

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 22, 2018

10:21 a.m.

Agenda of: JUNE 26, 2018

Item No: II

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PRESENT:	President:	Cynthia M. Ruiz
	Vice President	Michael R. Wilkinson
	Commissioners:	Annie Chao Nilza R. Serrano Sung Won Sohn Vacant Position
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
	Legal Counsel:	Anya Freedman James Napier
ABSENT:	Commissioner:	Elizabeth L. Greenwood

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

I

BOARD PRESIDENT OPENING REMARKS – President Ruiz shared what is important to her: integrity, diversity, and collaboration. She discussed and detailed her vision as Board President of LACERS.

II

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

III

APPROVAL OF MINUTES FOR BOARD MEETING OF MAY 8, 2018 AND POSSIBLE BOARD ACTION – A motion to approve the minutes of May 8, 2018 was moved by Commissioner Serrano, seconded by Vice President Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

## IV

### GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, reported the following items:
- Introduced Tom Bouey, the new Assistant General Manager at LACERS. Mr. Bouey is currently the Assistant Treasurer at the Office of Finance and will be starting at LACERS the week of May 27, 2018.
  - The Guiding Principles Luncheon will be held on Thursday, July 26, 2018, at the California Endowment. All Board Members are welcome to attend.
  - City Council approved the proposed changes from the Budget & Finance Committee to the Mayor's proposed Fiscal Year 2018-19 budget. There were no direct changes to the LACERS budget at this time.
  - The My LACERS soft portal launch went smooth and and was well received. The official launch will be held in mid-June.
  - There was a building evacuation on Friday, May 18, 2018 at 2:35 p.m., due to a false alarm. The alarm was not heard in all areas of the floor and staff will be working with building services to correct this issue.
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, stated the Almanac item will be presented to the Governance Committee at a future meeting.

Mr. Guglielmo stated the June 12, 2018 Board Meeting will be cancelled due to lack of quorum.

## V

### CONSENT AGENDA

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR APRIL 2018 – This item was deferred.

## VI

### COMMITTEE REPORT(S)

- A. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT ON THE MEETING OF MAY 22, 2018 – Commissioner Wilkinson stated the Committee was provided a presentation by Anthem Blue Cross regarding pharmacy costs. The Committee was also presented with the upcoming renewals for health, vision, and dental.
- B. INVESTMENT COMMITTEE VERBAL REPORT ON THE MEETING OF MAY 22, 2018 – There was a correction to this Agenda Item to reflect this verbal report is on the May 8, 2018 Investment Committee Meeting.

Commissioner Sohn reported that the Committee was presented with the Private Equity Semi-Finalist interviews and the contract with Core Commodity Management LLC.

VII

- A. CHIEF INVESTMENT OFFIER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$17.25 Billion as of May 21, 2018. Mr. June stated Investment staff will be attending the National Association of Securities Professionals Conference in Houston, TX. He will be attending the National Conference on Public Employee Retirement Systems Chief Investment Officer Summit in mid-June and has been asked to speak at the Girls Who Invest Intensive Program at the University of Notre Dame. Upcoming agenda items included NEPC presenting the total fund portfolio performance review, risk budgeting, asset class reviews and an Asset Allocation Implementation Plan. Additionally, the Private Equity Consultant finalist will be presented to the Board.
  
- B. INVESTMENT MANAGER CONTRACT WITH CORECOMMODITY MANAGEMENT, LLC REGARDING THE MANAGEMENT OF AN ACTIVE LONG-ONLY COMMODITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Wilkin Ly, Investment Officer II, presented this item to the Board. Commissioner Sohn moved approval of the following Resolution:

**CONTRACT RENEWAL  
CORECOMMODITY MANAGEMENT, LLC  
ACTIVE LONG-ONLY COMMODITIES PORTFOLIO MANAGEMENT**

**RESOLUTION 180522-A**

WHEREAS, LACERS current three-year contract with CoreCommodity Management, LLC (CoreCommodity) for active management of a long-only commodities portfolio expires on May 31, 2018; and,

WHEREAS, CoreCommodity is in compliance with the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract renewal with CoreCommodity will allow LACERS to maintain a diversified exposure to the commodities market; and,

WHEREAS, on May 22, 2018, the Board approved the Investment Committee’s recommendation for a three-year contract extension with CoreCommodity; and,

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute a contract subject to satisfactory business and legal terms and consistent with the following services and terms:

Company Name: CoreCommodity Management, LLC

Service Provided: Active Long-Only Commodities Portfolio Management

<u>Effective Dates:</u>	June 1, 2018 through May 31, 2021
<u>Duration:</u>	Three years
<u>Benchmark:</u>	Bloomberg Commodity Index
<u>Allocation as of March 31, 2018:</u>	\$175 million

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays; None.

