

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

July 23, 2024

10:03 a.m.

PRESENT:	President:	Annie Chao
	Commissioners:	Thuy Huynh Janna Sidley Michael R. Wilkinson
TELEPHONICALLY:	Vice President: Commissioner:	Sung Won Sohn Elizabeth Lee
	Legal Counselor:	Miguel Bahamon
	Manager-Secretary:	Neil M. Guglielmo
	Executive Assistant:	Ani Ghoukassian
ABSENT:	Commissioner:	Gaylord "Rusty" Roten

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 – Vice President Sohn asked if any persons wanted to make a general public comment to which there were no public comment cards received.

II

ELECTION OF BOARD OFFICERS FOR FISCAL YEAR 2024-25 AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, advised the nominations for Board President were being considered. Commissioner Sidley nominated President Chao. Mr. Guglielmo called for the vote on the nomination of Commissioner Chao as President: Ayes, Commissioners Chao, Huynh, Lee, Sidley, Sohn, and Wilkinson -6; Nays, None. Commissioner Chao did receive the majority vote and was elected as Board President for FY 2024-25.

Mr. Guglielmo next advised the nominations for Board Vice President were being considered. Commissioner Chao nominated Commissioner Sohn as Vice President and Commissioner Huynh

nominated Commissioner Sidley as Vice President. Mr. Guglielmo called for the vote on the nomination of Commissioner Sohn as Vice President: Ayes, Commissioners Chao and Sohn -2; Nays, Commissioners Huynh, Lee, Sidley, and Wilkinson -4. Commissioner Sohn did not receive the majority vote. Mr. Guglielmo next called for the vote on the nomination of Commissioner Sidley as Vice President: Ayes, Commissioners Huynh, Lee, Sidley, and Wilkinson -4; Nays, Commissioners Chao and Sohn -2. Commissioner Sidley did receive the majority vote and was elected as Board Vice President for FY 2024-25.

Vice President Sohn disconnected from the meeting at 10:10 a.m.
Commissioner Lee disconnected from the meeting at 10:12 a.m.

III

GENERAL MANAGER VERBAL REPORT

- A. REPORT ON DEPARTMENT OPERATIONS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Security Enhancements at 977
 - Workday Status Update
 - Benefit Operations Update
- B. UPCOMING AGENDA ITEMS – Neil M. Guglielmo, General Manager, advised the Board of the following items:
- Board Meeting on August 13, 2024, and Benefits Administration Committee: 2025 Health Plan Premiums and Medical and Dental Subsidies.
- C. RECEIPT OF THE CITY'S CONTRIBUTION FOR FISCAL YEAR 2023-24 – Neil M. Guglielmo, General Manager discussed this item with the Board.

IV

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR JUNE 2024 – This report was received by the Board and filed.
- B. COMMISSIONER SUNG WON SOHN EDUCATION EVALUATION ON WESTERN ECONOMIC ASSOCIATION INTERNATIONAL (WEAI) ANNUAL CONFERENCE; JUNE 29 – JULY 3, 2024; SEATTLE, WA – This report was received by the Board and filed.

V

Commissioner Wilkinson moved approval of Consent Agenda Items V-A and V-B, seconded by Commissioner Sidley, and adopted by the following vote: Ayes, Commissioners Huynh, Sidley, Wilkinson, and President Chao -4. Nays, None.

CONSENT ITEM(S)

- A. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JUNE 25, 2024 AND POSSIBLE BOARD ACTION
- B. GENERAL MANAGER DESIGNEE SIGNATURE AUTHORITY AND POSSIBLE BOARD ACTION

SIGNATURE AUTHORITY FOR GENERAL MANAGER DESIGNEES

RESOLUTION 240723-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 they are 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 Management Analyst of Administration Division (AD) – for the approval of contracts in compliance with the contracting limitations established in the LACC; for the approval of expenditures within the authorized AD budget, Performance Management Office budget, and the Actuarial program budget. The Chief Management Analyst may delegate to the Senior Management Analysts I and II in the Administrative Services Office the approval of expenditures within the established thresholds specified in the memorandum submitted to the Chief Accounting

Employee of LACERS.

