

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

August 13, 2019

10:08 a.m.

Agenda of: Aug. 27, 2019

Item No: II

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PRESENT:	President:	Cynthia M. Ruiz
	Vice President:	Michael R. Wilkinson
	Commissioners:	Elizabeth Lee Nilza R. Serrano Sung Won Sohn
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
	Legal Counsel:	Anya Freedman
ABSENT:	Commissioners:	Annie Chao Sandra Lee

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*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 23, 2019 AND POSSIBLE BOARD ACTION – A motion to approve the Regular Board Meeting minutes of July 23, 2019 was moved by Commissioner Serrano, seconded by Vice President Wilkinson, and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz reminded the Commissioners about diversity and differences of opinions and respect for each other.

## IV

### GENERAL MANAGER VERBAL REPORT

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

- City approval of Successor MOUs for Coalition Bargaining Units
- Employee and member safety
- Annual valuation preparations
- Salary note approval for member services staff at LACERS
- Upcoming LACERS Tabletop Exercise
- LACERS staff to present at NCPERS Conference
- Actuarial cost study
- Reminder to Board members to cover Side A waiver of recourse payment

Mr. Guglielmo also introduced Vikram Jadhav, Director of Innovation, a new working title at LACERS. Mr. Jadhav introduced himself to the Board and spoke about his new role at LACERS.

B. UPCOMING AGENDA ITEMS – Mr. Guglielmo stated the following items will be on an upcoming Board agenda:

- Board to be briefed on pending health care legislation.
- Closed session discussion item regarding real property for Board or Ad-Hoc Committee.
- Health Plan Renewals and Benefit recommendations, a Board Rule recommendation, and the Medical Evaluation RFP results will be coming to the Board.

## V

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. COMMISSIONER ELIZABETH LEE BOARD EDUCATION EVALUATION ON SACRS PUBLIC PENSION INVESTMENT MANAGEMENT PROGRAM 2019, BERKELEY, CA; JULY 22-24, 2019 – The report was received by the Board and filed.

## VI

### COMMITTEE REPORT(S)

A. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT ON THE MEETING OF AUGUST 13, 2019 – Commissioner Wilkinson stated the Committee was presented with the LACERS *Well* Survey Results and approved staff's recommendation for the 2020 Health Plan Premiums, 2020 Maximum Subsidy and Reimbursement Amounts, Disability Medical

Evaluation Service Provider RFP, and the Board Rule for Medical Premium Reimbursement Program Dependent Reimbursement.

- B. **AUDIT COMMITTEE REPORT – CONTRACTOR DISCLOSURE REPORTING POLICY AND POSSIBLE BOARD ACTION** – Wally Oyewole, Departmental Audit Manager, presented this item to the Board. Commissioner Elizabeth Lee moved approval, seconded by Vice President Wilkinson and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

## VII

### BOARD/DEPARTMENT ADMINISTRATION

- A. **GENERAL MANAGER DESIGNEE SIGNATURE AUTHORITY AND POSSIBLE BOARD ACTION** – Isaius Cantu, Senior Management Analyst II with Administrative Services Division presented this item to the Board. Commissioner Serrano moved approval of the following Resolution:

#### **SIGNATURE AUTHORITY FOR GENERAL MANAGER DESIGNEES**

#### **RESOLUTION 190813-A**

WHEREAS, the Board may delegate authority to the necessary deputies, assistants, and employees of the department and define their duties under Los Angeles City Charter (LACC) Section 511(a); and,

WHEREAS, the General Manager is authorized under LACC Section 509 to administer the affairs of the department as its Chief Administrative Officer; and,

WHEREAS, the General Manager determines it is in the best interest of the department to ensure department business is transacted expeditiously on occasions when absent or unable to act through the assignment of signature authorities over specific areas of expertise;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the signature authority resolution for the General Manager designees. If practicable, designees shall seek verbal concurrence from the General Manager. Authority is assigned to the position, rather than the individual. This resolution shall be endorsed by the designees and should there be a change in personnel, a new endorsement certificate may be made and kept on file in the Board office; filed with any other necessary office of City government; or any agencies involved in processing LACERS' investment transactions and custodial responsibilities for the securities of LACERS. The proposed resolution will supersede any previously adopted resolutions related to General Manager Designee signature authority and is effective upon adoption.

1. Assistant General Manager(s) – for the approval of contracts in compliance with the contracting limitations established in the LACC; approval of expenditures; and approval of benefit payments and related transactions;
2. Chief Benefits Analyst of Administration Division – for the approval of contracts in compliance with the contracting limitations established in the LACC; approval of expenditures within the budget approved by the Board; and for the approval of service purchase contracts, certifications of service, and related Member transactions. The Chief Benefits Analyst (CBA) further delegates to the Senior Management Analyst II in the Administrative Services Office, approval of office expense expenditures within the Administration Division budget. The CBA may establish thresholds via memorandum filed with the Chief Accounting Employee of LACERS. The CBA further delegates to the Senior Management Analyst II in the Active Member-Service Purchase Section, approval and execution of service purchase contracts, certifications of service, and related Member transactions.
3. Chief Benefits Analyst of Health Benefits Administration and Communications Division – for the approval of benefit payments and related transactions; and approval of expenditures within the Health Benefits Administration and Communications Division’s approved budget.
4. Chief Benefits Analyst of Retirement Services Division – for the approval of benefit payments and related transactions; and approval of expenditures authorized in the Retirement Services Division’s approved budget. The Chief Benefits Analyst further delegates to the Senior Management Analyst IIs, approval of Retirement Services Division expenditures, and may establish thresholds via memorandum filed with the Chief Accounting Employee of LACERS.
5. Information Systems Manager – for the approval of expenditures within the System Division’s approved budget.
6. Chief Investment Officer or Investment Officer III – for the approval of investment transactions required within the scope of the contracts approved by the Board; and approval of expenditures within the Investment Division’s approved budget.

