



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



## *Board of Administration Agenda*

**REGULAR MEETING**  
**TUESDAY, JULY 12, 2022**  
**TIME: 10:00 A.M.**  
**MEETING LOCATION:**

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 July 12, 2022 meeting will be conducted via telephone and/or videoconferencing.

**Important Message to the Public**  
**Information to call-in to listen and or participate:**  
**Dial:** (669) 254-5252 or (669) 216-1590  
**Meeting ID#** 160 360 6648

**Instructions for call-in participants:**

- 1- Dial in and enter Meeting ID
- 2- Automatically enter virtual "Waiting Room"
- 3- Automatically enter Meeting
- 4- During Public Comment, **press \*9** to raise hand
- 5- Staff will call out the last 3-digits of your phone number to make your comment

**Information to listen only:** Live Board Meetings can be heard at: (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside), and (310) 547-CITY (San Pedro Area).

President:	Vacant
Vice President:	Sung Won Sohn
Commissioners:	Annie Chao Elizabeth Lee Sandra Lee Nilza R. Serrano Michael R. Wilkinson
Manager-Secretary:	Neil M. Guglielmo
Executive Assistant:	Ani Ghokassian
Legal Counsel:	City Attorney's Office Public Pensions General Counsel Division

**Notice to Paid Representatives**

If you are compensated to monitor, attend, or speak at this meeting, City law may require you to register as a lobbyist and report your activity. See Los Angeles Municipal Code §§ 48.01 *et seq.* More information is available at [ethics.lacity.org/lobbying](http://ethics.lacity.org/lobbying). For assistance, please contact the Ethics Commission at (213) 978-1960 or [ethics.commission@lacity.org](mailto:ethics.commission@lacity.org).

**Request for Services**

As a covered entity under Title II of the Americans with Disabilities Act, the City of Los Angeles does not discriminate on the basis of disability and, upon request, will provide reasonable accommodation to ensure equal access to its programs, services and activities.

Sign Language Interpreters, Communication Access Real-Time Transcription, Assistive Listening Devices, Telecommunication Relay Services (TRS), or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. For additional information, please contact: Board of Administration Office at **(213) 855-9348** and/or email at [ani.ghokassian@lacers.org](mailto:ani.ghokassian@lacers.org).

**Disclaimer to Participants**

Please be advised that all LACERS Board and Committee Meeting proceedings are audio recorded.

- 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*
- II. [APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JUNE 14, 2022 AND POSSIBLE BOARD ACTION](#)
- III. BOARD PRESIDENT VERBAL REPORT
- IV. GENERAL MANAGER VERBAL REPORT
  - A. REPORT ON DEPARTMENT OPERATIONS
  - B. UPCOMING AGENDA ITEMS
- V. RECEIVE AND FILE ITEMS
  - A. [ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD](#)
  - B. [BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER](#)
  - C. [COMMISSIONER SERRANO EDUCATION EVALUATION ON RFK COMPASS SUMMER INVESTORS CONFERENCE, HYANNIS PORT, MA; JUNE 14-15, 2022](#)
- VI. 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](#)
  - B. [AMENDMENT TO CONTRACT AWARD RESOLUTION FOR HEALTH PLAN CONSULTING SERVICES AND POSSIBLE BOARD ACTION](#)
- VII. INVESTMENTS
  - A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS
  - B. [PRESENTATION BY NEPC, LLC REGARDING ASSET CLASS POLICY INTERIM TARGETS AND RANGES AND POSSIBLE BOARD ACTION](#)
  - C. [NOTIFICATION OF COMMITMENT OF UP TO \\$100 MILLION IN CORTLAND GROWTH AND INCOME, L.P.](#)
- VIII. OTHER BUSINESS

IX. NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, July 26, 2022 at 10:00 a.m. at LACERS, 202 West 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.

X. ADJOURNMENT

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 June 14, 2022 meeting will be conducted via telephone and/or videoconferencing.

June 14, 2022

10:00 a.m.

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PRESENT via Videoconferencing:	President:	Vacant
	Commissioners:	Annie Chao Elizabeth Lee Sandra Lee Nilza R. Serrano Michael R. Wilkinson
		Left at 11:00 a.m.
	Legal Counselor:	Anya Freedman
	Manager-Secretary:	Neil M. Guglielmo
PRESENT at LACERS Office:	Executive Assistant:	Ani Ghoukassian
ABSENT:	Vice President:	Sung Won Sohn

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

I

PER BOARD GOVERNANCE STATEMENT SEC. 4.1(C), SELECTION OF PRESIDENT PRO TEMPORE FOR JUNE 14, 2022 MEETING AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, advised that the nominations for President Pro Tempore for the June 14, 2022, Board Meeting were being considered and then Commissioner Wilkinson nominated Commissioner Chao and Commissioner Sandra Lee nominated Commissioner Serrano. Mr. Guglielmo called for the vote on the nomination of Commissioner Chao as President Pro Tempore: Ayes, Commissioners Chao and Wilkinson -2; Nays, Commissioners Elizabeth Lee, Sandra Lee, Serrano -3; The nomination for Commissioner Chao did not pass, therefore, Mr. Guglielmo called for the vote on the nomination of Commissioner Serrano: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, and Wilkinson -5; Nays, None. The nomination of Commissioner Serrano for President Pro Tempore passed.

II

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 Pro Tempore Serrano asked if any persons wanted to make a general public comment to which there was no response.

III

APPROVAL OF MINUTES FOR THE MEETING OF MAY 10, 2022 AND POSSIBLE BOARD ACTION – Commissioner Elizabeth Lee moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Wilkinson, and President Pro Tempore Serrano -5; Nays, None.

IV

BOARD PRESIDENT VERBAL REPORT – President Pro Tempore Serrano shared that she was happy for President Ruiz's appointment to the DWP Board of Commissioners but sad that she is no longer serving on the LACERS Board.

