

APPROVED

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

9:00 A.M., WEDNESDAY, SEPTEMBER 30, 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: David Green, Chair

Herman B. Santos, Vice Chair

Wayne Moore, Secretary

Alan Bernstein

Shawn Kehoe

Keith Knox (Joined the meeting at 9:10 a.m.)

David Muir

Gina Sanchez

ABSENT: Elizabeth Greenwood

BOARD OF RETIREMENT

PRESENT: Herman B. Santos, Chair

Vivian Gray, Vice Chair

JP Harris, Alternate Retiree Member

Keith Knox

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BOARD OF RETIREMENT (Continued)

Wayne Moore

Ronald Okum

Les Robbins

Shawn Kehoe

Thomas Walsh

ABSENT: William Pryor, Alternate Safety Member

Gina Zapanta, Secretary

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

Ted Granger, Interim Chief Financial Officer

Ervin Wu, Interim Accounting Officer

Richard Bendall, Chief Audit Executive

Mosaic Governance Advisors

Amy McDuffy

Catherine Jackson

David Maurek

Reed Smith LLP

Harvey Leiderman, Fiduciary Counsel

Bozajian and Carter Insurance Services

Brian Bozajian, Insurance Agent

STAFF ADVISORS AND PARTICIPANTS (Continued)

Glaser and Weil, LLP
Patricia Glaser
Michael Cypers

I. CALL TO ORDER

The meeting was called to order by Mr. Green at 9:00 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 August 18, 2020

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

- B. Approval of the Minutes of the Special Joint Meeting of the Board of Investments of August 18, 2020

Mr. Muir made a motion, Ms. Sanchez seconded, to approve the minutes of the special meeting of August 18, 2020. The motion passed (roll call) with Messrs. Santos, Kehoe, Moore, Bernstein, Muir, Green and Ms. Sanchez voting yes.

III. PUBLIC COMMENT (Mr. Knox joined the meeting at 9:10 a.m.)

Damien Goodmon, Robert Farrell, Michael Guynn, Jan Williams, Jacqueline Taylor, David Odusanya, Vusisizwe Azania, Wendell Robinson, Ken Herbs, Beverly Taylor, Jackie Ryan and Linda Sam addressed the Board regarding the Baldwin Hills Crenshaw Plaza investment transaction.

III. PUBLIC COMMENT (Continued)

Monique Bacon, Talia Shanell, Jess Estes, Jared Tolbert, Dante, Mary Calhoun, Felisa Gonzalez, Nolan Miller, Nancy Taylor, Alison Riley, Andrea Rojas, David Odusanya, Amber Height, Cynthia Machennname, Minerva Garcia, Nicole Battaglia, Eleni Johnson, Karla Montgomery, and April Robinson provided written comments regarding the Baldwin Hills Crenshaw Plaza investment transaction.

Alyssa Giachino, Ed Gadomski, David Hannon, Steve Schragg and Brenda Morisette addressed the Board regarding the Private Equity firm, Leonard Green. Steven Schrag and Alyssa Giachino provided a written comment related to this matter.

IV. REPORTS

- A. Review of the Education and Travel Policy, Expenses, and Practices Summary Report as submitted by Mosaic Governance Advisors, LLC.
(Report dated September 15, 2020)
(Presentation dated September 30, 2020)

Amy McDuffee, CEBS
Catherine Jackson, CPA, CA
David Maurek, CPA

Ms. McDuffee, Ms. Jackson and Mr. Maurek provided a presentation and answered questions from the Board.

Mr. Santos made a motion, Mr. Bernstein seconded, to bring this item to the Joint Organizational Governance Committee for further review. The motion passed (roll call) with Messrs. Knox, Santos, Kehoe, Moore, Bernstein, Muir, Green and Ms. Sanchez voting yes.

IV. REPORTS (Continued)

- B. Management's Response to Mosaic Report on Review of Education and Travel Policy, Expenses, and Practices as submitted by Santos H. Kreimann, Chief Executive Officer. (Memo dated September 23, 2020)

Mr. Kreimann and Mr. Rice were present to answer questions from the Boards.

V. NON-CONSENT ITEMS

- A. 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, provided he is not terminated by LACERA. (Memo dated September 22, 2020)

Mr. Rice and Harvey L. Leiderman of Reed Smith LLP provided a presentation and answered questions from the Board.

Mr. Santos made a motion, Mr. Green seconded, to 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, provided he is not terminated by LACERA. The motion passed (roll call) with Messrs. Knox, Santos, Kehoe,

V. NON CONSENT ITEMS (Continued)

Moore, Bernstein, Muir, Green and Ms. Sanchez voting yes.

VI. ITEMS FOR STAFF REVIEW

There were no Items for Staff Review.

VII. GOOD OF THE ORDER

There was nothing to report during Good of the Order.

VIII. EXECUTIVE SESSION

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

Title: Chief Executive Officer

The Boards did not meet regarding this item.

- B. 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. Number of Potential Cases: 1

The Boards met with legal counsel to discuss one piece of anticipated litigation. The Boards did not take any action.

VIII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:30 p.m.

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Signature on File

WAYNE MOORE, SECRETARY

Signature on File

DAVID GREEN, CHAIR