

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

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's November 9, 2021 meeting will be conducted via telephone and/or videoconferencing.

November 9, 2021

10:00 a.m.

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PRESENT via Videoconferencing:	President:	Cynthia M. Ruiz
	Vice President:	Sung Won Sohn
	Commissioners:	Annie Chao
		Elizabeth Lee
	(left at 11:55 a.m)	Sandra Lee
		Nilza R. Serrano
		Michael R. Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Legal Counselor:	Anya Freedman
PRESENT at LACERS Office:	Executive Assistant:	Ani Ghoukassian

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*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 – *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.

II

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF OCTOBER 12, 2021 AND SPECIAL MEETING OF OCTOBER 20, 2021 AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval, seconded by Commissioner 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.

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz recognized Native American Heritage Month.

*Item IX-A taken out of order.*

IX

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDERATION OF DISABILITY RETIREMENT APPLICATION FOR RICARDO AGUILAR AND POSSIBLE BOARD ACTION – Carol Rembert, Management Assistant, presented this item to the Board. Ms. Fabian Schwin, Court Reporter, recorded the proceedings and member Ricardo Aguilar was present during the discussion of this item. 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.

IV

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Update on City’s COVID response and vaccination requirements
  - Diversity, Equity, and Inclusion at LACERS
  - LACERS awarded the Public Pension Coordinating Council’s (PPCC) Standards Award for 2021
  - Update on 977 Broadway Building
  - Retirement Services updates
  - Health Benefits Administration updates
  - YouTube videos
  - Upcoming Webinars
  - Upcoming Wellness Events
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Presentation of LACERS’ Audited Year End Financial Statements

V

RECEIVE AND FILE ITEMS

- A. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.
- B. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

- A. BENEFITS ADMINISTRATION COMMITTEE MEETING VERBAL REPORT FOR THE MEETING ON OCTOBER 26, 2021 – Commissioner Wilkinson stated that the Committee approved amendment to the Benefits Administration Committee Charter and revisions to LACERS Board Rules. He stated that they also received an operational update from Dale Wong-Nguyen, Assistant General Manager.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON, AND POSSIBLE BOARD ACTION – Commissioner Chao moved approval of the following Resolution:

**CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS  
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE**

**RESOLUTION 211109-A**

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with high levels of community transmission.

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.

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.

B. PRESENTATION BY SEGAL CONSULTING OF THE ACTUARIAL VALUATIONS AS OF JUNE 30, 2021 AND PROPOSED CITY CONTRIBUTION RATES FOR FISCAL YEAR 2022-23 AND POSSIBLE BOARD ACTION – Paul Angelo and Andy Yeung, Actuaries with Segal Consulting, presented and discussed this item with the Board for 55 minutes. After discussion, 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.

C. 977 N. BROADWAY PROJECT REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2021 AND POSSIBLE BOARD ACTION – Commissioner Elizabeth Lee moved approval of the following Resolution:

**AUTHORIZATION TO TRANSFER FUNDS  
FROM THE HQ PROJECT'S CAPITAL BUDGET ACCOUNT  
TO THE ADMINISTRATIVE BUDGET ACCOUNT**

**RESOLUTION 211109-B**

WHEREAS, on October 23, 2019, LACERS closed escrow on the purchase of an office building at 977 North Broadway (“Broadway Building”), Los Angeles California; the property is a real estate asset held in a separate account in the LACERS Trust Fund, and the LACERS Board of Administration has sole and exclusive plenary authority over the assets of the trust fund; and

WHEREAS, the Broadway Building goals for Fiscal Year 2021-22 (FY22) include LACERS’ full occupancy in 2022, and completion of necessary improvements prior to move-in; and

WHEREAS, LACERS Board of Administration (Board) previously approved \$19,577,987 for the Capital Budget, including \$2,700,000 for the Owner Technology portion line item within the Capital Budget; and WHEREAS, the funds for the purchase of technology was originally approved by the Board as part of the Capital Budget Account; and

WHEREAS, \$114,497.43 in funds from the Administrative Budget Account were used to procure pre-migration server equipment in order to leverage the City's contract and discount prices with Dell Technologies; and

