INVOICE APPROVAL REQUEST**

On January 1, 2015, the Board of Retirement adopted a policy whereby staff is authorized to approve and pay vendor invoices up to a cumulative amount of \$15,000.00 per vendor. Invoices from vendors exceeding \$15,000.00 per case shall be submitted to the Board of Retirement for approval prior to payment.

As of December 1, 2022, a total of \$23,913.00 has been paid to David L. Friedman, M.D., Ph.D. for his initial report, record review, and Supplemental Report for the application of Angela Herrera. Dr. Friedman has completed his second Supplemental Report and is requesting approval for payment of the attached invoice. The total outstanding balance is \$910.00.

**IT IS THEREFORE RECOMMENDED THAT** the Board approve the service provider invoice for David L. Friedman, M.D., Ph.D.

RC:mb

Attachment

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**FOR INFORMATION ONLY**

May 30, 2023

TO: Each Trustee  
Board of RetirementFROM: Ricki Contreras, Division Manager  
Disability Retirement Services

FOR: June 7, 2023, Board of Retirement Meeting

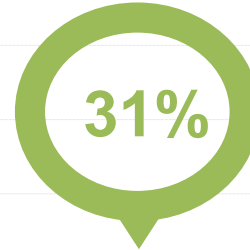
SUBJECT: **Application Processing Time Snapshot Reports**

The following chart shows the total processing time from receipt of the application to the first Board action for all cases on the June 7, 2023, Disability Retirement Applications Agenda.

| Consent & Non-Consent Calendar                              |              |              |              |
|---|--------------|--------------|--------------|
| Number of Applications                                      | 70           |              |              |
| Average Processing Time (in Months)                         | 13.50        |              |              |
| Revised/Held Over Calendar                                  |              |              |              |
| Number of Applications                                      | 3            |              |              |
| Processing Time Per Case (in Months)                        | Case 1<br>26 | Case 2<br>26 | Case 3<br>23 |
|   |              |              |              |
| Total Average Processing Time All <u>73</u> Cases on Agenda | 13.86        |              |              |

# DISABILITY RETIREMENT SERVICES

## Application Processing Time

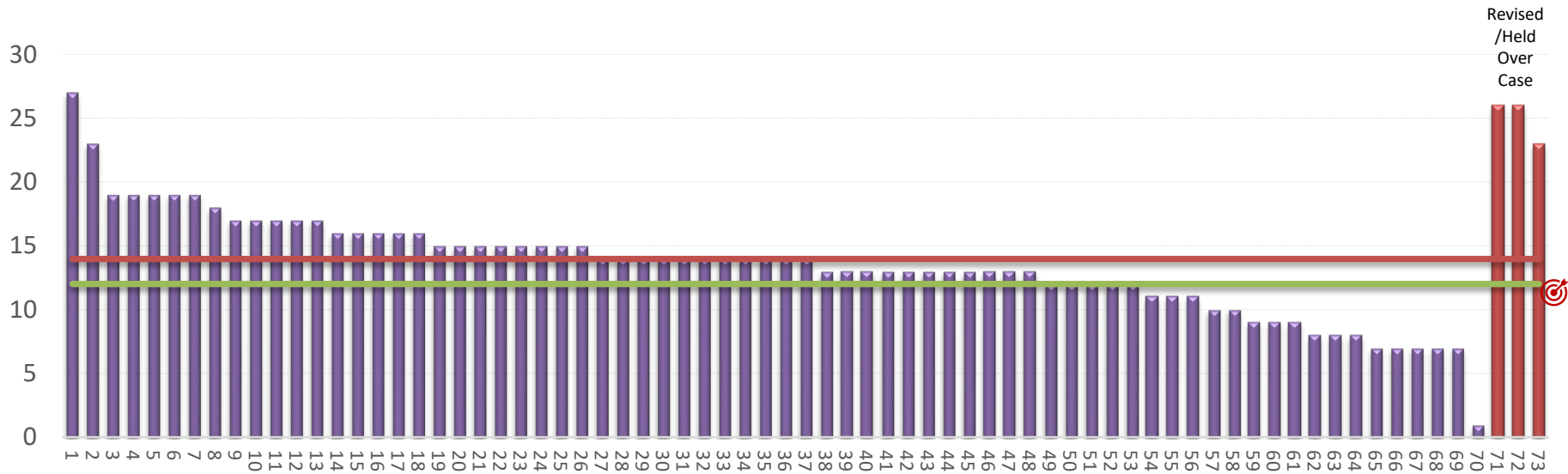


Total Cases  
on Agenda

Processed in  
12 months  
or less

Average  
Processing  
in months  
(first time to Board)

MONTHS

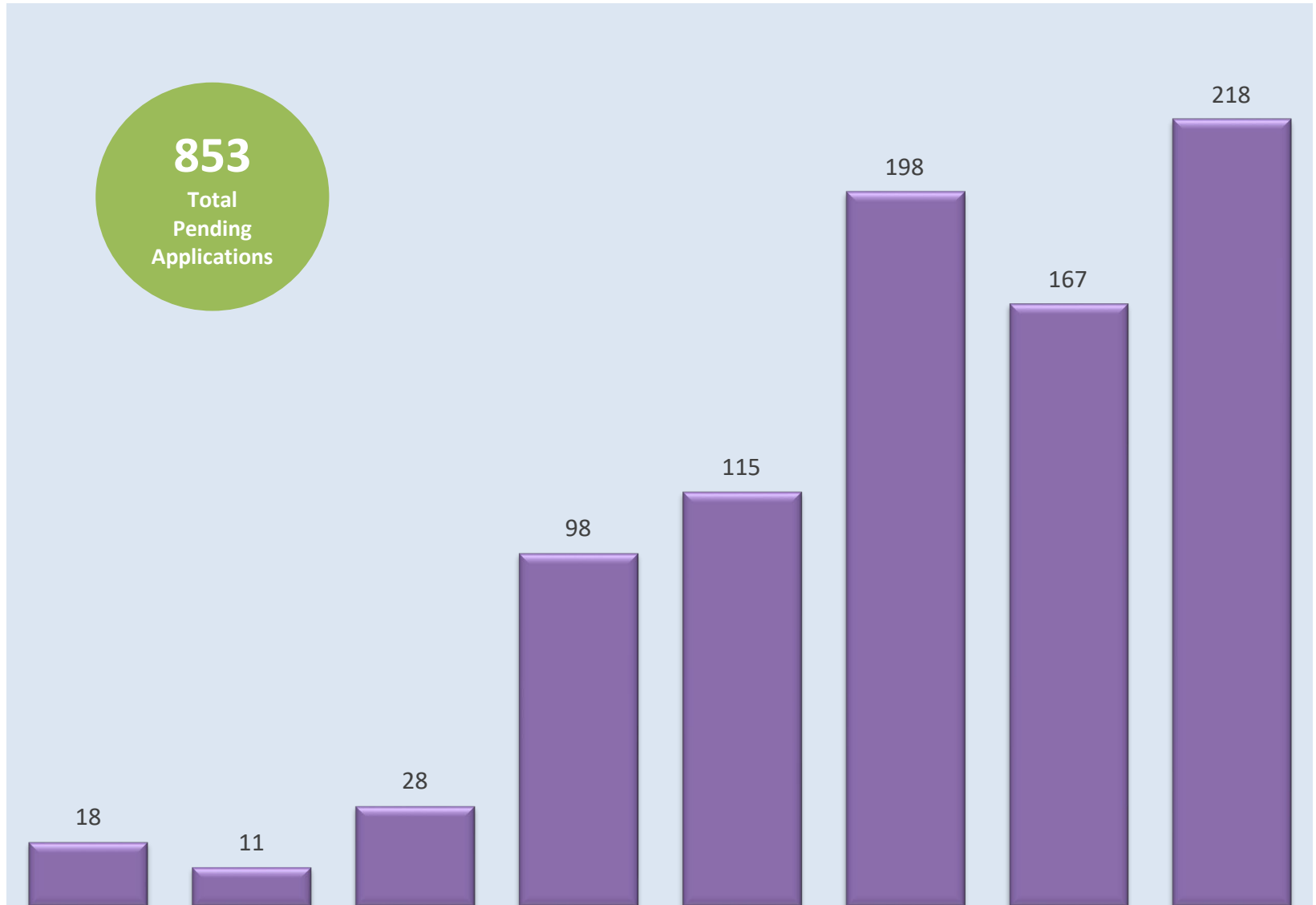


June 7, 2023 Disability Agenda

# DISABILITY RETIREMENT SERVICES

## Pending Applications/Months

**853**  
Total  
Pending  
Applications




As of May 30, 2023

**FOR INFORMATION ONLY**

May 27, 2023

TO: Each Trustee  
Board of Retirement  
Board of Investments

FROM: Barry W. Lew   
Legislative Affairs Officer

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: **Monthly Status Report on Legislation**

Attached is the monthly report on the status of legislation that staff is monitoring or on which LACERA has adopted a position.

**Reviewed and Approved:**



---

**Steven P. Rice, Chief Counsel**

**Attachments**

LACERA Legislative Report Index  
LACERA Legislative Report

cc: Santos H. Kreimann  
Luis Lugo  
JJ Popowich  
Laura Guglielmo  
Steven P. Rice  
Jon Grabel  
Scott Zdrazil



| <b>PUBLIC RETIREMENT</b>     | <b>AUTHOR</b>                                  | <b>TITLE</b>   | <b>PAGE</b> |
|------------------------------|--|--|-------------|
| AB 738                       | Lackey (R).....                                | State Actuarial Advisory Panel: Reports.....                 | 1           |
| AB 739                       | Lackey (R).....                                | Public Retirement Systems: Defined Benefit Plans.....        | 1           |
| AB 1246                      | Nguyen (D).....                                | Public Employees' Retirement System Optional Settlement..... | 1           |
| SB 300                       | Seyarto (R).....                               | Public Employees Retirement: Fiscal Impact: Information..... | 1           |
| SB 432                       | Cortese (D).....                               | Teachers' Retirement.....                                    | 2           |
| SB 548                       | Niello (R).....                                | Public Employees Retirement: County and Trial Court.....     | 2           |
| SB 660                       | Alvarado-Gil (D).....                          | Public Employees' Retirement Systems.....                    | 2           |
| <b>PUBLIC INVESTMENT</b>     |  |  |             |
| SB 252                       | Gonzalez (D).....                              | Public Retirement Systems: Fossil Fuels: Divestment.....     | 3           |
| <b>PUBLIC EMPLOYMENT</b>     |  |  |             |
| SB 765                       | Portantino (D).....                            | Teachers: Retired Teachers: Teacher Preparation.....         | 3           |
| SB 885                       | Labor, Public Employment & Retirement Cmt..... | Public Employees' Retirement.....                            | 3           |
| <b>DISABILITY RETIREMENT</b> |  |  |             |
| AB 1020                      | Grayson (D).....                               | County Employees Retirement Law 1937: Disability.....        | 3           |
| SB 327                       | Laird (D).....                                 | State Teachers' Retirement: Disability Allowances.....       | 4           |
| <b>WORKERS COMPENSATION</b>  |  |  |             |
| AB 489                       | Calderon (D).....                              | Workers' Compensation: Disability Payments.....              | 4           |
| AB 597                       | Rodriguez (D).....                             | Workers' Compensation: First Responders: Stress.....         | 4           |
| AB 621                       | Irwin (D).....                                 | Workers' Compensation: Special Death Benefit.....            | 5           |
| AB 699                       | Weber A (D).....                               | Workers' Compensation: Presumed Injuries.....                | 5           |
| AB 1107                      | Mathis (R).....                                | Workers' Compensation: Presumptive Injuries.....             | 5           |
| AB 1145                      | Maienschein (D).....                           | Workers' Compensation.....                                   | 6           |
| AB 1156                      | Bonta M (D).....                               | Workers' Compensation: Hospital Employees.....               | 6           |
| SB 391                       | Blakespear (D).....                            | Workers' Compensation: Skin Cancer.....                      | 6           |
| SB 623                       | Laird (D).....                                 | Workers Compensation: Post-Traumatic Stress Disorder.....    | 6           |
| <b>BROWN ACT</b>             |  |  |             |
| AB 557                       | Hart (D).....                                  | Open Meetings: Local Agencies: Teleconferences.....          | 7           |
| AB 817                       | Pacheco (D).....                               | Open Meetings: Teleconferencing: Subsidiary Body.....        | 7           |
| AB 1379                      | Papan (D).....                                 | Open Meetings: Local Agencies: Teleconferences.....          | 7           |
| SB 411                       | Portantino (D).....                            | Open Meetings: Teleconferences: Neighborhood Councils.....   | 7           |
| SB 537                       | Becker (D).....                                | Open Meetings: Multijurisdictional.....                      | 8           |
| <b>PUBLIC RECORDS ACT</b>    |  |  |             |
| AB 1637                      | Irwin (D).....                                 | Local Government: Internet Websites and Email Addresses..... | 8           |
| <b>SOCIAL SECURITY</b>       |  |  |             |
| SJR 1                        | Cortese (D).....                               | Social Security Act: Repeal of Benefit Reductions.....       | 8           |
| HR 82                        | Graves (R).....                                | Pension Offset and Windfall Elimination Repeal.....          | 9           |
| S 597                        | Brown S (D).....                               | Government Pension Offset Repeal.....                        | 9           |

LACERA Legislative Report  
2023-24 Legislative Session  
Status as of May 27, 2023

| <b>PUBLIC RETIREMENT</b> |   |
|--------------------------|---|
| CA AB 738                | <p><b>AUTHOR:</b> Lackey [R]<br/><b>TITLE:</b> State Actuarial Advisory Panel: Reports<br/><b>INTRODUCED:</b> 02/13/2023<br/><b>DISPOSITION:</b> Pending<br/><b>SUMMARY:</b><br/>Relates to existing law under which the State Actuarial Advisory Panel is required to report to the Legislature on or before February 1 of each year. Changes the deadline for that report to January 31 of each year.<br/><b>STATUS:</b><br/>02/23/2023 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.</p>  |
| CA AB 739                | <p><b>AUTHOR:</b> Lackey [R]<br/><b>TITLE:</b> Public Retirement Systems: Defined Benefit Plans<br/><b>INTRODUCED:</b> 02/13/2023<br/><b>DISPOSITION:</b> Pending<br/><b>SUMMARY:</b><br/>Revises the conditions for suspending contributions to a public retirement system defined benefit plan to increase the threshold percentage amount of plan funding to more than 130%.<br/><b>STATUS:</b><br/>02/23/2023 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.</p>  |
| CA AB 1246               | <p><b>AUTHOR:</b> Nguyen [D]<br/><b>TITLE:</b> Public Employees' Retirement System Optional Settlement<br/><b>INTRODUCED:</b> 02/16/2023<br/><b>LAST AMEND:</b> 03/16/2023<br/><b>DISPOSITION:</b> Pending<br/><b>SUMMARY:</b><br/>Extends the ability of a retiree to change their designated beneficiary to include naming a new spouse following a retiree's divorce and subsequent remarriage. Allows a retiree's new spouse to receive the retiree's postdivorce retirement settlement benefits.<br/><b>STATUS:</b><br/>05/24/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.</p>   |
| CA SB 300                | <p><b>AUTHOR:</b> Seyarto [R]<br/><b>TITLE:</b> Public Employees Retirement: Fiscal Impact: Information<br/><b>INTRODUCED:</b> 02/02/2023<br/><b>LAST AMEND:</b> 05/03/2023<br/><b>DISPOSITION:</b> Pending<br/><b>SUMMARY:</b><br/>Requires the Legislative Analyst to prepare a pension fiscal impact analysis on any measure introduced on or after specified date that is referred to the Senate Labor, Public Employment and Retirement Committee, or any successor committee, as specified, and that requires a public retirement system to take prescribed action, including the divestiture of an existing investment.<br/><b>STATUS:</b></p> |

|           |   |   |
|-----------|---|---|
|           | 05/18/2023  | In SENATE Committee on APPROPRIATIONS: Held in committee.           |
| CA SB 432 | <b>AUTHOR:</b> Cortese [D]<br><b>TITLE:</b> Teachers' Retirement<br><b>INTRODUCED:</b> 02/13/2023<br><b>LAST AMEND:</b> 05/02/2023<br><b>DISPOSITION:</b> Pending<br><b>SUMMARY:</b><br>Provides that existing law requires that, if compensation is reported in accordance with the State Teachers' Retirement System rules and is later determined by STRS to have been reported in error, the resulting overpayment be deemed to be an error by the system. Specifies that compensation reported in accordance with STRS rules includes rules relating to timeliness and accuracy and eliminates the requirement that supersession by other law or order be express. Appropriates funds.<br><b>STATUS:</b>                                 |   |
|           | 05/26/2023  | To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.          |
| CA SB 548 | <b>AUTHOR:</b> Niello [R]<br><b>TITLE:</b> Public Employees Retirement: County and Trial Court<br><b>INTRODUCED:</b> 02/15/2023<br><b>LAST AMEND:</b> 04/24/2023<br><b>DISPOSITION:</b> Pending<br><b>SUMMARY:</b><br>Authorizes a county and the trial court located within the county to elect to separate their joint Public Employees' Retirement Law contract into individual contracts, if the county and the trial court make that election voluntarily, and prescribe a process for this. Prohibits the separation from being a cause for modification of employee retirement benefits.<br><b>STATUS:</b>   |   |
|           | 05/25/2023  | In SENATE. Read third time. Passed SENATE. *****To ASSEMBLY. (40-0) |
| CA SB 660 | <b>AUTHOR:</b> Alvarado-Gil [D]<br><b>TITLE:</b> Public Employees' Retirement Systems<br><b>INTRODUCED:</b> 02/16/2023<br><b>LAST AMEND:</b> 03/21/2023<br><b>DISPOSITION:</b> Pending<br><b>SUMMARY:</b><br>Establishes the California Public Retirement System Agency Cost and Liability Panel, located in the Controller's office. Assigns responsibilities to the panel related to retirement benefit costs, including determining how costs and unfunded liability are apportioned to a public agency when a member changes employers within the same public retirement system or when a member concurrently retires with a specified number or more retirement systems that have entered into reciprocity agreements.<br><b>STATUS:</b> |   |
|           | 05/18/2023  | In SENATE Committee on APPROPRIATIONS: Held in committee.           |

