

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

LACERS Ken Spiker Boardroom
202 West First Street, Fifth Floor
Los Angeles, California

May 28, 2019

10:04 a.m.

Agenda of: June 11, 2019

Item No: II

PRESENT:	Vice President:	Elizabeth L. Greenwood
	Commissioners:	Elizabeth Lee Nilza R. Serrano Sung Won Sohn Michael R. Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Acting Executive Assistant:	Erin Knight
	Legal Counsel:	Anya Freedman
ABSENT:	President:	Cynthia M. Ruiz
	Commissioner:	Sandra Lee

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

I

PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION – Vice President Greenwood asked if there were any persons who wished to speak on matters within the Board's jurisdiction, to which there was no response and no public comment cards were received.

II

APPROVAL OF MINUTES FOR REGULAR BOARD MEETING OF MAY 14, 2019 AND POSSIBLE BOARD ACTION – A motion to approve the Regular Board Meeting minutes of May 14, 2019 was moved by Commissioner Serrano, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, and Vice President Greenwood -5; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – There was no report.

IV

GENERAL MANAGER VERBAL REPORT

A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, discussed the following items:

- Website redesign contract is in effect and a survey to all stakeholders, including Board Members, will be issued on May 29, 2019.
- Staff continues to build Cyber resiliency.
- LACERS has informed Transparent CA that a revised report is in process.
- A LACERS Team participated in the United Way's Home Walk in Downtown LA.
- 16 members participated in the LACERS *Well* Champion-led Descanso Gardens visit.
- City Personnel Department's Wellness Program, Live Well, will be offering a wellness fair on Tuesday, June 11, 2019, with LACERS staff participating.

B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, stated the following future agenda items:

- June 11, 2019 - Board Health Training/wrap-up
- June 11 or June 25, 2019 – Governmental Side A Policy
- July 2019 – Actuarial Proposals

V

RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES (APRIL 2019) – The report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

A. INVESTMENT COMMITTEE VERBAL REPORT ON THE MEETING OF MAY 14, 2019 – Commissioner Serrano reported that the Committee heard a presentation from AQR Capital Management and reviewed investments with BHMS, Lazard Asset Management, and MFS Institutional Advisors.

VII

CONSENT AGENDA

A. FY 2019-20 TRAINING PROGRAM AND PRE-APPROVED LIST OF EDUCATIONAL SEMINARS AND POSSIBLE BOARD ACTION – Neil Guglielmo, General Manager, presented this item to the Board. Vice President Greenwood recommended the following conferences be added to the Pre-Approved List of Educational Seminars for FY 2019-20: UN PRI-Domestic, Pacific Pension & Investment Institute Conference, and the RFK Compass Conference. Commissioner Serrano moved approval with the additional conferences, seconded by

Commissioner Elizabeth Lee and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, and Vice President Greenwood -5; Nays, None.

VIII

BENEFITS ADMINISTRATION

- A. FAMILY DEATH BENEFIT PLAN – CONSIDERATION OF BENEFIT CONTINUATION FOR MAURICE D. AUSTIN II AND POSSIBLE BOARD ACTION – Ferralyn Sneed, Senior Management Analyst II with Retirement Services Division presented this item to the Board. Commissioner Wilkinson moved approval, seconded by Commissioner Serrano and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, and Vice President Greenwood -5; Nays, None.

IX

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$17.267 Billion as of May 24, 2019. Mr. June discussed the following items:
- Mr. June will be attending the Hispanic Heritage Foundation Investors Forum in Oakland, CA on June 6, 2019.
 - Future agenda items: Private Real Estate Performance and several Investment Manager Contracts.
- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW REPORT FOR THE QUARTER ENDING MARCH 31, 2019 – Kevin Novak, Consultant and Carolyn Smith, Partner with NEPC presented this item to the Board.

Vice President Greenwood recessed the Regular Meeting at 11:31 a.m. for a break and reconvened the Regular Meeting at 11:40 a.m.

