STATEMENT OF PROCEEDINGS FOR THE

REGULAR MEETING OF THE BOARD OF SUPERVISORS

OF THE COUNTY OF LOS ANGELES HELD IN ROOM 381B

OF THE KENNETH HAHN HALL OF ADMINISTRATION

500 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Tuesday, May 9, 2017

9:30 AM

13. Executive Officer of the Board's recommendation: Adopt an amended resolution establishing the procedures to elect the Second Member of the Board of Retirement for the Los Angeles County Employees Retirement Association to revise it to have the term to begin the day after the Board declares the election results official (anticipated on September 12, 2017) and fill the current unexpected vacancy. (17-2105)

On motion of Supervisor Kuehl, seconded by Supervisor Hahn, this item was adopted.

Ayes: 5 - Supervisor Solis, Supervisor Kuehl, Supervisor Hahn, Supervisor Barger and Supervisor Ridley-Thomas

Attachments: Board Letter

The foregoing is a fair statement of the proceedings of the regular meeting, May 9, 2017, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

Lori Glasgow, Executive Officer
Executive Officer-Clerk
of the Board of Supervisors

By Lori Glasgow

Lori Glasgow
Executive Officer

ATTEST: LORI GLASGOW
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By LaChelle Smitherman, Deputy

LORI GLASGOW
EXECUTIVE OFFICER

COUNTY OF LOS ANGELES
BOARD OF SUPERVISORS

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 383
LOS ANGELES, CALIFORNIA 90012
(213) 974-1411 • FAX (213) 620-0636

MEMBERS OF THE BOARD

HILDA L. SOLIS
MARK RIDLEY-THOMAS
SHEILA KUEHL
JANICE HAHN
KATHRYN BARGER

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

13 May 9, 2017

LORI GLASGOW
EXECUTIVE OFFICER

May 09, 2017

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AMEND THE RESOLUTION ESTABLISHING THE LACERA SPECIAL ELECTION OF THE SECOND MEMBER OF THE BOARD OF RETIREMENT (ALL DISTRICTS) (3-VOTES)

SUBJECT

Adoption of an amended resolution establishing the procedures for the 2017 LACERA election of the Second Member of the Board of Retirement and establishing a special election to fill the unexpired term for the Second Member of the Board of Retirement.

IT IS RECOMMENDED THAT THE BOARD:

Adopt the attached amended resolution establishing the procedures to elect the Second Member of the Board of Retirement for the Los Angeles County Employees Retirement Association (LACERA) to revise it to have the term to begin the day after your Board declares the election results official (anticipated on September 12, 2017) and fill the current vacancy.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Due to an unexpected vacancy in the Second Member position on the Board of Retirement, it is necessary to revise the LACERA election resolution adopted by your Board on April 4, 2017, to fill the vacancy for the remainder of the current term, in addition to filling the position for the succeeding term. This will allow the vacancy to be filled at the earliest possible date, pursuant to Government Code Section 31523.

Implementation of Strategic Plan Goals

Approval of the attached resolutions broadly supports the County's strategic plan strategy of

pursuing Operational Effectiveness, Fiscal Responsibility and Accountability.

FISCAL IMPACT/FINANCING

The recommended action has no fiscal impact.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County Employees Retirement Law of 1937 provides for the membership of the Board of Investments and the Board of Retirement of LACERA. Every year the Board of Supervisors adopts, by resolution, the election procedures for members of the Board of Investments and the Board of Retirement of LACERA whose terms of office will expire on December 31 of that year.

Government Code Sections 31523 indicates that in event of a vacancy in the second, third, seventh, eighth, or alternate seventh member position on the Board of Retirement, an election shall be held to fill the vacancy at the earliest possible date. If the remaining portion of the current term is six months or less on the date of the election, which is the case, a single election may be held to fill the vacancy for the remainder of the current term and to fill the position for the succeeding term.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The amended resolution will allow LACERA to fill the unexpected vacancy the Board of Retirement promptly and minimize the impact to its operations.

