

## AGENDA

### 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

8:00 A.M., WEDNESDAY, NOVEMBER 6, 2019

*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. APPROVAL OF MINUTES
  - A. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of September 12, 2019
  - B. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of September 12, 2019
  - C. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of October 16, 2019
  - D. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of October 16, 2019
  - E. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of October 17, 2019
  - F. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of October 17, 2019
- IV. PUBLIC COMMENT

V. EXECUTIVE SESSION

- A. Conference with Labor Negotiator  
(Pursuant to California Government Code Section 54957.6)

Designated Representative

Cindy Krebs, Alliance Resource Consulting LLC

Unrepresented Employee

Chief Executive Officer

- B. Public Employment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer

- C. Public Employment – Appointment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer

VI. NON-CONSENT ITEMS

- A. Recommendation as submitted by Steven P. Rice, Chief Counsel: That the Board:

- 1) Appoint Santos H. Kreimann as Chief Executive Officer, LACERA (CEO);
- 2) Approve the CEO's annual salary of \$400,000 and benefits, including "L" Item and LACERA benefits; and
- 3) Approve the Employment Agreement between LACERA and Mr. Kreimann.

(Memo dated November 1, 2019)

VII. ITEMS FOR STAFF REVIEW

VIII. ADJOURNMENT

November 6, 2019

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*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 Members 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.*

*Persons requiring an alternative format of this agenda pursuant to Section 202 of the Americans with Disabilities Act of 1990 may request one by calling Cynthia Guider at (626) 564-6000, from 8:30 a.m. to 5:00 p.m. Monday through Friday, but no later than 48 hours prior to the time the meeting is to commence. Assistive Listening Devices are available upon request. American Sign Language (ASL) Interpreters are available with at least three (3) business days notice before the meeting date.*

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

8:30 A.M., THURSDAY, SEPTEMBER 12, 2019

PRESENT: Alan Bernstein, Chair

Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

Keith Knox

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

Thomas Walsh

ABSENT: Shawn Kehoe

Les Robbins, Vice Chair

BOARD OF INVESTMENTS

PRESENT: Ronald Okum, Vice Chair

Wayne Moore, Secretary

Keith Knox

BOARD OF INVESTMENTS (Continued)

Alan Bernstein

David Green

David Muir

Gina Sanchez

Herman B. Santos

ABSENT: Shawn Kehoe, Chair

STAFF ADVISORS AND PARTICIPANTS

Steven P. Rice, Chief Counsel

The Learner's Group

Rodney S. Patterson

Dr. Lisa Summerour

Brent Bilodeau

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 11:45 a.m., in the Board Room of Gateway Plaza.

II. PLEDGE OF ALLEGIANCE

Mr. Green led the Board Members and staff in reciting the Pledge of Allegiance.

III. APPROVAL OF MINUTES

A. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of May 16, 2019

Mr. Bernstein made a motion, Mr. Santos seconded, to approve the minutes of the

III. APPROVAL OF MINUTES (Continued)

special meeting of May 16, 2019. The motion passed unanimously by all members present.

- B. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of May 16, 2019

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

- C. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of May 31, 2019

Mr. Bernstein made a motion, Mr. Santos seconded, to approve the minutes of the special meeting of May 31, 2019. The motion passed unanimously by all members present.

- D. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of May 31, 2019

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

- E. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of July 3, 2019

Mr. Bernstein made a motion, Mr. Santos seconded, to approve the minutes of the special meeting of July 3, 2019. The motion passed unanimously by all members present.

- F. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of July 3, 2019

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

September 12, 2019

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#### IV. PUBLIC COMMENT

There were no requests from the public to speak.

#### V. EXECUTIVE SESSION

##### A. Conference with Legal Counsel - Anticipated Litigation Significant Exposure to Litigation (Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9)

##### 1. One Other Matter

The Board met in Executive Session with counsel pursuant to Paragraph (2) of Subdivision (b) of California Government Code Section 54956.9. It was reported that the item relates to the dismissal of former Chief Executive Officer Lou Lazatin. It was further reported that the Board voted 8-0 to engage the law firm of Munger Tolles & Olson LLP as counsel. The motion was made by Mr. Santos, seconded by Ms. Gray, with Messrs. Bernstein, Harris, Knox, Okum, Santos, and Walsh and Ms. Gray and Zapanta-Murphy voting in favor. All other trustees were absent. There was no other reportable action.

(Messrs. Okum, Pryor and Ms. Zapanta-Murphy left the Board meeting at approximately 2:15 p.m.)

#### VI. REPORTS

##### A. Educational Training presented by Rodney Patterson and Lisa Summerour of The Learner's Group

The Learner's Group provided a presentation and answered questions from the Boards.

September 12, 2019

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VII. ITEMS FOR STAFF REVIEW

There were no items for staff review.

