

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

July 23, 2019

10:05 a.m.

Agenda of: Aug. 13, 2019

Item No: II

PRESENT:	President:	Cynthia M. Ruiz
	Vice President:	Vacant
	Commissioners:	Annie Chao
	(left at 1:36 p.m.)	Sandra Lee
		Nilza R. Serrano
		Sung Won Sohn
		Michael R. Wilkinson
	Manager-Secretary:	Lita Payne
	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 JULY 9, 2019 AND POSSIBLE BOARD ACTION – A motion to approve the Regular Board Meeting minutes of July 9, 2019 was moved by Commissioner Serrano, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -6; Nays, None.

Agenda items IV and VII-A were taken out of order.

IV

BOARD PRESIDENT VERBAL REPORT – President Ruiz announced that she has finalized the Commissioner Committee assignments for FY20.

VII

BOARD GOVERNANCE

- A. ELECTION OF BOARD OFFICERS FOR FISCAL YEAR 2019-20 AND POSSIBLE BOARD ACTION – President Ruiz asked for nominations for the office of LACERS Board President. Commissioner Serrano nominated Commissioner Ruiz for the Office of President. President Ruiz asked if there were any further nominations, to which there was no response. Upon closing of the nomination process, President Ruiz called for votes in favor of Commissioner Ruiz as President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz; Nays, None. Commissioner Ruiz was re-elected to the Office of President for Fiscal Year 2019-20 until replaced or re-elected at the next Board Officer election.

President Ruiz asked for nominations for the office of LACERS Board Vice President. Commissioner Serrano nominated Commissioner Elizabeth Lee for the Office of Vice President. President Ruiz asked if there were any further nominations, to which Commissioner Chao nominated Commissioner Wilkinson for the Office of Vice President. Upon closing of the nomination process, President Ruiz called for votes in favor of Commissioner Elizabeth Lee as Vice President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Serrano, Sohn, and President Ruiz; Nays, Commissioners Chao, Sandra Lee, and Wilkinson. As there was no majority vote, President Ruiz call for votes in favor of Commissioner Wilkinson as Vice President for Fiscal Year 2019-20, to which responded: Ayes, Commissioners Chao, Sandra Lee, Sohn, and Wilkinson; Nays, Commissioners Serrano and President Ruiz. Commissioner Wilkinson was elected to the Office of Vice President for Fiscal Year 2019-20 until replaced or re-elected at the next Board Officer election.

James Napier, Deputy City Attorney was present during the Disability Retirement Applications discussion.

III

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDERATION OF SERVICE-CONNECTED SURVIVORSHIP FOR SURVIVING SPOUSE OF DECEASED MEMBER CLAYTON KADEKAWA AND POSSIBLE BOARD ACTION – Nguyet Hoang Kadekawa, spouse of deceased member Clayton Kadekawa and Ferralyn Sneed, Senior Management Analyst II with Retirement Services Division discussed this item with the Board. Commissioner Chao moved approval, seconded by Commissioner Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Wilkinson, and President Ruiz -6; Nays, None.

President Ruiz recessed the Regular Meeting at 10:20 a.m. to convene in Closed Session.

- B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF DAVID BAEK AND POSSIBLE BOARD ACTION (HEARING)**
- C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF KAREN DEAN AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 11:16 a.m. and announced that the Board approved the Disability Retirement Application of David Baek and approved the Disability Retirement Application of Karen Dean.

V

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Lita Payne, Assistant General Manager, discussed the following items:
 - Staff has implemented further automation of the Excess Benefit Plan this month with the Controller’s Office.
 - LAPD has begun efforts to address sworn staff who are on modified duty assignment.
 - In September, LACERS key emergency response and management staff will be involved in an all-day emergency drill.
 - The Federal Government House recently passed a bill to repeal the Cadillac Tax.
 - Wally Oyewole, Departmental Audit Manager, has analyzed proposed legislation primarily focused on the private equity industry titled Stop Wall Street Looting Act of 2019.
 - Active employee and retired member financial planning workshop scheduled for August 3rd, in Ontario.
 - For fiscal year 2018-19, retirement staff retired 1,048 members.
- B. UPCOMING AGENDA ITEMS – Ms. Payne stated the following items will be on an upcoming Board agenda:
 - August – RFP results for Medical Evaluators to BAC then Board
 - August – Final 2020 retiree health renewal results and subsidy and reimbursement maximums to BAC then Board
 - August – LACERS *Well* survey results to BAC
 - August – Anthem year-end accounting and health management dashboards
- C. RECEIPT OF THE CITY’S CONTRIBUTION FOR FISCAL YEAR 2020 – Ms. Payne reported that LACERS has received the City’s contribution to the fund for Fiscal Year 2020 in the amount of \$676,667,085.