---

## PUBLIC INVESTMENT

---

CA SB 252

**AUTHOR:** Gonzalez [D]  
**TITLE:** Public Retirement Systems: Fossil Fuels: Divestment  
**INTRODUCED:** 01/30/2023  
**LAST AMEND:** 05/18/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Prohibits the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. Requires the boards to liquidate investments in a fossil fuel company on or before specified date. Suspends, temporarily, the liquidation provision upon a good faith determination by the board that certain conditions materially impact normal market mechanisms for pricing assets.

**STATUS:**

05/25/2023 In SENATE. Read third time. Passed SENATE. \*\*\*\*\*To ASSEMBLY. (23-10)

---

**PUBLIC EMPLOYMENT**

---

CA SB 765

**AUTHOR:** Portantino [D]  
**TITLE:** Teachers: Retired Teachers: Teacher Preparation  
**INTRODUCED:** 02/17/2023  
**LAST AMEND:** 05/03/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to the State Teachers' Retirement System. Authorizes a member retired from service to perform retired member activities, notwithstanding the specified compensation limitation, if a request for exemption containing specified information is submitted by the Superintendent, the county superintendent of schools, or the chief executive officer of a community college to the system.

**STATUS:**

05/24/2023 In SENATE. Read third time. Passed SENATE. \*\*\*\*\*To ASSEMBLY. (39-0)

CA SB 885

**AUTHOR:** Labor, Public Employment & Retirement Cmt  
**TITLE:** Public Employees' Retirement  
**INTRODUCED:** 03/14/2023  
**LAST AMEND:** 04/17/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to the County Employees Retirement Law of 1937, which authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees and their beneficiaries. Clarifies the definition of final compensation for specified members, members who are subject to the California Public Employees' Pension Reform Act of 2013, and members whose services are on a tenure that is temporary, seasonal, intermittent, or part time in the CERL.

**STATUS:**

05/18/2023 To ASSEMBLY Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

---

**DISABILITY RETIREMENT**

---

CA AB 1020

**AUTHOR:** Grayson [D]  
**TITLE:** County Employees Retirement Law 1937: Disability

**INTRODUCED:** 02/15/2023  
**LAST AMEND:** 03/13/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Related to law that requires, if a safety member, a firefighter member, or a member in active law enforcement who has completed 5 years or more of service develops heart trouble, that the heart trouble be presumed to arise out of and in the course of employment. Requires, if a safety member, firefighter, or member in active law enforcement who has completed a certain number of years or more of service develops hernia or pneumonia, that it shall be presumed to arise out of and in the course of employment.

**STATUS:**

05/03/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

**IBLC\_Recommendation:** Neutral 05/03/2023

**Staff\_Recommendation:** Neutral

CA SB 327

**AUTHOR:** Laird [D]  
**TITLE:** State Teachers' Retirement: Disability Allowances  
**INTRODUCED:** 02/07/2023  
**LAST AMEND:** 05/02/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to law that authorizes a member of the State Teachers' Retirement System who is eligible and applies for a disability allowance or retirement to apply to receive a service retirement pending the determination of their application for disability, subject to meeting certain conditions. Prohibits the service retirement date of a member who submits an application for retirement from being earlier than a specified number of calendar days prior to when the application for service retirement is received.

**STATUS:**

05/25/2023 In SENATE. Read third time. Passed SENATE. \*\*\*\*\*To ASSEMBLY. (40-0)

---

**WORKERS COMPENSATION**

---

CA AB 489

**AUTHOR:** Calderon [D]  
**TITLE:** Workers' Compensation: Disability Payments  
**INTRODUCED:** 02/07/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to existing law which, until January 1, 2024, allows an employer to commence a program under which disability indemnity payments are deposited in a prepaid card account for employees. Extends the authorization to deposit indemnity payments in a prepaid card account until January 1, 2025.

**STATUS:**

05/10/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 597

**AUTHOR:** Rodriguez [D]  
**TITLE:** Workers' Compensation: First Responders: Stress  
**INTRODUCED:** 02/09/2023  
**LAST AMEND:** 02/23/2023  
**DISPOSITION:** Pending

**SUMMARY:**

Provides that for certain State and local firefighting personnel and peace officers, the term injury includes post-traumatic stress that develops or manifests during a period in which the injured person is in the service. Requires the compensation awarded pursuant to this provision to include full hospital, surgical, medical treatment, disability indemnity, and death benefits. Makes this applicable to emergency medical technicians and paramedics for injuries on and after certain date.

**STATUS:**

02/23/2023 From ASSEMBLY Committee on INSURANCE with author's amendments.

02/23/2023 In ASSEMBLY. Read second time and amended.  
Re-referred to Committee on INSURANCE.

CA AB 621

**AUTHOR:** Irwin [D]**TITLE:** Workers' Compensation: Special Death Benefit**INTRODUCED:** 02/09/2023**DISPOSITION:** Pending**SUMMARY:**

Relates to existing law which provides that no benefits, except reasonable expenses of burial not exceeding \$1,000, shall be awarded under the workers' compensation laws on account of the death of an employee who is an active member of the Public Employees' Retirement System, unless the death benefits available under the Public Employees Retirement Law are less than the workers' compensation death benefits. Expands an exemption from the limitation to include state safety members and peace officers.

**STATUS:**

05/18/2023 From ASSEMBLY Committee on APPROPRIATIONS: Do pass. (15-0)

05/18/2023 In ASSEMBLY. Read second time. To third reading.

CA AB 699

**AUTHOR:** Weber A [D]**TITLE:** Workers' Compensation: Presumed Injuries**INTRODUCED:** 02/13/2023**DISPOSITION:** Pending**SUMMARY:**

Expands presumptions for hernia, pneumonia, heart trouble, cancer, tuberculosis, bloodborne infectious disease, methicillin-resistant Staphylococcus aureus skin infection, and meningitis-related illnesses and injuries to a lifeguard employed on a year-round, full-time basis in the Boating Safety Unit by the City of San Diego Fire-Rescue Department.

**STATUS:**

05/10/2023 To SENATE Committee on LABOR, PUBLIC EMPLOYMENT AND RETIREMENT.

CA AB 1107

**AUTHOR:** Mathis [R]**TITLE:** Workers' Compensation: Presumptive Injuries**INTRODUCED:** 02/15/2023**DISPOSITION:** Pending**SUMMARY:**

Makes a workers' compensation system provision applicable to additional members and employees of the Department of Corrections and Rehabilitation, including members of the Office of Correctional Safety or the Office of Internal

Affairs.  
**STATUS:**  
03/02/2023 To ASSEMBLY Committee on INSURANCE.

CA AB 1145 **AUTHOR:** Maienschein [D]  
**TITLE:** Workers' Compensation  
**INTRODUCED:** 02/16/2023  
**DISPOSITION:** Pending  
**SUMMARY:**  
Provides, only until January 1, 2030, that in the case of certain state nurses, psychiatric technicians, and various medical and social services specialists, the term injury also includes post-traumatic stress that develops or manifests itself during a period in which the injured person is in the service of the department or unit. Applies to injuries occurring on or after January 1, 2024.  
**STATUS:**  
05/25/2023 In ASSEMBLY. Read third time. Passed ASSEMBLY.  
\*\*\*\*\*To SENATE. (76-0)

CA AB 1156 **AUTHOR:** Bonta M [D]  
**TITLE:** Workers' Compensation: Hospital Employees  
**INTRODUCED:** 02/16/2023  
**DISPOSITION:** Pending  
**SUMMARY:**  
Defines injury, for a hospital employee who provides direct patient care in an acute care hospital, to include infectious diseases, cancer, musculoskeletal injuries, post-traumatic stress disorder, and respiratory diseases. Includes the 2019 novel coronavirus disease (COVID-19) from SARS-CoV-2 and its variants, among other conditions, in the definitions of infectious and respiratory diseases.  
**STATUS:**  
03/02/2023 To ASSEMBLY Committee on INSURANCE.

CA SB 391 **AUTHOR:** Blakespear [D]  
**TITLE:** Workers' Compensation: Skin Cancer  
**INTRODUCED:** 02/09/2023  
**DISPOSITION:** Pending  
**SUMMARY:**  
Expands the scope of Workers' compensation and skin cancer regulations to certain peace officers of the Department of Fish and Wildlife and the Department of Parks and Recreation.  
**STATUS:**  
05/25/2023 In SENATE. Read third time. Passed SENATE. \*\*\*\*\*To ASSEMBLY. (40-0)

CA SB 623 **AUTHOR:** Laird [D]  
**TITLE:** Workers Compensation: Post-Traumatic Stress Disorder  
**INTRODUCED:** 02/15/2023  
**LAST AMEND:** 03/20/2023  
**DISPOSITION:** Pending  
**SUMMARY:**  
Relates to workers compensation for post-traumatic stress disorder. Expands such provisions to, among others, firefighting members of the State Department of State Hospitals, the State Department of Developmental Services, the Military Department, and the Department of Veterans Affairs.

**STATUS:**

05/26/2023

To ASSEMBLY Committee on INSURANCE.

---

**BROWN ACT**

---

CA AB 557

**AUTHOR:**

Hart [D]

**TITLE:**

Open Meetings: Local Agencies: Teleconferences

**INTRODUCED:**

02/08/2023

**DISPOSITION:**

Pending

**SUMMARY:**

Extends the abbreviated teleconferencing provisions when a declared state of emergency is in effect, or in other situations related to public health, indefinitely. The bill would also extend the period for a legislative body to make specified findings related to a continuing state of emergency and social distancing to not later than 45 days after the first teleconferenced meeting, and every 45 days thereafter, in order to continue to meet under the abbreviated teleconferencing procedures.

**STATUS:**

05/24/2023

To SENATE Committees on GOVERNANCE AND FINANCE and JUDICIARY.

CA AB 817

**AUTHOR:**

Pacheco [D]

**TITLE:**

Open Meetings: Teleconferencing: Subsidiary Body

**INTRODUCED:**

02/13/2023

**LAST AMEND:**

03/16/2023

**DISPOSITION:**

Pending

**SUMMARY:**

Relates to the Ralph Brown Act. Authorizes a subsidiary body to use alternative teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency.

**STATUS:**

03/16/2023

To ASSEMBLY Committee on LOCAL GOVERNMENT.

03/16/2023

From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.

03/16/2023

In ASSEMBLY. Read second time and amended.  
Re-referred to Committee on LOCAL GOVERNMENT.

CA AB 1379

**AUTHOR:**

Papan [D]

**TITLE:**

Open Meetings: Local Agencies: Teleconferences

**INTRODUCED:**

02/17/2023

**LAST AMEND:**

03/23/2023

**DISPOSITION:**

Pending

**SUMMARY:**

Relates to teleconferencing. Requires a legislative body electing to use teleconferencing to post agendas at a singular designated physical meeting location, as defined, rather than at all teleconference locations.

**STATUS:**

03/23/2023

To ASSEMBLY Committee on LOCAL GOVERNMENT.

03/23/2023

From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.

03/23/2023

In ASSEMBLY. Read second time and amended.  
Re-referred to Committee on LOCAL GOVERNMENT.

CA SB 411

**AUTHOR:**

Portantino [D]



**TITLE:** Open Meetings: Teleconferences: Neighborhood Councils  
**INTRODUCED:** 02/09/2023  
**LAST AMEND:** 04/24/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Authorizes an eligible legislative body to use alternate teleconferencing provisions related to notice, agenda, and public participation, if the city council has adopted an authorizing resolution and a specified fraction of an eligible legislative body votes to use the alternate teleconferencing provisions. Requires an eligible legislative body authorized to provide publicly accessible physical locations for public participation.

**STATUS:**

05/26/2023 To ASSEMBLY Committee on LOCAL GOVERNMENT.

**Note:**

SACRS lobbyists say this is intended for neighborhood councils.

CA SB 537

**AUTHOR:** Becker [D]  
**TITLE:** Open Meetings: Multijurisdictional  
**INTRODUCED:** 02/14/2023  
**LAST AMEND:** 04/24/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Relates to law that authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member. Provides that these circumstances include if a member shows just cause. Expands the circumstances of just cause to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely.

**STATUS:**

05/04/2023 In SENATE. Read second time. To third reading.

---

**PUBLIC RECORDS ACT**

---

CA AB 1637

**AUTHOR:** Irwin [D]  
**TITLE:** Local Government: Internet Websites and Email Addresses  
**INTRODUCED:** 02/12/2023  
**LAST AMEND:** 05/18/2023  
**DISPOSITION:** Pending  
**SUMMARY:**

Requires, no later than specified date, a local agency that maintains an internet website for use by the public to ensure that the internet website utilizes a .gov top-level domain or a .ca.gov second-level domain and requires a local agency that maintains an internet website that is noncompliant with that requirement to redirect that internet website to a domain name that does utilize a .gov or .ca.gov domain.

**STATUS:**

05/22/2023 In ASSEMBLY. Read second time. To third reading.

---

**SOCIAL SECURITY**

---

CA SJR 1

**AUTHOR:** Cortese [D]  
**TITLE:** Social Security Act: Repeal of Benefit Reductions  
**INTRODUCED:** 12/05/2022  
**LAST AMEND:** 04/12/2023  
**DISPOSITION:** To Governor

**SUMMARY:**

Requests the Congress of the United States to enact, and the President to sign, legislation that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.

**STATUS:**

05/26/2023 In SENATE. SENATE concurred in ASSEMBLY amendments.  
To enrollment. (37-0)

US HR 82

**SPONSOR:**

Graves [R]

**TITLE:**

Pension Offset and Windfall Elimination Repeal

**INTRODUCED:**

01/09/2023

**DISPOSITION:**

Pending

**SUMMARY:**

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

**STATUS:**

01/09/2023

INTRODUCED.