VIII. GOOD OF THE ORDER

There was nothing to report during Good of the Order.

IX. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:50 p.m.

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GINA ZAPANTA-MURPHY, SECRETARY

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ALAN BERNSTEIN, CHAIR



MINUTES OF THE BOARD OF INVESTMENTS 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

8:30 A.M., THURSDAY, SEPTEMBER 12, 2019

PRESENT: Ronald Okum, Vice Chair (Left the meeting at approximately 2:15 p.m.)

Wayne Moore, Secretary (Left the meeting at approximately 2:15 p.m.)

Alan Bernstein

David Green

Keith Knox

Gina Sanchez (Left the meeting at approximately 2:15 p.m.)

Herman B. Santos

ABSENT: Shawn Kehoe, Chair

David Muir

BOARD OF RETIREMENT

PRESENT: Alan Bernstein, Chair

Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

Keith Knox

September 12, 2019

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BOARD OF RETIREMENT (Continued)

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

Thomas Walsh

ABSENT: Shawn Kehoe

Les Robbins, Vice Chair

STAFF ADVISORS AND PARTICIPANTS

Steven P. Rice, Chief Counsel

The Learner's Group  
Rodney S. Patterson  
Dr. Lisa Summerour  
Brent Bilodeau

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The meeting was called to order by Mr. Bernstein at 11:45 a.m., in the Board Room of Gateway Plaza.

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A. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of May 16, 2019

III. APPROVAL OF MINUTES (Continued)

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

- B. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of May 16, 2019

Ms. Sanchez made a motion, Mr. Green seconded, to approve the minutes of the special meeting of May 16, 2019. The motion passed unanimously by all members present.

- C. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of May 31, 2019

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

- D. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of May 31, 2019

Ms. Sanchez made a motion, Mr. Green seconded, to approve the minutes of the special meeting of May 31, 2019. The motion passed unanimously by all members present.

- E. Approval of the Minutes of the Special Joint Meeting of the Board of Retirement of July 3, 2019

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

- F. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of July 3, 2019

Ms. Sanchez made a motion, Mr. Green seconded, to approve the minutes of the special meeting of July 3, 2019. The

III. APPROVAL OF MINUTES (Continued)

motion passed unanimously by all  
members present.

IV. PUBLIC COMMENT

There were no requests from the public to speak.

V. EXECUTIVE SESSION

A. Conference with Legal Counsel - Anticipated Litigation  
Significant Exposure to Litigation (Pursuant to Paragraph (2) of  
Subdivision (d) of California Government Code Section 54956.9)

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September 12, 2019

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WAYNE MOORE, SECRETARY

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SHAWN KEHOE, CHAIR

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  
ALOFT HOTEL – TACTIC WEST ROOM  
475 N. PACIFIC COAST HIGHWAY, EL SEGUNDO, CA 90245  
8:00 A.M., WEDNESDAY, OCTOBER 16, 2019

PRESENT: Alan Bernstein, Chair

Les Robbins, Vice Chair

Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

Shawn Kehoe

Keith Knox

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

ABSENT: Thomas Walsh

BOARD OF INVESTMENTS

PRESENT: Shawn Kehoe, Chair

Ronald Okum, Vice Chair

Wayne Moore, Secretary

BOARD OF INVESTMENTS (Continued)

Alan Bernstein

David Green

Keith Knox

David Muir

Gina Sanchez

Herman B. Santos

STAFF ADVISORS AND PARTICIPANTS

Harvey Leiderman, Fiduciary Counsel  
Reed Smith LLP

Cindy Krebs, Consultant  
Alliance Resource Consulting LLC

I. CALL TO ORDER

The meeting was called to order by Mr. Kehoe at 8:22 a.m., at the Aloft Hotel in El Segundo.

II. PUBLIC COMMENT

There were no requests from the public to speak.

III. EXECUTIVE SESSION

A. Public Employment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer

October 16, 2019

Page 3

III. EXECUTIVE SESSION (Continued)

- B. Conference with Labor Negotiator  
(Pursuant to California Government Code Section 54957.6)

Designated Representative

Cindy Krebs, Alliance Resource Consulting LLC

Unrepresented Employee

Chief Executive Officer

The Board met in Executive Session pursuant California Government Code Section 54957 and 54957.6. There was nothing to report.

IV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:36 p.m.