VI

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR JUNE 2019 – The report was received by the Board and filed.
- B. LACERS CUSTOMER SERVICE SURVEY SEMI-ANNUAL REPORT, JANUARY – JUNE 2019 – The report was received by the Board and filed.

VII

BOARD GOVERNANCE

Ruth Perry, member of Retired Los Angeles City Employees' Incorporated (RLACEI), made a public comment on Agenda Item No. VII-B. Ruth Perry, retired member, made a public comment on Agenda Item No. VII-B.

- B. POLICY ON MEMBER SOLICITATION AND DISTRIBUTION AND POSSIBLE BOARD ACTION – Karen Freire, Chief Benefits Analyst with Retirement Services Division and Alex Rabrenovich, Chief Benefits Analyst with Health Benefits Administration and Communications Division presented this item to the Board. After discussion, Commissioner Sandra Lee moved approval, seconded by Commissioner Serrano and adopted by the following vote: Ayes, Commissioners Sandra Lee, Serrano, Sohn, and President Ruiz -4; Nays, Commissioners Chao and Vice President Wilkinson -2.
- C. TRIENNIAL BOARD POLICY REVIEW: MISSION, VISION, GUIDING PRINCIPLES, STRATEGIC GOALS; AND STRATEGIC PLANNING POLICY AND POSSIBLE BOARD ACTION – Edeliza Fang, Senior Management Analyst II with Administrative Services Division presented this item to the Board. Commissioner Sohn moved approval, seconded by Commissioner Chao and adopted by the following vote: Ayes, Commissioners Chao, Sandra Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -6; Nays, None.

VIII

BENEFITS ADMINISTRATION

- A. WEBSITE REDESIGN PROJECT STATUS UPDATE – Taneda Larios, Senior Management Analyst II with Administrative Services Division and Alex Lombardo, Administrative Assistant with Executive Division presented this item to the Board. After discussion, the Board thanked staff for the presentation.

President Ruiz recessed the Regular Meeting at 12:30 p.m. for a break and reconvened the Regular Meeting at 12:38 p.m.

Agenda Item X-A taken out of order.

X

BOARD/DEPARTMENT ADMINISTRATION

- A. PRESENTATION BY WILLIS TOWERS WATSON REGARDING CYBER LIABILITY INSURANCE – Jacob Petty, Senior Broker, Demetri Lembesis, Executive Vice President, and

Jessica Malek, Placement Specialist, with Willis Towers Watson made this presentation to the Board. After discussion, the Board thanked them for the information.

IX

COMMITTEE REPORT(S)

- A. GOVERNANCE COMMITTEE VERBAL REPORT ON THE MEETING OF JULY 9, 2019 – Commissioner Serrano stated that the Committee was presented with the Triennial Board Policy Review and the Policy on Member Solicitation and Distribution.
- B. INVESTMENT COMMITTEE VERBAL REPORT ON THE MEETING OF JULY 9, 2019 – Commissioner Serrano stated that the Committee was presented with the Private Credit Investment Manager Search, Investment Manager Contracts with Barrow, Hanley, Mewhinney & Strauss, LLC, Axiom International Investors, LLC, Oberweis Asset Management, Inc., and Panagora Asset Management, Inc, and the Semi-Finalists of the Active U.S. Small Cap Equities Investment Manager Search.

Commissioner Sandra Lee left the Regular Meeting at 1:36 p.m.

X

BOARD/DEPARTMENT ADMINISTRATION

- B. YEAR-END REPORT OF BUSINESS PLAN INITIATIVES FOR THE PERIOD ENDING JUNE 2019 – The report was received by the Board and filed.