V

GENERAL MANAGER VERBAL REPORT

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

- Juneteenth City Holiday
- Parking for 977 N. Broadway
- Update on LACERS HQ Construction/Renovation
- Water and Power Employee Retirement Plan (WPERP) Reciprocity Lawsuit
- Retirement Services Division Update
- Health Benefits Administration Update
- Member Services Update

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

- 6/28/22 Benefits Administration Committee: Recommendation to award the Health Consultant contract, Presentation by Keenan on the Health Management Dashboard, and Preliminary Health Plan Renewal Update

VI

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.

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 Elizabeth Lee moved approval of the following Resolution:

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

**RESOLUTION 220614-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 substantial or 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 Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Wilkinson, and President Pro Tempore Serrano -5; Nays, None.

- B. CONTRACT AMENDMENT WITH QTC MEDICAL GROUP, INC. FOR DISABILITY MEDICAL EVALUATION SERVICES AND POSSIBLE BOARD ACTION – Commissioner Wilkinson moved approval of the following Resolution:

**CONTRACT AMENDMENT WITH QTC MEDICAL GROUP, INC.  
FOR DISABILITY MEDICAL EVALUATION SERVICES**

**RESOLUTION 220614-B**

WHEREAS, the General Manager presented information on the use of disability medical evaluation services;

WHEREAS, QTC Medical Group, Inc., is the disability medical evaluation service provider currently utilized by LACERS under Contract No. 4193, for the contract period July 1, 2019, through June 30, 2025;

WHEREAS, LACERS has the option to extend the existing contract for an additional three-year term ending June 30, 2025;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves exercising the option to extend Contract No. 4193 for an additional three years, in amount not to exceed \$600,000, and authorizes the General Manager to approve and execute the necessary contract amendment documents with QTC Medical Group, Inc.

Which motion was seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Wilkinson, and President Pro Tempore Serrano -5; Nays, None.

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Bryan Fujita, Investment Officer III, reported on the portfolio value of \$20.70 billion as of June 13, 2022. Mr. Fujita discussed the following items:

- Update on current market conditions
- Update on Institutional Partnership Association (ILPA) Board of Director Elections
- Future Agenda items: Private Credit Consultant Semi-Finalist List and Closed Session to consider a Real Estate opportunity

Mr. Fujita shared that there are no changes in the markets in regards to the Russian/Ukraine Crisis. He stated markets are still closed to foreign investors and LACERS Russian exposure is 3 bps or about \$6.6 million in MV.

- B. PRIVATE REAL ESTATE PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING DECEMBER 31, 2021 – Chae Hong, Partner, and Felix Fels, Associate Partner, with The Townsend Group, presented and discussed this item with the Board for 30 minutes.

Commissioner Sandra Lee left the Regular Meeting at 11:00 a.m.

- C. PRIVATE EQUITY PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING DECEMBER 31, 2021 – David Fann, Vice Chairman and Trevor Jackson, Managing Director, with Aksia CA LLC, and Bryan Fujita, Investment Officer III and Wilkin Ly, Investment Officer III, presented and discussed this item with the Board for 15 minutes.

*Item V-C taken out of order.*

V

- C. RECOGNITION OF SERVICE FOR PRESIDENT CYNTHIA M. RUIZ – Neil M. Guglielmo, General Manager, recognized President Ruiz for her service to the LACERS Board from September 2015 to May 2022. Commissioner Elizabeth Lee and President Pro Tempore Serrano also shared their appreciation for President Ruiz’s contributions to the LACERS Board.

IX

LEGAL/LITIGATION

- A. APPROVAL OF CONTRACTS WITH BERSTEIN LITOWITZ BERGER & GROSSMAN LLP, BLEICHMAR FONTI & AULD LLP, COHEN MILSTEIN SELLERS & TOLL PLLC, ROBBINS GELLER RUDMAN & DOWD LLP, AND SAXENA WHITE P.A. FOR OUTSIDE SECURITIES MONITORING AND LITIGATION COUNSEL; AND POSSIBLE BOARD ACTION – Gina DiDomenico, Deputy City Attorney, presented this item to the Board and introduced representatives from the five firms named in the request for approval. Commissioner Chao moved approval, seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Wilkinson, and President Pro Tempore Serrano -4; Nays, None.

X

OTHER BUSINESS – There was no other business.

XI

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, June 28, 2022, 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.

XII



ADJOURNMENT – There being no further business before the Board, President Pro Tempore Serrano adjourned the Meeting at 11:25 a.m.

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Nilza R. Serrano  
President Pro Tempore

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Neil M. Guglielmo  
Manager-Secretary

**LACERS’ ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

**RESTRICTED SOURCES**

The Board’s Ethical Contract Compliance Policy was adopted in order to prevent and avoid the appearance of undue influence on the Board or any of its Members in the award of investment-related and other service contracts. Pursuant to this Policy, this notification procedure has been developed to ensure that Board Members and staff are regularly apprised of firms for which there shall be no direct marketing discussions about the contract or the process to award it; or for contracts in consideration of renewal, no discussions regarding the renewal of the existing contract.

<b>Name</b>	<b>Description</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Agility Recovery	Business Continuity Services	September 20, 2021	September 19, 2022	Administration
Cushman & Wakefield U.S., Inc.	Property Management Services for 977 and Project Management for HQ Build Project	May 1, 2021	April 30, 2023	Administration
Monday.com Ltd	Productivity Software Licensing	N/A	N/A	Administration
The Segal Company	Actuarial Consulting Services	N/A	N/A	Administration
K&L Gates LLP	Outside Investment & Real Estate Counsel	N/A	N/A	City Attorneys
Bernstein Litowitz Berger & Grossmann LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Bleichmar Fonti & Auld LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Cohen Milstein Sellers & Toll PLLC	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Robbins Geller Rudman & Dowd LLP	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Saxena White, P.A.	Securities Monitoring/Litigation Counsel	N/A	N/A	City Attorneys
Anthem	Medical HMO & PPO	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback

Also viewable online [here](#).

