

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

In accordance with Government Code Section 54953, subsections (e)(1) and (e)(3), and in light of the State of Emergency proclaimed by the Governor on March 4, 2020 relating to COVID-19 and ongoing concerns that meeting in person would present imminent risks to the health or safety of attendees and/or that the State of Emergency continues to directly impact the ability of members to meet safely in person, the LACERS Board of Administration's March 22, 2022 meeting will be conducted via telephone and/or videoconferencing.

March 22, 2022

10:00 a.m.

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

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

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 advised that the Board received two written public comments and Neil M. Guglielmo, General Manager, stated the comments were from Joy Potts and Happy Allen, who were both employed by PetSmart. President Ruiz then asked if any persons wanted to make a general public comment to which there were no responses.

II

APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 22, 2022 AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval, seconded by Commissioner Chao, and adopted

by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz wished everyone a Happy Spring.

IV

GENERAL MANAGER VERBAL REPORT

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

- LA Times Complex
- AB 361 Update
- Cybersecurity
- 977 N. Broadway HQ update
- Retirement Service stats
- Member Service stats
- Upcoming events: Seminars & Demos
- Upcoming March Wellness events

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

- Governance Committee – Proxy voting policies
- Legal – Board education item

V

RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR FEBRUARY 2022 – This report was received by the Board and filed.

VI

COMMITTEE REPORT(S)

A. INVESTMENT COMMITTEE MEETING VERBAL REPORT FOR THE MEETING ON MARCH 8, 2022 – Vice President Sohn stated the Committee heard presentations by Loomis, Sayles & Company, L.P. and Segall Bryant & Hamill. The Committee approved the Private Equity and Real Estate Investment policies. The Committee was presented a comparison between rebalancing and adaptive asset allocation policy and provided input on the Investment Division resource needs for FY 2022.

B. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT FOR THE MEETING ON MARCH 22, 2022 – Commissioner Wilkinson stated the Committee was presented with the 2023

Health Plan Contract Renewal Timeline and Strategy and an operational update by Dale Wong-Nguyen, Assistant General Manager.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. FINDINGS TO CONTINUE TELECONFERENCE MEETINGS AND DETERMINATION THAT COVID-19 STATE OF EMERGENCY CONTINUES TO DIRECTLY IMPACT THE ABILITY OF MEMBERS TO MEET SAFELY IN PERSON AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval of the following Resolution:

**CONTINUE HOLDING LACERS BOARD AND COMMITTEE MEETINGS
VIA TELECONFERENCE AND/OR VIDEOCONFERENCE**

RESOLUTION 220322-A

WHEREAS, LACERS is committed to preserving public access and participation in meetings of the Board of Administration; and

WHEREAS, all LACERS Board and Committee meetings are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate as the LACERS Board and Committees conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, subject to the existence of certain conditions; and

WHEREAS, the COVID-19 State of Emergency proclaimed by the Governor on March 4, 2020 remains active; and

WHEREAS, on October 12, 2021, the Board met via teleconference and determined by majority vote, pursuant to Government Code Section 54953(e)(1)(B)-(C), that due to the COVID-19 State of Emergency, meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, the Board has reconsidered the circumstances of the State of Emergency; and

WHEREAS, COVID-19 remains a public health concern in Los Angeles, with substantial levels of community transmission;

NOW THEREFORE, BE IT RESOLVED that pursuant to Government Code Section 54953(e)(1)(B)-(C), the Board finds that holding Board and Committee meetings in person would present imminent risks to the health or safety of attendees.

BE IT FURTHER RESOLVED that pursuant to Government Code Section 54953(e)(3)(A) and (B)(i), the Board finds that the COVID-19 State of Emergency continues to directly impact the ability of Board and Committee members to meet safely in person.

