

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

March 12, 2019

10:02 a.m.

Agenda of: Mar. 26, 2019

Item No: II

PRESENT:	President:	Cynthia M. Ruiz
	Vice President:	(arrived at 10:18 a.m.) Elizabeth L. Greenwood
	Commissioners:	Sandra Lee Nilza R. Serrano Sung Won Sohn Michael R. Wilkinson
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
	Legal Counsel:	Anya Freedman
ABSENT:	Commissioner:	Elizabeth Lee

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

I

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 and no public comment cards were received.

II

APPROVAL OF MINUTES FOR REGULAR BOARD MEETING OF FEBRUARY 26, 2019 AND POSSIBLE BOARD ACTION – A motion to approve the Regular Board Meeting minutes of February 26, 2019 was moved by Commissioner Serrano, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Wilkinson, President Ruiz -4; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – There was no verbal report.

IV

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager discussed the following items:
- 2019 Health Plan Enrollment statements being sent to members in March.
 - Anthem pharmacy change from Express Scripts to Ingenio. New cards being sent to Non-Medicare members at the end of March.
 - 136 attendees to the LACERS *Well Extravaganza*, other purpose workshops coming up.
 - Member email recognizing the great service from Jennifer Romero, Administrative Clerk with Health Benefits Administration & Communications Division.
 - Transparent California submitted the annual request for retirement benefits paid in 2018. LACERS will provide the requested report.
 - Office safety improvements walk thru at LACERS offices.
 - Wi-fi being installed in the common areas of LACERS.
 - IT staff installing charging cables in the Board Room for Commissioners and staff.
 - LACERS emails sent to other City Departments are ending up in Spam folders but LACERS Systems Division has worked with the City to resolve.
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, stated the following future agenda items:
- March 26, 2019 Board – Preliminary budget discussion for FY 2019-20
 - March 26, 2019 Benefits Administration Committee – 2020 Health Plan Contract Renewal Timeline and Strategy

V

RECEIVE AND FILE ITEMS

- A. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – The report was received by the Board and filed.
- B. MARKETING CESSATION NOTIFICATION – The report was received by the Board and filed.
- C. EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING DECEMBER 31, 2018 – The report was received by the Board and filed.
- D. LEGISLATIVE UPDATE OF MARCH 2019 – The report was received by the Board and filed.

VI

BOARD/DEPARTMENT ADMINISTRATION

- A. ESTABLISHMENT OF AD HOC COMMITTEE ON LACERS OFFICE HEADQUARTERS AND POSSIBLE BOARD ACTION – President Ruiz nominated Commissioners Elizabeth Lee, Serrano, and President Ruiz to the Ad Hoc Committee on LACERS Office Headquarters. Commissioner Serrano moved approval, seconded by Commissioner Wilkinson, and adopted

by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -5; Nays, None.

VII

BENEFITS ADMINISTRATION

Vice President Greenwood arrived to the Meeting at 10:18 a.m and left at 10:20 a.m..

- A. REQUEST FOR PROPOSAL FOR DISABILITY MEDICAL EVALUATION SERVICE PROVIDER AND POSSIBLE BOARD ACTION – Ferralyn Sneed, Senior Management Analyst II with Retirement Services Division presented this item to the Board. Commissioner Wilkinson moved approval, seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -5; Nays, None.

Vice President Greenwood returned to the Meeting at 10:23 a.m.

- B. WEBSITE REDESIGN CONTRACT WITH DIGITAL DEPLOYMENT INC., AND POSSIBLE BOARD ACTION – Taneda Larios, Senior Management Analyst II with Executive Division presented this item to the Board. Vice President Greenwood moved approval of the following Resolution:

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

RESOLUTION 190312-A

WHEREAS, the Los Angeles Fire and Police Pension System (LAFPP) released Request for Proposal (RFP) for website design and support services containing a similar scope of work;

WHEREAS, the LACERS has determined that the pool of respondents would be substantially the same as those who submitted proposals to LAFPP;

WHEREAS, the LACERS desires to conform its website to the industry standard platform for responsive-design, inclusive of a robust content management solution;

WHEREAS, it is LACERS' desire to provide ease of access to information and resources to its members;

WHEREAS, the website redesign project aligns with the newly adopted LACERS' Strategic Plan, Goal Area 1, in providing outstanding customer service and increasing member engagement through diverse communication channels; 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 substantially consistent with the following services and terms:

Company Name:

DIGITAL DEPLOYMENT INC.