Respectfully submitted,

LORI GLASGOW
Executive Officer, Board of Supervisors

LG:dg

Enclosures

c: Chief Executive Officer
County Counsel
Chief Executive Officer, LACERA
Registrar-Recorder/County Clerk
Auditor-Controller

RESOLUTION ESTABLISHING THE SPECIAL ELECTION FOR THE SECOND MEMBER OF THE BOARD OF RETIREMENT

WHEREAS, under the provisions of the County Employment Retirement Law of 1937, the Board of Retirement shall consist of nine members and two alternate members; and

WHEREAS, there has been a vacancy of the seat for the Second Member of the Board of Retirement with a term that was set to expire on December 31, 2017; and

WHEREAS, pursuant to the provisions of the County Employees Retirement Law of 1937, sections 31520.1 and 31523 of the Government Code, a successor shall be elected pursuant to a Special Election to fill the office for the remainder of the current term and the next term beginning January 1, 2018, at an election conducted in a manner to be determined by the Board of Supervisors:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Los Angeles that the nomination of candidates and the election of the Second Member of the Board of Retirement of the Los Angeles County Employees Retirement Association (LACERA) elected by the General Members of said Retirement Association pursuant to a special election to fill the current term beginning the day after the Board of Supervisors declares the special election results official in 2017 and expiring December 31, 2020, shall be in accordance with the rules and procedures herein prescribed:

1. The Executive Officer of the Board of Supervisors shall supervise the special election for the Second Member of the Board of Retirement of LACERA.

2. The Executive Officer of the Board of Supervisors shall, on or before Friday, April 7, 2017, notify department heads and agency heads who employ General

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1. The Executive Officer of the Board of Supervisors shall supervise the special election for the Second Member of the Board of Retirement of LACERA.

2. The Executive Officer of the Board of Supervisors shall, on or before Friday, April 7, 2017, notify department heads and agency heads who employ General

Members, of the election and shall provide department heads and agency heads with an election notice for use in notifying their respective employees.

3. Department heads with General Member employees in their departments shall notify their employees of the election by posting sufficient copies of the election notice on or before Friday, April 21, 2017.

4. The Executive Officer of the Board of Supervisors, through a coordinated effort with the Internal Services, shall, by Friday, April 21, 2017 send an email to those General Members within the County that have County email addresses, advising them of the upcoming LACERA election.

5. Each department head with General Members in his or her department shall appoint at least one employee who will act as the departmental election coordinator, and at least one employee who will act as the alternate departmental election coordinator. Election coordinators and alternate coordinators shall be responsible for communicating election information to the employees of the department, and shall attend all training sessions, as specified by the Executive Officer of the Board of Supervisors, regarding the administration of the election. Departments with work locations which have more than 100 employees who are eligible to vote are urged to select an on-site election coordinator for each of these locations. It is the responsibility of the department head to notify the Executive Office of the Board of Supervisors at (213) 974-1093 or email to *LACERA_ELECTION@bos.lacounty.gov* the names, telephone numbers, work place mailing addresses and/or email addresses for employees appointed as election coordinators and alternate coordinators on or before Monday, April 17, 2017.

6. Candidates shall a) be active General Members of LACERA on March 1, 2017 and b) be nominated by a petition signed by at least fifty (50) active General Members of LACERA, who themselves were active General Members on March 1, 2017, and no member may sign more than one nominating petition.

Nominating petitions may be obtained from the Registrar-Recorder/County Clerk (RRCC) at 12400 Imperial Highway, Norwalk, 90650, on or after Monday, April 24, 2017. The request for nomination papers supplied by the RRCC shall be completed by each requesting party. Nominating petitions must be filed with the RRCC at 12400 Imperial Highway, Norwalk, 90650, no later than 5:00 p.m. on Tuesday, May 23, 2017.

7. Each department head shall allow nominees to solicit nominating signatures and candidates to engage in campaign-related activities during working hours on County property, provided such signature solicitation and campaign activities are conducted during the employees' lunch, break time, or other off-duty time and does not interfere with County operations or the conduct of County business.

8. The RRCC shall examine the signatures on the nominating petition and notify each nominee of his or her status, no later than 5:00 p.m. on Thursday, May 25, 2017. If more than one member has been duly nominated, the RRCC shall certify to the Executive Officer of the Board of Supervisors by Friday, May 26, 2017 the names of candidates to be placed on the official ballot.

