

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 July 12, 2022 meeting will be conducted via telephone and/or videoconferencing.

July 12, 2022

10:00 a.m.

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

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** – Vice President Sohn asked if any persons wanted to make a general public comment to which there was no response.

II

APPROVAL OF MINUTES FOR THE MEETING OF JUNE 14, 2022 AND POSSIBLE BOARD ACTION – Commissioner Serrano moved approval, seconded by Commissioner Chao, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Sandra Lee, Serrano, Wilkinson, and Vice President Sohn -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:

- Recognition of Special Member Selma Benjamin
- Protecting Members from Cyber Threats
- Update on LACERS HQ
- ERIP Liability Payments – QE 06/30/22
- Public Safety Officer Ordinance
- Anthem Transition Update
- Member Services statistics:
- Upcoming events: Planning for Retirement and Retirement application portal demos, various Wellness Events

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

- 07/26/22 Board: Annual Elections for President and Vice President
- 07/26/22 Benefits Administration Committee: Presentation of the Final Health Plan Renewal Report
- August 2022: Benefits Administration Committee: IRMAA Update

V

RECEIVE AND FILE ITEMS

A. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.

B. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.

C. COMMISSIONER SERRANO EDUCATION EVALUATION ON RFK COMPASS SUMMER INVESTORS CONFERENCE, HYANNIS PORT, MA; JUNE 14-15, 2022 - This report was received by the Board and filed.

VI

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 220712-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 or high 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, Sandra Lee, Serrano, Wilkinson, and Vice President Sohn -6; Nays, None.

- B. AMENDMENT TO CONTRACT AWARD RESOLUTION FOR HEALTH PLAN CONSULTING SERVICES AND POSSIBLE BOARD ACTION – Rainbow Sun, Benefits Analyst, presented and discussed this item with the Board. Commissioner Elizabeth Lee moved approval of the following Resolution:

**AMENDMENT TO CONTRACT AWARD RESOLUTION
FOR HEALTH PLAN CONSULTING SERVICES**

RESOLUTION 220712-B

WHEREAS, on June 28, 2022, the Board approved the selection of AP Keenan (also known as Keenan) to provide Health Plan Consulting Services for both the General Consulting and Administration of Self-Funded Programs resulting from the Request for Proposal conducted between April through June 2022;

WHEREAS, modification to the contract start date of January 1, 2023 to an earlier date will ensure continuity from the previous contract with the start of the new contract, so that delivery of health benefits is not interrupted; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board approve the amendment to contract award resolution for Health Plan Consulting Services contract for a term of three years, set to start on either the day after Keenan reaches the NTE amount set forth in the second amendment to contract no. 4177 or a date determined by the General Manager, in an amount not-to-exceed \$650,000 per year; and authorize the General Manager to negotiate and execute the contract with AP Keenan, subject to review by the City Attorney.

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

VII

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 \$20.62 billion as of July 11, 2022. Mr. June discussed the following items:

- Received City contribution, approximately \$760 million, 16% going to cash
- Introduction of Camille Wright, Girls Who Invest intern

Mr. June shared that LACERS' Russian exposure is six basis points, about \$9 million in market value.

B. PRESENTATION BY NEPC, LLC REGARDING ASSET CLASS POLICY INTERIM TARGETS AND RANGES AND POSSIBLE BOARD ACTION – Carolyn Smith, Partner, with NEPC, LLC, presented and discussed this item with the Board for 30 minutes. 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 Vice President Sohn -6; Nays, None.

C. NOTIFICATION OF COMMITMENT OF UP TO \$100 MILLION IN CORTLAND GROWTH AND INCOME, L.P. – This report was received by the Board and filed.

VII

OTHER BUSINESS – Neil M. Guglielmo, General Manager, shared that Rahoof “Wally” Oyewole, LACERS Departmental Chief Accountant IV, has accepted a position with the Los Angeles City Controller’s Office and will be leaving LACERS in August 2022.

IX

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, July 26, 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.

X

ADJOURNMENT – There being no further business before the Board, Vice President Sohn adjourned the Meeting at 11:12 a.m.



Sung Won Sohn
Vice President



Neil M. Guglielmo
Manager-Secretary