- C. PRIVATE CREDIT MANDATE UPDATE AND IMPLEMENTATION AND POSSIBLE BOARD ACTION – Oliver Fadly, Consultant with NEPC presented this item to the Board. Commissioner Serrano moved approval, seconded by Commissioner Elizabeth Lee and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Wilkinson, and Vice President Greenwood -4; Nays, Commissioner Sohn -1.
- D. PRESENTATION BY TORREYCOVE, LLC OF THE PRIVATE EQUITY PROGRAM PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING DECEMBER 31, 2018 – David Fann, President, Heidi Poon, Senior Vice President, and Jeff Goldberger, Senior Vice President with TorreyCove presented this item to the Board.
- E. NOTIFICATION OF COMMITMENT OF UP TO €34.9 MILLION (APPROXIMATELY \$40 MILLION) IN GILDE BUY-OUT FUND VI C.V. – The notification was received.

- F. NOTIFICATION OF COMMITMENT OF UP TO \$13.25 MILLION IN SPARK CAPITAL VI, L.P. – The notification was received.
- G. NOTIFICATION OF COMMITMENT OF UP TO \$26.75 MILLION IN SPARK CAPITAL GROWTH FUND III, L.P. – The notification was received.
- H. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN HARVEST PARTNERS VIII, L.P. – The notification was received.
- I. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN GENSTAR CAPITAL PARTNERS IX, L.P. – The notification was received.
- J. NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN DEFY PARTNERS II, L.P. – The notification was received.
- K. TACTICAL ASSET ALLOCATION PLAN AND POSSIBLE BOARD ACTION – Rod June, Chief Investment Officer and Jimmy Wang, Investment Officer I presented this item to the Board. Commissioner Sohn moved approval, seconded by Commissioner Serrano and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, and Vice President Greenwood -5; Nays, None.

Vice President Greenwood recessed the Regular Meeting at 1:38 p.m. for a break. Vice President Greenwood reconvened the Regular Meeting at 1:41 p.m. and convened in Closed Session at 1:42 p.m.

- L. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO BROADVIEW REAL ESTATE PARTNERS, L.P. AND POSSIBLE BOARD ACTION**

X

DISABILITY RETIREMENT APPLICATION(S)

- A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF KATHERINE FARRINGTON AND POSSIBLE BOARD ACTION**
- B. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF EDITH ROQUE AND POSSIBLE BOARD ACTION**

Vice President Greenwood reconvened the Regular Meeting at 1:53 p.m. and announced that the Board unanimously approved the Disability Retirement Applications of Katherine Farrington and Edith Roque.

XI

LEGAL/LITIGATION

- A. EXTENSION OF INVESTMENT AND REAL ESTATE COUNSEL CONTRACT WITH NOSSAMAN LLP AND APPROVAL OF REQUEST FOR PROPOSAL FOR INVESTMENT AND REAL ESTATE COUNSEL AND POSSIBLE BOARD ACTION – Anya Freedman, Assistant City Attorney, presented this item to the Board. Commissioner Serrano moved approval, seconded by Commissioner Elizabeth Lee and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Wilkinson, and Vice President Greenwood -5; Nays, None.

Commissioner Elizabeth Lee left the Regular Board Meeting at 1:56 p.m.

XII

OTHER BUSINESS – Vice President Greenwood discussed the homelessness, piles of trash, and possible diseases causing health issues. She requested staff to bring forward a plan to address this issue.

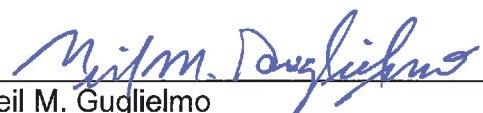
XIII

NEXT MEETING – The next Regular meeting of the Board is scheduled for Tuesday, June 11, 2019 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XIV

ADJOURNMENT – There being no further discussion before the Board, Vice President Greenwood adjourned the meeting at 1:59 p.m.


Elizabeth L. Greenwood
Vice-President


Neil M. Guglielmo
Manager-Secretary