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GINA ZAPANTA-MURPHY, SECRETARY

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ALAN BERNSTEIN, CHAIR



MINUTES OF THE BOARD OF INVESTMENTS FROM  
A SPECIAL JOINT MEETING OF THE BOARD OF RETIREMENT  
AND THE BOARD OF INVESTMENTS  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
ALOFT HOTEL – TACTIC WEST ROOM

475 N. PACIFIC COAST HIGHWAY, EL SEGUNDO, CA 90245

8:00 A.M., WEDNESDAY, OCTOBER 16, 2019

PRESENT: Shawn Kehoe, Chair

Ronald Okum, Vice Chair

Wayne Moore, Secretary

Alan Bernstein

David Green

Keith Knox

David Muir

Gina Sanchez

Herman B. Santos

BOARD OF RETIREMENT

PRESENT: Alan Bernstein, Chair

Les Robbins, Vice Chair

Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

BOARD OF RETIREMENT (Continued)

Shawn Kehoe

Keith Knox

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

ABSENT: Thomas Walsh

STAFF ADVISORS AND PARTICIPANTS

Harvey Leiderman, Fiduciary Counsel  
Reed Smith LLP

Cindy Krebs, Consultant  
Alliance Resource Consulting LLC

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II. PUBLIC COMMENT

There were no requests from the public to speak.

III. EXECUTIVE SESSION

A. Public Employment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer

October 16, 2019

Page 3

III. EXECUTIVE SESSION (Continued)

- B. Conference with Labor Negotiator  
(Pursuant to California Government Code Section 54957.6)

Designated Representative

Cindy Krebs, Alliance Resource Consulting LLC

Unrepresented Employee

Chief Executive Officer

The Board met in Executive Session pursuant California Government Code Section 54957 and 54957.6. There was nothing to report.

IV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:36 p.m.

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WAYNE MOORE, SECRETARY

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SHAWN KEHOE, CHAIR

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  
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Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

Shawn Kehoe

Keith Knox

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

ABSENT: Thomas Walsh

BOARD OF INVESTMENTS

PRESENT: Shawn Kehoe, Chair

Ronald Okum, Vice Chair

Wayne Moore, Secretary

October 17, 2019

Page 2

BOARD OF INVESTMENTS (Continued)

Alan Bernstein

David Green

Keith Knox

David Muir

Herman B. Santos

ABSENT: Gina Sanchez

STAFF ADVISORS AND PARTICIPANTS

Harvey Leiderman, Fiduciary Counsel  
Reed Smith LLP

Cindy Krebs, Consultant  
Alliance Resource Consulting LLC

I. CALL TO ORDER

The meeting was called to order by Mr. Bernstein at 8:10 a.m., at the Aloft Hotel in El Segundo.

II. PUBLIC COMMENT

There were no requests from the public to speak.

III. EXECUTIVE SESSION

A. Public Employment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer

October 17, 2019

Page 3

III. EXECUTIVE SESSION (Continued)

- B. Conference with Labor Negotiator  
(Pursuant to California Government Code Section 54957.6)

Designated Representative

Cindy Krebs, Alliance Resource Consulting LLC

Unrepresented Employee

Chief Executive Officer

The Board met in Executive Session pursuant California Government Code Section 54957 and 54957.6.

IV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:21 p.m.

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GINA ZAPANTA-MURPHY, SECRETARY

---

ALAN BERNSTEIN, CHAIR

MINUTES OF THE BOARD OF INVESTMENTS FROM  
A SPECIAL JOINT MEETING OF THE BOARD OF RETIREMENT  
AND THE BOARD OF INVESTMENTS  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
ALOFT HOTEL – TACTIC WEST ROOM  
475 N. PACIFIC COAST HIGHWAY, EL SEGUNDO, CA 90245  
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Wayne Moore, Secretary

Alan Bernstein

David Green

Keith Knox

David Muir

Herman B. Santos

ABSENT: Gina Sanchez

BOARD OF RETIREMENT

PRESENT: Alan Bernstein, Chair

Les Robbins, Vice Chair

Gina Zapanta-Murphy, Secretary

Vivian Gray

JP Harris, Alternate Retiree Member

BOARD OF RETIREMENT (Continued)

Shawn Kehoe

Keith Knox

Ronald Okum

William Pryor, Alternate Safety Member

Herman B. Santos

ABSENT: Thomas Walsh

STAFF ADVISORS AND PARTICIPANTS

Harvey Leiderman, Fiduciary Counsel  
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I. CALL TO ORDER

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III. EXECUTIVE SESSION

A. Public Employment  
(Pursuant to California Government Code Section 54957)

1. Title: Chief Executive Officer



October 17, 2019

Page 3

III. EXECUTIVE SESSION (Continued)

- B. Conference with Labor Negotiator  
(Pursuant to California Government Code Section 54957.6)

Designated Representative

Cindy Krebs, Alliance Resource Consulting LLC

Unrepresented Employee

Chief Executive Officer

The Board met in Executive Session pursuant California Government Code Section 54957 and 54957.6.

IV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:21 p.m.