WHEREAS, the purchase of the server equipment would require a transfer of \$114,497.43 from the Capital Budget Account to the Administration Budget Account; and

WHEREAS, the Board approved \$42,187.00 in funds in the Administration Budget Account for necessary moving services that would be required for the HQ Project; and

WHEREAS, initiating a competitive bidding process for moving services would not be advantageous for LACERS due to the time and effort needed to implement the process; and

WHEREAS, Charter Sections 371(e)(8) and 371(e)(10) provides exemption from the competitive bidding process for contracts that leverage a "cooperative arrangement with other governmental agencies for the utilization of the purchasing contracts" and are "undesirable, impractical or impossible"; and

WHEREAS, LACERS' contract with the Broadway Building Property Managers, Cushman & Wakefield (C&W), includes the use of competitive bidding processes for specialty contractors such as moving services; and

WHEREAS, C&W contracting for the moving services would require an ability to pay for the services and the Administration Budget Account is not accessible by C&W; and

WHEREAS, a transfer of \$42,187.00 from the Administration Budget Account to the Capital Budget Account is required in order for C&W to pay for the moving services; and

WHEREAS, the concurrent transfers from Capital Budget Account to Administration Budget Account and vice-versa, create a net difference of \$72,310.43; and

WHEREAS, the net of these concurrent transfers is \$72,310.43 transferred from the Administrative Budget Account to the Capital Budget Account; and

WHEREAS, pursuant to the City Charter, the Board has full control of LACERS' budget,  
NOW, THEREFORE, BE IT RESOLVED, that the Board:

1. Make a determination that a competitive bidding process for moving services would not be advantageous pursuant to City Charter Section 371 (e)(8) and Section 371(e)(10); and
2. Approve the reallocation of \$72,310.43 from HQ Project in the Capital Budget to the Administrative Budget by increasing Appropriation 167300 – Furniture, Office, and Technical Equipment by \$114,497.43 and decreasing Appropriation 163040 – Contractual Services by \$42,187.00; and
3. Authorize the General Manager to correct any clerical or typographical errors in this document.

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.

- D. AMENDMENT TO THE BENEFITS ADMINISTRATION COMMITTEE CHARTER AND POSSIBLE BOARD ACTION – Estella Priebe, Senior Benefits Analyst, presented this item to the Board. Commissioner Wilkinson 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.
- E. REVISIONS TO LACERS BOARD RULES AND POSSIBLE BOARD ACTION – Commissioner Wilkinson 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.
- F. WEBSITE REDESIGN CONTRACT AMENDMENT WITH DIGITAL DEPLOYMENT INC. AND POSSIBLE BOARD ACTION – Nathan Herkelrath, Benefits Analyst, presented and discussed this item with the Board. After discussion, Commissioner Chao moved approval of the following Resolution:

**CONTRACT AMENDMENT WITH  
DIGITAL DEPLOYMENT INC.  
FOR WEBSITE DESIGN AND SUPPORT SERVICES**

**RESOLUTION 211109-C**

WHEREAS, on March 12, 2019, the Board approved contracting with DIGITAL DEPLOYMENT INC. for website design and support services for the contract term beginning April 1, 2019 through April 30, 2022, not to exceed \$188,750;

WHEREAS, implementation of the website occurred earlier than expected, and an additional ad-hoc project entitled “Homepage Hero Enhancement – Carousel” which created a prominent carousel on the LACERS.org homepage was completed;

WHEREAS, an additional \$20,000 is needed for the remainder of the contract term for maintenance and support services;

WHEREAS, it is LACERS’ desire to continue providing ease of access to information and resources to its members;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to negotiate and execute a contract amendment subject to satisfactory business and legal terms; and to make any necessary clerical, typographical, or technical corrections to this document.

<u>Company Name:</u>	DIGITAL DEPLOYMENT INC.
<u>Service Provided:</u>	Website Design Website Maintenance and Support
<u>Term Dates:</u>	April 1, 2019 through April 30, 2022
<u>Total Expenditure Authority:</u>	\$208,750

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.

