Board Agenda of: June 23, 2026
Item No.: V-A

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

May 26, 2026
10:17 A.M.

Present:

Annie Chao, President

Janna Sidley, Vice President

Susan Liem, Commissioner

Thomas Moutes, Commissioner

Gaylord "Rusty" Roten, Commissioner

Absent:

Thuy Huynh, Commissioner

Sung Won Sohn, Commissioner

Legal Counselor:

Miguel Bahamon

Manager-Secretary:

Todd Bouey

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

II

GENERAL MANAGER VERBAL REPORT

A. REPORT ON DEPARTMENT OPERATIONS – Todd Bouey, General Manager, advised the Board of the following items:

- City Budget: The Los Angeles City Council signed off on a $15-billion budget for 2026-27 on Thursday, May 21st. There were no apparent impacts to the City Contribution to LACERS, which is still expected in full by July 15th.
- Departmental Audit Manager: We have opened up our Departmental Audit Manager vacancy for hiring and look forward to going through that process in the coming months.
- Benefit Operations Update: Retirement Services Division: Measure FF implementation milestone completed: As of May 19, 2026, LACERS completed processing Measure FF Tier 1 – Enhanced Refunds for 235 eligible Airport Police Officers. Leaving City Service Training: LACERS participated in a virtual "Leaving City Service Training" organized by the City Clerk for staff of elected offices who are termed out in December (CD3 and CD9).
- Health, Wellness, & Buyback Division: Medicare Beneficiary Identifiers (MBIs) Reissuance: CMS is reissuing MBIs for approximately 1.3 million Medicare beneficiaries beginning March 2026 to improve information security and reduce identity-related misuse. Timing for LACERS members: New Medicare cards will be sent roughly May 5 – June 5, 2026. New MBIs become active on April 14, 2026. Action for members receiving new cards: Safely destroy the old Medicare card once the new MBI is active. Provide the updated MBI to healthcare providers and insurance plans. Use the new card for all Medicare-related services. Impact on benefits: Medicare benefits, premiums, and coverage will not change as a result of the new MBIs. Transition risks: During the rollout, outdated MBIs could cause temporary issues such as delayed claims or eligibility verification problems.

B. UPCOMING AGENDA ITEMS – Todd Bouey, General Manager, advised the Board of the following items:

Board Meeting on June 9, 2026:

- Actuarial Education Session in Advance of LACERS Experience Study.
- Education and Travel Expenditure Quarterly Report.

C. RECOGNITION OF SERVICE FOR ROD JUNE, LACERS CHIEF INVESTMENT OFFICER – Todd Bouey, General Manager, and the Commissioners recognized Rod June, Chief Investment Officer, for his years of service to LACERS upon his announced retirement.

III

RECEIVE AND FILE ITEMS

A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR APRIL 2026 – This report was received by the Board and filed.

IV

COMMITTEE REPORT(S)

A. INVESTMENT COMMITTEE VERBAL REPORT FOR THE MEETING ON MAY 12, 2026 – Commissioner Liem stated the Committee approved the presentation by Townsend Holdings LLC of the Real Estate Fiscal Year 2026-27 Strategic Plan, the Investment Manager Contract with Polen Capital Credit, LLC, regarding the Management of an active Hybrid High Yield Fixed Income/U.S. Floating Rate Bank Portfolio, and the Adaptive Asset Allocation Policy and status report.

B. BENEFITS ADMINISTRATION COMMITTEE VERBAL REPORT FOR THE MEETING ON MAY 26, 2026 – Commissioner Moutes stated the Committee discussed the Healthcare Trends and an update on the 2027 Health Plan Contract Renewals.

V

Commissioner Moutes moved approval of Consent Agenda Items V-A, V-B, and V-C and seconded by Commissioner Roten, and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

CONSENT ITEMS

A. APPROVAL OF MINUTES FOR THE MEETING ON APRIL 28, 2026 AND POSSIBLE BOARD ACTION

B. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF TIMOTHY DIBIASE AND POSSIBLE BOARD ACTION – Commissioner Moutes moved approval of the following Resolution:

APPROVAL OF DISABILITY RETIREMENT BENEFIT FOR TIMOTHY DIBIASE

RESOLUTION 260526-A

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

WHEREAS, Physicians 1, 2, and 3 examined and concluded Timothy Dibiase is unable to perform their usual and customary duties as a Senior Gardener with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that Timothy Dibiase is incapacitated pursuant to the definition in Los Angeles Administrative Code § 4.1008(b) and not capable of performing the duties as a Senior Gardener;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the applicant's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the disability retirement benefit for Timothy Dibiase based upon the claimed disabling condition.

