

MINUTES OF THE REGULAR MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

April 11, 2023

10:01 a.m.

PRESENT:	President:	Vacant
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Thuy Huynh Janna Sidley Sung Won Sohn Michael R. Wilkinson
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian

The Items in the Minutes are numbered to correspond with the Agenda.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Vice President Lee asked if any persons wanted to make a general public comment to which there were two public comment cards submitted. Ruth Perry, with Retired Los Angeles City Employees, Inc., and Tom Moutes, with Protect LACERS, both made public comments supporting staff's recommendation for Item VIII-A.

II

ELECTION TO FILL UNEXPIRED TERM OF THE VACANT OFFICE OF THE BOARD PRESIDENT PURSUANT TO LOS ANGELES CITY CHARTER SECTION 503(A) AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, advised that the nominations for Board President were being considered. Commissioner Sidley moved to wait on the vote for President until the new Commissioner is confirmed, seconded by Commissioner Huynh. Mr. Guglielmo called for the vote on the motion: Ayes, Commissioners Huynh and Sidley -2, Nays, Commissioners Chao, Sohn, Wilkinson, and Vice President Lee -4. The motion did not pass. Commissioner Sohn nominated Commissioner Chao and Commissioner Sidley nominated Vice President Lee. Mr. Guglielmo called for the vote on the nomination of Commissioner Chao as President: Ayes, Commissioners Chao, Sohn, and Wilkinson -3; Nays, Commissioners Huynh, Sidley, and Vice President Lee -3. The nomination for Commissioner Chao did not pass. Mr. Guglielmo called for the vote on the nomination of Vice President Lee as

President: Ayes, Commissioners Huynh, Sidley, and Vice President Lee -3; Nays, Commissioners Chao, Sohn, and Wilkinson -3. The nomination for Vice President Lee did not pass. This item will be continued to the next Board meeting.

III

IF VACANCY CREATED IN OFFICE OF THE VICE PRESIDENT BY BOARD ACTION ON AGENDA ITEM II, ELECTION TO FILL UNEXPIRED TERM OF BOARD VICE PRESIDENT, PURSUANT TO LOS ANGELES CITY CHARTER SECTION 503(A) AND POSSIBLE BOARD ACTION – No action was taken on this item and it will be continued to the next Board meeting.

Agenda Item X-A and X-B were taken out of order.

Vice President Lee recessed the Regular Meeting at 10:15 a.m. to convene in Closed Session discussion.

X

DISABILITY RETIREMENT APPLICATION(S)

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF JERRY PINEDA AND POSSIBLE BOARD ACTION**
- B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF JESSE RODRIGUEZ AND POSSIBLE BOARD ACTION (HEARING)**

Vice President Lee reconvened the Regular Meeting at 10:33 a.m. and announced that the Board unanimously approved the Disability Retirement Application of Jerry Pineda and unanimously denied the service-connected disability retirement application of Jesse Rodriguez.

IV

BOARD PRESIDENT VERBAL REPORT – There was no report.

V

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:**
 - LACERS HQ updates
 - Over 100 public comments submitted via email supporting staff's recommendation of Item VIII-A on the April 11, 2023, Board agenda
 - General updates
 - Retirement Services updates
 - Health Benefits Administration updates

- Communications and Stakeholder Relations updates
- Upcoming events

B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:

- Governance Committee 4/25/23 – Continuation of the Triennial Board Policy Review
- Presentation of the Actuarial Cost Study on reimbursement of Medicare Part B Premiums and IRMAAs – date to be determined

VI

RECEIVE AND FILE ITEMS

A. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.

B. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.

VII

Commissioner Sidley moved approval of Consent Agenda Item VII-A, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee -6; Nays, None.

CONSENT ITEM(S)

A. APPROVAL OF MINUTES FOR THE MEETING OF MARCH 14, 2023 AND POSSIBLE BOARD ACTION

VIII

BOARD/DEPARTMENT ADMINISTRATION

A. COST-OF-LIVING ADJUSTMENTS FOR JULY 2023 AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, provided the Board with a brief summary for this item. After a discussion with the staff and Commissioners, Commissioner Sidley moved approval, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee -6; Nays, None.

IX

INVESTMENTS

A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Rod June, Chief Investment Officer, reported on the portfolio value of \$21.285 billion as of April 10, 2023. Mr. June discussed the following items:

- Garcia Hamilton & Associates placed on watch on March 23, 2023
- China technology exposure is \$20,592,253 and primarily consists of public markets holdings
- Emerging Manager Networking Forum will be held on June 8, 2023 at LACERS
- Jessica Chumak was extended an Investment Officer position in the Investments Division
- Future Agenda Items: Several investment manager contracts

Mr. June shared that Russian exposure for LACERS stands at \$3,378,813.

B. PRESENTATION OF LACERS EMERGING MANAGERS PERFORMANCE FOR THE PERIOD ENDING DECEMBER 31, 2022 – Rod June, Chief Investment Officer, presented this item to the Board.

Agenda Item X-A and X-B were taken out of order.

XI

OTHER BUSINESS – Commissioner Chao requested they look at changing the Ad-Code that caps the annual COLA at 3%.

XII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, April 25, 2023, at 10:00 a.m., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, California 90012-1728.

XIII

ADJOURNMENT – There being no further business before the Board, Vice President Lee adjourned the Meeting at 11:48 a.m.



Neil M. Guglielmo
Manager-Secretary



Elizabeth Lee
Vice-President