

April 27, 2017

The Honorable Richard Pan
Chair
Senate Public Employment and Retirement Committee
1020 N Street, Room 568
Sacramento, CA 95814

**RE: Support SB 671 (Moorlach): County Employees' Retirement: Retirement
Funds: Transfers**

Dear Chair Pan:


The Board of Investments of the Los Angeles County Employees Retirement Association (LACERA) respectfully requests your support of SB 671.

SB 671 would provide that a board of supervisors is not prevented from authorizing a county auditor to make advance payments of estimated annual county contributions if the advance payment for one or more additional years is made no later than 30 days after the commencement of the fiscal year for which the advance payment is made. The bill provides similar authority to districts that are members of county retirement systems to make advance payments.

SB 671 provides more flexibility for a board of supervisors to authorize advance payments of estimated annual county contributions earlier than what is provided under current law and consequently provides more flexibility for LACERA as plan administrator to receive advance funding for additional years. The bill does not place policy constraints upon a county retirement system with respect to the treatment of those advance payments and thus does not infringe on a retirement board's plenary authority and fiduciary responsibility in its investment and funding policies. By providing this flexibility to a board of supervisors as well as to districts that also participate in a county retirement system, SB 671 facilitates retirement plan administration and our mission of paying promised benefits to our members.

For these reasons, the Board of Investments of LACERA respectfully requests your support and an "aye" vote for SB 671.

Respectfully submitted,


GREGG RADEMACHER
Chief Executive Officer

GR:bwl