

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

September 12, 2023

10:01 a.m.

PRESENT:	President:	Annie Chao
	Vice President:	Sung Won Sohn
	Commissioners:	(arrived at 10:03 a.m) Thuy Huynh Elizabeth Lee Gaylord "Rusty" Roten Janna Sidley 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.

President Chao opened the meeting with going over the LACERS Guiding Principles.

Commissioner Huynh arrived to the meeting at 10:03 a.m.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – President Chao asked if any persons wanted to make a general public comment to which there were seven public comment cards received. The following members of the public made public comments with respect to LACERS investment in Advent International and in support of restaurant/hotel workers: Jordan Fein, Ruth Dominguez, Cecilia Alvarado, Marta Vela, Luis Perez, Felipe Caceres, and Gary Williams.

Item V-A taken out of order.

V

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 \$22.143 billion as of September 11, 2023. Mr. June discussed the following items:

- No real estate property damage reported from Hurricane Idalia
- Northern Trust was not a party to the recently announced Securities Lending Anti-Trust lawsuit
- Update on SEC Private Fund Advisor Ruling
- Update on Advent International and report on historical relationship between LACERS and Advent International
- Future Agenda items: Investment Manager Contract, Private Credit Policy, and a real estate investment opportunity

II

GENERAL MANAGER VERBAL REPORT

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

- Discretionary COLA
- 977 Final Approvals
- 977 HVAC status
- The Government Finance Officers Association (GFOA) of the United States and Canada Award
- Audit of Members residing outside the U.S.
- Duplicate Checks
- Mid-Year Article
- Direct Deposit
- Cybersecurity
- Health Benefits Administration updates
- Retirement Services Division updates
- Communications and Stakeholder Relations updates
- Upcoming events

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

- Assumptions for the June 30, 2023 Retiree Health Actuarial Valuation
- Triennial Board Policy Review: Voting Abstention
- September 26th Board Meeting: Income Related Monthly Adjusted Amount (IRMAA)
- Year-End Accounting Report – Report to the Benefits Administration Committee and Board planned for the October 10th meeting date

C. RECOGNITION OF SERVICE FOR DELIA HERNANDEZ – President Chao, Neil M. Guglielmo, General Manager, Commissioners, and staff recognized Ms. Hernandez's 30 years of City service and her approaching retirement.

III

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.
- C. EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING JUNE 30, 2023 – This report was received by the Board and filed.

IV

Commissioner Sidley moved approval of Consent Agenda Items IV-A and IV-B, seconded by Commissioner Lee, and adopted by the following vote: Ayes, Commissioners Huynh, Lee, Roten, Sidley, Wilkinson, Vice President Sohn, and President Chao -7; Nays, None.

CONSENT ITEM(S)

- A. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF AUGUST 8, 2023 AND POSSIBLE BOARD ACTION
- B. TRAVEL AUTHORITY – COMMISSIONER THUY HUYNH; INSTITUTIONAL INVESTOR – 2023 ROUNDTABLE FOR CONSULTANTS & INSTITUTIONAL INVESTORS; CHICAGO, IL; OCTOBER 4-5, 2023 AND POSSIBLE BOARD ACTION

**TRAVEL AUTHORITY
INSTITUTIONAL INVESTOR – 2023 ROUNDTABLE FOR CONSULTANTS & INSTITUTIONAL
INVESTORS
OCTOBER 4-5, 2023
CHICAGO, IL**

RESOLUTION 230912-A

WHEREAS, Board approval is required for all international travel requests, travel not included in the Approved List of Educational Seminars, and travel that exceeds the annual education travel budget of \$10,000 for each Commissioner;

WHEREAS, the Institutional Investor – 2023 Roundtable for Consultants & Institutional Investors, in Chicago, IL is not included in the Approved List of Educational Seminars, and therefore requires individual approval;

WHEREAS, the sound management of the assets and liabilities of a trust fund imposes a continuing need for all Board Members to attend professional and educational conferences, seminars, and other educational events that will better prepare them to perform their fiduciary duties;

THEREFORE, BE IT RESOLVED, that Commissioner Huynh is hereby authorized to attend the Institutional Investor – 2023 Roundtable for Consultants & Institutional Investors, from October 4-5, 2023, in Chicago, IL;

BE IT FURTHER RESOLVED, that the reimbursement of up to \$2,200 for Commissioner Huynh is hereby authorized for reasonable expenses in connection with participation.

V

INVESTMENTS

Item V-A taken out of order.

- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING JUNE 30, 2023 – Carolyn Smith, Partner, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board for one hour.

VI

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

DISABILITY RETIREMENT APPLICATION(S)

- A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF SANDRA OXFORD AND POSSIBLE BOARD ACTION**
- B. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF LUIS BARRALES AND POSSIBLE BOARD ACTION**

President Chao reconvened the Regular Meeting at 12:19 p.m. and announced that the Board unanimously approved the Disability Retirement Applications of Sandra Oxford and Luis Barrales.

VII

OTHER BUSINESS – Commissioner Lee requested staff to draft a correspondence to Advent International regarding the Unite Here concerns and to bring this back for the Board’s attention and further consideration.

VIII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, September 26, 2023, at 10:00 a.m., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, California 90012-1728.

IX

ADJOURNMENT – There being no further business before the Board, President Chao adjourned the Meeting at 12:34 p.m.

Neil M. Guglielmo

Neil M. Guglielmo
Manager-Secretary

Annie Chao

Annie Chao
President