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WAYNE MOORE, SECRETARY

---

SHAWN KEHOE, CHAIR



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**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**



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

November 1, 2019

TO: Each Member,  
Board of Retirement  
Board of Investments

FROM: Steven P. Rice *SPR*  
Chief Counsel

FOR: November 6, 2019 Joint Board of Retirement and Board of Investments Meeting

SUBJECT: Appointment of Santos H. Kreimann as Chief Executive Officer, LACERA

Based upon the satisfactory completion of the recruitment conducted by the Board of Retirement and the Board of Investments (Boards) and the Boards' joint ad hoc CEO search committee, IT IS RECOMMENDED:

1. The Boards approve the appointment of Santos H. Kreimann as Chief Executive Officer, LACERA (CEO);
2. The Boards approve the CEO's annual salary of \$400,000 and benefits, including "L" Item and LACERA benefits; and
3. The Boards approve the Employment Agreement between LACERA and Mr. Kreimann in the form attached to this memo.

Attachment

**EMPLOYMENT AGREEMENT  
CHIEF EXECUTIVE OFFICER, LACERA**

This Agreement (Agreement) is made and entered into as of November 16, 2019, at Pasadena, California, by and between the Los Angeles County Employees Retirement Association (LACERA), by its Board of Retirement and Board of Investments (collectively, Boards), and Santos H. Kreimann (Kreimann).

WHEREAS, the Boards have implemented the provisions of California Government Code Section 31522.2 by appointing a person to act as retirement administrator, which is the senior administrative officer of the organization; and

WHEREAS, the retirement administrator position has been designated in Los Angeles County Code Section 6.127.020 as having the title of Chief Executive Officer, LACERA (CEO); and

WHEREAS, Section 6.127.030.B.1 of the Los Angeles County Code provides that the person appointed as CEO may receive such salary and benefits as determined by written agreement between LACERA, through its Boards, and the CEO; and

WHEREAS, the Boards have determined that Kreimann is qualified to perform the duties and responsibilities of CEO, and have selected Kreimann to serve as CEO according to the terms of this Agreement.

NOW, THEREFORE, LACERA and Kreimann agree, subject to Paragraph 8, as follows:

1. APPOINTMENT. The Boards hereby appoint Kreimann as CEO, subject to the terms and conditions of this Agreement, and Kreimann accepts and agrees to such appointment. Under California Government Code Section 31522.2, the CEO shall be an employee of the County of Los Angeles, reporting to the Boards and with performance of services exclusively for LACERA as described in Paragraph 4.
2. REPRESENTATION. Kreimann represents and warrants that all information regarding qualifications, all applications and resumes, and all additional background information provided, verbally or in writing, to the Boards and their representatives, including Alliance RC and LACERA staff, and all of their respective background check vendors, at any and all times during the course of the recruiting process for the CEO position prior to the execution of this Agreement, were truthful, accurate, and complete and did not omit any facts necessary to have an accurate understanding of Kreimann's background, skills, and experience. This representation is material to the Boards' willingness to enter into this Agreement.
3. TERM. Kreimann's appointment shall commence on November 16, 2019, or such other date as determined by the Boards in their sole discretion (Effective Date). As provided by California Government Code Section 31522.2, the position of CEO is not subject to county civil service or merit system rules, and Kreimann shall be an at-will employee and serve at the pleasure of, and may be dismissed at any time at the will of, the Boards, with or without cause, and with or without any period of notice. Specific

charges, a statement of reasons, or good cause shall not be required as a basis for dismissal. Dismissal by the Boards shall constitute an immediate termination of this Agreement, except those provisions that expressly survive termination. Kreimann expressly waives and disclaims any right to any pre-termination or post-termination notice and hearing, except for the notice provided in Paragraph 11.

4. DESCRIPTION OF SERVICES. Kreimann shall perform all of the duties of CEO, as directed by the Boards from time to time, including but not limited to those described in the Position Information and Examples of Essential Job Functions stated in Exhibit A to this Agreement. As CEO, Kreimann shall be LACERA's senior administrative officer, reporting directly to the Boards, and shall be expected to fulfill the needs of the organization as they may change from time to time and as directed by the Boards based on LACERA's needs and objectives. The CEO position requires maintenance of a full-time work schedule, including presence in LACERA's office each business day, subject to business travel and vacation and other permitted personal use time and reasonable flexibility with respect to the occasional need to work remotely. Kreimann shall notify the Boards in advance if he will be out of Los Angeles County or unavailable for necessary communication during time away from the office. Kreimann is expected to engage in those hours of work that are necessary to fulfill the obligations of the CEO position. The position does not have set hours of work, and the CEO is expected to be available at all times.

Kreimann shall perform all duties hereunder in a manner consistent with the level of competency, ethics and avoidance of actual or potential conflicts of interest, and standard of care normally observed by a person employed as a Chief Executive Officer of a large California public employees' retirement system, taking into account the services required from the CEO and LACERA's working environment and resources.

