

MINUTES OF THE BOARD OF RETIREMENT FROM
A SPECIAL JOINT MEETING OF
THE BOARD OF RETIREMENT AND THE BOARD OF INVESTMENTS
OF THE LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
300 NORTH LAKE AVENUE, SUITE 810, PASADENA, CA 91101
THURSDAY, AUGUST 10, 2017
1:00 P.M.

PRESENT: Shawn Kehoe, BOR Chair

Vivian Gray, BOR Vice Chair

Marvin Adams

Alan Bernstein

Anthony Bravo

Joseph Kelly

Ronald Okum

ABSENT: William de la Garza, BOR Secretary

David Muir

William Pryor

STAFF ADVISORS AND PARTICIPANTS

Gregg Rademacher, Chief Executive Officer

Steven P. Rice, Chief Counsel

Funston Advisory Services LLC
Rick Funston, Consultant

BOARD OF INVESTMENTS

David Green, BOI Chair

Shawn Kehoe, BOI Vice Chair

Joseph Kelly, BOI Secretary

Ronald Okum

Diane Sandoval

Herman B. Santos

Michael Schneider

I. CALL TO ORDER

The meeting was called to order by Mr. Kehoe at 1:07 p.m., in the Board Room of Gateway Plaza.

II. PUBLIC COMMENT

There were no requests from the public to speak.

III. ACTION ITEMS

A. Recommendation as submitted by the Ad hoc Joint Organizational Governance Evaluation Committee:

1. The Board of Retirement and the Board of Investments approve the Joint Organizational Governance Committee Charter, and
2. The Board of Retirement and the Board of Investments each elect a member to the Joint Organizational Governance Committee. (Memo dated August 1, 2017)

Messrs. Rademacher and Rice and Rick Funston of Funston Advisory

Services were present and answered questions from the Board.

III. ACTION ITEMS (Continued)

Mr. Kehoe made a motion, Mr. Okum seconded, to approve the Joint Organizational Governance Committee Charter with the following revisions listed below. The motion passed unanimously.

- 1) Eliminate section 7.1 (Dispute Resolution) to combine the items listed in Section 7.2 (Litigation and Claims) in the redline provided by Trustee Muir;
- 2) Revise Section 7.3 (Legislation) to reference only recommendations regarding legislation that impacts both Boards and delete second paragraph in Section 7.3;
- 3) Revise Section 7.4 (Staff Compensation) to coincide with the Audit Committee Charter regarding the Chief Audit Executive;
- 4) Include Strategic Planning in Section 7.9 (Organizational Philosophy); and
- 5) Include the following verbiage in the Overview of the LACERA Board of Retirement and Board of Investments Section to state that the BOI is also responsible for obtaining actuarial valuations that serve as the basis for setting employer and employee contribution rates required to fund the system.

Mr. Bernstein was nominated as a member of the Joint Organizational Governance Committee by Mr. Kehoe. Hearing no other nominations, the Board voted unanimously and elected Mr. Bernstein as a member of the Joint Organizational Governance Committee.

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IV. CLOSED 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. Number of Potential Cases: 1

Mr. Kehoe make a motion, seconded by Mr. Bernstein to refer this matter to the Joint Organizational Governance Committee. The motion passed unanimously.

- B. Pursuant to Government Code Section 54957 – Public Employee

- 1. Performance Evaluation:
Title: Chief Executive Officer

This item was not discussed.

V. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 4:14 p.m.