C. APPROVAL OF DISABILITY RETIREMENT APPLICATION OF CHAFEGAH GENTRY AND POSSIBLE BOARD ACTION – Commissioner Moutes moved approval of the following Resolution:

APPROVAL OF DISABILITY RETIREMENT BENEFIT FOR CHAFEGAH GENTRY

RESOLUTION 260526-B

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

WHEREAS, Physicians 1, 2, and 3 examined and concluded Chafegah Gentry is unable to perform their usual and customary duties as a Principal Clerk with the City of Los Angeles;

WHEREAS, after some discussion and consideration of the evidence received, it was the finding and determination of this Board that Chafegah Gentry is incapacitated

pursuant to the definition in Los Angeles Administrative Code § 4.1008(b) and not capable of performing the duties as a Principal Clerk;

WHEREAS, an investigation of the employment record established the age, final compensation, and period of continuous service in accordance with the Los Angeles Administrative Code, and such disability is not the result of the applicant's intemperance or willful misconduct;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the disability retirement benefit for Chafegah Gentry based upon the claimed disabling conditions.

VI

BOARD/DEPARTMENT ADMINISTRATION

A. PROPOSED BUDGET, PERSONNEL, AND ANNUAL RESOLUTIONS FOR FISCAL YEAR 2026-27 AND POSSIBLE BOARD ACTION – Todd Bouey, General Manager, and Chhintana Kurimoto, Management Analyst, presented and discussed this item with the Board for three minutes. Vice President Sidley moved approval, seconded by Commissioner Roten, and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

B. APPROVAL OF BOARD RULES RELATED TO MEMBER CONTRIBUTIONS UNDER THE LACERS PEACE OFFICER TRANSFER PROGRAM AND POSSIBLE BOARD ACTION – Gina Di Domenico, Deputy City Attorney III, and Sevan Simonian, Senior Benefits Analyst I, presented and discussed this item with the Board for two minutes. Vice President Sidley moved approval, seconded by Commissioner Moutes, and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

VII

INVESTMENTS

A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Wilkin Ly, Deputy Chief Investment Officer, reported on the portfolio value of $28.06 billion as of May 22, 2026; and the Volatility Index at 16.9. Wilkin Ly discussed the following items:

   INDUSTRY NEWS:
   a. 30-year Treasury yield briefly reached 5.1%; highest level in nearly 20 years.
   b. Status of IPO market and impact on private market distributions.

   OPERATIONAL:
   a. Acknowledgment of Jessica Chumak's graduation from the Women's Management Academy on April 23, 2026.

FUTURE AGENDA ITEMS:

a. Aksia LLC presentation of the Q4 2025 Private Credit portfolio performance review.
b. Townsend Holdings LLC presentation of the Fiscal Year 2026-27 Real Estate Strategic Plan.
c. Public market contract renewals.

B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING MARCH 31, 2026 – Kevin Novak, Principal, Rose Dean, Partner, presented and discussed this item with the Board for 14 minutes.

C. PRESENTATION BY TOWNSEND HOLDINGS LLC OF THE PRIVATE REAL ESTATE PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING DECEMBER 31, 2025 – Felix Fels, Principal, with Townsend Holdings LLC, presented and discussed this item with the Board for 10 minutes.

D. APPROVAL OF 1-YEAR CONTRACT WITH SEGALL BRYANT & HAMILL, LLC REGARDING THE MANAGEMENT OF AN ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO AND POSSIBLE BOARD ACTION – Barbara Sandoval, Investment Officer II, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board. Vice President Sidley moved approval of the following Resolution:

CONTRACT RENEWAL SEGALL BRYANT & HAMILL, LLC ACTIVE U.S. SMALL CAP VALUE EQUITIES PORTFOLIO MANAGEMENT

RESOLUTION 260526-D

WHEREAS, LACERS' current three-year contract term with Segall Bryant & Hamill, LLC (SBH) for management of an active U.S. small cap value equities portfolio management expires on July 31, 2026; and,

WHEREAS, SBH is on watch status for performance; and,

WHEREAS, a contract renewal with SBH will allow the fund to maintain a diversified exposure to U.S. small cap value equities; and,

WHEREAS, on May 26, 2026, the Board approved the Investment Committee's recommendation to approve a one-year contract renewal with SBH.