Kreimann shall not engage in teaching, consulting, speaking, or other non-LACERA work or business for which any form of value is paid, without the express prior written consent of the Boards.

5. LACERA'S COMMITMENTS.

- a. LACERA shall provide Kreimann with the salary and benefits as specified in Paragraphs 6 and 7 of this Agreement, subject to Paragraph 8 and all other provisions of this Agreement.
- b. LACERA shall provide Kreimann with an individual office on LACERA premises, a secretary, and such furniture, fixtures, equipment and supplies, including those described in Exhibit B, to the extent reasonably necessary for the performance of the CEO's duties. Furniture, fixtures, equipment and supplies remain the property of LACERA and shall be promptly returned upon separation under Paragraph 11.
- c. LACERA shall pay for or provide Kreimann reimbursement for all reasonable and lawful actual out-of-pocket business expenses incurred on behalf of

LACERA. LACERA shall provide Kreimann a LACERA credit or debit card to charge reasonable and lawful business expenses.

- d. LACERA shall pay for Kreimann to attend and receive education and training reasonably related to his service as LACERA's CEO, as authorized in advance by the Board Chairs or LACERA policies. LACERA shall pay professional dues and subscriptions on behalf of Kreimann which are reasonably related to the CEO's duties and participation in national, regional, state, and local associations and organizations necessary and desirable for the good of LACERA. LACERA shall pay the reasonable and actual travel and subsistence expenses of the CEO to pursue official and other functions for LACERA, and meetings and occasions to continue the professional development of the CEO, including but not limited to national, regional, state, and local conferences, and governmental groups and committees upon which the CEO serves as a member in accordance with LACERA's Education and Travel Policy, as it may be revised by the Boards from time to time, and provided by budget and/or the preapproval of the Board Chairs.
- e. The Boards set policy, in their sole discretion, for the governance and administration of LACERA and implement their respective policies through the CEO in accordance with the Boards' policies, charters, and rules in effect from time to time.
- f. The Boards may conduct annual goal-setting and annual performance evaluations of Kreimann as CEO pursuant to a schedule, standards, and procedures in their sole discretion, including more frequently than annually, consistent with the duties of the CEO position as provided herein.

6. SALARY. Subject to Paragraph 8, Kreimann shall be compensated at a gross base salary, before taxes and any other required or elective deductions, of \$400,000 gross annually (Starting Salary), paid on a bi-monthly basis by way of direct deposit and subject to usual and customary deductions for taxes, benefits, and insurance and any other deductions required or permitted by law, commencing as of the Effective Date and continuing during the time he serves as CEO, pro-rated on a daily basis. Kreimann may, but is not entitled to, receive salary adjustments from time to time as the Boards determine in their sole discretion in accordance with California Government Code Section 31522.2 and Sections 6.127.020 and 6.127.030 and other provisions of the Los Angeles County Code, as applicable to the CEO position.

7. BENEFITS. Subject to Paragraph 8, Kreimann shall receive the benefits now and hereafter provided for those persons occupying positions designated as "L" items by Section 6.28.020.B of the Los Angeles County Code. Benefits provided as of the Effective Date are listed in Exhibit B. Benefits may be adjusted by the Boards in their discretion consistent with the Los Angeles County Code.

8. BOARD APPROVAL. This Agreement, including but not limited to the salary and benefits as provided in Paragraphs 6 and 7, is subject to approval of the Boards at a



duly noticed and agendized public meeting and, notwithstanding any other provision of this Agreement, is not effective in any respect until such approval is given. If Board approval is not obtained prior to the Effective Date, the Effective Date shall be the first business day after approval of both Boards has been obtained and the Boards have duly executed this Agreement. This Agreement is subject to public disclosure to the extent required by the California Public Records Act, Cal. Gov't Code §§ 6250 et seq.

9. CONFLICTS AND COMPLIANCE. Kreimann shall be required to file a Form 700 Statement of Economic Interests within 30 days of assuming the CEO position, and within 30 days of leaving the CEO position, to comply with California law regarding disclosure of potential conflicts of interest, and at other times as required by LACERA and applicable law. Kreimann shall abide by LACERA's Mission, Vision, and Values, its Code of Ethical Conduct and Conflict of Interest Codes, all other LACERA policies and procedures, and all applicable laws and regulations relating to LACERA's business and operations, including but not limited to LACERA policies and procedures, laws, and regulations regarding ethics and avoidance of conflicts of interest.

10. CONFIDENTIALITY AND PRIVACY. During employment with LACERA, Kreimann will have access to confidential and private LACERA member and other information. Without limiting the generality of Paragraph 9, during and after employment, Kreimann shall abide by all applicable laws and regulations and LACERA policies and procedures concerning the confidentiality and privacy of member information and other LACERA information.