Endorsed: \_\_\_\_\_  
Lita Payne  
Assistant General Manager

Endorsed: \_\_\_\_\_  
Todd Bouey  
Assistant General Manager

Endorsed: \_\_\_\_\_  
Dale Wong-Nguyen  
Chief Benefits Analyst of Administrative Services

Endorsed: \_\_\_\_\_  
Karen Freire  
Chief Benefits Analyst of Retirement Services

Endorsed: \_\_\_\_\_  
Alex Rabrenovich  
Chief Benefits Analyst of Health Benefits Administration and Communications

Endorsed: \_\_\_\_\_  
Rodney June  
Chief Investment Officer

Endorsed: \_\_\_\_\_  
Thomas Ma  
Information Systems Manager

Endorsed: \_\_\_\_\_  
Bryan Fujita  
Investment Officer III

Endorsed: \_\_\_\_\_  
Wilkin Ly  
Investment Officer III

Endorsed: \_\_\_\_\_  
Isaias Cantú  
Senior Management Analyst II

Endorsed: \_\_\_\_\_  
Edeliza Fang  
Senior Management Analyst II

Endorsed: \_\_\_\_\_  
Ann Seales  
Senior Management Analyst II

Endorsed:

\_\_\_\_\_  
Ferralyn Sneed  
Senior Management Analyst II

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

- B. TRAVEL AUTHORITY – COMMISSIONER ANNIE CHAO; NATIONAL CONFERENCE ON PUBLIC EMPLOYEE RETIREMENT SYSTEM PUBLIC PENSION FUNDING FORUM, NEW YORK, NY; SEPTEMBER 11-13, 2019 AND POSSIBLE BOARD ACTION – Vice President Wilkinson moved approval of the following Resolution:

**TRAVEL AUTHORITY  
NATIONAL CONFERENCE OF PUBLIC EMPLOYEE RETIREMENT SYSTEMS  
PUBLIC PENSION FUNDING FORUM  
SEPTEMBER 11-13, 2019  
NEW YORK, NEW YORK**

**RESOLUTION 190813-B**

WHEREAS, Board approval is required for all international travel requests and travel not included in the Approved List of Educational Seminars;

WHEREAS, the National Conference of Public Employee Retirement Systems (NCPERS) Public Pension Funding Forum in New York, NY is not included in the Approved List of Educational Seminars, and therefore requires individual approval;

WHEREAS, the sound management of the assets and liabilities of a trust fund imposes a continuing need for all Board Members to attend professional and educational conferences, seminars, and other educational events that will better prepare them to perform their fiduciary duties;

THEREFORE, BE IT RESOLVED, that Commissioner Chao is hereby authorized to attend the NCPERS Public Pension Funding Forum from September 11-13, 2019 in New York, NY;

BE IT FURTHER RESOLVED, that the reimbursement of up to \$3,000 is hereby authorized for reasonable expenses in connection with participation.

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

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$17.9 Billion as of August 12, 2019. Mr. June discussed the following items:

- 18 responses received for the Emerging Manager Small Cap Search RFP – closed on July 22, 2019.
- 19 responses received for the Emerging Market Debt Search RFP – closed on July 22, 2019.
- Core Fixed Income Manager Search will be released on August 19, 2019 with a deadline of October 4, 2019.
- Future agenda items: Manager Contracts, Private Equity Notifications, Private Equity Education.

Mr. June also welcomed to the table Citlalli Vivar, intern with Girls Who Invest, whose internship with LACERS will be coming to an end. Ms. Vivar spoke to the Board about the invaluable experience she had as an intern with the LACERS Investments team.

- B. NOTIFICATION OF COMMITMENT OF UP TO \$20 MILLION IN BROADVIEW REAL ESTATE PARTNERS FUND, L.P. – The report was received by the Board and filed.**

President Ruiz recessed the Regular Meeting at 10:52 a.m. to convene in Closed Session.

**IX**

**DISABILITY RETIREMENT APPLICATION(S)**

- A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF FELICIA FAIR AND POSSIBLE BOARD ACTION**
- B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF ROSE HOWARD AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 10:54 a.m. and announced that the Board unanimously approved the Disability Retirement Applications of Felicia Fair and Rose Howard.

**X**

**OTHER BUSINESS –** President Ruiz asked the Commissioners to think about their priorities as Commissioners and this will be discussed at a future Board Meeting.


**XI**

**NEXT MEETING –** The next Regular meeting of the Board is scheduled for Tuesday, August 27, 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 10:55 a.m.

  
Cynthia M. Ruiz  
President

  
Neil M. Guglielmo  
Manager-Secretary