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

<b>Name</b>	<b>Description</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Kaiser	Medical HMO	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback
SCAN	Medical HMO	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback
United Healthcare	Medical HMO	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback
Delta Dental	Dental PPO and HMO	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback
Anthem Blue View Vision	Vision Services Contract	January 1, 2022	December 31, 2022	Health, Wellness, & Buyback
Keenan & Associates	Health and Welfare Consultant	March 1, 2018	June 30, 2022	Health, Wellness, & Buyback
Townsend Holdings LLC	Real Estate Consulting Services	April 1, 2014	March 31, 2022	Investments
State Street Global Advisors	MSCI World Ex-U.S. IMI Index	July 1, 2014	June 30, 2022	Investments
QTC Medical Group, Inc	Disability Medical Evaluation Services	April 30, 2019	June 30, 2022	Retirement Services
Box, Inc.	Retirement Application Portal Custom Consulting Services	December 1, 2021	November 30, 2022	Systems

Also viewable online [here](#).

**LACERS' ETHICAL CONTRACT COMPLIANCE REPORT  
NOTIFICATION TO THE BOARD**

**ACTIVE RFPs**

<b>Description</b>	<b>Respondents</b>	<b>Inception</b>	<b>Expiration</b>	<b>Division</b>
Passive U.S., Non-U.S., and Global Index Strategies Search	Blackrock, Inc., Mellon Investments Corporation, Northern Trust Securities, Inc., RhumbLine Advisers, State Street Global Advisors, Xponance, Inc.	September 9, 2021	November 9, 2021	Investments
Private Credit Consultant	Aksia LLC; Meketa Investment Group, Inc.; NEPC, LLC; Wilshire Advisors LLC	January 24, 2022	March 25, 2022	Investments
Transition Manager		February 14, 2022	August 31, 2022	Investments
Health Consulting Services	Aon Corporation, Inc.; Keenan & Associates; Mercer Health & Benefits LLC; The Segal Company; USI Insurance Services LLC	April 1, 2022	May 6, 2022	Health Benefits Administration
Strategic Planning Facilitation Services (RFQ)		N/A	N/A	Administration

Also viewable online [here](#).

**BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B**

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

**SERVICE RETIREMENTS**

<u>Member Name</u>	<u>Service</u>	<u>Department</u>	<u>Classification</u>
Alexander, Jackie Lynn	35	PW - Admin Div.	Payroll Supervisor
Galloway, Stephanie F	35	Police Dept. - Civilian	Police Service Rep
Garrett-Sims, Berdena A	34	Dept. of Transportation	Sr Traffic Supv
Mc Kail, Enriqueta	34	Police Dept. - Civilian	Police Service Rep
Ferrer, Arsenio Mujer	33	PW - Sanitation	Env Compliance Insp
Story, Brian Keith	33	PW - Sanitation	Ref Coll Truck Oper
Mischlich, Patrick M	33	Dept. of Bldg. & Safety	Sr Build Inspector
Thompson, Yvonne	32	Police Dept. - Civilian	Sr Police Serv Rep
Montagna, Steven	32	Personnel Dept.	Ch Personnel Analyst
Fernandez, Teodulo R	32	Dept. of Airports	Management Analyst
Harris, Treasa M	32	Police Dept. - Civilian	Police Service Rep
Miller, Angelo	32	PW - Street Use	St Svc Investigator
Daniels, Juliet A	31	Dept. of Airports	Management Analyst
Jarvis, Tonya V	31	Dept. of Airports	Sr Mgmt Analyst
Kaneshiro, Lance H	31	Harbor Dept.	Traf Manager
Jones, William V	30	PW - Engineering	Environmental Supvr
Smith, Rhonda R	30	Police Dept. - Civilian	Sr Administrative Clerk
Vasquez, Antoinette Theresa	29	Police Dept. - Civilian	Management Analyst
Coleman, Harvey R	26	Dept. of Airports	Airport Police Sgt
Matthews, Demeturius D	24	Police Dept. - Civilian	Sr Administrative Clerk
Jaegers, John R	23	Dept. of Bldg. & Safety	Sr Build Mech Inspectr
Crenshaw, De Esta L	23	Dept. of Airports	Management Analyst
Booker, Denard R	22	Dept. of Airports	Security Officer
Cumbie, Sean Colin	22	Personnel Dept.	Sr Personnel Analyst
Tseng, Paul J	22	PW - Engineering	Contract Administrator
Uytiepo, Cynthia G	22	Office of the City Clerk	Accounting Clerk
Abbassi, Pouria	20	LA Convention and Tourism	Gen Mgr Convention Ctr
Numano Hiura, Christy K	20	City Attorney's Office	Deputy City Atty
Knox, Balinda Maria	20	Dept. of Airports	Sr Commun Operator
Pakro, Givergiz	19	GSD - Fleet Services	Heavy Duty Equip Mech
Evans, Carmen Annette	19	Personnel Dept.	Workers Comp Analyst
Sasaki, Hugh Kinnosuke	18	Dept. of Rec. & Parks	Sr Gardener
Olivier, Anne M	18	Library Dept.	Librarian
Picker, Brian A	18	PW - Sanitation	Maintenance Laborer
Arevalo, William	18	GSD - Materials Mgmt.	Storekeeper
Hudson, Julie Charmaine	16	Police Dept. - Civilian	Admin Clerk

Antonio, Thomas Edward	15	LA Housing Dept.	Rehab Constr Spec
Hance Murphy, Jeanmarie	11	Council	Council Aide
Casanova, Pastor	10	Dept. of Transportation	Transport Eng Assoc
Grande, Marta	9	Dept. of Rec. & Parks	Special Prog Asst
Ramirez, Consuelo	7	Dept. of Rec. & Parks	Special Prog Asst
Ramirez, Jose E	7	Dept. of Rec. & Parks	Special Prog Asst
Jimenez, Maria G	7	Dept. of Airports	Airport Guide
Calcote, Dane	5	Dept. of Transportation	Crossing Guard
Roland, Steven Marc	3	PW - Sanitation	Instrument Mech
Oh, James	1	Dept. of Rec. & Parks	Asst Park Svcs Attnd

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

Approved Death Benefit Payments

Deceased

Beneficiary/Payee

TIER 1

Ballew, Thaddeus M

Anthony S Ballew for the payment of the Burial Allowance

David Arzell Ballew for the payment of the Burial Allowance

Barbarino, Michael A

Marie Eileen Barbarino for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Burley, Earnestine