01/09/2023

To HOUSE Committee on WAYS AND MEANS.

US S 597

**SPONSOR:**

Brown S [D]

**TITLE:**

Government Pension Offset Repeal

**INTRODUCED:**

03/01/2023

**DISPOSITION:**

Pending

**SUMMARY:**

Amends title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

**STATUS:**

03/01/2023

INTRODUCED.

03/01/2023

In SENATE. Read second time.

03/01/2023

To SENATE Committee on FINANCE.

**FOR INFORMATION ONLY**

May 24, 2023

TO: Each Trustee  
Board of Retirement  
Board of Investments

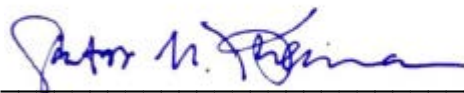
FROM: Ted Granger   
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

**SUBJECT: MONTHLY TRAVEL & EDUCATION REPORT – APRIL 2023**

Attached for your review is the Trustee Travel & Education Report. This report includes all events (i.e., attended and canceled) from the beginning of the fiscal year through April 2023. Staff travel and education reports are provided to the Chief Executive Officer monthly and to the Boards quarterly.

REVIEWED AND APPROVED:



---

Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

**Attachments**

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Grabel  
S. Rice  
R. Van Nortrick

**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2022 - 2023**  
**APRIL 2023**

| Attendee                  | Purpose of Travel - Location   | Event Dates             | Travel Status |
|---------------------------|--|-------------------------|---------------|
| <b>Alan Bernstein</b>     |  |                         |               |
| A                         | 1 Edu - CII Fall 2022 Conference - Boston MA   | 09/21/2022 - 09/23/2022 | Attended      |
|                           | 2 Edu - NCPERS 2022 Public Safety Conference - Nashville TN  | 10/23/2022 - 10/26/2022 | Attended      |
| B                         | - Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
|                           | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| V                         | - Edu - NACD: The Theranos Implosion - VIRTUAL   | 09/28/2022 - 09/28/2022 | Attended      |
|                           | - Edu - NACD The Future of the American Board - Virtual CA   | 02/08/2023 - 02/08/2023 | Attended      |
|                           | - Edu - NACD Directorship in a Volatile, Uncertain, Complex, and Ambiguous World - VIRTUAL             | 04/05/2023 - 04/05/2023 | Attended      |
|                           | - Edu - NACD A Perfect Storm for Directors & Officers: More Risk, Less Protection - VIRTUAL            | 04/19/2023 - 04/19/2023 | Attended      |
| X                         | - Edu - NCPERS 2023 Legislative Conference - Washington, DC MD   | 01/22/2023 - 01/24/2023 | Canceled      |
| <b>Elizabeth Ginsberg</b> |  |                         |               |
| B                         | - Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                           | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|                           | - Edu - CALAPRS Advanced Principles of Pension Governance for Trustees - Los Angeles CA                | 03/29/2023 - 03/31/2023 | Attended      |
| V                         | - Edu - NACD Cyber-Risk Oversight Certificate - At Your Own Pace - VIRTUAL                             | 11/04/2022 - 11/04/2022 | Attended      |
| <b>Vivian Gray</b>        |  |                         |               |
| A                         | 1 Edu - CII Fall 2022 Conference - Boston MA   | 09/21/2022 - 09/23/2022 | Attended      |
| B                         | - Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA                                      | 08/21/2022 - 08/23/2022 | Attended      |
|                           | - Admin - SACRS Board of Directors Meeting - Los Angeles CA  | 08/22/2022 - 08/22/2022 | Attended      |
|                           | - Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                           | - Admin - SACRS Program Committee & Board of Directors Meeting - Santa Barbara CA                      | 09/26/2022 - 09/27/2022 | Attended      |
|                           | - Admin - SACRS Board of Directors Meeting - San Diego CA  | 12/01/2022 - 12/01/2022 | Attended      |
|                           | - Admin - SACRS Board of Directors Meeting - Sacramento CA   | 01/09/2023 - 01/10/2023 | Attended      |
|                           | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|                           | - Admin - SACRS Program Committee Meeting - Sacramento CA  | 03/20/2023 - 03/20/2023 | Attended      |
|                           | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA | 03/22/2023 - 03/23/2023 | Attended      |
| V                         | - Edu - The Global Conversation on Gender Diversity - VIRTUAL  | 11/02/2022 - 11/02/2022 | Attended      |
|                           | - Edu - 50/50 Women on Boards - VIRTUAL  | 11/02/2022 - 11/02/2022 | Attended      |
| X                         | - Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Canceled      |
|                           | - Edu - NCPERS 2023 Legislative Conference - Washington, DC MD   | 01/22/2023 - 01/24/2023 | Canceled      |

**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2022 - 2023**  
**APRIL 2023**

| Attendee                   | Purpose of Travel - Location  | Event Dates             | Travel Status |
|----------------------------|---|-------------------------|---------------|
| <b>David Green</b>         |   |                         |               |
| A                          | 1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver  | 07/13/2022 - 07/15/2022 | Attended      |
|                            | 2 Edu - NCPERS 2023 Legislative Conference - Washington, DC MD  | 01/22/2023 - 01/24/2023 | Attended      |
|                            | 3 Edu - RFK Compass Winter Investors Conference - Miami FL  | 02/26/2023 - 02/28/2023 | Attended      |
| B                          | - Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                            | - Edu - SACRS 2022 Fall Conference - Long Beach CA  | 11/08/2022 - 11/11/2022 | Attended      |
|                            | - Edu - 2023 PPI Winter Roundtable - San Diego CA   | 03/01/2023 - 03/03/2023 | Attended      |
| <b>Jason Green</b>         |   |                         |               |
| A                          | 1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA                               | 04/17/2023 - 04/21/2023 | Attended      |
| B                          | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
| C                          | - Edu - NCPERS 2023 Legislative Conference - Washington, DC MD  | 01/22/2023 - 01/24/2023 | Attended      |
|                            | - Admin - Federal Engagement Visit with Congress - Washington, DC MD  | 01/24/2023 - 01/25/2023 | Attended      |
| <b>Elizabeth Greenwood</b> |   |                         |               |
| A                          | 1 Edu - 16th Annual Small and Emerging Managers (SEM) Conference - Chicago IL                                       | 10/12/2022 - 10/13/2022 | Attended      |
| <b>James Harris</b>        |   |                         |               |
| B                          | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
| <b>Patrick Jones</b>       |   |                         |               |
| A                          | 1 Edu - Leading in Artificial Intelligence: Exploring Technology and Policy - Harvard Kennedy School - Cambridge MA | 07/17/2022 - 07/22/2022 | Attended      |
|                            | 2 Edu - 2022 Infrastructure Investor America Forum - New York NY  | 12/06/2022 - 12/07/2022 | Attended      |
|                            | 3 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany   | 03/20/2023 - 03/23/2023 | Attended      |
| B                          | - Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                            | - Edu - SACRS 2022 Fall Conference - Long Beach CA  | 11/08/2022 - 11/11/2022 | Attended      |
|                            | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
|                            | - Edu - 2023 Pension Bridge ESG Summit - Los Angeles CA   | 02/28/2023 - 03/01/2023 | Attended      |
| X                          | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA              | 03/22/2023 - 03/23/2023 | Canceled      |

**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2022 - 2023**  
**APRIL 2023**

| Attendee            | Purpose of Travel - Location  | Event Dates             | Travel Status |
|---------------------|---|-------------------------|---------------|
| <b>Onyx Jones</b>   |   |                         |               |
| A                   | 1 Edu - SACRS Public Pension Investment Management Program - San Francisco CA                                 | 07/17/2022 - 07/20/2022 | Attended      |
|                     | 2 Edu - 2022 CALAPRS Principles of Pension Governance for Trustees - Tiburon CA                               | 08/29/2022 - 09/01/2022 | Attended      |
|                     | 3 Edu - 2022 SuperReturn Summit Africa - Cape Town, South Africa  | 12/05/2022 - 12/07/2022 | Attended      |
|                     | 4 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA                         | 04/17/2023 - 04/21/2023 | Attended      |
| B                   | - Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                     | - Edu - Women in Institutional Investments Network - Los Angeles CA   | 10/12/2022 - 10/12/2022 | Attended      |
|                     | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA        | 03/22/2023 - 03/23/2023 | Attended      |
| V                   | - Edu - The World to Africa Webinar - VIRTUAL   | 07/27/2022 - 07/27/2022 | Attended      |
| <b>Shawn Kehoe</b>  |   |                         |               |
| B                   | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
| V                   | - Edu - 2022 Board of Investments Offsite - VIRTUAL   | 09/13/2022 - 09/14/2022 | Attended      |
| <b>Joseph Kelly</b> |   |                         |               |
| A                   | 1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore                                     | 10/16/2022 - 10/21/2022 | Attended      |
|                     | 2 Edu - CII-NYU Corporate Governance Bootcamp - New York NY   | 11/16/2022 - 11/18/2022 | Attended      |
| B                   | - Edu - 2022 Pension Bridge Alternatives - Los Angeles CA   | 11/30/2022 - 12/01/2022 | Attended      |
|                     | - Admin - Board of Investments & Committee Meetings - Pasadena CA   | 01/11/2023 - 01/11/2023 | Attended      |
|                     | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
|                     | - Admin - Board of Investments & Committee Meetings - Pasadena CA   | 03/08/2023 - 03/08/2023 | Attended      |
| V                   | - Edu - NACD Conflict, Climate, Cyber: What's Next? - VIRTUAL   | 08/23/2022 - 08/23/2022 | Attended      |
|                     | - Edu - 2022 Board of Investments Offsite - VIRTUAL   | 09/13/2022 - 09/14/2022 | Attended      |
|                     | - Edu - NACD Risk Mitigation Through Board Quality and Compliance Committees: Lessons from Theranos - VIRTUAL | 09/28/2022 - 09/28/2022 | Attended      |
|                     | - Edu - Institute of Internal Auditors 2022 Cybersecurity Virtual Conference - VIRTUAL                        | 10/27/2022 - 10/27/2022 | Attended      |
|                     | - Edu - NACD Wake Up! Are You Prepared for Post-Pandemic Industry Disruption? - VIRTUAL                       | 01/25/2023 - 01/25/2023 | Attended      |
| <b>Keith Knox</b>   |   |                         |               |
| B                   | - Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                     | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |
| V                   | - Edu - What Makes an Effective Trustee - VIRTUAL   | 01/30/2023 - 01/30/2023 | Host Canceled |
| <b>Ronald Okum</b>  |   |                         |               |
| B                   | - Admin/Edu - Board of Retirement Offsite - Pasadena CA   | 02/22/2023 - 02/23/2023 | Attended      |

**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2022 - 2023**  
**APRIL 2023**

| Attendee               | Purpose of Travel - Location   | Event Dates             | Travel Status |
|------------------------|--|-------------------------|---------------|
| <b>William Pryor</b>   |  |                         |               |
| A                      | 1 Edu - NCPERS 2022 Public Safety Conference - Nashville TN  | 10/23/2022 - 10/26/2022 | Attended      |
| B                      | - Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA                                      | 08/21/2022 - 08/23/2022 | Attended      |
| <b>Les Robbins</b>     |  |                         |               |
| B                      | - Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
|                        | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| <b>David Ryu</b>       |  |                         |               |
| A                      | 1 Edu - 2023 Wharton Investment Strategies and Portfolio Management - Philadelphia PA                  | 04/17/2023 - 04/21/2023 | Attended      |
| B                      | - Edu - 2023 PPI Winter Roundtable - San Diego CA  | 03/01/2023 - 03/03/2023 | Attended      |
|                        | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA | 03/22/2023 - 03/23/2023 | Attended      |
|                        | - Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA  | 04/26/2023 - 04/27/2023 | Attended      |
| <b>Gina Sanchez</b>    |  |                         |               |
| A                      | 1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore                              | 10/16/2022 - 10/21/2022 | Attended      |
|                        | 2 Edu - CII 2023 Spring Conference - Washington, DC MD   | 03/06/2023 - 03/08/2023 | Attended      |
| B                      | - Edu - NCPERS 2022 Public Pension Funding Forum - Los Angeles CA                                      | 08/21/2022 - 08/23/2022 | Attended      |
|                        | - Edu - 2022 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas - Pasadena CA  | 09/06/2022 - 09/08/2022 | Attended      |
|                        | - Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                        | - Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
|                        | - Edu - 2022 Toigo Foundation Gala - Los Angeles CA  | 11/17/2022 - 11/17/2022 | Attended      |
|                        | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|                        | - Edu - 2023 Pension Bridge ESG Summit - Los Angeles CA  | 02/28/2023 - 03/01/2023 | Attended      |
|                        | - Edu - 2023 PPI Winter Roundtable - San Diego CA  | 03/01/2023 - 03/03/2023 | Attended      |
|                        | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA | 03/22/2023 - 03/23/2023 | Attended      |
|                        | - Edu - The 8th Annual ALTSLA - Los Angeles CA   | 03/27/2023 - 03/29/2023 | Attended      |
|                        | - Edu - 2023 AIF West Coast Investors' Forum - Los Angeles CA  | 04/26/2023 - 04/27/2023 | Attended      |
| V                      | - Edu - NACD Summit 2022 - VIRTUAL   | 10/08/2022 - 10/11/2022 | Attended      |
| <b>Antonio Sanchez</b> |  |                         |               |
| B                      | - Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| <b>Herman Santos</b>   |  |                         |               |
| A                      | 1 Edu - PPI 2022 Summer Roundtable - Canada, Vancouver   | 07/13/2022 - 07/15/2022 | Attended      |
|                        | 2 Edu - CII Fall 2022 Conference - Boston MA   | 09/21/2022 - 09/23/2022 | Attended      |
|                        | 3 Edu - 2022 AAAIM Elevate National Conference - New York NY   | 09/28/2022 - 09/30/2022 | Attended      |
|                        | 4 Edu - RFK Compass Winter Investors Conference - Miami FL   | 02/26/2023 - 02/28/2023 | Attended      |

**TRUSTEE TRAVEL AND EDUCATION REPORT**  
**FOR FISCAL YEAR 2022 - 2023**  
**APRIL 2023**

| Attendee             | Purpose of Travel - Location  | Event Dates             | Travel Status |
|----------------------|---|-------------------------|---------------|
| <b>Herman Santos</b> |   |                         |               |
| A                    | 5 Edu - 2023 Infrastructure Investor Global Summit - Berlin Germany       | 03/20/2023 - 03/23/2023 | Attended      |
|                      | 6 Edu - VC Latam Summit 2023 by ColCapital - Miami FL                     | 04/18/2023 - 04/20/2023 | Attended      |
| B                    | - Edu - 2022 Board of Investments Offsite - Long Beach CA                 | 09/13/2022 - 09/14/2022 | Attended      |
|                      | - Edu - 2022 Toigo Foundation Gala - Los Angeles CA                       | 11/17/2022 - 11/17/2022 | Attended      |
|                      | - Admin - Board of Retirement and Committee Meeting - Pasadena CA         | 02/01/2023 - 02/01/2023 | Attended      |
|                      | - Admin - Board of Investments & Committee Meetings - Pasadena CA         | 02/08/2023 - 02/08/2023 | Attended      |
|                      | - Admin/Edu - Board of Retirement Offsite - Pasadena CA                   | 02/22/2023 - 02/23/2023 | Attended      |
|                      | - Admin - Board of Investments & Committee Meetings - Pasadena CA         | 03/08/2023 - 03/08/2023 | Attended      |
|                      | - Admin - Board of Retirement and Committee Meeting - Pasadena CA         | 04/05/2023 - 04/05/2023 | Attended      |
|                      | - Admin - Board of Investments & Committee Meetings - Pasadena CA         | 04/12/2023 - 04/12/2023 | Attended      |
|                      | - Admin - Joint Organizational Governance Committee Meeting - Pasadena CA | 04/27/2023 - 04/27/2023 | Attended      |
| C                    | - Edu - NCPERS 2023 Legislative Conference - Washington, DC MD            | 01/22/2023 - 01/24/2023 | Attended      |
|                      | - Admin - Federal Engagement Visit with Congress - Washington, DC MD      | 01/24/2023 - 01/25/2023 | Attended      |
| X                    | - Edu - SACRS 2022 Fall Conference - Long Beach CA                        | 11/08/2022 - 11/11/2022 | Canceled      |

Category Legend:

A - Pre-Approved/Board Approved

B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$3,000 per Trustee Travel Policy; Section III.A

C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C.2 and Trustee Travel Policy Section IV.