XI

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$18.30 Billion. Mr. June discussed the following items:
 - AJO, terminated, assets of approximately \$185 million transitioning to Rhumblin SP500 this week.
 - RFP Search Project Schedule handout.
 - PRI application tentatively approved.
 - Future agenda items: Investment Manager Contracts on August 27th Board Agenda.
- B. FINALIST FIRMS OF THE PRIVATE CREDIT INVESTMENT MANAGER SEARCH AND POSSIBLE BOARD ACTION – Wilkin Ly, Investment Officer III, presented this item to the Board. Commissioner Sohn moved approval of the following Resolutions:

**CONTRACT AUTHORIZATION
BENEFIT STREET PARTNERS L.L.C. PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Benefit Street Partners L.L.C.; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Benefit Street Partners L.L.C. as part of LACERS private credit mandate with an initial commitment of \$100 million; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

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.

**CONTRACT AUTHORIZATION
ALCENTRA LIMITED PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Alcentra Limited; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Alcentra Limited as part of LACERS private credit mandate with an initial commitment of \$100 million; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

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.

**CONTRACT AUTHORIZATION
MONROE CAPITAL LLC PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Monroe Capital LLC; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Monroe Capital LLC as part of LACERS private credit mandate with the commitment timing and dollar amount to be determined by the Investment Committee at a future date; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

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.

**CONTRACT AUTHORIZATION
CRESCENT CAPITAL GROUP LP PRIVATE CREDIT
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-D

WHEREAS, on October 9, 2018, the Board of Administration (Board) authorized a Request for Proposal for the Private Credit Mandate investment manager search pursuant to the asset allocation policy approved by the Board on April 10, 2018; and,

WHEREAS, on March 12, 2019, the Investment Committee considered staff's and NEPC, LLC's (NEPC) evaluation report of the candidates and recommendation of Benefit Street Partners L.L.C., Monroe Capital LLC, and THL Credit Advisors LLC as semi-finalists for the U.S. portion of the search; and Alcentra Limited, Bain Capital Credit, LP, and Crescent Capital Group LP as semi-finalists for the non-U.S. portion of the search; and,

WHEREAS, staff and NEPC conducted further due diligence on the six semi-finalist candidates; and,

WHEREAS, on June 11, 2019, the Investment Committee interviewed Benefit Street Partners L.L.C. and Monroe Capital LLC as finalist candidates for the U.S. portion of the search; and Alcentra Limited and Crescent Capital Group LP as finalists for the non-U.S. portion of the search to understand the capabilities of each firm and recommended all four firms to the Board for consideration for hire; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to award a contract to Crescent Capital Group LP; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby authorizes a contract with Crescent Capital Group LP as part of LACERS private credit mandate with the commitment timing and dollar amount to be determined by the Investment Committee at a future date; and, authorizes the General Manager to execute the necessary documents, subject to satisfactory business and legal terms.

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.

- C. INVESTMENT MANAGER CONTRACT WITH AXIOM INTERNATIONAL INVESTORS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE GROWTH EMERGING MARKETS EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Barbara Sandoval, Investment Officer II, presented this item to the Board. Vice President Wilkinson moved approval of the following Resolution:

**CONTRACT EXTENSION
AXIOM INTERNATIONAL INVESTORS, LLC
ACTIVE GROWTH EMERGING MARKETS EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-E

WHEREAS, LACERS current three-year contract with Axiom International Investors, LLC (Axiom) for active growth emerging markets equities portfolio management expires on September 30, 2019; and,

WHEREAS, on April 17, 2019, Axiom was placed on “On Watch” status pursuant to the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract extension with Axiom will allow the fund to maintain a diversified exposure to the non-U.S. equities emerging markets; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee’s recommendation to approve a one-year contract extension with Axiom; 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:	Axiom International Investors, LLC
Service Provided:	Active Growth Emerging Markets Equities Portfolio Management
Effective Dates:	October 1, 2019 through September 30, 2020
Duration:	One year
Benchmark:	MSCI Emerging Markets Growth Index
Allocation as of June 30, 2019:	\$436 million

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

- D. INVESTMENT MANAGER CONTRACT WITH OBERWEIS ASSET MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. SMALL CAP EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Sohn moved approval of the following Resolution:

**CONTRACT RENEWAL
OBERWEIS ASSET MANAGEMENT, INC.
ACTIVE NON-U.S. SMALL CAP EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-F

WHEREAS, LACERS current three-year contract with Oberweis Asset Management, Inc. (Oberweis) for active non-U.S. small cap equities portfolio management expires on December 31, 2019; and,

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

WHEREAS, a contract renewal with Oberweis will allow the fund to maintain a diversified exposure to the non-U.S. equities developed markets; and,

WHEREAS, on July 23 2019, the Board approved the Investment Committee’s recommendation to approve a three-year contract renewal with Oberweis; 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:	Oberweis Asset Management, Inc.
Service Provided:	Active Non-U.S. Small Cap Equities Portfolio Management
Effective Dates:	January 1, 2020 through December 31, 2022
Duration:	Three years
Benchmark:	MSCI EAFE Small Cap Index
Allocation as of June 30, 2019:	\$168 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.