Mark A Burley for the payment of the Accrued But Unpaid Service Retirement Allowance Unused Contributions

Burrell, Wayne D

Elizabeth Burrell for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Castaneda, Sylvia Williams

Lawrence Williams for the payment of the Burial Allowance

Claiborne, Wilford Sheila Venica Claiborne for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Clark, Billy J Camille Denise Mcfarland for the payment of the  
Burial Allowance

Clements, Wendell W Francine Iverson Galland for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Cottrill, Larry L Cynthia A Cottrill for the payment of the  
Accrued But Unpaid Vested Retirement Allowance  
Burial Allowance

Douglas, Walter C Emma J Douglas for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Fields, Jerome Kenyon Jana L Fields Uslan for the payment of the  
Accrued But Unpaid Continuance Allowance

Gonzalez, Hector Michelle Gonzalez for the payment of the  
Burial Allowance

Goodson, Suzanne Denise F Ellinwood for the payment of the  
Accrued But Unpaid Vested Retirement Allowance  
Burial Allowance



Hernandez, Amelia P                      Rachelle Melody P Hernandez for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Unused Contributions

Holtz, Derrick E                              Terrence Holtz for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance  
Unused Contributions

Holzman, Louise R                          Beverly M Holzman for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance  
Unused Contributions

Lorraine P Holzman for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance  
Unused Contributions

Hughes, Thomas A                          Juanita Lewis for the payment of the  
Burial Allowance

Hull, Thomas E                              Edith Bundy for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Jack, Dorothy                                Jeffery Jack for the payment of the  
Accrued But Unpaid Continuance Allowance

Linda Weeks for the payment of the  
Accrued But Unpaid Continuance Allowance

Jackson, Alma V                      The Living Trust Of Alma Viola Jackson for the payment of the  
Accrued But Unpaid Continuance Allowance  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Jared, William J                      Jared Family Revocable Trust for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Jones, Cornell                      Audrey F Dunlap for the payment of the  
Accrued But Unpaid Disability Retirement Allowance  
Burial Allowance

Nedra J Jones for the payment of the  
Accrued But Unpaid Disability Retirement Allowance  
Burial Allowance

Kelly, Quinnon D                      Kathleen Noble for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Lechuga, Margaret                      John R Lechuga for the payment of the  
Unused Contributions

Patricia Ann Lechuga for the payment of the  
Unused Contributions

Lee, Ki Chang                      Ron Lee for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Lundy, Kenneth Donald Lundy Jackson for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Meichtry, Adele Kathryn Rex for the payment of the  
Accrued But Unpaid Continuance Allowance

Moore, Timothy A Kenneth David Moore for the payment of the  
Burial Allowance

Moore, Wanda L Michele Moore Bowers for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

O Brien, Roberta A Pamela Selna for the payment of the  
Accrued But Unpaid Continuance Allowance

Ogle, Susan Frances Barbara Ogle for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Nancy Wurtzel for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Olivo, Sam Diane M Olivo Posner for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Osborne, Bette L Catherine Lee Stellway for the payment of the  
Accrued But Unpaid Continuance Allowance

Owens, William K	John D Owens for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Parker, Vera M	Michele Martin for the payment of the Accrued But Unpaid Continuance Allowance  Philip Martin for the payment of the Accrued But Unpaid Continuance Allowance
Perez, Alice	Rosemarie Miller for the payment of the Accrued But Unpaid Continuance Allowance
Quirola, Diana	Michelle Lowry for the payment of the Burial Allowance
Reyes, Alejandra	Anthony Reyes for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Reynolds, Benjamin Phillip	Benjamin Reynolds Jr for the payment of the Burial Allowance  Dorothy Reynolds Bailey for the payment of the Accrued But Unpaid Service Retirement Allowance
Sansone, Giuseppe F	Estate Of Giuseppe Frank Sansone for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance

Sepulveda, Luis O                      Margarita Lopez for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Smith, Kenneth Leon                      Rivka Man-Meyer for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Smith, Kory R                              Fabiola Smith for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Stoicof, Petre Aurel                      Vera Stoicof for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Strasser, Thomas J                      Julie Strasser for the payment of the  
Accrued But Unpaid Service Retirement Allowance

Sullivan, Margaret J                      John Blair Sullivan for the payment of the  
Accrued But Unpaid Service Retirement Allowance  
Burial Allowance

Vara, Ismael O                              Juanita L Vara for the payment of the  
Accrued But Unpaid Vested Retirement Allowance

Walsh, Laura L	Ashley V Walsh for the payment of the Accrued But Unpaid Disability Continuance Allowance
	Tristan J Walsh for the payment of the Accrued But Unpaid Disability Continuance Allowance
Weisenstein, M G	Margaret Ann Jensen for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Wendling, Thomas Marc	Mario Angelini for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance Unused Contributions
Williams, Alvin L	Virginia L Williams for the payment of the Accrued But Unpaid Service Retirement Allowance Burial Allowance
Willis, Michelle	Carol Anderson Trust C/O Kathryn Van Houten Trustee for the payment of the Accrued But Unpaid Service Retirement Allowance Unused Contributions

**TIER 3**  
**NONE**

BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER: ITEM V-B

Pursuant to the authority delegated to the General Manager under Board Rule GMA 1, General Manager Authorization, adopted by the Board of Administration on June 14, 2016, the following benefit payments have been approved by the General Manager:

Approved Death Benefit Payments

Deceased

Beneficiary/Payee

**TIER 1**

**Active**

Hawkins, Danny L  
(Deceased Active)

Adriana Maria Hawkins for the payment of the  
Accumulated Contributions

Hawkins, Gregory Kenneth  
(Deceased Active)

Veronica Janel Cayson for the payment of the  
Accumulated Contributions

Perez, Ruby Elizabeth  
(Deceased Active)

Joanne M Perez for the payment of the  
Accumulated Contributions

Rios, Lionel  
(Deceased Active)

Bertha Rios for the payment of the  
Accumulated Contributions

Rodriguez, Omar E  
(Deceased Active)

Maria Alvarez for the payment of the  
Survivor Contributions Death Refund

Webster, Sonia  
(Deceased Active)

Martell Rene Webster for the payment of the  
Accumulated Contributions

**TIER 3**

**NONE**

Disclaimer: The names of members who are deceased may appear more than once due to multiple beneficiaries being paid at different times.

**LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM (LACERS)  
TRAVEL/CONFERENCE EVALUATION REPORT**

Name of Attendee: Nilza Serrano	
Title of Conference/Seminar: RFK Compass Investors Conference	
Location: Hyannis Port, MA	No. of Education Hours: 20
Event Sponsor: Robert F Kennedy Human Rights	Date(s) Held: June 13th to June 15th

Report for:

- Travel
- Conference/Seminar Attendance Only

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I. Nature/Purpose of Travel (if applicable):

Travel to Conference

II. Significant Information Gained:

Emerging Managers continue to provide gains even in a volatile market

III. Benefits to LACERS:

Education gain by attendee- Perspectives across different sectors and capitol structure, the impact of interest rates and inflation across private equity, secondary and continuation funds; where to find value and how to mitigate risks. Achieving profit and impact - can the market do both?

IV. Additional Comments:





**REPORT TO BOARD OF ADMINISTRATION**

**From: Neil M. Guglielmo, General Manager**

*Neil M. Guglielmo*

**MEETING: JULY 12, 2022**

**ITEM: VI-A**

**SUBJECT: 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**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board approve continuing to hold LACERS Board and Committee meetings via teleconference and/or videoconference, under Government Code Sections 54953(e)(1)(B)-(C) and 54953(e)(3)(A) and (B)(i).

**Discussion**

LACERS is committed to preserving public access and participation in meetings of the Board of Administration. 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. 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. The COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active: COVID-19 remains a public health concern in Los Angeles, with substantial or high levels of community transmission.

The Board met via teleconference on October 12, 2021, 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.

**Strategic Plan Impact Statement**

The Board's action on this item aligns with the LACERS Strategic Plan Goal to uphold good governance practices which affirm transparency, accountability, and fiduciary duty.

Prepared By: Ani Ghoukassian, Commission Executive Assistant II

Attachment: Proposed Resolution

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

PROPOSED RESOLUTION

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 substantial or 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.



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Neil M. Guadlielmo, General Manager**

*Neil M. Guadlielmo*

**MEETING: JULY 12, 2022**

**ITEM: VI-B**

**SUBJECT: AMENDMENT TO CONTRACT AWARD RESOLUTION FOR HEALTH PLAN CONSULTING SERVICES AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board approve an amendment that revises the start date in the contract award resolution for Health Plan Consulting Services passed on June 28, 2022.

**Executive Summary**

On June 28, 2022, following a Request for Proposal (RFP) process conducted earlier this year, the Board approved the selection of AP Keenan (Keenan) to provide Health Plan Consulting Services for both the General Consulting and Administration of Self-Funded Programs. A modification to the Board resolution to revise the contract start date from January 1, 2023, to an earlier date is needed to ensure continuity of services while LACERS completes its Annual Health Plan Renewal Process.

**Discussion**

On April 12, 2022, the Board approved a second amendment to contract no. 4177 with Keenan (at the time as Keenan & Associates) for Health and Welfare Consulting Services. The amendment sets forth a not-to-exceed (NTE) amount of \$169,000, and it is set to expire on December 31, 2022. The purpose of the amendment was to provide staff with enough time to conduct and complete a robust health consulting services RFP process without causing a lapse in services for LACERS.

On June 28, 2022, the Board approved the selection of Keenan for the new contract. The Board's resolution indicates that the new contract is set to commence on January 1, 2023, the day after the amendment to contract no. 4177 is set to conclude. Keenan informed LACERS that it anticipates reaching the NTE amount of \$169,000 by August 2022. Keenan is currently assisting LACERS Health Division in finalizing the negotiations for the premium health plan renewal and planning for the 2023 Open Enrollment process, which impact and involve premium rates and the health plan subsidy. It is critical that there is continuity in Keenan's services, as its underwriting and health plan negotiation expertise are essential to securing final plan premium rates and setting the 2023 subsidies.

It is recommended that the Board approve the contract award resolution revision to reflect a start date of either the day after Keenan reaches the NTE amount set forth in the amendment or a date determined by the General Manager. The Board's action will ensure the timeliness of the Health Plan Open Enrollment process expected annually by our retired Members.

**Strategic Plan Impact Statement**

Continuity of services provided by AP Keenan assists LACERS in meeting its Strategic Plan Goal to provide timely and accurate delivery of services to Members.

Prepared By: Rainbow Sun, Benefits Analyst, Health, Wellness, and Buyback Division (HWABD)

NMG/DW:KF:rs

Attachment: 1. Proposed Resolution

**ATTACHMENT 1**

**AMENDMENT TO CONTRACT AWARD RESOLUTION  
FOR HEALTH PLAN CONSULTING SERVICES**

PROPOSED RESOLUTION

WHEREAS, on June 28, 2022, the Board approved the selection of AP Keenan (also known as Keenan) to provide Health Plan Consulting Services for both the General Consulting and Administration of Self-Funded Programs resulting from the Request for Proposal conducted between April through June 2022;

WHEREAS, modification to the contract start date of January 1, 2023 to an earlier date will ensure continuity from the previous contract with the start of the new contract, so that delivery of health benefits is not interrupted; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board approve the amendment to contract award resolution for Health Plan Consulting Services contract for a term of three years, set to start on either the day after Keenan reaches the NTE amount set forth in the second amendment to contract no. 4177 or a date determined by the General Manager, in an amount not-to-exceed \$650,000 per year; and authorize the General Manager to negotiate and execute the contract with AP Keenan, subject to review by the City Attorney.



**REPORT TO BOARD OF ADMINISTRATION**  
**From: Neil M. Guglielmo, General Manager**

**MEETING: JULY 12, 2022**  
**ITEM: VII - B**

*Neil M. Guglielmo*

**SUBJECT: PRESENTATION BY NEPC, LLC REGARDING ASSET CLASS POLICY INTERIM TARGETS AND RANGES AND POSSIBLE BOARD ACTION**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

**Recommendation**

That the Board adopt the proposed revised interim asset allocation policy targets and asset class target ranges as presented in Attachment 1.