3. Chief Benefits Analyst of Health, Wellness, and Buyback Division (HWABD) – for the approval of retiree health and buyback-related benefits within the limits of Board Rule GMA-1; and approval of expenditures within the authorized HWABD budget. The Chief Benefits Analyst may further delegate to the Senior Benefits Analysts I and II in the HWABD the approval of expenditures within the authorized HWABD budget. The Chief Benefits Analyst may further delegate to the Senior Benefits Analysts I and II in the Service Purchase Section the approval and execution of service purchase transactions including agreements with Members and certifications of service; and delegate to the Senior Benefits Analysts I and II in the Health Benefits Administration the signature authority for transactions related to the payment of approved retiree health benefits.
4. Chief Benefits Analyst of Retirement Services Division (RSD) – for the approval of benefit payments and related transactions; and approval of expenditures within the authorized RSD budget. The Chief Benefits Analyst may further delegate to the Senior Benefits Analysts I and II in the RSD the approval of expenditures within the authorized RSD budget.
5. Chief Benefits Analyst of Communications and Stakeholder Relations Division (CSRD) – for the approval of expenditures within the authorized CSRD budget. The Chief Benefits Analyst may further delegate to the Senior Benefits Analysts I and II and Public Information Director in the CSRD the approval of expenditures within the established CSRD budget.
6. Information Systems Manager – for the approval of expenditures within the authorized Systems Division budget.
7. Chief Investment Officer or Investment Officer III – for (1) the approval of investment transactions required within the scope of the contracts approved by the Board, (2) execution of any instrument or document required to effectuate a contract or investment transaction approved by the Board, (3) approval of any other action required to effectuate a contract approved by the Board, (4) approval of any power of attorney, non-disclosure agreement, tax return, tax reclamation form, or similar document or instrument related to an investment transaction approved or under consideration by the Board or Investment staff pursuant to authority delegated by the Board, and (5) approval of expenditures within the authorized Investment Budget.
8. Personnel Director or Senior Personnel Analyst II – for the approval of expenditures within the authorized Human Resources budget. The Personnel Director or Senior Personnel Analyst II may delegate to the Senior Personnel Analyst I or Senior Management Analyst I in Human Resources Unit the approval of expenditures within the established Human Resources budget.
9. Departmental Audit Manager – for the approval of expenditures within the authorized Internal Audit budget.
10. Member Stewardship Section (MSS) Manager or Senior Benefits Analyst II – comprised of Active Member Accounts (AMA), Active Settlement Unit, and Account Settlement Unit (ASU) – for the approval of expenditures within the authorized budget. The MSS Manager or Senior Benefits Analyst II may further delegate to the Senior Benefits Analysts I the approval of expenditures

within the established MSS budget.

11. Systems Operations Support Manager (SOS) or Senior Benefits Analyst II – for the approval of expenditures within the authorized SOS budget. The SOS Manager or Senior Benefits Analyst II may delegate to the Senior Benefits Analyst I in the SOS section the approval of expenditures within the established SOS budget.

Endorsed:	_____	Todd Bouey
	Executive Officer	
Endorsed:	_____	Dale Wong-Nguyen
	Assistant General Manager	
Endorsed:	_____	Edwin Avanesian
	Chief Management Analyst for Administration Division	
Endorsed:	_____	Horacio Arroyo
	Senior Management Analyst II for Administration Division	
Endorsed:	_____	Rodney June
	Chief Investment Officer	
Endorsed:	_____	Wilkin Ly
	Investment Officer III	
Endorsed:	_____	Ellen Chen
	Investment Officer III	
Endorsed:	_____	Karen Freire
	Chief Benefits Analyst for Health, Wellness, and Buyback	
Endorsed:	_____	James Kawashima
	Senior Benefits Analyst II for Health, Wellness, and Buyback	
Endorsed:	_____	Margaret Drenk
	Senior Benefits Analyst II for Health, Wellness, and Buyback	
Endorsed:	_____	Ada Lok
	Senior Benefits Analyst I for Health, Wellness, and Buyback	
Endorsed:	_____	Glen Malabuyoc
	Senior Benefits Analyst I for Health, Wellness, and Buyback	
Endorsed:	_____	Lourdes Quintos
	Senior Benefits Analyst I for Health, Wellness, and Buyback	