9. If the RRCC determines that only one member has been duly nominated, pursuant to the provisions of the County Employees Retirement Law of 1937, Section 31523 of the Government Code, the RRCC shall notify the Board of Supervisors. After receipt of the notice and before the scheduled election, the Board of Supervisors shall order that no election be held and direct the Executive Officer of the Board of Supervisors to cast a unanimous ballot in favor of such nominated member.

10. Nominees in this election may file with the RRCC a statement of qualifications of not more than 200 words. Words shall be counted as provided in Elections Code Section 9. Any statement of qualifications filed with the RRCC shall be limited to a recitation of the nominee's own personal background and qualifications, and shall not in any way make reference to other nominees or to another nominee's

qualifications. A nominee may file his or her statement of qualifications beginning Monday, April 24, 2017. No statement of qualifications may be withdrawn and/or re-filed after 5:00 p.m., Tuesday, May 23, 2017. The statement shall become a part of the official voting material, except as provided in paragraph 10, below.

11. Upon close of the statement of qualifications filing period, the RRCC shall examine each statement of qualifications. Any statement of qualifications which the RRCC determines is not limited to a recitation of the nominee's own personal background and qualifications or which includes any reference to other nominees or to another nominee's qualifications shall not be printed or circulated by the RRCC. The RRCC shall notify each nominee by telephone and/or via U.S. Mail if the nominee's statement of qualifications is rejected pursuant to this provision. The decision of the RRCC to accept or reject a nominee's statement of qualifications is final. Any statement of qualifications filed with the RRCC shall, upon close of the statement of qualifications filing period, be made available for public inspection and copying. Any judicial proceeding challenging the decision of the RRCC to reject or accept a nominee's statement of qualifications shall be governed, to the extent determined applicable by the courts, under the procedures set forth in Elections Code Section 13314.

12. Statements of qualifications shall be open to public inspection for a period of five business days excluding weekends and holidays. Candidates' statements of qualifications will be available for inspection at the RRCC at 12400 Imperial Highway, Norwalk, 90650, during office hours beginning on Friday, May 26, 2017, through Friday, June 2, 2017. On or after Friday, June 16, 2017, RRCC approved candidates' statements of qualifications may be viewed at:

http://bos.lacounty.gov/Services/Conflict-of-Interest-Lobbyist/LACERA-Election

13. The form of ballot to be used at the election shall be prepared by the RRCC and additional materials shall include: (1) a list of the certified candidates in random order with a voting space opposite each name and sufficient information to acquaint members with the nature of the election and the proper method of

casting a ballot; (2) statement(s) of qualifications if properly filed by the candidates; (3) a return envelope postage prepaid; (4) a statement of powers and duties of Board of Retirement Members (See Attachment B).

14. The RRCC shall certify a list of qualified candidates to the Executive Office of the Board of Supervisors by Friday, May 26, 2017. A public drawing will be held to determine the ballot order at 2:00 p.m. on Wednesday, May 31, 2017 in the Executive Office of the Board of Supervisors, B-1 Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles.

15. On or before Monday, April 10, 2017, the Auditor-Controller shall provide to the Executive Officer of the Board of Supervisors and the RRCC an electronic file in excel format of eligible General Members, which includes General Members who were active General Members of LACERA on March 1, 2017. The electronic file will contain employee name, employee number, mailing address, pay location, and department.

16. The RRCC shall mail the official ballot to the mailing address of eligible General Members beginning on Monday, June 26, 2017 and by Thursday, June 29, 2017 all ballots must be mailed. The ballots shall be mailed via U.S. Mail using mailing addresses listed in the Auditor-Controller's electronic address file and addresses provided by LACERA for the general members from outside agencies. The RRCC will forward to the Executive Officer of the Board of Supervisors by Monday, July 3, 2017 verification that all ballots were mailed as described in this resolution.

17. Any County employee who is a candidate in this election is a candidate in their personal capacity, and may not use County time or County resources to further their campaign or election. Any candidate who violates this provision or has others violate this provision on his or her behalf is subject to discipline, including discharge from County employment. Any employee who violates these provisions is subject to discipline, including discharge from County employment.