VIII

BENEFITS ADMINISTRATION

- A. PRINTING, MAILING, WEBSITE, AND GRAPHIC DESIGN REQUEST FOR PROPOSAL FINALISTS AND POSSIBLE BOARD ACTION – Bruce Bernal, Senior Management Analyst II and Tiffany Obembe, Management Assistant, presented this item to the Board. President Ruiz recommended in the future these types of requests for proposal be advertised on Los Angeles Business Assistance Virtual (LABAVN) and amended this item to remove the option for the three-year contract renewal. Approval was moved by Commissioner Serrano, as amended:

**AUTHORIZATION TO CONTRACT WITH  
KES MAIL, INC., CALIFORNIA MARKETING, AND IMAGINE THAT DESIGN STUDIO  
FOR PRINTING, MAILING, WEBSITE, AND GRAPHIC DESIGN SERVICES**

**RESOLUTION 180522-B**

WHEREAS, on March 27, 2018, the Board authorized the issuance of a Request for Proposal to identify qualified outside Printing, Mailing, Website, and Graphic Design services providers;

WHEREAS, on April 17, 2018, four firms responded to the Printing, Mailing, Website, and Graphic Design Request for Proposal;

WHEREAS, on May 22, 2018, based on staff's recommendation, after evaluating the submitted written proposals, the Board approved contracting with KES Mail, Inc., California Marketing, and Imagine That Design Studio, to provide Printing, Mailing, Website, and Graphic Design services with annual fees not to exceed \$90,000;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes the General Manager to negotiate and execute three-year contracts with KES Mail, Inc., California Marketing, and Imagine That Design Studio for Printing, Mailing, Website, and Graphic Design services with an option to renew the contracts for up to three additional years.

Which motion was amended to remove the option to renew the contracts for up to three additional years, seconded by Commissioner Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

IX

Deputy City Attorney James Napier was present during the Disability Retirement Application(s).

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDER THE RETURN TO WORK REQUEST OF RETIREE APRIL MOYA HUBBARD AND POSSIBLE BOARD ACTION (HEARING) – Commissioner Serrano moved approval of the following Resolution:

**CANCELATION OF DISABILITY RETIREMENT BENEFIT- APRIL MOYA HUBBARD**

**RESOLUTION 180522-C**

WHEREAS, the General Manager presented certain medical reports, and reported the reexaminations were conducted in a regular and proper manner;

WHEREAS, Physicians 1, 2, and 3 reexamined April Moya Hubbard and determined she is capable of performing her duties as a Police Service Representative without accommodation;

WHEREAS, the Los Angeles Police Department has been notified that Ms. Moya Hubbard will be restored to duty in the position she held at the time of retirement, in accordance with Los Angeles Administrative Code Section 4.1008(e);

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of the Board that April Moya Hubbard is no longer physically incapacitated from performing her duties as a Police Service Representative; and,

NOW, THEREFORE, BE IT RESOLVED that the Board finds April Moya Hubbard is no longer incapacitated for the position she held at the time of her disability retirement and shall be restored to duty in the position she held at the time of said disability retirement; and, upon her return to active service, her disability retirement shall be canceled.

Which motion was seconded by Vice President Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

President Ruiz adjourned the Regular Meeting at 11:08 a.m. to convene in Closed Session.

- B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) FOR ADOPTION OF FINDING OF FACT FOR NORBERT STYLC AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 11:12 a.m. and announced that during Closed Session the Board unanimously approved the Adoption of Finding of Fact for Norbert Stylc.

X

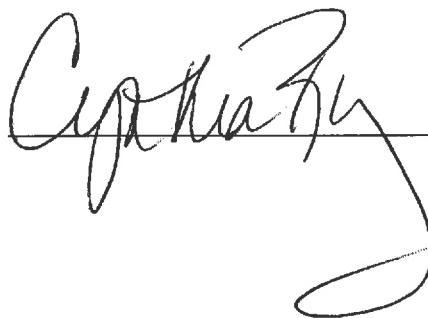
OTHER BUSINESS – There was no other business.

XI

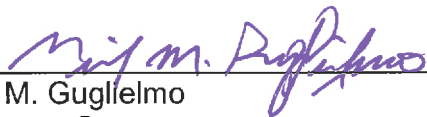
NEXT MEETING: The next Regular Meeting of the Board is scheduled for Tuesday, June 12, 2018, at 10:00 a.m., in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XII

ADJOURNMENT – There being no further discussion before the Board, President Ruiz adjourned the meeting at 11:13 a.m.



Cynthia M. Ruiz  
President



Neil M. Guglielmo  
Manager-Secretary