

MINUTES OF THE REGULAR MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

In conformity with the Governor's Executive Order N-29-20 (March 17, 2020)
and due to the concerns over COVID-19, the
LACERS Board of Administration's
April 27, 2021, meeting was conducted
via telephone and/or videoconferencing.

Agenda of: May 25, 2021

Item No: II

April 27, 2021

10:00 a.m.

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

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

Item I taken out of order.

II

APPROVAL OF MINUTES FOR THE REGULAR MEETING OF MARCH 23, 2021 AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval, seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, and President Ruiz -6; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – There was no report.

IV

GENERAL MANAGER VERBAL REPORT

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

- SIP Update
- Retirements
- Applications
- Contribution Refunds
- Mobile Fax
- MSC Stats
- Member Service Center Post-Holiday Service Strategy
- Utilizing Temp Help
- 977 Broadway – HQ Items

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

- Board – May 11, 2021 – Report on Health Savings Accounts in response to City Council Motion (C.F. 21-0295)

V

RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR MARCH 2021 – This report was received by the Board and filed.

B. CONTRACTORS' DISCLOSURE REPORT FOR THE PERIOD AUGUST 14, 2019 TO DECEMBER 31, 2020 – This report was received by the Board and filed.

Item I taken out of order.

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*** – President Ruiz asked if any persons wanted to make a general public comment to which there were four responses. Ruth Perry, Dan Kagel, and Ronald Black, members of the public voiced opposition to the Council Motion File No. 19-1577 and File No. 20-1606. Commissioner Wilkinson also supported the callers' comments and proceeding with the staff reports. President Ruiz stated that numerous written comments were also submitted from the public with the same opinion as the callers.

VI

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON APRIL 13, 2021 – Commissioner Serrano stated the Committee approved contracts with Northern Trust Company and proposed amendment to Emerging Investment Manager Policy. She stated the Committee also considered three real estate opportunities in Closed Session.
- B. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT FOR THE MEETING ON APRIL 27, 2021 – Commissioner Wilkinson stated the Committee was presented with the Health Plan Financial Dashboards and the Health Management Dashboards.

President Ruiz recessed the Regular Meeting at 10:31 a.m. to convene in Closed Session discussion.

VII

DISABILITY RETIREMENT APPLICATION(S)

- A. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF JOAKIM JONSSON AND POSSIBLE BOARD ACTION (HEARING)**

President Ruiz reconvened the Regular Meeting at 10:38 a.m. and announced that the Board unanimously approved the Disability Retirement Application of Joakim Jonsson.

VIII

MEMBER SERVICES

- A. ONLINE RETIREMENT APPLICATION PRESENTATION AND DEMO – Taneda Larios, Senior Management Analyst II and Vikram Jadhav, Innovation Director, presented and discussed the Online Retirement Application demo with the Board for 30 minutes.

IX

BENEFITS ADMINISTRATION

- A. RESPONSE TO COUNCIL MOTION 20-1606 REGARDING THE LACERS HEALTH AND WELLNESS PROGRAM COSTS AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manger, presented and discussed this item with the Board for 15 minutes. After discussion, Commissioner Elizabeth Lee moved approval, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, and President Ruiz -6; Nays, None.

X

RETIREMENT SERVICES

- A. SURVIVOR BENEFITS STATISTICAL OVERVIEW 2016-2020 – James Kawashima, Benefits Analyst, presented and discussed this item with the Board for 10 minutes.

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value of \$22.17 billion as of April 26, 2021. Mr. June discussed the following items:
- Future Agenda items: Continued discussion of the asset allocation study, May 11th guest speaker Ken Chenault of General Catalyst, and investment manager contracts
- B. CONTRACTS WITH NORTHERN TRUST COMPANY REGARDING MASTER CUSTODIAL SERVICES, SECURITIES LENDING, AND ANCILLARY SERVICES AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval of the following Resolution:

**CONTRACT RENEWALS
THE NORTHERN TRUST COMPANY
MASTER TRUST CUSTODIAL SERVICES**

RESOLUTION 210427-B

WHEREAS, LACERS’ current three-year contracts with The Northern Trust Company (Northern Trust) for the following services: master custody, securities lending, compliance analyst, performance reporting and risk analytics, integrated disbursements, and fair value reporting expire on July 31, 2021; and,

WHEREAS, Northern Trust has provided a satisfactory level of service in meeting LACERS’ needs; and,

WHEREAS, on April 27, 2021, the Board approved the Investment Committee’s recommendation for three-year contract renewals with Northern Trust; and,

NOW, THEREFORE, BE IT RESOLVED, that the General Manager is hereby authorized to approve and execute the contracts subject to satisfactory business and legal terms and consistent with the following services and terms:

<u>Company Name:</u>	The Northern Trust Company
<u>Services Provided:</u>	Master Custody Securities Lending Compliance Analyst Performance Reporting and Risk Analytics Integrated Disbursements Fair Value Reporting
<u>Effective Dates:</u>	August 1, 2021 through July 31, 2024
<u>Duration:</u>	Three years

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

- C. RESPONSE TO COUNCIL MOTION 19-1577 REGARDING CLIMATE TRANSITION FRAMEWORK AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, presented and discussed this item with the Board for 15 minutes. After discussion, Commissioner Serrano moved approval, seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, and President Ruiz; Nays, None.
- D. NOTIFICATION OF COMMITMENT OF UP TO \$40 MILLION IN GLP CAPITAL PARTNERS IV LP – This report was received by the Board and filed.

President Ruiz recessed the Regular Meeting at 11:55 a.m. to convene in Closed Session discussion.

- E. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO WOLFF CREDIT PARTNERS III, L.P. AND POSSIBLE BOARD ACTION**
- F. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO KAYNE ANDERSON CORE REAL ESTATE, L.P. AND POSSIBLE BOARD ACTION**
- G. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.81 TO CONSIDER A COMMITMENT TO LION INDUSTRIAL TRUST AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 12:02 p.m.

XII

OTHER BUSINESS – Commissioner Sandra Lee stated that she is a part of the Asian Americans and Pacific Islanders (AAPI) group working with other City Commissioners fighting hate against AAPI. She requested support from LACERS to perhaps use the new HQ building wall space to display material regarding this campaign. Neil M. Guglielmo, General Manager, stated he will discuss this further with the Commissioner.

XIII

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, May 11, 2021, at 10:00 a.m. at LACERS, 977 N. Broadway, Suite 260, 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.

XIV

ADJOURNMENT – There being no further business before the Board, President Ruiz adjourned the Meeting at 12:05 p.m.



Cynthia M. Ruiz
President



Neil M. Guglielmo
Manager-Secretary