Service Provided: Website Design
Website Maintenance and Support

Term Dates: April 1, 2019 through April 30, 2022

Total Expenditure Authority: \$188,750

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, Wilkinson, Vice President Greenwood, and President Ruiz -6; Nays, None.

- C. BOARD EDUCATION: ROLE OF THE HEALTH AND WELFARE CONSULTANT – Alex Rabrenovich, Chief Benefits Analyst with Health Benefits Administration & Communication Division and Steve Gedestad with Keenan Associates provided this education to the Board.

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$17.14 Billion as of March 11, 2019. Mr. June discussed the following items:
- Private Credit Search responses have come back.
 - Active Small Cap Equities and Bank Loans/High Yield searches are due April 12, 2019.
 - Upcoming searches include Emerging Market Debt, Emerging Market Small Cap, and Core Fixed Income.
 - Investment staff attended a Real Estate Symposium at Cal State Los Angeles.
 - Future agenda items: CII to provide education to the Board on ESG and Sustainability, Portfolio Performance Review on the Total Fund ending December 31, 2018, and a Real Estate investment opportunity.
- B. PUBLIC COMMENT LETTER TO THE SECURITIES AND EXCHANGE COMMISSION REGARDING FORM 10-Q REPORTING AND POSSIBLE BOARD ACTION – Rod June, Chief Investment Officer and Saira Gandhi, Management Analyst with Investments Division, presented this item to the Board. Commissioner Serrano moved approval of Staff's recommendation pending review by City Attorney, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioner Sandra Lee, Serrano, Sohn, Wilkinson, Vice President Greenwood, and President Ruiz -6; Nays, None.
- C. CONTINUED DISCUSSION BY NEPC, LLC REGARDING TACTICAL ASSET ALLOCATION – Carolyn Smith, Partner with NEPC presented this item to the Board.

IX

CONSENT AGENDA

- A. TRAVEL AUTHORITY – NEIL M. GUGLIELMO, GENERAL MANAGER; C40 DIVEST-INVEST FORUM, LONDON, ENGLAND; MARCH 20-21, 2019 AND POSSIBLE BOARD ACTION – Commissioner Sohn moved approval of the following Resolution:

**TRAVEL AUTHORITY
C40 DIVEST-INVEST FORUM
MARCH 20-21, 2019
LONDON, ENGLAND**

RESOLUTION 190312-B

WHEREAS, Board approval is required for all international travel requests;

WHEREAS, the C40 Divest-Invest Forum in London, England is international travel, and therefore requires approval;

WHEREAS, the request to attend the C40 Divest-Invest Forum, a professional and educational conference which requires international travel, conforms to the LACERS Strategic Plan Board Governance Goal of upholding good governance practices which affirm transparency, accountability, and fiduciary duty;

THEREFORE, BE IT RESOLVED, that Neil M. Guglielmo, General Manager is hereby authorized to attend the C40 Divest-Invest Forum on March 20-21, 2019, in London, England;

BE IT FURTHER RESOLVED, that the reimbursement of up to \$5,000 for Neil M. Guglielmo, General Manager is hereby authorized for reasonable expenses in connection with participation and will be applied to the 2018-19 Fiscal Year budget.

Which motion was seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, Wilkinson, Vice President Greenwood, and President Ruiz -6; Nays, None.

X

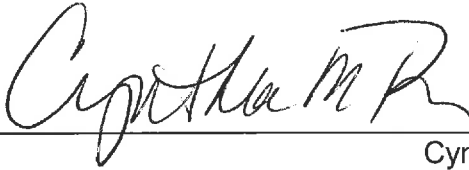
OTHER BUSINESS – There was no other business.

XI

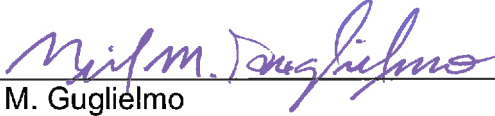
NEXT MEETING – The next Regular meeting of the Board is scheduled for Tuesday, March 26, 2019 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XII

ADJOURNMENT – There being no further discussion before the Board, President Ruiz adjourned the meeting at 11:51 a.m.



Cynthia M. Ruiz
President



Neil M. Guglielmo
Manager-Secretary