11. SEPARATION.

- a. Administrative Leave. The Boards may place Kreimann on administrative leave when in the best interests of LACERA, as determined by the Boards in their sole discretion. The administrative leave shall be effective as of the date set forth in a written notice delivered to Kreimann. Upon delivery of such notice to Kreimann, Kreimann's duties under this Agreement shall be suspended as of the effective date stated in the notice, but all other provisions of this Agreement shall remain in full force and effect except as inconsistent with this subparagraph. Thereafter, Kreimann's duties under this Agreement shall be performed by the Acting CEO or other designee(s) of the Boards. Kreimann agrees that he shall not perform or attempt to perform any of the duties of CEO, or in any other way interfere with the administration or operation of LACERA, during the period of administrative leave. The administrative leave and the suspension of the duties provided for herein shall terminate on the Boards' delivery to Kreimann of a written notice terminating the leave, which may include termination of employment.
- b. Resignation. Kreimann may resign at any time and agrees to give the Boards at least 60 days advance written notice of the effective date of the resignation, unless the Parties otherwise agree in writing.

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- c. Termination and Removal. Kreimann is an at-will employee serving at the pleasure of the Boards. The Boards may remove Kreimann at any time, with or without cause, by a majority vote of the members of each Board. Notice of termination shall be provided to Kreimann in writing. No period of notice is required, and notice may be effective immediately upon delivery or at a later date, in the Boards' sole discretion. \_\_\_\_\_ [Kreimann's Initials]
- d. Transition. Given the at-will nature of the CEO position, an important element of this Agreement pertains to separation. It is in both LACERA's interest and that of Kreimann that any separation of Kreimann is done in a cooperative and businesslike manner. Kreimann shall reasonably cooperate in a transition period, including but not limited to delaying the effective date of separation, training and sharing knowledge with his successor, and leaving electronic and physical files in good condition and readily accessible after separation. Upon or after separation, Kreimann shall not, without LACERA's written consent, retain any LACERA property or the original or any copy of LACERA documents or information in any form or media. All such property or information will be returned to LACERA within five (5) days of the effective date of separation.
- e. Termination for Cause. Kreimann's employment may be terminated immediately by LACERA upon the Boards' determination that Kreimann has engaged in any of the following: (i) fraud, misrepresentation or misconduct; (ii) breach of this Agreement, and/or the policies or procedures of LACERA; (iii) breach of fiduciary duties owed to LACERA; (iv) any conduct which constitutes negligence or recklessness that is materially injurious to LACERA, the Boards, or LACERA members; (v) disloyalty, including, without limitation, fraud, embezzlement, theft or dishonesty; (vi) the misuse or disclosure of confidential information to persons not entitled to receive such information; and (vii) failure to follow a lawful direction from either of the Boards. Cause shall also include the occurrence of Kreimann's conviction of or plea of nolo contendere (i.e., no contest) to: (viii) any felony or a misdemeanor that has been found to involve moral turpitude by any published California appellate decision; or (ix) a misdemeanor violation of the California Political Reform Act (Cal. Gov't Code §§ 87100 et seq.).
- f. Termination without Cause. If LACERA terminates Kreimann without cause, he will be provided a monetary severance payment equal to the sum of six (6) months of base salary and benefits (calculated as 19% of six (6) months of base salary) as of the date of termination. As a non-severable condition precedent of receiving this severance payment, Kreimann shall provide a general release under California Civil Code Section 1542 of any and all claims, known and unknown against LACERA, and its trustees, directors, officers, employees, agents and representatives, to the maximum extent permitted by law.

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- g. Nondisparagement. Upon separation for any reason, with or without cause, Kreimann shall not make any statement, orally, in writing, or through any other media, that is reasonably likely to disparage LACERA, the Boards, LACERA's trustees and staff, or the operations of LACERA and the Boards, or to degrade their reputation with any person or entity.

12. INTEGRATION. This Agreement and the attachments to it state all terms of the parties' agreement and is the exclusive statement of the parties' understanding. Except as provided in Paragraph 2, all prior representations, statements, and understandings, express or implied, including but not limited to the Conditional Offer of Employment dated October 21, 2019, are of no force and effect and cannot be used to alter the terms of this Agreement. In the event of any inconsistencies between the terms of this Agreement and the terms of any provision of the County Code, the terms of this Agreement shall control to the maximum extent allowed by law.