- E. INVESTMENT MANAGER CONTRACT WITH PANAGORA ASSET MANAGEMENT, INC. REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Serrano moved approval of the following Resolution:

**CONTRACT TERMINATION
PANAGORA ASSET MANAGEMENT, INC
ACTIVE U.S. SMALL CAP VALUE EQUITIES
PORTFOLIO MANAGEMENT**

RESOLUTION 190723-G

WHEREAS, LACERS current two-year contract extension with PanAgora Asset Management, Inc. (PanAgora) for active U.S. small cap value equities portfolio management expires on January 31, 2020; and,

WHEREAS, PanAgora was placed on “On-Watch” due to performance as of November 20, 2018, in accordance with the LACERS Manager Monitoring Policy (Policy); and,

WHEREAS, as of May 31, 2019, PanAgora’s overall relative performance has not improved and continues to breach three Policy criteria; and,

WHEREAS, PanAgora submitted a proposal to the active U.S. small cap investment manager search issued on February 25, 2019; and,

WHEREAS, PanAgora’s proposal was evaluated according to the LACERS Manager Search and Selection Policy and did not receive a recommendation to proceed beyond the initial scoring stage; and,

WHEREAS, staff and NEPC, LLC, LACERS’ General Fund Consultant, believe that a suitable replacement may be available from the current active U.S. small cap investment manager search process; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration hereby authorizes the termination of the contract with PanAgora and directs staff to initiate a withdrawal and redeployment of the assets into the existing passively managed Russell 2000 Value Index portfolio managed by RhumbLine Advisers Limited Partnership.

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

- F. INVESTMENT MANAGER CONTRACT WITH BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC REGARDING THE MANAGEMENT OF AN ACTIVE NON-U.S. EQUITIES DEVELOPED MARKETS VALUE PORTFOLIO AND POSSIBLE BOARD ACTION – Bryan Fujita, Chief Operating Officer and Barbara Sandoval, Investment Officer II, presented this item to the Board. Commissioner Sohn moved approval of the following Resolution:

**CONTRACT EXTENSION
BARROW, HANLEY, MEWHINNEY & STRAUSS, LLC
ACTIVE NON-U.S. EQUITIES DEVELOPED MARKETS
VALUE PORTFOLIO MANAGEMENT**

RESOLUTION 190723-H

WHEREAS, LACERS current three-year contract with Barrow, Hanley, Mewhinney & Strauss, LLC (BHMS) for active non-U.S. equities developed markets value portfolio management expires on September 30, 2019; and,

WHEREAS, on April 17, 2019, BHMS was placed on "On Watch" status pursuant to the LACERS Manager Monitoring Policy; and,

WHEREAS, a contract extension with BHMS will allow the fund to maintain a diversified exposure to the non-U.S. developed equities markets; and,

WHEREAS, on July 23, 2019, the Board approved the Investment Committee's recommendation to approve a one-year contract extension with BHMS; 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:	Barrow, Hanley, Mewhinney & Strauss, LLC
Service Provided:	Active Non-U.S. Equities Developed Markets Value Portfolio Management
Effective Dates:	October 1, 2019 through September 30, 2020
Duration:	One year
Benchmark:	MSCI EAFE Value
Allocation as of June 30, 2019:	\$523 million

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

XII

OTHER BUSINESS – Commissioner Serrano requested that the Board Officer nomination process be added to a future Governance Committee agenda for discussion.

XIII

NEXT MEETING – The next Regular meeting of the Board is scheduled for Tuesday, August 13, 2019 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XIV

ADJOURNMENT – There being no further discussion before the Board, President Ruiz adjourned the meeting at 2:02 p.m.

Lita Payne

Lita Payne
Manager-Secretary

Cynthia M. Ruiz

Cynthia M. Ruiz
President

