

APPROVED

MINUTES OF THE REGULAR MEETING OF THE BOARD OF RETIREMENT

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 N. LAKE AVENUE, SUITE 810, PASADENA, CA

9:00 A.M., WEDNESDAY, MARCH 3, 2021

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

PRESENT: Alan Bernstein, Chair

Vivian H. Gray, Vice Chair

Gina Zapanta, Secretary

JP Harris (Alternate Retired)

Shawn R. Kehoe

Keith Knox

Wayne Moore

Ronald Okum

William Pryor (Alternate Safety) (Left the Meeting at 10:15 a.m.)

Les Robbins

Herman Santos

STAFF ADVISORS AND PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer

John Popowich, Assistant Executive Officer

Jon Grabel, Chief Investment Officer

Steven P. Rice, Chief Counsel

STAFF ADVISORS AND PARTICIPANTS (Continued)

Ted Granger, Interim Chief Financial Officer

Cassandra Smith, Retiree Healthcare Manager

Carly Ntoya, Human Resources Division Manager

Fern Billingsy, Senior Staff Counsel

Johanna Fontenot, Senior Staff Counsel

Jill Rawal, Staff Counsel

Barry Lew, Legislative Affairs Officer

Jude Perez, Principal Investment Officer

Kathy Delino, Interim Manager, Systems Division

Bob Schlotfelt, Interim Chief Information System Officer

Richard Bendall, Chief Audit Executive

Klausner, Kaufman, Jensen & Levinson

Robert Klausner, Partner

Adam Levinson, Partner

Milliman

Robert Schmidt

Janet Jennings

Cavanaugh Consulting

Brent Banister

Olson Remcho, LLP

Karen Getman

Kelly Liang

I. CALL TO ORDER

The meeting was called to order virtually by Mr. Bernstein at 9:00 a.m.

II. APPROVAL OF MINUTES

A. Approval of the Minutes of the Regular Meeting of February 3, 2021

Mr. Robbins made a motion, Mr. Okum seconded, to approve the minutes of the regular meeting of February 3, 2021. The motion passed (roll call) with Messrs. Ginsberg, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

III. PUBLIC COMMENT

Kenneth Delgadillo addressed the Board regarding Item XI. A. 1.

Administrative Appeal agendized for Executive Session. Lastly, Ramon Rubacalva and Blaine Meek addressed the Board regarding Item VII. B. Alameda Implementation.

IV. OTHER COMMUNICATIONS

A. For Information

1. January 2021 All Stars

Mr. Popowich announced the winners for the month of January: Kevin McCullough John Slattery, Edwin Tom, and Beatriz Daryaie. Mr. Joseph Kelly was recognized as a WebWatcher for sharing a change needed to the internet.

IV. OTHER COMMUNICATIONS (Communications)

A. For Information

2. Chief Executive Officer's Report
(Memo dated February 17, 2021)

Mr. Kreimann provided an update to the Call Center Saturday openings during March Madness.

V. CONSENT ITEMS

Mr. Kehoe made a motion, Mr. Moore seconded, to approve the following recommendations. The motion passed (roll call) with Messrs. Ginsberg, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

A. Ratification of Service Retirement and Survivor Benefit Application Approvals. (Memo dated February 23, 2021)

B. Recommendation as submitted by Les Robbins, Chair, Insurance, Benefits, and Legislative Committee: That the Board approve the FY 2021-2022 rate renewal proposal and mandatory contractual changes, listed by carrier, and the administrative fee. (Memo dated February 12, 2021)

VI. ITEMS EXCLUDED FROM CONSENT ITEMS

There were no items excluded from Consent.