V - Virtual Event

X - Canceled events for which expenses have been incurred.

Z - Trip was Canceled - Balance of \$0.00



**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**FOR INFORMATION ONLY**

May 24, 2023

TO: Trustees  
Board of Retirement  
Board of Investments

FROM: Ted Granger *TG*  
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: **3RD QUARTER TRUSTEE TRAVEL & EDUCATION EXPENDITURE  
REPORTS**

Attached for your review, is the (1) Trustee Travel & Education Expenditure Report which includes expenses paid and submitted for reimbursement of events between July 1, 2022 to March 31, 2023 and (2) The Trustee Cancellation & Credit Expenditures Report which includes credits and expenses associated with trip cancellations for Fiscal Years 2020-2021, 2021-2022, and 2022-2023.

REVIEWED AND APPROVED:

Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

Attachments

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Grabel  
S. Rice  
R. Van Nortrick

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                                   | Purpose of Travel -<br>Location - Travel Dates  | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare    | Ground<br>Transp. | Mileage | Porterage | Parking  | Meals  | Per Diem | Misc.    |
|---------------------------------------|---|------------------|------------------|--------------|------------|------------|-------------------|---------|-----------|----------|--------|----------|----------|
| <b>Alan Bernstein</b>                 |   |                  |                  |              |            |            |                   |         |           |          |        |          |          |
| A                                     | 1 Edu - CII Fall 2022 Conference - Boston<br>MA - 09/21/2022 - 09/23/2022   | Attended         | \$4,221.72       | \$0.00       | \$1,149.39 | \$2,697.20 | \$169.13          | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$128.00 | \$78.00  |
|                                       | 2 Edu - NCPERS 2022 Public Safety<br>Conference - Nashville TN - 10/23/2022 -<br>10/26/2022                             | Attended         | \$4,890.71       | \$750.00     | \$1,312.34 | \$1,515.20 | \$833.49          | \$0.00  | \$0.00    | \$180.68 | \$0.00 | \$236.00 | \$63.00  |
| B                                     | - Edu - SACRS 2022 Fall Conference -<br>Long Beach CA - 11/08/2022 - 11/11/2022   | Attended         | \$1,385.41       | \$120.00     | \$979.04   | \$0.00     | \$0.00            | \$65.63 | \$0.00    | \$62.74  | \$0.00 | \$138.00 | \$20.00  |
| V                                     | - Edu - NACD: The Theranos Implosion -<br>VIRTUAL - 09/28/2022 - 09/28/2022   | Attended         | \$30.00          | \$30.00      | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
|                                       | - Edu - NACD The Future of the American<br>Board - Virtual CA - 02/08/2023 -<br>02/08/2023                              | Attended         | \$30.00          | \$30.00      | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
| X                                     | - Edu - NCPERS 2023 Legislative<br>Conference - Washington, DC MD -<br>01/22/2023 - 01/24/2023                          | Canceled         | \$686.66         | \$686.66     | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
| <b>Totals for Alan Bernstein:</b>     |   |                  | \$11,244.50      | \$1,616.66   | \$3,440.77 | \$4,212.40 | \$1,002.62        | \$65.63 | \$0.00    | \$243.42 | \$0.00 | \$502.00 | \$161.00 |
| <b>Elizabeth Ginsberg</b>             |   |                  |                  |              |            |            |                   |         |           |          |        |          |          |
| B                                     | - Edu - CALAPRS Advanced Principles of<br>Pension Governance for Trustees - Los<br>Angeles CA - 03/29/2023 - 03/31/2023 | Attended         | \$3,250.00       | \$3,250.00   | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
| <b>Totals for Elizabeth Ginsberg:</b> |   |                  | \$3,250.00       | \$3,250.00   | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
| <b>Vivian Gray</b>                    |   |                  |                  |              |            |            |                   |         |           |          |        |          |          |
| A                                     | 1 Edu - CII Fall 2022 Conference - Boston<br>MA - 09/21/2022 - 09/23/2022   | Attended         | \$2,986.23       | \$0.00       | \$1,149.36 | \$1,597.20 | \$239.67          | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |
| B                                     | - Edu - NCPERS 2022 Public Pension<br>Funding Forum - Los Angeles CA -<br>08/21/2022 - 08/23/2022                       | Attended         | \$820.00         | \$820.00     | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00   |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                            | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare    | Ground<br>Transp. | Mileage  | Porterage | Parking  | Meals  | Per Diem | Misc.   |
|--------------------------------|--|------------------|------------------|--------------|------------|------------|-------------------|----------|-----------|----------|--------|----------|---------|
| <b>Vivian Gray</b>             |  |                  |                  |              |            |            |                   |          |           |          |        |          |         |
| B -                            | Admin - SACRS Board of Directors Meeting - Los Angeles CA - 08/22/2022 - 08/22/2022  | Attended         | \$656.08         | \$0.00       | \$656.08   | \$0.00     | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| -                              | Admin - SACRS Program Committee & Board of Directors Meeting - Santa Barbara CA - 09/26/2022 - 09/27/2022                      | Attended         | \$1,410.17       | \$179.00     | \$1,057.17 | \$0.00     | \$0.00            | \$0.00   | \$0.00    | \$108.00 | \$0.00 | \$51.00  | \$15.00 |
| -                              | Admin - SACRS Board of Directors Meeting - San Diego CA - 12/01/2022 - 12/01/2022  | Attended         | \$931.44         | \$0.00       | \$629.44   | \$0.00     | \$0.00            | \$154.00 | \$0.00    | \$0.00   | \$0.00 | \$138.00 | \$10.00 |
| -                              | Admin - SACRS Board of Directors Meeting - Sacramento CA - 01/09/2023 - 01/10/2023   | Attended         | \$851.96         | \$0.00       | \$0.00     | \$693.96   | \$84.00           | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$64.00  | \$10.00 |
| -                              | Admin - SACRS Program Committee Meeting - Sacramento CA - 03/20/2023 - 03/20/2023  | Attended         | \$1,256.43       | \$0.00       | \$462.46   | \$605.96   | \$126.01          | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$47.00  | \$15.00 |
| -                              | Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 | Attended         | \$618.91         | \$260.00     | \$275.17   | \$0.00     | \$0.00            | \$11.14  | \$0.00    | \$72.60  | \$0.00 | \$0.00   | \$0.00  |
| V -                            | Edu - 50/50 Women on Boards - VIRTUAL - 11/02/2022 - 11/02/2022  | Attended         | \$51.80          | \$51.80      | \$0.00     | \$0.00     | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| X -                            | Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022   | Canceled         | \$135.00         | \$135.00     | \$0.00     | \$0.00     | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| -                              | Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023   | Canceled         | \$216.11         | \$0.00       | \$216.11   | \$0.00     | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| <b>Totals for Vivian Gray:</b> |  |                  | \$9,934.13       | \$1,445.80   | \$4,445.79 | \$2,897.12 | \$449.68          | \$165.14 | \$0.00    | \$180.60 | \$0.00 | \$300.00 | \$50.00 |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                            | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare    | Ground<br>Transp. | Mileage  | Porterage | Parking | Meals   | Per Diem | Misc.    |
|--------------------------------|--|------------------|------------------|--------------|------------|------------|-------------------|----------|-----------|---------|---------|----------|----------|
| <b>David Green</b>             |  |                  |                  |              |            |            |                   |          |           |         |         |          |          |
| A                              | 1 Edu - PPI 2022 Summer Roundtable -<br>Canada, Vancouver - 07/13/2022 -<br>07/15/2022         | Attended         | \$3,548.56       | \$950.00     | \$1,094.09 | \$727.21   | \$354.26          | \$0.00   | \$0.00    | \$0.00  | \$0.00  | \$291.00 | \$132.00 |
|                                | 2 Edu - NCPERS 2023 Legislative<br>Conference - Washington, DC MD -<br>01/22/2023 - 01/24/2023 | Attended         | \$3,236.91       | \$515.00     | \$695.40   | \$1,629.20 | \$198.31          | \$0.00   | \$0.00    | \$0.00  | \$0.00  | \$184.00 | \$15.00  |
|                                | 3 Edu - RFK Compass Winter Investors<br>Conference - Miami FL - 02/26/2023 -<br>02/28/2023     | Attended         | \$4,801.35       | \$800.00     | \$1,399.92 | \$2,231.80 | \$226.63          | \$0.00   | \$0.00    | \$0.00  | \$0.00  | \$128.00 | \$15.00  |
| B                              | - Edu - SACRS 2022 Fall Conference -<br>Long Beach CA - 11/08/2022 - 11/11/2022                | Attended         | \$1,218.02       | \$120.00     | \$979.02   | \$0.00     | \$0.00            | \$57.00  | \$0.00    | \$0.00  | \$0.00  | \$52.00  | \$10.00  |
|                                | - Edu - 2023 PPI Winter Roundtable - San<br>Diego CA - 03/01/2023 - 03/03/2023                 | Attended         | \$2,253.21       | \$1,200.00   | \$808.98   | \$0.00     | \$0.00            | \$174.23 | \$0.00    | \$70.00 | \$0.00  | \$0.00   | \$0.00   |
| <b>Totals for David Green:</b> |  |                  | \$15,058.05      | \$3,585.00   | \$4,977.41 | \$4,588.21 | \$779.20          | \$231.23 | \$0.00    | \$70.00 | \$0.00  | \$655.00 | \$172.00 |
| <b>Jason Green</b>             |  |                  |                  |              |            |            |                   |          |           |         |         |          |          |
| C                              | - Edu - NCPERS 2023 Legislative<br>Conference - Washington, DC MD -<br>01/22/2023 - 01/24/2023 | Attended         | \$5,016.53       | \$686.66     | \$1,759.69 | \$1,948.90 | \$273.95          | \$52.79  | \$0.00    | \$94.50 | \$48.04 | \$132.00 | \$20.00  |
| <b>Totals for Jason Green:</b> |  |                  | \$5,016.53       | \$686.66     | \$1,759.69 | \$1,948.90 | \$273.95          | \$52.79  | \$0.00    | \$94.50 | \$48.04 | \$132.00 | \$20.00  |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                              | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare     | Ground<br>Transp. | Mileage | Porterage | Parking | Meals    | Per Diem | Misc.    |
|----------------------------------|--|------------------|------------------|--------------|------------|-------------|-------------------|---------|-----------|---------|----------|----------|----------|
| <b>Patrick Jones</b>             |  |                  |                  |              |            |             |                   |         |           |         |          |          |          |
| A                                | 1 Edu - Leading in Artificial Intelligence:<br>Exploring Technology and Policy -<br>Harvard Kennedy School - Cambridge<br>MA - 07/17/2022 - 07/22/2022 | Attended         | \$10,997.68      | \$9,400.00   | \$398.42   | \$765.35    | \$147.91          | \$0.00  | \$0.00    | \$0.00  | \$0.00   | \$256.00 | \$30.00  |
|                                  | 2 Edu - 2022 Infrastructure Investor<br>America Forum - New York NY -<br>12/06/2022 - 12/07/2022   | Attended         | \$4,183.20       | \$0.00       | \$1,026.00 | \$3,007.20  | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$150.00 | \$0.00   | \$0.00   |
|                                  | 3 Edu - 2023 Infrastructure Investor Global<br>Summit - Berlin Germany - 03/20/2023 -<br>03/23/2023  | Attended         | \$19,460.24      | \$5,869.08   | \$1,211.53 | \$11,663.35 | \$346.28          | \$0.00  | \$0.00    | \$0.00  | \$0.00   | \$255.00 | \$115.00 |
| B                                | - Edu - SACRS 2022 Fall Conference -<br>Long Beach CA - 11/08/2022 - 11/11/2022  | Attended         | \$988.01         | \$120.00     | \$868.01   | \$0.00      | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00   | \$0.00   | \$0.00   |
|                                  | - Edu - 2023 Pension Bridge ESG Summit<br>- Los Angeles CA - 02/28/2023 -<br>03/01/2023  | Attended         | \$190.51         | \$190.51     | \$0.00     | \$0.00      | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00   | \$0.00   | \$0.00   |
| <b>Totals for Patrick Jones:</b> |  |                  | \$35,819.64      | \$15,579.59  | \$3,503.96 | \$15,435.90 | \$494.19          | \$0.00  | \$0.00    | \$0.00  | \$150.00 | \$511.00 | \$145.00 |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                            | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare     | Ground<br>Transp. | Mileage | Porterage | Parking | Meals  | Per Diem | Misc.   |
|--------------------------------|--|------------------|------------------|--------------|------------|-------------|-------------------|---------|-----------|---------|--------|----------|---------|
| <b>Onyx Jones</b>              |  |                  |                  |              |            |             |                   |         |           |         |        |          |         |
| A                              | 1 Edu - SACRS Public Pension Investment Management Program - San Francisco CA - 07/17/2022 - 07/20/2022                          | Attended         | \$4,556.29       | \$2,500.00   | \$1,536.96 | \$392.96    | \$40.37           | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$86.00  | \$0.00  |
|                                | 2 Edu - 2022 CALAPRS Principles of Pension Governance for Trustees - Tiburon CA - 08/29/2022 - 09/01/2022                        | Attended         | \$746.36         | \$0.00       | \$0.00     | \$392.96    | \$353.40          | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00  |
|                                | 3 Edu - 2022 SuperReturn Summit Africa - Cape Town, South Africa - 12/05/2022 - 12/07/2022                                       | Attended         | \$13,996.79      | \$131.63     | \$1,367.95 | \$12,307.17 | \$70.04           | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$120.00 | \$0.00  |
| B                              | - Edu - Women in Institutional Investments Network - Los Angeles CA - 10/12/2022 - 10/12/2022                                    | Attended         | \$85.00          | \$85.00      | \$0.00     | \$0.00      | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00  |
|                                | - Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 | Attended         | \$306.53         | \$260.00     | \$0.00     | \$0.00      | \$0.00            | \$11.53 | \$0.00    | \$35.00 | \$0.00 | \$0.00   | \$0.00  |
| <b>Totals for Onyx Jones:</b>  |  |                  | \$19,690.97      | \$2,976.63   | \$2,904.91 | \$13,093.09 | \$463.81          | \$11.53 | \$0.00    | \$35.00 | \$0.00 | \$206.00 | \$0.00  |
| <b>Shawn Kehoe</b>             |  |                  |                  |              |            |             |                   |         |           |         |        |          |         |
| B                              | - Admin/Edu - Board of Retirement Offsite - Pasadena CA - 02/22/2023 - 02/23/2023  | Attended         | \$83.00          | \$0.00       | \$0.00     | \$0.00      | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$68.00  | \$15.00 |
| <b>Totals for Shawn Kehoe:</b> |  |                  | \$83.00          | \$0.00       | \$0.00     | \$0.00      | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$68.00  | \$15.00 |
| <b>Joseph Kelly</b>            |  |                  |                  |              |            |             |                   |         |           |         |        |          |         |
| A                              | 1 Edu - PPI Executive Seminar and the Asia Pacific Roundtable - Singapore - 10/16/2022 - 10/21/2022                              | Attended         | \$6,574.63       | \$950.00     | \$1,921.73 | \$3,529.48  | \$18.42           | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$155.00 | \$0.00  |
|                                | 2 Edu - CII-NYU Corporate Governance Bootcamp - New York NY - 11/16/2022 - 11/18/2022  | Attended         | \$7,483.52       | \$5,035.00   | \$1,443.24 | \$565.20    | \$204.08          | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$236.00 | \$0.00  |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                             | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare    | Ground<br>Transp. | Mileage | Porterage | Parking | Meals  | Per Diem | Misc.  |
|---------------------------------|--|------------------|------------------|--------------|------------|------------|-------------------|---------|-----------|---------|--------|----------|--------|
| <b>Joseph Kelly</b>             |  |                  |                  |              |            |            |                   |         |           |         |        |          |        |
| B                               | - Edu - 2022 Pension Bridge Alternatives -<br>Los Angeles CA - 11/30/2022 -<br>12/01/2022  | Attended         | \$190.51         | \$190.51     | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Admin - Board of Investments &<br>Committee Meetings - Pasadena CA -<br>01/11/2023 - 01/11/2023  | Attended         | \$16.51          | \$0.00       | \$0.00     | \$0.00     | \$0.00            | \$16.51 | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Admin/Edu - Board of Retirement Offsite -<br>Pasadena CA - 02/22/2023 - 02/23/2023   | Attended         | \$15.98          | \$0.00       | \$0.00     | \$0.00     | \$0.00            | \$15.98 | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Admin - Board of Investments &<br>Committee Meetings - Pasadena CA -<br>03/08/2023 - 03/08/2023  | Attended         | \$16.51          | \$0.00       | \$0.00     | \$0.00     | \$0.00            | \$16.51 | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
| V                               | - Edu - NACD Conflict, Climate, Cyber:<br>What's Next? - VIRTUAL - 08/23/2022 -<br>08/23/2022  | Attended         | \$140.00         | \$140.00     | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Edu - NACD Risk Mitigation Through<br>Board Quality and Compliance<br>Committees: Lessons from Theranos -<br>VIRTUAL - 09/28/2022 - 09/28/2022 | Attended         | \$30.00          | \$30.00      | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Edu - Institute of Internal Auditors 2022<br>Cybersecurity Virtual Conference -<br>VIRTUAL - 10/27/2022 - 10/27/2022                           | Attended         | \$539.00         | \$539.00     | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
|                                 | - Edu - NACD Wake Up! Are You Prepared<br>for Post-Pandemic Industry Disruption? -<br>VIRTUAL - 01/25/2023 - 01/25/2023                          | Attended         | \$30.00          | \$30.00      | \$0.00     | \$0.00     | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |
| <b>Totals for Joseph Kelly:</b> |  |                  | \$15,036.66      | \$6,914.51   | \$3,364.97 | \$4,094.68 | \$222.50          | \$49.00 | \$0.00    | \$0.00  | \$0.00 | \$391.00 | \$0.00 |
| <b>William Pryor</b>            |  |                  |                  |              |            |            |                   |         |           |         |        |          |        |
| A                               | 1 Edu - NCPERS 2022 Public Safety<br>Conference - Nashville TN - 10/23/2022 -<br>10/26/2022  | Attended         | \$1,189.96       | \$0.00       | \$0.00     | \$1,189.96 | \$0.00            | \$0.00  | \$0.00    | \$0.00  | \$0.00 | \$0.00   | \$0.00 |



