

APPROVED

MINUTES OF THE SPECIAL MEETING OF THE CORPORATE  
GOVERNANCE COMMITTEE AND THE BOARD OF INVESTMENTS  
LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

LOEWS SANTA MONICA BEACH HOTEL

1700 OCEAN AVENUE SANTA MONICA, CA 90401

9:00 A.M., TUESDAY, JULY 10, 2018

PRESENT:                      Shawn Kehoe, Chair  
  
                                      David Muir, Vice Chair  
  
                                      Joseph Kelly  
  
                                      Herman Santos  
  
                                      Gina Sanchez, Alternate

MEMBERS AT LARGE:      Michael Schneider  
  
                                      Wayne Moore  
  
                                      David Green  
  
                                      Vivian Gray  
  
                                      Thomas Walsh  
  
                                      JP Harris

STAFF, ADVISORS, PARTICIPANTS

Jonathan Grabel, Chief Investment Officer

Jude Perez, Principal Investment Officer

STAFF, ADVISORS, PARTICIPANTS

Scott Zdrazil, Senior Investment Officer

Dale Johnson, Investment Officer

Meketa Investment Group

Tim Filla, Vice President

Andrea Light, Investment Analyst

I. CALL TO ORDER

The Meeting was called to order by Chair Kehoe at 12:17 p.m., in the Arcadia Room of Loews Santa Monica Beach Hotel.

II. APPROVAL OF MINUTES

- A. Approval of the Minutes of the Regular Meeting of the Corporate Governance Committee of April 11, 2018.

Mr. Santos made a motion, seconded by Mr. Kelly, to approve the Minutes of the Regular Meeting of April 11, 2018. The motion carried by unanimous vote.

III. PUBLIC COMMENT

There were no requests from the public to speak.

IV. NON-CONSENT ITEMS

- A. Recommendation as submitted by Scott Zdrazil, Senior Investment Officer: That the Committee Affirm a Strategic Initiative Regarding Diversity on Corporate Boards.  
(Report dated May 17, 2018)

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IV. NON-CONSENT ITEMS (Continued)

Messrs. Grabel, Zdrazil and Mr. Filla were present and answered questions from the Committee.

Mr. Muir made a motion, Mr. Santos seconded, to approve staff's recommendation that the Committee Affirm a Strategic Initiative Regarding Diversity on Corporate Boards. The motion carried by unanimous vote.

- B. Recommendation as submitted by Scott Zdrazil, Senior Investment Officer: That the Committee recommend for Board of Investments approval that LACERA Formally Sign onto the Climate Action 100+ Initiative as a Supporter.  
(Memo dated May 17, 2018)

Messrs. Grabel and Zdrazil answered questions from the Committee.

Mr. Kehoe made a motion, seconded by Mr. Kelly, to approve the agenda item that LACERA Formally Sign onto the Climate Action 100+ Initiative as a Supporter. The motion carried by unanimous vote.

- C. Request for Direction as submitted by Jonathan Grabel, Chief Investment Officer, and Scott Zdrazil, Senior Investment Officer: That Committee provide direction regarding the Analysis and Exposure to Civilian Firearms and Ammunitions Investments.  
(Memo dated June 18, 2018)

Messrs. Grabel and Zdrazil answered questions from the Committee.

Members of the Committee expressed interest in periodic reporting of LACERA's exposures to civilian firearms manufacturers.

IV. NON-CONSENT ITEMS (Continued)

Mr. Santos made a motion, seconded by Mr. Kehoe, to receive and file the report.

Mr. Kelly made a substitute motion, seconded by Mr. Muir to conduct further performance analysis of related exposures and to monitor LACERA's exposures to civilian firearms on a semiannual basis. The motion failed with Messrs. Kelly and Muir voting yes, and Messrs. Santos and Kehoe voting no.

The Committee voted on the original motion made by Mr. Santos, seconded by Mr. Kehoe, to receive and file the staff report. The motion passed unanimously.

- D. Request for Direction as submitted by Jonathan Grabel, Chief Investment Officer: that the Committee provide direction regarding the Analysis and Exposure to Automobile Manufactures.  
(Memo dated June 18, 2018)

Messrs. Grabel and Zdrazil answered questions from the Committee.

Mr. Kehoe made a motion, seconded by Mr. Santos to receive and file the agenda item. The motion passed unanimously.

V. REPORTS

- A. Status Update of Assessment of ESG Integration at LACERA Public Markets Managers  
Scott Zdrazil, Senior Investment Officer  
(Memo dated June 18, 2018)

The item was presented with staff available for questions.

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VI. REPORT ON STAFF ACTION ITEMS

There were no items to report.

VII. GOOD OF THE ORDER

(For information purposes only)

There was nothing to report.

VIII. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:05 p.m.