18. Each department head shall designate existing departmental bulletin board space for all candidates to display campaign material. Campaign material shall clearly state that employees are prohibited from using County time or County resources to further the campaign or election of the candidate.

19. Upon request of a candidate, on or after Thursday, May 25, 2017, each department head shall provide the address of each department's work location where employees who are eligible to vote in this election are employed.

20. Except as otherwise prohibited by law, employees may wear campaign badges or buttons during working hours.

21. Eligible General Members who do not receive a ballot by Friday, July 7, 2017 and who desire to vote, or who have made a mistake on their original ballot and wish to correct it, shall notify their department election coordinator on or before Thursday, July 13, 2017, and explain in writing why a duplicate ballot is being requested. The department election coordinator shall submit to the RRCC these written statements along with the employee's name, current mailing address, employee number and department in which employed on March 1, 2017 on the Request for Duplicate Election Ballot Form provided by the Executive Office of the Board of Supervisors on or before Friday, July 14, 2017. The RRCC must receive the request by Friday, July 14, 2017. Duplicate ballots shall be issued only to those General Members who submit the required written statement and whose names appear on both the Request for Duplicate Election Ballot signed by the election coordinator and the Auditor-Controller's list of eligible General Members and or the list of General Members from outside agencies.

22. The RRCC shall mail the requested duplicate ballots via U.S. Mail by Tuesday, July 18, 2017, to the mailing address supplied by members on the Request for Duplicate Election Ballot Form.

23. Each ballot may be voted only by the member to whom it is issued. No member may vote more than once in this election.

24. The RRCC shall maintain internal controls to ensure that no more than one vote is cast per member to protect the integrity of the election.

25. To be eligible for counting, ballots shall be returned to the RRCC in the REPLY envelope provided via U.S. Mail or personal delivery; shall be completed by each voter and placed within the Privacy Envelope with his or her employee number (if applicable), printed name and signature in the space provided on the reverse of said envelope; and shall be received by the RRCC by 5:00 p.m., Tuesday, August 1, 2017. There are no provisions for write-in candidates; therefore, no write-in votes shall be counted.

26. The RRCC shall canvass the votes cast at the election and shall certify the results to the Executive Officer of the Board of Supervisors on or before Friday, August 4, 2017.

27. On or before Friday, August 4, 2017, the RRCC shall: (a) telephone each candidate receiving more than 20 percent of the total vote cast at his or her telephone number provided as to the results as certified and (b) send written notice of the results via U.S. Mail to each candidate's mailing address or send electronic mail to those candidates who prefer electronic communication.

28. In the event a candidate makes a request for a recount of the election results, the requestor shall bear the cost of such a recount. A written request for a recount shall be filed with the RRCC no later than 5:00 p.m., Friday, August 11, 2017. The candidate filing the request for a recount shall, before the recount is commenced and at the beginning of each day following, deposit with the RRCC a sum as required by the RRCC to cover the cost of the recount for that day. The RRCC shall commence a recount no later than Friday, August 18, 2017. In the event the recount results in a determination that the candidate who requested the

recount has received a plurality of the votes cast, all money deposited shall be returned to the candidate. The recount conducted by the RRCC shall be open to the public in the same manner as allowed in the Elections Code.

29. In the event any candidate desires to protest the results of the election, he or she must file a written protest with the Executive Office of the Board of Supervisors no later than 5:00 p.m., Friday, August 11, 2017. The written protest shall specify the grounds for the protest and be accompanied by supporting documentation.

30. The Board of Supervisors at its meeting on Tuesday, September 12, 2017, or on a date following the completion of any recount, and/or investigation of a protest, shall declare the results official. The person receiving the highest number of votes shall be declared elected. In the event two or more persons tie for first place, such persons shall determine, by drawing lots before the Board, which of them shall be elected.

31. In lieu of declaring the results official, the Board of Supervisors may order a new election if the Board determines, on the basis of written protest or on its own motion, that any error, omission or neglect occurred attributable to the County in the administration of the election sufficient to change the result. The rejection of a candidate's statement of qualifications by the RRCC, or the failure of the RRCC to reject a candidate's statement of qualifications, shall not constitute grounds for a new election. Allegations of candidate misconduct, in and of itself, shall not constitute grounds for a new election, but, if later substantiated, may lead to administrative discipline or criminal culpability.