**Discussion**

On May 11, 2021, the Board adopted a new asset allocation policy which increased the investment portfolio’s exposure to the private markets asset classes: Private Equity, Private Credit, and Private Real Estate. At that time, the portfolio’s actual allocation to these asset classes was underweight relative to the new policy targets; staff and NEPC, LLC (NEPC), LACERS’ General Fund Consultant, anticipated that it would take approximately five years to deploy sufficient capital to private markets investments to reach the new policy targets. Accordingly, on September 14, 2022, the Board adopted a series of five annual interim asset allocation targets to guide staff with transitioning the portfolio to the long-term asset allocation targets by July 1, 2025. The interim targets were intended to align the expected risk-return profile of the portfolio with the expected risk-return profile of the long-term asset allocation policy by maintaining undeployed Private Equity capital in Public Equities; undeployed Private Credit capital in Public Fixed Income; and undeployed Private Real Estate capital in Public Real Assets.

Since the interim targets were adopted in September 2022, LACERS’ Private Equity portfolio has experienced extraordinary returns while public markets asset classes have generally declined in value, resulting in a current Private Equity portfolio overweighting of 2.9% (as of June 30, 2022) relative to its long-term policy target, as presented in Table 1. The Private Credit and Private Real Estate portfolios continue to be underweight relative to their long-term policy targets.

Table 1. Private Markets Asset Classes Over/Underweights as of June 30, 2022

<b>Asset Class</b>	<b>Actual Allocation</b>	<b>Long-term Policy Target</b>	<b>Overweight (+) / Underweight (-)</b>
Private Equity	18.90%	16.00%	2.90%
Private Credit	0.50%	5.75%	-5.25%
Private Real Estate	5.60%	7.00%	-1.40%

To address this unanticipated change in the actual allocation of the Private Equity portfolio, the attached presentation by NEPC contains recommendations for revised annual interim asset allocation targets and asset class target ranges. Contrary to the current approved interim targets, the new proposed interim targets underweight Public Equities to counterbalance the current overweight to Private Equity; other minor adjustments to the interim targets are also being proposed based on the current underweights to Private Credit and Private Real Estate. The transition of the portfolio to the long-term asset allocation policy targets is still anticipated to be completed by July 1, 2025, based on the assumptions noted in the presentation. As the interim policy targets change year-by-year, the interim asset class target ranges will move accordingly and ultimately converge to the long-term policy target ranges.

Staff concurs with NEPC's recommendations. Staff and NEPC will continue to implement and monitor the transition of the portfolio to the long-term policy targets; staff and NEPC will revisit the interim policy targets and asset class target ranges towards the end of fiscal year 2022-2023 and recommend further revisions to the Board as required.

### **Strategic Plan Impact Statement**

Adopting revised interim asset allocation policy targets and asset class target ranges aligns with the Strategic Plan Goal to optimize long-term risk adjusted investment returns (Goal IV).

Prepared By: Bryan Fujita, Chief Operating Officer, Investment Division

NMG/RJ/BF:rm

Attachment: 1. Interim Policy Targets Presentation by NEPC, LLC



# INTERIM POLICY TARGETS

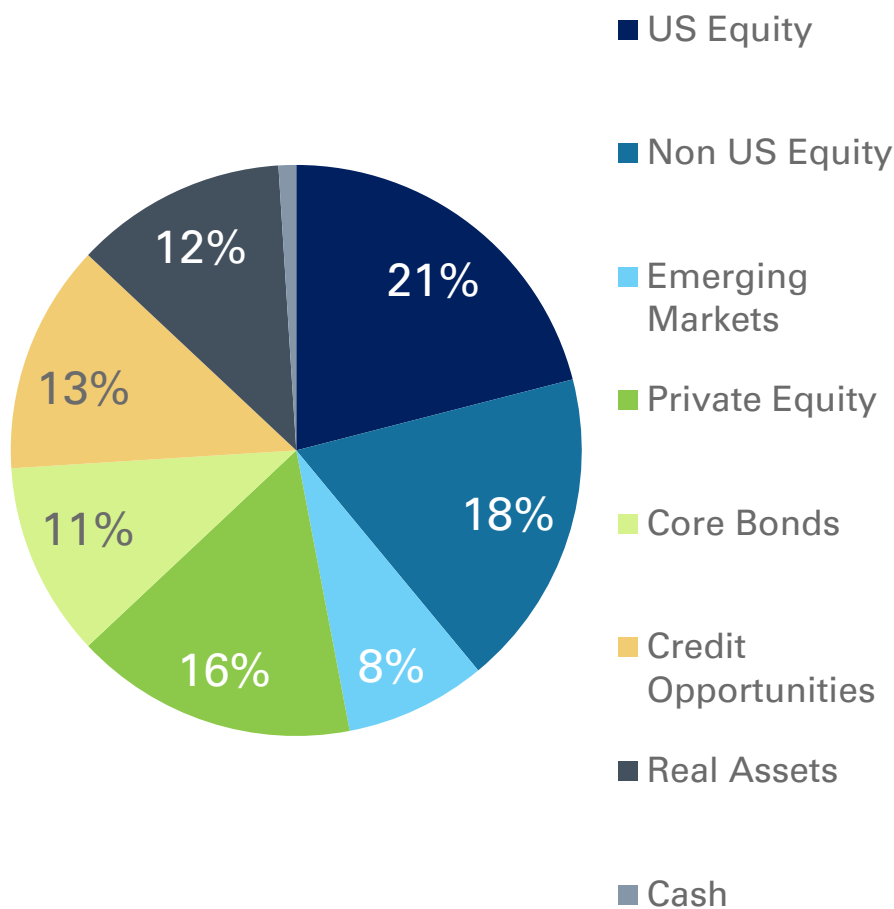
LOS ANGELES CITY EMPLOYEES'  
RETIREMENT SYSTEM