**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                              | Purpose of Travel -<br>Location - Travel Dates  | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare     | Ground<br>Transp. | Mileage  | Porterage | Parking  | Meals  | Per Diem | Misc.   |
|----------------------------------|---|------------------|------------------|--------------|------------|-------------|-------------------|----------|-----------|----------|--------|----------|---------|
| <b>William Pryor</b>             |   |                  |                  |              |            |             |                   |          |           |          |        |          |         |
| B -                              | Edu - NCPERS 2022 Public Pension<br>Funding Forum - Los Angeles CA -<br>08/21/2022 - 08/23/2022   | Attended         | \$288.84         | \$0.00       | \$288.84   | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| <b>Totals for William Pryor:</b> |   |                  | \$1,478.80       | \$0.00       | \$288.84   | \$1,189.96  | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| <b>Les Robbins</b>               |   |                  |                  |              |            |             |                   |          |           |          |        |          |         |
| B -                              | Edu - SACRS 2022 Fall Conference -<br>Long Beach CA - 11/08/2022 - 11/11/2022   | Attended         | \$120.00         | \$120.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| <b>Totals for Les Robbins:</b>   |   |                  | \$120.00         | \$120.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |
| <b>David Ryu</b>                 |   |                  |                  |              |            |             |                   |          |           |          |        |          |         |
| B -                              | Edu - 2023 PPI Winter Roundtable - San<br>Diego CA - 03/01/2023 - 03/03/2023  | Attended         | \$2,344.35       | \$1,200.00   | \$724.49   | \$0.00      | \$23.35           | \$158.51 | \$0.00    | \$135.00 | \$0.00 | \$88.00  | \$15.00 |
| -                                | Edu - 2023 NASP Southern California<br>"Day of Education in Private Equity<br>Conference" - Los Angeles CA -<br>03/22/2023 - 03/23/2023 | Attended         | \$78.93          | \$50.00      | \$0.00     | \$0.00      | \$0.00            | \$3.93   | \$0.00    | \$25.00  | \$0.00 | \$0.00   | \$0.00  |
| <b>Totals for David Ryu:</b>     |   |                  | \$2,423.28       | \$1,250.00   | \$724.49   | \$0.00      | \$23.35           | \$162.44 | \$0.00    | \$160.00 | \$0.00 | \$88.00  | \$15.00 |
| <b>Gina Sanchez</b>              |   |                  |                  |              |            |             |                   |          |           |          |        |          |         |
| A                                | 1 Edu - PPI Executive Seminar and the<br>Asia Pacific Roundtable - Singapore -<br>10/16/2022 - 10/21/2022                               | Attended         | \$18,075.99      | \$950.00     | \$1,641.82 | \$15,232.17 | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$174.00 | \$78.00 |
|                                  | 2 Edu - CII 2023 Spring Conference -<br>Washington, DC MD - 03/06/2023 -<br>03/08/2023  | Attended         | \$3,329.18       | \$0.00       | \$1,364.53 | \$1,475.20  | \$315.31          | \$11.14  | \$0.00    | \$0.00   | \$0.00 | \$148.00 | \$15.00 |
| B -                              | Edu - NCPERS 2022 Public Pension<br>Funding Forum - Los Angeles CA -<br>08/21/2022 - 08/23/2022   | Attended         | \$820.00         | \$820.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00 | \$0.00   | \$0.00  |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                             | Purpose of Travel -<br>Location - Travel Dates   | Travel<br>Status | Total<br>Expense | Registration | Lodging    | Airfare     | Ground<br>Transp. | Mileage  | Porterage | Parking  | Meals   | Per Diem | Misc.    |
|---------------------------------|--|------------------|------------------|--------------|------------|-------------|-------------------|----------|-----------|----------|---------|----------|----------|
| <b>Gina Sanchez</b>             |  |                  |                  |              |            |             |                   |          |           |          |         |          |          |
| B -                             | Edu - 2022 Fall Editorial Advisory Board Meeting – Institutional Real Estate Americas - Pasadena CA - 09/06/2022 - 09/08/2022  | Attended         | \$350.00         | \$350.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00  | \$0.00   | \$0.00   |
| -                               | Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022   | Attended         | \$165.38         | \$120.00     | \$0.00     | \$0.00      | \$0.00            | \$45.38  | \$0.00    | \$0.00   | \$0.00  | \$0.00   | \$0.00   |
| -                               | Edu - 2022 Toigo Foundation Gala - Los Angeles CA - 11/17/2022 - 11/17/2022  | Attended         | \$150.00         | \$150.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00  | \$0.00   | \$0.00   |
| -                               | Edu - 2023 PPI Winter Roundtable - San Diego CA - 03/01/2023 - 03/03/2023  | Attended         | \$1,926.22       | \$1,200.00   | \$516.16   | \$0.00      | \$0.00            | \$165.06 | \$0.00    | \$45.00  | \$0.00  | \$0.00   | \$0.00   |
| -                               | Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 | Attended         | \$320.00         | \$175.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$60.00  | \$85.00 | \$0.00   | \$0.00   |
| -                               | Edu - The 8th Annual ALTSLA - Los Angeles CA - 03/27/2023 - 03/29/2023   | Attended         | \$469.20         | \$412.00     | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$57.20  | \$0.00  | \$0.00   | \$0.00   |
| V -                             | Edu - NACD Summit 2022 - VIRTUAL - 10/08/2022 - 10/11/2022   | Attended         | \$2,555.00       | \$2,555.00   | \$0.00     | \$0.00      | \$0.00            | \$0.00   | \$0.00    | \$0.00   | \$0.00  | \$0.00   | \$0.00   |
| <b>Totals for Gina Sanchez:</b> |  |                  | \$28,160.97      | \$6,732.00   | \$3,522.51 | \$16,707.37 | \$315.31          | \$221.58 | \$0.00    | \$162.20 | \$85.00 | \$322.00 | \$93.00  |
| <b>Herman Santos</b>            |  |                  |                  |              |            |             |                   |          |           |          |         |          |          |
| A 1                             | Edu - PPI 2022 Summer Roundtable - Canada, Vancouver - 07/13/2022 - 07/15/2022   | Attended         | \$3,333.80       | \$950.00     | \$1,053.99 | \$393.35    | \$92.40           | \$120.88 | \$0.00    | \$107.93 | \$0.00  | \$440.00 | \$175.25 |
| 2                               | Edu - CII Fall 2022 Conference - Boston MA - 09/21/2022 - 09/23/2022   | Attended         | \$4,199.76       | \$0.00       | \$1,614.03 | \$2,026.80  | \$60.55           | \$121.13 | \$0.00    | \$114.25 | \$0.00  | \$238.00 | \$25.00  |
| 3                               | Edu - 2022 AAAM Elevate National Conference - New York NY - 09/28/2022 - 09/30/2022  | Attended         | \$3,429.25       | \$500.00     | \$2,278.62 | \$0.00      | \$161.38          | \$0.00   | \$0.00    | \$114.25 | \$0.00  | \$350.00 | \$25.00  |

**3RD QUARTER TRUSTEE  
TRAVEL AND EDUCATION EXPENDITURE REPORT  
FOR FISCAL YEAR 2023  
FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Cat                       | Purpose of Travel -<br>Location - Travel Dates  | Travel<br>Status | Total<br>Expense | Registration | Lodging     | Airfare     | Ground<br>Transp. | Mileage    | Porterage  | Parking  | Meals      | Per Diem   | Misc.      |            |
|---------------------------|---|------------------|------------------|--------------|-------------|-------------|-------------------|------------|------------|----------|------------|------------|------------|------------|
| Herman Santos             |   |                  |                  |              |             |             |                   |            |            |          |            |            |            |            |
| A                         | 4 Edu - RFK Compass Winter Investors<br>Conference - Miami FL - 02/26/2023 -<br>02/28/2023          | Attended         | \$5,900.00       | \$800.00     | \$2,629.80  | \$1,993.20  | \$139.52          | \$64.98    | \$0.00     | \$94.50  | \$0.00     | \$128.00   | \$50.00    |            |
|                           | 5 Edu - 2023 Infrastructure Investor Global<br>Summit - Berlin Germany - 03/20/2023 -<br>03/23/2023 | Attended         | \$12,574.41      | \$5,869.08   | \$1,812.91  | \$4,014.08  | \$212.26          | \$127.46   | \$0.00     | \$88.08  | \$0.00     | \$253.00   | \$197.54   |            |
| B                         | - Edu - 2022 Toigo Foundation Gala - Los<br>Angeles CA - 11/17/2022 - 11/17/2022                    | Attended         | \$150.00         | \$150.00     | \$0.00      | \$0.00      | \$0.00            | \$0.00     | \$0.00     | \$0.00   | \$0.00     | \$0.00     | \$0.00     |            |
|                           | - Admin - Board of Retirement and<br>Committee Meeting - Pasadena CA -<br>02/01/2023 - 02/01/2023   | Attended         | \$267.03         | \$0.00       | \$138.23    | \$0.00      | \$0.00            | \$104.80   | \$0.00     | \$24.00  | \$0.00     | \$0.00     | \$0.00     |            |
|                           | - Admin - Board of Investments &<br>Committee Meetings - Pasadena CA -<br>02/08/2023 - 02/08/2023   | Attended         | \$268.03         | \$0.00       | \$138.23    | \$0.00      | \$0.00            | \$104.80   | \$0.00     | \$25.00  | \$0.00     | \$0.00     | \$0.00     |            |
|                           | - Admin - Board of Investments &<br>Committee Meetings - Pasadena CA -<br>03/08/2023 - 03/08/2023   | Attended         | \$163.23         | \$0.00       | \$138.23    | \$0.00      | \$0.00            | \$0.00     | \$0.00     | \$25.00  | \$0.00     | \$0.00     | \$0.00     |            |
| C                         | - Edu - NCPERS 2023 Legislative<br>Conference - Washington, DC MD -<br>01/22/2023 - 01/24/2023      | Attended         | \$3,832.64       | \$686.68     | \$1,096.54  | \$1,326.20  | \$198.22          | \$58.56    | \$0.00     | \$113.40 | \$48.04    | \$280.00   | \$25.00    |            |
| X                         | - Edu - SACRS 2022 Fall Conference -<br>Long Beach CA - 11/08/2022 - 11/11/2022                     | Canceled         | \$120.00         | \$120.00     | \$0.00      | \$0.00      | \$0.00            | \$0.00     | \$0.00     | \$0.00   | \$0.00     | \$0.00     | \$0.00     |            |
| Totals for Herman Santos: |   |                  | \$34,238.15      | \$9,075.76   | \$10,900.58 | \$9,753.63  | \$864.33          | \$702.61   | \$0.00     | \$706.41 | \$48.04    | \$1,689.00 | \$497.79   |            |
| Cnt: 22                   |   |                  | Grand Totals:    | \$181,554.68 | \$53,232.61 | \$39,833.92 | \$73,921.26       | \$4,888.94 | \$1,661.95 | \$0.00   | \$1,652.13 | \$331.08   | \$4,864.00 | \$1,168.79 |

Category Legend:

- A - Pre-Approved/Board Approved
- B - Educational Conferences and Administrative Meetings in CA where total cost is no more than \$3,000 per Trustee Travel Policy; Section III.A
- C - Second of two conferences and/or meetings counted as one conference per Trustee Education Policy Section IV.C2 and Trustee Travel Policy Section IV.
- V – Virtual Event
- X - Canceled events for which expenses have been incurred.
- Z - Trip was Canceled - Balance of \$0.00

**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES**  
**REPORT FOR FISCAL YEAR 2021**  
**FOR TRAVEL DURING JULY 2020 - JUNE 2021**

| Purpose of Travel - Location - Date - Travel Status  | Category | Total Expense | Registration (Reg.) | Lodging | Airfare | Other Misc. Travel Exp. | Chair Pardon | Reg. Credit | Reg. Credit Expiration Date | Airfare Credit | Airfare Credit Expiration Date | Refund Pending |
|--|----------|---------------|---------------------|---------|---------|-------------------------|--------------|-------------|-----------------------------|----------------|--------------------------------|----------------|
| <b>Alan Bernstein</b>  |          |               |                     |         |         |                         |              |             |                             |                |                                |                |
| Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled | Z        | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>  |          | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Vivian Gray</b>   |          |               |                     |         |         |                         |              |             |                             |                |                                |                |
| Edu - CII & NYU Corporate Governance Bootcamp - VIRTUAL -9/23/2020 - 9/25/2020 - Canceled                    | Z        | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>  |          | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Shawn Kehoe</b>   |          |               |                     |         |         |                         |              |             |                             |                |                                |                |
| Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled | Z        | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>  |          | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Les Robbins</b>   |          |               |                     |         |         |                         |              |             |                             |                |                                |                |
| Edu - IFEBP 66th Annual Employee Benefits Conference - Honolulu HI - 11/15/2020 - 11/18/2020 - Host Canceled | X        | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$2,125.00  | 12/31/2023                  | \$0.00         |                                | \$0.00         |
| Edu- 2020 SACRS Fall Virtual Conference -VIRTUAL - 11/10/2020 - 11/13/2020 - Canceled                        | Z        | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>  |          | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$2,125.00  |                             | \$0.00         |                                | \$0.00         |
| <b>Grand Totals:</b>   |          | \$0.00        | \$0.00              | \$0.00  | \$0.00  | \$0.00                  |              | \$2,125.00  |                             | \$0.00         |                                | \$0.00         |

