

APPROVED

MINUTES OF THE BOARD OF RETIREMENT FROM
A SPECIAL JOINT MEETING OF THE BOARD OF RETIREMENT
AND THE BOARD OF INVESTMENTS

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 NORTH LAKE AVENUE, SUITE 810, PASADENA, CALIFORNIA 91101

9:00 A.M., WEDNESDAY, JUNE 24, 2020

This meeting was conducted by the Board of Retirement and Board of Investments
by teleconference under the Governor's Executive Order No. N-29-20.

PRESENT: Herman B. Santos, Chair

Vivian Gray, Vice Chair

JP Harris, Alternate Retiree Member

Shawn Kehoe

Keith Knox

Wayne Moore (Arrived at 9:38 a.m.)

Les Robbins

Ronald Okum (Arrived at 9:10 a.m.)

Thomas Walsh

William Pryor, Alternate Safety Member

ABSENT: Gina Zapanta, Secretary

William Pryor, Alternate Safety Member

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BOARD OF INVESTMENTS

PRESENT: David Green, Chair

Herman B. Santos, Vice Chair

Wayne Moore, Secretary

Alan Bernstein

Elizabeth Greenwood

Shawn Kehoe

Keith Knox

David Muir

Gina Sanchez

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

JJ Popowich, Assistant Executive Officer

Jon Grabel, Chief Investments Officer

Steven P. Rice, Chief Counsel

Kimberly D. Hines, Division Manager, Administrative Services

Richard Bendall, Chief Audit Executive

Leisha Collins, Principal Internal Auditor

Christina Logan, Sr. Internal Auditor

Roberta Van Nortrick, Training Coordinator

James Beasley, Supervising Administrative Assistant

STAFF ADVISORS AND PARTICIPANTS

Lilit Bagdzhyan, Administrative Service Analyst

James Brekk, Information Systems Manager

Carly Ntoya, Human Resources Director

Cassandra Smith, Retiree Healthcare Manager

Kaelyn Ung, Administrative Analyst II

I. CALL TO ORDER

The meeting was called to order by Mr. Green at 9:02 a.m., in the Board Room of Gateway Plaza.

II. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of May 20, 2020

Mr. Santos made a motion, Mr. Knox seconded, to approve the minutes of the special meeting of May 20, 2020. The motion passed (roll call) with Messrs. Kehoe, Santos, Knox, Okum, Robbins, Walsh and Ms. Gray voting yes.

- B. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of May 20, 2020

No action was taken on this item by the Board of Retirement.

III. PUBLIC COMMENT

Messrs. Goodmon and Farrell addressed the Board regarding investment Transaction of the Baldwin Hills Crenshaw Plaza.

We received one written public comment from Joseph Kelly in regards to Item

IV. A-B. This will be part of the meeting record.

IV. CONSENT ITEMS (Mr. Okum joined the Board meeting at 9:10 a.m.)

- A. Recommendation as submitted by Gina Sanchez, Chair, Audit Committee: That the Boards approve and adopt the revised Audit Committee Charter. (Memo dated June 15, 2020)

(Mr. Okum joined the Board meeting at 9:10 a.m.)

Mr. Santos made a motion, Ms. Gray seconded, to adopt the revised Audit Committee Charter. The motion passed (roll call) with Messrs. Kehoe, Santos, Knox, Walsh and Ms. Gray voting yes and Messrs. Okum and Robbins voting no.

- B. Recommendation as submitted by Gina Sanchez, Chair, Audit Committee: That the Boards 1) Approve the establishment of an Audit Reserve Fund in the amount of \$500,000 against contingency funds, and 2) Delegate authority to the Audit Committee to access such reserve funds at their sole discretion based on a preliminary finding from existing audit activities that merit further investigation. (Memo dated June 16, 2020)

Mr. Santos made a motion, Ms. Gray seconded, to 1) Approve the establishment of an Audit Reserve Fund in the amount of \$500,000 against contingency funds, and 2) Delegate authority to the Audit Committee to access such reserve funds at their sole discretion based on a preliminary finding from existing audit activities that merit further investigation. The motion passed (roll call) with Messrs. Knox, Santos, Walsh and Ms. Gray voting yes and Messrs. Okum, Kehoe and Robbins voting no.

V. NON-CONSENT ITEMS

- A. Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer: That the Boards approve the FY 2020-2021 Administrative, Retiree Healthcare Benefits, and Other Post-Employment Benefit Budgets. (Memo dated June 16, 2020)

Messrs. Kreimann, Popowich and Ms. Hines provided a presentation and answered questions from the Board.

(Mr. Moore joined the Board meeting at 9:38 a.m.)

Mr. Santos made a motion, Ms. Sanchez seconded, to approve the FY 2020-2021 Administrative, Retiree Healthcare Benefits, and Other Post-Employment Benefit Budgets. The motion passed (roll call) with Messrs. Kehoe, Santos, Knox, Moore, Robbins, Walsh and Ms. Gray voting yes.

- B. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Boards approve an amendment to the Chief Executive Officer's Employment Agreement to provide that, due to the unavailability in the present market of life insurance as required by the agreement, LACERA will, until such time as insurance can be obtained, pay \$200,000 to the CEO's beneficiaries upon his death while employed by LACERA and for the rest of his life if employed at least three years after his original start date. (Memo dated June 16, 2020)

Mr. Rice provided a presentation and answered questions from the Board.

Mr. Robbins made a motion, Mr. Kehoe seconded, to hold this matter over until Fiduciary Counsel can be present at a future meeting. The motion failed (roll call) with Messrs.

VI. NON-CONSENT ITEMS (Continued)

Kehoe, Knox, Okum, Robbins voting yes and Messrs. Santos, Moore, Walsh and Ms. Gray voting no.

After a brief discussion, the Board directed staff to work with Fiduciary Counsel and return this item at a future meeting.

VII. REPORTS

- A. For Information Only as submitted by JJ Popowich, Assistant Executive Officer and Roberta Van Nortrick, Training Coordinator, regarding the LACERA Employee Connection Survey Results.
(Memo dated June 15, 2020)

Mr. Popowich and Ms. Van Nortrick provided a presentation and answered questions from the Board.

- B. For Information Only as submitted by JJ Popowich, Assistant Executive Officer, Roberta Van Nortrick, Training Coordinator, James Beasley, Supervising Administrative Assistant and Lilit Bagdzhyan, Administrative Services Analyst, regarding the Phased Transition Plan for Staff Members to Return to LACERA. (Memo dated June 15, 2020)

Mr. Popowich and Ms. Van Nortrick provided a presentation and answered questions from the Board.

VIII. ITEMS FOR STAFF REVIEW

There were no items to report.

IX. GOOD OF THE ORDER

There was nothing to report.

X. EXECUTIVE SESSION

- A. Public Employment
(Pursuant to Paragraph (1) of Subdivision (b) of California
Government Code Section 54957)

Title: Chief Executive Officer

The Board met in Executive Session with counsel pursuant to California
Government Code Section 54957(b)(1). There was nothing to report.

- B. Public Employee Performance Evaluation
(Pursuant to Paragraph (1) of Subdivision (b) of California
Government Code Section 54957)

Title: Chief Executive Officer

The Board met in Executive Session with counsel pursuant to California
Government Code Section 54957(b)(1). There was nothing to report.

XI. ADJOURNMENT

There being no further business to come before the Board, the meeting was
adjourned at 12:45 p.m.

Signature on File

GINA ZAPANTA, SECRETARY

Signature on File

HERMAN SANTOS, CHAIR