

**REGULAR MEETING OF THE BOARD OF ADMINISTRATION OF THE
WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

MINUTES

October 28, 2015

Board Members Present:

Javier Romero, President
Barry Poole, Vice President
LaTanya Bogin, Regular Member
Timothy Hemming, Retiree Member

Board Members Absent:

Marcie L. Edwards, General Manager
Mel Levine, LADWP Commissioner
Mario Ignacio, Chief Accounting Employee

Staff Present:

Linda P. Le, Retirement Plan Manager
Mary C. Higgins, Asst. Retirement Plan Manager
Monette Carranceja, Asst. Retirement Plan Manager
Jeremy Wolfson, Chief Investment Officer
Scott Vargas, Senior Investment Officer
Alex Lee, Investment Officer
Melissa Soo Hoo, Investment Officer
Mary E. Alvarez, Utility Executive Secretary

Others Present:

James Napier, Deputy City Attorney

Mr. Romero called the meeting to order at 9:06 a.m.

Ms. Le stated a quorum of the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) was present.

Public Comments

Ms. Alvarez stated no request for public comment was received.

The Board met in Closed Session at 9:08 a.m. to discuss the following:

- 12. CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54956.81 to Consider the Purchase of One Particular, Specific Pension Fund Investment**
- 13. CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54956.81 to Consider the Purchase of One Particular, Specific Pension Fund Investment**
- 14. CLOSED SESSION – PURSUANT TO SUBDIVISIONS (a) AND (d)(1) OF GOVERNMENT CODE SECTION 54956.9 to Confer with Legal Counsel Regarding Pending Litigation. Case: Official Committee of Unsecured Creditors of Motors Liquidation Company fka General Motors Corporation vs. JPMorgan Chase NA, Individually and as Administrative Agent, et al. [United States Bankruptcy Court, Southern District of New York, Chapter 11 Case No. 09-50025 (REG), Adversary Case No. 09-00504 (REG)]**

15. CLOSED SESSION – PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1) to Consider Board Review of the Annual Evaluation of City Attorney Services for the Period of July 1, 2015 through September 30, 2015

The Retirement Board reconvened in Open Session at 10:30 a.m.

The Retirement Board recessed at 10:30 a.m. and reconvened at 10:35 a.m.

10. Presentation by Pension Consulting Alliance, Inc. – 2015 Second Quarter Private Equity Performance Report

Mr. Romero acknowledged Mr. Tad Fergusson, representative for Pension Consulting Alliance, Inc., who presented the portfolio overview for the 2015 Second Quarter Private Equity Performance Report. Mr. Fergusson discussed the Plan's Private Equity Program – one-year change as of June 30, 2015, and Private Equity Performance vs. Policy Benchmark, as of June 30, 2015.

1. Request for Approval of Minutes of October 14, 2015, Regular Meeting

Mr. Romero requested that the sentence prior to item number two be stricken, as it was redundant.

2. Termination from Rolls

- a) Termination of Monthly Allowance from the October 2015 Retirement Roll
- b) Termination of Toney E. Bible from the October 2015 Permanent Total Disability Roll
- c) Termination of Richard Gershon from the October 2015 Permanent Total Disability Roll

Mr. Hemming moved that the Board approve Item 1, as amended, and Item 2; seconded by Ms. Bogin

Ayes: Bogin, Hemming, Poole, Romero

Nays: None

Absent: Edwards, Ignacio, Levine

THE MOTION CARRIED

3. Report of Payment Authorizations for September 2015

4. Notice of Deaths for September 2015

5. Investment Reports for September 2015

- a) Summary of Investment Returns as of September 30, 2015
- b) Market Value of Investments by Fund and Month as of September 30, 2015
- c) Market Value of the Retirement, Death and Disability Funds and Retiree Health Care Fund as of September 30, 2015
- d) Summary of Contract Expirations

6. Report on Status of Insurance as of October 20, 2015

7. Presentation by Pension Consulting Alliance, Inc – 2015 First Quarter Private Equity Performance Report

Ms. Bogin moved that the Board approve Item 3, through Item 7; seconded by Mr. Hemming

Ayes: Bogin, Hemming, Poole, Romero

Nays: None

Absent: Edwards, Ignacio, Levine

THE MOTION CARRIED

8. Discussion of the Target Asset Allocation Implementation Plan; and Possible Action

Mr. Wolfson presented the Target Asset Allocation Implementation Plan, and focused on interim targets and the implementation plan of the new strategic targets. Mr. Wolfson discussed structure of interim targets in order to fund less liquid asset classes. He stated that multiple options regarding hedge funds and implementation plans would be presented by RVK at a future Retirement Board meeting.

Mr. Poole moved that the Board approved Resolution No. 16-31; seconded by Ms. Bogin.

Ayes: Bogin, Hemming, Poole, Romero

Nays: None

Absent: Edwards, Ignacio, Levine

THE MOTION CARRIED

9. Discussion of the Global Real Estate Investment Trust Guidelines; and Possible Action

Mr. Wolfson presented the Global Real Estate Investment Trust Guidelines, and reminded the Retirement Board of the goal of investment policies and specific manager guidelines that are negotiated into the contracts once the Retirement Board has selected a manager. Ms. Soo Hoo, summarized the proposed changes to the investment guidelines for Global Real Estate Investment Trust managers.

Ms. Bogin moved that the Board approve Resolution No. 16-32; seconded by Mr. Hemming.

Ayes: Bogin, Hemming, Poole, Romero

Nays: None

Absent: Edwards, Ignacio, Levine

THE MOTION CARRIED

11. Presentation by Courtland Partners – 2015 Second Quarter Real Estate Performance Report

Mr. Wolfson noted that the Real Estate portfolio was performing quite well, and commended the Retirement Board for successfully investing in Real Estate.

Mr. Wolfson introduced Michael Humphrey and Stanley Kim, Courtland Partners representatives. Mr. Humphrey presented the 2015 Second Quarter Real Estate Performance Report. Mr. Humphrey discussed the Allocations Summary and highlighted Current Portfolio Market Value, including, Unfunded Investment commitments.

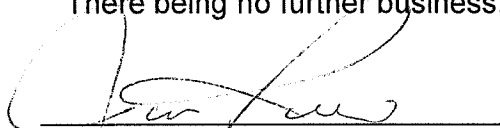
16. Retirement Plan Manager’s Comments

There were no comments from the Retirement Plan Manager.

17: Future Agenda Items

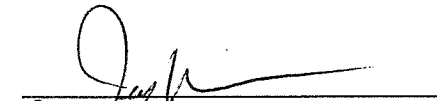
There were no requests for future agenda items.

There being no further business, the meeting adjourned at 11:08 a.m.



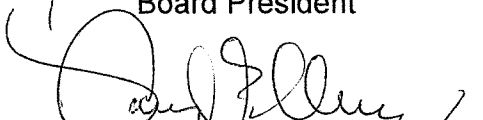
Javier Romero
Board President

11/18/15
Date



Linda P. Le
Retirement Plan Manager

11/18/15
Date



Mary E. Alvarez
Utility Executive Secretary

11/18/15
Date