13. CONTROLLING LAW; DISPUTES. This Agreement and all claims arising from or related to this Agreement or Kreimann's employment as LACERA's CEO shall be subject to the laws of the State of California, without regard to its choice of law provisions. All disputes arising from or related to this Agreement or Kreimann's employment with LACERA that must be subject to resolution in court notwithstanding Paragraph 14 shall be resolved exclusively in California state or federal courts sitting in the County of Los Angeles. The parties agree to the exclusive personal and subject matter jurisdiction of such courts for all disputes. \_\_\_\_\_ [Kreimann's Initials]

14. MANDATORY MEDIATION AND ARBITRATION. To the maximum extent permitted under applicable law, all claims arising from or related to this Agreement and the attachments to it, the recruitment for employment, the Conditional Offer of Employment, and Kreimann's employment, compensation, or separation as LACERA's CEO, including acts or omissions of the Boards or LACERA's staff or representatives, any and all such claims or disputes between them shall be subject to mandatory pre-filing mediation in the County of Los Angeles before a mutually agreed upon mediator, who absent any other agreement of the parties, shall be a retired California state or federal judicial officer; the costs of the mediation shall be paid by LACERA. If following mediation, the claims of either party are not successfully resolved, any and all such claims and disputes between them, except claims that as a matter of law cannot be subject to arbitration, shall be subject to mandatory binding arbitration in the County of Los Angeles before a single mutually agreed upon arbitrator, who absent any other agreement of both parties, shall be a retired California state or federal judicial officer associated with the Los Angeles region of the Judicial Arbitration and Mediation Service (JAMS) and administered through JAMS pursuant to its Employment Arbitration Rules & Procedures and subject to JAMS Policy on Employment Arbitration Minimum Standards of Procedural Fairness. The costs of the arbitrator and arbitration service shall be paid by LACERA. The arbitrator's award may be entered in any court having jurisdiction. \_\_\_\_\_ [Initials of All Parties]

15. SEVERABILITY. If any provision of this Agreement is declared unenforceable or invalid, such provision shall be deemed severed from the Agreement, and the

remainder of this Agreement shall remain valid and enforceable and in no way impaired or invalidated, in order to carry out the parties' intent herein the fullest extent possible.

16. WAIVER. Both parties shall be deemed to have participated equally in the drafting of this Agreement, and this Agreement shall be interpreted without regard to California Civil Code Section 1654, which is waived by the parties.


17. ASSIGNMENT. This Agreement and all rights hereunder are personal to Kreimann and may not be assigned or transferred by Kreimann at any time.

18. NOTICE. Any notice required under this Agreement shall be effective immediately upon personal delivery, 24 hours after the date of transmission via email, 48 hours after deposited for overnight delivery service, or 72 hours after deposited by delivery by U.S. First Class mail. The following information shall be used for delivery of notice to the parties, subject to change in writing:

LACERA:

Steven P. Rice  
Chief Counsel  
Los Angeles County Employees Retirement Association  
300 N. Lake Ave, Suite 630  
Pasadena, CA 91101  
srice@lacera.com  
(626) 564-6000, Extension 4340

Kreimann:

Santos H. Kreimann  


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19. ACKNOWLEDGMENT. The parties acknowledge and agree that they have had the opportunity to consult with an attorney of their own choice in the drafting of this Agreement, and sign it without questions or reservations and with full understanding of its terms. \_\_\_\_\_ [Kreimann's Initials]

20. SURVIVAL. The parties agree that Paragraphs 9, 10, 11(d), 11(g), 12, 13, 14, 15, 16, 17, 18, and 19 shall survive termination of this Agreement to the fullest extent possible in fact and by law.

IN WITNESS WHEREOF, LACERA's Boards of Retirement and Investments each have authorized and caused this Agreement to be signed by the Chair of each Board, and Kreimann has signed this Agreement as of the Effective Date.

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

By: \_\_\_\_\_  
Chair of the Board of Retirement

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Chair of the Board of Investments

Dated: \_\_\_\_\_

\_\_\_\_\_  
Santos H. Kreimann

Dated: \_\_\_\_\_

**EXHIBIT A**  
**To**  
**EMPLOYMENT AGREEMENT**  
**CHIEF EXECUTIVE OFFICER, LACERA**

**Position Information:**

The one position allocable to this class is appointed by LACERA's Board of Retirement and Board of Investments to act as retirement administrator, pursuant to Government Code Section 31522.2. The incumbent of this position is the executive and administrative head of the Retirement Association and has full responsibility for planning, organizing and directing the operations of LACERA, except that the Board of Investments may delegate specific investment authority and responsibility to others. In this role, the incumbent manages the system within the framework established by the State Constitution and State laws, and in compliance with the policies, rules, and regulations adopted by the Board of Retirement and, when applicable, the Board of Investments.

As the advisor to the Boards of Retirement and Investments, the incumbent makes recommendations on all matters pertaining to LACERA; assures Board orders and requests are implemented, cooperates with and acts as liaison between the Boards, the staff, member organizations, employers, government departments and agencies, the Legislature, and the public; and directs the administrative support and secretarial services to the Boards.