Category Legend:

X - Canceled events for which expenses have been incurred.  
Z - Trip was Canceled - Balance of \$0.00

**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT**  
**FOR FISCAL YEAR 2022**  
**FOR EVENTS DURING JULY 2021 - JUNE 2022**

| Purpose of Travel - Location - Date - Travel Status   | Category | Total Expense | Registration (Reg.) | Lodging    | Airfare  | Other Misc. Travel Exp. | Chair Pardon | Reg. Credit | Reg. Credit Expiration Date | Airfare Credit | Airfare Credit Expiration Date | Refund Pending |
|---|----------|---------------|---------------------|------------|----------|-------------------------|--------------|-------------|-----------------------------|----------------|--------------------------------|----------------|
| <b>Alan Bernstein</b>   |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - SuperReturn International Berlin - Berlin, Germany - 11/09/2021 - 11/12/2021 - Canceled   | X        | \$375.02      | \$375.02            | \$0.00     | \$0.00   | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$375.02      | \$375.02            | \$0.00     | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>David Green</b>  |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled   | X        | \$387.13      | \$0.00              | \$0.00     | \$387.13 | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$387.13      | \$0.00              | \$0.00     | \$387.13 | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Patrick Jones</b>  |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - Duke University Executive Education Program - Corporate Social Responsibility - Durham NC - 09/23/2021 - 09/25/2021 - Host Canceled | X        | \$0.00        | \$0.00              | \$0.00     | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$616.80       | 12/31/2023                     | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$0.00        | \$0.00              | \$0.00     | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$616.80       |                                | \$0.00         |
| <b>Shawn Kehoe</b>  |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - 2021 Milken Institute Global Conference - Los Angeles CA - 10/17/2021 - 10/20/2021 - Canceled                                       | X        | \$23.96       | \$0.00              | \$23.96    | \$0.00   | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| Edu - SACRS Fall Conference - Los Angeles CA - 11/09/2021 - 11/12/2021 - Canceled   | X        | \$120.00      | \$120.00            | \$0.00     | \$0.00   | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$143.96      | \$120.00            | \$23.96    | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Joseph Kelly</b>   |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled  | Z        | \$0.00        | \$0.00              | \$0.00     | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$0.00        | \$0.00              | \$0.00     | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Keith Knox</b>   |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - 2022 Milken Institute Global Conference - Los Angeles CA - 05/01/2022 - 05/04/2022 - Canceled                                       | X        | \$1,646.94    | \$0.00              | \$1,646.94 | \$0.00   | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$1,646.94    | \$0.00              | \$1,646.94 | \$0.00   | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$0.00         |
| <b>Les Robbins</b>  |          |               |                     |            |          |                         |              |             |                             |                |                                |                |
| Edu - AHIP Health Conference - Las Vegas NV - 06/21/2022 - 06/23/2022 - Canceled  | X        | \$519.28      | \$0.00              | \$519.28   | \$0.00   | \$0.00                  |              | \$400.00    | 6/30/2023                   | \$97.96        | 12/31/2040                     | \$0.00         |
| <b>Attendee Totals:</b>   |          | \$519.28      | \$0.00              | \$519.28   | \$0.00   | \$0.00                  |              | \$400.00    |                             | \$97.96        |                                | \$0.00         |

| Purpose of Travel - Location - Date - Travel Status   | Category | Total Expense | Registration<br>(Reg.) | Lodging    | Airfare  | Other Misc.<br>Travel Exp. | Chair<br>Pardon | Reg.<br>Credit | Reg. Credit<br>Expiration<br>Date | Airfare<br>Credit | Airfare Credit<br>Expiration<br>Date | Refund<br>Pending |
|---|----------|---------------|------------------------|------------|----------|----------------------------|-----------------|----------------|-----------------------------------|-------------------|--------------------------------------|-------------------|
| <b>Gina Sanchez</b>   |          |               |                        |            |          |                            |                 |                |                                   |                   |                                      |                   |
| Edu - 2021 CII Fall Conference - Chicago IL - 09/22/2021 - 09/24/2021 - Host Canceled   | X        | \$282.80      | \$0.00                 | \$0.00     | \$282.80 | \$0.00                     |                 | \$0.00         |                                   | \$0.00            |                                      | \$0.00            |
| <b>Attendee Totals:</b>   |          | \$282.80      | \$0.00                 | \$0.00     | \$282.80 | \$0.00                     |                 | \$0.00         |                                   | \$0.00            |                                      | \$0.00            |
| <b>Herman Santos</b>  |          |               |                        |            |          |                            |                 |                |                                   |                   |                                      |                   |
| Edu - Global Investors Annual Meeting - New York NY - 12/13/2021 - 12/14/2021 - Canceled  | X        | \$4.99        | \$4.99                 | \$0.00     | \$0.00   | \$0.00                     |                 | \$0.00         |                                   | \$0.00            |                                      | \$0.00            |
| Edu - NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/23/2022 - 03/24/2022 - Cancelled | Z        | \$0.00        | \$0.00                 | \$0.00     | \$0.00   | \$0.00                     |                 | \$0.00         |                                   | \$0.00            |                                      | \$0.00            |
| <b>Attendee Totals:</b>   |          | \$4.99        | \$4.99                 | \$0.00     | \$0.00   | \$0.00                     |                 | \$0.00         |                                   | \$0.00            |                                      | \$0.00            |
| <b>Grand Totals:</b>  |          | \$3,360.12    | \$500.01               | \$2,190.18 | \$669.93 | \$0.00                     |                 | \$400.00       |                                   | \$714.76          |                                      | \$0.00            |

Category Legend:

X - Canceled events for which expenses have been incurred.  
Z - Trip was Canceled - Balance of \$0.00

**TRUSTEE CANCELLATION AND CREDIT EXPENDITURES REPORT**  
**FOR FISCAL YEAR 2023**  
**FOR EVENTS DURING JULY 2022 - MARCH 2023**

| Purpose of Travel - Location - Date - Travel Status   | Category | Total Expense | Registration (Reg.) | Lodging  | Airfare | Other Misc. Travel Exp. | Chair Pardon | Reg. Credit | Reg. Credit Expiration Date | Airfare Credit | Airfare Credit Expiration Date | Refund Pending |
|---|----------|---------------|---------------------|----------|---------|-------------------------|--------------|-------------|-----------------------------|----------------|--------------------------------|----------------|
| <b>Alan Bernstein</b>   |          |               |                     |          |         |                         |              |             |                             |                |                                |                |
| Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023 - Canceled   | X        | \$686.66      | \$686.66            | \$0.00   | \$0.00  | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                |                |
| <b>Attendee Totals:</b>   |          | \$686.66      | \$686.66            | \$0.00   | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                |                |
| <b>Vivian Gray</b>  |          |               |                     |          |         |                         |              |             |                             |                |                                |                |
| Edu - TLF Annual Convening 2022 - Cambridge MA - 07/18/2022 - 07/20/2022 - Canceled   | Z        | \$0.00        | \$0.00              | \$0.00   | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                |                |
| Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022 - Canceled   | X        | \$135.00      | \$135.00            | \$0.00   | \$0.00  | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                |                |
| Edu - NCPERS 2023 Legislative Conference - Washington, DC MD - 01/22/2023 - 01/24/2023 - Canceled   | X        | \$216.11      | \$0.00              | \$216.11 | \$0.00  | \$0.00                  | Yes          | \$0.00      |                             | \$1,629.20     | 01/07/2024                     | \$216.11       |
| <b>Attendee Totals:</b>   |          | \$351.11      | \$135.00            | \$216.11 | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$1,629.20     | 01/07/2024                     | \$216.11       |
| <b>Patrick Jones</b>  |          |               |                     |          |         |                         |              |             |                             |                |                                |                |
| Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA - 03/22/2023 - 03/23/2023 - Canceled | X        | \$260.00      | \$260.00            | \$0.00   | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$260.00       |
| <b>Attendee Totals:</b>   |          | \$260.00      | \$260.00            | \$0.00   | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                | \$260.00       |
| <b>Herman Santos</b>  |          |               |                     |          |         |                         |              |             |                             |                |                                |                |
| Edu - SACRS 2022 Fall Conference - Long Beach CA - 11/08/2022 - 11/11/2022 - Canceled   | X        | \$120.00      | \$120.00            | \$0.00   | \$0.00  | \$0.00                  | Yes          | \$0.00      |                             | \$0.00         |                                |                |
| <b>Attendee Totals:</b>   |          | \$120.00      | \$120.00            | \$0.00   | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$0.00         |                                |                |
| <b>Grand Totals:</b>  |          | \$1,417.77    | \$1,201.66          | \$216.11 | \$0.00  | \$0.00                  |              | \$0.00      |                             | \$1,629.20     |                                | \$476.11       |




Category Legend:

- X - Canceled events for which expenses have been incurred.
- Z - Trip was Canceled - Balance of \$0.00

**FOR INFORMATION ONLY**

May 24, 2023

TO: Trustees  
Board of Retirement  
Board of Investments

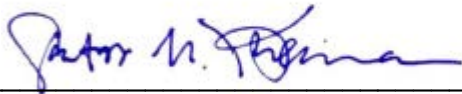
FROM: Ted Granger   
Interim Chief Financial Officer

FOR: June 7, 2023 Board of Retirement Meeting  
June 14, 2023 Board of Investments Meeting

SUBJECT: **3RD QUARTER STAFF TRAVEL REPORT**

Attached for your information for trips between July 1, 2022 to March 31, 2023  
(1) Staff Travel Report and (2) FPPC Form 801 Travel and Other Payments Paid  
by Third Parties.

REVIEWED AND APPROVED:



