

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

LACERS Ken Spiker Boardroom
202 West First Street, Fifth Floor
Los Angeles, California

December 10, 2019

10:13 a.m.

Agenda of: Jan. 14, 2020

Item No: II

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

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

I

PUBLIC COMMENTS ON MATTERS WITHIN THE BOARD'S JURISDICTION – President Ruiz asked if there were any persons who wished to speak on matters within the Board's jurisdiction, to which Vice President Wilkinson commented about Tara Miller, LACERS Wellness Coordinator, and her contributions to the Retiree Wellness Program. President Ruiz echoed Vice President Wilkinson's comments and acknowledged staff and the Commissioners for their hard work.

II

APPROVAL OF MINUTES FOR REGULAR BOARD MEETING OF NOVEMBER 12, 2019 AND POSSIBLE BOARD ACTION – Commissioner Chao moved approval, seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -6; Nays, None.

III

BOARD PRESIDENT VERBAL REPORT – President Ruiz reflected on 2019 and thanked staff and the Commissioners for their service.

IV

GENERAL MANAGER VERBAL REPORT

A. REPORT ON DEPARTMENT OPERATIONS – Lita Payne, Executive Officer, discussed the following items:

- Headquarters building
- Revenue Generation Commission
- Generational mortality implementation in the Pension Administration System
- Employee transfers from the Water and Power Employees Retirement Plan
- Popular Annual Financial Report
- Retirement Services Division staff changes
- 2020 basic Medicare Part B premium rate increase
- ALEX 2020 has 459 visits
- Transfer of Anthem PSR funds
- Wellness Program Manager Contract to end on 12/31/19

Ms. Payne recognized Tara Miller, LACERS Wellness Coordinator, for her service. Alex Rabrenovich, Chief Benefits Analyst, recognized Ms. Miller's achievements and presented her with a certificate signed by the LACERS Commissioners.

President Ruiz recessed the Regular Meeting at 10:38 a.m. to take photos with Ms. Miller. The Regular Meeting reconvened at 10:40 a.m.

B. UPCOMING AGENDA ITEMS – Ms. Payne stated the following items will be on an upcoming Board agenda:

- Board January 2020 - Comprehensive Annual Financial Report (CAFR)

V

RECEIVE AND FILE ITEMS

- A. MONTHLY REPORT ON SEMINARS AND CONFERENCES FOR OCTOBER 2019 – This report was received by the Board and filed.
- B. COMMISSIONER WILKINSON BOARD EDUCATION EVALUATION ON SACRS FALL CONFERENCE, MONTEREY, CA; NOVEMBER 12-15, 2019 – This report was received by the Board and filed.
- C. MARKETING CESSATION NOTIFICATION – This report was received by the Board and filed.
- D. BENEFIT PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.

VI

BENEFITS ADMINISTRATION

- A. OPEN ENROLLMENT UPDATE – VERBAL REPORT – Heather Ramirez, Senior Management Analyst, Health Benefits Administration & Communications Division, stated there were six Open Enrollment meetings in 2019 with 960 attendees. She also stated that LACERS Member Service Center handled over 5,500 calls with 84% of calls answered in less than 2.5 minutes.

James Napier, Deputy City Attorney, was present during Item VI-B.

Ferralyn Sneed, Senior Management Analyst II, Retirement Services Division, recognized and acknowledged Anna Ingram, Management Analyst with Retirement Services Division, and her 37 years of City service. Ms. Ingram will be retiring at the end of the December 2019.

- B. CONSIDERATION OF RETIREE AZAR NEJAD REQUEST TO MAKE MONTHLY DISABILITY LOAN DEDUCTIONS AND POSSIBLE BOARD ACTION – Anna Ingram, Management Analyst, presented this item to the Board. Commissioner Serrano moved approval, seconded by Vice President Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -6; Nays, None.

VII

COMMITTEE REPORT(S)

- A. INVESTMENT COMMITTEE VERBAL REPORT ON THE MEETING OF NOVEMBER 12, 2019 – Commissioner Sohn stated the Committee approved the Private Equity Program 2020 Strategic Plan.
- B. INVESTMENT COMMITTEE VERBAL REPORT ON THE SPECIAL MEETING OF DECEMBER 2, 2019 – Commissioner Sohn stated finalist firms of the Active U.S. Small Cap Equities Investment Manager search presented to the Committee. The Committee took no action on this item.
- C. GOVERNANCE COMMITTEE VERBAL REPORT ON THE MEETING OF DECEMBER 10, 2019 – Commissioner Serrano stated the Committee approved the revisions to the Board Education and Travel Policy. She also stated the Committee tabled and moved to the full Board the Board agenda title for Private Real Estate Investment item and the policy discussion regarding Total Composition of Workforce forms.