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

- B. ACTUARIAL RISK ASSESSMENT AND REVIEW OF FUNDED STATUS OF THE RETIREMENT AND HEALTH PLANS AS OF JUNE 30, 2021 – Andy Yeung and Todd Tauzer, Actuaries with The Segal Group, Inc., presented and discussed this item with the Board for 45 minutes. The report was received by the Board and filed.
- C. PRELIMINARY PROPOSED BUDGET, PERSONNEL, AND ANNUAL RESOLUTIONS FOR FISCAL YEAR 2022-23 AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, presented and discussed this item with the Board for 30 minutes. After the Board discussed and provided input, Commissioner Serrano moved approval, seconded by Vice President Sohn, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6; Nays, None.
- D. FAMILY DEATH BENEFIT PLAN – CONSIDERATION OF BENEFIT PAYABLE ON BEHALF OF DECEASED ADULT DISABLED CHILD ABBY MARIA FRANCES BANAS AND POSSIBLE BOARD ACTION – Ferralyn Sneed, Chief Benefits Analyst, and Delia Hernandez, Senior Benefits Analyst, presented and discussed this item with the Board for 10 minutes. Commissioner Wilkinson moved approval of the following Resolution:

**APPROVAL OF FAMILY DEATH BENEFIT PLAN BENEFIT PAYMENT
FOR DECEASED BENEFICIARY ABBY MARIA FRANCES BANAS**

RESOLUTION 220322-B

WHEREAS, the General Manager presented certain medical reports and other evidence, and reported that the request for benefit payment filed was in regular and proper form;

WHEREAS, Dr. Thomas P. Di Julio examined the medical records of Abby Maria Frances Banas and concluded Abby Maria Frances Banas had been disabled for her entire life and unable to engage in any substantial gainful activity due to the severity of her medical impairments and that these impairments eventually resulted in her death;

WHEREAS, the medical evidence confirms Abby Maria Frances Banas became disabled prior to reaching the age of 22, in accordance with the provisions of Los Angeles Administrative Code Section 4.1090 governing the Family Death Benefit Plan;

WHEREAS, after discussion and consideration of the evidence, it is the finding and determination of this Board that Abby Maria Frances Banas was unable to engage in any substantial gainful activity by reason of medically determinable physical and mental impairments which resulted in death, pursuant to Los Angeles Administrative Code § 4.1090.(a)(3)(b)(3);

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Family Death Benefit Plan retroactive payment to the estate of deceased benefit recipient Abby Maria Frances Banas.

Which motion was seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6;

Nays, None.

VIII

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT INCLUDING DISCUSSION ON THE PORTFOLIO EXPOSURE TO GLOBAL EVENTS – Rod June, Chief Investment Officer, reported on the portfolio value of \$22.77 billion as of March 21, 2022. Mr. June discussed the following items:
- Staff and Aksia are exploring the request of getting a second opinion on private equity valuations
 - Securities and Exchange Commission is proposing a rule regarding the reporting of greenhouse gas emissions of publicly traded companies
 - Aksia TorreyCove Partners LLC changed their name to Aksia CA LLC effective March 18, 2022; the name change does not require Board action
 - Updates on the Russia-Ukraine conflict and its impact on the LACERS portfolio
 - Upcoming Agenda Items: Investment manager contract and real estate consultant finalist
- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING DECEMBER 31, 2021 – Carolyn Smith, Partner with NEPC, LLC, presented and discussed this item with the Board for 30 minutes.
- C. PRIVATE EQUITY AND REAL ESTATE INVESTMENT POLICIES AND POSSIBLE BOARD ACTION – Wilkin Ly, Investment Officer III, Clark Hoover, Investment Officer I, and David Fann, Vice Chairman with Aksia CA LLC, presented and discussed this item with the Board for 10 minutes. Vice President Sohn moved approval with request for staff to provide Private Equity reports on a quarterly basis, seconded by Commissioner Serrano, who amended the request to provide the reports quarterly only during this volatile time and for staff to decide the end date, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6; Nays, None.
- D. U.S. SECURITIES AND EXCHANGE COMMISSION'S PROPOSED RULES ON PRIVATE FUND ADVISERS AND POSSIBLE BOARD ACTION – Commissioner Wilkinson moved approval, seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Wilkinson, Vice President Sohn, and President Ruiz -6; Nays, None.

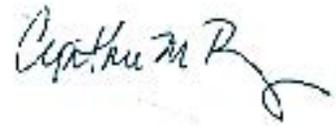
IX

OTHER BUSINESS – There was no other business.

X

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, April 12, 2022, at 10:00 a.m. at LACERS, 202 W. 1st Street, Suite 500, 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.

ADJOURNMENT – There being no further business before the Board, President Ruiz adjourned the Meeting at 12:55 p.m.



Cynthia M. Ruiz
President



Neil M. Guglielmo
Manager-Secretary