32. Election material retained by the Executive Officer of the Board of Supervisors and nominating petitions and ballots retained by the RRCC may be discarded or otherwise disposed of no earlier than sixty-two (62) days after the date of the final declaration of the election results by the Board of Supervisors. The RRCC will further confirm with their selected vendor(s), if used, that the electronic file

was destroyed sixty-five (65) days after the date of final declaration of the election results by the Board of Supervisors.

33. The Executive Officer of the Board of Supervisors may, in the exercise of her discretion, implement additional procedures as she may deem necessary in order to preserve a fair and equitable election and election process. The Executive Officer of the Board of Supervisors shall, within ten (10) days, notify the Board of Supervisors, the Boards of Investments and Retirement and all candidates of any additional procedures implemented pursuant to this provision.

The foregoing resolution was on the 9th day of May, 2017, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

Lori Glasgow, Executive Officer-
Clerk of the Board of Supervisors of the
County of Los Angeles

By Lachelle Smitherman
Deputy

APPROVED AS TO FORM:
MARY WICKHAM
County Counsel

By 5/2/17
Nicole Davis Tinkham
Senior Deputy County Counsel

HOA.101633619.1

Attachment B

POWERS AND DUTIES

OF RETIREMENT BOARD MEMBERS

The Board of Retirement provides this summary to enable voters to evaluate candidates for the Board. The Board urges voters to review this summary prior to voting.

INTRODUCTION

The overall responsibility of the Board of Retirement is to oversee the administration of the retirement pension system and the retiree health care program to ensure that members are provided with the promised benefits upon completion of their public service with Los Angeles County and other participating public employers. In total, members of the Board of Retirement can expect to commit approximately 120-140 hours of their time each month to discharging their duties to the retirement system.

As to those elected Board members who are employed by the County or a participating district, the law provides that these LACERA duties are included as part of their County or other public employment and shall normally take precedence over any other duties. Given the time commitment necessary to fulfill the responsibilities of Board membership, elected Board members will be required to spend a great majority of their working time each month in carrying out their important LACERA duties and responsibilities.

The responsibilities and duties of Board members are explained in detail below.

BOARD MEMBER RESPONSIBILITIES

A Board member's duties include:

1. ***Board and Committee Meetings.*** The Board meets twice each month unless otherwise specified, usually on the first Wednesday and second Thursday, with each meeting generally lasting from 6 to 8 hours. In addition, the Board has established committees to assist in carrying out its responsibilities. The Board also shares additional committees jointly with the system's Board of Investments, including the Audit Committee. Some committees meet monthly; others meet less frequently but up to several times per year. Committee meetings may be held both before and after regular Board meetings, and at other times, and generally last 1 to 2 hours. In addition to the time required to attend meetings, considerable time is required to prepare for meetings and review relevant materials developed by staff and management.

2. ***General Management.*** The general management of LACERA is under the Board of Retirement's oversight. To exercise this responsibility, the Board establishes policies, procedures, and governance processes, and

receives, discusses, and questions reports on operational activities. A few management functions are shared with the Board of Investments. The Boards of Retirement and Investments, acting jointly, adopt the annual budget covering LACERA's operations. The two Boards also act jointly in certain employee relations matters, including approval of Memoranda of Understanding (MOU's) negotiated with SEIU Local 721, the union bargaining for represented employees of LACERA, and approval of compensation to be provided to LACERA's nonrepresented employees. The Board of Retirement is not responsible for investments or for the adoption of funding policies and the setting of contribution rates. The Legislature assigned those responsibilities to the Board of Investments.

3. ***Payment of Retirement Pension Benefits.*** The Board of Retirement administers a statutory retirement plan; it does not establish retirement benefits. This means that retirement benefits can only be provided if they have been authorized by the State Legislature in the County Employees Retirement Law of 1937, found in the California Government Code beginning at Section 31450, and the California Public Employees' Pension Reform Act of 2013, found in the California Government Code beginning at Section 7522. Retirement benefits not authorized by the retirement laws cannot be implemented by the Board of Retirement; rather, a bill must be processed through the Legislature to amend the retirement laws. With only a few exceptions, the Legislature has required the County Board of Supervisors to adopt a resolution approving benefit enhancements before they can take effect.