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

Company Name: Segall Bryant & Hamill, LLC

Service Provided: Active U.S. Small Cap Value Equities Portfolio Management

Effective Dates: August 1, 2026 through July 31, 2027

Duration: One year

Benchmark: Russell 2000 Value Index

Allocation as of
February 28, 2026: $172 million

Which motion was seconded by Commissioner Roten and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

E. ADAPTIVE ASSET ALLOCATION POLICY AND STATUS REPORT AND POSSIBLE BOARD ACTION – Rod June, Chief Investment Officer, and James Wang, Investment Officer I, presented and discussed this item with the Board. Commissioner Moutes moved approval, seconded by Vice President Sidley, and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

F. ELECTION OF BOARD DIRECTORS OF THE INSTITUTIONAL LIMITED PARTNERS ASSOCIATION AND POSSIBLE BOARD ACTION – Ellen Chen, Investment Officer III, presented and discussed this item with the Board for three minutes. Vice President Sidley moved approval, seconded by Commissioner Roten, and adopted by the following vote: Ayes, Commissioners Liem, Moutes, Roten, Vice President Sidley, and President Chao -5; Nays, None.

G. NOTIFICATION OF COMMITMENT OF UP TO $2,857,143 IN THRIVE CAPITAL PARTNERS X, L.P. – This report was received by the Board and filed.

H. NOTIFICATION OF COMMITMENT OF UP TO $17,142,857 IN THRIVE CAPITAL PARTNERS X GROWTH, L.P. – This report was received by the Board and filed.

I. NOTIFICATION OF COMMITMENT OF UP TO $15 MILLION IN MISCHIEF 3, L.P. – This report was received by the Board and filed.

J. NOTIFICATION OF COMMITMENT OF UP TO $25 MILLION IN BATTERY VENTURES XV, L.P. – This report was received by the Board and filed.

K. NOTIFICATION OF COMMITMENT OF UP TO $50 MILLION IN FRANCISCO PARTNERS VIII, L.P. – This report was received by the Board and filed.

L. NOTIFICATION OF COMMITMENT OF UP TO $20 MILLION IN FRANCISCO PARTNERS AGILITY IV, L.P. – This report was received by the Board and filed.

M. NOTIFICATION OF COMMITMENT OF UP TO $80 MILLION IN HAYFIN TACTICAL SOLUTIONS FUND (US PARALLEL) LP – This report was received by the Board and filed.

N. NOTIFICATION OF COMMITMENT OF UP TO $15 MILLION IN SPARK CAPITAL IX, L.P. – This report was received by the Board and filed.

O. NOTIFICATION OF COMMITMENT OF UP TO $35 MILLION IN SPARK CAPITAL GROWTH FUND VI, L.P. – This report was received by the Board and filed.

P. NOTIFICATION OF COMMITMENT OF UP TO $40 MILLION IN NEW ENTERPRISE ASSOCIATES 19, L.P. – This report was received by the Board and filed.

Q. NOTIFICATION OF COMMITMENT OF UP TO $35 MILLION IN NEA 19 VENTURE GROWTH EQUITY, L.P. – This report was received by the Board and filed.

President Chao recessed the Regular meeting at 11:54 A.M. to convene in closed session.

VIII

LEGAL/LITIGATION

A. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 18 v. CITY OF LOS ANGELES ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCP02171)

B. CLOSED SESSION PURSUANT TO SUBDIVISIONS (A) AND (D)(1) OF GOVERNMENT CODE SECTION 54956.9 TO CONFER WITH, AND/OR RECEIVE ADVICE FROM LEGAL COUNSEL AND POSSIBLE BOARD ACTION REGARDING PENDING LITIGATION IN THE CASE ENTITLED: THOMAS CRAWLEY v. LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM ET AL., (LOS ANGELES SUPERIOR COURT CASE NO. 24STCV14282)

President Chao reconvened the Regular meeting at 12:07 P.M. with nothing to report.

IX

OTHER BUSINESS – There was no other business.

X

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, June 9, 2026, at 10:00 A.M., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, CA 90012.

XI

ADJOURNMENT – There being no further business before the Board, President Chao adjourned the meeting at 12:08 P.M.

Annie Chao, President
Todd Bouey, Manager-Secretary