Endorsed:	_____	Maricel Martin
	Senior Benefits Analyst I for Health, Wellness, and Buyback	
Endorsed:	_____	Taneda Larios
	Chief Benefits Analyst for Communications and Stakeholder Relations	
Endorsed:	_____	Heather Ramirez
	Senior Benefits Analyst II for Communications and Stakeholder Relations	
Endorsed:	_____	Tiffany Obembe
	Senior Benefits Analyst I for Communications and Stakeholder Relations	
Endorsed:	_____	Amelia Herrera-Robles
	Public Information Director I for Communications and Stakeholder Relations	
Endorsed:	_____	Lin Lin
	Personnel Director I for Human Resources	
Endorsed:	_____	Kevin Hirose
	Senior Personnel Analyst II for Human Resources	
Endorsed:	_____	Dianne Sunico
	Senior Personnel Analyst II for Human Resources	
Endorsed:	_____	Marcel Nguyen
	Senior Management Analyst I for Human Resources	
Endorsed:	_____	Ferralyn Sneed
	Chief Benefits Analyst for Retirement Services	
Endorsed:	_____	Isaias Cantú
	Chief Benefits Analyst for Retirement Services	
Endorsed:	_____	Audrey Dymally
	Senior Benefits Analyst II for Retirement Services	
Endorsed:	_____	Brittany Cotton
	Senior Benefits Analyst I for Retirement Services	
Endorsed:	_____	Melani Rejuso
	Departmental Audit Manager	
Endorsed:	_____	Thomas Ma
	Information System Manager II	
Endorsed:	_____	Lauren McCall

Senior Benefits Analyst II for Systems Operations Support

Endorsed: _____ Brian Cha
Senior Benefits Analyst I for Systems Operations Support

Endorsed: _____ Sevan Simonian
Senior Benefits Analyst I for Member Stewardship Section

VI

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value of \$24.301 billion as of July 22, 2024; and Volatility Index at 15.02. Rod June discussed the following items:
- INDUSTRY
LACERS holds an equity position in CrowdStrike through the SP500 Index Fund valued at \$6.4 million.
Staff reports no adverse issues or problems either directly or indirectly regarding its investment manager, vendors, or bank custodian but will continue to monitor the situation.
 - POLICY
Investments Policy enhancements; scheduled for IC and Board in the Fall 2024.
 - OPERATIONAL
City Contribution was received and funds have been invested accordingly to an allocation plan.
 - FUTURE AGENDA ITEMS
Continued discussion of the asset allocation study.
- B. CONTRACT WITH TOWNSEND HOLDINGS LLC, REPLACEMENT OF KEY PERSON AND POSSIBLE BOARD ACTION – Jessica Chumak, Investment Officer I, and Dan Stenger, Real Estate Consultant, with Townsend Holdings LLC, presented and discussed this item with the Board for 10 minutes. Commissioner Wilkinson moved approval, seconded by Commissioner Huynh, and adopted by the following vote: Ayes, Commissioners Huynh, Sidley, Wilkinson, and President Chao -4; Nays, None.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. RESPONSE TO COUNCIL MOTION 24-0357 RELATING TO CITY EMPLOYEES RECEIVING MULTIPLE PENSIONS AND POSSIBLE BOARD ACTION – Neil Guglielmo, General Manager, Dale Nguyen, Assistant General Manager, and Ferralyn Sneed, Chief Benefits Analyst, presented and discussed this item with the Board for 10 minutes. Commissioner Sidley moved approval with additional language, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Huynh, Sidley, Wilkinson, and President Chao -4; Nays, None.

VIII

OTHER BUSINESS – There was no other business.

IX

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, August 13, 2024, at 10:00 a.m., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, California 90012-1728.

X

ADJOURNMENT – There being no further business before the Board, President Chao adjourned the Meeting at 10:49 a.m.

Annie Chao

Annie Chao
President

Neil M. Guglielmo

Neil M. Guglielmo
Manager-Secretary