4. ***Disability Retirement Applications.*** One of the most important – and by far the most time consuming – duties of a Board member is to review disability retirement applications and to participate in the Board's decision to grant or deny disability retirements according to applicable legal standards. It is anticipated the Board of Retirement will process approximately 30 to 50 disability retirement cases per month. Board members carefully review each application and the medical evidence supporting the application. A Board member will then participate in the Board's deliberations and vote on each application.

5. ***Retiree Healthcare Benefits.*** The Board oversees the administration of retiree healthcare benefits under contract with the County and other participating employers.

6. ***Claims and Litigation.*** The Board decides claims made by members concerning their benefits and related issues. The Board also oversees litigation, other than securities litigation.

7. ***Retention and Oversight of Vendors, Consultants, and Experts.*** The Board approves and oversees the retention and performance of vendors,

consultants, and experts to assist in the administration of the system and to aid the Board when appropriate.

8. ***Delegation.*** The day-to-day operations of the retirement system are delegated to staff and outside service providers. Board members consider what responsibilities will be delegated and to whom delegation is made. Board members ensure that delegated responsibilities are properly performed through monitoring, questioning, and accountability.

9. ***Legal Compliance.*** The Board ensures that the retirement system maintains compliance with the plan documents and all applicable laws governing the system. Board members comply with this responsibility by conducting a periodic review of plan documents and monitoring changing legal requirements.

10. ***Education.*** Board members are legally required to educate themselves on appropriate topics, which may include benefits administration, disability evaluation, fair hearings, pension fund governance, new board member orientation, ethics, and fiduciary responsibilities, among other topics. Such education must consist of a minimum of 24 hours within two years of assuming office and 24 hours every subsequent two-year period the member continues on the Board. Board members may participate in state and national pension and retirement related organizations, including serving as an executive or committee member in these organizations.

FIDUCIARY DUTIES

Board members have the following fiduciary duties:

1. ***Duty of Loyalty.*** The California Constitution provides that Board of Retirement members are fiduciaries and are required 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." All Board members, whether elected or appointed, have the same fiduciary duty. The Board members' duty of loyalty at all times is to the participants and beneficiaries as a whole. Board members do not serve as the agent or representative of the agency or group responsible for their election or appointment. Where different groups of participants have different interests on an issue, Board members have a duty to be impartial as between conflicting participant interests and act to serve the overall best interests of all of the participants of the system.

2. ***Duty of Care.*** The California Constitution provides that assets of the retirement system are trust funds to be used only for the purpose of

providing benefits and paying the costs of administering the system. Under the Constitution, members of the Board of Retirement "shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims."

The duty of care means that Board members must exercise reasonable effort and diligence in administering and exercising oversight over the system, including: implementing, and periodically reviewing and updating, policies, procedures, and processes; requesting necessary reports and information; analyzing the information, advice, and recommendations received; asking questions; seeking expert advice when required from staff and outside expert consultants; deliberating carefully before making decisions; and understanding the reason for actions before taking them. Board members must monitor the administration of the system, follow the plan documents and applicable law, and take corrective action when required to ensure the sound administration of the system so that benefits and related services are timely and correctly delivered to participants and their beneficiaries and the other matters under the responsibility of the Board of Retirement are properly performed.

CONFLICTS OF INTEREST

Board members must be free of conflicts of interest in compliance with applicable legal requirements and LACERA's Code of Ethical Conduct. Board members cannot participate in decisions that will impact, positively or negatively, their own financial interests or the interests of certain of their related persons and entities. Board members are public officials under California conflict of interest laws, and they must be familiar with and follow those laws. Board members are in positions that are subject to disclosure of economic interests and annual reporting requirements under the Political Reform Act and Fair Political Practices Commission regulations. Conflict of interest laws and regulations are complex, and Board members should seek legal advice when appropriate.

APPROVED BY THE BOARD OF RETIREMENT ON FEBRUARY 9, 2017.