MINUTES OF THE REGULAR MEETING
INVESTMENT COMMITTEE
LOS ANGELES CITY EMPLOYEES’ RETIREMENT SYSTEM

LACERS Ken Spiker Boardroom
202 West First Street, Suite 500
Los Angeles, California

July 9, 2019
12:30 p.m.

Agenda of: Aug. 13, 2019
Item No: II

PRESENT:
Acting Chair: Nilza R. Serrano
Committee Members: Elizabeth Lee
Manager-Secretary: Neil M. Guglielmo
Executive Assistant: Ani Ghoukassian
Legal Counselor: James Napier

ABSENT:
Chair: Sung Won Sohn

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

Item II taken out of order.

II

APPROVAL OF MINUTES FOR THE INVESTMENT COMMITTEE MEETING OF JUNE 11, 2019 AND POSSIBLE COMMITTEE ACTION – A Motion to approve the minutes of June 11, 2019 was moved by Committee Member Elizabeth Lee, and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

I

PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE’S JURISDICTION – Acting Chair Serrano asked if any persons wished to speak on matters within the Committee’s jurisdiction, to which there was no response and no public comment cards received.

III

CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, presented the Committee with the 12-month forward calendar for Investment Committee Agenda items and reported on the following items:

- Searches: Private Credit Search, Emerging Market Small Cap, and Emerging Market Debt.
- Today’s agenda includes: Four Investment Manager Contracts, continued discussion on the Private Credit Investment Manager Search Finalists, and the semi-finalists of the active U.S. Small Cap Equities Investment Manager Search.
Future agenda items include: Several Investment Manager Contracts and semi-finalists for the high yield bank loan Investment Manager Search.

IV

CONTINUED DISCUSSION OF PRIVATE CREDIT INVESTMENT MANAGER SEARCH FINALISTS AND POSSIBLE COMMITTEE ACTION – Wilkin Ly, Investment Officer III and Jimmy Wang, Investment Officer I, with Investments Division, presented this item to the Committee. After discussion, Committee Member Elizabeth Lee moved approval and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

V

CONTINUED DISCUSSION OF INVESTMENT MANAGER CONTRACT WITH BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. DEVELOPED MARKETS VALUE EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Barbara Sandoval, Investment Manager II, with Investments Division, presented this item to the Committee. After discussion, Committee Member Elizabeth Lee moved approval and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

VI

INVESTMENT MANAGER CONTRACT WITH AXIOM INTERNATIONAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE Emerging MARKETS GROWTH EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Eduardo Park, Investment Manager I, with Investments Division, presented this item to the Committee. After discussion, Acting Chair Serrano moved approval and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

VII

INVESTMENT MANAGER CONTRACT WITH OBERWEIS ASSET MANAGEMENT INC., REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. SMALL CAP EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Jimmy Wang, Investment Officer I, with Investments Division, presented this item to the Committee. After discussion, Committee Member Elizabeth Lee moved approval and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

VIII

INVESTMENT MANAGER CONTRACT WITH PANAGORA ASSET MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND POSSIBLE COMMITTEE ACTION – Barbara Sandoval, Investment Manager II, with Investments Division, and Carolyn Smith, Partner with NEPC, presented this item to the Committee. After discussion, Committee Member Elizabeth Lee moved approval and adopted by the following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

IX
SEMI-FINALISTS OF THE ACTIVE U.S. SMALL CAP EQUITIES INVESTMENT MANAGER SEARCH
AND POSSIBLE COMMITTEE ACTION – Barbara Sandoval, Investment Manager II, with Investments
Division, Carolyn Smith, Partner and Kevin Novak, Consultant with NEPC, presented this item to the
Committee. After discussion, Committee Member Elizabeth Lee moved approval and adopted by the
following vote: Ayes, Committee Member Elizabeth Lee and Acting Chair Serrano –2; Nays, None.

X

OTHER BUSINESS – There was no other business.

XI

NEXT MEETING – The next Regular Meeting of the Investment Committee is scheduled for Tuesday,
August 13, 2019, in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles,
CA 90012-4401.

VIII

ADJOURNMENT – There being no further business before the Committee, Acting Chair Serrano
adjourned the Meeting at 1:25 p.m.

Nilza R. Serrano
Acting Chair

Neil M. Guglielmo
Manager-Secretary