---

Santos H. Kreimann  
Chief Executive Officer

TG/EW/SC/se

**Attachments**

c: L. Lugo  
J. Popowich  
L. Guglielmo  
J. Grabel  
S. Rice  
R. Van Nortrick

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee                              |   | Purpose of Travel - Location  | Event Dates             | Travel Status |
|---------------------------------------|---|---|-------------------------|---------------|
| <b>Administrative Services</b>        |   |   |                         |               |
| Debra Gonzalez                        | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| Martin Sandoval                       | 1 | Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA             | 07/25/2022 - 07/27/2022 | Attended      |
| Elizabeth Smith                       | 1 | Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA             | 07/25/2022 - 07/27/2022 | Attended      |
| <b>Benefits</b>                       |   |   |                         |               |
| Sylvia Botros                         | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA                                      | 11/08/2022 - 11/11/2022 | Attended      |
| Angel Calvo                           | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA                                      | 11/08/2022 - 11/11/2022 | Attended      |
| Alisa Gavaller                        | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| Louis Gittens                         | 1 | Edu - Los Angeles Digital Government Summit 2022 - Los Angeles CA                     | 10/24/2022 - 10/24/2022 | Attended      |
|                                       | 2 | Admin - CEM 2022 Conference - Phoenix AZ  | 11/07/2022 - 11/10/2022 | Attended      |
| Dmitriy Khaytovich                    | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA                                      | 11/08/2022 - 11/11/2022 | Attended      |
| Alejandro Ochoa                       | 1 | Edu - 2022 CALAPRS Intermediate Course in Retirement Plan Administration - Oakland CA | 11/02/2022 - 11/04/2022 | Attended      |
|                                       | 2 | Edu - 2022 CALAPRS Advanced Course in Retirement Plan Administration - Oakland CA     | 12/07/2022 - 12/09/2022 | Attended      |
| Latonya Robinson                      | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| <b>Disability Retirement Services</b> |   |   |                         |               |
| Tamara Caldwell                       | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA                                      | 11/08/2022 - 11/11/2022 | Attended      |
| Ruby Minjares                         | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| Sarah Robles                          | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| Ricardo Salinas                       | 1 | Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA             | 07/25/2022 - 07/27/2022 | Attended      |
| Melena Sarkisian                      | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |
| Maria Silva                           | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA          | 09/01/2022 - 09/01/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee                                   |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|--|---|--|-------------------------|---------------|
| <b>Executive Offices</b>                   |   |  |                         |               |
| Linda Ghazarian                            | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
| Santos Kreimann                            | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                                   | 09/01/2022 - 09/01/2022 | Attended      |
|  | 2 | Edu - CALAPRS Administrators' Institute 2022 - Long Beach CA   | 09/28/2022 - 09/30/2022 | Attended      |
|  | 3 | Admin - CVS Due Diligence Site Visit - Chicago IL  | 09/28/2022 - 09/30/2022 | Attended      |
|  | 4 | Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV  | 10/23/2022 - 10/26/2022 | Attended      |
|  | 5 | Edu - NCPERS 2023 Legislative Conference - Washington, DC MD   | 01/22/2023 - 01/24/2023 | Canceled      |
|  | 6 | Admin - Federal Engagement Visit with Congress - Washington, DC MD   | 01/24/2023 - 01/25/2023 | Canceled      |
|  | 7 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|  | 8 | Admin - CVS Health Forum - Aurora CO   | 03/29/2023 - 03/31/2023 | Canceled      |
| Luis Lugo                                  | 1 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| Bonnie Nolley                              | 1 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| John Popowich                              | 1 | Edu - Los Angeles Digital Government Summit 2022 - Los Angeles CA  | 10/24/2022 - 10/24/2022 | Attended      |
|  | 2 | Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
|  | 3 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| <b>Financial &amp; Accounting Services</b> |   |  |                         |               |
| Ana Chang                                  | 1 | Edu - 2022 P2F2 Conference - Philadelphia PA   | 10/23/2022 - 10/26/2022 | Attended      |
| Margaret Chwa                              | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                                   | 09/01/2022 - 09/01/2022 | Attended      |
|  | 2 | Edu - 2022 P2F2 Conference - Philadelphia PA   | 10/23/2022 - 10/26/2022 | Attended      |
| Weiyl Guan                                 | 1 | Edu - 2022 P2F2 Conference - Philadelphia PA   | 10/23/2022 - 10/26/2022 | Canceled      |
| Giselle Jaimes                             | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                                   | 09/01/2022 - 09/01/2022 | Attended      |
| Ervin Wu                                   | 1 | Edu - 2022 P2F2 Conference - Philadelphia PA   | 10/23/2022 - 10/26/2022 | Attended      |
| <b>Human Resources</b>                     |   |  |                         |               |
| Michael Cordial                            | 1 | Edu - CALPELRA's 47th Annual Training Conference - Monterey CA   | 11/15/2022 - 11/18/2022 | Attended      |
| Julia Ray                                  | 1 | Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA | 08/09/2022 - 08/10/2022 | Canceled      |
|  | 2 | Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA | 10/11/2022 - 10/12/2022 | Attended      |
| Melissa Slaton                             | 1 | Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA | 08/09/2022 - 08/10/2022 | Canceled      |
|  | 2 | Edu - Disability Management Compliance Framework Certification Training at LA County Pubic Works - Alhambra CA | 10/11/2022 - 10/12/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee              |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|-----------------------|---|--|-------------------------|---------------|
| <b>Internal Audit</b> |   |  |                         |               |
| Richard Bendall       | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
| Leisha Collins        | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA   | 09/01/2022 - 09/01/2022 | Attended      |
|                       | 2 | Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
| Perla Gonzalez        | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA   | 09/01/2022 - 09/01/2022 | Attended      |
| Christina Logan       | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA   | 11/08/2022 - 11/11/2022 | Attended      |
| <b>Investments</b>    |   |  |                         |               |
| Didier Acevedo        | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                       | 2 | Admin - Innovation Endeavors Portfolio Company Visit (Machina Labs) - Chatsworth CA  | 09/21/2022 - 09/21/2022 | Attended      |
|                       | 3 | Admin - Great Hill Partners AGM and LPAC + Summit Partners and OpenView visits - Boston MA   | 09/28/2022 - 09/29/2022 | Attended      |
|                       | 4 | Admin - Center bridge LPAC meeting; meeting with Long Ridge Capital - New York City NY   | 11/02/2022 - 11/03/2022 | Attended      |
|                       | 5 | Admin - Primary Ventures LPAC and AGM and BDCM LPAC and AGM - New York City NY   | 11/09/2022 - 11/10/2022 | Attended      |
|                       | 6 | Edu - 2022 Toigo Foundation Gala - Los Angeles CA  | 11/17/2022 - 11/17/2022 | Attended      |
|                       | 7 | Admin - Conduct onsite due diligence on TA Fund XV - Menlo Park CA   | 02/09/2023 - 02/09/2023 | Attended      |
|                       | 8 | Edu - 3rd Annual Private Markets Secondaries Meeting - Santa Monica CA   | 02/28/2023 - 02/28/2023 | Attended      |
|                       | 9 | Edu - Annual Upfront Summit and Network with LPs and GPs - Los Angeles CA  | 03/01/2023 - 03/02/2023 | Attended      |
| Amit Aggarwal         | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                       | 2 | Admin - Meet with Blackstone and Brookfield real estate team, conduct site inspections of Milford Hotel and Knickerboker Retail in New York. Attend Pension Real Estate Association (PREA) investor conference in Washington, DC - New York and Washington, DC NY  | 10/17/2022 - 10/21/2022 | Attended      |
|                       | 3 | Admin - Attend Aermont Capital Real Estate Fund IV, LPAC and meet with Blackstone Real Estate Partners X, Brookfield Strategic Real Estate Partners IV, CapMan Nordic Fund II, CapMan Nordic Fund III, Angelo Gordon Europe Fund II, Prologis European Logistics Fund, NREP (potential manager) and Harrison Street (potential manager) - London, UK | 11/12/2022 - 11/18/2022 | Attended      |
|                       | 4 | Admin - Due diligence meetings with CBRE US Core Partners - New York NY  | 12/15/2022 - 12/16/2022 | Attended      |
|                       | 5 | Admin - Stockbridge Smart Markets Fund - Atlanta GA  | 02/02/2023 - 02/03/2023 | Attended      |
|                       | 6 | Admin - Attend Longpoint Realty Partners Annual General Meeting and conduct property tours - Malibu CA   | 02/09/2023 - 02/10/2023 | Attended      |
| Magdalia Armstrong    | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee             |    | Purpose of Travel - Location  | Event Dates             | Travel Status |
|----------------------|----|---|-------------------------|---------------|
| <b>Investments</b>   |    |   |                         |               |
| Magdalia Armstrong   | 2  | Admin - BlackRock's Women's Investment Series Luncheon - Santa Monica CA  | 10/24/2022 - 10/24/2022 | Attended      |
|                      | 3  | Admin - Manager due diligence meeting with Capital Group - Los Angeles CA   | 03/10/2023 - 03/10/2023 | Attended      |
| Calvin Chang         | 1  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                      | 2  | Admin - Veritas Annual General Meeting and LPAC - New York City NY  | 10/18/2022 - 10/20/2022 | Attended      |
|                      | 3  | Admin - Conduct onsite due diligence on Alpine Investors - San Francisco CA   | 02/23/2023 - 02/23/2023 | Attended      |
| Noah Damsky          | 1  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                      | 2  | Admin - Attend Real Assets ILPA training, meet with GPs (DigitalBridge, Macquarie, GIP, Ridgewood) - New York City NY   | 10/02/2022 - 10/05/2022 | Attended      |
| Esmeralda Del Bosque | 1  | Admin - First Energy deposition preparation sessions with Robbins Geller Rudman & Dowd LLP - Pasadena CA  | 07/14/2022 - 07/15/2022 | Attended      |
|                      | 2  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
| Terra Elijah         | 1  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                      | 2  | Admin - 17th annual MSCI Institutional Investor Conference - Sacramento CA  | 10/17/2022 - 10/19/2022 | Attended      |
| Jon Grabel           | 1  | Admin - Guest Speaker-The Investment Diversity Exchange (TIDE) Spark 2022 - Dana Point CA   | 07/06/2022 - 07/07/2022 | Attended      |
|                      | 2  | Edu - Miami RFK Compass Conference - Miami FL   | 10/02/2022 - 10/04/2022 | Host Canceled |
|                      | 3  | Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA  | 10/17/2022 - 10/18/2022 | Attended      |
|                      | 4  | Edu - Reuters ESG Conference - Guest Speaker - New York City NY   | 10/31/2022 - 11/04/2022 | Attended      |
|                      | 5  | Edu - SACRS 2022 Fall Conference - Long Beach CA  | 11/08/2022 - 11/11/2022 | Attended      |
|                      | 6  | Edu - 2022 Toigo Foundation Gala - Los Angeles CA   | 11/17/2022 - 11/17/2022 | Attended      |
|                      | 7  | Edu - KKR's 2022 Chief Investment Officers' Symposium - Washington, DC MD   | 12/05/2022 - 12/06/2022 | Attended      |
|                      | 8  | Edu - Bloomberg Women's Buyside Network - San Marino CA   | 02/16/2023 - 02/16/2023 | Attended      |
|                      | 9  | Edu - RFK Compass Winter Investors Conference - Miami FL  | 02/26/2023 - 02/28/2023 | Attended      |
|                      | 10 | Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA  | 03/22/2023 - 03/23/2023 | Attended      |
|                      | 11 | Admin - The 8th Annual ALTSLA - Los Angeles CA  | 03/29/2023 - 03/29/2023 | Attended      |
| Eduardo Ibanez       | 1  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
| Pushpam Jain         | 1  | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                      | 2  | Admin - Current and potential manager meetings - Chicago IL   | 10/05/2022 - 10/06/2022 | Attended      |
|                      | 3  | Admin - Board meeting for TIAA CREF Farmland I and TIAA CREF Farmland II, Site Visits to farms + meeting with potential JV partner APG + meeting with other LPs (AP2, CDPQ, TIAA, others) - Santiago, Chile | 10/22/2022 - 10/28/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee           |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|--------------------|---|--|-------------------------|---------------|
| <b>Investments</b> |   |  |                         |               |
| Jeff Jia           | 1 | Admin - Manager due diligence meeting with Capital Group - Los Angeles CA  | 03/10/2023 - 03/10/2023 | Attended      |
| Dale Johnson       | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Edu - CII Fall 2022 Conference - Boston MA   | 09/21/2022 - 09/23/2022 | Attended      |
|                    | 3 | Admin - Council of Institutional of Investors Board Meeting Spring Conference - Washington, DC MD  | 03/05/2023 - 03/10/2023 | Attended      |
| Daniel Joye        | 1 | Admin - Southern California Institutional Forum-Markets Group - Marina Del Rey CA  | 07/21/2022 - 07/21/2022 | Attended      |
|                    | 2 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 3 | Admin - Institutional Investing in Infrastructure Advisory Board Mtg - Newport Beach CA  | 11/03/2022 - 11/03/2022 | Attended      |
|                    | 4 | Admin - Infrastructure Guest Speaker-Pension Bridge Alts - Beverly Hills CA  | 11/30/2022 - 11/30/2022 | Attended      |
|                    | 5 | Admin - Antin MidCap Fund LPAC and meet with current managers: DIF, Antin, Partners Groups, and prospective managers: Asterion, Meridiam, InfraRed, Ardian, Cube, Ancala, InfraVia, Macquarie - London (UK), Paris (France), & Zug (Switzerland) | 12/03/2022 - 12/11/2022 | Attended      |
|                    | 6 | Edu - CAIA Allocator Advisory Council - Los Angeles CA   | 03/27/2023 - 03/27/2023 | Attended      |
|                    | 7 | Admin - The 8th Annual ALTSLA - Los Angeles CA   | 03/29/2023 - 03/29/2023 | Attended      |
| John Kim           | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
| Derek Kong         | 1 | Admin - CVC Annual General Meeting, LPAC and Fund IX Onsite and meet with prospective managers (Bregal and IK Partners) and secondary placement agents (Lazard, Rede, Evercore) - London, UK   | 09/06/2022 - 09/09/2022 | Attended      |
|                    | 2 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 3 | Admin - Attend Montefiore Investment V LPAC and Fund VI Onsite, attend Blackfin Financial Services IV Onsite - Paris, France   | 11/06/2022 - 11/11/2022 | Attended      |
|                    | 4 | Admin - STG Onsite - Menlo Park CA   | 12/01/2022 - 12/01/2022 | Attended      |
|                    | 5 | Edu - 3rd Annual Private Markets Secondaries Meeting - Santa Monica CA   | 02/28/2023 - 02/28/2023 | Attended      |
| Cheryl Lu          | 1 | Admin - Attend GGV 2022 Annual Meeting and LPAC Roundtable - San Francisco CA  | 09/12/2022 - 09/13/2022 | Attended      |
|                    | 2 | Admin - Attend BRV Aster 2022 Annual General Meeting and Limited Partner Advisory Committee, meet with existing (GGV) and potential (Jungle Ventures, LYFE Capita) managers, and attend SuperReturn Asia - Singapore                             | 09/20/2022 - 09/27/2022 | Attended      |
|                    | 3 | Admin - Attend Revelstoke Capital Partners 2022 Annual General Meeting and Limited Partner Advisory Committee meeting - Boulder CO   | 10/12/2022 - 10/13/2022 | Attended      |
|                    | 4 | Admin - MBK Capital Partners 2022 Annual General Meeting and Investor Advisory Committee meetings - Seoul Korea  | 11/14/2022 - 11/16/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee           |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|--------------------|---|--|-------------------------|---------------|
| <b>Investments</b> |   |  |                         |               |
| Cheryl Lu          | 5 | Admin - LPAC lunch and annual general meeting for Lilly Asia Ventures - Menlo Park CA  | 11/29/2022 - 11/30/2022 | Attended      |
| Vache Mahseredjian | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Admin - Diversity, Equity, and Inclusion in Investment Management co-sponsored by BlackRock, Oaktree, and Ares - Los Angeles CA  | 02/08/2023 - 02/08/2023 | Attended      |
|                    | 3 | Edu - Bloomberg Women's Buyside Network - San Marino CA  | 02/16/2023 - 02/16/2023 | Attended      |
| Quoc Nguyen        | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Edu - Investment, Legal Due Diligence Workshop, and Training - San Francisco CA  | 03/14/2023 - 03/14/2023 | Attended      |
| Jude Perez         | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
| Krista Powell      | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
| Jim Rice           | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Admin - Knickerbocker Retail and Clarion Plus meeting - New York City NY   | 01/17/2023 - 01/18/2023 | Attended      |
| Cindy Rivera       | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Admin - Brookfield 2022 Private Fund Investor Conference - Beverly Hills CA  | 11/15/2022 - 11/15/2022 | Attended      |
|                    | 3 | Edu - 2022 Toigo Foundation Gala - Los Angeles CA  | 11/17/2022 - 11/17/2022 | Attended      |
|                    | 4 | Admin - Stockbridge Smart Markets Fund - Atlanta GA  | 02/02/2023 - 02/03/2023 | Attended      |
| Michael Romero     | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Edu - 2022 Toigo Foundation Gala - Los Angeles CA  | 11/17/2022 - 11/17/2022 | Attended      |
|                    | 3 | Admin - Knickerbocker Retail and Clarion Plus meeting - New York City NY   | 01/17/2023 - 01/18/2023 | Attended      |
| Ron Senkandwa      | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Admin - Manager due diligence meeting with Capital Group - Los Angeles CA  | 03/10/2023 - 03/10/2023 | Attended      |
| David Simpson      | 1 | Admin - One Rock Annual General Meeting (AGM) and Limited Partner Advisory Committee (LPAC) meeting, Siris AGM and LPAC, Riverside AGM, WM Partners AGM - New York, NY and Fort Lauderdale, FL | 11/14/2022 - 11/18/2022 | Attended      |
|                    | 2 | Edu - 2023 NASP Southern California "Day of Education in Private Equity Conference" - Los Angeles CA   | 03/22/2023 - 03/23/2023 | Attended      |
| Shelly Tilaye      | 1 | Admin - Vista Partners LPAC meeting and Hellman & Friedman Due Diligence meetings - New York City NY   | 11/07/2022 - 11/14/2022 | Attended      |
|                    | 2 | Edu - Bloomberg Women's Buyside Network - San Marino CA  | 02/16/2023 - 02/16/2023 | Attended      |
| Chad Timko         | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
| Mel Tsao           | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                    | 2 | Admin - Due diligence meetings with CBRE US Core Partners - New York NY  | 12/15/2022 - 12/16/2022 | Attended      |



