

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

In conformity with the Governor's Executive Order N-29-20 (March 17, 2020)
and due to the concerns over COVID-19, the
LACERS Board of Administration's
March 23, 2021, meeting was conducted
via telephone and/or videoconferencing.

Agenda of: Apr. 27, 2021

Item No: II

March 23, 2021

10:01 a.m.

PRESENT via Videoconferencing:	President	Cynthia M. Ruiz
	Vice President:	Sung Won Sohn
	Commissioners:	Annie Chao
		Elizabeth Lee
		Sandra Lee
		Nilza R. Serrano
		Michael R. Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Legal Counselor:	James Napier
PRESENT at LACERS offices:	Executive Assistant:	Ani Ghoukassian

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

II

APPROVAL OF MINUTES FOR THE REGULAR MEETINGS OF AUGUST 11, 2020 AND FEBRUARY 23, 2021 AND POSSIBLE BOARD ACTION – Commissioner Elizabeth Lee moved approval, seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -7; Nays, None.

Item I taken out of order.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – **THIS WILL BE THE ONLY OPPORTUNITY FOR PUBLIC COMMENT – PRESS *9 TO RAISE HAND DURING PUBLIC COMMENT PERIOD** – President Ruiz asked if any persons wanted to make a general public comment to which there was no response.

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz stated that she participated in the City Attorney Women’s Association virtual event with the Controller, Ron Galperin on March 15, 2021. She thanked Assistant City Attorney for sharing the information on this event.

IV

GENERAL MANAGER VERBAL REPORT

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

- Asset Allocation Video
- Health Plan Administration
- Dental Plan Performance Guarantees
- Open Enrollment
- Health Plan Renewals – 2022
- LACERS *Well* Events
- MSC Stats
- SIP Update
- End of the Abeyance Period and Managed Retirement Applications (MRA)
- “CAFR” Clean Up
- Change to 2021 Annual Gift Limit
- LACERS Headquarters Building

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

- Board – Investigative Services Contract request to release RFP for April 13, 2021 Meeting
- BAC – Dashboards, both financial and Wellness, will be available for review in an April Meeting

V

RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR FEBRUARY 2021 – This report was received by the Board and filed.

B. COMMISSIONER RUIZ BOARD EDUCATION EVALUATION ON PENSION BRIDGE ESG SUMMIT 2021, VIRTUAL; FEBRUARY 23-25, 2021 – This report was received by the Board and filed.

C. COMMISSIONER WILKINSON EDUCATION EVALUATION ON CALAPRS GENERAL ASSEMBLY, VIRTUAL; MARCH 8-9, 2021 – This report was received by the Board and filed.

- D. SECTION 115 TRUST FINANCIAL STATEMENTS AS OF JUNE 30, 2020 – Rahoof “Wally” Oyewole, Departmental Chief Accountant IV, discussed this item and the report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON MARCH 9, 2021 – Vice President Sohn stated the Committee discussed and approved the Tactical Asset Allocation Policy and Status Report and were also presented with a Closed Session item to consider a commitment to GLP Capital Partners IV LP.

Item IX-A was taken out of order.

IX

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDERATION OF THE DISABILITY RETIREMENT APPLICATION OF RICARDO MARTORANA AND POSSIBLE BOARD ACTION (HEARING) – Member Ricardo Martorana was virtually present and sworn in by Shelby Maaske, Court Reporter. Carol Rembert, Management Assistant, presented this item to the Board. After discussion, Commissioner Elizabeth Lee moved approval, seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -7; Nays, None.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. PRELIMINARY PROPOSED BUDGET, PERSONNEL, AND ANNUAL RESOLUTIONS FOR FISCAL YEAR 2021-22 AND POSSIBLE BOARD ACTION – Dale Wong-Nguyen, Chief Benefits Analyst, Neil M. Guglielmo, General Manager, and Rahoof “Wally” Oyewole, Departmental Chief Accountant IV, presented and discussed this item with the Board for 35 minutes. After the Board provided staff with input and guidance, Commissioner Elizabeth Lee moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -7; Nays, None.

VIII

RETIREMENT SERVICES

- A. AMENDMENT TO BOARD RULE GENERAL MANAGER AUTHORIZATIONS (GMA 1) AND POSSIBLE BOARD ACTION – Commissioner Chao moved approval of the following Resolution:

APPROVAL OF AMENDMENT TO BOARD RULE GMA 1 UNDER BENEFITS AND MEMBER ADMINISTRATION – ONE HUNDRED PERCENT CONTINUANCE TO ELIGIBLE SURVIVING

SPOUSE/DOMESTIC PARTNER WHEN MEMBER DIES PRIOR TO RECEIVING A RETIREMENT ALLOWANCE

RESOLUTION 210323-A

WHEREAS, the proposed Board Rule will aid LACERS in its' administrative practices and provide necessary guidance for effective and efficient Plan administration;

WHEREAS, the Los Angeles Charter Section 1106(f) authorizes the Board of Administration to adopt rules governing the administration of benefits for the Plan; and,

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the proposed Board rule effective immediately, providing the General Manager authority to approve granting an eligible surviving spouse or domestic partner a one hundred percent continuance benefit in cases where the retired member has died prior to receiving their first retirement allowance payment.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners, Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -7; Nays, None.

X

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value of \$21.41 billion as of March 22, 2021. Mr. June discussed the following items:
- Future Agenda items: Total portfolio performance review for period ending December 31, 2020 and Council Motion response regarding Climate Transition and Fossil Fuels
- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING DECEMBER 31, 2020 AND POSSIBLE BOARD ACTION – This item was deferred to a future Board Meeting.
- C. PRESENTATION BY NEPC, LLC REGARDING CONTINUED DISCUSSION OF ASSET ALLOCATION AND POSSIBLE BOARD ACTION – Carolyn Smith, Partner, and Lynda Dennen Costello, Partner, with NEPC, LLC, presented and discussed this item with the Board for one hour. After providing staff and the consultants with input, the Board took no action on this item.
- D. CONTRACT WITH SLC MANAGEMENT TLF PARTNERS FUND 2, L.P. REGARDING TERM ASSET-BACK SECURITIES LOAN FACILITY INVESTMENT AND WIND DOWN – Rod June, Chief Investment Officer, discussed this item and the report was received by the Board and filed.
- E. TACTICAL ASSET ALLOCATION POLICY AND STATUS REPORT AND POSSIBLE BOARD ACTION – Commissioner Elizabeth Lee moved approval, seconded by Vice President Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -7; Nays, None.

President Ruiz recessed the Regular Meeting at 12:32 p.m. to convene in Closed Session discussion.

F. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO GLP CAPITAL PARTNERS IV LP AND POSSIBLE BOARD ACTION

President Ruiz reconvened the Regular Meeting at 12:43 p.m.

XI

OTHER BUSINESS – Commissioner Elizabeth Lee expressed her condolences for the victims of the Atlanta shooting and the Colorado shooting.

XII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, April 13, 2021, at 10:00 a.m. at LACERS, 977 N. Broadway, Suite 260, Los Angeles, CA 90012, and/or via telephone and/or videoconferencing. Please continue to view the LACERS website for updated information on public access to Board meetings while response to public health concerns relating to the novel coronavirus continue.

XIII

ADJOURNMENT – There being no further business before the Board, President Ruiz adjourned the Meeting at 12:45 p.m.



Cynthia M. Ruiz
President



Neil M. Guglielmo
Manager-Secretary