

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

March 14, 2023

10:00 a.m.

PRESENT:	President:	Nilza R. Serrano
	Vice President:	Elizabeth Lee
	Commissioners:	Annie Chao Thuy Huynh Janna Sidley Sung Won Sohn 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 – President Serrano asked if any persons wanted to make a general public comment to which there was no public comment cards submitted.

II

BOARD PRESIDENT VERBAL REPORT – President Serrano welcomed everyone back to in-person meetings and thanked staff.

III

GENERAL MANAGER VERBAL REPORT

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

- LACERS HQ Update
- Insurance Update
- Retirement Services updates

- Health Benefits Administration updates
- Communications and Stakeholder Relations
- Upcoming events

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

- Benefits Administration Committee – March 28th: Health Board Rules and Anthem Advantage Plan Survey Results
- Governance Committee – March 28th: A continuation of the Triennial Board Policy Review
- Board of Administration – March 28th: FY 23/24 Preliminary Budget, Personnel and Annual Resolutions

IV

RECEIVE AND FILE ITEMS

- A. BENEFITS PAYMENTS APPROVED BY GENERAL MANAGER – This report was received by the Board and filed.
- B. ETHICAL CONTRACT COMPLIANCE REPORT NOTIFICATION TO THE BOARD – This report was received by the Board and filed.
- C. EDUCATION AND TRAVEL EXPENDITURE REPORT FOR THE QUARTER ENDING DECEMBER 31, 2022 – This report was received by the Board and filed.

V

Commissioner Chao moved approval of Consent Agenda Item V-A, seconded by Commissioner Sidley, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

CONSENT ITEM(S)

- A. APPROVAL OF MINUTES FOR THE MEETING OF FEBRUARY 14, 2023 AND SPECIAL MEETING OF FEBRUARY 22, 2023 AND POSSIBLE BOARD ACTION

VI

COMMITTEE REPORT(S)

- A. GOVERNANCE COMMITTEE VERBAL REPORT FOR THE MEETING ON FEBRUARY 28, 2023 – President Serrano stated that the Committee approved the Triennial Board Review: Section 3.0 Duties and Responsibilities, Subsection 3.1 through 3.5.

VII

BOARD/DEPARTMENT ADMINISTRATION

- A. UPDATE ON TELECONFERENCING OPTIONS FOR BOARD MEETINGS UNDER TRADITIONAL BROWN ACT REQUIREMENTS AND NEW PROTOCOLS PURSUANT TO ASSEMBLY BILL 2449 AND POSSIBLE BOARD ACTION – Neil M. Guglielmo, General Manager, presented this item with the Committee. After a five-minute discussion, Commissioner Wilkinson moved approval, seconded by Vice President Lee, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; 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 \$20.93 billion as of March 13, 2023. Mr. June discussed the following items:
- Staff to initiate full review of the Investment Policy Manual
 - Update and discussion on Silicon Valley Bank (SVB) and Signature Bank
 - Barbara Sandoval, Investment Officer II, has accepted the position of Emerging Manager Program Officer
 - Future Agenda Items: Investment Manager Contract with two investment managers (Granahan-US Small Cap Growth and EAM – US Small Cap Growth Equities); Annual Adaptive Asset Allocation Policy Status Report

Mr. June shared that Russian exposure for LACERS was 1.4 basis points and there were no material changes since February 24, 2023.

President Serrano recessed the Regular Meeting at 11:17 a.m. for a break and reconvened the meeting at 11:24 a.m.

- B. PRESENTATION BY NEPC, LLC OF THE PORTFOLIO PERFORMANCE REVIEW FOR THE QUARTER ENDING DECEMBER 31, 2022 – Carolyn Smith, Partner, and Kevin Novak, Principal, with NEPC, LLC, presented and discussed this item with the Board for 1.5 hours.

IX

LEGAL/LITIGATION

- A. APPROVAL OF REQUEST FOR PROPOSALS FOR OUTSIDE DATA PRIVACY, HEALTH LAW, AND CYBERSECURITY COUNSEL AND POSSIBLE BOARD ACTION – Joshua Geller, Deputy City Attorney, presented this item to the Board. Vice President Lee moved approval, seconded by Commissioner Wilkinson, and adopted by the following vote: Ayes, Commissioners Chao, Huynh, Sidley, Sohn, Wilkinson, Vice President Lee, and President Serrano -7; Nays, None.

X

OTHER BUSINESS – President Serrano, Commissioner Wilkinson, and Commissioner Sohn thanked staff who worked on the 977 HQ project.

XI

NEXT MEETING: The next Regular meeting of the Board is scheduled for Tuesday, March 28, 2023, at 10:00 a.m., in the LACERS Boardroom, at 977 N. Broadway, Los Angeles, California 90012-1728.

XII

ADJOURNMENT – There being no further business before the Board, President Serrano adjourned the Meeting at 12:58 p.m.



Nilza R. Serrano
President



Neil M. Guglielmo
Manager-Secretary