JULY 12, 2022





# LACERS TARGET ASSET MIX



- **Capital market shifts in the public market portion of the portfolio have materially increased the allocations to private equity and real estate**
  - Private Equity now represents 18.75% vs. target of 16%
  - Real Estate represents 5.5% vs. target of 7%
- **Interim policy targets adopted by the Board in September 2021 need to be adjusted**
  - Halting all future investments in private equity and real estate is not recommended

# INTERIM POLICY TARGETS (APPROVED SEPT 2021)

	New Policy Target %	2021	2022	2023	2024	2025
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>U.S. Equity</b>	<b>21.00%</b>	<b>22.50%</b>	<b>22.00%</b>	<b>21.50%</b>	<b>21.40%</b>	<b>21.00%</b>
Large Cap	15.00%	16.50%	16.00%	15.50%	15.40%	15.00%
Small/Mid Cap	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
<b>Non-U.S. Equity</b>	<b>26.00%</b>	<b>27.00%</b>	<b>27.00%</b>	<b>26.50%</b>	<b>26.10%</b>	<b>26.00%</b>
Developed	15.00%	15.90%	15.90%	15.40%	15.00%	15.00%
Developed Small Cap	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Emerging Markets	6.67%	6.75%	6.75%	6.75%	6.75%	6.67%
Emerging Markets Small Cap	1.33%	1.35%	1.35%	1.35%	1.35%	1.33%
<b>Private Equity</b>	<b>16.00%</b>	<b>13.50%</b>	<b>14.00%</b>	<b>15.00%</b>	<b>15.50%</b>	<b>16.00%</b>
<b>Core Fixed Income</b>	<b>11.25%</b>	<b>16.75%</b>	<b>16.00%</b>	<b>14.75%</b>	<b>13.25%</b>	<b>11.25%</b>
<b>Credit Opportunities</b>	<b>12.75%</b>	<b>7.25%</b>	<b>8.00%</b>	<b>9.25%</b>	<b>10.75%</b>	<b>12.75%</b>
Bank Loans/High Yield	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Emerging Market Debt	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Private Credit	5.75%	0.25%	1.00%	2.25%	3.75%	5.75%
<b>Public Real Assets</b>	<b>5.00%</b>	<b>8.00%</b>	<b>7.50%</b>	<b>7.00%</b>	<b>6.00%</b>	<b>5.00%</b>
TIPS	3.60%	5.00%	4.50%	4.00%	4.00%	3.60%
REITS	1.40%	3.00%	3.00%	3.00%	2.00%	1.40%
<b>Real Estate</b>	<b>7.00%</b>	<b>4.00%</b>	<b>4.50%</b>	<b>5.00%</b>	<b>6.00%</b>	<b>7.00%</b>
<b>Cash</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>

Note: Private Equity unfunded allocation is allocated between US Large Cap and Non-US Developed equity. Private Credit is allocated to Core Fixed Income. Private real estate is allocated to Public Real Assets. Policy targets coincide with beginning of each fiscal year.



# PROPOSED INTERIM POLICY TARGETS

	Policy Target %	Current Asset Allocation (6/28/22)	Asset Allocation After City Contribution
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>U.S. Equity</b>	<b>21.00%</b>	<b>20.55%</b>	<b>19.81%</b>
Large Cap	15.00%	15.22%	14.31%
Small/Mid Cap	6.00%	5.33%	5.50%
<b>Non-U.S. Equity</b>	<b>26.00%</b>	<b>24.47%</b>	<b>25.10%</b>
Developed	15.00%	15.89%	14.94%
Developed Small Cap	3.00%	2.44%	2.81%
Emerging Markets	6.67%	5.02%	6.06%
Emerging Markets Small Cap	1.33%	1.12%	1.29%
<b>Private Equity</b>	<b>16.00%</b>	<b>18.75%</b>	<b>18.19%</b>
<b>Core Fixed Income</b>	<b>11.25%</b>	<b>14.77%</b>	<b>15.05%</b>
<b>Credit Opportunities</b>	<b>12.75%</b>	<b>7.93%</b>	<b>7.70%</b>
Bank Loans/High Yield	3.00%	3.45%	3.35%
Emerging Market Debt	4.00%	3.94%	3.83%
Private Credit	5.75%	0.54%	0.52%
<b>Public Real Assets</b>	<b>5.00%</b>	<b>7.17%</b>	<b>7.97%</b>
TIPS	3.60%	5.10%	5.50%
REITS	1.40%	2.07%	2.47%
<b>Real Estate</b>	<b>7.00%</b>	<b>5.54%</b>	<b>5.38%</b>
<b>Cash</b>	<b>1.00%</b>	<b>0.82%</b>	<b>0.80%</b>

	2022	2023	2024	2025
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>U.S. Equity</b>	<b>19.50%</b>	<b>20.50%</b>	<b>20.50%</b>	<b>21.00%</b>
Large Cap	14.00%	14.50%	14.50%	15.00%
Small/Mid Cap	5.50%	6.00%	6.00%	6.00%
<b>Non-U.S. Equity</b>	<b>25.50%</b>	<b>25.50%</b>	<b>25.50%</b>	<b>26.00%</b>
Developed	14.40%	14.40%	14.40%	15.00%
Developed Small Cap	3.00%	3.00%	3.00%	3.00%
Emerging Markets	6.75%	6.75%	6.75%	6.67%
Emerging Markets Small Cap	1.35%	1.35%	1.35%	1.33%
<b>Private Equity</b>	<b>18.00%</b>	<b>17.50%</b>	<b>17.00%</b>	<b>16.00%</b>
<b>Core Fixed Income</b>	<b>15.00%</b>	<b>14.00%</b>	<b>12.75%</b>	<b>11.25%</b>
<b>Credit Opportunities</b>	<b>8.00%</b>	<b>9.25%</b>	<b>10.75%</b>	<b>12.75%</b>
Bank Loans/High Yield	3.00%	3.00%	3.00%	3.00%
Emerging Market Debt	4.00%	4.00%	4.00%	4.00%
Private Credit	1.00%	2.25%	3.75%	5.75%
<b>Public Real Assets</b>	<b>7.50%</b>	<b>6.25%</b>	<b>6.00%</b>	<b>5.00%</b>
TIPS	4.50%	4.00%	4.00%	3.60%
REITS	3.00%	2.25%	2.00%	1.40%
<b>Real Estate</b>	<b>5.50%</b>	<b>6.00%</b>	<b>6.50%</b>	<b>7.00%</b>
<b>Cash</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>	<b>1.00%</b>

Note: Policy target changes coincide with beginning of fiscal year.