As the Chief Executive Officer, the incumbent is responsible for providing the direction for the Retirement Association, including but not limited to: establishing and accomplishing goals; ensuring accurate service to LACERA members; ensuring the best caliber staff are employed to manage LACERA's investments and programs; directing the preparation of the Retirement Association's budget; ensuring the integrity of the Association's and County's policies and practices; and ensuring the accounting, financial and actuarial programs are sound.

**Examples of Essential Job Functions:**

Administers a comprehensive program of retirement, disability, survivor, and health benefits for retired members.

Plan, prepare for, attend, and participate in Board meetings, offsites, strategic planning sessions, and such other meetings, conferences, and communications with trustees, staff, vendors, and other parties as required.

Directs all activities relating to benefits, investments, accounting, auditing, administrative services, legal services, information systems and services, and human resources.

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Directs the development of and presents recommendations concerning organizational priorities and operations objectives for the consideration and approval of LACERA's governing Boards of Retirement and Investments.

Serves as liaison between LACERA staff and LACERA's governing boards by coordinating the implementation of Board policies.

Directs the development and implementation of LACERA's annual budget, obtaining Board approval, and enforcing appropriate expenditure control.

Directs the monitoring compliance activities of the Retirement Association with respect to applicable federal, state, and County laws and regulations.

Directs the analysis of and development of responses to proposed legislation; formulates strategies to achieve LACERA's legislative goals; and addresses legislative committees and other groups on subjects relating to retirement laws, operations of the system and its programs, and positions taken by the Boards on proposed laws and other issues.

Directs the negotiation of contracts for actuarial services, independent auditing services, consultant services, professional services, or other services that may be necessary for the administration of the system.

Directs the development of the annual financial report covering operations and expenditures of the system for the preceding fiscal year.

Establishes and directs the maintenance of an adequate system of records and accounts following recognized accounting principles and controls.

Oversees and directs the efforts of LACERA's external consultants including actuaries, auditors, attorneys, lobbyists, and investment advisors.

Serves as a corporate officer of LACERA's real estate holding companies.

Represents LACERA in interactions with the Los Angeles County Board of Supervisors, Los Angeles County's Chief Executive Officer, regulatory agencies, other participating employers in LACERA, members of LACERA, the media, and the general public.

**EXHIBIT B**  
**To**  
**EMPLOYMENT AGREEMENT**  
**CHIEF EXECUTIVE OFFICER, LACERA**

**PROVIDED BENEFITS:**

**MegaFlex Benefit Plan** - Benefits may be purchased using a monthly benefits allowance of 19% of the employee's monthly salary. If the monthly cost of the benefits selected is less than the monthly allowance, the employee receives the difference as additional taxable wages.

Purchasable monthly benefits include Medical, Dental, Disability, Life and Accidental Death & Dismemberment (AD&D) Insurance, Optional Group Variable Universal Life Insurance, Health & Dependent Care Spending Account, and Dependent Care Spending Accounts.

**LACERA Defined Benefit Retirement Plan** - Pays a specified monthly lifetime benefit at retirement based on years of service, final average compensation (within any cap on the pensionable portion), age at retirement, and other factors, subject to applicable law, including vesting and eligibility requirements. Contributions into this plan are made by both the employee and employer.

**Savings Plan (401k)** - Optional tax-deferred income plan. Provides a LACERA match of up to 4% of the employee's salary subject to IRS limits.

**Deferred Compensation Plan (457)** - Optional tax-deferred income plan. Provides a LACERA match of up to 4% of the employee's salary subject to IRS limits.

**Flexible Spending Accounts** - Employees may contribute up to \$200 per month tax-free to a Health Care Spending Account and up to \$400 per month tax-free to a Dependent Care Spending Account. Employees may be eligible for up to \$75 per month contribution paid by LACERA to a Dependent Care Spending Account.

**"Split Dollar" Life Insurance** - A LACERA paid level life insurance death benefit the amount of which is dependent upon age at entry into the plan.

**Holidays** - 12 days per year.

**Leave** - The position does not earn or accrue leave and does not require the use of leave to cover absences from work, including reasonable vacation.

**Tuition Reimbursement** - Subject to tuition program limitation.

**Company Vehicle** - An assigned LACERA vehicle is provided, for which LACERA will pay for fuel, maintenance, and insurance. Under State and Federal tax regulations, employees are taxed on the value of this benefit. Alternatively, Kreimann may elect to receive a separately negotiated monthly vehicle allowance.



**Technology** - Use of a LACERA cellular phone, laptop, and home workstation with internet.

This information is intended to provide a general summary of benefits available. LACERA does not contribute into Social Security. Benefits may be taxable beyond those expressly stated as such.