VIII

BOARD/DEPARTMENT ADMINISTRATION

- A. EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2019 – This report was received by the Board and filed.
- B. PRESENTATION OF LACERS AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDING JUNE 30, 2019 – Wally Oyewole, Departmental Audit Manager and Rosalva Flores, Partner with Brown Armstrong, presented and discussed this item to the Board. Staff and the Commissioners discussed this item for 34 minutes.

IX

INVESTMENTS

- A. CHIEF INVESTMENT OFFICER VERBAL REPORT – Rod June, Chief Investment Officer, reported on the portfolio value, \$18.56 Billion as of December 9, 2019. Mr. June discussed the following items:
- Manager search forward calendar
 - Three new Investment Officers: Ellen Chen, Clark Hoover, and Jeremiah Paras
- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2019 – Carolyn Smith, Partner with NEPC, and the Board discussed this item for 1 hour and 6 minutes.
- C. PRESENTATION BY TORREYCOVE CAPITAL PARTNERS LLC OF THE PRIVATE EQUITY PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDING JUNE 30, 2019 – Jeff Goldberger and Heidi Poon, Vice Presidents with TorreyCove, and the Board discussed this item for 37 minutes.

Commissioner Chao left the Regular Meeting at 1:28 p.m.

- D. PRIVATE EQUITY PROGRAM 2020 STRATEGIC PLAN AND POSSIBLE BOARD ACTION – Commissioner Sohn moved approval, seconded by Commissioner Serrano, and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.
- E. NOTIFICATION OF COMMITMENT OF UP TO \$10 MILLION IN P4G CAPITAL PARTNERS I, L.P. This report was received by the Board and filed.
- F. NOTIFICATION OF COMMITMENT OF UP TO €35.4 MILLION (APPROXIMATELY \$40 MILLION) IN MONTAGU VI, L.P. This report was received by the Board and filed.
- G. NOTIFICATION OF COMMITMENT OF UP TO \$25 MILLION IN OAK HC/FT PARTNERS III, L.P. This report was received by the Board and filed.
- H. NOTIFICATION OF COMMITMENT OF UP TO \$10 MILLION IN SUNSTONE PARTNERS II, L.P. This report was received by the Board and filed.
- I. DISCLOSURE REPORT OF FEES, EXPENSES, CARRIED INTEREST OF ALTERNATIVE INVESTMENT VEHICLES FOR THE FISCAL YEAR ENDING JUNE 30, 2019 PURSUANT TO GOVERNMENT CODE SECTION 7514.7 – Bryan Fujita, Chief Operating Officer and Eduardo Park, Investment Officer I, presented this item and the report was received by the Board and filed.

X

DISABILITY RETIREMENT APPLICATION(S)

- A. CONSIDER THE DISABILITY RETIREMENT APPLICATION OF VERONICA REYES TORKAMANI AND POSSIBLE BOARD ACTION – Anna Ingram, Management Analyst with Retirement Services Division, presented this item to the Board. Commissioner Serrano moved approval, seconded by Commissioner Elizabeth Lee, and adopted by the following vote: Ayes, Commissioners Elizabeth Lee, Serrano, Sohn, Vice President Wilkinson, and President Ruiz -5; Nays, None.

President Ruiz recessed the Regular Meeting at 1:39 p.m. to convene in Closed Session.

- B. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF ANNETTE JACKSON TURNER AND POSSIBLE BOARD ACTION**

- C. **CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b) TO CONSIDER THE DISABILITY RETIREMENT APPLICATION OF VIRGINIA PEREZ AND POSSIBLE BOARD ACTION**

President Ruiz reconvened the Regular Meeting at 1:40 p.m. and announced that the Board unanimously approved the Disability Retirement Applications of Annette Jackson Turner and Virginia Perez.

XI

OTHER BUSINESS – Lita Payne, Executive Officer, stated the LACERS Holiday Party is scheduled for Thursday, December 12, 2019, and all the Commissioners are welcome to attend.

XII

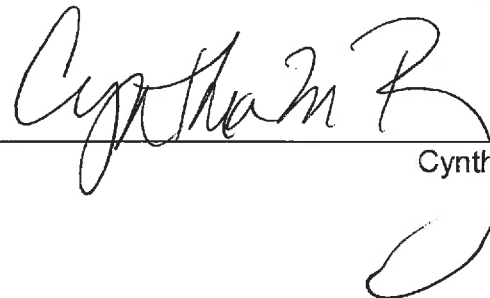
NEXT MEETING – The next Regular meeting of the Board is scheduled for Tuesday, January 14, 2020 at 10:00 a.m. in the LACERS Ken Spiker Boardroom, 202 West First Street, Suite 500, Los Angeles, CA 90012-4401.

XIII

ADJOURNMENT – There being no further discussion before the Board, President Ruiz adjourned the meeting at 1:42 p.m.



Lita Payne
Manager-Secretary



Cynthia M. Ruiz
President