# INTERIM POLICY TARGET ASSUMPTIONS

- **Recognizing that the private equity allocation cannot be adjusted quickly, we made the following assumptions when developing the proposed interim policy targets**
  - Anticipate a reduction in future valuations as private market valuations catch up with public market valuations
  - Expect PE commitments will continue, but at a slightly reduced level
  - Assume a rebound in public markets over the coming years
  
- **We advise re-visiting progress towards the long-term policy annually and adjusting if necessary**
  - Possibility for a prolonged timeframe for the PE allocation to revert to the 16% target

# ASSET CLASS RANGES

Policy Target

	Policy Target %	Lower Threshold %	Upper Threshold %	Threshold Range %
<b>Total Portfolio</b>	<b>100.00%</b>			
<b>U.S. Equity</b>	<b>21.00%</b>	<b>16.00%</b>	<b>26.00%</b>	<b>28.57%</b>
Large Cap	15.00%			
Small/Mid Cap	6.00%			
<b>Non-U.S. Equity</b>	<b>26.00%</b>	<b>20.00%</b>	<b>32.00%</b>	<b>23.07%</b>
Developed	15.00%			
Developed Small Cap	3.00%			
Emerging Markets	6.67%			
Emerging Markets Small Cap	1.33%			
<b>Private Equity</b>	<b>16.00%</b>			
<b>Core Fixed Income</b>	<b>11.25%</b>	<b>8.50%</b>	<b>14.00%</b>	<b>24.44%</b>
<b>Credit Opportunities</b>	<b>12.75%</b>	<b>9.50%</b>	<b>16.00%</b>	<b>25.49%</b>
Bank Loans/High Yield	3.00%			
Emerging Market Debt	4.00%			
Private Credit	5.75%			
<b>Public Real Assets</b>	<b>5.00%</b>	<b>2.50%</b>	<b>7.50%</b>	<b>50.00%</b>
TIPS	3.60%			
REITS	1.40%			
<b>Real Estate</b>	<b>7.00%</b>			
<b>Cash</b>	<b>1.00%</b>	<b>0.00%</b>	<b>2.00%</b>	<b>100.00%</b>

Interim 2022 Policy Target

	Interim 2022 Policy Target %	New Lower Threshold %	New Upper Threshold %	Threshold Range %
<b>Total Portfolio</b>	<b>100.00%</b>			
<b>U.S. Equity</b>	<b>19.50%</b>	<b>14.00%</b>	<b>25.00%</b>	<b>28.21%</b>
Large Cap	14.00%			
Small/Mid Cap	5.50%			
<b>Non-U.S. Equity</b>	<b>25.50%</b>	<b>19.50%</b>	<b>31.50%</b>	<b>23.53%</b>
Developed	14.40%			
Developed Small Cap	3.00%			
Emerging Markets	6.75%			
Emerging Markets Small Cap	1.35%			
<b>Private Equity</b>	<b>18.00%</b>			
<b>Core Fixed Income</b>	<b>15.00%</b>	<b>11.75%</b>	<b>18.25%</b>	<b>21.67%</b>
<b>Credit Opportunities</b>	<b>8.00%</b>	<b>5.50%</b>	<b>13.50%</b>	<b>50.00%</b>
Bank Loans/High Yield	3.00%			
Emerging Market Debt	4.00%			
Private Credit	1.00%			
<b>Public Real Assets</b>	<b>7.50%</b>	<b>5.50%</b>	<b>10.00%</b>	<b>30.00%</b>
TIPS	4.50%			
REITS	3.00%			
<b>Real Estate</b>	<b>5.50%</b>			
<b>Cash</b>	<b>1.00%</b>	<b>0.00%</b>	<b>2.00%</b>	<b>100.00%</b>

Note: The Interim 2022 Policy Target range for Credit Opportunities and Public Real Assets is an average for the entire range. The upper range for Credit Opportunities is 68.75% and the lower range is 31.25%. The lower range for Public Real Assets is 26.67% and the upper range is 33.33%.



# RECOMMENDATIONS

- **Adjust Interim Policy Targets to recognize rapid shift in private equity allocation**
  - This will impact rebalancing and the performance evaluation of the Total Plan
  
- **Approve the Asset Class and Investment Portfolio Ranges**
  - Tool used by Staff to rebalance the portfolio and stay close to the Board's desired asset allocation



**LACERS**  
LA CITY EMPLOYEES'  
RETIREMENT SYSTEM



**REPORT TO BOARD OF ADMINISTRATION**

**From: Neil M. Guglielmo, General Manager**

*Neil M. Guglielmo*

**MEETING: JULY 12, 2022**

**ITEM: VII - C**

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**SUBJECT: NOTIFICATION OF COMMITMENT OF UP TO \$100 MILLION IN CORTLAND GROWTH AND INCOME, L.P.**

ACTION:  CLOSED:  CONSENT:  RECEIVE & FILE:

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**Recommendation**

That the Board receive and file this notice of the commitment of up to \$100 million in Cortland Growth and Income, L.P.

**Discussion**

On June 28, 2022, the Board, in closed session pursuant to Government Code Section 54956.81, approved a commitment of up to \$100 million in the following private real estate fund: Cortland Growth and Income, L.P. The General Partner accepted LACERS' commitment to this open-end real estate fund on June 30, 2022. Board vote: Ayes 4 (Commissioners Annie Chao, Elizabeth Lee, Michael Wilkinson, and Vice President Sung Won Sohn), Recusal 0, and Nays 0.

**Strategic Plan Impact Statement**

The commitment to Cortland Growth and Income, L.P. aligns with the Strategic Plan Goal to optimize long-term risk adjusted investment returns (Goal IV).

Prepared By: Clark Hoover, Investment Officer I, Investment Division

NMG/RJ/BF/WL/CH:rm