**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee              |   | Purpose of Travel - Location  | Event Dates             | Travel Status |
|-----------------------|---|---|-------------------------|---------------|
| <b>Investments</b>    |   |   |                         |               |
| Christopher Wagner    | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
| Scott Zdrazil         | 1 | Admin - Guest Speaker-The Investment Diversity Exchange (TIDE) Spark 2022 - Dana Point CA         | 07/06/2022 - 07/07/2022 | Attended      |
|                       | 2 | Admin - Council of Institutional Investors Board Meeting - Washington, DC MD                      | 08/01/2022 - 08/03/2022 | Attended      |
|                       | 3 | Edu - 2022 Board of Investments Offsite - Long Beach CA   | 09/13/2022 - 09/14/2022 | Attended      |
|                       | 4 | Edu - CII Fall 2022 Conference - Boston MA  | 09/21/2022 - 09/23/2022 | Attended      |
|                       | 5 | Admin - Stanford Institutional Investor Forum - Stanford CA                                       | 12/01/2022 - 12/02/2022 | Attended      |
|                       | 6 | Admin - Council of Institutional Investors Board Meeting - Pasadena CA                            | 01/30/2023 - 01/31/2023 | Attended      |
|                       | 7 | Admin - BlackRock DEI Panel - Los Angeles CA  | 02/08/2023 - 02/08/2023 | Attended      |
|                       | 8 | Admin - Pension Bridge ESG Summit - Los Angeles CA  | 02/28/2023 - 03/01/2023 | Attended      |
|                       | 9 | Admin - Council of Institutional of Investors Board Meeting Spring Conference - Washington, DC MD | 03/05/2023 - 03/10/2023 | Attended      |
| <b>Legal Services</b> |   |   |                         |               |
| Jasmine Bath          | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                      | 09/01/2022 - 09/01/2022 | Attended      |
|                       | 2 | Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA  | 10/17/2022 - 10/18/2022 | Attended      |
| Michael Herrera       | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA  | 11/08/2022 - 11/11/2022 | Attended      |
| Barry Lew             | 1 | Edu - NCPERS 2023 Legislative Conference - Washington, DC MD                                      | 01/22/2023 - 01/24/2023 | Attended      |
|                       | 2 | Admin - Federal Engagement Visit with Congress - Washington, DC MD                                | 01/24/2023 - 01/25/2023 | Attended      |
|                       | 3 | Edu - SCCE Compliance Academy - Scottsdale AZ   | 02/27/2023 - 03/02/2023 | Attended      |
|                       | 4 | Admin - SACRS Legislative Committee Meeting - Sacramento CA                                       | 03/17/2023 - 03/17/2023 | Attended      |
| Steven Rice           | 1 | Admin - Nossaman's 2022 Fiduciary Forum - Los Angeles CA  | 10/17/2022 - 10/18/2022 | Attended      |
| Jessica Rivas         | 1 | Edu - SACRS 2022 Fall Conference - Long Beach CA  | 11/08/2022 - 11/11/2022 | Attended      |
| Christine Roseland    | 1 | Edu - 2022 Association of Corporate Counsel (ACC) Annual Meeting - Las Vegas NV                   | 10/23/2022 - 10/26/2022 | Attended      |
| Elizabeth Tirado      | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                      | 09/01/2022 - 09/01/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee                  |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|---------------------------|---|--|-------------------------|---------------|
| <b>Member Services</b>    |   |  |                         |               |
| Stephanie Kawai           | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                             | 09/01/2022 - 09/01/2022 | Attended      |
| Armendina Lejano          | 1 | Admin - 2023 LACMC Spring Conference - Santa Barbara CA  | 03/22/2023 - 03/24/2023 | Attended      |
| Laura Magallanes          | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                             | 09/01/2022 - 09/01/2022 | Attended      |
| Alejandro Ochoa           | 1 | Edu - CALAPRS 2022 Management/Leadership Academy Session #3 - Pasadena CA                                | 07/25/2022 - 07/27/2022 | Attended      |
| Aurelia Okafor-Smith      | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                             | 09/01/2022 - 09/01/2022 | Attended      |
| Maritza Perez             | 1 | Admin - CEM 2022 Conference - Phoenix AZ   | 11/07/2022 - 11/10/2022 | Attended      |
|                           | 2 | Admin - 2023 LACMC Spring Conference - Santa Barbara CA  | 03/22/2023 - 03/24/2023 | Attended      |
| Victor Tafolla            | 1 | Admin - CEM 2022 Conference - Phoenix AZ   | 11/07/2022 - 11/10/2022 | Attended      |
| <b>QA &amp; Metrics</b>   |   |  |                         |               |
| Bernardo Buenaflor        | 1 | Admin - CEM 2022 Conference - Phoenix AZ   | 11/07/2022 - 11/10/2022 | Attended      |
| <b>Retiree Healthcare</b> |   |  |                         |               |
| Tionna Fredericks         | 1 | Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV                                      | 10/23/2022 - 10/26/2022 | Attended      |
| Nicole Howard             | 1 | Edu - 2022 Los Angeles County Women's Leadership Conference - Los Angeles CA                             | 09/01/2022 - 09/01/2022 | Attended      |
| Leilani Ignacio           | 1 | Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV                                      | 10/23/2022 - 10/26/2022 | Attended      |
| Kathy Migita              | 1 | Admin - Anthem Blue Cross Due Diligence Site Visit - Rancho Cordova CA                                   | 09/14/2022 - 09/14/2022 | Attended      |
|                           | 2 | Admin - CVS Due Diligence Site Visit - Chicago IL  | 09/28/2022 - 09/30/2022 | Attended      |
|                           | 3 | Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV                                      | 10/23/2022 - 10/26/2022 | Attended      |
|                           | 4 | Admin - Kaiser Permanente - Diligence Meeting - Washington DC  | 10/27/2022 - 10/30/2022 | Attended      |
|                           | 5 | Admin - CIGNA - Due Diligence - Bloomfield CT  | 11/02/2022 - 11/03/2022 | Attended      |
|                           | 6 | Edu - NCPERS 2023 Legislative Conference - Washington, DC MD   | 01/22/2023 - 01/24/2023 | Attended      |
|                           | 7 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|                           | 8 | Edu - AHIP 2023 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Washington, DC MD | 03/14/2023 - 03/16/2023 | Attended      |
|                           | 9 | Admin - CVS Health Forum - Aurora CO   | 03/29/2023 - 03/31/2023 | Attended      |
| Cassandra Smith           | 1 | Admin - Anthem Blue Cross Due Diligence Site Visit - Rancho Cordova CA                                   | 09/14/2022 - 09/14/2022 | Attended      |
|                           | 2 | Admin - CVS Due Diligence Site Visit - Chicago IL  | 09/28/2022 - 09/30/2022 | Attended      |
|                           | 3 | Edu - IFEBP 68th Annual Employee Benefits Conference - Las Vegas NV                                      | 10/23/2022 - 10/26/2022 | Attended      |

**STAFF TRAVEL REPORT  
FOR FISCAL YEAR 2022 - 2023  
MARCH 2023**

| Attendee                  |   | Purpose of Travel - Location   | Event Dates             | Travel Status |
|---------------------------|---|--|-------------------------|---------------|
| <b>Retiree Healthcare</b> |   |  |                         |               |
| Cassandra Smith           | 4 | Admin - Kaiser Permanente - Diligence Meeting - Washington DC  | 10/27/2022 - 10/30/2022 | Attended      |
|                           | 5 | Admin - CIGNA - Due Diligence - Bloomfield CT  | 11/02/2022 - 11/03/2022 | Attended      |
|                           | 6 | Edu - NCPERS 2023 Legislative Conference - Washington, DC MD   | 01/22/2023 - 01/24/2023 | Attended      |
|                           | 7 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
|                           | 8 | Edu - AHIP 2023 Medicare, Medicaid, Duals & Commercial Health Policy & Markets Forum - Washington, DC MD | 03/14/2023 - 03/16/2023 | Attended      |
|                           | 9 | Admin - CVS Health Forum - Aurora CO   | 03/29/2023 - 03/31/2023 | Attended      |
| Richard Ward              | 1 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| <b>Systems</b>            |   |  |                         |               |
| Joe Aguilar               | 1 | Edu - Allegion - Sielox Product Certification Training - Pleasanton CA                                   | 09/12/2022 - 09/16/2022 | Attended      |
| Christian Chabtini        | 1 | Edu - Adobe Summit 2023 - Las Vegas NV   | 03/21/2023 - 03/23/2023 | Attended      |
| David Choe                | 1 | Edu - Adobe Summit 2023 - Las Vegas NV   | 03/21/2023 - 03/23/2023 | Attended      |
| Kathy Delino              | 1 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| Kyle Kawakami             | 1 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |
| Penelope Rodriguez        | 1 | Edu - Adobe Summit 2023 - Las Vegas NV   | 03/21/2023 - 03/23/2023 | Attended      |
| Celso Templo              | 1 | Admin - CEM 2022 Conference - Phoenix AZ   | 11/07/2022 - 11/10/2022 | Attended      |
| Alex Yin                  | 1 | Edu - 2022 Board of Investments Offsite - Long Beach CA  | 09/13/2022 - 09/14/2022 | Attended      |
|                           | 2 | Admin/Edu - Board of Retirement Offsite - Pasadena CA  | 02/22/2023 - 02/23/2023 | Attended      |

| FPPC FORM 801 STAFF TRAVEL EXPENSES FOR FISCAL YEAR 2022-2023 |                           |  |                             |  |                        |                       |                    |       |                          |             |                          |                  |               |                         |   |                |   |                       |             |
|---|---------------------------|--|-----------------------------|--|------------------------|-----------------------|--------------------|-------|--------------------------|-------------|--------------------------|------------------|---------------|-------------------------|---|----------------|---|-----------------------|-------------|
|   | 2. Donor Name and Address |  |                             |  | 3. Payment Information |                       |                    |       |                          |             |                          |                  |               |                         |   |                |   |                       |             |
|   | Name                      |  | Entity's Business Activity  | Address  | 3.1(a) Travel Payment  |                       |                    |       |                          |             |                          |                  |               |                         | 3.2 Payment Description   |                | 3.3 Officials who used payment in Section 3.1 |                       |             |
| Item Number   | Individual                | Other                                  |                             |  |                        |                       | Location           | Dates | Transportation Provider  | Type        | Name of Lodging Facility | Lodging Expenses | Meal Expenses | Transportation Expenses | Other Expenses  | Total Expenses |   | Last Name             | First Name  |
| 1   | N/A                       | CVC Capital Partners                   | Private Equity Company      | 111 Strand London WC2R 0AG                                     | London, UK             | September 5-9, 2022   | Virgin Atlantic    | Air   | Savoy Hotel              | \$ 1,617.84 | \$ 81.48                 | \$ 12,997.95     | \$ 81.48      | \$ 14,778.75            | Payment is for travel to attend CVC Capital Partner's ("CVC") Limited Partnership Advisory Committee (LPAC) meeting. Per LACERA's contract with CVC, all travel expenses related to LPAC meeting will be covered by the partnership.            | Kong           | Derek   | Financial Analyst III | Investments |
| 2   | N/A                       | BlueRun Ventures                       | Private Equity Fund Sponsor | Suite 1308, Office Tower 1, China Central Place Beijing, China | Beijing, China         | September 25-28, 2022 | Singapore Airlines | Air   | Ritz Carlton Singapore   | \$ 950.00   | \$0                      | \$ 8,616.07      | \$0           | \$ 9,566.07             | Payment is for travel to attend at BlueRun Ventures' Advisory Board meeting. Per LACERA's contract with BlueRun Ventures, all travel expenses related to Advisory Board meetings will be covered by the partnership.                            | Lu             | Cheryl  | Investment Officer    | Investments |
| 3   | N/A                       | Great Hill Partners                    | Private Equity Manager      | 200 Clarendon St. Boston, MA 02116                             | Boston, MA             | September 28-29, 2022 | JetBlue            | Air   | Mandarin Oriental        | \$ 599.73   | \$0                      | \$ 4,657.01      | \$0           | \$ 5,256.74             | Payment is for travel to attend Great Hill Partners' Limited Partner Advisory Committee Meeting. Per LACERA's contract with Great Hill Partners, all travel expenses related to Advisory Committee meetings will be covered by the partnership. | Acevedo        | Didier  | Investment Officer    | Investments |
| 4   | N/A                       | Revelstoke Capital Partners            | Private Equity Fund Sponsor | 260 N Josephine St, Suite 500 Denver, CO 80206                 | Boulder, CO            | October 12-13, 2022   | Southwest Airlines | Air   | St. Julien Hotel         | \$339       | \$70                     | \$551.69         | \$0           | \$960.69                | Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Revelstoke, travel expenses related to LPAC meetings will be covered by the partnership.   | Lu             | Cheryl  | Investment Officer    | Investments |
| 5   | N/A                       | Veritas Capital Fund Management, LLC   | Private Equity Firm         | 9 West 57th Street, 32nd Floor New York, NY 10019              | New York, NY           | October 18-20, 2022   | JetBlue            | Air   | Thompson Hotel           | \$1,093.11  | \$100                    | \$3,205.20       | \$0           | \$4,398.31              | Payment is for travel to Investor Advisory Committee meeting. Per LACERA's contract with Veritas, travel expenses for attendance at Investor Advisory Committee meetings will be covered by the fund.   | Chang          | Calvin  | Financial Analyst II  | Investments |
| 6   | N/A                       | TIAA-CREF Global Agriculture           | Investment Management       | 730 Third Avenue New York, NY 10017                            | Santiago, Chile        | October 23-27, 2022   | United Airlines    | Air   | Los Andes                | \$1,000     | \$400                    | \$3,188.07       | \$0           | \$4,588                 | Payment is for travel to attend fund board meetings. Per LACERA's contract with the fund, members of the board shall be reimbursed for expenses incurred in the performance of their responsibilities as board members.                         | Jain           | Pushpam                                       | Financial Analyst     | Investments |
| 7   | N/A                       | Centerbridge Capital Partners IV, L.P. | Private Equity Manager      | 375 Park Avenue New York, NY 10152                             | New York, NY           | November 1-3, 2022    | JetBlue            | Air   | Intercontinental Barclay | \$685.42    | \$10                     | \$7,081.20       | \$0           | \$ 7,776.62             | Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Centerbridge, travel expenses related to LPAC meetings will be covered by the partnership.   | Acevedo        | Didier  | Investment Officer    | Investments |

# FPPC FORM 801 STAFF TRAVEL EXPENSES FOR FISCAL YEAR 2022-2023

|             | 2. Donor Name and Address |                                     |                                     |  | 3. Payment Information |                      |                                |      |                            |                  |               |                         |                |                |  |           |            |   |                      |  |
|-------------|---------------------------|-------------------------------------|-------------------------------------|--|------------------------|----------------------|--------------------------------|------|----------------------------|------------------|---------------|-------------------------|----------------|----------------|--|-----------|------------|---|----------------------|--|
|             | Name                      |                                     | Entity's Business Activity          | Address  | 3.1(a) Travel Payment  |                      |                                |      |                            |                  |               |                         |                |                | 3.2 Payment Description  |           |            | 3.3 Officials who used payment in Section 3.1 |                      |  |
| Item Number | Individual                | Other                               |                                     |  | Location               | Dates                | Transportation Provider        | Type | Name of Lodging Facility   | Lodging Expenses | Meal Expenses | Transportation Expenses | Other Expenses | Total Expenses |  | Last Name | First Name | Position/Title                                | Department/ Division |  |
| 8           | N/A                       | Montefiore Investment V S.L.P       | Investment Fund                     | 28 Rue Bayard Paris, France  | Paris, France          | November 6-11, 2022  | Air France and Virgin Atlantic | Air  | Kimpton Hotel              | \$2,975.65       | \$0           | \$13,530.55             | \$628          | \$ 17,133.70   | Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Montefiore, travel expenses related to LPAC meetings will be covered by the fund.                             | Kong      | Derek      | Investment Officer                            | Investments          |  |
| 9           | N/A                       | BDCM Opportunity Fund IV, L.P.      | Private Equity Manager              | 2187 Atlantic St 9th floor Stamford, CT 06902                        | New York, NY           | November 9-10, 2022  | JetBlue                        | Air  | Loews Regency              | \$689            | \$15          | \$857.20                | \$0            | \$ 1,561.20    | Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with BDCM, travel expenses related to LPAC meetings will be covered by the partnership.                            | Acevedo   | Didier     | Investment Officer                            | Investments          |  |
| 10          | N/A                       | Vista Equity Partners               | Private Equity Manager              | Four Embarcadero Center San Francisco, CA 94111                      | New York, NY           | November 9-11, 2022  | JetBlue and United Airlines    | Air  | 1 Hotel Brooklyn Bridge    | \$1,298          | \$200         | \$3,179.24              | \$0            | \$ 4,677.24    | Payment is for travel to attend Limited Partnership Advisory Committee meeting. Per LACERA's contract with Vista Equity Partners, travel expenses related to LPAC meetings will be covered by the partnership.           | Tilaye    | Shelly     | Senior Investment Analyst                     | Investments          |  |
| 11          | N/A                       | MBK Partners                        | Private Equity Fund Sponsor         | 21-22 Fl., D Tower D1, 17 Jongno 3-gil, Jongno-gu Seoul, South Korea | Seoul, South Korea     | November 11-17, 2022 | Asiana Airlines                | Air  | Shilla Hotel               | \$707            | \$120         | \$8,348                 | \$0            | \$ 9,175.00    | Payment is for travel to attend Investor Advisory Committee meeting. Per LACERA's contract with MBK Partners, travel expenses for attendance at Investor Advisory Committee meetings will be covered by the partnership. | Lu        | Cheryl     | Investment Officer                            | Investments          |  |
| 12          | N/A                       | Aermont Capital Real Estate Fund IV | Private Equity and Real Estate Firm | 55 St. James St. London, UK  | Berlin, Germany        | November 16-18, 2022 | United Airlines                | Air  | Hotel De Rome              | \$410            | \$100         | \$8,200                 | \$0            | \$ 8,710.00    | Payment is for travel to Limited Partnership Advisory Committee (LPAC) meeting. Per LACERA's contract with Aermont, travel expenses for attendance at LPAC meetings will be covered by the fund.                         | Aggarwal  | Amit       | Investment Officer                            | Investments          |  |
| 13          | N/A                       | Antin Infrastructure Partners       | Infrastructure Investment Firm      | 14 St. George Street London, UK                                      | London, UK             | December 5-6, 2022   | Virgin Atlantic                | Air  | The Carlton Tower Jumeirah | \$1,906.37       | \$100         | \$10,614.94             | \$0            | \$ 12,621.31   | Payment is for travel to attend the Limited Partnership Advisory Committee meeting. Per LACERA's contract with Antin MidCap, travel expenses related to LPAC meetings will be covered by the fund.                       | Joye      | Daniel     | Finance Analyst III                           | Investments          |  |

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**



**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**

**Documents not attached are exempt from disclosure under the California Public Records Act and other legal authority.**

**For further information, contact:  
LACERA  
Attention: Public Records Act Requests  
300 N. Lake Ave., Suite 620  
Pasadena, CA 91101**