## VIII

### INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value of \$24.17 billion as of November 8, 2021. Mr. June discussed the following items:
- David Atkin – Appointed CEO of PRI to succeed Fiona Reynolds
  - Barbara Sandoval, Investment Officer II, presented an update on the Emerging Manager Symposium feedback surveys
  - Received six responses to the Real Estate Consultant RFP as of November 8, 2021 deadline
  - Passive Manager search closed on November 9, 2021
  - Future Agenda items: Performance Review of Total Fund, period ending September 30, 2021, Private Equity Performance, period ending June 30, 2021, Private Equity 2022 Strategic Plan, Private Credit Consultant RFP, staff presentation of the Secured Overnight Financing Rate, and Disclosure of Fees, Expenses, and Carried Interest of Alternative Investments pursuant to Government Code Section 7514.7
- B. PRIVATE REAL ESTATE PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING JUNE 30, 2021 – Felix Fels, Vice President with Townsend Group, presented and discussed this item with the Board for 15 minutes.

President Ruiz recessed the Regular Meeting at 11:55 a.m. for a break. Commissioner Sandra Lee left the Regular Meeting at 11:55 a.m. President Ruiz reconvened the Regular Meeting at 12:00 p.m.

- C. PRESENTATION BY NEPC, LLC, AKSIA TORREYCOVE PARTNERS LLC, AND TOWNSEND HOLDINGS LLC REGARDING LACERS EMERGING MANAGER PROGRAM – Carolyn Smith, Partner with NEPC, David Fann, Vice Chairman with Aksia TorreyCove Partners, and Felix Fels, Vice President with Townsend Group, presented and discussed this item with the Board for 30 minutes.
- D. PRI BOARD ELECTION AND BALLOT MEASURES AND POSSIBLE BOARD ACTION – Ellen Chen, Investment Officer I, presented this item to the Board. Commissioner Chao moved approval, seconded by Vice President Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6; Nays, None.
- E. RESPONSIBLE INVESTMENT POLICY AND POSSIBLE BOARD ACTION – Rod June, Chief Investment Officer, and Ellen Chen, Investment Officer I, presented and discussed this item with the Board. The Board requested City Attorney review this policy and it be brought back to the Board after review. There was no action taken on this item.
- F. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN LBA LOGISTICS VALUE FUND IX, L.P. – This report was received by the Board and filed.

- G. NOTIFICATION OF COMMITMENT OF UP TO \$30 MILLION IN ADVENT GLOBAL TECHNOLOGY II, L.P. – This report was received by the Board and filed.
- H. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN HARBOURVEST PARTNERS CO-INVESTMENT FUND VI L.P. – This report was received by the Board and filed.
- I. NOTIFICATION OF COMMITMENT OF UP TO \$25 MILLION IN BARINGS EMERGING GENERATION FUND, L.P. – This report was received by the Board and filed.
- J. NOTIFICATION OF COMMITMENT OF UP TO \$75 MILLION IN CLEARLAKE CAPITAL PARTNERS VII, L.P. – This report was received by the Board and filed.
- K. NOTIFICATION OF COMMITMENT OF UP TO \$50 MILLION IN TPG RISE CLIMATE, L.P. – This report was received by the Board and filed.

President Ruiz recessed the Regular Meeting at 12:50 p.m. to convene in Closed Session discussion.

X

#### LEGAL/LITIGATION

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) AND (D)(1) TO CONFER WITH, AND/OR RECEIVE ADVICE FROM, LEGAL COUNSEL REGARDING PENDING LITIGATION (TWO CASES): IN RE ASHINC CORP, ET AL. V. YUCAIPA AMERICAN ALLIANCE FUND I, LLC, ET AL. (D. DEL. CASE NO. 12-11564) AND YOUNGMAN V. YUCAIPA AMERICAN ALLIANCE FUND I, LLC, ET AL. (LASC CASE NO. 21STCV37137), AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 1:05 p.m. and announced that the Board conferred with legal counsel.

XI

OTHER BUSINESS – There was no other business.

XII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, November 23, 2021, at 10:00 a.m. at LACERS, 202 W. 1<sup>st</sup> Street, Suite 500, 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 1:06 p.m.





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Cynthia M. Ruiz  
President



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Neil M. Guglielmo  
Manager-Secretary