VII. NON-CONSENT ITEMS

A. Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer and Ted Granger, Interim Chief Financial Officer: That the Board 1) Adopt the economic assumptions, which includes a 6.00% investment return assumption for agents that are pre-funding through the Other Post-Employment Benefits (OPEB) Trust, 2.30% for those agents not pre-funding through the OPEB Trust, and health cost trend assumptions; and 2) Adopt the demographic assumptions, which consist of Initial Enrollment, Plan and

VII. NON-CONSENT ITEMS (Continued)

Tier Selection, Vested Terminated Member Retirement, and Other OPEB Demographic Assumptions. (Memo dated February 17, 2021)

Mr. Bernstein made a motion, Mr. Okum seconded, to approve staff's recommendation. recommendations. The motion passed (roll call) with Messrs. Ginsberg, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

- B. Recommendation as submitted Fern M. Billings, Senior Staff Counsel: That the Board 1) Adopt the Resolution No. 2021-BR001 regarding Alameda implementation; and 2) Instruct staff to coordinate with the County of Los Angeles to establish necessary reporting mechanism and procedures to permit LACERA to exclude the pay item in the calculation of final compensation. (Memo dated February 18, 2021)

Mr. Okum made a motion, Mr. Robbins seconded, to approve staff's recommendation. recommendations. The motion passed (roll call) with Messrs. Ginsberg, Bernstein, Okum, Moore, Kehoe, Robbins, Santos, Ms. Gray and Ms. Zapanta voting yes.

VIII. REPORTS

- A. Presentation by Karen Getman and Kelly Liang, Olson Remcho LLP, regarding Form 700 Training. (Memo dated February 23, 2021)

Jill Rawal, Karen Getman and Kelly Liang from Olson Remcho provided a brief presentation and answered questions for the Board.

- B. For Information Only as submitted by Jude Perez, Principal Investment Officer and Ted Granger, Interim Chief Financial Officer, regarding the Los Angeles County Other Post-Employment Benefits Funding Overview. (Memo dated February 23, 2021)

VIII. REPORTS (Continued)

Jude Perez and Ted Granger were present and answered questions from the Board.

C. For Information Only as submitted by the Audit Committee, transmitting External Quality Assessment (EQA) of Internal Audit's Recommendation Follow-Up Process performed by KPMG dated December 31, 2020. (Memo dated February 23, 2021)

D. For Information Only as submitted by Ted Granger, Interim Chief Financial Officer, regarding the following reports:

Monthly Education and Travel Reports for January 2021

(Public Memo dated February 19, 2021)

(Confidential Memo dated February 19, 2021 – Includes Anticipated Travel)

2nd Quarterly Education and Travel Expenditure Reports

(Memo dated February 19, 2021)

Ted Granger was present to answer questions from the Board.

E. For Information Only as submitted by Steven P. Rice, Chief Counsel, regarding the February 2021 Fiduciary Counsel Contact and Billing Report. (Memo dated February 22, 2021) (Privileged and Confidential Attorney-Client Communication/Attorney Work Product)

Steven P. Rice was present to answer questions from the Board.

IX. ITEMS FOR STAFF REVIEW

The Board requested that employee pictures be shown when announcing the All Star Winners for the month. In addition, staff will be reaching out to the Trustees who had specific questions during the Form 700 training. Furthermore, the Board requested staff to look into the BOR approving the rate of return. Lastly, an Ad Hoc has been created to review the BOR authority and responsibility and include Trustees Pryor, Okum, Santos,

IX. ITEMS FOR STAFF REVIEW (Continued)

and Harris.

X. GOOD OF THE ORDER
(For information purposes only)

There were no comments during Good of the Order.

XI. 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. Administrative Appeal of Kenneth Delgadillo

The Board met in Executive Session with counsel pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. The Board unanimously by all members present voted, on a motion made by Mr. Bernstein, seconded by Mr. Okum, to 1) deny Kenneth Delgadillo's administrative appeal and administer and implement §7522.72 based on Mr. Delgadillo's job-related felony conviction; and 2) direct staff to implement and reduce Kenneth Delgadillo's retirement benefits in accordance with §7522.72.

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 Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9. There was nothing to report.

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XII. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned in memory of Sheriff Deputy, Thomas Albanese, at 11:50 a.m.

Signature on File

GINA ZAPANTA, SECRETARY

Signature on File

ALAN BERNSTEIN, CHAIR